

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**If you are in doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.**

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# ICON OFFSHORE

## ICON OFFSHORE BERHAD

(Registration No. 201201011310 (984830-D))  
(Incorporated in Malaysia)

### CIRCULAR TO SHAREHOLDERS IN RELATION TO

#### PART A

- (I) PROPOSED ACQUISITION OF LIANNEX FLEET (AS DEFINED HEREIN);
- (II) PROPOSED ACQUISITION OF YINSON POWER MARINE (AS DEFINED HEREIN);
- (III) PROPOSED ACQUISITION OF REGULUS OFFSHORE (AS DEFINED HEREIN);
- (IV) PROPOSED ACQUISITION OF YINSON CAMELLIA (AS DEFINED HEREIN);
- (V) PROPOSED ACQUISITION OF ICON BAHTERA (AS DEFINED HEREIN); AND
- (VI) PROPOSED ACQUISITION OF ICON WAJA (AS DEFINED HEREIN)

#### PART B

**INDEPENDENT ADVICE LETTER FROM KENANGA INVESTMENT BANK BERHAD TO THE NON-INTERESTED SHAREHOLDERS OF ICON OFFSHORE BERHAD ("ICON" OR "COMPANY") IN RELATION TO THE PROPOSED RELATED PARTY ACQUISITIONS (AS DEFINED HEREIN)**

#### **AND**

### **NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Principal Adviser*

*Independent Adviser*



**Investment Bank**

**Company Registration No. 197301002412**  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

**kenanga**

**Kenanga Investment Bank Berhad**  
(Registration No. 197301002193 (15678-H))  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting ("EGM") of ICON and the Form of Proxy are enclosed in this Circular. This Circular together with the Administrative Guide for the EGM are available at our Company's corporate website at [www.iconoffshore.com.my](http://www.iconoffshore.com.my) and Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) under our Company's announcements. The EGM is to be held on a fully virtual basis via Online Meeting Platform on Monday, 27 January 2025 at 10.00 a.m. or any adjournment thereof where shareholders are to attend, speak (including posing questions to the Board of Directors of ICON via real time submission of typed text(s)) and vote remotely at the EGM via Remote Participation and Electronic Voting ("RPEV") facilities provided by Boardroom Share Registrars Sdn Bhd ("Share Registrar") at <https://meeting.boardroomlimited.com>. Please follow the procedures of RPEV as stated in the Administrative Guide for the EGM.

A shareholder entitled to attend and vote at the EGM is entitled to appoint up to two (2) proxies to attend and vote for him/her or on his/her behalf. In such event, the completed and signed Form of Proxy must be deposited at the office of the Company's Share Registrar at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, or alternatively, can be submitted via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than 48 hours before the time set for holding the EGM or any adjournment thereof.

Last date and time for deposit of the Form of Proxy : 10.00 a.m. on Saturday, 25 January 2025  
Date and time of the EGM : 10.00 a.m. on Monday, 27 January 2025

For further information on the electronic lodgement of the Form of Proxy, kindly refer to the Administrative Guide for the EGM.

This Circular is dated 10 January 2025

CIRCULAR TO SHAREHOLDERS IN RELATION TO

PART A

- (I) PROPOSED ACQUISITION OF 100 ORDINARY SHARES IN LIANNEX FLEET PTE LTD ("LIANNEX FLEET"), REPRESENTING 100% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF LIANNEX FLEET, BY ICON FROM LIANNEX CORPORATION (S) PTE LTD FOR A PURCHASE CONSIDERATION OF RM182.0 MILLION TO BE WHOLLY SATISFIED VIA ISSUANCE OF 206,818,182 NEW ORDINARY SHARES IN ICON ("CONSIDERATION SHARES") AT AN ISSUE PRICE OF RM0.88 PER CONSIDERATION SHARE ("ISSUE PRICE") ("PROPOSED ACQUISITION OF LIANNEX FLEET");
- (II) PROPOSED ACQUISITION OF 5,324,400 ORDINARY SHARES IN YINSON POWER MARINE SDN BHD ("YINSON POWER MARINE"), REPRESENTING 51% OF THE ISSUED SHARE CAPITAL OF YINSON POWER MARINE, BY ICON FROM MR. LIM HAN WENG FOR A PURCHASE CONSIDERATION OF RM18.0 MILLION TO BE WHOLLY SATISFIED VIA ISSUANCE OF 20,454,545 CONSIDERATION SHARES AT THE ISSUE PRICE ("PROPOSED ACQUISITION OF YINSON POWER MARINE");
- (III) PROPOSED ACQUISITION OF 525,000 ORDINARY SHARES IN REGULUS OFFSHORE SDN BHD ("REGULUS OFFSHORE"), REPRESENTING 70% OF THE ISSUED SHARE CAPITAL OF REGULUS OFFSHORE, AND 25,000,000 OUTSTANDING NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES IN REGULUS OFFSHORE, BY ICON FROM YINSON OFFSHORE SERVICES SDN BHD ("YINSON OFFSHORE") FOR A PURCHASE CONSIDERATION OF RM136.0 MILLION TO BE WHOLLY SATISFIED VIA ISSUANCE OF 154,545,455 CONSIDERATION SHARES AT THE ISSUE PRICE ("PROPOSED ACQUISITION OF REGULUS OFFSHORE");
- (IV) PROPOSED ACQUISITION OF 1 ORDINARY SHARE IN YINSON CAMELLIA SDN BHD ("YINSON CAMELLIA"), REPRESENTING 100% OF THE ISSUED SHARE CAPITAL OF YINSON CAMELLIA, BY ICON FROM YINSON OFFSHORE FOR A PURCHASE CONSIDERATION OF RM24.0 MILLION TO BE WHOLLY SATISFIED VIA ISSUANCE OF 27,272,727 CONSIDERATION SHARES AT THE ISSUE PRICE ("PROPOSED ACQUISITION OF YINSON CAMELLIA");
- (V) PROPOSED ACQUISITION OF 49,000 ORDINARY SHARES IN ICON BAHTERA (B) SDN BHD ("ICON BAHTERA"), REPRESENTING 49% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF ICON BAHTERA, AND 3,011,000 OUTSTANDING REDEEMABLE PREFERENCE SHARES IN ICON BAHTERA, BY ICON FROM ZELL TRANSPORTATION SDN BHD ("ZELL TRANSPORTATION") FOR A PURCHASE CONSIDERATION OF RM33.7 MILLION TO BE WHOLLY SATISFIED VIA ISSUANCE OF 38,295,455 CONSIDERATION SHARES AT THE ISSUE PRICE ("PROPOSED ACQUISITION OF ICON BAHTERA"); AND
- (VI) PROPOSED ACQUISITION OF 450,000 ORDINARY SHARES IN ICON WAJA (L) INC. ("ICON WAJA"), REPRESENTING 15% OF THE ISSUED SHARE CAPITAL OF ICON WAJA, BY ICON FROM ZELL TRANSPORTATION FOR A PURCHASE CONSIDERATION OF RM9.8 MILLION TO BE WHOLLY SATISFIED VIA ISSUANCE OF 11,136,364 CONSIDERATION SHARES AT THE ISSUE PRICE ("PROPOSED ACQUISITION OF ICON WAJA").

(LIANNEX FLEET, YINSON POWER MARINE, REGULUS OFFSHORE, YINSON CAMELLIA, ICON BAHTERA AND ICON WAJA ARE COLLECTIVELY REFERRED TO AS "TARGET COMPANIES")

(PROPOSED ACQUISITION OF LIANNEX FLEET, PROPOSED ACQUISITION OF YINSON POWER MARINE, PROPOSED ACQUISITION OF REGULUS OFFSHORE AND PROPOSED ACQUISITION OF YINSON CAMELLIA ARE COLLECTIVELY REFERRED TO AS "PROPOSED RELATED PARTY ACQUISITIONS")

(PROPOSED ACQUISITION OF ICON BAHTERA AND PROPOSED ACQUISITION OF ICON WAJA ARE COLLECTIVELY REFERRED TO AS "PROPOSED NON-RELATED PARTY ACQUISITIONS")

(PROPOSED RELATED PARTY ACQUISITIONS AND PROPOSED NON-RELATED PARTY ACQUISITIONS ARE COLLECTIVELY REFERRED TO AS "PROPOSED ACQUISITIONS")

PART B

INDEPENDENT ADVICE LETTER FROM KENANGA INVESTMENT BANK BERHAD TO THE NON-INTERESTED SHAREHOLDERS OF ICON IN RELATION TO THE PROPOSED RELATED PARTY ACQUISITIONS

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

<b>Act</b>	: Companies Act 2016
<b>AHTS</b>	: Anchor handling tug & supply vessel
<b>AWB</b>	: Accommodation workboat
<b>Barisar</b>	: Barisar Corporation Pte Ltd (UEN No. 201311472W)
<b>BNM</b>	: Bank Negara Malaysia
<b>Board</b>	: Board of directors of ICON
<b>Brunei</b>	: Negara Brunei Darussalam
<b>Brunei CA</b>	: Brunei Companies Act, Cap. 39
<b>Bursa Securities</b>	: Bursa Malaysia Securities Berhad
<b>Bursa Depository</b>	: Bursa Malaysia Depository Sdn. Bhd. (Registration No. 198701006854 (165570-W))
<b>Bursar</b>	: Bursar Corporation Pte Ltd (UEN No. 201227970C)
<b>CA 1965</b>	: Companies Act 1965
<b>CGU</b>	: Cash generating unit
<b>Charter Arrangement</b>	: Long-term charter arrangement between Liannex Fleet and Liannex Corporation that is set to expire on 31 December 2027, with 2 optional 1-year extension at the discretion of Liannex Corporation
<b>Circular</b>	: This circular to the shareholders of our Company in relation to the Proposed Acquisitions dated 10 January 2025
<b>Completion Date</b>	: The completion date of the Proposed Acquisitions in accordance with the respective SSPAs
<b>Conditions Precedent</b>	: The conditions precedent of the respective SSPAs as set out in <b>Appendix II</b> of this Circular
<b>Consideration Shares</b>	: New ICON Shares to be issued pursuant to the Proposed Acquisitions
<b>Datuk Abdullah</b>	: Datuk Abdullah Bin Karim, an Independent Non-Executive Director of our Company (up until his resignation from our Board effective 16 December 2024), who voluntarily abstained from all deliberations and voting at the board meetings of our Company pertaining to the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia as set out in <b>Section 14 of Part A</b> of this Circular
<b>Director</b>	: Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the Proposed Acquisitions were agreed upon -  (i) a director of ICON, its subsidiary or holding company; and  (ii) a chief executive of ICON, its subsidiary or holding company
<b>DWT</b>	: Deadweight tonnage
<b>E-Cap</b>	: E-Cap (Internal) Three Sdn Bhd (Registration No. 201401039405 (1115557D))
<b>EBITDA</b>	: Earnings before interest, taxation, depreciation and amortisation
<b>EGM</b>	: Extraordinary general meeting
<b>Ekuinas Capital</b>	: Ekuinas Capital Sdn Bhd (Registration No. 200901033166 (0876279W))

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**DEFINITIONS** *(Cont'd)*

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<b>ESOS</b>	: Employees' share option scheme
<b>EV</b>	: Enterprise value
<b>Fairness Expert's Report</b>	: Expert's report in relation to the purchase consideration for the Proposed Acquisition of Liannex Fleet and Proposed Acquisition of ICON Bahtera prepared by FHCA dated 13 December 2024
<b>Ferlisar</b>	: Ferlisar Corporation Pte Ltd (UEN No. 201539439W)
<b>FHCA or Fairness Expert</b>	: FHHM Corporate Advisory Sdn Bhd (Registration No. 200701016946 (774955-D))
<b>Foreign Target Companies</b>	: Collectively, Liannex Fleet and ICON Bahtera
<b>FPE</b>	: Financial period ended/ ending, as the case may be
<b>FYE</b>	: Financial year ended/ ending, as the case may be
<b>Gimsar</b>	: Gimsar Corporation Pte Ltd (UEN No. 201418473G)
<b>GDP</b>	: Gross domestic product
<b>GT</b>	: Gross tonnage
<b>Hallmark Odyssey</b>	: Hallmark Odyssey Sdn Bhd (Registration No. 201201016304 (1001815U))
<b>Handal</b>	: Handal Corporation Pte Ltd (UEN No. 201609265M)
<b>Himsar</b>	: Himsar Corporation Pte Ltd (UEN No. 201536275G)
<b>IAL</b>	: The independent advice letter in relation to the Proposed Related Party Acquisitions prepared by the Independent Adviser dated 10 January 2025, as set out in <b>Part B</b> of this Circular
<b>ICON or Company</b>	: ICON Offshore Berhad (Registration No. 201201011310 (984830-D))
<b>ICON Bahtera</b>	: ICON Bahtera (B) Sdn Bhd (Registration No. RC00009848)
<b>ICON Bahtera Share</b>	: Ordinary share in ICON Bahtera
<b>Icon Fleet</b>	: Icon Fleet Sdn Bhd (Registration No. 200801035589 (836930-T))
<b>ICON Group or Group</b>	: Collectively, ICON and its subsidiaries
<b>ICON Share</b>	: Ordinary share in ICON
<b>ICON Waja</b>	: ICON Waja (L) Inc. (Registration No. LL09624)
<b>ICON Waja Share</b>	: Ordinary share in ICON Waja
<b>Interested Director</b>	: Lim Chern Wooi, being the interested director in respect of the Proposed Related Party Acquisitions, as set out in <b>Section 14</b> of <b>Part A</b> of this Circular
<b>Interested Major Shareholders</b>	: Collectively, Mr. LHW, Madam Bah, Liannex Corporation and Liannex Maritime
<b>Issue Price</b>	: RM0.88 per Consideration Share
<b>Kangsar</b>	: Kangsar Corporation Pte Ltd (UEN No. 201212849G)
<b>Kenanga IB or Independent Adviser</b>	: Kenanga Investment Bank Berhad (Registration No. 197301002193 (15678-H))
<b>Kelisar</b>	: Kelisar Corporation Pte Ltd (UEN No. 201418479M)
<b>Labuan CA</b>	: Labuan Companies Act 1990
<b>LAT</b>	: Loss after taxation

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**DEFINITIONS** *(Cont'd)*


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<b>LBT</b>	: Loss before taxation
<b>Liannex Corporation</b>	: Liannex Corporation (S) Pte Ltd (UEN No. 199304670R)
<b>Liannex Fleet</b>	: Liannex Fleet Pte Ltd (UEN No. 202406787C)
<b>Liannex Fleet Group</b>	: Collectively, Liannex Fleet and its subsidiaries
<b>Liannex Maritime</b>	: Liannex Maritime Sdn Bhd (Registration No. 202401003707 (1549557D))
<b>Listing Requirements</b>	: Main Market Listing Requirements of Bursa Securities
<b>LNG</b>	: Liquefied natural gas
<b>LPD</b>	: 13 December 2024, being the latest practicable date prior to the printing of this Circular
<b>LTD 1</b>	: 28 August 2024, being the latest trading date prior to the date of the Term Sheets Announcement
<b>LTD 2</b>	: 21 November 2024, being the latest trading date prior to the date of the SSPA Announcement
<b>Major Shareholder</b>	<p>: Any person who is or was within the preceding 6 months of the date on which the terms of the Proposed Acquisitions were agreed upon, who has an interest or interests in one or more voting shares in ICON and the number or aggregate number of those shares, is –</p> <p>(a) 10% or more of the total number of voting shares in ICON; or</p> <p>(b) 5% or more of the total number of voting shares in ICON where such person is the largest shareholder of ICON</p> <p>For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act</p>
<b>Marine Comparable Companies</b>	: Selected comparable companies that are listed on stock exchanges in South East Asia for more than 2 years and principally involved in the provision of marine transportation activities (contributing over 51% of total revenue), with market capitalisation below RM500 million in view that the purchase consideration for the Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine is below RM500 million, respectively
<b>Market Day</b>	<p>: A day on which Bursa Securities is open for trading in securities, which may include a Surprise Holiday</p> <p>A “<b>Surprise Holiday</b>” means a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year</p>
<b>M3 Marine Valuations or Specialist Vessel Valuer</b>	: M3 Marine Valuations Pte Ltd (Registration No. 201607937E)
<b>Maybank IB or Principal Adviser</b>	: Maybank Investment Bank Berhad (Registration No. 0015938H)
<b>Madam Bah</b>	: Madam Bah Kim Lian
<b>Melisar</b>	: Melisar Corporation Pte Ltd (UEN No. 201418468H)
<b>MFRS</b>	: Malaysian Financial Reporting Standards
<b>Mr. LHW</b>	: Mr. Lim Han Weng
<b>NA</b>	: Net assets
<b>NAV</b>	: Net asset value

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**DEFINITIONS** *(Cont'd)*

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<b>NBV</b>	: Net book value
<b>NCI</b>	: Non-controlling interest
<b>Nimsar</b>	: Nimsar Corporation Pte Ltd (UEN No. 201418482H)
<b>O&amp;G</b>	: Oil and gas
<b>OSV</b>	: Offshore support vessel
<b>OSV Comparable Companies</b>	: Selected comparable companies that are listed on stock exchanges in South East Asia for more than 2 years and principally involved in the provision of OSV (contributing over 51% of total revenue), with market capitalisation below RM500 million in view that the purchase consideration for the Proposed Acquisition of Regulus Offshore, Proposed Acquisition of Yinson Camellia, Proposed Acquisition of ICON Bahtera and Proposed Acquisition of ICON Waja is below RM500 million, respectively
<b>PAT</b>	: Profit after taxation
<b>PBT</b>	: Profit before taxation
<b>P/Adjusted NA</b>	: Price-to-adjusted NA
<b>PB</b>	: Price-to-book
<b>PPE</b>	: Property, plant and equipment
<b>Proposed Acquisitions</b>	: Collectively, the Proposed Related Party Acquisitions and the Proposed Non-Related Party Acquisitions
<b>Proposed Acquisition of ICON Bahtera</b>	: Proposed acquisition of 49,000 ordinary shares in ICON Bahtera, representing 49% of the issued and paid-up share capital of ICON Bahtera, and 3,011,000 outstanding RPS in ICON Bahtera, by our Company from Zell Transportation for a purchase consideration of RM33.7 million to be wholly satisfied via issuance of 38,295,455 Consideration Shares at the Issue Price
<b>Proposed Acquisition of ICON Waja</b>	: Proposed acquisition of 450,000 ordinary shares in ICON Waja, representing 15% of the issued share capital of ICON Waja, by our Company from Zell Transportation for a purchase consideration of RM9.8 million to be wholly satisfied via issuance of 11,136,364 Consideration Shares at the Issue Price
<b>Proposed Acquisition of Liannex Fleet</b>	: Proposed acquisition of 100 ordinary shares in Liannex Fleet, representing 100% of the issued and paid-up share capital of Liannex Fleet, by our Company from Liannex Corporation for a purchase consideration of RM182.0 million to be wholly satisfied via issuance of 206,818,182 Consideration Shares at the Issue Price
<b>Proposed Acquisition of Regulus Offshore</b>	: Proposed acquisition of 525,000 ordinary shares in Regulus Offshore, representing 70% of the issued share capital of Regulus Offshore, and 25,000,000 outstanding non-convertible RPS in Regulus Offshore, by our Company from Yinson Offshore for a purchase consideration of RM136.0 million to be wholly satisfied via issuance of 154,545,455 Consideration Shares at the Issue Price
<b>Proposed Acquisition of Yinson Camellia</b>	: Proposed acquisition of 1 ordinary share in Yinson Camellia, representing 100% of the issued share capital of Yinson Camellia, by our Company from Yinson Offshore for a purchase consideration of RM24.0 million to be wholly satisfied via issuance of 27,272,727 Consideration Shares at the Issue Price

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**DEFINITIONS** *(Cont'd)*


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<b>Proposed Acquisition of Yinson Power Marine</b>	: Proposed acquisition of 5,324,400 ordinary shares in Yinson Power Marine, representing 51% of the issued share capital of Yinson Power Marine, by our Company from Mr. LHW for a purchase consideration of RM18.0 million to be wholly satisfied via issuance of 20,454,545 Consideration Shares at the Issue Price
<b>Proposed Acquisition of YPL</b>	: Proposed acquisition of 1 ordinary share in YPL, representing the issued and paid-up share capital of YPL, and 1,700,000 RCPS in YPL, by our Company from Yinson Capital for a purchase consideration of RM8.7 million to be wholly satisfied via issuance of 9,886,364 Consideration Shares at the Issue Price
<b>Proposed Acquisition of YPVPL</b>	: Proposed acquisition of 1 ordinary share in YPVPL, representing the issued and paid-up share capital of YPVPL, and 10,289,000 RCPS in YPVPL, by our Company from Yinson Capital for a purchase consideration of RM16.9 million to be wholly satisfied via issuance of 19,204,545 Consideration Shares at the Issue Price
<b>Proposed Non-Related Party Acquisitions</b>	: Collectively, the Proposed Acquisition of ICON Bahtera and the Proposed Acquisition of ICON Waja
<b>Proposed Placement</b>	: Proposed disposal of such number of existing ICON Shares held by Liannex Maritime to third party investors to be undertaken by Liannex Maritime for purposes of complying with the Public Spread Requirement
<b>Proposed Related Party Acquisitions</b>	: Collectively, the Proposed Acquisition of Liannex Fleet, the Proposed Acquisition of Yinson Power Marine, the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia
<b>PSV</b>	: Platform supply vessel
<b>Public Spread Requirement</b>	: Public shareholding spread requirement pursuant to Paragraph 8.02(1) of the Listing Requirements where ICON must ensure that at least 25% of the total number of listed ICON Shares are in the hands of public shareholders
<b>Purchase Consideration</b>	: The aggregate purchase consideration for the Proposed Acquisitions of RM403.5 million
<b>PwC Malaysia</b>	: PricewaterhouseCoopers PLT (Registration No. LLP0014401-LCA & AF1146)
<b>RCPS</b>	: Redeemable convertible preference shares
<b>Record of Depositors</b>	: A record of securities holders established by Bursa Depository under the Rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991, including the Securities Industry (Central Depositories) Amendment Act, 1998
<b>Regulus Offshore</b>	: Regulus Offshore Sdn Bhd (Registration No. 201101023642 (0951778A))
<b>Regulus Offshore Share</b>	: Ordinary share in Regulus Offshore
<b>RNAV</b>	: Revalued net assets valuation
<b>RPS</b>	: Redeemable preference shares
<b>RPT</b>	: Related party transaction
<b>Rules of Bursa Depository</b>	: The Rules of Bursa Depository as issued pursuant to the Depositories Act as amended from time to time, including Securities Industry (Central Depositories) Amendment Act, 1988
<b>RVA</b>	: Relative valuation analysis

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**DEFINITIONS** *(Cont'd)*


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<b>Sale Shares</b>	: Collectively, (i) 100 ordinary shares in Liannex Fleet; (ii) 5,324,400 ordinary shares in Yinson Power Marine; (iii) 525,000 ordinary shares and 25,000,000 RPS in Regulus Offshore; (iv) 1 ordinary share in Yinson Camellia; (v) 49,000 ordinary shares and 3,011,000 RPS in ICON Bahtera; and (vi) 450,000 ordinary shares in ICON Waja
<b>Sapura Offshore</b>	: Sapura Offshore Sdn Bhd (Registration No. 199001007042 (0198612P))
<b>Sapura Pinewell</b>	: Sapura Pinewell Sdn Bhd (Registration No. 199901010868 (0485768A))
<b>Singapore CA</b>	: Singapore Companies Act 1967
<b>SSPA 1</b>	: Conditional share sale and purchase agreement dated 22 November 2024 between Liannex Corporation, Mr. LHW and ICON for the Proposed Acquisition of Liannex Fleet and the Proposed Acquisition of Yinson Power Marine
<b>SSPA 2</b>	: Conditional share sale and purchase agreement dated 22 November 2024 between Yinson Offshore and ICON for the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia
<b>SSPA 3</b>	: Conditional share sale and purchase agreement dated 22 November 2024 between Zell Transportation and ICON for the Proposed Acquisition of ICON Bahtera and the Proposed Acquisition of ICON Waja
<b>SSPAs</b>	: Collectively, SSPA 1, SSPA 2 and SSPA 3
<b>SSPA Announcement</b>	: Announcement by Maybank IB, on behalf of our Company, in relation to the execution of the SSPAs dated 22 November 2024
<b>Target Companies</b>	: Collectively, Liannex Fleet, Yinson Power Marine, Regulus Offshore, Yinson Camellia, ICON Bahtera andr ICON Waja and 'Target Company' means any one of them, as applicable
<b>Term Sheets</b>	: Binding term sheets entered into between our Company and the respective Vendors on 30 August 2024 for the Proposed Acquisitions
<b>Term Sheets Announcement</b>	: Announcement by Maybank IB, on behalf of our Company, in relation to the execution of the Term Sheets dated 30 August 2024
<b>Vendors</b>	: Collectively, Liannex Corporation, Mr. LHW, Yinson Offshore and Zell Transportation and 'Vendor' means any one of them, as applicable
<b>VWAP</b>	: Volume-weighted average market price
<b>Warrants A</b>	: Warrants 2020/2028 issued by our Company
<b>YHB</b>	: Yinson Holdings Berhad (Registration No. 199301004410 (0259147A))
<b>Yinson Camellia</b>	: Yinson Camellia Sdn Bhd (Registration No. 201901030641 (1339971-X))
<b>Yinson Offshore</b>	: Yinson Offshore Services Sdn Bhd (Registration No. 201901042829 (1352159-D))
<b>Yinson Power Marine</b>	: Yinson Power Marine Sdn Bhd (Registration No. 200801032026 (0833361P))
<b>YLSB</b>	: Yinson Legacy Sdn Bhd (Registration No. 201901003036 (1312362M))
<b>YPL</b>	: Yinson Premier Limited (Registration No. LL13515)
<b>YPVPL</b>	: Yinson Port Ventures Pte Ltd (Registration No. 201115518Z)



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**DEFINITIONS** *(Cont'd)*

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**Zell Transportation** : Zell Transportation Sdn Bhd (Registration No. RC00007945)

**CURRENCIES**

**RM and sen** : Ringgit Malaysia and sen, the lawful currency of Malaysia

**SGD** : Singapore Dollar, the lawful currency of Singapore

**USD** : United States Dollar, the lawful currency of United States of America

**BND** : Brunei Dollar, the lawful currency of Brunei

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**DEFINITIONS** *(Cont'd)*

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All references to “we”, “us”, “our” and “ourselves” are to ICON. All references to “you” in this Circular are to our shareholders.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neutral genders and vice versa. References to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

Any discrepancies in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

Unless stated otherwise, the following exchange rates, being the respective middle rates prevailing as at 5.00 p.m. on the LPD as published by BNM, are used throughout this Circular:

- (i) SGD1.00 : RM3.2992
- (ii) USD1.00 : RM4.4500
- (iii) BND1.00 : RM3.2987

Any exchange rate translation in this Circular is provided solely for your convenience and should not be constituted as representative that the translated amounts stated in this Circular could have been or would have been converted into such other amounts or vice versa.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that ICON's plans and objectives will be achieved.

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## EXECUTIVE SUMMARY

**THIS EXECUTIVE SUMMARY HIGHLIGHTS ONLY THE SALIENT INFORMATION OF THE PROPOSED ACQUISITIONS. YOU ARE ADVISED TO READ THE CIRCULAR IN ITS ENTIRETY FOR FURTHER DETAILS AND NOT TO RELY SOLELY ON THIS EXECUTIVE SUMMARY IN FORMING A DECISION ON THE PROPOSED ACQUISITIONS BEFORE VOTING AT THE FORTHCOMING EGM.**

Key Information	Summary	Reference to this Circular
<b>Details of the Proposed Acquisitions</b>	Proposed acquisition of the Sale Shares by our Company from the respective Vendors for the Purchase Consideration to be wholly satisfied via issuance of 458,522,728 Consideration Shares at an issue price of RM0.88 per Consideration Share.	<b>Section 2, Part A</b>
<b>Rationale and benefits of the Proposed Acquisitions</b>	<ul style="list-style-type: none"> <li>To enlarge our Group's OSV and marine vessel fleet and increase our Group's operational capacity and service coverage as well as expand our existing customer base.</li> <li>To expand our Group's service offering beyond offshore O&amp;G sector to include the transportation and logistics services consisting transportation of commodities, which are expected to complement our Group's existing business activities as well as being able to contribute positively to the future earnings and cash flows of our enlarged Group.</li> <li>To allow our Company to fully consolidate and obtain full control of the business and management of ICON Bahtera and ICON Waja.</li> </ul>	<b>Section 3, Part A</b>
<b>Risks of the Proposed Acquisitions</b>	<ul style="list-style-type: none"> <li>Non-completion – The completion of the Proposed Acquisitions is subject to, among others, the fulfilment of the conditions precedent of the SSPAs as set out in <b>Appendix II</b> of this Circular and obtaining the approvals required for the Proposed Acquisitions as set out in <b>Section 10 of Part A</b> this Circular. The aforementioned conditions and approvals may not be satisfied, waived or obtained, as the case may be, within the stipulated timeframe or any of the termination events may occur such that the Proposed Acquisitions cannot be completed.</li> <li>Integration – The Proposed Acquisitions may potentially expose our Group to new risks including those associated with the assimilation of new operations and personnel, and inability to successfully integrate the Target Companies with our Group's current business.</li> <li>Non-renewal / Non-extension of the existing charter contracts and ability to secure new contracts – The renewal or extension of the existing charter contracts of the subsisting fleet of the Liannex Fleet Group entered into with existing related parties, would be subject to the approval of the non-interested shareholders of ICON. There is a risk of non-renewal of the existing charter contracts should the said recurrent RPT is not approved by the non-interested shareholders of ICON which may have an adverse impact on the financial performance and business operations of our Group post acquisition.</li> <li>Dependence on the directors and key management of the Target Companies – The financial performance of the Target Companies depends largely on the continuous efforts, experience and abilities of their existing key management team, competent personnel and directors, and the Target Companies' ability to attract, motivate and retain qualified and skilled personnel.</li> </ul>	<b>Section 5, Part A</b>

## EXECUTIVE SUMMARY (Cont'd)

Key Information	Summary	Reference to this Circular
	<ul style="list-style-type: none"> <li>General economic, political and regulatory conditions – The performance of the Target Companies may be impacted by changes in political, economic and regulatory conditions in the respective jurisdictions. The various political, economic and regulatory conditions include changes in political leadership, judicial decisions, introduction of new laws and regulations, war, economic downturn, changes in interest rates and foreign exchange regulations.</li> <li>Regulations on foreign investment and repatriation of profits – The Proposed Acquisitions will also be subject to the foreign investment policies of the respective jurisdictions. Any breach or non-compliance with such policies may adversely affect our Company's investments in the Target Companies.</li> <li>Foreign exchange – As the financial results of our Group are reported in RM, any fluctuations of SGD and BND against the RM may impact the profits or the financial position of our Group or both.</li> <li>Goodwill and impairment risk - In accordance to MFRS 3 Business Combinations issued by the Malaysian Accounting Standards Board, the enlarged ICON Group is expected to recognise goodwill arising from the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia of approximately RM62.05 million and RM24.17 million, respectively. Any material changes or events arising and/or fair value adjustments allocated to the identifiable assets and liabilities of Regulus Offshore and Yinson Camellia, and the effects of amortisation of the fair value adjustments if any, may materially and adversely affect our Group's profits and/or financial position that may have a corresponding effect on shareholders' value.</li> </ul>	<b>Section 5, Part A</b>
<b>Approvals Required</b>	<ul style="list-style-type: none"> <li>Non-interested shareholders of ICON at the forthcoming EGM for the Proposed Related Party Acquisitions;</li> <li>Shareholders of ICON at the forthcoming EGM for the Proposed Non-Related Party Acquisitions;</li> <li>Bursa Securities for the listing and quotation of 458,522,728 Consideration Shares on the Main Market of Bursa Securities; and</li> <li>BNM under the Foreign Exchange Notices for the Proposed Acquisition of Liannex Fleet, Proposed Acquisition of ICON Bahtera and Proposed Acquisition of ICON Waja in view that ICON is a Resident Entity with Domestic Ringgit Borrowing that is investing in a Foreign Currency Asset (which includes Labuan-incorporated entities) (as defined in the Foreign Exchange Policy Notices issued by BNM).</li> </ul>	<b>Section 10, Part A</b>
<b>Conditionality of the Proposed Acquisitions</b>	<ul style="list-style-type: none"> <li>The Proposed Acquisition of Liannex Fleet and the Proposed Acquisition of Yinson Power Marine are inter-conditional with each other but not conditional upon the Proposed Acquisition of Regulus Offshore, Proposed Acquisition of Yinson Camellia and the Proposed Non-Related Party Acquisitions.</li> <li>The Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia are inter-conditional with each other but not conditional upon the Proposed Acquisition of Liannex Fleet, Proposed Acquisition of Yinson Power Marine and the Proposed Non-Related Party Acquisitions.</li> </ul>	<b>Section 11, Part A</b>

## EXECUTIVE SUMMARY (Cont'd)

Key Information	Summary	Reference to this Circular
Interests of Directors, Major Shareholders, chief executive and/or persons connected	<ul style="list-style-type: none"> <li>The Proposed Non-Related Party Acquisitions are inter-conditional with each other but not conditional upon any of the Proposed Related Party Acquisitions.</li> </ul> <p>The Proposed Related Party Acquisitions are deemed to be RPTs under Paragraph 10.08 of the Listing Requirements in view of the interests of the Interested Director, Interested Major Shareholders and persons connected to them.</p> <p>Save as disclosed below, none of our Directors, Major Shareholders, chief executive and persons connected to them have any interest, direct or indirect, in the Proposed Acquisitions:</p> <ul style="list-style-type: none"> <li>Liannex Maritime and Liannex Corporation, being the direct and indirect Major Shareholders, respectively, by virtue of Liannex Corporation being the vendor for the Proposed Acquisition of Liannex Fleet;</li> <li>Mr. LHW, being the vendor for the Proposed Acquisition of Yinson Power Marine, who is also an indirect Major Shareholder, by virtue of his deemed interest in Liannex Maritime via Liannex Corporation pursuant to Section 8(4) of the Act and his direct and indirect interests in YHB, whose subsidiaries are the Target Companies for the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia;</li> <li>Madam Bah, an indirect Major Shareholder, by virtue of her shareholding in Liannex Maritime through Liannex Corporation, her spouse' shareholding in Liannex Maritime through Liannex Corporation pursuant to Section 8(4) of the Act, her direct shareholding in YHB and deemed interest by virtue of her spouse and children's shareholdings in YHB pursuant to Section 59(11)(c) of the Act and Liannex Corporation and YLSB's direct shareholdings in YHB pursuant to Section 8(4) of the Act; and</li> <li>Lim Chern Wooi, the Executive Chairman of ICON and also the son of Mr. LHW and Madam Bah.</li> </ul>	Section 14, Part A
Directors' statement and recommendation	<p>Our Board (save for the Interested Director in respect of the Proposed Related Party Acquisitions and Datuk Abdullah in respect of the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia (up until his resignation from our Board effective 16 December 2024)), after having considered all aspects of the Proposed Acquisitions, including but not limited to the salient terms of the SSPAs, basis and justification for the Purchase Consideration and the Issue Price, rationale and benefits of the Proposed Acquisitions, prospects of the Target Companies, effects of the Proposed Acquisitions as well as the evaluation and recommendation by the Independent Adviser in relation to the Proposed Related Party Acquisitions, is of the opinion that the Proposed Acquisitions are <b>in the best interest</b> of our Company.</p> <p>Accordingly, our Board (save for the Interested Director) recommends that you <b>vote in favour</b> for the resolutions pertaining to the Proposed Acquisitions to be tabled at the forthcoming EGM.</p>	Section 17, Part A



**PART A**

**LETTER TO OUR SHAREHOLDERS IN RELATION TO THE PROPOSED  
ACQUISITIONS**

# ICON OFFSHORE

## ICON OFFSHORE BERHAD

(Registration No. 197001000863 (10141-M))  
(Incorporated in Malaysia)

### Registered Office

Level 7, Menara Milenium,  
Jalan Damanlela  
Pusat Bandar Damansara,  
Damansara Heights  
50490 Kuala Lumpur  
Wilayah Persekutuan

10 January 2025

### Board of Directors

Lim Chern Wooi (*Executive Chairman*)

Dato' Sri Hadian Bin Hashim (*Managing Director*) (*resigned on 13 December 2024*)

Dato' Syed Yasir Arafat bin Syed Abd Kadir (*Non-Independent Non-Executive Director*)

Farina Binti Farikhullah Khan (*Senior Independent Non-Executive Director*)

Datuk Abdullah Bin Karim (*Independent Non-Executive Director*) (*resigned on 16 December 2024*)

Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar (*Independent Non-Executive Director*)

Ainul Azhar bin Ainul Jamal (*Independent Non-Executive Director*)

Captain Adarash Kumar A/L Chranji Lal Amarnath (*Independent Non-Executive Director*) (*appointed on 2 January 2025*)

Aliff Omar bin Mohamad Omar (Alternate Director to Dato' Syed Yasir Arafat bin Syed Abd Kadir)

### To: Our shareholders

Dear Sir/ Madam,

### PROPOSED ACQUISITIONS

---

#### 1. INTRODUCTION

On 30 August 2024, Maybank IB had, on behalf of our Board, announced that our Company had on even date entered into, inter-alia, the Term Sheets.

On 22 November 2024, Maybank IB had, on behalf of our Board, announced that our Company had on even date entered into, inter-alia, the SSPAs.

On 3 January 2025, Maybank IB had, on behalf of our Board, announced that:

- (i) the parties to the SSPA 1 had mutually agreed via written notice to waive one of the conditions precedent of the SSPA 1 in respect of the execution of the necessary agreement(s) by Liannex Maritime in relation to the Proposed Placement for purposes of ensuring our Company's compliance with the Public Spread Requirement. Our Company had agreed to waive the said condition precedent following the resignation of Dato' Sri Hadian Bin Hashim from our Board on 13 December 2024 who directly holds 23,261,408 ICON Shares or 3.73% of the total issued ICON Shares as at the LPD. Following his resignation, he is deemed to be a public shareholder and as such, his direct shareholding in our Company will form part of the public shareholding spread of our Company which stood at 38.42% following his resignation. After the completion of the Proposed Acquisitions, our Company's public shareholding spread will be 26.71% such that our Company will comply with the Public Spread Requirement. Please refer to **Appendix II-A** of this Circular for further details of the salient terms of the SSPA 1; and

- (ii) the parties to the SSPA 3 had mutually agreed via written notice to waive one of the conditions precedent of the SSPA 3 in relation to the settlement or capitalisation of all intercompany balances between ICON Bahtera and ICON Waja, and Zell Transportation and any outstanding shareholder advances owed by ICON Bahtera and ICON Waja to Zell Transportation in a manner acceptable to ICON. Our Company had agreed to waive the said condition precedent in view that there is an existing business relationship between ICON Bahtera, ICON Waja and an affiliate of Zell Transportation, who is the ship manager for the vessels of ICON Bahtera and ICON Waja. Trade balances arising from the arrangement are expected to be settled in the ordinary course of business. Please refer to **Appendix II-C** of this Circular for further details of the salient terms of the SSPA 3,

where the waiver of the abovementioned conditions precedent does not have any material impact on the Proposed Acquisitions or our Company.

On 31 December 2024, Maybank IB had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 31 December 2024, approved the listing and quotation of 458,522,728 Consideration Shares on the Main Market of Bursa Securities, subject to the conditions as set out in **Section 10 of Part A** of this Circular.

The Proposed Related Party Acquisitions are deemed to be RPTs pursuant to Paragraph 10.08 of the Listing Requirements in view of the interests of the Interested Director and Interested Major Shareholders as set out in **Section 14 of Part A** of this Circular. As such, our Board (save for the Interested Director) has appointed Kenanga IB on 29 August 2024 to act as the Independent Adviser to advise the non-interested Directors and non-interested shareholders of our Company on the fairness and reasonableness of the Proposed Related Party Acquisitions and whether the Proposed Related Party Acquisitions are detrimental to the non-interested shareholders of our Company. The IAL is set out in **Part B** of this Circular.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED ACQUISITIONS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED ACQUISITIONS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.**

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR INCLUDING THE IAL AS SET OUT IN PART B OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED ACQUISITIONS TO BE TABLED AT THE FORTHCOMING EGM.**

## 2. DETAILS OF THE PROPOSED ACQUISITIONS

### 2.1 Background information on the Proposed Acquisitions

The Proposed Acquisitions entail the acquisition by our Company of the Sale Shares for a total purchase consideration of RM403.5 million, to be wholly satisfied via the issuance of 458,522,728 Consideration Shares at the Issue Price, the details of which are set out below:

<b>Target Company</b>	<b>Vendor</b>	<b>Purchase consideration (RM' million)</b>	<b>Number of Consideration Shares to be issued</b>
Liannex Fleet	Liannex Corporation	182.0	206,818,182
Yinson Power Marine	Mr. LHW	18.0	20,454,545
Regulus Offshore	Yinson Offshore	136.0	154,545,455

Target Company	Vendor	Purchase consideration (RM' million)	Number of Consideration Shares to be issued
Yinson Camellia	Yinson Offshore	24.0	27,272,727
ICON Bahtera	Zell Transportation	33.7	38,295,455
ICON Waja	Zell Transportation	9.8	11,136,364
<b>TOTAL</b>		<b>403.5</b>	<b>458,522,728</b>

The Proposed Acquisitions are subject to the terms and conditions of the respective SSPAs, the salient terms of which are set out in **Appendix II** of this Circular.

Upon completion of the Proposed Acquisitions, Liannex Fleet, Yinson Power Marine, Yinson Camellia, ICON Bahtera and ICON Waja will become wholly-owned subsidiaries of our Company whereas Regulus Offshore will become a 70%-owned subsidiary of our Company. The remaining 30% of the issued share capital of Regulus Offshore will continue to be held by the other existing shareholder of Regulus Offshore as the said party has no intention to dispose his shareholding in Regulus Offshore.

Subject to the terms and conditions of the respective SSPAs, the Sale Shares shall be acquired free from all claims, liens, charges and encumbrances with full legal and beneficial title and with all rights attaching thereto (including all dividends and distributions, whether declared or undeclared, in respect thereof).

## 2.2 Background information on the Target Companies

Background information on the Target Companies is set out in **Appendix III** of this Circular.

## 2.3 Basis and justification for the Purchase Consideration

The Purchase Consideration was arrived at on a 'willing-buyer willing-seller' basis after taking into consideration the following:

- (i) The blended implied P/Adjusted NA multiples (which was computed based on the weighted average of the implied P/Adjusted NA multiples, proportionate to the respective adjusted NA of the Target Companies in relation to the Proposed Acquisitions) as well as the blended implied EV/EBITDA multiples (which was computed based on the weighted average of the implied EV/EBITDA multiples, proportionate to the respective EBITDA of the Target Companies in relation to the Proposed Acquisitions) represented by the respective purchase consideration for the Proposed Acquisitions as set out below:

No.	Transactions	Purchase consideration (RM' million)	Adjusted NA (RM' million)	Implied EV (RM' million)	EBITDA (RM' million)	Blended implied P/ Adjusted NA multiple <sup>(1)</sup> (times)	Blended implied EV/EBITDA multiple <sup>(1)</sup> (times)
1.	Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine	200.0*	216.1*	258.5	60.0	0.9	4.3
2.	Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia	160.0*	125.7*	198.4	40.0	1.3	5.0

No.	Transactions	Purchase consideration	Adjusted NA	Implied EV	EBITDA	Blended implied P/Adjusted NA multiple <sup>(1)</sup>	Blended implied EV/EBITDA multiple <sup>(1)</sup>
		(RM' million)	(RM' million)	(RM' million)	(RM' million)	(times)	(times)
3.	Proposed Acquisition of ICON Bahtera and Proposed Acquisition of ICON Waja	43.5*	35.7*	75.5	19.4	1.2	3.9

**Notes:**

\* For ease of computation, the Adjusted NA includes the nominal value of the RPS to be acquired in relation to the Proposed Acquisitions (where applicable) given that the respective purchase consideration for the Proposed Acquisitions were arrived at after taking into consideration the nominal value of the RPS to be acquired.

(1) For avoidance of doubt, the blended implied P/Adjusted NA multiples as well as the blended implied EV/EBITDA multiples were computed after taking into consideration the inter-conditionality of the transactions. The individual implied P/Adjusted NA multiple and the individual implied EV/EBITDA multiple are set out below:

No.	Transaction	Purchase consideration	Adjusted NA <sup>(m)</sup>	Implied EV <sup>(n)</sup>	EBITDA <sup>(o)</sup>	Implied P/Adjusted NA multiple	Implied EV/EBITDA multiple
		(RM' million)	(RM' million)	(RM' million)	(RM' million)	(times)	(times)
1.	Proposed Acquisition of Liannex Fleet	182.0	<sup>(a)</sup> 193.6	223.4	<sup>(g)</sup> 55.2	0.9	4.0
2.	Proposed Acquisition of Yinson Power Marine	18.0	<sup>(b)</sup> 22.5	35.1	<sup>(h)</sup> 4.8	0.8	7.3
3.	Proposed Acquisition of Regulus Offshore	136.0	<sup>(c)</sup> 104.7	174.8	<sup>(i)</sup> 32.0	1.3	5.5
4.	Proposed Acquisition of Yinson Camellia	24.0	<sup>(d)</sup> 21.0	23.6	<sup>(j)</sup> 8.0	1.1	3.0
5.	Proposed Acquisition of ICON Bahtera	33.7	<sup>(e)</sup> 27.6	10.2	<sup>(k)</sup> 12.6	1.2	0.8
6.	Proposed Acquisition of ICON Waja	9.8	<sup>(f)</sup> 8.1	65.3	<sup>(l)</sup> 6.8	1.2	9.6

**Notes:**

(a) Computed based on the audited combined NA of Liannex Fleet for the FYE 31 December 2023 of SGD21.83 million (equivalent to RM72.02 million), after taking into consideration the following:

- Deduction of the NA attributed to the NCI of Yinson Power Marine as at 31 December 2023 amounting to RM3.07 million;
- Deduction of the additional borrowings raised subsequent to the FYE 31 December 2023 by Liannex Fleet amounting to SGD43.14 million (equivalent to RM142.32 million), computed based on the difference of the total borrowings as at 31 December 2023 and the total borrowings as at 31 August 2024 of the Liannex Fleet Group which was utilised for the acquisition of Liannex Fleet's 11 subsidiaries (RM82.79 million) and repayment of advances owing by Liannex Fleet's subsidiaries to Liannex Corporation (RM80.83 million), partially offset by loan principal repayments by Liannex Fleet during the year (RM21.30 million);
- RCPS issued by Yinson Power Marine which is held by Liannex Fleet, with a carrying value of SGD2.90 million (equivalent to RM9.57 million) as at 31 December 2023. For avoidance of doubt, the RCPS has been transferred to Liannex Fleet subsequent to the FYE 31 December 2023 and is currently held by Liannex Fleet as at the LPD. The salient terms of the RCPS are as follows:

- (i) *Liannex Fleet will have the option to convert the RCPS or part thereof into fully paid ordinary shares of Yinson Power Marine at the conversion ratio of 1 new ordinary share for 1 RCPS held;*
  - (ii) *the RCPS shall rank in priority to the ordinary shares of Yinson Power Marine with regards to the repayment or return of capital and participation in surplus assets and profits in the event of winding up;*
  - (iii) *the RCPS shall not be entitled to any right of voting at any general meeting nor receipt of any notices of general meetings;*
  - (iv) *the RCPS can be redeemed at the option of Yinson Power Marine at any time and redemption can be allowed in whole or part;*
  - (v) *any entitlement of dividend will be at the option of Yinson Power Marine; and*
  - (vi) *the RCPS shall not be transferable.*
- *Revaluation surplus of RM152.55 million, after taking into account the difference between the market value of the 36 vessels owned by the Liannex Fleet Group (excluding the portion attributed to the NCI of Yinson Power Marine) amounting to USD84.23 million (equivalent to RM374.82 million) as ascribed by the Specialist Vessel Valuer, and the audited NBV of the said vessels (excluding the portion attributed to the NCI of Yinson Power Marine) as at 31 December 2023 of SGD67.37 million (equivalent to RM222.27 million); and*
  - *Capitalisation of all net intercompany balances owing by the Liannex Fleet Group to Liannex Corporation of SGD31.78 million (equivalent to RM104.85 million as at 31 December 2023 ("**Capitalisation**") arising from prior advances for the vessel acquisitions by the Liannex Fleet Group and working capital to finance the day-to-day operations of the Liannex Fleet Group. The new ordinary shares in Liannex Fleet to be issued arising from the Capitalisation will also be acquired by our Company.*
- (b) *Computed based on the audited NA of Yinson Power Marine as at 31 December 2023 of RM6.01 million, adjusted for the revaluation surplus of RM38.26 million after taking into account the difference between the market value of the 7 vessels owned by Yinson Power Marine amounting to USD9.85 million (equivalent to RM43.83 million) as ascribed by the Specialist Vessel Valuer and the audited NBV of the said vessels as at 31 December 2023 of RM5.57 million.*
- (c) *Computed based on the audited NA of Regulus Offshore as at 31 January 2024 of RM17.18 million (excluding the RPS) and proportionate to the equity interest to be acquired, after taking into consideration the following:*
- *Revaluation surplus of RM82.88 million after taking into account the difference between the market value of the 3 vessels owned by Regulus Offshore amounting to USD29.75 million (equivalent to RM132.39 million) as ascribed by the Specialist Vessel Valuer and the audited NBV of the said vessels as at 31 January 2024 of RM49.51 million;*
  - *Difference between the audited negative net working capital as at 31 January 2024 of RM5.79 million and the agreed final net working capital as per the SSPA 2 of RM8.00 million; and*
  - *RPS issued by Regulus Offshore with a carrying value of RM25.00 million as at 31 January 2024.*
- (d) *Computed based on the audited NA of Yinson Camellia as at 31 January 2024 of RM1.72 million, adjusted for the revaluation deficit of RM2.08 million after taking into account the difference between the market value of the vessel owned by Yinson Camellia of USD5.25 million (equivalent to RM23.36 million) as ascribed by the Specialist Vessel Valuer and the audited NBV of the said vessel as at 31 January 2024 of RM25.44 million, as well as the difference between the audited negative net working capital as at 31 January 2024 of RM19.29 million and the agreed final net working capital as per the SSPA 2 of RM2.00 million.*

- (e) Computed based on the audited NA of ICON Bahtera as at 31 December 2023 of BND22.14 million (equivalent to RM73.03 million), adjusted for the revaluation deficit of RM36.87 million after taking into account the difference between the market value of the 1 vessel owned by ICON Bahtera of USD15.30 million (equivalent to RM68.09 million) as ascribed by the Specialist Vessel Valuer and the audited NBV of the said vessel as at 31 December 2023 of BND31.82 million (equivalent to RM104.96 million) as well as taking into account the nominal value of the outstanding RCPS of BND3.01 million (equivalent to RM9.93 million).
- (f) Computed based on the audited NA of ICON Waja as at 31 December 2023 of RM35.29 million, adjusted for the revaluation surplus of RM18.32 million after taking into account the difference between then market value of the 1 vessel owned by ICON Waja of USD16.80 million (equivalent to RM74.76 million) as ascribed by the Specialist Vessel Valuer and the audited NBV of the said vessel as at 31 December 2023 of RM56.44 million.
- (g) The EBITDA was based on the audited combined financial results of Liannex Fleet for the FYE 31 December 2023 which was derived from the Accountants' Report of Liannex Fleet for the FYEs 31 December 2021, 31 December 2022 and 31 December 2023.
- (h) The EBITDA was derived from the audited financial statements of Yinson Power Marine for the FYE 31 December 2023.
- (i) The EBITDA was based on the audited financial results of Regulus Offshore for the FYE 31 January 2024 which was derived from the Accountants' Report of Regulus Offshore for the FYEs 31 January 2022, 31 January 2023 and 31 January 2024.
- (j) The EBITDA was derived from the audited financial statements of Yinson Camellia for the FYE 31 January 2024.
- (k) The EBITDA was derived from the audited financial statements of ICON Bahtera for the FYE 31 December 2023.
- (l) The EBITDA was derived from the audited financial statements of ICON Waja for the FYE 31 December 2023.
- (m) The respective adjusted NA of the Target Companies was arrived at as follows:

<i>in RM' million</i>	<i>Liannex Fleet</i>	<i>Yinson Power Marine</i>	<i>Regulus Offshore</i>	<i>Yinson Camellia</i>	<i>ICON Bahtera</i>	<i>ICON Waja</i>
Audited NA	72.0	6.0	17.2	1.7	73.0	35.3
Less: NA attributed to the NCI of Yinson Power Marine as at 31 December 2023	(3.1)	-	-	-	-	-
Additional borrowings of Liannex Fleet subsequent to the FYE 31 December 2023	(142.3)	-	-	-	-	-
Market value of the vessels (A)	374.8	43.8	132.4	23.4	68.1	74.8
Less: Audited NBV of the vessels (B)	<u>(222.3)</u>	<u>(5.6)</u>	<u>(49.5)</u>	<u>(25.4)</u>	<u>(105.0)</u>	<u>(56.4)</u>
Add: Revaluation surplus/(deficit) (A – B)	152.5	38.2	82.9	(2.0)	(36.9)	18.4
Less: Book value of the net working capital	-	-	5.8	19.3	-	-
Add: Agreed amount of net working capital upon completion	-	-	8.0	2.0	-	-
Add: Capitalisation of intercompany balances	104.9	-	-	-	-	-
<b>Adjusted NA</b>	<b>184.0</b>	<b>44.2</b>	<b>113.9</b>	<b>21.0</b>	<b>36.1</b>	<b>53.7</b>

(n) The respective implied EV of the Target Companies was calculated as follows:

(Implied EV = Implied equity value – cash + total debts)

	Purchase consideration	% of shares to be acquired	Implied equity value	Less: Cash as at 31 December 2023/31 January 2024	Add: Total debts at 31 December 2023/31 January 2024	Implied EV
	(RM' million)	(%)	(RM' million)	(RM' million)	(RM' million)	(RM' million)
Liannex Fleet	182.0	100	182.0	3.5	44.9	223.4
Yinson Power Marine	18.0	51	35.3	0.2	-	35.1
Regulus Offshore	136.0	70	194.3	19.5	-	174.8
Yinson Camellia	24.0	100	24.0	0.4	-	23.6
ICON Bahtera	33.7	49	68.8	58.6	-	10.2
ICON Waja	9.8	15	65.3	-	-	65.3

(o) The respective EBITDA of the Target Companies was calculated as follows:

in RM' million	Liannex Fleet	Yinson Power Marine	Regulus Offshore	Yinson Camellia	ICON Bahtera	ICON Waja
	FYE 31 December 2023	FYE 31 December 2023	FYE 31 January 2024	FYE 31 January 2024	FYE 31 December 2023	FYE 31 December 2023
<b>PAT</b>	31.8	2.0	15.7	3.4	3.8	3.7
Add/(Less):						
Income tax expense	0.8	0.5	5.1	2.0	-	0.1
Finance costs	6.3	*	3.4	1.3	*	-
Depreciation and amortisation	16.3	2.3	7.8	1.3	8.8	3.0
Interest income	-	-	-	-	-	-
<b>EBITDA</b>	<b>55.2</b>	<b>4.8</b>	<b>32.0</b>	<b>8.0</b>	<b>12.6</b>	<b>6.8</b>

**Note:**

\*Negligible

- (ii) the market value ascribed by the Specialist Vessel Valuer on the following as at 10 September 2024 based on comparable transactions involving similar types of vessels obtained from trade press and broker reports as well as the internal database owned by the Specialist Vessel Valuer:

Owner	Description of vessel	Market value ascribed
Subsidiaries of Liannex Fleet (excluding Yinson Power Marine)	28 vessels comprising 14 steel tug boats, 12 steel barges and 2 steel bulk carriers	USD79.40 million (equivalent to approximately RM353.33 million)
Yinson Power Marine	3 steel tug boats and 4 steel barges	USD9.85 million (equivalent to approximately RM43.83 million)
Regulus Offshore	2 AHTS and 1 PSV	USD29.75 million (equivalent to approximately RM132.39 million)
Yinson Camellia	1 AHTS	USD5.25 million (equivalent to approximately RM23.36 million)
ICON Bahtera	1 AWB	USD15.30 million (equivalent to approximately RM68.09 million)



Owner	Description of vessel	Market value ascribed
ICON Waja	1 AWB	USD16.80 million (equivalent to approximately RM74.76 million)

Our Board (save for the Interested Director in relation to the Proposed Related Party Acquisitions and Datuk Abdullah in relation to the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia (up until his resignation from our Board effective 16 December 2024)) is of the view that the Purchase Consideration is justifiable after taking into consideration the following:

	P/Adjusted NA multiple	EV/EBITDA multiple
<b>Proposed Related Party Acquisitions</b>		
Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine	<b>0.9 time</b> (within the range of the PB multiples of the Marine Comparable Companies of 0.6 times to 1.8 times <sup>(1)</sup> )	<b>4.3 times</b> (within the range of the EV/EBITDA multiples of the Marine Comparable Companies of 1.8 times to 12.8 times <sup>(1)</sup> )
Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia	<b>1.3 times</b> (within the range of the PB multiples of the OSV Comparable Companies of 0.9 times to 1.7 times <sup>(2)</sup> )	<b>5.0 times</b> (within the range of the EV/EBITDA multiples of the OSV Comparable Companies of 2.2 times to 6.5 times <sup>(2)</sup> )
<b>Proposed Non-Related Party Acquisitions</b>		
Proposed Acquisition of ICON Bahtera and Proposed Acquisition of ICON Waja	<b>1.2 times</b> (within the range of the PB multiples of the OSV Comparable Companies of 0.9 times to 1.7 times <sup>(2)</sup> )	<b>3.9 times</b> (within the range of the EV/EBITDA multiples of the OSV Comparable Companies of 2.2 times to 6.5 times <sup>(2)</sup> )

**Notes:**

(1) The details of the Marine Comparable Companies are as follows:

Company <sup>(a)</sup>	Principal activities	Country	Market capitalisation (RM' million)	PB multiple <sup>(b)(c)</sup> (times)	EV/EBITDA multiple <sup>(d)</sup> (times)
Maybulk Berhad	Drybulk shipowner, manages a fleet of vessels which includes dry bulk carriers and product tankers.	Malaysia	298.63	0.7	3.4
Hubline Berhad <sup>(e)</sup>	Investment holding, shipping services, shipping agent, ship owning and chartering and the provision of marine cargo handling services.	Malaysia	343.15	1.8	12.8
Singapore Shipping Corporation Limited	Operates vessels and provides ship management services as well as shipping agency and terminal operation services, including vessel, marketing, and documentation support, as well as vessel husbandry, stevedoring, and cargo management; and specialized services.	Singapore	318.05	0.6	1.8
PT Hasnur Internasional Shipping Tbk	Licensed river and sea commodity shipping transportation and logistics company, offering river and sea transportation services, as well as logistics that serves the needs of shipping transportation, both for the domestic and international markets	Indonesia	157.76	0.8	3.2

<b>Company <sup>(a)</sup></b>	<b>Principal activities</b>	<b>Country</b>	<b>Market capitalisation (RM' million)</b>	<b>PB multiple <sup>(b)(c)</sup> (times)</b>	<b>EV/EBITDA multiple <sup>(d)</sup> (times)</b>
PT Batulicin Nusantara Maritim TBK	Provides sea and river water transportation services in Indonesia. It transports from the company's tugboats and barges to the mother vessel.	Indonesia	147.35	0.9	6.3
Ama Marine Public Company Limited	Operates a fleet of 9 tankers to transport palm oil, vegetable oil, and other chemicals within Thailand, South East Asia regions, China, and India.	Thailand	283.49	0.7	3.8
Lorenzo Shipping Corporation <sup>(e)</sup>	Provides inter-island cargo shipping services in the Philippines, as well as offers port-to-port and door-to-door services for full container load and less-than container load shipments.	Philippines	21.09	0.9	12.2
			<b>High</b>	<b>1.8</b>	<b>12.8</b>
			<b>Low</b>	<b>0.6</b>	<b>1.8</b>
			<b>Average</b>	<b>0.9</b>	<b>6.2</b>
			<b>Median</b>	<b>0.8</b>	<b>3.8</b>

**Notes:**

- (a) The Marine Comparable Companies are by no means exhaustive and may differ from the Liannex Fleet Group in terms of, inter-alia, composition of business activities, scale of operations, geographical location of operations, profit track record, financial profile, risk profile, prospects, capital structure, marketability of their securities and other criteria.
- (b) Notwithstanding that the P/Adjusted NA multiple for the Proposed Acquisition of Liannex Fleet and the Proposed Acquisition of Yinson Power Marine of 0.9 time is slightly higher than the PB multiples for Maybulk Berhad, Singapore Shipping Corporation Limited, PT Hasnur Internasional Shipping Tbk and Ama Marine Public Company Limited ranging from 0.6 to 0.8 time, the P/Adjusted NA multiple for the Proposed Acquisition of Liannex Fleet and the Proposed Acquisition of Yinson Power Marine is equivalent to the average PB multiple of the Marine Comparable Companies of 0.9 time and is only slightly higher than the median of 0.8 time. In addition, the Proposed Acquisition of Liannex Fleet and the Proposed Acquisition of Yinson Power Marine will enable our Group to, among others, expand our service offering to include the transportation and logistics services for commodities and dry bulk cargo, thereby enlarging the income stream of our Group.
- (c) Calculated based on the latest available quarterly results of the respective comparable companies as at 30 August 2024.
- (d) Calculated based on the closing market prices and the trailing 12-month financial results as at 30 August 2024 as extracted from Bloomberg.
- (e) The respective PB multiple and EV/EBITDA multiple of Hubline Berhad and the EV/EBITDA multiple of Lorenzo Shipping Corporation are not considered as outliers for purpose of comparison as both Hubline Berhad and Lorenzo Shipping Corporation are still operating within the same industry as Liannex Fleet and Yinson Power Marine and face similar market conditions. Additionally, the market capitalisation of Hubline Berhad and Lorenzo Shipping Corporation are comparable to the purchase consideration for Liannex Fleet and Yinson Power Marine, respectively.

For avoidance of doubt, there was no adjustment adopted for purposes of valuing the 100% of the issued and paid-up share capital of Liannex Fleet and the 51% of the issued share capital of Yinson Power Marine as these acquisitions allow for our Company to gain control of Liannex Fleet and Yinson Power Marine rather than acquiring a minority stake. Although the respective Sale Shares are perceived to be illiquid, their control premium effectively offsets the illiquidity discount.

- (2) The details of the OSV Comparable Companies are as follows:

<b>Company <sup>(a)</sup></b>	<b>Principal activities</b>	<b>Country</b>	<b>Market capitalisation (RM' million)</b>	<b>PB multiple <sup>(b)(c)</sup> (times)</b>	<b>EV/EBITDA multiple <sup>(d)</sup> (times)</b>
Petra Energy Berhad	Investment holding, provision of integrated brownfield services for the upstream O&G industry.	Malaysia	458.95	1.1	2.4

<b>Company <sup>(a)</sup></b>	<b>Principal activities</b>	<b>Country</b>	<b>Market capitalisation (RM' million)</b>	<b>PB multiple <sup>(b)(c)</sup> (times)</b>	<b>EV/EBITDA multiple <sup>(d)</sup> (times)</b>
<i>Marine &amp; General Berhad</i>	<i>Investment holding, provision of offshore marine support services, marine logistics services and tanker management services.</i>	<i>Malaysia</i>	<i>241.88</i>	<i>1.4</i>	<i>3.5</i>
<i>Vallianz Holdings Ltd</i>	<i>Provides offshore support vessels and marine solutions to the O&amp;G industry. Its services include vessel chartering, shipyard management, shipbuilding, repairs, heavy transport, and renewable energy solutions.</i>	<i>Singapore</i>	<i>164.34</i>	<i>1.6</i>	<i>N/A</i>
<i>Logindo Samudramakmur Tbk Pt</i>	<i>Provides integrated maritime services and OSV services to support upstream O&amp;G industries in Indonesia.</i>	<i>Indonesia</i>	<i>102.48</i>	<i>0.9</i>	<i>6.5</i>
<i>E.A. Technique (M) Berhad</i>	<i>Ship owning and operator of marine vessels for the transportation and offshore storage of O&amp;G, provider of port marine services and provision of engineering, procurement, construction, installation and commissioning of floating storage and offloading vessels.</i>	<i>Malaysia</i>	<i>411.14</i>	<i>1.7</i>	<i>2.2</i>
			<b>High</b>	1.7	6.5
			<b>Low</b>	0.9	2.2
			<b>Average</b>	1.4	3.6
			<b>Median</b>	1.4	2.9

**Notes:**

- (a) The OSV Comparable Companies are by no means exhaustive and may differ from Regulus Offshore, Yinson Camellia, ICON Bahtera and ICON Waja in terms of, inter-alia, composition of business activities, scale of operations, geographical location of operations, profit track record, financial profile, risk profile, prospects, capital structure, marketability of their securities and other criteria.
- (b) Notwithstanding that the EV/EBITDA multiple for the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia of 5.0 times is higher than the EV/EBITDA multiples for the OSV Comparable Companies (save for Logindo Samudramakmur Tbk Pt) ranging from 2.2 to 3.5 times, the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia will enable our Group to increase our operational capacity and service coverage and to expand our existing customer base.
- (c) Calculated based on the latest available quarterly results of the respective comparable companies as at 30 August 2024.
- (d) Calculated based on the closing market prices and the trailing 12-month financial results as at 30 August 2024 as extracted from Bloomberg.

For avoidance of doubt, there was no adjustment adopted for purposes of valuing the 70% of the issued share capital of Regulus Offshore, 100% of the issued share capital of Yinson Camellia, 49% of the issued and paid-up share capital of ICON Bahtera and 15% of the issued and paid-up share capital of ICON Waja as these acquisitions allow for our Company to gain control of Regulus Offshore and Yinson Camellia as well as consolidating control of ICON Bahtera and ICON Waja rather than acquiring a minority stake. Although the respective Sale Shares are perceived to be illiquid, their control premium effectively offsets the illiquidity discount.

In justifying the Purchase Consideration, our Board (save for the Interested Director in relation to the Proposed Related Party Acquisitions and Datuk Abdullah in relation to the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia (up until his resignation from our Board effective 16 December 2024)) has also taken into consideration the following:

- (i) the rationale and benefits of the Proposed Acquisitions as set out in **Section 3 of Part A** of this Circular;
- (ii) the prospects of the Target Companies as set out in **Section 4 of Part A** of this Circular; and

- (iii) the effects of the Proposed Acquisitions as set out in **Section 8 of Part A** of this Circular.

Further, as set out in the Fairness Expert's Report, the fair market value of the equity interest to be acquired in Liannex Fleet and the 49% of the issued and paid-up share capital of ICON Bahtera based on RNAV as the primary valuation methodology and RVA as the secondary valuation methodology, are as follows:

(i) RNAV

The fair market value of the equity interest to be acquired in Liannex Fleet is RM190.3 million whereas the fair market value of the 49% of the issued and paid-up share capital of ICON Bahtera is RM18.9 million with 51% RPS is RM10.0 million. Given that the market value of the vessels owned by the Liannex Fleet Group and ICON Bahtera were ascribed by the Specialist Vessel Valuer and following a thorough review of significant assets owned by the Liannex Fleet Group and ICON Bahtera to ensure that the RNAV accurately represents the company's asset base, the Fairness Expert is of the view that the purchase consideration of RM182.0 million and RM33.7 million for Liannex Fleet and ICON Bahtera, respectively, are fair.

(ii) RVA

- (a) The purchase consideration for the Proposed Acquisition of Liannex Fleet of RM182.0 million is fair based on the implied PB multiple of the Liannex Fleet Group of 1.0 time which is above the median PB multiple of the Marine Comparable Companies of 0.9 time but within the range of the implied PB multiples of the Marine Comparable Companies of 0.6 times to 1.9 times; and
- (b) The purchase consideration for the Proposed Acquisition of ICON Bahtera of RM33.7 million is fair based on the implied PB multiple of ICON Bahtera of 1.3 times which falls below the median PB multiple of the OSV Comparable Companies of 1.4 times and within the range of the implied PB multiples of the OSV Comparable Companies of 1.0 time and 1.7 times.

The Fairness Expert's Report is set out in **Appendix XI** of this Circular.

## 2.4 Basis and justification for the Issue Price

The Issue Price was arrived at on a 'willing-buyer willing-seller' basis after taking into consideration the following premium/(discount) to the closing price of the ICON Shares as at the LTD 1 and VWAP of the ICON Shares up to and including the LTD 1:

	Share Price	Premium/(Discount)	
	RM	RM	%
Closing price as at the LTD 1	1.1600	(0.2800)	(24.14)
5-day VWAP up to and including the LTD 1	1.1017	(0.2217)	(20.12)
1-month VWAP up to and including the LTD 1	1.0543	(0.1743)	(16.53)
3-month VWAP up to and including the LTD 1	1.0091	(0.1291)	(12.79)
6-month VWAP up to and including the LTD 1	0.8567	0.0233	2.72
12-month VWAP up to and including the LTD 1	0.7441	0.1359	18.26

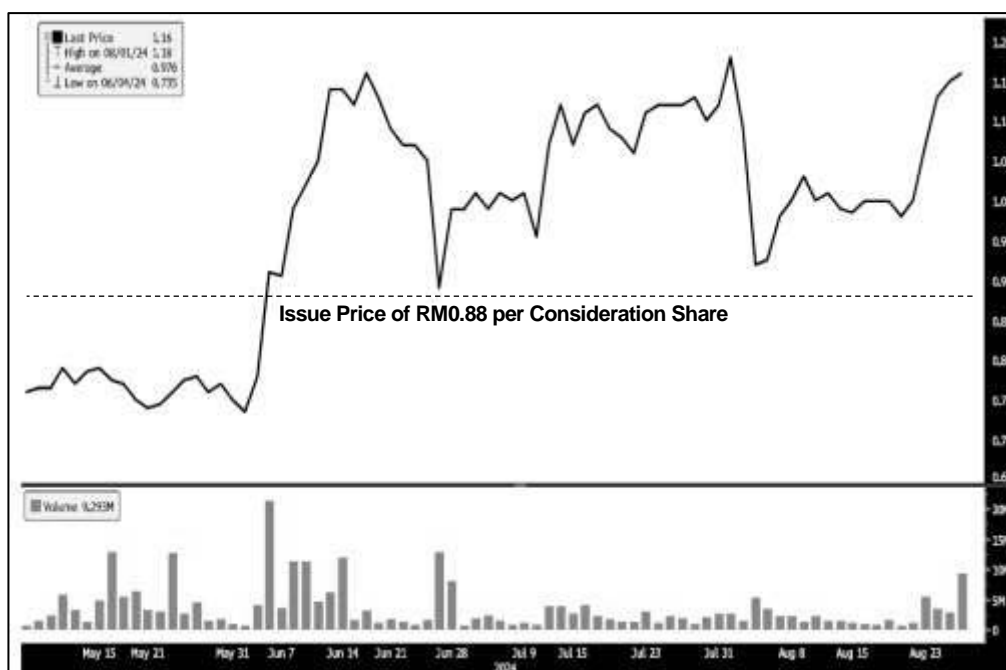
(Source : Bloomberg)

Although the Issue Price represents a discount ranging from 12.79% to 24.14% over the closing price as at the LTD 1, 5-day VWAP, 1-month VWAP and 3-month VWAP of the ICON Shares up to and including the LTD 1, our Board (save for the Interested Director and Datuk Abdullah) is of the view that the Issue Price is justifiable after taking into consideration the following:

- (i) the Issue Price represents a premium of 2.72% and 18.26% over the 6-month VWAP and 12-month VWAP of ICON Shares up to and including the LTD 1, respectively;
- (ii) the Issue Price represents a premium of 37.50% to the latest audited consolidated NA per ICON Share as at 31 December 2023 of RM0.64 which also represents a PB multiple of 1.4 times; and
- (iii) the Issue Price also represents a PB multiple of 1.4 times based on the latest unaudited consolidated NA per ICON Share as at 30 June 2024 of RM0.61 as compared with the PB multiples of the OSV Comparable Companies which ranges between 0.9 time to 1.7 times.

Notwithstanding that the Issue Price represents a discount ranging from 12.79% to 24.14% over the closing price as at the LTD 1, 5-day VWAP, 1-month VWAP and 3-month VWAP of the ICON Shares up to and including the LTD 1, respectively, there was significant price movement of ICON Shares in the past 6 months subsequent to the closing of the unconditional mandatory take-over offer by Liannex Maritime on the securities of our Company ("**MTO**") which was completed on 7 May 2024, which may not be reflective of our Group's financial performance.

In view of the above, following negotiations with the Vendors, our Board (save for the Interested Director and Datuk Abdullah) agreed to fix the Issue Price via the Term Sheets on 30 August 2024 prior to entering into the SSPAs in view of the untowards price movements of ICON Shares after the closing of the MTO on 7 May 2024 up to the LTD 1 ranging from RM0.735 to RM1.160, as illustrated below:



(Source : Bloomberg)

## **2.5 Ranking of the Consideration Shares**

The Consideration Shares will, upon allotment and issuance, rank equally in all respects with the existing ICON Shares, save and except that the Consideration Shares shall not be entitled to any dividends, rights (including voting rights), allotments and/or any other distributions which may be declared, made or paid to our shareholders, the entitlement date of which is prior to the date of allotment and issuance of the Consideration Shares.

## **2.6 Listing and quotation of the Consideration Shares**

Bursa Securities has, vide its letter dated 31 December 2024, approved the listing and quotation of 458,522,728 Consideration Shares on the Main Market of Bursa Securities, subject to the conditions as set out in **Section 10 of Part A** of this Circular.

## **2.7 Liabilities to be assumed**

There are no other liabilities, including contingent liabilities and guarantees, to be assumed by our Company arising from the Proposed Acquisitions.

For avoidance of doubt, there will not be any loans, securities, guarantees or indemnities subsisting post-completion of the Proposed Acquisitions because the SSPA 1 has included settlement or capitalisation of all intercompany balances between the Target Companies and the Vendors and/or the Vendors' associates or related parties and any outstanding shareholder advances owed by the Target Companies to the Vendors and/or the Vendors' associates or related parties, as of the Completion Date as a condition precedent.

The SSPA 2 also provides that in the event there are any shareholder advances/loans owed by the Target Companies that remain unsettled as at Completion, it must be settled within 90 days from the Completion Date. There is also no provision of financial assistance as the loans are due by the Target Companies to the Vendors and there are no loans or amounts owing by the Vendors to the Target Companies.

Notwithstanding, as announced on 3 January 2025, the parties to the SSPA 3 had also mutually agreed to waive the condition precedent in relation to the settlement or capitalisation of all intercompany balances between ICON Bahtera and ICON Waja, and Zell Transportation and any outstanding shareholder advances owed by ICON Bahtera and ICON Waja to Zell Transportation in a manner acceptable to ICON.

## **2.8 Additional financial commitment**

There are no additional financial commitment to be incurred by ICON to put the Target Companies on-stream following the completion of the Proposed Acquisitions in view that the Target Companies are already in operations and income-generating.

## **2.9 Information on the Vendors**

Information on the Vendors is set out in **Appendix IV** of this Circular.

## **2.10 Original cost of investment**

The original cost and date of investment of the Vendors in the Target Companies are as follows:

Vendor	Target Company	Date of investment	No. of ordinary shares	Cost of investment for ordinary shares (RM)	No. of RPS	Cost of investment for RPS (RM)
Liannex Corporation	Liannex Fleet	21 February 2024	100	328	-	-
Mr. LHW	Yinson Power Marine	22 April 2019	5,324,400	840,918	-	-
Yinson Offshore	Regulus Offshore	30 January 2020	525,000	6,650,062	-	-
		22 January 2021	-	-	25,000,000	25,000,000
Yinson Offshore	Yinson Camellia	6 January 2020	1	1	-	-

## 2.11 Public shareholding spread

The public shareholding spread of our Company before and after the Proposed Acquisitions are as follows:

As at the LPD	After the Proposed Acquisitions
<sup>(1)</sup> 38.42%	<sup>(2)</sup> 26.71%

### Notes:

(1) Computed based on 623,613,651 ICON Shares in issue as at the LPD.

(2) Computed based on the enlarged number of ICON Shares after the Proposed Acquisitions of 1,111,227,288.

Our Company will comply with the Public Spread Requirement after the Proposed Acquisitions.

## 3. RATIONALE AND BENEFITS OF THE PROPOSED ACQUISITIONS

Our Group is principally involved in vessel owning and leasing, as well as provision of vessel chartering and ship management services to O&G related industries. The Target Companies are also principally involved in vessel owning/leasing and provision of marine transportation and marine support services.

The Proposed Acquisition of Liannex Fleet, Proposed Acquisition of Yinson Power Marine, Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia will enable our Group to enlarge our OSV and marine vessel fleet through the addition of 4 OSVs., 17 steel tug boats, 17 steel barges (including 1 newly build) and 2 steel bulk carriers. The expanded fleet will allow our Group to increase our operational capacity and service coverage as well as to continue to expand our existing customer base. The Proposed Acquisitions will also enable our Group to service new geographical regions with market potential.

The Proposed Acquisitions will also enable our Group to expand our service offering to include transportation and logistics services for commodities and dry bulk cargo via the Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine, thereby enlarging the income stream of our Group.

On the other hand, the Proposed Acquisition of ICON Bahtera and the Proposed Acquisition of ICON Waja will allow our Company to fully consolidate and obtain full control of the business and management of ICON Bahtera and ICON Waja.

The inter-conditionality of the Proposed Acquisitions as set out in **Section 11 of Part A** of this Circular is meant to allow our Company to acquire all the assets operating within the same industry and eliminate competition or conflict with the Vendors as well as facilitating 100% ownership and control of ICON Bahtera and ICON Waja. If one or more of the Proposed Acquisitions are not approved at the forthcoming EGM, our Company will not be able to acquire all the Target Companies and our Company will only be able to proceed with the transactions which are inter-conditional that have been approved and will be completed independently with no significant impact arising therefrom expected on our Company.

#### **4. INDUSTRY OVERVIEW, OUTLOOK AND PROSPECTS AND FUTURE PLANS**

##### **4.1 Overview and outlook of the offshore O&G industry in Malaysia**

The O&G industry in Malaysia is set to experience steady growth, underpinned by the ongoing expansion of the water transport sector. As Malaysia continues to enhance its port infrastructure, particularly focusing on increasing cargo and container handling capacities, the offshore O&G industry stands to benefit. Improved port efficiency and expanded logistics networks will streamline the movement of materials, equipment and personnel, which are crucial for offshore exploration, drilling and production activities.

Moreover, Malaysia's strong trade performance, particularly in the export of manufactured goods and agricultural products, contributes to the overall growth of the maritime sector, further reinforcing the positive outlook for offshore O&G operations. With rising demand for energy and an expanding global trade network, Malaysia's position as a key player in South East Asia's energy sector remains robust.

The expansion of port facilities, coupled with a more efficient transportation and logistics framework, will ensure a steady flow of resources to support offshore O&G exploration and production. As the industry adapts to technological advancements and regulatory changes, Malaysia's offshore O&G sector is poised for continued development, creating opportunities for investment, job creation and greater integration into the global energy market. The outlook for the industry remains optimistic, with growth expected in both production and infrastructure capabilities.

*(Source : Economic Outlook 2025, Ministry of Finance Malaysia)*

##### **4.2 Overview and outlook of the marine transportation industry in Singapore**

In October 2024, Singapore's maritime industry demonstrated strong performance, with vessel arrivals increasing by 3.5% year-on-year, reaching a total of 10,724 vessels, which accounted for 263.42 million GT. This upward trend underscores Singapore's strategic position as a key hub along global shipping routes, highlighting its ability to efficiently manage substantial vessel traffic. Additionally, container throughput surged by 8.1%, further emphasizing the port's critical role in facilitating the movement of goods and supporting global trade.

However, total cargo throughput experienced a slight decline of 0.9%, signaling potential shifts in trade patterns or changes in demand for certain commodities. Despite this minor dip, the strong performance in container handling and vessel arrivals highlights Singapore's resilience and adaptability in responding to evolving global trade dynamics.

In the bunkering sector, Singapore saw a notable 10.8% growth in fuel sales, reaching 4.88 million tonnes. While conventional fuels remain the dominant choice, the increased presence of biofuels and LNG reflects the growing interest in sustainable and cleaner fuel alternatives. This trend aligns with the maritime industry's global push toward decarbonization, positioning Singapore as a proactive player in green shipping solutions.



Looking ahead, Singapore's maritime sector is well-positioned to capitalize on growth opportunities while advancing sustainability. The continued expansion of both traditional and cleaner energy bunkering will strengthen its role in supporting sustainable global maritime trade.

*(Source : Summary of Maritime Performance of Singapore, Maritime and Port Authority of Singapore)*

#### **4.3 Overview and outlook of the offshore O&G industry in Brunei**

In the first quarter of 2024, at constant prices, Brunei's economy recorded a positive growth of GDP at 6.8%. This growth was driven by an 8.9% increase in the O&G sector and a 5.0% increase in the non O&G sector. The expansion in the O&G sector was driven by increased production of crude oil, natural gas and LNG. This growth was aligned with the output from the newly discovered oil field.

*(Source : GDP First Quarter 2024 Report, Ministry of Finance and Economy of Brunei Darussalam)*

Notwithstanding, Brunei's offshore O&G industry is expected to see a positive outlook in 2024, driven by a recovery in production and strategic investments. The country's economy is set to grow by 3.7%, partly due to the resurgence in O&G activities. This growth is also supported by deferred investments and new developments such as the Salman oilfield, which will boost daily production from approximately 89,000 barrels per day to 95,000 barrels per day. Likewise, production of LNG is projected to exceed 700 billion British thermal units per day, enhancing export revenues and economic stability.

While the industry may still experience some headwinds arising from maturing fields, the need for technological upgrades and external market conditions, the outlook remains optimistic with improved production and on-going investment in the sector's infrastructure and technology.

*(Source : Asian Development Outlook (ADO) April 2024, Asian Development Bank)*

#### **4.4 Prospects and future plans of the enlarged ICON Group**

The Proposed Acquisitions allow us to capitalise on the outlook of the offshore O&G industry in Malaysia and Brunei as highlighted in **Sections 4.1** and **4.3** of **Part A** of this Circular respectively. With the addition of 3 AHTS and 1 PSV alongside the full consolidation and control of ICON Bahtera and ICON Waja, this will give rise to opportunities for us to secure more contracts and provide greater flexibility to improve our fleet's utilisation rates and operational efficiency.

Regulus Offshore and Yinson Camellia will also continue to focus on Malaysia for day-to-day operations while exploring regional opportunities, as well as actively embracing innovation and digitalisation across their operations.

The Proposed Acquisitions will also enable our Group to expand our service offering and provide marine transportation services for commodities and dry bulk cargo and gain access to new geographical markets, allowing us to mainly benefit from the outlook of the marine transportation industry in Singapore as highlighted in **Section 4.2** of **Part A** of this Circular.

Liannex Fleet and Yinson Power Marine will continue with the Charter Arrangement which provides medium-term earnings sustainability and visibility.

In essence, the Proposed Acquisitions will be a milestone for our Group with the immediate expansion of our Group's fleet, as we are able to significantly increase our operational capacity and broaden our service coverage. The Proposed Acquisitions are also in line with our Group's fleet rejuvenation efforts to continuously improve our fleet's utilisation rates and operational efficiency. With the larger asset base and earnings, our Group will be better positioned to capitalise on growth opportunities that can contribute positively to our Group's performance.

The Proposed Acquisitions will also provide us with opportunities to enter new industries and geographical regions, enabling us to diversify our revenue streams and reduce risks related to industry or geographical concentration. By expanding our operational capabilities and extending our geographical presence, our Group is well-positioned to capitalise on emerging opportunities in regional markets. This move is expected to boost our potential for higher revenue and long-term growth.

## **5. RISKS OF THE PROPOSED ACQUISITIONS**

Save as disclosed below which are by no means exhaustive, our Company does not foresee any other additional risks arising from the Proposed Acquisitions given that our Group is already involved in the marine transportation industry:

### **5.1 Non-completion risk**

The completion of the Proposed Acquisitions is subject to, among others, the fulfilment of the conditions precedent of the SSPAs as set out in **Appendix II** of this Circular and the approvals required for the Proposed Acquisitions as set out in **Section 10** of **Part A** of this Circular.

There can be no assurance that the abovementioned conditions and approvals will be satisfied, waived or obtained, as the case may be, within the stipulated timeframe or any of the termination events under the SSPAs will not occur such that the Proposed Acquisitions cannot be completed. Any delay in the fulfilment of the conditions precedent of the SSPAs and/or obtaining the approvals required for the Proposed Acquisitions may lead to a delay in the completion and/or termination of the Proposed Acquisitions.

Notwithstanding, our Company will take all necessary and reasonable steps to ensure the fulfilment of the conditions precedent in the respective SSPAs which are within our Company's control within the stipulated timeframe as well as mitigate the occurrence of any of the termination events that are within our Company's control to complete the Proposed Acquisitions.

If one or more of the Proposed Acquisitions are not approved at the forthcoming EGM, our Company will not be able to acquire all the Target Companies and our Company will only be able to proceed with the transactions which are inter-conditional that have been approved and will be completed independently with no significant impact arising therefrom expected on our Company.

### **5.2 Integration risk**

The various synergistic benefits to be reaped from the Proposed Acquisitions will depend on the successful integration of our Group and the Target Companies. The Proposed Acquisitions may potentially expose our Group to new risks including those associated with the assimilation of new operations and personnel, and inability to successfully integrate the Target Companies with our Group's current business. As such, there can be no assurance that the anticipated benefits from the Proposed Acquisitions will be realised and that the duration required for our Company to recoup our investment in the Target Companies could be longer than anticipated.

Our Group will make the necessary efforts to ensure that a proper integration exercise and management structure be put in place to ensure successful integration.

### **5.3 Non-renewal / Non-extension of the existing charter contracts for the vessels to be acquired and ability to secure new contracts**

Liannex Corporation is the main charterer of the existing fleet of vessels owned by the Liannex Fleet Group with revenue contribution of more than 90% to the total revenue of the Liannex Fleet Group for the FYE 31 December 2023. The renewal or extension of the existing charter contracts of the fleet owned by the Liannex Fleet Group would be subject to the approval of the non-interested shareholders of our Company post-completion of the Proposed Acquisitions. Liannex Fleet's long-term charter arrangement with Liannex Corporation is set to expire on 31 December 2027, with 2 optional 1-year extensions at the discretion of Liannex Corporation.

In the event that the renewal or extension of the Charter Arrangement are not approved by the non-interested shareholders of our Company, the Charter Arrangement will not be renewed and may have an adverse impact on the financial performance and business operations of our Group in the event that our Group is unable to secure new or other charterers or customers contracts, including but not limited to: (i) substantial decrease in the revenue of the Liannex Fleet Group; and (ii) the vessels owned by the Liannex Fleet Group may remain idle, leading to increased operational costs without corresponding income as well as potential impairment of assets should the vessels remain idle for an extended period of time.

Our Company will endeavour to mitigate this risk by diversifying the customer base and secure charter contracts with third party customers in advance.

### **5.4 Dependence on the directors and key management of the Target Companies**

The sustainability of the business operations and consequentially, the financial performance of the Target Companies depends largely on the continuous efforts, experience and abilities of the existing key management team, competent personnel and directors, and the Target Companies' ability to attract, motivate and retain qualified and skilled personnel to contribute to the sustainable development and growth of the Target Companies. There can be no assurance the loss of any key personnel of the Target Companies can be avoided and would not affect the business operations and financial performance of the Target Companies.

As such, our Company will strive to adopt appropriate measures to retain the Target Companies' key management personnel and attract qualified personnel, including providing attractive remuneration, requisite training, career advancement opportunities and other employment benefits. Our Company may also reduce our reliance on any key management personnel by regularly reviewing our workforce competency and human resource policies (including succession planning) to ensure that we will be able to effectively mitigate the associated risks.

Notwithstanding, there can be no assurance that these measures will enable our Company to retain the key management personnel of any of the Target Companies or address the loss of the key management personnel effectively or that a smooth transition will occur in the event of any staff turnover.

### **5.5 General economic, political and regulatory conditions**

The performance of the Target Companies may be impacted by the changes in economic, political and regulatory conditions in the respective jurisdictions. The various economic, political and regulatory conditions include changes in political leadership, judicial decisions, introduction of new laws and regulations, war, economic downturn, changes in interest rates and foreign exchange regulations.

In mitigating such risk, our Group will take a proactive approach in monitoring key developments in the regions where our enlarged Group operates in and where needed, review our business strategies and strategic priorities to respond to significant changes.

#### **5.6 Regulations on foreign investment and repatriation of profits**

The Foreign Target Companies will be subject to foreign investment policies of their respective domicile country. Any breach or non-compliance with such policies may adversely affect our Company's investments in the Foreign Target Companies. Changes in policies on foreign ownership such as an introduction of limits on foreign shareholding may also adversely affect our Company in that our Company may be required to reduce our shareholding in the Foreign Target Companies, where applicable.

In addition, the ability of our Group to repatriate profits from the Foreign Target Companies will depend largely on the relevant legislation relating to the repatriation of profits prevailing at the point of repatriation. Details of the prevailing policies on the foreign investment and repatriation of profits of the respective jurisdictions of the Foreign Target Companies are set out in **Section 6 of Part A** of this Circular.

#### **5.7 Foreign exchange risk**

The operating and reporting currency of Liannex Fleet and ICON Bahtera are SGD and BND, respectively. As the financial results of our Group are reported in RM, any fluctuation of the respective foreign currencies against RM may impact the profits or the financial position of our Group or both. There can be no assurance that fluctuations in foreign exchange will not have a material and adverse effect on our Group's financial performance. Nevertheless, our Group will assess the need to utilise financial instruments to hedge our foreign exchange exposure to mitigate both transaction and/or translation exchange risk exposure.

#### **5.8 Goodwill and impairment risk**

In accordance with MFRS 3 Business Combinations issued by the Malaysian Accounting Standards Board, the enlarged ICON Group is expected to recognise goodwill arising from the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia of approximately RM62.05 million and RM24.17 million, respectively. Goodwill represents the excess of the consideration over our Company's share of the fair value of the identifiable NA acquired.

Goodwill is tested for impairment annually or if events or changes in circumstances indicate that it might be impaired. For the purpose of impairment testing, goodwill is allocated to each of the CGUs, or groups of CGUs, that are expected to benefit from the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia. Accordingly, to arrive at the impairment amount, the carrying amount of the CGU including the goodwill of the CGU is compared with the recoverable amount of the CGU, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

While our Company expects the goodwill to be supported by the post-acquisition performance of Regulus Offshore and Yinson Camellia, any material changes or events that may adversely affect the business prospects and/or assets of Regulus Offshore and Yinson Camellia may result in an impairment of the goodwill. Any fair value adjustments allocated to the identifiable assets and liabilities of Regulus Offshore and Yinson Camellia, and the effects of amortisation of the fair value adjustments if any, may materially and adversely affect our Group's profits or financial position or both and that may have a corresponding effect on shareholders' value.

## **6. POLICIES ON FOREIGN INVESTMENT AND REPATRIATION OF PROFITS**

### **6.1 Singapore**

#### **6.1.1 Foreign investment**

Singapore imposes no restrictions on foreign investment in the sector in which the Liannex Fleet Group (excluding Yinson Power Marine) operates, provided they are solely engaged in their registered businesses. Additionally, while Singapore law permits a company's constitution to impose shareholding restrictions on foreign ownership, no such restrictions have been included in the constitutions of the Liannex Fleet Group (excluding Yinson Power Marine).

#### **6.1.2 Repatriation of profits**

There are no foreign exchange control restrictions under Singapore law, so capital transfers and payments in and out of Singapore are unrestricted, subject to anti-money laundering and terrorism financing rules and withholding tax (if applicable).

Under Section 403 of the Singapore CA, dividends shall only be paid out of profits, with no further restrictions on the payment of dividends to foreign shareholders beyond corporate income tax requirements.

Capital returns to shareholders are limited by prescribed modes under the Singapore CA. Subject to the limits prescribed under the Singapore CA, a Singapore company may repurchase its own ordinary shares if permitted by its constitution, funded from distributable profits or capital, provided it remains solvent. Alternatively, a capital reduction in accordance with the Singapore CA may be undertaken unless restricted by the company's constitution.

No restrictions generally apply to (a) payments to foreign shareholders in share buybacks, or (b) payments to foreign shareholders of capital distributions from a capital reduction.

### **6.2 Brunei**

#### **6.2.1 Foreign investment**

Under the Brunei CA, there are currently no local ownership requirements with respect to locally incorporated companies.

Based on the Articles of Association of ICON Bahtera, there are no restrictions or limitations on foreign ownership in ICON Bahtera.

#### **6.2.2 Repatriation of profits**

There are no foreign exchange control restrictions imposed under Brunei laws and there are no exchange control formalities or approvals required for all forms of payments or capital transfers into or out of Brunei, so long as there is no breach of any requirements pertaining to anti-money laundering and terrorism and subject to payment of withholding tax (if applicable).

## **7. OWNERSHIP OF TITLE TO SECURITIES/ASSETS AND ENFORCEABILITY OF AGREEMENTS, REPRESENTATIONS AND UNDERTAKINGS**

### **7.1 Under the laws of Singapore**

The Liannex Fleet Group (excluding Yinson Power Marine) are duly incorporated and validly exist as private companies limited by shares under Singapore laws and have full legal capacity to enter contracts and undertake commitments in their own names in Singapore.

Liannex Fleet's constitution does not impose restrictions on share transfers, except that transfers must follow its provisions, with directors having the right to refuse transfer under certain conditions (e.g. unpaid shares or disapproval of transferee). Voting rights are unrestricted under Liannex Fleet's constitution, provided members have paid all dues. Subject to the aforementioned, under Liannex Fleet's constitution, no third party consent is required to give effect to a transfer of the shares pursuant to the Proposed Acquisition of Liannex Fleet, or for any third party to hold the shares of Liannex Fleet or to exercise rights in respect of the shares.

Save for the vessel Sinaran Sejati (Official No. 403335), based on the vessel transcript searches conducted at the Maritime and Port Authority of Singapore on 31 December 2024, the following vessels registered owners being the respective Singapore entities within the Liannex Fleet Group (excluding Yinson Power Marine) are duly registered with the Maritime and Port Authority of Singapore:

- (a) The vessel Sinaran Cerah (Official No. 400561), a steel tug boat with its registered owner being Barisar;
- (b) The vessel Sinaran Ceria (Official No. 400562), a steel barge with its registered owner being Barisar;
- (c) The vessel Sinaran Putera (Official No. 399323), a steel tug boat with its registered owner being Barisar;
- (d) The vessel Sinaran Puteri (Official No. 399324), a steel barge with its registered owner being Barisar;
- (e) The vessel Lianson Hermes (Official No. 402916), a steel bulk carrier with its registered owner being Bursar;
- (f) The vessel Sinaran Angkasa (Official No. 400473), a steel tug boat with its registered owner being Ferlisar;
- (g) The vessel Sinaran Raya (Official No. 400474), a steel barge with its registered owner being Ferlisar;
- (h) The vessel Sinaran Baiduri (Official No. 399873), a steel barge with its registered owner being Gimsar;
- (i) The vessel Sinaran Intan (Official No. 399872), a steel tug boat with its registered owner being Gimsar;
- (j) The vessel Sinaran Ramah (Official No. 400565), a steel tug boat with its registered owner being Gimsar;
- (k) The vessel Sinaran Mesra (Official No. 400566), a steel barge with its registered owner being Gimsar;
- (l) The vessel Lianson Dynamic (Official No. 402564), a steel bulk carrier with its registered owner being Handal Corporation Pte Ltd;

- (m) The vessel Sinaran Aman (Official No. 400567), a steel tug boat with its registered owner being Himsar;
- (n) The vessel Sinaran Damai (Official No. 400568), a steel barge with its registered owner being Himsar;
- (o) The vessel Sinaran Embun (Official No. 400467), a steel tug boat with its registered owner being Himsar;
- (p) The vessel Sinaran Langit (Official No. 399325), a steel tug boat with its registered owner being Kangsar;
- (q) The vessel Sinaran Pelangi (Official No. 399326), a steel barge with its registered owner being Kangsar;
- (r) The vessel Sinaran Gemilang (Official No. 399875), a steel barge with its registered owner being Kelisar;
- (s) The vessel Sinaran Gilang (Official No. 399874), a steel tug boat with its registered owner being Kelisar;
- (t) The vessel Sinaran Ikhlas (Official No. 401770), a steel tug boat with its registered owner being Kelisar;
- (u) The vessel Sinaran Timur (Official No. 399876), a steel tug boat with its registered owner being Melisar;
- (v) The vessel Sinaran Barat (Official No. 399877), a steel barge with its registered owner being Melisar;
- (w) The vessel Sinaran Utara (Official No. 399878), a steel tug boat with its registered owner being Nimsar;
- (x) The vessel Sinaran Selatan (Official No. 399879), a steel barge with its registered owner being Nimsar;
- (y) The vessel Sinaran Sehati (Official No. 400563), a steel tug boat with its registered owner being Nimsar; and
- (z) The vessel Sinaran Sejiwa (Official No. 400564), a steel barge with its registered owner being Nimsar.

## **7.2 Under the laws of Brunei**

ICON Bahtera is duly incorporated and validly exists as a private company limited by shares under Brunei laws, with full legal capacity to enter into binding agreements and make representations or undertake commitments in its own name in Brunei.

The transfer of shares in ICON Bahtera is restricted by its Articles of Associations, which requires any transfer of shares to be first approved by the directors.

The vessel Icon Kayra (registration no. 0089), an anchor handling/offshore support ship, is registered under ICON Bahtera as confirmed by the Brunei Darussalam Ship Registry.

## 8. EFFECTS OF THE PROPOSED ACQUISITIONS

### 8.1 Issued share capital

The effect of the Proposed Acquisitions on the issued share capital of our Company is as follows:

	No. of ICON Shares	RM'000
As at the LPD	623,613,651	368,984
Consideration Shares to be issued for the following <sup>(1)</sup> :		
- Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine	227,272,727	<sup>(2)</sup> 222,680
- Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia	181,818,182	<sup>(2)</sup> 178,144
- Proposed Acquisition of ICON Bahtera and Proposed Acquisition of ICON Waja	49,431,819	<sup>(2)</sup> 48,433
<b>Enlarged number of ICON Shares and issued share capital</b>	<b>1,082,136,379</b>	<b>818,241</b>

**Notes:**

- (1) As set out in **Section 8.3 of Part A** of this Circular, the value of the Consideration Shares is computed based on ICON's closing share price as at the LPD of RM0.98, in accordance with MFRS 3: Business Combinations where the consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values. However, as the value is not known until at a later date, the most appropriate value to use for illustration purposes would be the value as at the LPD as this is likely to be the best indication of the effect of the Proposed Acquisitions.
- (2) After taking into account the capitalised estimated expenses relating to the Proposed Acquisitions totalling to RM0.10 million (proportionate to the respective purchase consideration of the Proposed Acquisitions) in accordance with MFRS, which is in relation to fees payable to Bursa Securities for the listing and quotation of 458,522,728 Consideration Shares on the Main Market of Bursa Securities.



## 8.2 Substantial shareholders' shareholding

The effect of the Proposed Acquisitions on the substantial shareholders' shareholding in our Company based on the Record of Depositors of our Company is as follows:

	Pro forma I(A)					
	As at the LPD			After the Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine		
	Direct	Indirect		Direct	Indirect	
	No. of ICON Shares	(1) %	No. of ICON Shares	(1) %	No. of ICON Shares	(2) %
Liannex Maritime	352,636,335	56.55	-	-	(12) 579,909,062	68.15
Liannex Corporation	-	-	(5) 352,636,335	56.55	-	-
Mr. LHW	-	-	(6) 352,636,335	56.55	(5) 579,909,062	68.15
Yinson Offshore	-	-	-	-	(6) 579,909,062	68.15
YHB	-	-	-	-	-	-
Madam Bah	-	-	(8) 352,636,335	56.55	-	-
Hallmark Odyssey	31,303,602	5.02	-	-	(8) 579,909,062	68.15
E-Cap	-	-	(9) 31,303,602	5.02	31,303,602	3.68
Ekuinas Capital	-	-	(10) 31,303,602	5.02	-	-
Yayasan Ekuiti Nasional	-	-	(11) 31,303,602	5.02	(9) 31,303,602	3.68
					(10) 31,303,602	3.68
					(11) 31,303,602	3.68

	Pro forma I(B)			Pro forma I(C)		
	After Pro forma I(A) and after the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia			After Pro forma I(B) and after the Proposed Acquisition of ICON Bahtera and Proposed Acquisition of ICON Waja		
	Direct		Indirect	Direct		Indirect
	No. of ICON Shares	(2) %	No. of ICON Shares	(2) %	No. of ICON Shares	(2) %
Liannex Maritime	579,909,062	56.15	-	-	579,909,062	54.77
Liannex Corporation	-	-	(5) 579,909,062	56.15	-	-
Mr. LHW	-	-	(6) 761,727,244	73.76	(5) 579,909,062	54.77
Yinson Offshore	181,818,182	17.61	-	-	(6) 761,727,244	70.39
YHB	-	-	-	-	181,818,182	16.80
Madam Bah	-	-	(8) 761,727,244	73.76	(7) 181,818,182	16.80
Hallmark Odyssey	31,303,602	3.03	-	-	(8) 761,727,244	70.39
E-Cap	-	-	(9) 31,303,602	3.03	31,303,602	2.89
Ekuinas Capital	-	-	(10) 31,303,602	3.03	-	-
Yayasan Ekuiti Nasional	-	-	(11) 31,303,602	3.03	(9) 31,303,602	2.89
					(10) 31,303,602	2.89
					(11) 31,303,602	2.89

Pro forma II

After Pro forma I(C) and assuming full exercise of the outstanding Warrants A

	Direct		Indirect	
	No. of ICON Shares	(3) %	No. of ICON Shares	(3) %
Liannex Maritime	579,914,887	47.85	-	-
Liannex Corporation	-	-	(5) 579,914,887	47.85
Mr. LHW	-	-	(6) 761,733,069	62.85
Yinson Offshore	181,818,182	15.00	-	-
YHB	-	-	(7) 181,818,182	15.00
Madam Bah	-	-	(8) 761,733,069	62.85
Hallmark Odyssey	(4) 103,343,602	(4) 8.53	-	-
E-Cap	-	-	(9) 103,343,602	8.53
Ekuinas Capital	-	-	(10) 103,343,602	8.53
Yayasan Ekuiti Nasional	-	-	(11) 103,343,602	8.53

Notes:

- (1) Computed based on 623,613,651 ICON Shares in issue as at the LPD.
- (2) Computed based on the enlarged number of ICON Shares after the Proposed Acquisitions of 1,082,136,378.
- (3) Computed based on the enlarged number of ICON Shares of 1,211,988,914 assuming full exercise of 129,852,535 outstanding Warrants A as at the LPD.
- (4) Assuming Hallmark Odyssey fully exercises 72,040,000 outstanding Warrants A held as at the LPD.
- (5) Deemed interest by virtue of its shareholding in Liannex Maritime pursuant to Section 8(4) of the Act.
- (6) Deemed interest by virtue of his shareholding in Liannex Maritime through Liannex Corporation pursuant to Section 8(4) of the Act and deemed interest by virtue of his spouse and children's direct shareholdings in YHB pursuant to Section 59(1)(c) of the Act and Liannex Corporation's and YLSB's direct shareholdings in YHB pursuant to Section 8(4) of the Act.
- (7) Deemed interest by virtue of its shareholding in Yinson Offshore pursuant to Section 8(4) of the Act.
- (8) Deemed interest by virtue of her shareholding in Liannex Maritime through Liannex Corporation, her spouse's shareholding in Liannex Maritime through Liannex Corporation pursuant to Section 8(4) of the Act, her direct shareholding in YHB and deemed interest by virtue of her spouse's and children's shareholdings in YHB pursuant to Section 59(1)(c) of the Act and Liannex Corporation's and YLSB's direct shareholdings in YHB pursuant to Section 8(4) of the Act.
- (9) Deemed interest by virtue of its shareholding in Hallmark Odyssey pursuant to Section 8(4) of the Act.
- (10) Deemed interest by virtue of its shareholdings in Hallmark Odyssey and E-Cap pursuant to Section 8(4) of the Act.
- (11) Deemed interest by virtue of its shareholdings in Hallmark Odyssey, E-Cap and Ekuinas Capital pursuant to Section 8(4) of the Act.
- (12) Assuming Liannex Maritime is nominated to receive the 227,272,727 Consideration Shares to be issued to Liannex Corporation and Mr. LHW who are the vendors for the Proposed Acquisition of Liannex Fleet and the Proposed Acquisition of Yinson Power Marine, respectively.

### 8.3

#### NA per ICON Share and gearing

For illustrative purposes only, based on the latest audited consolidated statement of financial position of ICON as at 31 December 2023 and assuming that the Proposed Acquisitions had been effected on that date, the pro forma effects of the Proposed Acquisitions on the NA per ICON Share and gearing of our Group are as follows:

	Pro forma I	Pro forma II(A)	Pro forma II(B)	Pro forma II(C)	Pro forma III
	Audited as at 31 December 2023 (RM'000)	After Pro forma I and after the Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine (RM'000)	After Pro forma II(A) and after the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia (RM'000)	After Pro forma II(B) and after the Proposed Acquisition of ICON Bahtera and Proposed Acquisition of ICON Waja (RM'000)	After Pro forma II(C) and assuming full exercise of the outstanding Warrants A (RM'000)
Share capital	317,941	(1) After subsequent events (2) 368,984	(6)(8) 769,808	(6)(8) 818,241	957,833
Reserves	43,460	43,204	(7) 17,046	17,046	(13) (15,416)
Accumulated losses	(16,061)	(16,233)	(9) (20,228)	(10) (27,047)	(27,047)
Equity attributable to owners of our Company	<b>345,340</b>	<b>395,955</b>	<b>766,626</b>	<b>808,240</b>	<b>915,370</b>
Non-controlling interests	31,989	31,989	(11) 70,305	(14) 38,316	38,316
Total equity	<b>377,329</b>	<b>427,944</b>	<b>836,931</b>	<b>846,556</b>	<b>953,686</b>
Number of ICON Shares in issue ('000)	541,637	(2) 623,614	1,032,705	1,082,136	1,211,989
NA per ICON Share (RM) (3)	0.64	0.63	0.74	0.75	0.76
Interest-bearing borrowings (excluding lease liabilities) (RM'000)	248,796	199,229	(5) 383,106	(12) 373,173	373,173
Gearing (times) (4)	0.72	0.50	0.50	0.46	0.41

#### Notes:

(1) For illustrative purposes, Pro Forma (I) includes the impact of significant events or transactions completed from 1 January 2024 up to the LPD that form an integral part of the Proposed Acquisitions.

(2) After taking into account the following:

- (a) issuance of 80,596,099 new ICON Shares at an issue price of RM0.615 per ICON Share in relation to the repayment of the Restructured Term Loan 3 under the debt restructuring exercise of our Company, which took effect on 17 February 2020 where the debt owed by our Company were automatically exchanged to ICON Shares upon the launch of the MTO;
  - (b) issuance of 329,999 new ICON Shares arising from the exercise of said number of ESOS options at an exercise price of RM0.555 per ESOS option and issue price of RM1.052 per ICON Share (our Company's long-term incentive plan ("LTIP") was terminated with effect from 29 November 2024 in accordance with the terms of the by-laws governing the existing LTIP); and
  - (c) issuance of 1,050,065 new ICON Shares arising from the exercise of said number of Warrants A at an exercise price of RM0.825 per Warrant A (with a theoretical fair value of RM0.25 per Warrant A).
- (3) Computed based on equity attributable to the owners of ICON divided by number of ICON Shares in issue.
  - (4) Computed based on total interest-bearing borrowings (excluding lease liabilities) of the ICON Group divided by equity attributable to the owners of our Company.
  - (5) After taking into account interest-bearing borrowings (excluding lease liabilities) of the Liannex Fleet Group of SGD56.01 million or approximately RM183.88 million as at 31 August 2024 which was drawn-down during the period up to 31 August 2024, assuming that such borrowing has been drawn-down as at 31 December 2023.
  - (6) The value of the share capital has been determined based on ICON's closing share price as at the LPD. Please refer to Note (1) of **Section 8.1 of Part A** of this Circular for details.
  - (7) After taking into account the negative capital reorganisation reserve of RM26.16 million arising from the Proposed Acquisition of Liannex Fleet. Our Group applies the predecessor method of accounting to account for business combinations under common control. Under the predecessor method of accounting, assets and liabilities acquired are not restated to their respective fair values but at the carrying amounts from the perspective of the common controlling party, and adjusted to ensure uniform accounting policies within our Group. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities (as of the date of the transaction) of the acquired entity is recognised as a reserve and reflected within equity as capital reorganisation reserve.
  - (8) After taking into account the value of the Consideration Shares to be issued based on ICON's closing share price as at the LPD of RM0.98, and upon capitalisation of the estimated expenses relating to the Proposed Acquisitions totalling to RM0.10 million (proportionate to the respective purchase consideration of the Proposed Acquisitions) in accordance with MFRS, which is in relation to fees payable to Bursa Securities for the listing and quotation of 458,522,728 Consideration Shares on the Main Market of Bursa Securities.
  - (9) After taking into account the expensed estimated expenses relating to the Proposed Acquisitions totalling to RM4.39 million (proportionate to the respective purchase consideration of the Proposed Acquisitions) in accordance with MFRS, which consist of professional fees and stamp duty payable.
  - (10) After taking into account the effects arising from the difference between the value of 49,431,819 Consideration Shares to be issued to Zell Transportation at an illustrative issue price of RM0.98 as at the LPD amounting to RM48.44 million, the book value of the NCI of ICON Bahtera of RM31.99 million, purchase of all the outstanding RPS in ICON Bahtera from Zell Transportation of BND3.01 million (equivalent to RM9.93 million), which was previously recognised as a borrowing of our Group prior to the Proposed Acquisition of ICON Bahtera, which results in an increase in the accumulated losses of our Group by RM6.52 million.
  - (11) After taking into account the recognition of the NCI of Regulus Offshore as at 30 September 2024 of RM38.32 million after the Proposed Acquisition of Regulus Offshore.
  - (12) After taking into account the purchase of all the outstanding RPS in ICON Bahtera from Zell Transportation of BND3.01 million (equivalent to RM9.93 million), which was previously recognised as a borrowing of our Group prior to the Proposed Acquisition of ICON Bahtera.
  - (13) After taking into account the reversal of the warrant reserves of RM32.46 million, assuming full exercise of 129,852,535 outstanding Warrants A at an exercise price of RM0.825 per Warrant A.
  - (14) After taking into account the de-recognition of the book value of the NCI of ICON Bahtera amounting to RM31.99 million after the Proposed Acquisition of ICON Bahtera.

## 8.4 Earnings and EPS

For illustrative purposes only, based on the latest audited consolidated statement of profit or loss and other comprehensive income of ICON for the FYE 31 December 2023 and assuming that the Proposed Acquisitions had been effected on 1 January 2023, being the beginning of the FYE 31 December 2023, the pro forma effects of the Proposed Acquisitions on the earnings of our Group and EPS are as follows:

	<b>RM'000</b>
Consolidated PAT attributable to the equity holders of our Company	4,856
Add: The Liannex Fleet Group's PAT for the FYE 31 December 2023	(1) 31,827
Add: Regulus Offshore's PAT for the FYE 31 January 2024	(2) 10,962
Add: Yinson Camellia's PAT for the FYE 31 January 2024	(3) 3,423
Add: ICON Bahtera's PAT for the FYE 31 December 2023	(4) 1,861
Add: ICON Waja's PAT of ICON Waja for the FYE 31 December 2023	(5) 555
Less: Estimated expenses relating to the Proposed Acquisitions (6)	(4,388)
<b>Pro forma consolidated PAT attributable to owners of our Company after the Proposed Acquisitions</b>	<b>49,096</b>

### Number of ICON Shares in issue ('000):

- Before the Proposed Acquisitions	623,614
- After the Proposed Acquisitions	1,082,136
- After the Proposed Acquisitions and assuming full exercise of all the outstanding Warrants A	1,211,989

### EPS (sen):

- Before the Proposed Acquisitions	0.78
- After the Proposed Acquisitions	4.54
- After the Proposed Acquisitions and assuming full exercise of all the outstanding Warrants A	4.05

### Notes:

- (1) This represents 100% of the audited combined PAT of Liannex Fleet for the FYE 31 December 2023 based on the Accountants' Report on Liannex Fleet. For illustrative purposes, the figure disclosed was arrived at using the average middle rate prevailing at 5.00 p.m. for the FYE 31 December 2023 as published by BNM of SGD1.00:RM3.3977. For avoidance of doubt, the audited combined PAT of Liannex Fleet for the FYE 31 December 2023 already include the audited PAT of Yinson Power Marine for the FYE 31 December 2023 as Yinson Power Marine is a 51%-owned subsidiary of Liannex Fleet.
- (2) This represents 70% of the audited PAT of Regulus Offshore for the FYE 31 January 2024.
- (3) This represents 100% of the audited PAT of Yinson Camellia for the FYE 31 January 2024.
- (4) This represents 49% of the audited PAT of ICON Bahtera for the FYE 31 December 2023. For illustrative purposes, the figure disclosed was arrived at using the average middle rate prevailing at 5.00 p.m. for the FYE 31 December 2023 as published by BNM of BND1.00:RM3.3617.
- (5) This represents 15% of the audited PAT of ICON Waja for the FYE 31 December 2023.
- (6) Consist of professional fees, fees payable to the authorities, printing cost and cost to despatch this Circular and other incidental expenses relating to the Proposed Acquisitions.

## 8.5 Convertible securities

Save for the outstanding 129,852,535 Warrants A, our Company does not have any other convertible securities in issue as at the LPD.

The Proposed Acquisitions will not give rise to any adjustment to the exercise price and number of Warrants A pursuant to the deed poll constituting the Warrants A executed by our Company on 9 January 2020.

## 9. HISTORICAL SHARE PRICES

The monthly high and low market prices of ICON Shares as traded on the Main Market of Bursa Securities for the past 12 months from January 2024 to December 2024:

	High (RM)	Low (RM)
<b>2024</b>		
January	0.815	0.570
February	0.810	0.720
March	0.785	0.590
April	0.845	0.700
May	0.790	0.740
June	1.160	0.735
July	1.130	0.955
August	1.180	0.920
September	1.310	1.040
October	1.140	1.040
November	1.090	0.980
December	1.060	0.980

Last transacted market price of ICON Shares as at the LTD 1	RM1.170
Last transacted market price of ICON Shares as at the LTD 2	RM1.070
Last transacted market price of ICON Shares as at the LPD	RM0.980

(Source : Bloomberg)

## 10. APPROVALS REQUIRED

The Proposed Acquisitions are subject to the following being obtained:

- (a) approval of Bursa Securities for the listing and quotation of 458,522,728 Consideration Shares on the Main Market of Bursa Securities which was obtained vide its letter dated 31 December 2024, subject to, inter-alia, the following conditions:

No.	Condition imposed	Status of compliance
(i)	ICON and Maybank IB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Acquisitions;	To be complied
(ii)	ICON must comply with the public security holding spread requirements pursuant to Paragraph 8.02(1) of the Listing Requirements upon listing and quotation of the Consideration Shares;	To be complied
(iii)	ICON is required to provide a certified true copy of the resolution passed by shareholders in general meeting approving the Proposed Acquisitions prior to the listing and quotation of the Consideration Shares;	To be complied

No.	Condition imposed	Status of compliance
(iv)	ICON and Maybank IB are required to inform Bursa Securities upon completion of the Proposed Acquisitions; and	To be complied
(v)	ICON and Maybank IB are required to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Acquisitions are completed.	To be complied
(b)	approval of the non-interested shareholders of our Company for the Proposed Related Party Acquisitions at the forthcoming EGM;	
(c)	approval of the shareholders of our Company for the Proposed Non-Related Party Acquisitions at the forthcoming EGM;	
(d)	approval of BNM under the Foreign Exchange Policy Notices issued by BNM for the Proposed Acquisitions (save for the Proposed Acquisition of Yinson Power Marine, the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia) which was obtained vide its letter dated 27 December 2024, subject to, inter-alia, the following conditions:	

No.	Condition imposed	Status of compliance
(i)	ICON must obtain the approval of BNM prior to effecting any change in relation to the Proposed Acquisitions (save for the Proposed Acquisition of Yinson Power Marine, the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia);	To be complied
(ii)	ICON must fully repatriate the excess amount of its respective investments in Liannex Fleet, ICON Bahtera and ICON Waja after taking into consideration the settlement of any debt obligations of Liannex Fleet, ICON Bahtera and ICON Waja and to deposit such funds with licensed banks in Malaysia; and	To be complied
(iii)	ICON is required to notify BNM of the cancellation of the Proposed Acquisitions (save for the Proposed Acquisition of Yinson Power Marine, the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia), if applicable.	To be complied

; and

- (e) approval, waiver and/or consent of any other relevant authorities and/or parties such as financial institutions that have extended credit facilities to the Target Companies (where applicable), if required.

## 11. CONDITIONALITY OF THE PROPOSED ACQUISITIONS

The Proposed Acquisition of Liannex Fleet and the Proposed Acquisition of Yinson Power Marine are inter-conditional with each other, but not conditional upon the Proposed Acquisition of Regulus Offshore, the Proposed Acquisition of Yinson Camellia and the Proposed Non-Related Party Acquisitions.

The Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia are inter-conditional with each other, but not conditional upon the Proposed Acquisition of Liannex Fleet, the Proposed Acquisition of Yinson Power Marine and the Proposed Non-Related Party Acquisitions.



The Proposed Non-Related Party Acquisitions are inter-conditional with each other but not conditional upon any of the Proposed Related Party Acquisitions.

## 12. OUTSTANDING CORPORATE EXERCISE/SCHEME ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Acquisition of YPVPL and the Proposed Acquisition of YPL which were announced via the Term Sheets Announcement and SSPA Announcement and the proposed change of our Company's name from "ICON Offshore Berhad" to "Lianson Fleet Group Berhad" as announced on 28 November 2024 ("**Proposed Change of Name**"), there are no other corporate exercise/scheme which have been announced by our Company that are pending completion prior to the printing of this Circular.

The Proposed Change of Name will be tabled at the forthcoming EGM together with the Proposed Acquisitions.

On 31 December 2024, Maybank IB had, on behalf of our Board, announced that our Company has decided to proceed to table the Proposed Acquisition of YPVPL and the Proposed Acquisition of YPL at a separate EGM to be convened at a later date.

## 13. PERCENTAGE RATIO

### 13.1 Proposed Related Party Acquisitions

The highest percentage ratio applicable to each of the Proposed Related Party Acquisitions pursuant to Paragraph 10.02(g) of the Listing Requirements are as follows:

Transaction	Highest percentage ratio applicable (%)	Basis of computation
Proposed Acquisition of Liannex Fleet	633.29	Net profits (after deducting all charges and taxation excluding extraordinary items) of the Liannex Fleet Group divided by net profits attributable to the owners of ICON for the FYE 31 December 2023
Proposed Acquisition of Yinson Power Marine	20.74	51% of the net profits (after deducting all charges and taxation excluding extraordinary items) of Yinson Power Marine divided by net profits attributable to the owners of ICON for the FYE 31 December 2023
Proposed Acquisition of Regulus Offshore	225.73	70% of the net profits (after deducting all charges and taxation excluding extraordinary items) of Regulus Offshore divided by net profits attributable to the owners of ICON for the FYE 31 December 2023
Proposed Acquisition of Yinson Camellia	70.48	Net profits (after deducting all charges and taxation excluding extraordinary items) of Yinson Camellia divided by net profits attributable to the owners of ICON for the FYE 31 December 2023

Pursuant to the rule of aggregation under Paragraph 10.12(2) of the Listing Requirements given that the Proposed Acquisition of Liannex Fleet and the Proposed Acquisition of Yinson Power Marine are entered into/involves the same ultimate party (i.e. Mr. LHW), the highest aggregated percentage ratio applicable to the Proposed Acquisition of Liannex Fleet and the Proposed Acquisition of Yinson Power Marine is 654.03%.

Pursuant to the rule of aggregation under Paragraph 10.12(2) of the Listing Requirements given that the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia are entered into with the same party (i.e. Yinson Offshore which is a wholly-owned subsidiary of YHB), the highest aggregated percentage ratio applicable to the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia is 296.21%.

### 13.2 Proposed Non-Related Party Acquisitions

The highest percentage ratio applicable to each of the Proposed Non-Related Party Acquisitions pursuant to Paragraph 10.02(g) of the Listing Requirements are as follows:

Transaction	Highest percentage ratio applicable (%)	Basis of computation
Proposed Acquisition of ICON Bahtera	37.42	49% of the net profits (after deducting all charges and taxation excluding extraordinary items) of ICON Bahtera divided by net profits attributable to the owners of ICON for the FYE 31 December 2023
Proposed Acquisition of ICON Waja	11.42	15% of the net profits (after deducting all charges and taxation excluding extraordinary items) of ICON Waja divided by net profits attributable to the owners of ICON for the FYE 31 December 2023

Pursuant to the rule of aggregation under Paragraph 10.12(2) of the Listing Requirements given that the Proposed Non-Related Party Acquisitions are entered into with the same party (i.e. Zell Transportation), the highest aggregated percentage ratio applicable to the Proposed Non-Related Party Acquisitions is 48.84%.

For avoidance of doubt, the Proposed Acquisitions (save for the Proposed Acquisition of ICON Bahtera and the Proposed Acquisition of ICON Waja) do not result in a significant change in the business direction or policy of our Company due to the following reasons, based on the criteria set out in the Equity Guidelines issued by the Securities Commission Malaysia prevailing as at the date of the SSPA Announcement:

- (a) Liannex Fleet, Yinson Power Marine, Regulus Offshore and Yinson Camellia are principally involved in vessel chartering/owning and ship management business;
- (b) There is no change in the controlling shareholder of our Company as Mr. LHW remains the single largest shareholder of our Company by virtue of his indirect shareholding in ICON of 56.55% via his direct interest in Liannex Maritime;
- (c) There is no change in our Board as a result of the Proposed Acquisition of Liannex Fleet, the Proposed Acquisition of Yinson Power Marine, the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia;
- (d) Our Company is not classified as a cash company;

- (e) The Proposed Acquisition of Liannex Fleet, the Proposed Acquisition of Yinson Power Marine, the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia do not involve the transfer of our Company's listing status; and
- (f) ICON is not a Special Purpose Acquisition Company.

**14. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED**

Save as disclosed below, none of the Directors, chief executive and Major Shareholders and/or persons connected to them have any interest, direct or indirect, in the Proposed Acquisitions:

- (i) Liannex Maritime, a direct Major Shareholder, is a wholly-owned subsidiary of Liannex Corporation which is the vendor for the Proposed Acquisition of Liannex Fleet;
- (ii) Liannex Corporation, an indirect Major Shareholder, is the holding company of Liannex Maritime and the vendor for the Proposed Acquisition of Liannex Fleet;
- (iii) Mr. LHW, being the vendor for the Proposed Acquisition of Yinson Power Marine as well as an indirect Major Shareholder, by virtue of the following:
  - (a) his deemed interest in Liannex Corporation which in turn is the vendor for the Proposed Acquisition of Liannex Fleet; and
  - (b) he is also an indirect major shareholder of YHB, the holding company of Yinson Offshore which in turn is the vendor for the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia, by virtue of his spouse's and children's direct shareholdings in YHB pursuant to Section 59(11)(c) of the Act and Liannex Corporation's and YLSB's direct shareholding in YHB pursuant to Section 8(4) of the Act;
- (iv) Madam Bah, an indirect Major Shareholder, by virtue of her shareholding in Liannex Maritime through Liannex Corporation, her spouse's shareholding in Liannex Maritime through Liannex Corporation pursuant to Section 8(4) of the Act, her direct shareholding in YHB and deemed interest by virtue of her spouse's and children's shareholdings in YHB pursuant to Section 59(11)(c) of the Act and Liannex Corporation's and YLSB's direct shareholdings in YHB pursuant to Section 8(4) of the Act; and
- (v) the Interested Director who is the Executive Chairman of our Company and also the son of Mr. LHW.

Accordingly, the Interested Director has abstained and will continue to abstain from all deliberations and voting at the board meetings of our Company pertaining to the Proposed Related Party Acquisitions. The Interested Director will also abstain from voting in respect of his direct and/or indirect shareholding in our Company, if any, on the resolutions pertaining to the Proposed Related Party Acquisitions to be tabled at the forthcoming EGM. Further, the Interested Director has also undertaken to ensure that persons connected to him will also abstain from voting in respect of their direct and/or indirect shareholding in our Company, if any, on the resolutions pertaining to the Proposed Related Party Acquisitions to be tabled at the forthcoming EGM.

The Interested Major Shareholders will abstain from voting in respect of their direct and/or indirect shareholding in our Company, if any, on the resolutions pertaining to the Proposed Related Party Acquisitions to be tabled at the forthcoming EGM. Further, the Interested Major Shareholders have also undertaken to ensure that persons connected to them will also abstain from voting in respect of their direct and/or indirect shareholding in our Company, if any, on the resolutions pertaining to the Proposed Related Party Acquisitions to be tabled at the forthcoming EGM.

Datuk Abdullah is an Independent Non-Executive Director of our Company up until his resignation from our Board effective 16 December 2024 as well as YHB. Datuk Abdullah had voluntarily abstained from all deliberations and voting at the board meetings of our Company pertaining to the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia up until his resignation from our Board effective 16 December 2024.

As at the LPD, the Interested Director and Datuk Abdullah do not hold any ICON Shares. The direct and indirect shareholdings of the Interested Major Shareholders in our Company as at the LPD are as follows:

	Direct		Indirect	
	No. of ICON Shares	% <sup>(1)</sup>	No. of ICON Shares	% <sup>(1)</sup>
Liannex Maritime	352,636,335	56.55	-	-
Liannex Corporation	-	-	<sup>(2)</sup> 352,636,335	56.55
Mr. LHW	-	-	<sup>(3)</sup> 352,636,335	56.55
Madam Bah	-	-	<sup>(4)</sup> 352,636,335	56.55

**Notes:**

- (1) Computed based on 623,613,651 ICON Shares in issue as at the LPD.
- (2) Deemed interest by virtue of Liannex Maritime pursuant to Section 8(4) of Act.
- (3) Deemed interest by virtue of his shareholding in Liannex Maritime through Liannex Corporation pursuant to Section 8(4) of the Act.
- (4) Deemed interest by virtue of her shareholding in Liannex Maritime through Liannex Corporation and her spouse's shareholding in Liannex Maritime through Liannex Corporation pursuant to Section 8(4) of the Act.

## 15. TRANSACTIONS WITH THE SAME RELATED PARTIES FOR THE PRECEDING 12 MONTHS

Save for the Proposed Acquisition of YPVPL and the Proposed Acquisition of YPL, our Company has not entered into any transactions with the Interested Director, Interested Major Shareholders and persons connected for the past 12 months preceding the LPD.

## 16. AUDIT AND RISK MANAGEMENT COMMITTEE'S STATEMENT

Our Audit and Risk Management Committee (save for Datuk Abdullah in relation to the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia (up until his resignation from our Board effective 16 December 2024)), after reviewing the legal, financial and tax due diligence on the respective Target Companies for the Proposed Related Party Acquisitions, valuation conducted on the vessels owned by the Liannex Fleet Group, Regulus Offshore and Yinson Camellia, and also after having considered all aspects of the Proposed Related Party Acquisitions, including but not limited to the salient terms of the SSPA 1 and SSPA 2, basis and justification for the purchase consideration for the Proposed Related Party Acquisitions and the Issue Price, rationale and benefits of the Proposed Related Party Acquisitions, prospects of the Target Companies in relation to the Proposed Related Party Acquisitions, effects of the Proposed Related Party Acquisitions as well as the evaluation and recommendation of the Independent Adviser, is of the view that the Proposed Related Party Acquisitions are:

- (i) in the best interest of ICON;
- (ii) fair, reasonable and on normal commercial terms; and
- (iii) not detrimental to the interest of the non-interested shareholders of ICON.

## 17. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board (save for the Interested Director in relation to the Proposed Related Party Acquisitions and Datuk Abdullah in relation to the Proposed Acquisition of Regulus Offshore and the Proposed Acquisition of Yinson Camellia (up until his resignation from our Board effective 16 December 2024)), after having considered all aspects of the Proposed Acquisitions, including but not limited to the salient terms of the SSPAs, basis and justification for the Purchase Consideration and the Issue Price, rationale and benefits of the Proposed Acquisitions, prospects of the Target Companies, effects of the Proposed Acquisitions as well as the evaluation and recommendation by the Independent Adviser in relation to the Proposed Related Party Acquisitions, is of the opinion that the Proposed Acquisitions are in the best interest of our Company.

Accordingly, our Board (save for the Interested Director in relation to the Proposed Related Party Acquisitions) recommend that you vote in favour of the resolutions pertaining to the Proposed Acquisitions at the forthcoming EGM.

## 18. ADVISERS

Maybank IB has been appointed as the Principal Adviser to our Company for the Proposed Acquisitions.

In view of the interest of the Interested Major Shareholders and Interested Director in the Proposed Related Party Acquisitions as set out in **Section 14 of Part A** of this Circular and in compliance with Paragraph 10.08 of the Listing Requirements, Kenanga IB has been appointed to act as the Independent Adviser to undertake the following in relation to the Proposed Related Party Acquisitions:

- (i) comment as to whether the Proposed Related Party Acquisitions are:
  - (a) fair and reasonable so far as the non-interested shareholders of our Company are concerned; and
  - (b) not to the detriment of the non-interested shareholders of our Company,
- (ii) advise the non-interested shareholders of our Company on whether they should vote in favour of the Proposed Related Party Acquisitions; and
- (iii) take all reasonable steps to satisfy itself that it has a reasonable basis to make the comments and advice in relation to items (i) and (ii) above.

## 19. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Acquisitions are expected to be completed in the first quarter of 2025. The tentative timetable for the implementation of the Proposed Acquisitions is set out below:

Event	Tentative timing
EGM	End January 2025
Fulfilment of the conditions precedent in respect of the SSPAs	End January 2025
Completion of the Proposed Acquisitions	End January 2025

## 20. EGM

The resolutions pertaining to the Proposed Acquisitions will be tabled at the forthcoming EGM. The notice convening the EGM and the Form of Proxy are enclosed in this Circular. This Circular together with the Administrative Guide for the EGM is available at our Company's corporate website at [www.iconoffshore.com.my](http://www.iconoffshore.com.my) and Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) under our Company's announcements.

The EGM will be held on a fully virtual basis and conducted entirely through live streaming via remote participation and electronic voting facilities provided by Boardroom Share Registrars Sdn Bhd via its website at <https://meeting.boardroomlimited.my> at 10.00 a.m. on Monday, 27 January 2025 or any adjournment thereof for purpose of considering, and, if thought fit, passing the resolutions to give effect to the Proposed Acquisitions.

The voting of the EGM will be conducted by poll. If you are unable to attend and vote by yourself at the EGM, please complete, execute and deposit the Form of Proxy, in accordance with the instructions therein, to the Share Registrar, Boardroom Share Registrars Sdn Bhd at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan no later than **10.00 a.m. on Saturday, 25 January 2025**. The proxy appointment may also be lodged electronically via Boardroom Share Registrars Sdn Bhd's website at <https://investor.boardroomlimited.com> no later than **10.00 a.m. on Saturday, 25 January 2025**. For further information on the electronic lodgement of Form of Proxy, please refer to the Administrative Guide for the EGM.

Shareholders are advised to refer to the Administrative Guide for the EGM on the registration and voting process for the EGM.

## 21. FURTHER INFORMATION

Please refer to the appendices of this Circular for further information.

Yours faithfully,  
For and on behalf of the Board of  
**ICON OFFSHORE BERHAD**

**DATO' SYED NAQIZ SHAHABUDDIN BIN SYED ABDUL JABBAR**  
Independent Non-Executive Director

**PART B**

**INDEPENDENT ADVICE LETTER FROM KENANGA IB TO THE NON-  
INTERESTED SHAREHOLDERS OF ICON IN RELATION TO THE  
PROPOSED RELATED PARTY ACQUISITIONS**

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## EXECUTIVE SUMMARY

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*All capitalised terms used in this Executive Summary shall have the same meanings as the words and expressions defined in the “Definitions” section of the Circular, except where the context otherwise requires or where otherwise defined in this IAL. All references to “we”, “us” or “our” in this Executive Summary are references to Kenanga IB, being the Independent Adviser for the Proposed Related Party Acquisitions.*

**This Executive Summary is intended to be a brief summary of this IAL which has been prepared by Kenanga IB to provide the non-interested shareholders with an independent evaluation of the Proposed Related Party Acquisitions and to express our recommendation on the Proposed Related Party Acquisitions.**

**You are advised to read and understand both this IAL and the letter from the Board set out in Part A of the Circular together with the accompanying appendices, and to carefully consider the evaluations and recommendations contained in both the letters before voting on the resolutions pertaining to the Proposed Related Party Acquisitions to be tabled at the forthcoming EGM.**

**If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.**

### 1. INTRODUCTION

On 30 August 2024, Maybank IB had, on behalf of the Board, announced that ICON had on even date entered into separate binding term sheets with the respective Vendors in relation to the Proposed Related Party Acquisitions.

On 22 November 2024, Maybank IB had, on behalf of the Board, announced that ICON had on even date entered into the SSPAs with the respective Vendors, for the Proposed Related Party Acquisitions.

The Proposed Related Party Acquisitions are deemed to be related party transactions in view of the interests of the major shareholders of ICON, namely Liannex Maritime, Liannex Corporation, Mr. LHW and Madam Bah as well as the interest of one of the directors of ICON, namely Mr. Lim Chern Wooi, as set out in **Section 14, Part A of the Circular**.

Accordingly, the Board had appointed us, Kenanga IB, on 29 August 2024, as the Independent Adviser to advise the non-interested Directors and the non-interested shareholders of ICON on the fairness and reasonableness of the Proposed Related Party Acquisitions, and whether the non-interested shareholders of ICON should vote in favour of the Proposed Related Party Acquisitions.

### 2. EVALUATIONS OF THE PROPOSED RELATED PARTY ACQUISITIONS

In evaluating the Proposed Related Party Acquisitions, we have considered the following:

Reference in this IAL	Consideration factors	Evaluation
Section 6.1	Rationale and benefits of the Proposed Related Party Acquisitions	<p>We take note that the Proposed Related Party Acquisitions would benefit ICON as the Proposed Related Party Acquisitions will increase ICON's operational capacity and customer base, as well as expand ICON's service offering.</p> <p>We also take note that the inter-conditionality of the Proposed Related Party Acquisitions allows ICON to acquire all the assets operating within the same industry and eliminate competition or conflict with the Vendors.</p> <p>Premised on the above, we are of the view that the rationale and benefits of the Proposed Related Party Acquisitions are <b>reasonable</b>.</p>



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**EXECUTIVE SUMMARY (CONT'D)**


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Reference in this IAL	Consideration factors	Evaluation
Section 6.2	Basis and justification in arriving at the purchase consideration	<p>We noted that the purchase considerations for the Proposed Related Party Acquisitions was arrived at on a “willing-buyer willing-seller” basis after taking into consideration the following:</p> <ul style="list-style-type: none"> <li>(i) the blended implied P / Adjusted NA multiples as well as the blended implied EV / EBITDA multiples represented by the respective purchase consideration for the Proposed Related Party Acquisitions; and</li> <li>(ii) the market value ascribed by the Specialist Vessel Valuer for the 39 vessels.</li> </ul> <p>We have reviewed the key bases and assumptions adopted by the Specialist Vessel Valuer and are satisfied with the reasonableness of the key bases and assumptions. As such, we are satisfied with the valuations conducted by the Specialist Vessel Valuer as well as the reasonableness of the opinion of the fair market values expressed by the Specialist Vessel Valuer and have relied on the valuation conducted by the Specialist Vessel Valuer.</p> <p>We are of the view that the purchase consideration for the Proposed Related Party Acquisitions is <b>fair</b> and <b>reasonable</b> as it is within the range of PB multiple and EV / EBITDA multiple of the comparable companies. Hence, the purchase consideration to be paid by ICON pursuant to the Proposed Related Party Acquisitions is <b>not detrimental</b> to the interests of the non-interested shareholders of ICON.</p> <p>Premised on the above and our detailed evaluation set out in <b>Section 6.2 of this IAL</b>, we are of the opinion that the purchase consideration for the Proposed Related Party Acquisitions are <b>fair</b>.</p>
Section 6.3	Evaluation of the Issue Price of the Consideration Shares	<p>We noted that the Issue Price represents the following:</p> <ul style="list-style-type: none"> <li>(i) a premium of 2.7% and 18.3% over the 6-month VWAP and 12-month VWAP of ICON Shares up to and including the LTD 1;</li> <li>(ii) a premium of 37.5% to the latest audited consolidated NA per ICON Share as at 31 December 2023 of RM0.64 which also reflects a PB multiple of 1.4 times; and</li> <li>(iii) a PB multiple of 1.4 times based on the latest unaudited consolidated NA per ICON Share as at 30 June 2024 of RM0.61 as compared with the PB multiples of the OSV comparable companies which ranges between a PB multiple of 0.9 times to 1.7 times.</li> </ul> <p>As such, we are of the opinion that the Issue Price is <b>fair</b> and <b>reasonable</b>, and it is <b>not detrimental</b> to the interests of the non-interested shareholders of ICON.</p>
Section 6.4	Salient terms of the SSPAs	<p>Based on our review of the salient terms of the SSPAs, we are of the view that the overall terms and conditions of the SSPAs are <b>reasonable</b> and <b>not detrimental</b> to the interests of the non-interested shareholders.</p>

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**EXECUTIVE SUMMARY (CONT'D)**

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<b>Reference in this IAL</b>	<b>Consideration factors</b>	<b>Evaluation</b>
Section 6.5	Effects of the Proposed Related Party Acquisitions	We are of the opinion that the pro forma effects of the Proposed Related Party Acquisitions are <b>not detrimental</b> to the interests of the non-interested shareholders on an overall basis.
Section 6.6	Industry overview, outlook and prospects	We believe that moving forward, barring any unforeseen circumstances, the prospects of the Target Companies for the Proposed Related Party Acquisitions should be <b>generally positive</b> as the enlarged fleet will allow ICON Group to expand its existing customer base as well as diversify its revenue streams.
Section 6.7	Risk factors in relation to the Proposed Related Party Acquisitions	<p>We noted that the risks associated with the Proposed Related Party Acquisitions are the typical risks associated with the business of ICON and are inherent in transactions of this nature.</p> <p>We wish to highlight that although measures have been / will be taken by ICON to mitigate such risks associated with the Proposed Related Party Acquisitions, no assurance can be given that one or a combination of the risk factors will not occur and give rise to material adverse impact on the business and operation of ICON, its financial performance or prospects thereon.</p>

### **3. CONCLUSION AND RECOMMENDATION**

We have assessed and evaluated the Proposed Related Party Acquisitions and our evaluation is set out in **Section 6 of this IAL**. The non-interested shareholders should consider all the merits and demerits of the Proposed Related Party Acquisitions based on all relevant pertinent factors including those which are as set out in **Part A of the Circular**, the relevant appendices thereof, this IAL and other publicly available information.

Premised on our evaluation of the Proposed Related Party Acquisitions in **Section 6 of this IAL**, we are of the opinion that the Proposed Related Party Acquisitions is **fair, reasonable** and **not detrimental** to the interests of the non-interested shareholders.

Accordingly, we recommend that the non-interested shareholders vote **in favour** of the resolutions pertaining to the Proposed Related Party Acquisitions to be tabled at the forthcoming EGM.



10 January 2025

To: The non-interested shareholders of ICON Offshore Berhad

Dear Sir / Madam,

ICON OFFSHORE BERHAD

**INDEPENDENT ADVICE LETTER TO THE NON-INTERESTED SHAREHOLDERS OF ICON OFFSHORE BERHAD IN RELATION TO THE PROPOSED RELATED PARTY ACQUISITIONS**

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*This IAL is prepared for inclusion in the Circular to the shareholders in relation to the Proposed Related Party Acquisitions and should be read in conjunction with the same. All capitalised terms used in this IAL shall have the same meaning as the words and expressions provided in the “Definitions” section of the Circular to the shareholders in relation to the Proposed Related Party Acquisitions, except where the context otherwise requires or otherwise as defined herein. All references to “we”, “us” or “our” in this IAL are references to Kenanga IB, being the Independent Adviser for the Proposed Related Party Acquisitions.*

**1. INTRODUCTION**

On 30 August 2024, Maybank IB had, on behalf of the Board, announced that ICON had on even date entered into separate binding term sheets with the respective Vendors in relation to the Proposed Related Party Acquisitions.

On 22 November 2024, Maybank IB had, on behalf of the Board, announced that ICON had on even date entered into the SSPAs with the respective Vendors, for the Proposed Related Party Acquisitions.

The Proposed Related Party Acquisition are deemed to be related party transactions in view of the interests of the major shareholders of ICON, namely Liannex Maritime, Liannex Corporation, Mr. LHW and Madam Bah as well as the interest of one of the directors of ICON, namely Mr. Lim Chern Wooi, as set out in **Section 14, Part A of the Circular**.

Accordingly, the Board had appointed us, Kenanga IB, on 29 August 2024, as the Independent Adviser to advise the non-interested Directors and the non-interested shareholders of ICON on the fairness and reasonableness of the Proposed Related Party Acquisitions, and whether the non-interested shareholders of ICON should vote in favour of the Proposed Related Party Acquisitions.

The purpose of this IAL is to provide the non-interested shareholders of ICON with an independent evaluation on the fairness and reasonableness of the Proposed Related Party Acquisitions insofar as the non-interested shareholders of ICON are concerned. This IAL also opines on whether the Proposed Related Party Acquisitions is detrimental to the non-interested shareholders of ICON as well as to provide a recommendation thereon on the voting of the resolutions pertaining to the Proposed Related Party Acquisitions to be tabled at the forthcoming EGM.

Nonetheless, the non-interested shareholders of ICON should rely on their own evaluation of the merits of the Proposed Related Party Acquisitions before deciding on the course of action to be taken at the forthcoming EGM.

This IAL is prepared solely for the use of the non-interested shareholders of ICON for the purpose of considering the merits of the Proposed Related Party Acquisitions and should not be used or relied upon by any other party or for any other purposes whatsoever.

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THE NON-INTERESTED SHAREHOLDERS OF ICON ARE ADVISED TO READ AND UNDERSTAND BOTH THIS IAL AND THE LETTER FROM THE BOARD SET OUT IN PART A OF THE CIRCULAR TOGETHER WITH THE ACCOMPANYING APPENDICES, AND TO CAREFULLY CONSIDER THE EVALUATIONS AND RECOMMENDATIONS CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED RELATED PARTY ACQUISITIONS TO BE TABLED AT THE FORTHCOMING EGM.

IF THE NON-INTERESTED SHAREHOLDERS OF ICON ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, THE NON-INTERESTED SHAREHOLDERS OF ICON SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

## 2. DETAILS OF THE PROPOSED RELATED PARTY ACQUISITIONS

The Proposed Related Party Acquisitions entails the acquisitions of the following companies:

No.	Target company	Percentage equity to be acquired (%)	Purchase consideration (RM'mil)	No. of Consideration Shares (‘000)
(i)	Liannex Fleet	100.00	182.0	206,818
(ii)	Yinson Power Marine	51.00	18.0	20,455
(iii)	Regulus Offshore	70.00	136.0	154,545
(iv)	Yinson Camellia	100.00	24.0	27,273
<b>Total</b>			<b>360.0</b>	<b>409,091</b>

The purchase consideration for the Proposed Related Party Acquisitions will be fully satisfied through the issuance of 409,090,909 Consideration Shares at an issue price of RM0.88 per ICON Share.

Further details of the Proposed Related Party Acquisitions are set out in **Section 2, Part A of the Circular** and should be read in its entirety.

## 3. INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND PERSONS CONNECTED

Save as disclosed below, none of the Directors, chief executive and major shareholders of ICON and / or persons connected to them have any interest, direct or indirect, in the Proposed Related Party Acquisitions:

- (i) Liannex Maritime, a direct major shareholder of ICON, is a wholly-owned subsidiary of Liannex Corporation which is the vendor for the Proposed Acquisition of Liannex Fleet;
- (ii) Liannex Corporation, an indirect major shareholder of ICON, is the holding company of Liannex Maritime and the vendor for the Proposed Acquisition of Liannex Fleet;
- (iii) Mr. LHW, being the vendor for the Proposed Acquisition of Yinson Power Marine as well as an indirect major shareholder of ICON, by virtue of his deemed interest in Liannex Corporation which in turn is the vendor for the Proposed Acquisition of Liannex Fleet and also an indirect major shareholder of YHB, the holding company of Yinson Offshore which in turn is the vendor for the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia, by virtue of his spouse's and children's direct shareholdings in YHB pursuant to Section 59(11)(c) of the Act and Liannex Corporation's and YLSB's direct shareholdings in YHB pursuant to Section 8(4) of the Act;

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- (iv) Madam Bah, an indirect major shareholder of ICON, by virtue of her shareholding in Liannex Maritime through Liannex Corporation, her spouse's shareholding in Liannex Maritime through Liannex Corporation pursuant to Section 8(4) of the Act, her direct shareholding in YHB and deemed interest by virtue of her spouse's and children's shareholdings in YHB pursuant to Section 59(11)(c) of the Act and Liannex Corporation's and YLSB's direct shareholdings in YHB pursuant to Section 8(4) of the Act; and
- (v) the Interested Director who is the Executive Chairman of ICON and also the son of Mr. LHW.

The Interested Director has abstained and will continue to abstain from all deliberations and voting at the board meetings of ICON pertaining to the Proposed Related Party Acquisitions. The Interested Director will also abstain from voting in respect of his direct and / or indirect shareholding in ICON, if any, on the resolutions pertaining to the Proposed Related Party Acquisitions to be tabled at the forthcoming EGM of ICON. Further, the Interested Director has also undertaken to ensure that persons connected to him will also abstain from voting in respect of their direct and / or indirect shareholding in ICON, if any, on the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM of ICON.

The Interested Major Shareholders will abstain from voting in respect of their direct and / or indirect shareholding in ICON, if any, on the resolutions pertaining to the Proposed Related Party Acquisitions to be tabled at the EGM to be convened. Further, the Interested Major Shareholders have also undertaken to ensure that persons connected to them will also abstain from voting in respect of their direct and / or indirect shareholding in ICON, if any, on the resolutions pertaining to the Proposals to be tabled at the EGM to be convened.

Datuk Abdullah is an Independent Non-Executive Director of ICON up until his resignation from the Board effective 16 December 2024 as well as YHB. Datuk Abdullah has voluntarily abstained from all deliberations and voting at the board meetings of ICON pertaining to the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia up until his resignation from the Board effective 16 December 2024.

Please refer to **Section 14, Part A of the Circular** for further details.

## 4. SCOPE AND LIMITATIONS OF OUR EVALUATIONS OF THE PROPOSED RELATED PARTY ACQUISITIONS

We have not been involved in the formulation, deliberation and negotiation of the terms and conditions of the Proposed Related Party Acquisitions.

Our scope as the Independent Adviser is limited to expressing an independent opinion on the Proposed Related Party Acquisitions insofar as the non-interested shareholders are concerned based on information and documents made available to us as set out below:

- (i) the information contained in **Part A of the Circular** together with the accompanying appendices;
- (ii) the SSPAs;
- (iii) the valuation report prepared by the Specialist Vessel Valuer;
- (iv) other information, documents, confirmations and / or representations provided by the Board and the management of ICON ("**Management**") ; and
- (v) other relevant publicly available information.

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It is not within our terms of reference to express any opinion on legal, accounting and taxation issues relating to the Proposed Related Party Acquisitions or commercial merits of the Proposed Related Party Acquisitions.

We have relied on the Board and the Management to exercise due care to ensure that all information, documents and representations provided to us to facilitate our evaluations are accurate, valid and complete in all material respects and free from material omission. The Board has seen, reviewed and accepted this IAL. We have also undertaken reasonableness checks and where possible, corroborating such information with independent sources. The Board has, individually and collectively, accepted full responsibility for the accuracy, validity and completeness of the information provided to us and given herein (save for our assessment, evaluations and opinions) and has confirmed that after making all reasonable enquiries and to the best of their knowledge and belief, there is no omission of any fact that would make any statement in this IAL incomplete, misleading or inaccurate.

Accordingly, having made all reasonable enquiries, we are satisfied with the sufficiency of the information provided and disclosure from the Board and the Management, and we have no reason to believe that any of the information is unreasonable, unreliable, inaccurate, incomplete and / or that there are any facts not contained in this IAL, the omission of which would make any information in this IAL misleading.

Our evaluations and opinions as set out in this IAL are based upon market, economic, industry, regulatory and the information / documents made available to us, as at 13 December 2024, being the latest practicable date prior to this IAL (“**LPD**”). Such conditions may change significantly over a short period of time. Accordingly, our evaluations and opinions in this IAL do not consider the information, events and conditions arising after the LPD.

We will notify the non-interested shareholders of ICON if after the despatch of the Circular, we:

- (i) become aware of any significant change affecting the information contained in this IAL;
- (ii) have reasonable grounds to believe that a material statement in this IAL is misleading or deceptive; or
- (iii) have reasonable grounds to believe that there is a material omission in this IAL.

If circumstances require, a supplementary IAL will be sent to the non-interested shareholders of ICON if there are material changes in our recommendation as set out in this IAL.

In forming our opinion, we have considered factors which we believe would be of relevance and general importance to the non-interested shareholders of ICON as a whole. We have not taken into consideration any specific investment objective, financial situation, risk profiles or particular needs of any individual shareholder or any specific group of shareholders. We recommend that any individual shareholder or group of shareholders who are in doubt as to the action to be taken or require advice in relation to the Proposed Related Party Acquisitions in the context of their individual objectives, financial situation, risk profiles or particular needs, to consult their respective stockbrokers, bank managers, solicitors, accountants or other professional advisers. We shall not be liable for any damage or loss of any kind sustained or suffered by any individual shareholder or any specific group of shareholders relying on the evaluation as set out in this IAL for any purpose whatsoever.

## 5. DECLARATION OF CONFLICT OF INTEREST AND OUR CREDENTIALS, EXPERIENCE AND EXPERTISE

Save as disclosed below and our appointment as the Independent Adviser for the Proposed Related Party Acquisitions, we do not have any other professional relationship with ICON for the past 2 years preceding the LPD. We confirm that there is no situation of conflict of interest that exists or is likely to exist in relation to our role as the Independent Adviser to ICON for the Proposed Related Party Acquisitions.

Kenanga IB had, on 9 January 2023, been appointed by ICON as the principal adviser for a corporate exercise involving a share capital reduction and share consolidation (collectively, the **“Corporate Exercises”**). The Corporate Exercises are not related to planning, restructuring, acquisition or disposal advisory. The Corporate Exercises were announced on 7 March 2023 and the circular was issued on 9 May 2023. The Corporate Exercises were approved by the shareholders of ICON at an EGM held on 31 May 2023. Subsequently, the share capital reduction was completed on 7 November 2023 and the share consolidation was completed on 29 November 2023.

We provide a range of advisory services which include, amongst others, mergers, acquisitions and divestitures, take-overs / general offers, fund raising and initial public offerings. We have experience in the independent analysis of transactions and issuing opinions on whether the terms and financial conditions of a transaction are deemed fair and reasonable, including those of acquisitions, disposals and general offers. We are a holder of a Capital Markets Services Licence issued by the Securities Commission Malaysia as a principal adviser who is permitted to carry on the regulated activity of advising on corporate finance under the Capital Markets and Services Act 2007.

Our credentials and experience as an Independent Adviser since 2019 up to the LPD, include amongst others, the following:

No.	Company	Proposal
1.	Ranhill Utilities Berhad ( <b>“Ranhill”</b> )	Independent advice circular dated 28 June 2024 to the non-interested directors and the holders of the offer shares in Ranhill pertaining to an unconditional mandatory take-over offer.
2.	UMW Holdings Berhad ( <b>“UMW”</b> )	Independent advice circular dated 8 January 2024 to the holders of the offer shares in UMW pertaining to an unconditional mandatory take-over offer.
3.	Pelikan International Corporation Berhad ( <b>“PICB”</b> )	Independent advice letter dated 7 September 2023 to the shareholders of PICB pertaining to a proposed disposal.
4.	Sunway Real Estate Investment Trust ( <b>“Sunway REIT”</b> )	Independent advice letter dated 31 May 2023 to the non-interested unitholders of Sunway REIT pertaining to a proposed acquisition.
5.	Lingkaran Trans Kota Holdings Berhad ( <b>“LITRAK”</b> )	Independent advice letter dated 15 May 2023 to the shareholders of LITRAK pertaining to a proposed capital reduction and repayment, and proposed delisting.
6.	Boustead Holdings Berhad ( <b>“Boustead”</b> )	Independent advice circular dated 17 April 2023 to the holders of the offer shares in Boustead pertaining to a conditional voluntary take-over offer.



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No.	Company	Proposal
7.	CapitaLand Malaysia Trust ("CLMT")	Independent advice letter dated 8 February 2023 to the non-interested unitholders of CLMT pertaining to the proposed acquisition of 433 strata titles within Queensbay Mall held by Special Coral Sdn Bhd, and the entire equity stakes in Scenic Growth Sdn Bhd, Luxury Ace Sdn Bhd, Success Idea Sdn Bhd, and Milky Way Hypermarkets / Retail Complexes Berhad.
8.	Lion Posim Berhad ("LPB")	Independent advice letter dated 17 November 2022 to the non-interested shareholders of LPB pertaining to a proposed unincorporated joint venture and proposed diversification.
9.	Cycle & Carriage Bintang Berhad ("CCB")	Independent advice circular dated 15 August 2022 to the holders of the offer shares in CCB pertaining to an unconditional voluntary take-over offer.
10.	Shin Yang Shipping Corporation Berhad ("SYSCORP")	Independent advice letter dated 17 May 2022 to the non-interested shareholders of SYSCROP pertaining to the proposed acquisition of Piasau Gas Sdn Bhd.
11.	IJM Plantations Berhad ("IJMP")	Independent advice circular dated 30 September 2021 to the holders of the offer shares in IJMP pertaining to an unconditional mandatory take-over offer.
12.	Malton Berhad ("Malton")	Independent advice letter dated 15 August 2019 to the non-interested shareholders of Malton pertaining to the proposed disposal of equity interest in Pavilion Bukit Jalil Mall and proposed subscription of redeemable preference shares in Regal Path Sdn Bhd.
13.	Sarawak Consolidated Industries Berhad ("SCIB")	Independent advice letter dated 11 June 2019 to the non-interested shareholders of SCIB pertaining to the proposed acquisition of land together buildings erected thereon.

Premised on the above, we are capable, competent and have the relevant experience in carrying out our role and responsibilities as the Independent Adviser for the Proposed Related Party Acquisitions.



## 6. EVALUATIONS OF THE PROPOSED RELATED PARTY ACQUISITIONS

We have taken the following into consideration in our evaluation:

<b>Section 6.1</b>	: Rationale and benefits of the Proposed Related Party Acquisitions
<b>Section 6.2</b>	: Basis and justification in arriving at the purchase consideration
<b>Section 6.3</b>	: Evaluation of the Issue Price of the Consideration Shares
<b>Section 6.4</b>	: Salient terms of the SSPAs
<b>Section 6.5</b>	: Effects of the Proposed Related Party Acquisitions
<b>Section 6.6</b>	: Industry overview, outlook and prospects
<b>Section 6.7</b>	: Risk factors in relation to the Proposed Related Party Acquisitions

### 6.1 Rationale and benefits of the Proposed Related Party Acquisitions

We take cognisance of the rationale and benefits of the Proposed Related Party Acquisitions as set out in **Section 3, Part A of the Circular**, our evaluation of the rationale and benefits of the Proposed Related Party Acquisitions are as follows:

#### (i) Increase in operational capacity and customer base

We take note that the Proposed Related Party Acquisitions will enable ICON Group to enlarge its OSV and marine vessel fleet which will allow ICON to increase its operational capacity and service coverage as well as expand its existing customer base.

Additionally, we take note that the Proposed Related Party Acquisitions will also enable ICON to service new geographical regions with market potential.

#### (ii) Expand ICON's service offering

We take note that the Proposed Related Party Acquisitions will enable ICON to expand its service offering beyond offshore O&G sector to include the transportation and logistics services consisting transportation of commodities, which is expected to contribute positively to the future earnings and cash flows of the enlarged ICON Group.

#### (iii) Inter-conditionality of the Proposed Related Party Acquisitions

We take note of the inter-conditionality of the proposals within the respective SSPAs as set out in **Section 11, Part A of the Circular** and noted that the inter-conditionality of the Proposed Related Party Acquisitions allows ICON to acquire all the assets operating within the same industry and eliminate competition or conflict with the Vendors.

Premised on the above, we are of the opinion that the rationale for the Proposed Related Party Acquisitions are **reasonable**. Nevertheless, the non-interested shareholders of ICON should note that the potential benefits arising from the Proposed Related Party Acquisitions are subject to certain risk factors as disclosed in **Section 5, Part A of the Circular** and our commentaries as set out in **Section 6.7 of this IAL**.

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## 6.2 Basis and justification in arriving at the purchase consideration

As set out in **Section 2.3, Part A of the Circular**, we noted that the purchase considerations for the Proposed Related Party Acquisitions were arrived at between the parties to the SSPAs on a “willing-buyer willing-seller” basis after taking into consideration the following:

- (i) the blended implied P / Adjusted NA multiples as well as the blended implied EV / EBITDA multiples represented by the respective purchase considerations for the Proposed Related Party Acquisitions; and
- (ii) the market value ascribed by the Specialist Vessel Valuer for the 39 vessels.

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A summary of the Target Companies for the Proposed Related Party Acquisitions and details taken into consideration to determine the Purchase Consideration are as follows:

Details	Liannex Fleet	Yinson Power Marine	Regulus Offshore	Yinson Camellia
Valuer	M3 Marine Valuations Pte Ltd			
Market Value <sup>(1)</sup>	USD79.40 million	USD9.85 million	USD29.75 million	USD5.25 million
Implied P / Adjusted NA multiple (times)	0.9	0.8	1.3	1.1
Implied EV / EBITDA multiple (times)	4.0	7.3	5.5	3.0
Comparable companies	<div> <div>(i) Maybulk Berhad</div> <div>(ii) Hubline Berhad</div> <div>(iii) Singapore Shipping Corporation Limited</div> <div>(iv) PT Hasnur Internasional Shipping Tbk</div> <div>(v) PT Batulicin Nusantara Maritim TBK</div> <div>(vi) Ama Marine Public Company Limited</div> <div>(vii) Lorenzo Shipping Corporation</div> </div> <div> <div>(i) Petra Energy Berhad</div> <div>(ii) Marine &amp; General Berhad</div> <div>(iii) Vallianz Holdings Ltd</div> <div>(iv) Logindo Samudramakmur Tbk Pt</div> <div>(v) E.A. Technique (M) Berhad</div> </div>			

**Note:**

(1) Based on the valuation report dated 10 September 2024 prepared by the Specialist Vessel Valuer on the basis of an 'as is, where is' sale, between a "willing-buyer and a willing-seller". Please refer to **Section 6.2.3 of this IAL** for our evaluation on the market value of the vessels owned by the target companies for the Proposed Related Party Acquisitions.

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## 6.2.1 Adjusted NA

We take note of the calculation of the Adjusted NAs of the target companies for the Proposed Related Party Acquisitions as disclosed in **Section 2.3, Part A of the Circular**. We have perused through the calculation and noted that the following adjustments were made in arriving at the Adjusted NA of the respective target companies:

No.	Adjustments	Kenanga IB's comment
1.	Addition of revaluation surplus / (deficit) based on the market value of the vessels ascribed by the Specialist Vessel Valuer.	<b>Reasonable</b>  We take note the adjustments were made to the NBV of the vessels owned by the target companies for the Proposed Related Party Acquisitions in order to reflect the latest market value ascribed by the Specialist Vessel Valuer.
2.	Adjustment to the net working capital of the target companies to reflect the agreed net working capital upon completion of the Proposed Related Party Acquisitions.	<b>Reasonable</b>  We take note that this adjustment was made to reflect one of the salient terms of the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia, whereby Yinson Offshore is required to provide a confirmation on the agreed net working capital of at least RM10.0 million prior to the completion of the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia. Please refer to <b>Section 6.4.2 of this IAL</b> , for our evaluation on the salient terms for the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia.

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No.	Adjustments	Kenanga IB's comment
3.	Addition of capitalisation of intercompany balances.	<p><b>Reasonable</b></p> <p>We take note that this adjustment was made in order to reflect one of the conditions precedent for the Proposed Acquisition of Liannex Fleet, whereby all intercompany balances of Liannex Fleet with Liannex Corporation and Mr LWH and any outstanding shareholder advances owed to Liannex Corporation and Mr. LHW and / or their associates or related parties are settled prior to completion of the Proposed Acquisition of Liannex Fleet. Please refer to <b>Section 6.4.1 of this IAL</b>, for our evaluation on the salient terms for the Proposed Acquisition of Liannex Fleet.</p> <p>This ensures that Liannex Fleet is acquired without any further outstanding liabilities owing to Liannex Corporation and Mr. LHW.</p>

Based on the above, we are of the view that the adjustments made to arrive at the Adjusted NA of the target companies for the Proposed Related Party Acquisitions are **fair** and **reasonable** as they reflect a more accurate value of the respective target companies at the time of completion of the Proposed Related Party Acquisitions.

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## 6.2.2 Comparable companies

We take note of the list of comparable companies as disclosed in **Section 2.3, Part A of the Circular**. We have perused through the comparable companies disclosed and noted that they are of the following criteria:

**(a) Marine**

We take note that the Marine Comparable Companies are of the following nature:

- (i) listed on stock exchanges in South-East Asia for more than 2 years; and
- (ii) principally involved in the marine transportation industry (contributing over 51% of total revenue), with market capitalisation below RM500 million.

As disclosed in **Section 2.3, Part A of the Circular**, the PB multiple and EV / EBITDA multiple of the Marine Comparable Companies are as follows:

Comparable companies	Country	PB (times)	EV / EBITDA (times)
<b><u>Marine</u></b>			
Maybulk Berhad	Malaysia	0.7	3.4
Hubline Berhad	Malaysia	1.8	12.8
Singapore Shipping Corporation Limited	Singapore	0.6	1.8
PT Hasnur Internasional Shipping Tbk	Indonesia	0.8	3.2
PT Batulicin Nusantara Maritim TBK	Indonesia	0.9	6.3
Ama Marine Public Company Limited	Thailand	0.7	3.8
Lorenzo Shipping Corporation	Philippines	0.9	12.2
	<b>High</b>	<b>1.8</b>	<b>12.8</b>
	<b>Low</b>	<b>0.6</b>	<b>1.8</b>
	<b>Average</b>	<b>0.9</b>	<b>6.2</b>
	<b>Median</b>	<b>0.8</b>	<b>3.8</b>

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Notwithstanding the PB Multiple and EV / EBITDA of Hubline Berhad and the EV / EBITDA of Lorenzo Shipping Corporation are higher as compared to the other comparable companies, Hubline Berhad and Lorenzo Shipping Corporation are not considered as outliers as they operate within the same industry and geographical region as Liannex Fleet and Yinson Power Marine. Hence, Hubline Berhad and Lorenzo Shipping Corporation would be exposed to similar risks and market conditions as Liannex Fleet and Yinson Power Marine.

## (b) OSV

We take note that the OSV Comparable Companies are of the following nature:

- (i) listed on stock exchanges in South-East Asia for more than 2 years; and
- (ii) principally involved in the OSV industry (contributing over 51% of total revenue), with market capitalisation below RM500 million.

As disclosed in **Section 2.3, Part A of the Circular**, the PB multiple and EV / EBITDA multiple of the OSV Comparable Companies are as follows:

Comparable companies	Country	PB (times)	EV / EBITDA (times)
<b>OSV</b>			
Petra Energy Berhad	Malaysia	1.1	2.4
Marine & General Berhad	Malaysia	1.4	3.5
Vallianz Holdings Ltd	Singapore	1.6	N/A
Logindo Samudramakmur Tbk Pt	Indonesia	0.9	6.5
E.A. Technique (M) Berhad	Malaysia	1.7	2.2
	<b>High</b>	<b>1.7</b>	<b>6.5</b>
	<b>Low</b>	<b>0.9</b>	<b>2.2</b>
	<b>Average</b>	<b>1.4</b>	<b>3.6</b>
	<b>Median</b>	<b>1.4</b>	<b>2.9</b>

Based on the above, we are of the view that the comparable companies chosen to derive the range of comparable P / Adjusted NA multiples and EV / EBITDA multiples are **reasonable** as the comparable companies are incorporated in the same region and principally involved in the same business segments of the Target Companies for the Proposed Related Party Acquisitions.

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Pursuant to the above, the comparison of the implied P / Adjusted NA after taking into consideration the market valuation as prepared by the Specialist Vessel Valuer of the Target Companies for the Proposed Related Party Acquisitions against the range of PB multiple of the comparable companies are as follows:

No.	Transaction	Purchase consideration (RM' mil)	Adjusted NA (RM' mil)	Implied Price / Adjusted NA multiple (times)	PB multiples of comparable companies	Remarks
1.	Proposed Acquisition of Liannex Fleet	182.0	193.6	0.9	Marine segment: 0.6x to 1.8x	We take note that the implied P / Adjusted NA multiple is <b>within</b> the PB multiples range of 0.6x to 1.8x for comparable companies in the Marine segment.
2.	Proposed Acquisition of Yinson Power Marine	18.0	22.5	0.8	Marine segment: 0.6x to 1.8x	
3.	Proposed Acquisition of Regulus Offshore	136.0	104.7	1.3	OSV segment: 0.9x to 1.7x	We take note that the implied P / Adjusted NA multiple is <b>within</b> the PB multiples range of 0.9x to 1.7x for comparable companies in the OSV segment.
4.	Proposed Acquisition of Yinson Camellia	24.0	21.0	1.1	OSV segment: 0.9x to 1.7x	

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Additionally, the range of EV / EBITDA multiple of the comparable companies are as follows:

No.	Transaction	Implied EV (RM'mil)	EBITDA (RM'mil)	Implied EV / EBITDA multiple (times)	EV / EBITDA multiples of comparable companies	Remarks
1.	Proposed Acquisition of Liannex Fleet	223.4	55.2	4.0	Marine segment: 1.8x to 12.8x	We take note that the implied EV / EBITDA multiple is <b>within</b> the range of EV / EBITDA multiples range of 1.8x to 12.8x for comparable companies in the Marine segment.
2.	Proposed Acquisition of Yinson Power Marine	35.1	4.8	7.3	Marine segment: 1.8x to 12.8x	
3.	Proposed Acquisition of Regulus Offshore	174.8	32.0	5.5	OSV segment: 2.2x to 6.5x	We take note that the implied EV / EBITDA multiple is <b>within</b> the EV / EBITDA multiples range of 2.2x to 6.5x for comparable companies in the OSV segment.
4.	Proposed Acquisition of Yinson Camellia	23.6	8.0	3.0	OSV segment: 2.2x to 6.5x	

Based on the above, we are of the view that the purchase consideration for the Proposed Related Party Acquisitions is **fair** and **reasonable** as it is within the range of PB multiple and EV / EBITDA multiple of the comparable companies. Hence, the purchase consideration to be paid by ICON pursuant to the Proposed Related Party Acquisitions is **not detrimental** to the interests of the non-interested shareholders of ICON.

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## 6.2.3 Market Valuation

We have reviewed the valuation report prepared by the Specialist Vessel Valuer. The non-interested shareholders of ICON are advised to read our commentaries below and refer to the valuation certificate enclosed in **Appendix XII-A of the Circular**.

Details of the valuation methodologies are as follows:

Valuer	Assets Valued	Methodologies	Description
M3 Marine Valuations Pte Ltd	Vessels	Comparison approach	<p>The comparison approach is conducted by taking into consideration the following:</p> <ul style="list-style-type: none"><li>– review the valuer's in-house historical valuation records (data collated from past valuations) and other sources of reference and identify comparables with valuations undertaken for similar type vessels; and</li><li>– utilising in house data and other sources of reference, review similar type of vessel's current and prospective transactions and evaluate the subject vessel's current status and potential and the likely impact on market value.</li></ul>

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M3 Marine Valuations Pte Ltd was appointed as the independent valuer to determine the market values of vessels owned by the following Target Companies:

- (i) Liannex Fleet;
- (ii) Yinson Power Marine;
- (iii) Regulus Offshore; and
- (iv) Yinson Camellia.

In determining the market values of the vessels owned by the companies above, the Specialist Vessel Valuer had considered the comparable transactions of similar type of vessels as follows:

## 1) Tug vessel

Description	Comparable 1	Comparable 2
Built	2008	2009
Builder Country	Malaysia	N/A
Flag	Liberia	Indonesia
Length (FT)	28.45	28.05
Breadth (FT)	9.00	8.60
Depth (FT)	4.40	4.30
BHP	2,400	2,060
Transaction date	29 November 2023	22 March 2024
Valuation Low (USD)	1,250,000	1,100,000
Valuation High (USD)	1,750,000	1,300,000
Average price per BHP (USD) <sup>(1)</sup>	625.00	582.52

### Note:

- (1) Calculated based on the average of the low and high valuation, divided by the BHP of the respective transacted vessel. For information purposes, we have used BHP as the measurement unit for average price after taking into consideration the specialised purpose of the vessel.

Based on the comparable Tug vessels above, we noted the average price per BHP for Tug vessels ranges between **USD582.52 per BHP** and **USD625.00 per BHP**.

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2)

## Bulk Carriers

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6	Comparable 7
Built	2019	2017	2013	2012	2006	2006	2020
Builder Country	China	China	China	Japan	Japan	Japan	Japan
DWT (tonne)	63,800	61,400	56,600	61,600	54,900	56,000	63,300
Transaction date	13 August 2024	9 August 2024	8 August 2024	2 August 2024	2 August 2024	2 August 2024	2 August 2024
Price (USD/mil)	32.10	27.80	16.60	23.50	14.50	14.00	37.50
Average price per tonne (USD) <sup>(1)</sup>	503.13	452.77	293.29	381.49	264.12	250.00	592.42

### Note:

(1) Calculated based on the average of the low and high valuation, divided by the DWT of the respective transacted vessel. For information purposes, we have used DWT as the measurement unit for average price after taking into consideration the specialised purpose of the vessel.

Based on the comparable Bulk Carriers above, we noted the average price per tonne for Bulk Carriers ranges between **USD250.00 per tonne** and **USD381.49 per tonne**. In determining the average pricing of the Bulk Carriers, we noted that the Bulk Carriers owned by Liannex Fleet were built in 2006 and 2009 (as detailed below), hence we have excluded Comparables 1, 2 and 7 as these vessels are newly built (less than 10 years old) and not directly comparable to the Bulk Carriers owned by Liannex Fleet.

3)

## Steel Barge

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Built	2009	2010	2008	2021
Builder Country	N/A	N/A	N/A	China
Flag	Indonesia	Dominica	Indonesia	N/A
Length (FT)	300	300	300	300
Breadth (FT)	80	90	80	80
Depth (FT)	18	20	18	18
Transaction date	9 January 2023	20 January 2023	22 March 2024	8 August 2024
Valuation Low (USD)	2,000,000 (valued as a set with a tug)	1,600,000	1,100,000	3,500,000
Valuation High (USD)	2,750,000 (valued as a set with a tug)	1,600,000	1,300,000	3,500,000
Average price per FT (USD) <sup>(1)</sup>	7,916.67	5,333.33	4,000.00	11,666.67

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**Note:**

- (1) Calculated based on the average of the low and high valuation, divided by the length of the respective transacted vessel. For information purposes, we have used the length as the measurement unit for average price after taking into consideration the specialised purpose of the vessel.

Based on the comparable Steel Barge above, we noted the average price per foot based on the length of the Steel Barge ranges between **USD4,000.00 per FT** and **USD11,666.67 per FT**. In determining the average pricing of the Steel Barge, we have excluded Comparable 1 as the value of comparable 1 is based on a set of vessels which also includes a tugboat.

**4) AHTS vessel**

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Built	2013	2011	2011	2012
Builder Country	China	China	China	China
Flag	Indonesia	Gibraltar	Gibraltar	Singapore
Length (Foot) ("FT")	58.70	59.30	59.30	59.30
Breadth (FT)	14.60	14.95	14.95	14.95
Depth (FT)	5.50	6.10	6.10	6.10
Brake Horse Power ("BHP")	5,150	5,150	5,150	5,150
Transaction date	7 July 2023	12 June 2024	12 June 2024	12 June 2024
Valuation Low (USD)	7,200,000	6,000,000	6,000,000	6,500,000
Valuation High (USD)	7,200,000	6,000,000	6,000,000	6,500,000
Average price per BHP (USD) <sup>(1)</sup>	1,398.06	1,165.05	1,165.05	1,262.14

**Note:**

- (1) Calculated based on the average of the low and high valuation, divided by the BHP of the respective transacted vessel. For information purposes, we have used BHP as the measurement unit for average price after taking into consideration the specialised purpose of the vessel.

Based on the comparable AHTS vessels above, we noted the average price per BHP for AHTS vessels ranges between **USD1,165.05 per BHP** and **USD1,398.06 per BHP**.

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## 5) PSV vessel

Description	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Built	2012	2010	2012	2010	2009
Builder Country	Italy	Sri Lanka	N/A	China	China
Flag	Norway	Indonesia	Indonesia	India	India
Length (FT)	75.00	78.00	76.00	75.00	75.00
Breadth (FT)	16.00	17.00	17.60	18.00	18.00
Depth (FT)	N/A	8.00	7.80	7.00	7.00
BHP	7,482	6,222	4,930	6,000	6,000
Deadweight ("DWT") (tonne)	3,100	3,683	3,500	3,466	3,486
Transaction date	10 August 2023	22 August 2023	22 August 2023	26 September 2023	2 October 2023
Valuation Low (USD)	11,000,000	11,500,000	10,500,000	10,000,000	10,000,000
Valuation High (USD)	11,000,000	11,500,000	10,500,000	11,000,000	10,000,000
Average price per DWT (USD) <sup>(1)</sup>	3,548.39	3,122.45	3,000.00	3,029.43	2,868.62

### Note:

(1) Calculated based on the average of the low and high valuation, divided by the DWT of the respective transacted vessel. For information purposes, we have used DWT as the measurement unit for average price after taking into consideration the specialised purpose of the vessel.

Based on the comparable PSV vessels above, we noted the average price per tonne for PSV vessels ranges between **USD2,868.62 per tonne** and **USD3,548.39 per tonne**.

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## Valuation of Liannex Fleet

The market valuation of vessels owned directly or indirectly by Liannex Fleet are as follows:

No.	Vessel Name	Type of Vessel	Built	Market Value (USD)	Implied Value (Low) (USD)	Implied Value (High) (USD)
1.	Sinaran Putera	Tugboat 2,000 BHP	2014	1,400,000	1,165,048.54	1,250,000.00
2.	Sinaran Cerah	Tugboat 2,276 BHP	2016	1,500,000	1,325,825.24	1,422,500.00
3.	Sinaran Puteri	Steel Barge 300FT 7,512 T DWT	2014	1,850,000	1,200,000.00	3,500,000.00
4.	Sinaran Ceria	Steel Barge 300 FT 8,539 T DWT	2016	2,000,000	1,200,000.00	3,500,000.00
5.	Sinaran Langit	Tugboat 2,000 BHP	2014	1,300,000	1,165,048.54	1,250,000.00
6.	Sinaran Pelangi	Steel Barge 300 FT 7,512 T DWT	2014	1,850,000	1,200,000.00	3,500,000.00
7.	Sinaran Gilang	Tugboat 2,000 BHP	2015	1,350,000	1,165,048.54	1,250,000.00
8.	Sinaran Ikhlas	Tugboat 2,276 BHP	2020	1,900,000	1,325,825.24	1,422,500.00
9.	Sinaran Gemilang	Steel Barge 300FT 7,919 T DWT	2015	1,850,000	1,200,000.00	3,500,000.00
10.	Sinaran Timur	Tugboat 2,000 BHP	2015	1,450,000	1,165,048.54	1,250,000.00
11.	Sinaran Barat	Steel Barge 300 FT 7,919 DWT	2014	1,850,000	1,200,000.00	3,500,000.00
12.	Sinaran Intan	Tugboat 2,000 BHP	2015	1,450,000	1,165,045.54	1,250,000.00
13.	Sinaran Ramah	Tugboat 2,276 BHP	2016	1,500,000	1,325,825.24	1,422,500.00
14.	Sinaran Baiduri	Steel Barge 300 FT 7,919 T DWT	2014	1,850,000	1,200,000.00	3,500,000.00

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No.	Vessel Name	Type of Vessel	Built	Market Value (USD)	Implied Value (Low) (USD)	Implied Value (High) (USD)
15.	Sinaran Mesra	Steel Barge 300 FT 8,539 T DWT	2016	1,900,000	1,200,000.00	3,500,000.00
16.	Sinaran Utara	Tugboat 2,000 BHP	2015	1,450,000	1,165,048.54	1,250,000.00
17.	Sinaran Sehati	Tugboat 2,276 BHP	2016	1,850,000	1,325,825.24	1,422,500.00
18.	Sinaran Selatan	Steel Barge 300 FT 7,919 T DWT	2014	1,850,000	1,200,000.00	3,500,000.00
19.	Sinaran Sejiwa	Steel Barge 300 FT 8,539 T DWT	2015	1,900,000	1,200,000.00	3,500,000.00
20.	Sinaran Embun	Tugboat 2,276 BHP	2016	1,500,000	1,325,825.24	1,422,500.00
21.	Sinaran Aman	Tugboat 2,276 BHP	2016	1,500,000	1,325,825.24	1,422,500.00
22.	Sinaran Damai	Steel Barge 300 FT 8,539 T DWT	2016	2,000,000	1,200,000.00	3,500,000.00
23.	Sinaran Angkasa	Tugboat 2,276 BHP	2016	1,500,000	1,325,825.24	1,422,500.00
24.	Sinaran Bahagia	Tugboat 2,276 BHP	2016	1,500,000	1,325,825.24	1,422,500.00
25.	Sinaran Raya	Steel Barge 300 FT 7,512 T DWT	2014	1,850,000	1,200,000.00	3,500,000.00
26.	Sinaran Riang	Steel Barge 300 FT 8,539 T DWT	2016	2,000,000	1,200,000.00	3,500,000.00
27.	Lianson Dynamic	Bulk Carrier 32,474 GRT 53,163 T DWT	2006	17,000,000	13,290,750.00	20,281,339.29
28.	Lianson Hermes	Bulk Carrier 31,094 GRT 53,507 T DWT	2009	18,500,000	13,376,750.00	20,412,573.05
<b>Total</b>				<b>79,400,000</b>	<b>58,664,393.20</b>	<b>101,573,912.34</b>



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Based on the above, the total market valuation of the vessels owned by Liannex Feet is **within** the range of total implied market value of the comparable vessels.

## Valuation of Yinson Power Marine

The market valuation of vessels owned by Yinson Power Marine are as follows:

No.	Vessel Name	Type of Vessel	Built	Market Value (USD)	Implied Value (Low) (USD)	Implied Value (High) (USD)
1.	Sinaran Mentari	Tugboat 1518 kW / 2,036 BHP	2009	1,000,000	1,186,019.42	1,272,500.00
2.	Sinaran Setia	Tugboat 2,000 BHP	2013	1,200,000	1,165,048.54	1,250,000.00
3.	Sinaran Warna	Tugboat 2,000 BHP	2013	1,250,000	1,165,048.54	1,250,000.00
4.	Sinaran Bumi	Flat Top Barge 300ft 7,512T DWT	2009	1,450,000	1,200,000.00	3,500,000.00
5.	Sinaran Binatang	Steel Barge 300ft 7,512T DWT	2008	1,450,000	1,200,000.00	3,500,000.00
6.	Sinaran Indah	Steel Barge 300ft 7,512T DWT	2013	1,750,000	1,200,000.00	3,500,000.00
7.	Sinaran Warni	Steel Barge 300ft 7,512T DWT	2013	1,750,000	1,200,000.00	3,500,000.00
<b>Total</b>				<b>9,850,000</b>	<b>8,316,116.50</b>	<b>17,772,500.00</b>

Based on the above, the total market valuation of the vessels owned by Yinson Power Marine is **within** the range of total implied market value of comparable vessels.

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## Valuation of Regulus Offshore

The market valuation of vessels owned by Regulus Offshore are as follows:

No.	Vessel Name	Type of Vessel	Built	Market Value (USD)	Implied Value (Low) (USD)	Implied Value (High) (USD)
1.	Yinson Perwira	AHTS 10,800 BHP	2010	12,500,000	12,582,524.27	15,099,029.13
2.	Yinson Hermes	AHTS 5,150 BHP	2014	7,250,000	6,000,000.00	7,200,000.00
3.	PTSC Huang Giang	PSV 3,000T DWT	2009	10,000,000	8,605,851.98	10,645,161.29
Total				29,750,000	27,188,376.25	32,944,190.42

Based on the above, the total market valuation of the vessels owned by Regulus Offshore is **within** the range of total implied market value of comparable vessels.

## Valuation of Yinson Camellia

The market valuation of vessel owned by Yinson Camellia are as follows:

No.	Vessel Name	Type of Vessel	Built	Market Value (USD)	Implied Value (Low) (USD)	Implied Value (High) (USD)
1.	PTSC Lam Kinh	AHTS 5,220 BHP	2011	5,250,000	6,081,553.40	7,297,864.08

Based on the above, the market valuation of the vessel owned by Yinson Camellia is **below** the range of implied market value of comparable vessels.

Notwithstanding that there are vessels whereby the market valuation is higher than our implied valuation on individual basis, based on our discussion with the Management and the Specialist Vessel Valuer, professional adjustments were made to the comparable vessels which takes into consideration multiple factors including but not limited to, the size, age and type of engine in order to arrive at the most appropriate market value of the vessels. As such, we have relied on the market value as determined by the Specialist Vessel Valuer in performing our evaluation.

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## 6.3 Evaluation of the Issue Price of the Consideration Shares

### 6.3.1 Mode of settlement of the Purchase Consideration

As stated in **Section 2.4, Part A of the Circular**, the Purchase Consideration for the Proposed Related Party Acquisitions will be wholly satisfied by issuance and allotment of 409,090,909 Consideration Shares at an issue price of RM0.88 per ICON Share to the Vendors, subject to the terms and conditions of the SSPAs.

The settlement via Consideration Shares will allow ICON to further enhance its financial position without any impact on its cash flow position as compared to the settlement via cash and / or bank borrowings. Based on the latest unaudited quarter result of ICON as at 30 September 2024, ICON's cash and bank balances amounts to approximately RM40.47 million.

For illustration purposes, pursuant to the Proposed Related Party Acquisitions, the effects on the dilution in interest of existing shareholders of ICON are set out as below:

	As at the LPD		Pro Forma I After the Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine		Pro Forma II After Pro forma I and the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia	
	Direct shareholding		Direct shareholding		Direct shareholding	
	No. of ICON Shares	(1) %	No. of ICON Shares	(2) %	No. of ICON Shares	(3) %
Liannex Maritime	352,636,335	56.55	579,909,062	68.15	579,909,062	56.15
Hallmark Odyssey	31,303,602	5.02	31,303,602	3.68	31,303,602	3.03
Other existing shareholders	239,673,714	38.43	239,673,714	28.17	239,673,714	23.21

#### Notes:

- (1) Based on 623,613,651 ICON Shares in issue as at the LPD.
- (2) Based on 850,886,378 ICON Shares in issue after the completion of the Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine.
- (3) Based on 1,032,704,560 ICON Shares in issue after the completion of the Proposed Related Party Acquisitions.

While the issuance of Consideration Shares may have a dilutive effect on the non-interested shareholders' shareholding, the Proposed Related Party Acquisitions is expected improve the Earnings and EPS of ICON. Please refer to **Section 6.5 of this IAL** for our commentaries on the effects of the Proposed Related Party Acquisitions.

Premised on the above, we are of the view that the mode of settlement is **reasonable** and **not detrimental** to the non-interested shareholders.

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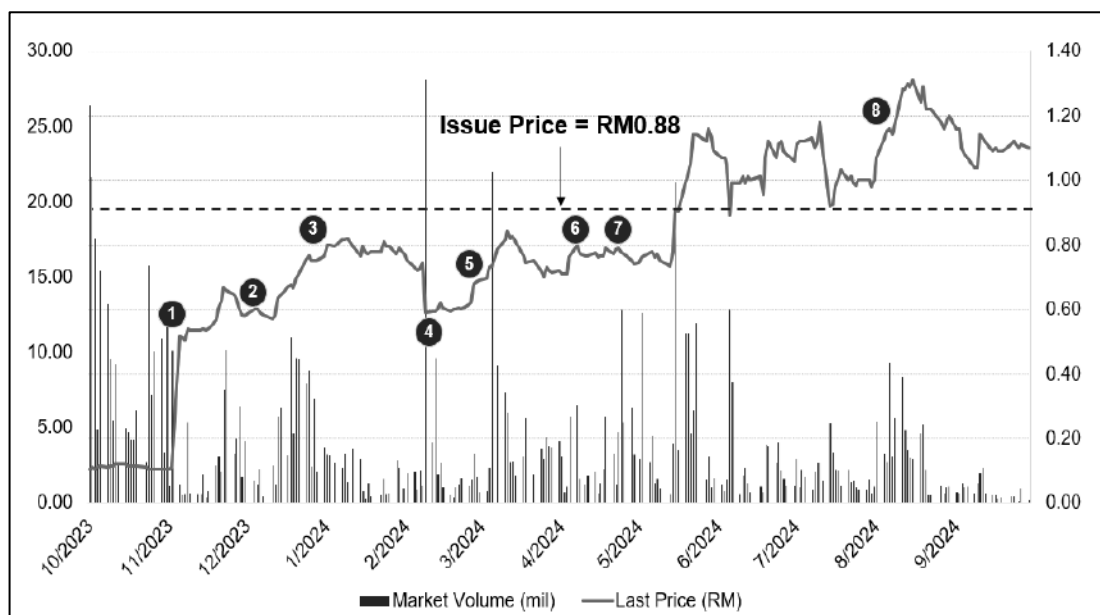
## 6.3.2 Basis and justification for the Issue Price of the Consideration Shares

As stated in **Section 2.4, Part A of the Circular**, the issue price of RM0.88 per ICON Share was arrived at on a “willing-buyer willing-seller” basis after taking into consideration the premium / discount to the closing price of ICON Shares as at the LTD 1 and VWAP of ICON Shares up to and including the LTD 1.

We take note that the Issue Price represents a discount ranging from 12.8% to 24.1% over the closing price as at the LTD 1, 5-day VWAP, 1-month VWAP and 3-month VWAP of ICON Shares up to and including the LTD 1. Additionally, we also take note of the following:

- (i) the Issue Price represents a premium of 2.7% and 18.3% over the 6-month VWAP and 12-month VWAP of ICON Shares up to and including the LTD 1, respectively;
- (ii) the Issue Price represents a premium of 37.5% to the latest audited consolidated NA per ICON Share as at 31 December 2023 of RM0.64 which also represents a PB multiple of 1.4 times; and
- (iii) the Issue Price also represents a PB multiple of 1.4 times based on the latest unaudited consolidated NA per ICON Share as at 30 June 2024 of RM0.61 as compared with the PB multiples of the OSV comparable companies which ranges between 0.9 time to 1.7 times.

To further evaluate the Issue Price, we have taken into consideration the movement of the closing market prices of ICON Shares over the past 12 months up to 21 October 2024, being the latest practicable date as disclosed in the SSPA Announcement (“**Announcement LPD**”) as depicted below:



(Source: Bloomberg L.P.)

No.	Date	Announcement
(1)	November 2023	<ul style="list-style-type: none"> <li>On 7 November 2023, ICON announced that Icon Offshore Group Sdn Bhd (“<b>IOGSB</b>”), a wholly owned subsidiary of ICON, had on 18 October 2023 been awarded with a Letter of Award from SEA Hibiscus for the provision of one 60MT anchor handling tug vessel to perform their 2023/24 drilling campaign.</li> </ul>

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No.	Date	Announcement
		<ul style="list-style-type: none"> <li>On 29 November 2023, ICON announced its third quarter consolidated results for the FPE 30 September 2023, whereby ICON recorded an unaudited PBT of RM8.75 million for the FPE 30 September 2023 as compared to an unaudited PBT of RM12.17 million for the FPE 30 September 2022.</li> <li>On 29 November 2023, ICON announced that ICON's existing number of 2,706,540,787 Shares and 654,513,210 Warrants A has been consolidated into 541,307,489 Consolidated Shares and 130,902,600 Consolidated Warrants A following the listing and quotation on the Main Market of Bursa Securities ("<b>Share Consolidation</b>").</li> </ul>
(2)	December 2023	<ul style="list-style-type: none"> <li>On 14 December 2023, ICON announced that an offer of ordinary shares under Employees' Share Grant Plan ("<b>ESGP</b>") Scheme which consists of Performance Share Plan ("<b>PSP</b>") and the Retention Share Plan ("<b>RSP</b>") has been made to Dato Sri Hadian bin Hashim, the managing director and other eligible persons of its Company.</li> </ul>
(3)	January 2024	<ul style="list-style-type: none"> <li>On 4 January 2024, ICON announced that an offer of ordinary shares under the RSP of the ESGP Scheme has been made to other eligible persons of its Company.</li> </ul>
(4)	February 2024	<ul style="list-style-type: none"> <li>On 29 February 2024, ICON announced its fourth quarter consolidated results for the FPE 31 December 2023, whereby ICON recorded an unaudited Loss Before Tax ("<b>LAT</b>") of RM1.06 million for the FPE 31 December 2023 as compared to an unaudited PBT of RM163.63 million for the FPE 31 December 2022.</li> </ul>
(5)	March 2024	<ul style="list-style-type: none"> <li>On 1 March 2024, ICON announced that an offer of ordinary shares in ESGP Scheme which consists of PSP and RSP has been made to the eligible person of its Company.</li> <li>On 4 March 2024, ICON announced that IOGSB, a wholly owned subsidiary of ICON had been awarded with a Letter of Award from a Petroleum Arrangement Contractor ("<b>PAC</b>") for the provision of one unit Platform Supply Vessel for PAC's drilling campaign.</li> <li>On 14 March 2024, ICON announced that IOGSB, a wholly owned subsidiary of ICON had executed a Letter of Award and a Charter Party Agreement with Petrolanpan Sdn Bhd for the provision of one unit Accommodation Work Boat for hook-up and commissioning work activities.</li> <li>On 26 March 2024, ICON received a notice of unconditional mandatory take-over offer from AmInvestment Bank Berhad on behalf of Liannex Maritime Sdn Bhd.</li> </ul>
(6)	April 2024	<ul style="list-style-type: none"> <li>On 30 April 2024, ICON released its annual report for the FYE 31 December 2023.</li> </ul>

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No.	Date	Announcement
(7)	May 2024	<ul style="list-style-type: none"> <li>On 7 May 2024, ICON announced that the unconditional mandatory take-over offer has closed on 7 May 2024.</li> <li>On 23 May 2024, ICON announced its first quarter consolidated results for the FPE 31 March 2024, whereby ICON recorded an unaudited LBT of RM26.51 million for the FPE 31 March 2024 as compared to an unaudited LBT of RM2.27 million for the FPE 31 March 2023.</li> </ul>
(8)	August 2024	<ul style="list-style-type: none"> <li>On 12 August 2024, ICON announced that an incident occurred on 2 August 2024 at the Sapar Alpha platform near Bintulu, involving the vessel Icon Amara, which resulted in two fatalities and one serious injury.</li> <li>On 30 August 2024, ICON announced its second quarter consolidated results for the FPE 30 June 2024, whereby ICON recorded an unaudited PAT of RM10.12 million for the FPE 30 June 2024 as compared to an unaudited PAT of RM7.48 million for the FPE 30 June 2023.</li> <li>On 30 August 2024, ICON announced that it has entered into separate binding term sheets in relation to the Proposed Acquisitions.</li> </ul>

Save for the above announcements made by ICON, there is no fundamental change to the business of ICON or announcements of material development affecting ICON and / or its share price up to the Announcement LPD as illustrated in the above historical share price graph.

Based on the graph above, we noted that:

- (i) the closing market prices of ICON Shares after the completion of the Share Consolidation on 29 November 2023 and prior to the closing of the unconditional mandatory take-over by Liannex Maritime on 7 May 2024 ranges from RM0.505 to RM0.845; and
- (ii) the closing market prices of ICON Shares post the closing of the unconditional mandatory take-over offer by Liannex Maritime on 7 May 2024 up to the Announcement LPD ranges from RM0.735 to RM1.310.

We are of the view that the non-interested shareholders of ICON should take note of ICON's Share prices for the period between 29 November 2023 and 6 May 2024 as ICON's Share prices thereafter may have been influenced by the closing of the unconditional mandatory take-over by Liannex Maritime on 7 May 2024 as well as the Term Sheet Announcement on 29 August 2024 which may not be directly attributable to the financial performance of ICON.

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Further, the table below sets out the (discount) / premium represented by the Issue Price vis-à-vis the relevant last traded market price / VWAP of ICON Shares up to and including the Announcement LPD:

	Last traded market price / VWAP of ICON Shares RM	(Discount) / Premium of the Issue Price over last traded market price / VWAP of ICON Shares RM	%
<b>Up to the Announcement LPD</b>			
Last traded market price	1.1000	(0.2200)	(20.00)
5-day VWAP	1.1129	(0.2329)	(20.93)
1-month VWAP	1.1030	(0.2230)	(20.22)
3-month VWAP	1.1326	(0.2526)	(22.30)
6-month VWAP	0.9798	(0.0998)	(10.19)
1-year VWAP	0.6638	0.2162	32.57

(Source: Bloomberg L.P.)

Based on our evaluation above, the Issue Price represents:

- (i) a discount of RM0.2200 or (20.00%) over the last traded market price of ICON Shares as at the Announcement LPD;
- (ii) a discount ranging from RM0.0998 or (10.19%) to RM0.2526 or (22.30%) over the 5-day, 1-month, 3-month and 6-month VWAPs of ICON Shares up to the Announcement LPD; and
- (iii) a premium of RM0.2162 or (32.57%) over the 1-year VWAP of ICON Shares up to the Announcement LPD.

Notwithstanding that the Issue Price represents a discount ranging from RM0.0998 or (10.19%) to RM0.2526 or (22.30%) over the 5-day, 1-month, 3-month and 6-month VWAP of ICON Share up to and including the Announcement LPD, the share price may have fluctuated significantly over recent months due to the market's reaction to the unconditional mandatory take-over offer by Liannex Maritime and Term Sheet Announcement which may not be reflective of ICON's financial performance.

We also take note of the Board's decision (save for the Interested Director and Datuk Abdullah) to fix the Issue Price via the Term Sheets on 30 August 2024 prior to entering into the SSPAs following negotiations with the Vendors, in view of the untowards price movements of ICON Shares after the closing of the unconditional mandatory take-over offer by Liannex Maritime on 7 May 2024 up to the LTD 1 which ranges from RM0.735 to RM1.160.

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As such, we are of the view that it is more appropriate to compare the Issue Price to the VWAP of ICON Shares for the period between 29 November 2023 (date of completion of the Share Consolidation) and 6 May 2024 (being the date prior to the closing of the unconditional mandatory take-over offer by Liannex Maritime on 7 May 2024 as well as before the Term Sheet Announcement) as set out below:

	VWAP of ICON Shares RM	(Discount) / Premium of the Issue Price over VWAP of ICON Shares RM	%
29 November 2023 to 6 May 2024	0.6972	0.1828	26.22

Additionally, the difference in number of Consideration Shares to be issued pursuant to the Proposed Related Party Acquisitions based on the Issue Price as compared to the last transacted market price of ICON Share as at the Announcement LPD of RM1.10 is as follows:

	Purchase Consideration RM'million	No. of Consideration Shares to be issued	
		Based on the Issue Price No. of Shares	Based on last transacted market price of ICON Shares as at the Announcement LPD of RM1.10 No. of Shares
Proposed Acquisition of Liannex Fleet	182.0	206,818,182	165,454,546
Proposed Acquisition of Yinson Power Marine	18.0	20,454,545	16,363,636
Proposed Acquisition of Regulus Offshore	136.0	154,545,455	123,636,364
Proposed Acquisition of Yinson Camellia	24.0	27,272,727	21,818,182
<b>Total</b>	<b>360.0</b>	<b>409,090,909</b>	<b>327,272,728</b>

We take note that the number of Consideration Shares to be issued based on the Issue Price is higher when compared to the last transacted market price of ICON Share as at the Announcement LPD of RM1.10 which will result in a higher dilution impact. Notwithstanding, it will also result in better liquidity of ICON Shares due to the higher number of issued Shares to be traded in the open market. In addition, the Proposed Related Party Acquisitions will also result in higher revenue and earnings which would result in a higher EPS for ICON Group. Please refer to **Section 6.5 of this IAL** for our commentaries on the effects of the Proposed Related Party Acquisitions on the EPS of ICON Group.

Based on the above, we are of the opinion that the Issue Price is **fair** and **reasonable**, and it is **not detrimental** to the interests of the non-interested shareholders of ICON due to the following:

- the Issue Price represents a premium of 2.7% and 18.3% over the 6-month VWAP and 12-month VWAP of ICON Shares up to and including the LTD 1;
- the Issue Price represents a premium of 26.22% over the VWAP of ICON Shares for the period between 29 November 2023 (date of completion of Share Consolidation) and 6 May 2024 (being the date prior to the closing of the unconditional mandatory take-over offer by Liannex Maritime on 7 May 2024); and



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- (iii) notwithstanding that the Issue Price is at a discount ranging from 12.8% to 24.1% over the closing price as at the LTD 1, 5-day VWAP, 1-month VWAP and 3-month VWAP of ICON Shares up to and including the LTD 1, the Issue Price represents:
  - (a) a premium of 37.5% to the latest audited consolidated NA per ICON Share as at 31 December 2023 of RM0.64 which also reflects a PB multiple of 1.4 times; and
  - (b) a PB multiple of 1.4 times based on the consolidated NA per ICON Share as at 30 June 2024 of RM0.61 as compared with the OSV comparable companies which ranges between a PB multiple of 0.9 times to 1.7 times

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## 6.4 Salient terms of the SSPAs

The Proposed Related Party Acquisitions is subject to the terms and conditions of the SSPAs as set out in **Appendix II of the Circular**. We have evaluated the salient terms of the SSPAs in relation to the Proposed Related Party Acquisitions in their entirety, summarised as follows:

### 6.4.1 Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine

No	Salient terms	Kenanga IB's comments
1.	<p><b>Basis of sale of the shares</b></p> <p>Liannex Corporation and Mr. LHW agree to sell and ICON agrees to purchase the following:</p> <p>(a) 100 ordinary shares in Liannex Fleet ("<b>Liannex Fleet Shares</b>") and;</p> <p>(b) 5,234,000 ordinary shares in Yinson Power Marine ("<b>Yinson Power Marine Shares</b>").</p> <p>(Items (a) and (b) collectively referred to as "<b>Sale Shares of SSPA 1</b>").</p> <p>free from all liens, charges and encumbrances and with full legal and beneficial title, with all rights attaching thereto (including all dividends and distributions declared in respect thereof) with effect from the business day falling 14 business days after the date on which the SSPA 1 turns unconditional, or such other date as the parties to the SSPA 1 may mutually agree in writing, on which the completion is to take place ("<b>Completion Date of SSPA 1</b>"), subject to the terms and conditions of the SSPA 1.</p>	<p><b>Reasonable</b></p> <p>We noted that the Sale Shares will be transferred to ICON free from all liens, charges and encumbrances and with full legal and beneficial title, with all rights attaching thereto with effect from the Completion Date of SSPA 1.</p>
2.	<p><b>Conditions Precedent</b></p> <p>The SSPA 1 is conditional upon the following being obtained on or before a cut-off date, being a date falling 180 days from the date of the SSPA 1 or such other date as may be agreed upon between the parties to the SSPA 1 as the last date by which all the conditions precedent shall be fulfilled ("<b>Cut-Off Date of SSPA 1</b>"):</p>	<p><b>Reasonable</b></p>

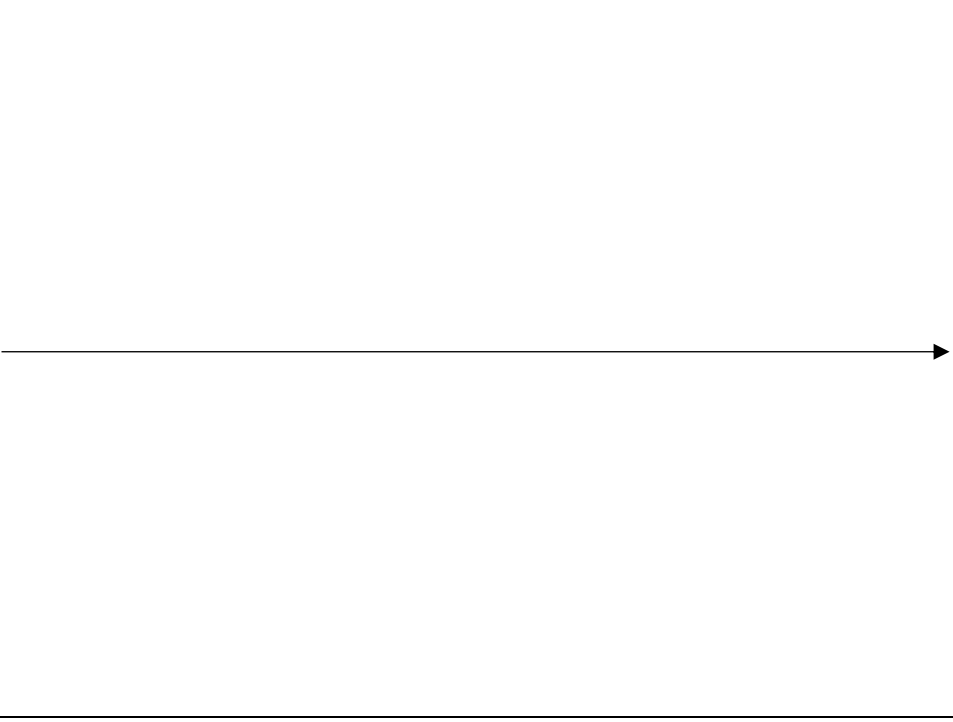
No	Salient terms	Kenanga IB's comments
	<p>(a) ICON obtaining the approval of our Board and shareholders for the purchase of the Sale Shares of SSPA 1 in accordance with the terms of SSPA 1;</p> <p>(b) ICON obtaining the approval of Bursa Securities for the listing and quotation of the 227,272,727 Consideration Shares on the Main Market of Bursa Securities;</p> <p>(c) Liannex Corporation obtaining the approval of its board of directors for the sale of the Liannex Fleet Shares;</p> <p>(d) ICON obtaining the approval of BNM in respect of Liannex Fleet for a Resident Entity (as defined in the Foreign Exchange Policy Notices issued by BNM) with Domestic Ringgit Borrowing (as defined in the Foreign Exchange Policy Notices issued by BNM) to invest in Foreign Currency Asset (as defined in the Foreign Exchange Policy Notices issued by BNM) exceeding RM50 million equivalent per calendar year under the Foreign Exchange Policy Notices issued by BNM;</p> <p>(e) Liannex Corporation procuring that Liannex Maritime, a wholly-owned subsidiary of Liannex Corporation, execute the necessary agreement(s) in relation to the Proposed Placement to third party investors prior to the issuance of the Consideration Shares to ensure compliance with the Public Spread Requirement;</p>	<p>We noted that these terms represent the necessary requisite approvals, consents and performance obligations that need to be obtained and / or fulfilled by respective parties to facilitate the implementation of the Proposed Acquisition of Liannex Fleet and the Proposed Acquisition of Yinson Power Marine.</p> <p style="text-align: center;">↓</p> <p>We noted the requirement for the approval of BNM for the Proposed Acquisition of Liannex Fleet in view that Liannex Fleet is defined as a Foreign Currency Asset and that the purchase consideration for all Foreign Currency Asset (including Liannex Fleet) has exceeded the threshold of RM50 million as set out in the Foreign Exchange Policy Notices issued by BNM.</p> <p>As disclosed in <b>Section 1, part A of the Circular</b>, we take note that the parties to SSPA 1 have mutually agreed to waive this condition precedent as term.</p> <p>Notwithstanding the above, upon discussion with the Management, we also take note that ICON will comply with the Public Spread Requirement upon the completion of the Proposed Acquisition of ICON Bahtera and Proposed Acquisition of ICON Waja, both of which are non-related party transactions.</p>

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No	Salient terms	Kenanga IB's comments
	<p>(f) Settlement or capitalisation of all intercompany balances Liannex Fleet and Yinson Power Marine ("<b>Target Companies of SSPA 1</b>") with Liannex Corporation and Mr. LHW and any outstanding shareholder advances owed by the Target Companies of SSPA 1 to Liannex Corporation and Mr. LHW and / or their associates or related parties, as of the date of completion of SSPA 1, where the settlement of all intercompany balances have already been included in determining the Purchase Consideration of SSPA 1; and</p> <p>(g) All other approvals, consents, licences, permits, waivers and exemptions for the sale and purchase of the Sale Shares of SSPA 1 and its completion of the sale and purchase of the Sale Shares of SSPA 1 and the transactions contemplated under the SSPA 1 being granted by third parties, including all legislative, executive, regulatory, judicial or other authorities in any jurisdiction, to ICON or the Target Companies of SSPA 1 (as the case may be).</p> <p>(Items (a) to (g) collectively referred to as "<b>Conditions Precedent of SSPA 1</b>").</p> <p>If any Conditions Precedent of SSPA 1 is not fulfilled by the Cut-Off Date of SSPA 1 (or the extended Cut-Off Date, where applicable) for any reason whatsoever, then any party to the SSPA 1 shall be entitled to issue a notice of termination to the other parties.</p> <p>Upon a notice of termination being issued, no party shall be liable to any other parties under or in relation to the SSPA 1 except in respect of any antecedent breach.</p>	<p>We noted that this term is to safeguard the interest of the shareholders by ensuring that all financial obligations between the Target Companies of SSPA 1 and Liannex Corporation are clearly settled prior to acquisition, to ensure that the Target Companies of SSPA 1 are acquired without any further outstanding liabilities owing to Liannex Corporation and Mr. LHW.</p> <p>We noted that this term is a typical commercial term for transactions of this nature in ensuring that all relevant approvals are obtained.</p> <p>We noted that these terms are to ensure that the non-defaulting party has the right to terminate the agreement should there be a breach of the terms of the agreement or any failure to complete the transactions.</p>
3.	<p><b>Purchase consideration</b></p> <p>The purchase consideration for the Sale Shares of SSPA 1 amounting to RM200.0 million ("<b>Purchase Consideration of SSPA 1</b>") shall be satisfied in the following manner:</p> <p>(a) On the Completion Date of SSPA 1, ICON shall procure the issuance and allotment of the following:</p> <p>(1) 206,818,182 Consideration Shares in the name of the Liannex Corporation or its nominees for the Liannex Fleet Shares; and</p>	<p><b>Reasonable</b></p> <p>We noted that this term is to ensure that the Vendors are issued and allotted with the Consideration Shares in its name whereby the rightful owner is reflected as the beneficial shareholder of Liannex ICON upon completion of the Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine.</p>

No	Salient terms	Kenanga IB's comments
	<p>(2) 20,454,545 Consideration Shares in the name of the Mr. LHW or their nominees (as applicable) for the Yinson Power Marine Shares.</p> <p>(b) ICON shall ensure that 227,272,727 Consideration Shares are issued and allotted to Liannex Corporation and Mr. LHW or its nominees in accordance with the following terms:</p> <p>(1) The Consideration Shares shall, upon allotment and issuance, be credited as fully paid and rank equally in all respects with the then existing ICON Shares, but shall not be entitled to any dividends, rights, allotments or any other distributions that may be declared, made or paid prior to the date of allotment and issuance of the Consideration Shares.</p> <p>(2) Bursa Securities approves the listing and quotation of the Consideration Shares on the Main Market of Bursa Securities.</p>	<p>We noted that this term is to ensure that the dividends, rights, allotments or any other distributions that may be declared, made or paid prior to the date of allotment and issuance of the Consideration Shares will be distributed to the existing shareholders of ICON and not the Vendors.</p> <p>We noted that this term is to comply with the regulatory requirements and is a typical commercial term for transactions of this nature.</p>
4.	<p><b>Completion</b></p> <p>(a) Covenant and Undertaking by each Vendor pending completion of the SSPA 1</p> <p>From the date of SSPA 1 and pending completion of the SSPA 1, Liannex Corporation and Mr. LHW covenant and undertake as follows:</p> <p>(1) Liannex Corporation shall and it shall procure that its appointed directors in Liannex Fleet and the SAR Subsidiaries continue to carry out the business of Liannex Fleet and the SAR Subsidiaries in the ordinary course but shall not exercise, their voting rights or their powers in the Liannex Fleet and the SAR Subsidiaries to procure or request Liannex Fleet and the SAR Subsidiaries to do any of the following, except with the prior written consent of ICON (such consent not to be unreasonably withheld or delayed) or as contemplated under the SSPA 1:</p> <p>(i) enter into any contract or undertake any obligation, commitment or transaction whatsoever or take any action or make any decision out of the ordinary course of the business of Liannex Fleet;</p>	<p><b>Reasonable</b></p> <p>We noted that the terms are to ensure the existing business and financial condition of Liannex Fleet and Yinson Power Marine remains the same at the point of entering the SSPA and minimise any material changes or financial deterioration of the Target Companies before Completion Date of SSPA 1 i.e. salient terms and purchase consideration for the Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine remains intact.</p>

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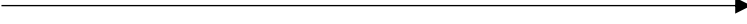
No	Salient terms	Kenanga IB's comments
	<p>(ii) enter into new agreements relating to the management of Liannex Fleet or the SAR Subsidiaries or their assets;</p> <p>(iii) dispose of any part of the assets of Liannex Fleet or the SAR Subsidiaries;</p> <p>(iv) amend or terminate any agreements of Liannex Fleet or the SAR Subsidiaries that would materially or adversely affect their interests which are subsisting as at the date of the SSPA 1;</p> <p>(v) declare, make, or pay dividends or distributions that would deplete the assets or worsen the financial or net asset position of Liannex Fleet or the SAR Subsidiaries;</p> <p>(vi) take any action that would result, or be likely to result, in a breach of any of the representations, warranties, or undertakings in the SSPA 1;</p> <p>(vii) make any change in the terms and conditions of employment or pension benefits of the directors or key employees of Liannex Fleet or the SAR Subsidiaries, other than the contracted increments or changes already contemplated in their employment agreements;</p> <p>(viii) extend any loans, provide security, or issue guarantees or indemnities for the benefit of Liannex Corporation or any related or associated companies except for such loans or transactions between the Target Companies of SSPA 1 or between the Target Companies of SSPA 1 and Liannex Corporation and Mr. LHW (as applicable) which are already in existence as at the date of the SSPA 1, the details of which has been disclosed to ICON;</p> <p>(ix) enter into any joint venture, partnership, or profit-sharing arrangement of any form outside the ordinary course of business;</p>	

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No	Salient terms	Kenanga IB's comments
	<p>(x) create, allot, or issue any shares, loan capital, securities convertible into shares, or any option or /right to subscribe in respect of any shares, loan capital or securities convertible into share except as required or contemplated under the SSPA 1;</p> <p>(xi) pass any resolution for the voluntary winding-up of Liannex Fleet or the SAR Subsidiaries; or</p> <p>(xii) do anything which may materially and adversely affect the interests of Liannex Fleet, the SAR Subsidiaries, or their business.</p> <p>(2) Liannex Corporation and Mr. LHW shall procure that their appointed directors in Yinson Power Marine continue to carry out the business of Yinson Power Marine in the ordinary course. Liannex Corporation and Mr. LHW shall not exercise their voting rights or powers in Yinson Power Marine to cause or request any of the following actions, except with the prior written consent of ICON or as contemplated under the SSPA 1:</p> <p>(i) enter into any contract, or undertake any obligation, commitment, or transaction whatsoever or take any action or make any decision outside the ordinary course of business;</p> <p>(ii) enter into new agreements relating to the management of Yinson Power Marine or its assets;</p> <p>(iii) dispose of any part of the assets of Yinson Power Marine;</p> <p>(iv) amend or terminate any agreements of Yinson Power Marine that would materially and adversely affect its interests which are subsisting as at the date of the SSPA 1;</p> <p>(v) declare, make, or pay dividends or distributions that would deplete the assets or worsen the financial or net asset position of Yinson Power Marine;</p>	



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No	Salient terms	Kenanga IB's comments
	<p>(vi) take any action that would result, or be likely to result, in a breach of any of the representations, warranties, or undertakings in the SSPA 1;</p> <p>(vii) make any change in the terms and conditions of employment or pension benefits of any of the directors or key employees of Yinson Power Marine, other than the contracted increments or changes already contemplated in their employment agreements;</p> <p>(viii) extend any loans, provide security, or issue guarantees or indemnities for the benefit of Mr. LHW or any related or associated companies except for such loans or transactions between the Target Companies of SSPA 1 or between the Target Companies of SSPA 1 and Liannex Corporation and Mr. LHW (as applicable) which are already in existence as at the date of the SSPA 1;</p> <p>(ix) enter into any joint venture, partnership, or profit-sharing arrangement of any form outside the ordinary course of business;</p> <p>(x) create, allot, or issue any shares, loan capital, securities convertible into shares, or any option or right to subscribe in respect of any shares loan capital or securities convertible into share, except as required or contemplated under the SSPA 1;</p> <p>(xi) pass any resolution for the voluntary winding-up of Yinson Power Marine; or</p> <p>(xii) do anything which may materially and adversely affect the interests of Yinson Power Marine or its business.</p> <p>(b) On the Completion Date of SSPA 1:</p> <p>(1) ICON shall issue and allot all the 227,272,727 Consideration Shares to Liannex Corporation and Mr. LHW or their nominees (as applicable) in accordance with the terms set out in provisions of clause (3)(b), as satisfaction of the Purchase Consideration of SSPA 1.</p>	 <p>We noted that this term is reasonable as it ensures the transfer of ownership of Liannex Fleet and Yinson Power Marine from the Vendors to ICON and the Vendors receives the Consideration Shares upon completion of the Proposed Acquisition of Liannex Fleet and Proposed Acquisition of Yinson Power Marine.</p>




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No	Salient terms	Kenanga IB's comments
	<p>(2) Liannex Corporation and Mr. LHW shall do all acts as shall be required to effect the registration of the Sale Shares of SSPA 1 in the name of ICON and to perfect the rights, interests, title and benefits of ICON in and to the Sale Shares of SSPA 1 free from all encumbrances.</p> <p>(3) ICON's Solicitors shall be irrevocably authorised to release the completion documents to ICON.</p> <p>(4) Liannex Corporation and Mr. LHW shall deliver to ICON of the following in relation to the operations of the vessels:</p> <p>(i) Renewed Domestic Shipping Licences for the vessels expiring or expired in 2024, specifically for <i>Sinaran Indah</i> (expired on 18 October 2024), <i>Sinaran Warni</i> (expired on 18 October 2024), <i>Sinaran Warna</i> (expired on 23 October 2024), ensuring compliance with the applicable laws for continued operation.</p> <p>(ii) Full-term trading certificates for <i>Sinaran Mentari</i> and <i>Sinaran Bumi</i>, which recently completed their third docking surveys in July 2024 and currently hold short-term RINA Class certificates valid until 8 December 2024.</p> <p>(iii) Any annual surveys or other certificates which are obtained by the Target Companies of SSPA 1, after the execution of the SSPA 1, if applicable, which are material to the operation of the vessels in accordance with the applicable laws.</p> <p>(5) Where required, parties shall take all necessary steps to issue and / or file notifications to the relevant regulatory bodies governing the operations of the vessels on the change in ownership of the Target Companies of SSPA 1.</p>	<p>→</p> <p>We noted that these terms are to ensure that all the relevant documents required to operate the vessels are provided to ICON upon the completion of SSPA 1.</p> <p>→</p> <p>We noted that this term is to ensure compliance with the applicable regulations upon transfer of ownership.</p>

No	Salient terms	Kenanga IB's comments
	<p>(c) Liannex Corporation undertakes and covenants that upon completion or at any time agreed by the parties, it shall ensure that:</p> <p>(1) The Ship Management Functions <sup>(1)</sup> and the Key Personnel <sup>(2)</sup> are to be fully transferred to ICON or its nominee;</p> <p>(2) The parties shall engage in good faith negotiations to facilitate a smooth and effective transfer of the Key Personnel, subject to the consent of the respective Key Personnel and compliance with applicable laws; and</p> <p>(3) Liannex Corporation shall ensure that the relevant Ship Management Functions continue to be performed in the ordinary course of business and in a manner consistent with past practice, without any material interruption or deviation that may adversely affect the operations of the business.</p> <p><b>Notes:</b></p> <p>(1) <i>Ship Management Functions means the operational and administrative responsibilities necessary for the day-to-day running and maintenance of the vessels. These functions typically include, but are not limited to:</i></p> <ol style="list-style-type: none"> <li><i>1. Technical Management – Overseeing the maintenance, repair, and technical operations of the vessels.</i></li> <li><i>2. Marine Operations – Managing the vessels' navigation, cargo handling, and overall operational logistics to ensure safe and efficient voyages.</i></li> <li><i>3. Shipping and Insurance – Handling all aspects of marine insurance policies, claims, and coverage, as well as freight forwarding, chartering, and shipping logistics.</i></li> <li><i>4. Crewing – Recruiting, managing, and maintaining Key Personnel on board the vessel, including compliance with the labour laws, training, certifications, and welfare of the crew.</i></li> </ol>	<p>We noted that these terms are to ensure that the relevant technical expertise are also transferred as part of the proposed acquisitions, hence ensuring the continued running of business operations and preventing any disruption in ship management activities post acquisitions.</p>

# Kenanga

No	Salient terms	Kenanga IB's comments
	(2) <i>Key Personnel means individuals responsible for the operation and maintenance of the vessels, including technical managers overseeing repairs and compliance, marine superintendents handling safe navigation and operations, crew managers ensuring proper staffing and welfare, insurance managers addressing marine insurance matters, compliance officers ensuring adherence to maritime regulations, and financial officers managing budgets and financial reporting related to the vessels' operations.</i>	
5.	<p><b>Termination</b></p> <p>(a) Liannex Corporation and Mr. LHW's right to terminate</p> <p>Prior to completion of the SSPA 1, Liannex Corporation and Mr. LHW may at any time while such default subsists, give a notice of termination to ICON, in the event that:</p> <p>(1) ICON defaults in the satisfaction of the Purchase Consideration of SSPA 1 in accordance with the provisions of the SSPA 1; or</p> <p>(2) ICON is otherwise in material breach of any of the representations, warranties, undertakings, terms and conditions under the SSPA 1, and which, if capable of rectified, has not been rectified by ICON within fourteen (14) days (or such longer period as may be mutually agreed between the parties to the SSPA 1) of being requested to do so in writing by Liannex Corporation and Mr. LHW.</p> <p>(b) ICON's right to terminate</p> <p>Prior to completion of the SSPA 1, ICON may at any time while such default subsists, give a notice of termination to Liannex Corporation and Mr. LHW in the event that:</p> <p>(1) either Liannex Corporation or Mr. LHW fail, neglect or refuse to complete the sale in accordance with the provisions of the SSPA 1; or</p>	<p><b>Reasonable</b></p> <p>We noted that these terms are to ensure that the non-defaulting party has the right to terminate the agreement should there be a breach of the terms of the agreement or any failure to complete the transactions.</p> 

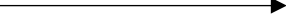
# Kenanga

No	Salient terms	Kenanga IB's comments
	<p>(2) there is a material breach of any of the representations, warranties, undertakings, terms and conditions of the SSPA 1 by either Liannex Corporation or Mr. LHW and which, if capable of rectified, has not been rectified within fourteen (14) days (or such longer period as may be mutually agreed between the parties) of being requested to do so in writing by ICON.</p> <p>(c) Consequences of termination</p> <p>(1) In the event a notice of termination is duly given, parties shall, on the next business day from the receipt or issuance of the notice of termination from the other party, return all documents, if any, delivered to it pursuant to the SSPA 1.</p> <p>(2) Parties agree that the termination of the SSPA 1 is without prejudice to any other rights any party may have in respect of the antecedent breach.</p>	<p style="text-align: center;">↓</p> <p>We noted that this term is to ensure that in the event of termination, neither party to the transactions shall hold any documents owned by the other parties.</p> <p>We noted that this term ensures that any rights or obligations of each party pursuant to a breach shall remain effective notwithstanding the termination of SSPA 1.</p>


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# Kenanga


## 6.4.2 Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia

No	Salient terms	Kenanga IB's comments
1.	<p><b>Basis of sale of the Sale Share</b></p> <p>Yinson Offshore agree to sell and ICON agrees to purchase the following:</p> <p>(a) 525,000 ordinary shares in Regulus Offshore and 25,000,000 RPS in Regulus Offshore ("<b>Regulus Offshore Securities</b>") and;</p> <p>(b) 1 ordinary share in Yinson Camellia ("<b>Yinson Camellia Share</b>").</p> <p>(Items (a) and (b) collectively referred to as "<b>Sale Shares of SSPA 2</b>").</p> <p>free from all liens, charges and encumbrances and with full legal and beneficial title, with all rights attaching thereto (including all dividends and distributions declared in respect thereof) with effect from the business day falling 14 business days after the date on which the SSPA 2 turns unconditional, or such other date as the parties to the SSPA 2 may mutually agree in writing, on which the completion is to take place ("<b>Completion Date of SSPA 2</b>"), subject to the terms and conditions of the SSPA 2.</p>	<p><b>Reasonable</b></p> <p>We noted that the Sale Shares will be transferred to ICON free from all liens, charges and encumbrances and with full legal and beneficial title, with all rights attaching thereto with effect from the Completion Date of SSPA 2.</p> 
2.	<p><b>Conditions Precedent</b></p> <p>The SSPA 2 is conditional upon the following being obtained on or a cut-off date, being a date falling 180 days from the date of SSPA 2 or such other date as may be agreed upon between the parties to the last date by which all the conditions precedent shall be fulfilled ("<b>Cut-Off Date of SSPA 2</b>");</p> <p>(a) ICON obtaining the approval of its board of directors and shareholders for the purchase of the Sale Shares of SSPA 2 in accordance with the terms of the SSPA 2;</p>	<p><b>Reasonable</b></p> <p>We noted that these terms represent the necessary requisite approvals, consents and performance obligations that need to be obtained and / or fulfilled by respective parties to facilitate the implementation of the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia.</p>

No	Salient terms	Kenanga IB's comments
	<p>(b) ICON obtaining the approval of Bursa Securities for the listing and quotation of 181,818,182 Consideration Shares on the Main Market of the Bursa Securities;</p> <p>(c) Yinson Offshore obtaining the approval of its board of directors for the sale of the Sale Shares of SSPA 2 in accordance with the terms of the SSPA 2; and</p> <p>(d) Yinson Offshore obtaining a notice of termination from YHB for the termination of the sublicense agreement between Yinson Camellia and YHB dated 1 September 2021 ("<b>Sublicense Agreement</b>").</p> <p>(Items (a) to (d) collectively referred to as "<b>Conditions Precedent of SSPA 2</b>")</p> <p>If any of the Conditions Precedent of SSPA 2 remain unfulfilled by the Cut-Off Date, the parties of the SSPA 2 may extend the Cut-Off Date of SSPA 2 to a date to be mutually agreed between the parties of the SSPA 2 in writing or terminate the SSPA 2.</p>	<p style="text-align: center;">↓</p> <p>We noted that this term is to ensure that Yinson Camellia ceases all use of the "Yinson" brand name, trademarks, logos, and any related intellectual property upon receipt of the written notice of termination of the Sublicense Agreement.</p> <p>We noted that this term is to enable both the Purchaser and the Vendor to extend the Cut-Off Date when the fulfillments of any of the Conditions Precedent are delayed, allowing for greater flexibility to both parties.</p>
3.	<p><b>Purchase consideration</b></p> <p>The Purchase consideration for the Sale Shares of SSPA 2 amounting to RM160.0 million ("<b>Purchase Consideration of SSPA 2</b>") shall be satisfied in the following manner:</p> <p>(a) On the Completion Date of SSPA 2, ICON shall procure the issuance and allotment of the following:</p> <p>(1) 154,545,455 Consideration Shares in the name of Yinson Offshore or its nominees for the Regulus Offshore Securities; and</p> <p>(2) 27,272,727 Consideration Shares in the name of Yinson Offshore or its nominees for the Yinson Camellia Share.</p>	<p><b>Reasonable</b></p> <p>We noted that this term is to ensure that the Vendors are issued and allotted with the Consideration Shares in its name whereby the rightful owner is reflected as the beneficial shareholder of ICON upon completion of the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia.</p>

No	Salient terms	Kenanga IB's comments
	<p>(b) ICON shall ensure that the 181,818,182 Consideration Shares are issued and allotted to Yinson Offshore or its nominee (as applicable), in accordance with the following terms:</p> <p>(1) The Consideration Shares shall, upon allotment and issuance, be credited as fully paid and rank equally in all respects with the then existing ordinary shares of ICON, but shall not be entitled to any dividends, rights, allotments or any other distributions that may be declared, made or paid prior to the date of allotment and issuance of the Consideration Shares.</p> <p>(2) Bursa Securities approves the listing and quotation of the Consideration Shares on the Main Market of Bursa Securities.</p>	<p>We noted that this term is to ensure that the dividends, rights, allotments or any other distributions that may be declared, made or paid prior to the date of allotment and issuance of the Consideration Shares will be distributed to the existing shareholders of ICON and not the Vendors.</p> <p>We noted that this term is to comply with the regulatory standards and is a typical commercial term for transactions of this nature.</p>
4.	<p><b>Completion</b></p> <p>(a) Covenant and Undertaking by Yinson Offshore pending completion of the SSPA 2</p> <p>From the date of the SSPA 2 and pending completion of the SSPA 2, Yinson Offshore covenants and undertakes that it shall and it shall procure that its appointed directors in Regululus Offshore and Yinson Camellia ("Target Companies of SSPA 2") continue to carry out the business of the Target Companies of SSPA 2 in the ordinary course but shall not exercise, their voting rights or their powers in the Target Companies of SSPA 2 to procure or request the Target Companies of SSPA 2 to do any of the following, except with the prior written consent of ICON (such consent not to be unreasonably withheld or delayed) or as contemplated under the SSPA 2:</p> <p>(1) enter into any contract or undertake any obligation, commitment or transaction whatsoever or take any action or make any decision out of the ordinary course of the business of the Target Companies of SSPA 2;</p> <p>(2) dispose any part of assets of the Target Companies of SSPA 2 which is out of the ordinary course of business of the Target Companies of SSPA 2;</p>	<p><b>Reasonable</b></p> <p>We noted that the terms are to ensure the existing business and financial condition of Regululus Offshore and Yinson Camellia remains the same at the point of entering the SSPA and minimise any material changes or financial deterioration of the Target Companies before Completion Date of SSPA 2 i.e. salient terms and purchase consideration for the Proposed Acquisition of Regululus Offshore and Proposed Acquisition of Yinson Camellia remains intact.</p> 



No	Salient terms	Kenanga IB's comments
	<p>(3) amend or terminate any of the agreements the Target Companies of SSPA 2 have entered into which would materially and adversely affects the interests of the Target Companies of SSPA 2 which are, as of the date of the SSPA 2, subsisting;</p> <p>(4) declare, make or pay dividend or other distribution to its shareholders in any way, except where the Target Companies of SSPA 2 shall be entitled to declare, make or pay dividend or other distribution to its shareholders in any way so long as the cumulative agreed final net working capital of the Target Companies of SSPA 2 of RM10.0 million is maintained;</p> <p>(5) make any material and adverse change in the terms and conditions of employment or pension benefits of any of the directors or key employees appointed by Yinson Offshore, other than the contracted increment or other changes contemplated by the contracts of employment;</p> <p>(6) extend any loans, provide any security or issue any guarantees or indemnities to or for the benefit of Yinson Offshore or their related or associate companies, except for such loans or transactions between the Target Companies of SSPA 2 or between the Target Companies of SSPA 2 and Yinson Offshore (or its affiliates) which are already in existence as at the date of the SSPA 2, details of which has been disclosed to ICON;</p> <p>(7) enter into any joint venture, partnership, or any profit-sharing arrangement of any form outside of the ordinary course of business;</p> <p>(8) create, allot or issue any shares, loan capital, securities convertible into shares or any option or right to subscribe in respect of any shares, loan capital or securities convertible into share, except where it is required or contemplated to be made in accordance with the terms of the SSPA 2; or</p> <p>(9) pass any resolution for the voluntary winding-up of the Target Companies of SSPA 2.</p>	




# Kenanga

No	Salient terms	Kenanga IB's comments
	<p>(b) Cessation of Use of "Yinson" Brand Name and Name Change</p> <p>(1) Subject to item (d) of the Conditions Precedent of SSPA 2, upon receipt of the written notice of termination from YHB for the termination of the Sublicense Agreement, ICON shall undertake to ensure that Yinson Camellia ceases all use of the "Yinson" brand name, trademarks, logos, and any related intellectual property that was licensed under the Sublicense Agreement.</p> <p>(2) ICON shall also, at its own cost and within a reasonable time following the Completion Date of SSPA 2, complete all necessary steps to effect the change of Yinson Camellia's corporate name to remove any reference to "Yinson" from its registered name and branding materials, and to update all relevant legal, regulatory, and public records to reflect the new name.</p> <p>(3) ICON agrees that these actions are to be carried out expeditiously and in compliance with all applicable laws to avoid any potential confusion or unauthorised use of the "Yinson" brand, and shall provide Yinson Offshore with written confirmation of such changes upon Completion Date of SSPA 2.</p> <p>(c) On the Completion Date of SSPA 2:</p> <p>(1) ICON shall issue and allot all the 181,818,182 Consideration Shares to Yinson Offshore or its nominees (as applicable), as satisfaction of the Purchase Consideration of SSPA 2. ICON shall do all acts as shall be required to ensure that 181,818,182 Consideration Shares are issued and allotted in accordance with the terms of the SSPA 2;</p> <p>(2) Yinson Offshore shall do all acts as shall be required to effect the registration of the Sale Shares of SSPA 2 in the name of ICON and to perfect the rights, interests, title and benefits of ICON in and to the Sale Shares as legal and beneficial owner free from all encumbrances;</p> <p>(3) ICON's Solicitors shall be irrevocably authorised to release the completion documents to ICON.</p>	<p>We noted that this term is to ensure that Yinson Camellia ceases all use of the "Yinson" brand name, trademarks, logos, and any related intellectual property upon receipt of the written notice of termination of the Sublicense Agreement.</p> <p style="text-align: center;">→</p> <p>We noted that this term is reasonable as it ensures the transfer of ownership of Regulus Offshore and Yinson Camellia from the Vendor to ICON and the Vendor receives the Consideration Shares upon completion of the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia.</p> <p style="text-align: center;">→</p>

# Kenanga

No	Salient terms	Kenanga IB's comments
	<p>(4) Yinson Offshore shall provide confirmation to ICON that the total cash and bank balances, trade and other receivables, trade and other payables, current assets, current liabilities (excluding lease liabilities) and all intercompany balances / loans for the Target Companies of SSPA 2 on completion is at least RM10,000,000 in aggregate; and</p> <p>(5) Yinson Offshore shall deliver renewed Domestic Shipping Licences for <i>Yinson Perwira</i> (expired on 28 November 2024) and <i>PTSC Lam Kinh</i> (expired on 5 December 2024), ensuring compliance with the applicable laws for continued operation.</p> <p>(d) Intercompany Balances</p> <p>In case Yinson Offshore, the Target Companies of SSPA 2 or any affiliate of Yinson Offshore identify any shareholder advances / loans owed by the Target Companies of SSPA 2 to Yinson Offshore or its affiliates that remains outstanding and is not settled as of the Completion Date of SSPA 2, Yinson Offshore shall notify ICON of the same. ICON shall procure that the Target Companies of SSPA 2 settle such outstanding shareholder advances / loans within 90 days from the Completion Date of SSPA 2.</p>	<p>We noted that this term is to ensure that the agreed final net working capital of the Target Companies of SSPA 2 of at least RM10.0 million is maintained on the Completion Date of SSPA 2. We have also discussed with Management and sighted to the latest management accounts of Regulus Offshore and Yinson Camellia as at 30 September 2024 and noted that the net working capital is sufficient and the agreed net working capital for Target Companies of SSPA 2 of at least RM10,000,000 upon the Completion Date of SSPA 2 is reasonable.</p> <p>We noted that this term is to ensure that the relevant licences required to operate the vessels are provided to ICON upon the completion of SSPA 2 thus ensuring compliance with applicable laws.</p> <p>We noted that this term is to safeguard the interest of the shareholders by ensuring that all financial obligations between the Target Companies of SSPA 2 and Yinson Offshore or any affiliate of Yinson Offshore are clearly settled prior to acquisition, to ensure that the Target Companies of SSPA 2 are acquired without any further outstanding liabilities owing to Yinson Offshore and / or any affiliate of Yinson Offshore.</p>
5.	<p><b>Termination</b></p> <p>(a) Yinson Offshore's right to terminate</p> <p>Yinson Offshore may, at any time while such default subsists, give a notice of termination to ICON, in the event that:</p> <p>(1) ICON defaults in the satisfaction of the Purchase Consideration of SSPA 2 via the issuance and allotment of 181,818,182 Consideration Shares to Yinson Offshore or its nominees in accordance with the provisions of the SSPA 2; or</p>	<p><b>Reasonable</b></p> <p>We noted that these terms are to ensure that the non-defaulting party has the right to terminate the agreement should there be a breach of the terms of the agreement or any failure to complete the transactions.</p>

# Kenanga

No	Salient terms	Kenanga IB's comments
	<p>(2) ICON is otherwise in material breach of any of the representations, warranties, undertakings, terms and conditions under the SSPA 2, and which, if capable of rectified, has not been rectified by ICON within fourteen (14) days (or such longer period as may be mutually agreed between the parties) of being requested to do so in writing by Yinson Offshore.</p> <p>(b) ICON's right to terminate</p> <p>Prior to the Completion Date of SSPA 2, ICON may at any time while such default subsists, give a notice of termination to Yinson Offshore in the event that:</p> <p>(1) Yinson Offshore fail, neglect or refuse to complete the sale in accordance with the provisions of the SSPA 2; or</p> <p>(2) there is a material breach of any of the representations, warranties, undertakings, terms and conditions of the SSPA 2 by Yinson Offshore and which, if capable of rectified, has not been rectified by Yinson Offshore within fourteen (14) days (or such longer period as may be mutually agreed between the parties) of being requested to do so in writing by ICON.</p> <p>(c) Consequences of termination</p> <p>(1) In the event a notice of termination is duly given by either party, parties shall, on the next business day from the receipt or issuance of the notice of termination from the other party, return all documents, if any, delivered to it pursuant to the SSPA 2.</p> <p>(2) Parties agree the termination of the SSPA 2 is without prejudice to any other rights any party may have in respect of the antecedent breach.</p>	 <p>We noted that this term is to ensure that in the event of termination, neither party to the transactions shall hold any documents owned by the other parties.</p> <p>We noted that this term ensures that any rights or obligations of each party pursuant to a breach shall remain effective notwithstanding the termination of SSPA 2.</p>

Based on our review of the SSPAs for the Proposed Related Party Acquisitions in its entirety, particularly the salient terms as set out above, we are of the view that the overall terms of the SSPAs are **reasonable** and **not detrimental** to the non-interested shareholders.

# Kenanga

## 6.5 Effects of the Proposed Related Party Acquisitions

We take cognisance of the effects of the Proposed Related Party Acquisitions in **Section 8, Part A of the Circular**. Our commentaries on the effects are summarised as follows:

Effects	Kenanga IB's comments
<b>Issued share capital</b>	<p>The Proposed Related Party Acquisitions will result in an increase to ICON's share capital from 623,613,651 Shares to 1,032,704,560 Shares following the issuance of Consideration Shares upon the completion of the Proposed Related Party Acquisitions.</p> <p>This will result in a decrease in the public shareholding from the existing as at the LPD of 38.42% to 23.20% which will be a non-compliance of the Public Spread Requirement.</p> <p>As disclosed in <b>Section 1, part A of the Circular</b>, we take note that the parties to SSPA 1 have mutually agreed to waive the condition precedent as set out in item (e), Section 2.1 of SSPA 1 in relation to the Proposed Placement for the purpose of ICON's compliance with the Public Spread Requirement.</p> <p>Notwithstanding the above, upon discussion with the Management, we also take note that ICON will comply with the Public Spread Requirement upon the completion of the Proposed Acquisition of ICON Bahtera and Proposed Acquisition of ICON Waja, both of which are non-related party transactions.</p>
<b>Substantial shareholders' shareholdings</b>	<p>Upon the completion of the Proposed Related Party Acquisitions, Liannex Maritime's shareholding in ICON will decrease from 56.55% to 56.15%. Additionally, Yinson Offshore will emerge as a major shareholder of ICON upon the completion of the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia.</p>
<b>NA, NA per ICON Share and gearing</b>	<p>The Proposed Related Party Acquisitions will result in an increase in the equity attributable to the owners of ICON from RM345.34 million as at 31 December 2023 to RM766.63 million (after accounting adjustments or subsequent events). The equity attributable to the owners per ICON Share will also increase from RM0.64 as at 31 December 2023 to RM0.74 pursuant to the completion of the Proposed Related Party Acquisitions.</p> <p>Additionally, upon completion of the Proposed Related Party Acquisitions, the gearing level of ICON Group is expected to improve from 0.72 times as at 31 December 2023 to 0.50 times due to the increase in share capital, notwithstanding the consolidation of interest-bearing borrowings (excluding lease liabilities) of the target companies pursuant to the Proposed Related Party Acquisitions.</p>
<b>Earnings and EPS</b>	<p>The Proposed Related Party Acquisitions are expected to improve ICON Group's earnings and EPS, with the pro forma consolidated PAT attributable to the owners of ICON increasing from RM4.86 million for the FYE 31 December 2023 to RM47.07 million (after accounting for estimated expenses relating to the Proposed Related Party Acquisitions), assuming the Proposed Related Party Acquisitions were effected on 1 January 2023. Consequently, the EPS of ICON would increase from 0.78 sen to 4.56 sen, reflecting the impact of higher earnings contributed by the acquired entities. This increase underscores the earnings accretive nature of the Proposed Related Party Acquisitions, supporting ICON's growth and shareholder value.</p>

Premised on the above, we are of the opinion that the pro forma effects of the Proposed Related Party Acquisitions are **reasonable** and **not detrimental** to the interests of the non-interested shareholders.

## 6.6 Industry overview, outlook and prospects

We take cognisance of the industry overview and outlook, and prospects of the industries in relation to the Proposed Related Party Acquisitions as set out in **Section 4, Part A of the Circular** and our commentaries are as set out below:

### (i) Overview and outlook of the offshore oil and gas industry in Malaysia

We noted the overview and outlook of the offshore oil and gas industry in Malaysia as detailed in **Section 4.1, Part A of the Circular**.

The mining sector in Malaysia rebounded by 4.3% in the first half of 2024 with broad-based expansion recorded across all subsectors. For the second half of 2024, the sector is forecast to grow marginally by 0.3%. The mining sector is projected to grow by 2.2%, driven mainly by strong performance in the natural gas subsector due to the steady output from existing fields, higher demand from major trading partners as well as the commencement of production from new gas blocks.

The mining sector is forecast to contract by 1.0% in 2025, following sluggish performance in key subsectors. The natural gas subsector is projected to decline as output decreases mainly due to the planned shutdown of two facilities in Sarawak for maintenance purposes as well as moderating demand from major importing countries. The overall production of natural gas is expected to remain below the 2024 capacity, despite several new plants being scheduled to commence operations. The exports of mining goods are projected to moderate by 2.1% in 2025, following softer demand for liquefied natural gas and crude petroleum from major markets.

*(Source: Economic Outlook 2025, Ministry of Finance Malaysia)*

Pursuant to the Proposed Related Party Acquisitions, we noted that there will be an immediate expansion of ICON's fleet after the Proposed Related Party Acquisitions, and the enlarged fleet will not only boost ICON Group's ability to meet the growing demands of its existing customer base but will also allow it to attract new clientele, further strengthening its market presence. Further, as disclosed in **Section 6.5, of this IAL**, the equity attributable to the owners per ICON Share and the EPS post-completion of the Proposed Related Party Acquisitions will be RM0.74 and 4.56 sen, respectively.

Based on the above, notwithstanding there is a subdued outlook in 2025, we are of the view that ICON may not be materially and adversely affected by the challenging prospects of the mining sector.

### (ii) Overview and outlook of the marine transportation industry in Singapore

We noted the overview and outlook of the marine transportation industry in Singapore as detailed in **Section 4.2, Part A of the Circular**.

Singapore has developed into a premier international maritime centre where ships hub and essential ancillary services in shipping, commerce and logistics flourish by capitalizing on its strategic location, sophisticated port facilities and shipyards. When the development of Tuas Port (the largest port in Singapore) completed in year 2040, Tuas Port will consolidate the container port operations in a single location and will be able to handle 65 million twenty-foot equivalent units ("TEUs") per annum.

*(Source: Shaping the Future of Maritime Singapore, Ministry of Transport of Singapore)*

# Kenanga

We are of the view that the immediate expansion of ICON Group's fleet by an additional 40 maritime assets would enable ICON to capitalise on Singapore's strategic growth as a premier maritime hub and meet the increasing demand for shipping and logistic services.

Based on the above, we believe that moving forward, barring any unforeseen circumstances, the prospects of the Target Companies for the Proposed Related Party Acquisitions should be **generally positive** as the enlarged fleet will allow ICON Group to expand its existing customer base as well as diversify its revenue streams. This is expected to boost ICON's revenue and long-term sustainable growth, which in turn deliver greater value to the shareholders of ICON.

**Nonetheless, we wish to highlight that the Proposed Related Party Acquisitions, is subject to risks and uncertainties which are not within ICON's control such as, but not limited to, non-renewal / non-extension of existing charter contracts and adverse changes in economic conditions, details of which are set out in Section 5, Part A of the Circular. The occurrence of any of such events may impact ICON Group's revenue and earnings to be derived from the Proposed Related Party Acquisitions. There shall also be no guarantee that the anticipated benefits from the Proposed Related Party Acquisitions will be realised by ICON Group in the foreseeable future.**

## 6.7 Risk factors in relation to the Proposed Related Party Acquisitions

In considering the Proposed Related Party Acquisitions, the non-interested shareholders are advised to give careful consideration to the risks of the Proposed Related Party Acquisitions as set out in **Section 5, Part A of the Circular** and as summarised as follows:

### (i) Non-completion risk

We are of the view that the non-completion risk is a common aspect of similar acquisition proposals or arrangements.

We take note that ICON will take all reasonable steps to ensure that all conditions precedent set out in the SSPAs, insofar as they are within the control of ICON, will be fulfilled within the stipulated timeframe and to mitigate the occurrence of any termination events in order to complete the Proposed Related Party Acquisitions in a timely manner.

### (ii) Integration risk

We noted that the key integration risk pursuant to the Proposed Related Party Acquisitions, amongst others, are the inability to assimilate the new operations and personnel and to integrate the Target Companies successfully with ICON Group's current businesses. We also noted that there can be no assurance that the anticipated benefits from the Proposed Related Party Acquisitions will be realised and that the duration required for ICON Group's to recoup its investment could be longer than anticipated.

Nevertheless, we take note that the integration risk is reasonably expected to be mitigated by ICON by ensuring that a proper integration exercise and management structure be put in place to ensure successful integration.



**(iii) Non-renewal / non-extension of the existing charter contracts for the vessels to be acquired and ability to secure new contracts**

We noted that if the existing charter contracts of the subsisting fleet of Liannex Fleet Group are entered into with existing related parties, there is a risk of non-renewal of the existing charter contracts should the said related party transactions are not approved by the non-interested shareholders of ICON which in turn may have an adverse impact on the financial performance and business operations of ICON Group post acquisitions.

Nevertheless, we take note that Liannex Fleet's long-term charter arrangement with Liannex Corporation is set to expire on 31 December 2027, with 2 optional 1-year extensions at the discretion of Liannex Corporation. Furthermore, ICON will take all reasonable steps in mitigating such risks by exploring to diversify the customer base and secure charter contracts with unrelated third parties in advance.

**(iv) Dependence on the directors and key management of the Target Companies**

We noted that the business operations and financial performance of the Target Companies are dependent on, amongst others, the continuous efforts, experience and abilities of the existing key management personnel. In addition, we noted that there can be no assurance the loss of any key personnel of the Target Companies can be avoided and would not affect the business operations and financial performance of the Target Companies.

Nevertheless, we take note that ICON will strive to adopt appropriate measures to retain the Target Companies' key management personnel and attract qualified personnel. ICON will also reduce its reliance on any key management personnel by regularly reviewing its workforce competency and human resource policies (including succession planning) to ensure that it will be able to effectively mitigate the associated risks.

**(v) General economic, political and regulatory conditions**

We noted that the performance of the Target Companies may be impacted by the changes in economic, political and regulatory conditions in the respective jurisdictions.

While we understand that in order to mitigate such risk, ICON Group will take a proactive approach in monitoring key developments and where needed, review its business strategies and strategic priorities to respond to significant changes, we wish to highlight that there shall be no assurance that such measures to be introduced by ICON will be sufficient to mitigate and eliminate such risks.

**(vi) Regulations on foreign investment and repatriation of profits**

We noted that any breach or non-compliance with foreign investment policies may adversely affect ICON's investments in the Target Companies. In addition, we noted that any changes in policies on foreign ownership may also adversely affect ICON Group in that ICON may be required to reduce its shareholding in the Target Companies, where applicable.

We also noted that the ability of ICON Group to repatriate profits from the Target Companies will depend largely on the relevant legislation relating to the repatriation of profits prevailing at the point of repatriation.

Based on our discussion with the Management, ICON will monitor regulatory changes closely to ensure proactive management of any risks related to foreign ownership and / or profit repatriation as well as implement strict procedures to ensure fully compliance on the policies and legislation.

**(vii) Foreign exchange risk**

We noted that there is a risk of the fluctuation of the respective foreign currencies against the RM may impact the profits or the financial position of ICON Group or both. In addition, we note that there can be no assurance that fluctuations in foreign exchange rates will not have a material and adverse effect on ICON Group's financial performance.

Nevertheless, we noted that in order to mitigate such risk, ICON will assess the need to utilise financial instruments to hedge its foreign exchange exposure to mitigate both transaction and / or translation exchange risk exposure.

**(viii) Goodwill and impairment risk**

We take note that the Proposed Related Party Acquisitions are expected to give rise to goodwill to be recognised from the Proposed Acquisition of Regulus Offshore and Proposed Acquisition of Yinson Camellia of approximately RM62.05 million and RM24.17 million, respectively. The goodwill represents the excess of the consideration over ICON's share of the fair value of the identifiable NA acquired.

We also take note that any material changes or events arising that may adversely affect the business prospects and / or assets of the Target Companies, may result in an impairment of the goodwill and any fair value adjustment to the identifiable assets and liabilities, as well as the effects of amortisation of the fair value adjustments (if any), may affect ICON Group's financial position and that may have a corresponding effect on shareholders' value.

Based on our discussion with the Management, we wish to highlight that such risk has been adequately considered, taking into consideration:

- (a) the purchase considerations for the Proposed Related Party Acquisitions are justified after taking into consideration the rationale and benefits of the Proposed Related Party Acquisitions as set out in **Section 3, Part A of the Circular**, the outlook and the prospects of the Target Companies and the enlarged ICON Group as set out in **Section 4, Part A of the Circular**; and
- (b) the team of experienced key senior management personnel of ICON with their in-depth operational knowledge, would help to enhance the likelihood and chances of the enlarged ICON Group achieving the projected financial performance and the potential synergistic benefits, which in turn reduce the occurrence and / or impact of impairment risk.

**While we take note that measures will be taken by the Management to mitigate such risks associated with the Proposed Related Party Acquisitions, no assurance can be given that one or a combination of the risk factors will not occur and give rise to material adverse impact on the business and operation of ICON, its financial performance or prospects thereon.**

**In evaluating the Proposed Related Party Acquisitions, non-interested shareholders should carefully consider the said risk factors and their respective mitigating factors prior to voting on the resolutions pertaining to the Proposed Related Party Acquisitions at the forthcoming EGM. Non-interested shareholders should also note that the risk factors mentioned in Section 5, Part A of the Circular and this IAL are not meant to be exhaustive.**





## 7. CONCLUSION AND RECOMMENDATION

The non-interested shareholders should carefully consider the justifications for the Proposed Related Party Acquisitions based on all relevant and pertinent factors including those set out in this IAL as well as those set out in **Part A of the Circular** together with the accompanying appendices before voting on the resolutions pertaining to the Proposed Related Party Acquisitions at the forthcoming EGM.

Premised on our evaluation of the Proposed Related Party Acquisitions in **Section 6 of this IAL**, we are of the opinion that the Proposed Related Party Acquisitions is **fair** and **reasonable** and **not detrimental** to the interests of non-interested shareholders.

Accordingly, we recommend that the non-interested shareholders vote **in favour** of the resolutions pertaining to the Proposed Related Party Acquisitions to be tabled at the forthcoming EGM.

Yours faithfully,  
For and on behalf of  
**KENANGA INVESTMENT BANK BERHAD**

**DATUK ROSLAN HJ TIK**  
Executive Director, Head  
Group Investment Banking & Islamic Banking

**ALVIN OOI YET MING**  
Head,  
Corporate Finance

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**COMMENTARY ON THE FINANCIAL INFORMATION AND FINANCIAL POSITION OF THE ICON GROUP**


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**1. Summary of the financial information of our Group**

A summary of the financial information of our Group for the past three (3) FYEs 31 December 2021, 31 December 2022 and 31 December 2023, as well as the 9-month FPEs 30 September 2023 and 30 September 2024 is set out below:

	Audited			Unaudited	
	FYE 31 December			9-month FPE 30 September	
	2021	2022	2023	2023	2024
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	300,597	193,369	199,788	157,623	157,934
PBT	43,080	(2,623)	12,786	13,955	7,023
PAT	29,114	172,501	6,717	8,715	318
Profit/(Loss) attributable to:					
- Owners of our Company	22,696	168,917	4,856	6,392	2,618
- NCI	6,418	3,584	1,861	2,323	(2,300)
Weighted average number of ICON Shares in issue ('000)	2,696,725	2,704,622	541,284	2,706,303	587,279
Basic/Diluted EPS (sen)	0.84	6.25	0.90	0.24	0.45

**9-month FPE 30 September 2024 compared to 9-month FPE 30 September 2023**

Our Group's revenue increased by RM0.31 million or 0.2% from RM157.62 million in the prior year corresponding period to RM157.93 million for the 9-month FPE 30 September 2024. The current results were mainly driven by higher daily charter rates compared to the prior year despite the utilisation dropping to 64% from 77% in the corresponding year due to unplanned maintenance.

Our Group recorded PAT of RM0.32 million in the current period compared to PAT of RM8.71 million in the prior year corresponding period. The decrease of RM8.40 million or by 96.35% is primarily due to additional provision for charter of replacement vessel, provision of impairment of receivables and foreign exchange losses.

**FYE 31 December 2023 compared to FYE 31 December 2022**

Our Group's revenue increased by RM6.42 million or 3.3% mainly due to the improvement in daily charter rates for spot charter vessels.

Our Group's PAT decreased by RM165.78 million or 96.1% mainly due to the exceptional profit recognised in the FYE 31 December 2022 from the gain on disposal of ICON's jack-up rig of RM198.7 million.

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**COMMENTARY ON THE FINANCIAL INFORMATION AND FINANCIAL POSITION OF THE ICON GROUP** *(Cont'd)*


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**FYE 31 December 2022 compared to FYE 31 December 2021**

Our Group's revenue decreased by RM107.23 million or 35.7% mainly due to the reclassification of revenue contribution from our Group's drilling segment to discontinued operations in the FYE 31 December 2022. The jack-up rig of the drilling segment was disposed in November 2022. During the FYE 31 December 2021, the charter of the jack-up rig of the drilling segment contributed revenue of RM75.27 million.

Our Group's PAT increased by RM143.39 million or 492.50% mainly due to the gain from disposal of the jack-up rig of RM198.7 million, completed in November 2022.

**2. Value creation and impact of the Proposed Acquisitions to our Group and our shareholders**

As set out in **Section 3** of **Part A** of this Circular, the Proposed Acquisitions are expected to significantly enhance our Company's value by strengthening operational capacity and market positioning. By expanding our OSV and marine vessel fleet, our Company can strengthen our foothold and market positioning in the marine transportation industry, making our Group as the service provider of choice for the Malaysian O&G sector. The Proposed Acquisitions will also enhance our Company's revenue streams and reduce dependence on specific industries or clients, thereby mitigating risks associated with fluctuating O&G industry cycles.

Further, the Proposed Acquisitions may unlock operational efficiencies through economies of scale, improved utilisation rates and centralised support functions, ultimately leading to improved financial performance of our Group as a whole, driving long term shareholder value creation. Operationally, the consolidation of our Group's interest in ICON Bahtera and ICON Waja allows our Group to exercise full control over the operations of the AWBs owned, and the full financial performance of ICON Bahtera and ICON Waja moving forward will be attributable to our shareholders. While the issuance of the Consideration Shares to the Vendors pursuant to the Proposed Acquisitions will dilute the existing shareholders' shareholding in our Company since the Proposed Acquisitions will increase the number of ICON Shares in circulation, the higher revenue and earnings after the Proposed Acquisitions would result in higher EPS. The Proposed Acquisitions will also enhance our Company's asset and equity base, which in turn leads to long-term financial stability for our Group.

The effects of the Proposed Acquisitions on the issued share capital, substantial shareholders' shareholding, NA per ICON Share and gearing, earnings of our Group and EPS are set out in **Section 8** of **Part A** of this Circular.

After the Proposed Acquisitions, the NA per ICON Share is expected to increase to RM0.75 from RM0.64 as at 31 December 2023 based on the latest audited consolidated statement of financial position of our Company. The EPS, after completion of the Proposed Acquisitions, is also expected to substantially improve to RM4.54 per ICON Share, from RM0.78 based on the latest audited consolidated statement of our Company for the FYE 31 December 2023.

The Proposed Acquisitions will enable our Group to significantly improve our financial performance. Our Group will make the necessary efforts to ensure that a proper integration exercise and management structure be put in place to ensure successful integration of the respective business operations of the Target Companies so that our Group is able to maximise the synergies from the Proposed Acquisitions.

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**SALIENT TERMS OF THE SSPA 1**


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**1. Basis of sale**

Liannex Corporation and Mr. LHW agree to sell and ICON agrees to purchase the following:

- (i) 100 ordinary shares in Liannex Fleet ("**Liannex Fleet Shares**"); and
- (ii) 5,324,000 ordinary shares in Yinson Power Marine ("**Yinson Power Marine Shares**")

(Items (i) and (ii) collectively referred to as "**Sale Shares of SSPA 1**"),

free from all liens, charges and encumbrances and with full legal and beneficial title, with all rights attaching thereto (including all dividends and distributions declared in respect thereof) with effect from the business day falling fourteen (14) business days after the date on which the SSPA 1 turns unconditional, or such other date as the parties to the SSPA 1 may mutually agree in writing, on which the completion is to take place ("**Completion Date of SSPA 1**"), subject to the terms and conditions of the SSPA 1.

**2. Conditions precedent**

The SSPA 1 is conditional upon the following being obtained on or before a cut-off date, being a date falling 180 days from the date of the SSPA 1 or such other date as may be agreed upon between the parties to the SSPA 1 as the last date by which all the conditions precedent shall be fulfilled ("**Cut-Off Date of SSPA 1**"):

- (a) ICON obtaining the approval of our Board and shareholders for the purchase of the Sale Shares of SSPA 1 in accordance with the terms of SSPA 1;
- (b) ICON obtaining the approval of Bursa Securities for the listing and quotation of 227,272,727 Consideration Shares on the Main Market of Bursa Securities;
- (c) Liannex Corporation obtaining the approval of its board of directors for the sale of the Liannex Fleet Shares;
- (d) ICON obtaining the approval of BNM in respect of Liannex Fleet for a Resident Entity (as defined in the Foreign Exchange Policy Notices issued by BNM) with Domestic Ringgit Borrowing (as defined in the Foreign Exchange Policy Notices issued by BNM) to invest in Foreign Currency Asset (as defined in the Foreign Exchange Policy Notices issued by BNM) exceeding RM50 million equivalent per calendar year under the Foreign Exchange Policy Notices issued by BNM;
- (e) Liannex Corporation procuring that Liannex Maritime, a wholly-owned subsidiary of Liannex Corporation, execute the necessary agreement(s) in relation to the Proposed Placement to third party investors prior to the issuance of the Consideration Shares to ensure compliance with the Public Spread Requirement<sup>(1)</sup>;

**Note:**

(1) *This condition precedent has been mutually agreed to be waived by Liannex Corporation and ICON by way of a written notice dated 3 January 2025.*

- (f) Settlement or capitalisation of all intercompany balances between Liannex Fleet and Yinson Power Marine ("**Target Companies of SSPA 1**") with Liannex Corporation and Mr. LHW and any outstanding shareholder advances owed by the Target Companies of SSPA 1 to Liannex Corporation and Mr. LHW and/ or their associates or related parties, as of the date of completion of SSPA 1, where the settlement of all intercompany balances have already been included in determining the Purchase Consideration of SSPA 1 (as defined in Section 3 of this Appendix) i.e. the net intercompany amount owing to the relevant parties was already taken into account in arriving at the adjusted NA for Liannex Fleet and Yinson Power Marine (where applicable) which was the basis for the Purchase Consideration of SSPA 1 (as defined in Section 3 of this Appendix); and

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**SALIENT TERMS OF THE SSPA 1 (Cont'd)**


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- (g) All other approvals, consents, licences, permits, waivers and exemptions for the sale and purchase of the Sale Shares of SSPA 1 and its completion of the sale and purchase of the Sale Shares of SSPA 1 and the transactions contemplated under the SSPA 1 being granted by third parties, including all legislative, executive, regulatory, judicial or other authorities in any jurisdiction, to ICON or the Target Companies of SSPA 1 (as the case may be).

(Items (a) to (g) collectively referred to as “**Conditions Precedent of SSPA 1**”)

If any Conditions Precedent of SSPA 1 is not fulfilled by the Cut-Off Date of SSPA 1 (or the extended Cut-Off Date), where applicable for any reason whatsoever, then any party to the SSPA 1 shall be entitled to issue a notice of termination to the other parties.

Upon a notice of termination being issued, no party shall be liable to any other parties under or in relation to the SSPA 1 except in respect of any antecedent breach.

### 3. Purchase consideration

The purchase consideration for the Sale Shares of SSPA 1 amounting to RM200.0 million (“**Purchase Consideration of SSPA 1**”) shall be satisfied in the following manner:

- (a) On the Completion Date of SSPA 1, ICON shall procure the issuance and allotment of the following:
- (1) 206,818,182 Consideration Shares in the name of Liannex Corporation or its nominees (*which is indicatively Liannex Maritime*) for the Liannex Fleet Shares; and
  - (2) 20,454,545 Consideration Shares in the name of Mr. LHW or its nominees (*which is indicatively Liannex Maritime*) for the Yinson Power Marine Shares.
- (b) ICON shall ensure that 227,272,727 Consideration Shares are issued and allotted to Liannex Corporation and Mr. LHW or their nominees (as applicable) in accordance with the following terms:
- (1) The Consideration Shares shall, upon allotment and issuance, be credited as fully paid and rank equally in all respects with the then existing ICON Shares, but shall not be entitled to any dividends, rights, allotments or any other distributions that may be declared, made or paid prior to the date of allotment and issuance of the Consideration Shares.
  - (2) Bursa Securities approves the listing and quotation of the Consideration Shares on the Main Market of Bursa Securities.

### 4. Completion

- (a) Covenant and Undertaking by each Vendor pending completion of the SSPA 1

From the date of the SSPA 1 and pending completion of the SSPA 1, Liannex Corporation and Mr. LHW covenant and undertake as follows:

- (1) Liannex Corporation shall and it shall procure that its appointed directors in Liannex Fleet and its subsidiaries (save for Yinson Power Marine) (“**SAR Subsidiaries**”) continue to carry out the business of Liannex Fleet and the SAR Subsidiaries in the ordinary course but shall not exercise their voting rights or their powers in the Liannex Fleet and the SAR Subsidiaries to procure or request Liannex Fleet and the SAR Subsidiaries to do any of the following, except with the prior written consent of ICON (such consent not to be unreasonably withheld or delayed) or as contemplated under the SSPA 1 –

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**SALIENT TERMS OF THE SSPA 1** *(Cont'd)*


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- (i) enter into any contract or undertake any obligation, commitment or transaction whatsoever or take any action or make any decision out of the ordinary course of the business of Liannex Fleet;
  - (ii) enter into new agreements relating to the management of Liannex Fleet or the SAR Subsidiaries or their assets;
  - (iii) dispose of any part of the assets of Liannex Fleet or the SAR Subsidiaries;
  - (iv) amend or terminate any agreements of Liannex Fleet or the SAR Subsidiaries that would materially and adversely affect their interests which are subsisting as at the date of the SSPA 1;
  - (v) declare, make, or pay dividends or distributions that would deplete the assets or worsen the financial or net asset position of Liannex Fleet or the SAR Subsidiaries;
  - (vi) take any action that would result, or be likely to result, in a breach of any of the representations, warranties, or undertakings in the SSPA 1;
  - (vii) make any change in the terms and conditions of employment or pension benefits of the directors or key employees of Liannex Fleet or the SAR Subsidiaries, other than the contracted increments or changes already contemplated in their employment agreements;
  - (viii) extend any loans, provide security, or issue guarantees or indemnities for the benefit of Liannex Corporation or any related or associated companies except for such loans or transactions between the Target Companies of SSPA 1 or between the Target Companies of SSPA 1 and Liannex Corporation and Mr. LHW (as applicable) which are already in existence as at the date of the SSPA 1, the details of which has been disclosed to ICON;
  - (ix) enter into any joint venture, partnership, or profit-sharing arrangement of any form outside the ordinary course of business;
  - (x) create, allot, or issue any shares, loan capital, securities convertible into shares, or any option or /right to subscribe in respect of any shares, loan capital or securities convertible into share except as required or contemplated under the SSPA 1;
  - (xi) pass any resolution for the voluntary winding-up of Liannex Fleet or the SAR Subsidiaries; or
  - (xii) do anything which may materially and adversely affect the interests of Liannex Fleet, the SAR Subsidiaries or their business.
- (2) Liannex Corporation and Mr. LHW shall procure that their appointed directors in Yinson Power Marine continue to carry out the business of Yinson Power Marine in the ordinary course. Liannex Corporation and Mr. LHW shall not exercise their voting rights or powers in Yinson Power Marine to cause or request any of the following actions, except with the prior written consent of ICON or as contemplated under the SSPA 1–
- (i) enter into any contract, or undertake any obligation, commitment, or transaction whatsoever or take any action or make any decision outside the ordinary course of business;

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**SALIENT TERMS OF THE SSPA 1** *(Cont'd)*

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- (ii) enter into new agreements relating to the management of Yinson Power Marine or its assets;
  - (iii) dispose of any part of the assets of Yinson Power Marine;
  - (iv) amend or terminate any agreements of Yinson Power Marine that would materially and adversely affect its interests which are subsisting as at the date of the SSPA 1;
  - (v) declare, make, or pay dividends or distributions that would deplete the assets or worsen the financial or net asset position of Yinson Power Marine;
  - (vi) take any action that would result, or be likely to result, in a breach of any of the representations, warranties, or undertakings in the SSPA 1;
  - (vii) make any change in the terms and conditions of employment or pension benefits of any of the directors or key employees of Yinson Power Marine, other than the contracted increments or changes already contemplated in their employment agreements;
  - (viii) extend any loans, provide security, or issue guarantees or indemnities for the benefit of Mr. LHW or any related or associated companies except for such loans or transactions between the Target Companies of SSPA 1 or between the Target Companies of SSPA 1 and Liannex Corporation and Mr. LHW (as applicable) which are already in existence as at the date of the SSPA 1;
  - (ix) enter into any joint venture, partnership or profit-sharing arrangement of any form outside the ordinary course of business;
  - (x) create, allot, or issue any shares, loan capital, securities convertible into shares, or any option or right to subscribe in respect of any shares loan capital or securities convertible into share, except as required or contemplated under the SSPA 1;
  - (xi) pass any resolution for the voluntary winding-up of Yinson Power Marine; or
  - (xii) do anything which may materially and adversely affect the interests of Yinson Power Marine or its business.
- (b) On the Completion Date of SSPA 1:
- (1) ICON shall issue and allot all the 227,272,727 Consideration Shares to Liannex Corporation and Mr. LHW or their nominees (as applicable) in accordance with the terms set out in the SSPA 1 as satisfaction of the Purchase Consideration of SSPA 1.
  - (2) Liannex Corporation and Mr. LHW shall do all acts as shall be required to effect the registration of the Sale Shares of SSPA 1 in the name of ICON and to perfect the rights, interests, title and benefits of ICON in and to the Sale Shares of SSPA 1 free from all encumbrances.
  - (3) ICON's solicitors shall be irrevocably authorised to release the completion documents to ICON.
  - (4) Liannex Corporation and Mr. LHW shall deliver to ICON a copy of the following in relation to the operations of the vessels:

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**SALIENT TERMS OF THE SSPA 1 (Cont'd)**


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- (i) Renewed Domestic Shipping Licences for the vessels expiring or expired in 2024, specifically for *Sinaran Indah* (expired on 18 October 2024), *Sinaran Warni* (expired on 18 October 2024) and *Sinaran Warna* (expired on 23 October 2024), ensuring compliance with the applicable laws for continued operation.
  - (ii) Full-term trading certificates for *Sinaran Mentari* and *Sinaran Bumi*, which recently completed their third docking surveys in July 2024 and currently hold short-term RINA Class certificates valid until 8 December 2024.
  - (iii) Any annual surveys or other certificates which are obtained by the Target Companies of SSPA 1, after the execution of the SSPA 1, if applicable, which are material to the operation of the vessels in accordance with the applicable laws.
- (5) Where required, parties shall take all necessary steps to issue and/or file notifications to the relevant regulatory bodies governing the operations of the vessels on the change in ownership of the Target Companies of SSPA 1.
- (c) Liannex Corporation undertakes and covenants that upon completion or at any time agreed by the parties, it shall ensure that:
  - (1) The Ship Management Functions<sup>(1)</sup> and the Key Personnel<sup>(2)</sup> are to be fully transferred to ICON or its nominee;
  - (2) The parties shall engage in good faith negotiations to facilitate a smooth and effective transfer of the Key Personnel, subject to the consent of the respective Key Personnel and compliance with applicable laws; and
  - (3) Liannex Corporation shall ensure that the relevant Ship Management Functions continue to be performed in the ordinary course of business and in a manner consistent with past practice, without any material interruption or deviation that may adversely affect the operations of the business.

**Notes:**

- (1) *Ship Management Functions means the operational and administrative responsibilities necessary for the day-to-day running and maintenance of the vessels. These functions typically include, but are not limited to:*
  - 1. *Technical Management – Overseeing the maintenance, repair, and technical operations of the vessels.*
  - 2. *Marine Operations – Managing the vessels' navigation, cargo handling, and overall operational logistics to ensure safe and efficient voyages.*
  - 3. *Shipping and Insurance – Handling all aspects of marine insurance policies, claims, and coverage, as well as freight forwarding, chartering, and shipping logistics.*
  - 4. *Crewing – Recruiting, managing, and maintaining Key Personnel on board the vessel, including compliance with the labour laws, training, certifications, and welfare of the crew and Key Personnel.*
- (2) *Key Personnel means individuals responsible for the operation and maintenance of the vessels, including technical managers overseeing repairs and compliance, marine superintendents handling safe navigation and operations, crew managers ensuring proper staffing and welfare, insurance managers addressing marine insurance matters, compliance officers ensuring adherence to maritime regulations, and financial officers managing budgets and financial reporting related to the vessels' operations.*



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**SALIENT TERMS OF THE SSPA 1** *(Cont'd)*

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**5. Termination****(a) Liannex Corporation and Mr. LHW's right to terminate**

Prior to completion of the SSPA 1, Liannex Corporation and Mr. LHW may at any time while such default subsists, give a notice of termination to ICON in the event that –

- (1) ICON defaults in the satisfaction of the Purchase Consideration of SSPA 1 in accordance with the provisions of the SSPA 1; or
- (2) ICON is otherwise in material breach of any of the representations, warranties, undertakings, terms and conditions under the SSPA 1, and which, if capable of rectified, has not been rectified by ICON within fourteen (14) days (or such longer period as may be mutually agreed between the parties to the SSPA 1) of being requested to do so in writing by Liannex Corporation and Mr. LHW.

**(b) ICON's right to terminate**

Prior to completion of the SSPA 1, ICON may at any time while such default subsists, give a notice of termination to Liannex Corporation and Mr. LHW in the event that –

- (1) either Liannex Corporation or Mr. LHW fail, neglect or refuse to complete the sale in accordance with the provisions of the SSPA 1; or
- (2) there is a material breach of any of the representations, warranties, undertakings, terms and conditions of the SSPA 1 by either Liannex Corporation or Mr. LHW and which, if capable of rectified, has not been rectified within fourteen (14) days (or such longer period as may be mutually agreed between the parties) of being requested to do so in writing by ICON.

**(c) Consequences of termination**

- (1) In the event a notice of termination is duly given, parties shall, on the next business day from the receipt or issuance of the notice of termination from the other party, return all documents, if any, delivered to it pursuant to the SSPA 1.
- (2) Parties agree that the termination of the SSPA 1 is without prejudice to any other rights any party may have in respect of the antecedent breach.

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**SALIENT TERMS OF THE SSPA 2**


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**1. Basis of sale**

Yinson Offshore agree to sell and ICON agrees to purchase the following:

- (i) 525,000 ordinary shares in Regulus Offshore and 25,000,000 RPS in Regulus Offshore ("**Regulus Offshore Securities**"); and
- (ii) 1 ordinary share in Yinson Camellia ("**Yinson Camellia Share**")

(Items (i) and (ii) collectively referred to as "**Sale Shares of SSPA 2**"),

free from all liens, charges and encumbrances and with full legal and beneficial title, with all rights attaching thereto (including all dividends and distributions declared in respect thereof) with effect from the business day falling fourteen (14) business days after the date on which the SSPA 2 turns unconditional, or such other date as the parties to the SSPA 2 may mutually agree in writing, on which the completion is to take place ("**Completion Date of SSPA 2**"), subject to the terms and conditions of the SSPA 2.

**2. Conditions precedent**

The SSPA 2 is conditional upon the following being obtained on or before a cut-off date, being a date falling 180 days from the date of the SSPA 2 or such other date as may be agreed upon between the parties to the SSPA 2 as the last date by which all the conditions precedent shall be fulfilled ("**Cut-Off Date of SSPA 2**");

- (a) ICON obtaining the approval of our Board and shareholders for the purchase of the Sale Shares of SSPA 2 in accordance with the terms of the SSPA 2;
- (b) ICON obtaining the approval of Bursa Securities for the listing and quotation of 181,818,182 Consideration Shares on the Main Market of Bursa Securities;
- (c) Yinson Offshore obtaining the approval of its board of directors for the sale of the Sale Shares of SSPA 2 in accordance with the terms of the SSPA 2; and
- (d) Yinson Offshore obtaining a notice of termination from YHB for the termination of the sublicense agreement between Yinson Camellia and YHB dated 1 September 2021 ("**Sublicense Agreement**") (*Yinson Camellia was granted the license to use YHB's trademarks on or in association with the goods and/or services covered by businesses of YHB and/or its subsidiaries and affiliates. The Sublicense Agreement will continue to remain in force unless terminated by either party by giving 6 months prior written notice. The Sublicense Agreement will no longer remain in force after the completion of the Proposed Acquisition of Yinson Camellia as our Company will not be using Yinson's brand after said acquisition. There will not be any material adverse impact on our Company as well as to Yinson Camellia post-completion of the Proposed Acquisition of Yinson Camellia arising from the termination of the Sublicense Agreement.*)

(Items (a) to (d) collectively referred to as "**Conditions Precedent of SSPA 2**")

If any of the Conditions Precedent of SSPA 2 remain unfulfilled by the Cut-Off Date of SSPA 2, the parties of the SSPA 2 may extend the Cut-Off Date of SSPA 2 to a date to be mutually agreed between the parties of the SSPA 2 in writing or terminate the SSPA 2.

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**SALIENT TERMS OF THE SSPA 2 (Cont'd)**


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**3. Purchase consideration**

The purchase consideration for the Sale Shares of SSPA 2 amounting to RM160.0 million ("**Purchase Consideration of SSPA 2**") shall be satisfied in the following manner:

- (a) On the Completion Date of SSPA 2, ICON shall procure the issuance and allotment of the following:
  - (1) 154,545,455 Consideration Shares in the name of Yinson Offshore or its nominees for the Regulus Offshore Securities; and
  - (2) 27,272,727 Consideration Shares in the name of Yinson Offshore or its nominees for the Yinson Camellia Share.
- (b) ICON shall ensure that 181,818,182 Consideration Shares are issued and allotted to Yinson Offshore or its nominee (as applicable), in accordance with the following terms:
  - (1) The Consideration Shares shall, upon allotment and issuance, be credited as fully paid and rank equally in all respects with the then existing ordinary shares of ICON, but shall not be entitled to any dividends, rights, allotments or any other distributions that may be declared, made or paid prior to the date of allotment and issuance of the Consideration Shares.
  - (2) Bursa Securities approves the listing and quotation of the Consideration Shares on the Main Market of Bursa Securities.

**4. Completion**

- (a) Covenant and Undertaking by Yinson Offshore pending completion of the SSPA 2

From the date of the SSPA 2 and pending completion of the SSPA 2, Yinson Offshore covenants and undertakes that it shall and it shall procure that its appointed directors in Regulus Offshore and Yinson Camellia ("**Target Companies of SSPA 2**") continue to carry out the business of the Target Companies of SSPA 2 in the ordinary course but shall not exercise, their voting rights or their powers in the Target Companies of SSPA 2 to procure or request the Target Companies of SSPA 2 to do any of the following, except with the prior written consent of ICON (such consent not to be unreasonably withheld or delayed) or as contemplated under the SSPA 2 –

- (1) enter into any contract or undertake any obligation, commitment or transaction whatsoever or take any action or make any decision out of the ordinary course of the business of the Target Companies of SSPA 2;
- (2) dispose any part of assets of the Target Companies of SSPA 2 which is out of the ordinary course of business of the Target Companies of SSPA 2;
- (3) amend or terminate any of the agreements the Target Companies of SSPA 2 have entered into which would materially and adversely affects the interests of the Target Companies of SSPA 2 which are, as of the date of the SSPA 2, subsisting;
- (4) declare, make or pay dividend or other distribution to its shareholders in any way, except where the Target Companies of SSPA 2 shall be entitled to declare, make or pay dividend or other distribution to its shareholders in any way so long as the final net working capital of the Target Companies of SSPA 2 is maintained;

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**SALIENT TERMS OF THE SSPA 2 (Cont'd)**


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- (5) make any material and adverse change in the terms and conditions of employment or pension benefits of any of the directors or key employees appointed by Yinson Offshore, other than the contracted increment or other changes contemplated by the contracts of employment;
  - (6) extend any loans, provide any security or issue any guarantees or indemnities to or for the benefit of Yinson Offshore or their related or associate companies, except for such loans or transactions between the Target Companies of SSPA 2 or between the Target Companies of SSPA 2 and Yinson Offshore (or its affiliates) which are already in existence as at the date of the SSPA 2, details of which has been disclosed to ICON;
  - (7) enter into any joint venture, partnership, or any profit-sharing arrangement of any form outside of the ordinary course of business;
  - (8) create, allot or issue any shares, loan capital, securities convertible into shares or any option or right to subscribe in respect of any shares, loan capital or securities convertible into share, except where it is required or contemplated to be made in accordance with the terms of the SSPA 2; or
  - (9) pass any resolution for the voluntary winding-up of the Target Companies of SSPA 2.
- (b) Cessation of Use of “Yinson” Brand Name and Name Change
- (1) Subject to item (d) of the Conditions Precedent of SSPA 2, upon receipt of the written notice of termination from YHB for the termination of the Sublicense Agreement, ICON shall undertake to ensure that Yinson Camellia ceases all use of the “Yinson” brand name, trademarks, logos, and any related intellectual property that was licensed under the Sublicense Agreement.
  - (2) ICON shall also, at its own cost and within a reasonable time following the Completion Date of SSPA 2, complete all necessary steps to effect the change of Yinson Camellia’s corporate name to remove any reference to “Yinson” from its registered name and branding materials, and to update all relevant legal, regulatory, and public records to reflect the new name.
  - (3) ICON agrees that these actions are to be carried out expeditiously and in compliance with all applicable laws to avoid any potential confusion or unauthorised use of the “Yinson” brand, and shall provide Yinson Offshore with written confirmation of such changes upon the Completion Date of SSPA 2.
- (c) On the Completion Date of SSPA 2:
- (1) ICON shall issue and allot all 181,818,182 Consideration Shares to Yinson Offshore or its nominees (as applicable), as satisfaction of the Purchase Consideration of SSPA 2. ICON shall do all acts as shall be required to ensure that 181,818,182 Consideration Shares are issued and allotted in accordance with the terms of the SSPA 2;
  - (2) Yinson Offshore shall do all acts as shall be required to effect the registration of the Sale Shares of SSPA 2 in the name of ICON and to perfect the rights, interests, title and benefits of ICON in and to the Sale Shares of SSPA 2 as legal and beneficial owner free from all encumbrances;
  - (3) ICON’s solicitors shall be irrevocably authorised to release the completion documents to ICON;
  - (4) Yinson Offshore shall provide confirmation to ICON that the total cash and bank balances, trade and other receivables, trade and other payables, current assets, current liabilities (excluding lease liabilities) and all intercompany balances/ loans for the Target Companies of SSPA 2 on completion is at least RM10,000,000 in aggregate; and

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**SALIENT TERMS OF THE SSPA 2 (Cont'd)**


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- (5) Yinson Offshore shall deliver renewed Domestic Shipping Licences for *Yinson Perwira* (expired on 28 November 2024) and *PTSC Lam Kinh* (expired on 5 December 2024), ensuring compliance with the applicable laws for continued operation.

(d) Intercompany Balances

In case Yinson Offshore, the Target Companies of SSPA 2 or any affiliate of Yinson Offshore identify any shareholder advances/ loans owed by the Target Companies of SSPA 2 to Yinson Offshore or its affiliates that remains outstanding and is not settled as of the Completion Date of SSPA 2, Yinson Offshore shall notify ICON of the same. ICON shall procure that the Target Companies of SSPA 2 settle such outstanding shareholder advances/ loans within ninety (90) days from the Completion Date of SSPA 2.

## 5. Termination

(a) Yinson Offshore's right to terminate

Yinson Offshore may, at any time while such default subsists, give a notice of termination to ICON in the event that –

- (1) ICON defaults in the satisfaction of the Purchase Consideration of SSPA 2 via the issuance and allotment of 181,818,182 Consideration Shares to Yinson Offshore or its nominees in accordance with the provisions of the SSPA 2; or
- (2) ICON is otherwise in material breach of any of the representations, warranties, undertakings, terms and conditions under the SSPA 2, and which, if capable of rectified, has not been rectified by ICON within fourteen (14) days (or such longer period as may be mutually agreed between the parties) of being requested to do so in writing by Yinson Offshore.

(b) ICON's right to terminate

Prior to the Completion Date of SSPA 2, ICON may at any time while such default subsists, give a notice of termination to Yinson Offshore in the event that –

- (1) Yinson Offshore fail, neglect or refuse to complete the sale in accordance with the provisions of the SSPA 2; or
- (2) there is a material breach of any of the representations, warranties, undertakings, terms and conditions of the SSPA 2 by Yinson Offshore and which, if capable of rectified, has not been rectified by Yinson Offshore within fourteen (14) days (or such longer period as may be mutually agreed between the parties) of being requested to do so in writing by ICON.

(c) Consequences of termination

In the event a notice of termination is duly given by either party, parties shall, on the next business day from the receipt or issuance of the notice of termination from the other party, return all documents, if any, delivered to it pursuant to the SSPA 2.

Parties agree the termination of the SSPA 2 is without prejudice to any other rights any party may have in respect of the antecedent breach.

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**SALIENT TERMS OF THE SSPA 3**


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**1. Basis of sale**

Zell Transportation agrees to sell and ICON agrees to purchase the following:

- (i) 49,000 ordinary share in ICON Bahtera and 3,011,000 RPS in ICON Bahtera ("**ICON Bahtera Securities**"); and
- (ii) 450,000 ordinary shares in ICON Waja ("**ICON Waja Shares**")

(Item (i) and (ii) collectively referred to as "**Sale Securities of SSPA 3**"),

free from all liens, charges and encumbrances and with full legal and beneficial title, with all rights attaching thereto (including all dividends and distributions declared in respect thereof) with effect from the business day falling fourteen (14) business days after the date on which the SSPA 3 turns unconditional, or such other date as the parties to the SSPA 3 may mutually agree in writing, on which the completion is to take place ("**Completion Date of SSPA 3**") and on the basis of the warranties in SSPA 3, subject to the terms and conditions of the SSPA 3.

**2. Conditions Precedent**

The SSPA 3 is conditional upon the following being obtained on or before a cut-off date, being a date falling one hundred and eighty (180) days from the date of the SSPA 3 or such other date as may be agreed upon between the parties to the SSPA 3 as the last date by which all the conditions precedent shall be fulfilled ("**Cut-Off Date of SSPA 3**"):

- (a) ICON obtaining the approval of our Board and shareholders for the purchase of the Sale Securities of SSPA 3 in accordance with the terms of the SSPA 3;
- (b) ICON obtaining the approval of Bursa Securities for the listing and quotation of 49,431,819 Consideration Shares on the Main Market of Bursa Securities;
- (c) Zell Transportation obtaining the approval of its board of directors for the sale of the Sale Securities of SSPA 3 in accordance with the terms of the SSPA 3;
- (d) ICON obtaining the approval of BNM for a Resident Entity (as defined in the Foreign Exchange Policy Notices issued by BNM) with Domestic Ringgit Borrowing (as defined in the Foreign Exchange Policy Notices issued by BNM) to invest in Foreign Currency Asset (as defined in the Foreign Exchange Policy Notices issued by BNM) exceeding RM50 million equivalent per calendar year under the Foreign Exchange Policy Notices issued by BNM;
- (e) Settlement or capitalisation of all intercompany balances between ICON Bahtera and ICON Waja ("**Target Companies of SSPA 3**") and Zell Transportation and any outstanding shareholder advances owed by the Target Companies of SSPA 3 to Zell Transportation in a manner acceptable to ICON<sup>(1)</sup>;

**Note:**

(1) *This condition precedent has been mutually agreed to be waived by Zell Transportation and ICON by way of a written notice as announced on 3 January 2025.*

- (f) Zell Transportation obtaining the approvals for the change in shareholding or directorship of the Target Companies of SSPA 3, where applicable; and
- (g) All other approvals, consents, licences, permits, waivers and exemptions for the sale and purchase of the Sale Securities of SSPA 3 and its completion and the transactions contemplated under the SSPA 3 being granted by third parties, including all legislative, executive, regulatory, judicial or other authorities in any jurisdiction, to ICON or the Target Companies of SSPA 3 (as the case may be),

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**SALIENT TERMS OF THE SSPA 3 (Cont'd)**


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(Items (a) to (g) above collectively referred to as “**Conditions Precedent of SSPA 3**”)

provided where if any of the Conditions Precedent of SSPA 3 remain unfulfilled by the Cut-Off Date of SSPA 3, the parties of the SSPA 3 may extend the Cut-Off Date of SSPA 3 to a date to be mutually agreed between the parties of the SSPA 3 in writing or terminate the SSPA 3.

### 3. Purchase Consideration

The purchase consideration for the Sale Securities of SSPA 3 amounting to RM43.5 million (“**Purchase Consideration of SSPA 3**”) shall be satisfied in the following manner:

- (a) On the Completion Date of SSPA 3, ICON shall procure the issuance and allotment of the following:
  - (1) 38,295,455 Consideration Shares in the name of Zell Transportation or its nominees for the ICON Bahtera Securities; and
  - (2) 11,136,364 Consideration Shares in the name of Zell Transportation or its nominees for the ICON Waja Shares.
- (b) 49,431,819 Consideration Shares shall be issued by ICON in accordance with the following terms:
  - (1) 49,431,819 Consideration Shares shall, upon allotment and issuance, be credited as fully paid and rank equally in all respects with the then existing ICON Shares, but shall not be entitled to any dividends, rights, allotments or any other distributions that may be declared, made or paid prior to the date of allotment and issuance of 49,431,819 Consideration Shares.
  - (2) Bursa Securities approves the listing and quotation of 49,431,819 Consideration Shares on the Main Market of Bursa Securities.

### 4. Completion

- (a) Covenant and Undertaking by Zell Transportation pending completion of the SSPA 3

From the date of the SSPA 3 and pending completion of the SSPA 3, Zell Transportation covenants and undertakes that it shall and it shall procure that its appointed directors in the Target Companies of the SSPA 3 continue to carry out the business of the Target Companies of SSPA 3 in their respective ordinary course but shall not exercise their voting rights or their powers in the Target Companies of SSPA 3 to procure or request the Target Companies of SSPA 3 to do any of the following, except with the prior written consent of ICON or as expressly required by the SSPA 3 –

- (1) enter into any contract or undertake any obligation, commitment or transaction whatsoever or take any action or make any decision out of the ordinary course of the business of the Target Companies of SSPA 3;
- (2) enter into new agreements relating to the management of each of the Target Companies of SSPA 3 or its assets;
- (3) dispose any part of assets of the Target Companies of SSPA 3;
- (4) amend or terminate any of the agreements the Target Companies of SSPA 3 have entered into which would materially and adversely affects the interests of the Target Companies of SSPA 3 which are, as of the date of the SSPA 3, subsisting;

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**SALIENT TERMS OF THE SSPA 3 (Cont'd)**


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- (5) declare, make or pay dividend or other distribution to its shareholders in any way cause or do or suffer to be done anything whereby the current or capital assets of the Target Companies of SSPA 3 may or shall be depleted or the financial position and the NA position of the Target Companies of SSPA 3 may and shall be rendered less favourable;
  - (6) do or cause to be done or omitted to be done any act which would result or be likely to result in a breach of any of the representations, warranties and undertakings contained herein;
  - (7) make any change in the terms and conditions of employment or pension benefits of any of the directors or key employees appointed by Zell Transportation, other than the contracted increment or other changes contemplated by the contracts of employment;
  - (8) extend any loans, provide any security or issue any guarantees or indemnities to or for the benefit of Zell Transportation or its related or associate companies;
  - (9) enter into any joint venture, partnership, or any profit-sharing arrangement of any form; or
  - (10) do anything which may materially and adversely affects the interests of the Target Companies of SSPA 3 or their respective business.
- (b) On the Completion Date of SSPA 3:
- (1) ICON shall issue and allot 49,431,819 Consideration Shares to Zell Transportation or its nominee as satisfaction of the Purchase Consideration of SSPA 3;
  - (2) Zell Transportation shall do all acts as shall be required to effect the registration of the Sale Securities of SSPA 3 in the name of ICON (or any such persons nominated by ICON) and to perfect the rights, interests, title and benefits to the Sale Securities of SSPA 3 free from all encumbrances; and
  - (3) ICON's solicitors shall be irrevocably authorised to release the completion documents to ICON.

**5. Termination**

- (a) Zell Transportation's right to terminate

Zell Transportation may, at any time while such default subsists, give a notice of termination to ICON in the event that –

- (1) ICON defaults in the satisfaction of the Purchase Consideration of SSPA 3 in accordance with the provisions of the SSPA 3; or
- (2) ICON is otherwise in material breach of its obligations under the SSPA 3, and which, if capable of being rectified, has not been rectified by ICON within fourteen (14) days (or such longer period as may be mutually agreed between the parties of the SSPA 3 of being requested to do so in writing by Zell Transportation.

- (b) ICON's right to terminate

Prior to Completion Date of SSPA 3, ICON may at any time while such default subsists, give a notice of termination to Zell Transportation in the event that –

- (1) Zell Transportation fail, neglect or refuse to complete the sale of the Sale Securities of SSPA 3 in accordance with the provisions of the SSPA 3; or



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**SALIENT TERMS OF THE SSPA 3** *(Cont'd)*

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- (2) there is a material breach of any of the representations, warranties, undertakings, terms and conditions of the SSPA 3 by Zell Transportation and which, if capable of rectified, has not been rectified by Zell Transportation within fourteen (14) days (or such longer period as may be mutually agreed between the parties of the SSPA 3 of being requested to do so in writing by ICON.

(c) Consequences of termination

In the event a notice of termination is duly given, ICON shall, on the next business day from the receipt or issuance of the notice of termination, return all documents, if any, delivered to it pursuant to the SSPA 3.

The parties of the SSPA 3 agree the termination of the SSPA 3 is without prejudice to any other rights any party may have in respect of the antecedent breach.

## BACKGROUND INFORMATION ON LIANNEX FLEET

### 1. History and business

Liannex Fleet is a private limited company incorporated under the laws of Singapore on 21 February 2024 under its present name.

Liannex Fleet commenced its business operations on 21 February 2024 and is principally involved in the provision of ship brokering services and ship management services, crane services for all industries except construction and forwarding of freight.

On 8 March 2024, Liannex Fleet obtained borrowings amounting to USD37.00 million (equivalent to RM164.50) to acquire its 11 subsidiaries from Liannex Corporation, including the vessels owned by the respective subsidiaries.

Liannex Fleet is a wholly owned subsidiary of Liannex Corporation.

The Liannex Fleet Group had entered into the Charter Arrangement with Liannex Corporation for its fleet of steel tug boats, steel barges and steel bulk carriers, primarily utilised for the transport of commodities such as coal, gypsum and anhydrite in the regional trading routes of Malaysia, Singapore, Indonesia and Vietnam. The Liannex Fleet Group's revenue is generated in Singapore.

As at the LPD, the Liannex Fleet Group (save for Yinson Power Marine) owns 29 marine vessels comprising 14 steel tug boats, 13 steel barges (including 1 newly built) and 2 steel bulk carriers, the details of which are set out below:

No.	Category	Brief description and existing use	Audited NBV as at 31 December 2023 (RM)	Capacity per unit (GT)	Age (years)	Contract value (RM' million)	Contract maturity
1.	Steel tug boats	Provision of marine transport services and freight forwarding	31,649,755	217	4 to 10	53.6	December 2027
2.	Steel barges	Provision of marine transport services and freight forwarding	42,908,160	3,107 to 3,568	8 to 10	50.1	
3.	Steel bulk carriers	Provision of marine transport services and freight forwarding	133,545,053	31,094 to 32,474	15 to 18	117.9	

**Note:**

- (1) The 29 marine vessels comprise the vessels listed in **Section 7.1 of Part A** of this Circular, *Sinaran Sejati* and two vessels registered in Niue, namely *Sinaran Riang* and *Sinaran Bahagia*.

Save as disclosed above, there are no other major assets owned by the Liannex Fleet Group to be acquired by our Company in relation to the Proposed Acquisition of Liannex Fleet.