Liannex Fleet Pte Ltd
(Incorporated in Singapore)
(Registration No.: 202406787C)

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

11 Derivative assets/liabilities

	As at		
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Assets/(Liabilities)			
- Interest rate swap	309,491	576,225	(171,940)

Certain Operating Companies within the Group are parties to interest rate swap contracts entered into for the management of interest rate exposure to interest rate movements arising from variable interest rate loans. Contract periods are over the tenure of loans with final maturities on July 2025 and October 2026 and are denominated in USD being the currency of the respective Operating Companies' bank loans.

These contracts entitled the Group to receive interest at floating rates on notional principal amounts and obliges the Group to pay interest at fixed rate on the same notional principal amounts, thus allowing the Group to raise borrowings at a floating rate and swap them into a fixed rate.

At each reporting date, the outstanding interest rate swap contracts to which the Group is committed are as follows:

Financial Year ended	Contract notional amount	Fair value asset / (liability)	Settlement date
	USD	SGD	
31.12. 2023	9,758,661	309,491	Monthly on 14th and 25th
31.12.2022	14,614,665	576,225	Monthly on 14th and 25th
31.12.2021	8,004,000	(171,940)	Monthly on 14th

Fair values of interest rate swaps are determined by using prices quoted by counterparty banks and are categorised as level 3 in the fair value hierarchy. There were no transfers from level 1 and level 2 or out of level 3 during the financial years presented.

Liannex Fleet Pte Ltd
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

12 Intangible assets

			As at
	31.12.2023	31.12.2022	31.12.2021
Computer software	SGD	SGD	SGD
Cost			
At the beginning/end of each financial year	442	442	442
Accumulated Amortisation			
At beginning of each financial year	378	192	-
Amortisation for the year	45	186	192
At end of each financial year	423	378	192
Net book value			
At end of the financial year	19	64	250

13 (a) Trade and other receivables

			As at
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Amount due from ultimate holding company	57,745	-	-
Non-trade receivable due from the ultimate holding company of the Operating Companies	-	157,201	-
Deposits	-	41,588	-
Total trade and other receivables	57,745	198,789	-

(b) Prepayments

Included in the Group's prepayments are prepayments relating to insurance expenses and miscellaneous allowances for crew members on board vessels.

Liannex Fleet Pte Ltd
(Incorporated in Singapore)
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

14 Cash and cash equivalents

Cash and cash equivalents included in the combined statements of cash flows comprise the following:

	As at		
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Unrestricted cash (a)	352,463	251,680	259,350
Restricted cash held for bank borrowings (b)	655,449	665,338	41,218
Total cash and cash equivalents	1,007,912	917,018	300,568

(a) Bank balances are deposits held at call with licensed bank and earns minimal interest.

(b) Certain bank balances of the Group were restricted based on requirements of the lenders. The restriction was placed to ensure that there would be a specified minimum amount (3 months of principal installments) required to be maintained in the accounts to service the loan facilities as disclosed in Note 15.

15 Borrowings

	As at		
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Current – secured			
Term loans	6,403,126	6,529,383	11,450,102
Non-current – secured			
Term loans	6,464,644	13,121,496	-
Total borrowings	12,867,770	19,650,879	11,450,102

The currency exposure profile of borrowings is as follows:

	As at		
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
US Dollar	12,867,770	19,650,879	10,819,007
Singapore Dollar	-	-	631,095
Total	12,867,770	19,650,879	11,450,102

PRICEWATERHOUSECOOPERS PLT
KUALA LUMPUR
for identification only
Chartered Accountants

Liannex Fleet Pte Ltd
(Incorporated in Singapore)
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

15 Borrowings (continued)

The maturity profile of borrowings is as follows:

	31.12.2023	31.12.2022	As at 31.12.2021
	SGD	SGD	SGD
Maturity period of the term loans:			
- within 1 year	6,403,126	6,529,383	11,450,102
- between 1 and 2 years	4,644,976	6,529,383	-
- between 2 and 5 years	1,819,668	6,592,113	-
Total borrowings	12,867,770	19,650,879	11,450,102

Loans denominated in USD and SGD, are secured by a mortgage over the Group's vessels, assignment of insurance, contracts and charter earnings of the vessel, charges over earnings accounts, joint and several personal guarantees of the Group's Directors, corporate guarantee of the ultimate holding company of the Operating Companies and subordination of shareholders' loan in terms of repayment and enforcement.

There are multiple term loans entered into at different intervals with terms of 3 to 5 years with repayments up to November 2026. The loan carries interest at a margin pegged to the banks prevailing reference rate.

During the financial year ending 31 December 2021, an operating company within the Group failed to meet the Loan to Security ("LTS") ratio requirement as stipulated in the facility agreement for a borrowing. The LTS ratio is determined by dividing total indebtedness by the fair market value of a vessel. The bank mandates that the operating company maintain an LTS ratio of no more than 50% in the first two years and 40% in years three to five. In 2021, the LTS ratio was 51.96%.

As of 31 December 2021, the bank had not demanded repayment, but it did request additional security in February 2022. Consequently, for the financial year ending 31 December 2021, borrowings amounting to SGD 8,580,592 were reclassified as current liabilities. After providing the additional security requested by the bank, the operating company met the LTS ratio requirements, and the borrowings were reclassified back to non-current liabilities in line with the original schedule for settling the liabilities.

The respective Operating Companies has since complied with the LTS ratio requirements for the financial years ended 31 December 2022 and 31 December 2023.

Two operating companies of the Group had entered into a series of USD interest rate swap contracts with banks, in which it agrees to exchange, at specified intervals, the difference between fixed and floating interest rate amounts calculated by reference to an agreed-upon notional amount. Details of the interest rate swaps are included in Note 11 of the Combined Financial Statements.

Interest rates per annum presented below reflect the impact of the interest rate swap on borrowings:

	31.12.2023	31.12.2022	As at 31.12.2021
	%	%	%
Term loans (% per annum)			
Floating	6.52 – 7.67	2.38 – 6.22	2.38 – 2.57

PRICEWATERHOUSECOOPERS PLT
KUALA LUMPUR
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Chartered Accountants

Liannex Fleet Pte Ltd
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

16 Amounts due to the ultimate holding company of the Operating Companies

			As at
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Amounts due to the ultimate holding company of the Operating Companies (b)	31,783,827	36,742,673	27,715,798

Amounts due to the ultimate holding company of the Operating Companies are made up interest bearing and non-interest bearing balances, both trade and non-trade balances and have credit terms of 30 days.

Amounts due to the ultimate holding company of the Operating Companies that are interest bearing and non-interest bearing are as follows:

			As at
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Interest bearing (a)	22,842,827	27,801,673	18,774,798
Non-interest bearing	8,941,000	8,941,000	8,941,000
	31,783,827	36,742,673	27,715,798

(a) Interests is charged by the ultimate holding company of the Operating Companies at 4% per annum and is computed based on the monthly amount owing by the Group to the ultimate holding company of the Operating Companies.

(b) Amounts due from the ultimate holding company of the Operating Companies and amounts due to ultimate holding company of the Operating Companies were set off for presentation purposes because the Group have an enforceable right to set off and they intend either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

17 Other payables

			As at
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Accruals	538,377	516,560	457,183
Other payables	97,083	89,975	70,233
Total other payables	635,460	606,535	527,416

18 Invested equity

			As at
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Ordinary shares with no par value:			
At beginning and end of each financial year	3,973,388	3,973,388	3,973,388

The invested equity comprises the share capital of the Operating Companies and the 51% equity interest of Yinson Power Marine Sdn. Bhd. owned by Mr. Lim Han Weng. The number of shares issued and fully paid are 10,940,000 consisting of 10,440,000 shares issued at RM1 per share and 500,000 shares issued at SGD1 per share.

19 Redeemable convertible preference shares

The Redeemable Convertible Preference Shares ("RCPS") was issued by an operating company to Liannex Asia Pacific Sdn. Bhd., a related company at an issue price of RM1.00 per share. The redemption price of the RCPS is RM1.00 per share.

The main features of the RCPS are as follows:

(a) the holder will have the option to convert the RCPS or part thereof into fully paid ordinary shares of the Operating Company at the conversion ratio of 1 new ordinary share for 1 RCPS held.
(b) the RCPS shall rank in priority to the ordinary shares with regard to the repayment or return of capital and participation in surplus assets and profits in the event of winding up
(c) the RCPS shall not be entitled to any right of voting at any general meeting nor receipt of any notices of general meetings
(d) the RCPS can be redeemed at the option of the issuer at any time and redemption can be allowed in whole or part
(e) any entitlement to dividend will be at the option of the issuer
(f) the RCPS shall not be transferable

Additionally, the terms of the RCPS features that an event of default occurs if a petition is presented, a proceeding is commenced, an order is made, or an effective resolution is passed for the bankruptcy, winding-up, insolvency, administration, reorganisation, reconstruction, or dissolution of the operating company. This also applies if a liquidator, receiver, administrator, trustee, or similar officer is appointed for the operating company or any part of its business or assets, and such petition or order is not set aside within 30 business days from the date of commencement or presentation. In such a scenario, Liannex Asia Pacific Sdn. Bhd., the subscriber of the RCPS, would have the right to redeem the RCPS from the issuer. Given that the operating company cannot control the occurrence or non-occurrence of these events, the RCPS qualifies as a liability.

Liannex Fleet Pte Ltd
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

20 Deferred tax liability

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the combined statements of financial position:

			As at
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Subject to income tax:			
Deferred tax liability	(213,662)	-	-

The movements in deferred tax during the financial year are as follows:

			As at
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
At beginning of the financial year	-	-	-
(Credited)/Charged to the profit or loss:			
- Property, plant and equipment	(128,018)	3,059	-
- Accruals	287	-	-
- Tax losses	(85,931)	(3,059)	-
	(213,662)	-	-
At end of the financial year	(213,662)	-	-

The deferred tax assets and liabilities as at the end of the reporting period are as follows:

			As at
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Subject to income tax:			
Deferred tax assets (before offsetting):			
- Accruals	287	-	-
- Tax losses	93,627	179,558	182,617
	93,914	179,558	182,617
Offsetting	(93,914)	(179,558)	(182,617)
Deferred tax asset (after offsetting)	-	-	-
Subject to income tax:			
Deferred tax liability (before offsetting):			
- Property, plant and equipment	(307,576)	(179,558)	(182,617)
Offsetting	93,914	179,558	182,617
Deferred tax liability (after offsetting)	(213,662)	-	-

Liannex Fleet Pte Ltd
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

21 Related party disclosures

Parties are considered related if the party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions or vice versa, or where the party and the other party are subject to common control. Related parties may be individuals or entities.

21.1 Related parties and relationships

Related parties are as follows:

Related parties	Country of incorporation	Relationships
Liannex Corporation (S) Pte Ltd	Singapore	Ultimate holding company of the Operating Companies
Liannex Asia Pacific Sdn. Bhd.	Malaysia	Fellow subsidiary

21.2 Significant related party transactions

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions. The related party transactions described below were carreid out on terms and conditions agreed with related parties.

	Financial years ended		
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Chartering income charged to:			
Liannex Corporation (S) Pte Ltd	26,766,417	22,012,729	12,008,794
Finance costs charged by:			
Liannex Corporation (S) Pte Ltd	1,026,955	952,956	431,332
Payments made on behalf by:			
Liannex Corporation (S) Pte Ltd:			
Ship management fees	4,313,524	3,656,804	994,562
Crew costs	2,146,880	2,052,828	2,008,061
Expenses charged by:			
Liannex Corporation (S) Pte Ltd:			
Bunker expenses	1,056,980	1,239,439	1,138,128
Upkeep and maintenance of vessels	698,596	1,695,697	614,822
Insurance costs	841,554	705,032	541,243
Survey expenses	376,646	305,704	169,564
Insurance reimbursement from:			
Liannex Corporation (S) Pte Ltd	-	-	(85,115)
Amount owing from			
Liannex Corporation (S) Pte Ltd	57,745	157,201	-
Amount owing to			
Liannex Corporation (S) Pte Ltd	31,783,827	36,742,673	27,715,798

Liannex Fleet Pte Ltd
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

21 Related party disclosures (continued)

21.3 Compensation to key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, either directly or indirectly. The key management personnel of the Group are Directors of the Group. No remuneration was paid or is payable to key management personnel during the financial year.

Directors' financial guarantees

Term loans

Certain Directors of the Operating Companies have jointly and severally guaranteed all liabilities in respect of banking facilities including bank borrowings (i.e. term loans) of the Group amounting to SGD12,867,770 (2022: SGD19,650,879; 2021: SGD10,819,007). These guarantees are financial guarantees which require these Directors to reimburse the bank if the Group fails to make principal or interest payments when due in accordance with the terms of the bank borrowings.

22 Classification of financial instruments

			As at
	31.12.2023	31.12.2022	31.12.2021
	SGD	SGD	SGD
Financial assets measured at amortised cost			
Trade and other receivables	57,745	198,789	-
Cash and cash equivalents	1,007,912	917,018	300,568
Total	1,065,657	1,115,807	300,568
Financial liabilities measured at amortised cost			
Amounts due to the ultimate holding company of the Operating Companies	31,783,827	36,742,673	27,715,798
Other payables	635,460	606,535	527,416
Borrowings	12,867,770	19,650,879	11,450,102
Total	45,287,057	57,000,087	39,693,316

Liannex Fleet Pte Ltd
(Incorporated in Singapore)
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NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

23 Events subsequent to reporting date

(a) Liannex Fleet was incorporated on 21 February 2024. On 8 March 2024, the Company obtained borrowings amounting to USD37,000,000 (SGD49,596,000) in preparation of financing a reorganisation exercise whereby the Operating Companies were transferred from Liannex Corp to Liannex Fleet resulting in the Operating Companies being subsidiaries of the Company. The proceeds of the borrowings were drawn down and transferred to Liannex Corp in several tranches as follows:

- Drawdown of SGD8,500,000 (USD6,500,000) and USD18,500,000 (SGD24,864,000) on 22 March 2024 and transferred to Liannex Corp SGD8,500,000 and USD17,700,000 (SGD23,788,800) on 25 March 2024
- Drawdown of USD7,000,000 (SGD9,457,000) on 2 April 2024 and transferred to Liannex Corp on the same day
- Drawdown of USD5,000,000 (SGD6,775,000) on 31 May 2024 and transferred to Liannex Corp on 3 June 2024

The intercompany advances to Liannex Corp were subsequently utilized to offset against the purchase consideration payable to Liannex Corp amounting to SGD25,094,572 for the acquisition of the Operating Companies. The remaining proceeds of the borrowings which were advanced to Liannex Corp were utilised by Liannex Fleet to offset the amounts owing by the respective Operating Companies to Liannex Corp.

(b) On 18 July 2024, a vessel owned by a certain Operating Company sustained damage while on charter for Liannex Corp. The carrying amount of the vessel as at financial year ended 31 December 2023 is SGD923,346. As of the date of the Combined Financial Statements, management are assessing the impact of the damages to the vessel and is in the process of claiming insurance for the damages incurred.

(c) On 30 August 2024, Liannex Corp entered into a binding term-sheet with Icon Offshore Berhad for the sale of the Group to Icon Offshore Berhad. The purchase consideration is to be satisfied by way of issuance of 206,818,182 new shares of Icon Offshore Berhad. The terms of the sale includes settlement of all related company balances with Liannex Corp as at the date of completion subjected to Icon Offshore Berhad's shareholders' approval.

24 Financial support letter from ultimate holding company of the Operating Companies

The ultimate holding company of the Operating Companies has provided a letter to confirm that it would not seek the repayment of amounts advanced to the Operating Companies by the ultimate holding company of the Operating Companies for a period of at least 12 months from the date of the Combined Financial Statements unless adequate financing has been secured by the Operating Companies. The ultimate holding company of the Operating Companies has also agreed to provide continuing financial support to the Operating Companies to enable it to meet its other liabilities as and when the fall due and to continue with its business without any significant curtailment of its operations for a period up to at least twelve months from the signing date of the Combined Financial Statements.

25 Authorisation of financial statements

The Combined Financial Statements have been authorised for issue in accordance with a resolution of the Board of Directors on 20 November 2024.

Liannex Fleet Pte Ltd
(Incorporated in Singapore)
(Registration No.: 202406787C)

STATEMENT BY DIRECTORS

We, Lim Han Weng and Bah Kim Lian, being two of the Directors of Liannex Fleet Pte Ltd, do hereby state that, in the opinion of the Directors, the Combined Financial Statements set out on pages 1 to 53 are drawn up so as to give a true and fair view of the combined statements of financial position of the Group as at 31 December 2023, 31 December 2022 and 31 December 2021, and combined financial performance and cash flows of the Group for the financial year ended 31 December 2023, 31 December 2022 and 31 December 2021 in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Signed on behalf of the Board of Directors in accordance with their resolution dated 20 NOV 2024

LIM HAN WENG

BAH KIM LIAN

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The Board of Directors
Icon Offshore Berhad,
Suite 28.01, Level 28,
Menara Southpoint, Mid Valley City,
58000 Kuala Lumpur.

7 January 2025

PwC/IOB/IM/WDY/DDR/006Vl00000FbIGjIAN

Dear Sirs,

Reporting Accountant's Opinion on the Financial Statements contained in the Accountant's Report of Regulus Offshore Sdn. Bhd.

Our Opinion

We have audited the accompanying financial statements of Regulus Offshore Sdn. Bhd. ("Regulus") which comprise the statements of financial position as at 31 January 2024, 31 January 2023 and 31 January 2022, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022, and notes to the financial statements, including material accounting policies (together, the "Financial Statements"), as set out on pages 2 to 42. The Financial Statements have been prepared for purposes of inclusion in Icon Offshore Berhad ("IOB")'s circular to shareholders (the "Circular to Shareholders") in connection with the proposed acquisition of Regulus by IOB (the "Proposal").

In our opinion, the Financial Statements give a true and fair view of the financial position of Regulus as at 31 January 2024, 31 January 2023 and 31 January 2022 and of its financial performance and cash flows for the financial years then ended, in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
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pwc

The Board of Directors
Icon Offshore Berhad
PwC/IOB/IM/WDY/DDR/006Vl00000FbIGjIAN
7 January 2025

Reporting Accountant's Opinion on the Financial Statements contained in the Accountant's Report of Regulus Offshore Sdn. Bhd. (Continued)

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Reporting Accountant's Responsibilities for the Audit of the Financial Statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of Regulus in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Directors' Responsibilities for the Financial Statements

The Directors of Regulus (the "Directors") are responsible for the preparation of the Financial Statements for the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022 that gives a true and fair view in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of the Financial Statements that is free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing Regulus' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate Regulus or to cease operations, or have no realistic alternative but to do so.

Reporting Accountant's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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The Board of Directors
Icon Offshore Berhad
PwC/IOB/IM/WDY/DDR/006Vl00000FbIGjIAN
7 January 2025

Reporting Accountant’s Opinion on the Financial Statements contained in the Accountant’s Report of Regulus Offshore Sdn. Bhd. (Continued)

Reporting Accountant’s Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Regulus’ internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Regulus’ ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our opinion. However, future events or conditions may cause Regulus to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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The Board of Directors
Icon Offshore Berhad
PwC/IOB/IM/WDY/DDR/006Vl00000FbIGjIAN
7 January 2025

Reporting Accountant's Opinion on the Financial Statements contained in the Accountant's Report of Regulus Offshore Sdn. Bhd. (Continued)

Restriction on Distribution and Use

This report is issued for the sole purpose of inclusion in the Circular to Shareholders in connection with the Proposal, and should not be used or relied upon for any other purposes. Accordingly, we will not accept any liability or responsibility to any other party to whom our report is shown or into whose hands it may come.

PricewaterhouseCoopers PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

REGULUS OFFSHORE SDN. BHD.
201101023642 (951778-A)
(INCORPORATED IN MALAYSIA)

ACCOUNTANTS' REPORT
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED
31 JANUARY 2024, 31 JANUARY 2023 AND 31 JANUARY 2022

PRICEWATERHOUSECOOPERS PLT
KUALA LUMPUR
for identification
only
Chartered Accountants

Registration No.
201101023642 (951778-A)
Regulus Offshore Sdn. Bhd.
(Incorporated in Malaysia)

Financial Statements
For the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022

Contents

Registration No.
201101023642 (951778-A)

Regulus Offshore Sdn. Bhd.
(Incorporated in Malaysia)

Statement by Directors

We, Liaw Thong Jung and Dato' Mohamed Sabri bin Mohamed Zain, being two of the Directors of Regulus Offshore Sdn. Bhd., do hereby state that, in the opinion of the Directors, the Financial Statements set out on pages 2 to 42 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 January 2024, 31 January 2023 and 31 January 2022, and financial performance and cash flows of the Company for the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022 in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 07 JAN 2025

Liaw Thong Jung
Director

Dato' Mohamed Sabri bin Mohamed Zain
Director

Registration No.
201101023642 (951778-A)

Regulus Offshore Sdn. Bhd.
(Incorporated in Malaysia)

Statements of Comprehensive Income
For the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022

		Financial years ended		
	Note	**31.1.2024 RM**	**31.1.2023 RM**	**31.1.2022 RM**
Revenue	4	46,096,609	43,676,268	30,905,012
Cost of sales		(21,254,118)	(27,736,598)	(16,349,203)
Gross profit		24,842,491	15,939,670	14,555,809
Other income	5	3,721,263	-	-
Other operating income/(expenses)		260,166	-	-
Finance income		623,195	54,405	-
Administrative expenses		(5,068,280)	(5,000,406)	(4,315,486)
(Impairment)/Reversal of impairment on trade receivables	7	(261,669)	68,043	(876,758)
Impairment on amount due from immediate holding company	7	-	-	(926,229)
Finance costs	6	(3,361,460)	(4,270,395)	(4,419,340)
Profit before tax	7	20,755,706	6,791,317	4,017,996
Income tax (expense)/credit	9	(5,095,927)	3,120,441	-
Net profit and total comprehensive income for the financial year		15,659,779	9,911,758	4,017,996

The accompanying notes form an integral part of these Financial Statements.

PRICEWATERHOUSECOOPERS PLT
KUALA LUMPUR
for identification only
Chartered Accountants

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Regulus Offshore Sdn. Bhd.
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Statements of Financial Position
As at 31 January 2024, 31 January 2023 and 31 January 2022

	Note	31.1.2024 RM	31.1.2023 RM	As at 31.1.2022 RM
NON-CURRENT ASSETS				
Plant and equipment	10	49,764,599	56,823,737	63,838,926
Intangible assets	11	11,259	19,587	27,915
Amount due from a fellow subsidiary	12(b)	1,876,009	4,144,845	1,310,983
Deferred tax asset	16	-	3,145,076	-
		51,651,867	64,133,245	65,177,824
CURRENT ASSETS				
Trade and other receivables	12(a)	12,004,500	11,273,936	10,354,001
Prepayment		194,043	106,186	84,812
Amount due from fellow subsidiaries	12(b)	4,743,442	4,245,000	800,000
Tax recoverable		-	88	10,617
Cash and bank balances	13	19,483,587	12,160,806	14,744,168
		36,425,572	27,786,016	25,993,598
TOTAL ASSETS		88,077,439	91,919,261	91,171,422
CAPITAL AND RESERVES				
Share capital	14	750,000	750,000	750,000
Preference shares	15	25,000,000	25,000,000	25,000,000
Retained earnings/(Accumulated losses)		16,431,284	771,505	(9,140,253)
TOTAL EQUITY		42,181,284	26,521,505	16,609,747
NON-CURRENT LIABILITIES				
Amount due to a fellow subsidiary	12(b)	30,145,390	45,806,497	66,165,576
Deferred tax liability	16	1,801,284	-	-
Lease liability	19	-	-	43,205
		31,946,674	45,806,497	66,208,781
CURRENT LIABILITIES				
Trade and other payables	17	2,919,305	7,379,104	4,788,088
Amount due to a fellow subsidiary	12(b)	11,000,000	12,168,950	3,500,000
Lease liability	19	-	43,205	64,806
Tax payable		30,176	-	-
		13,949,481	19,591,259	8,352,894
TOTAL LIABILITIES		45,896,155	65,397,756	74,561,675
NET CURRENT ASSETS		22,476,091	8,194,757	17,640,704
TOTAL EQUITY AND LIABILITIES		88,077,439	91,919,261	91,171,422

The accompanying notes form an integral part of these Financial Statements.

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Statements of Changes in Equity
For the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022

	Share capital RM	Preference shares RM	Retained earnings/ (Accumulated losses) RM	Total RM
As at 1 February 2023	750,000	25,000,000	771,505	26,521,505
Total comprehensive income for the financial year	-	-	15,659,779	15,659,779
As at 31 January 2024	750,000	25,000,000	16,431,284	42,181,284
As at 1 February 2022	750,000	25,000,000	(9,140,253)	16,609,747
Total comprehensive income for the financial year	-	-	9,911,758	9,911,758
As at 31 January 2023	750,000	25,000,000	771,505	26,521,505
As at 1 February 2021	750,000	25,000,000	(13,158,249)	12,591,751
Total comprehensive income for the financial year	-	-	4,017,996	4,017,996
As at 31 January 2022	750,000	25,000,000	(9,140,253)	16,609,747

The accompanying notes form an integral part of these Financial Statements.

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Statements of Cash Flows
For the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022

		Financial years ended		
	Note	**31.1.2024**	**31.1.2023**	**31.1.2022**
		RM	**RM**	**RM**
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		20,755,706	6,791,317	4,017,996
Adjustments for:				
Depreciation of plant and equipment		7,059,138	7,058,239	7,057,648
Amortisation of intangible assets		8,328	8,328	8,328
Unrealised foreign exchange gain		1,209,427	20,007	190,482
Interest expenses		3,361,460	4,270,395	4,419,340
Interest income		(623,195)	(54,405)	-
Impairment loss on amount due from immediate holding company		-	-	926,229
Net impairment loss/(reversal) on trade receivable		261,669	(68,043)	876,758
Operating cash flows before changes in working capital		32,032,533	18,025,838	17,496,781
Receivables		694,727	(7,207,805)	(3,364,476)
Prepayments		(87,857)	(27,020)	69,999
Payables		(5,708,826)	2,806,617	(11,284,893)
Cash generated from operations		26,930,577	13,597,630	2,917,411
Income tax paid		(22,567)	(14,106)	(2,720)
Interest received		623,195	54,405	-
Finance costs paid		(119,303)	(21,549)	(21,244)
Net cash flows generated from operating activities		27,411,902	13,616,380	2,893,447
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of plant and equipment		-	(43,050)	(10,021)
Net cash flows used in investing activities		-	(43,050)	(10,021)

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Statements of Cash Flows (continued)
For the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022 (continued)

	Note	Financial years ended 31.1.2024 RM	31.1.2023 RM	31.1.2022 RM
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayments to a fellow subsidiary		(19,999,926)	(16,100,000)	-
Repayment of lease payable		(43,205)	(72,804)	(72,804)
Net cash flows used in financing activities		(20,043,131)	(16,172,804)	(72,804)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		7,368,771	(2,599,474)	2,810,622
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		12,160,806	14,744,168	11,961,340
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		(45,990)	16,112	(27,794)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	13	19,483,587	12,160,806	14,744,168

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Statements of Cash Flows (continued)
For the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022 (continued)

Reconciliations of liability arising from financing activities

	Amount due to a fellow subsidiary RM	Lease liability RM	Total RM
At 1 February 2021	68,386,145	172,817	68,558,962
Cash outflows:			
Repayment of lease payable	-	(72,804)	(72,804)
Repayment to fellow subsidiary	(3,110,667)	-	(3,110,667)
Non-cash changes:			
Interest expense recognised in profit or loss	4,390,098	7,998	4,398,096
At 31 January 2022	69,665,576	108,011	69,773,587
At 1 February 2022	69,665,576	108,011	69,773,587
Cash outflows:			
Repayment of lease payable	-	(72,804)	(72,804)
Repayment to fellow subsidiary	(16,100,000)	-	(16,100,000)
Non-cash changes			
Interest expense recognised in profit or loss	4,240,848	7,998	4,248,846
At 31 January 2023	57,806,424	43,205	57,849,629
At 1 February 2023	57,806,424	43,205	57,849,629
Cash outflows:			
Repayment of lease payable	-	(48,530)	(48,530)
Repayment to fellow subsidiary	(19,999,926)	-	(19,999,926)
Non-cash changes			
Interest expense recognised in profit or loss	3,338,892	5,325	3,344,218
At 31 January 2024	41,145,390	-	41,145,391

The accompanying notes form an integral part of these Financial Statements.

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Notes to the Financial Statements
For the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022

1. General Information

Regulus Offshore Sdn. Bhd. (the "Company") is a private limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business of the Company are located at Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur.

The principal activities of the Company are the provision of leasing, operations and maintenance of vessels. There were no changes in the nature of activities during the financial years presented.

The Directors regard Yinson Holdings Berhad, a company incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, as the ultimate holding company. The Company's immediate holding company, Yinson Offshore Services Sdn Bhd, is a company incorporated and domiciled in Malaysia.

These Financial Statements are prepared for the purposes of a proposed acquisition involving the Company by a related party controlled by an indirect major shareholder of the Company, Icon Offshore Berhad ("Icon"). The purpose of the proposed acquisition is to consolidate all the marine assets of the indirect major shareholder of the Company's under Icon.

The Financial Statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency. All financial information is presented in RM unless otherwise stated.

2. Basis of preparation

The Financial Statements of the Company comprise the statements of financial position of the Company as at 31 January 2024, 31 January 2023, and 31 January 2022, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Company for the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022, and a summary of material accounting policies and other explanatory notes (collectively referred to as the "Financial Statements").

The Financial Statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

The Financial Statements have been prepared under the historical cost convention unless otherwise indicated in the Summary of Material Accounting Policies as set out in Note 3 to the Financial Statements.

The preparation of the Financial Statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at each reporting date, and the reported amounts of revenues and expenses during each reported period. It also requires the Board of Directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgement are based on the Board of Directors' best knowledge of current events and actions, actual results may differ. There are no areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements.

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2. Basis of preparation (continued)

a) Standards and amendments to published standards that are effective

The Company has applied the following amendments to published standards for the first time for the financial year beginning on 1 February 2021:

i) Amendments to MFRS 16 "COVID-19-Related Rent Concessions"
ii) Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 "Interest Rate Benchmark Reform – Phase 2"

The Company has applied the following amendments to published standards for the first time for the financial year beginning on 1 February 2022:

i) Amendments to MFRS 116 'Proceeds before Intended Use'
ii) Amendments to MFRS 137 'Onerous Contracts – Cost of Fulfilling a Contract'
iii) Annual Improvements to MFRS 9 'Fees in the 10 per cent' test for Derecognition of Financial Liabilities'
iv) Annual Improvements to Illustrative Example accompanying MFRS 16 Leases: Lease Incentives
v) Annual Improvements to MFRS 141 'Taxation in Fair Value Measurements'
vi) Amendments to MFRS 3 'Reference to the Conceptual Framework'

The Company has applied the following standard and amendments to published standards for the first time for the financial year beginning on 1 February 2023:

i) MFRS 17 'Insurance Contracts' and its amendments
ii) Amendments to MFRS 17, Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information
iii) Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
iv) Amendments to MFRS 112, Income Taxes – deferred tax related to assets and liabilities arising from a single transaction
v) International Tax Reform – Pillar Two Model Rules Amendments to MFRS 112

The standard and amendments to published standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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2. Basis of preparation (continued)

b) Standards early adopted by the Company

The following amendments to published standards were early adopted by the Company with effect from the financial year beginning 1 February 2021.

- Amendments to MFRS 101, Presentation of Financial Statements and MFRS Practice Statement 2 'Disclosures of accounting policies'

  MFRS 101 "Presentation of Financial Statements" and MFRS Practice Statement 2 'Disclosure of accounting policies' require the disclosure of 'material' rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting Operating Companies to provide useful, entity-specific accounting policy information that users need to understand other information in the Combined Financial Statements.

  The amendments did not result in any changes to the Company's accounting policies. However, it impacted the accounting policy information disclosed in the Financial Statements. The material accounting policies is disclosed in Note 3.

c) Amendments to published standards that have been issued but not yet effective

A number of new amendments to published standards are effective and applicable to the Company for the financial year beginning on or after 1 February 2024 as set out below. None of these are expected to have significant effect on the Financial Statements of the Company in the year of initial application:

- Amendment to MFRS 16, Leases – Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current and Non-current
- Amendments to MFRS 121 'The effects of changes in foreign exchange rates' – Lack of exchangeability

The amendments shall be applied retrospectively.

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3. Material accounting policies

Unless otherwise stated, the following accounting policies have been applied consistently in dealing with items that are considered material in relation to the Financial Statements.

3.1 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

a) expected to be realised or intended to be sold or consumed in its normal operating cycle;
b) held primarily for the purpose of trading;
c) expected to be realised within twelve months after the reporting period; or
d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

a) it is expected to be settled in its normal operating cycle;
b) it is held primarily for the purpose of trading;
c) it is due to be settled within twelve months after the reporting period; or
d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.2 Foreign currencies

a) Functional and presentation currency

The Company's Financial Statements are presented in Ringgit Malaysia ("RM") which is also the Company's functional currency.

b) Transactions and balances

Transactions in foreign currencies are translated into the functional currency at the rate of exchange ruling at the dates of the transactions.

Monetary items denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period.

Non-monetary items which are measured in terms of historical costs denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

Foreign exchange gains and losses arising on the settlement of monetary items and the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss for the financial years.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any corresponding exchange gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised directly in profit or loss, any corresponding exchange gain or loss is recognised directly in profit or loss.

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3. Material accounting policies (continued)

3.3 Revenue recognition

a) Revenue from contracts with customers

Revenue from contracts with customers is recognised by reference to each distinct promise of services (a performance obligation) in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Company expects to be entitled in exchange for transferring promised services to a customer. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct services promised in the contract. The Company recognises revenue when the performance obligation is satisfied, which may be at a point in time or over time.

A five-step process is applied before revenue can be recognised:

Step 1: Identify contracts with customers;

Step 2: Identify the separate performance obligations;

Step 3: Determine the transaction price of the contract;

Step 4: Allocate the transaction price to each of the separate performance obligations; and

Step 5: Recognise the revenue as each performance obligation is satisfied.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Catering services

Revenue from catering services is recognised at point in time, upon the delivery of the catering service to the customer. There is no element of financing contained in the revenue as sales are generally made with a standard credit terms which is consistent with market practises unless otherwise as applicable and disclosed in the Financial Statements.

ii) Crew services

Revenue from crew services is recognised over the period based on time lapsed. There is no element of financing contained in the revenue as sales are generally made with a standard credit terms which is consistent with market practises unless otherwise as applicable and disclosed in the Financial Statements.

iii) Mobilisation and demobilisation income

The Company provides mobilisation and demobilisation of Offshore Support Vessels ("OSVs") to customers. Mobilisation income is recognised over time and when services being rendered. No element of financing is deemed present as the transactions are made within the agreed credit term.

The credit term to customers is generally for a period of 30 days.

iv) Management fees

The Company provides ship management services to a related company, which includes negotiations of charter contracts with external parties and the adminstrative tasks related to the maintenance of the OSV. The revenue is recognised in the period which the services are rendered. No element of financing is deemed present as the transactions are made within the agreed credit term.

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3. Material accounting policies (continued)

3.3 Revenue recognition (continued)

b) Revenue from other source

The Company recognises revenue from other source as follows:

i) Chartering income

The vessels are leased to charterers under operating leases, with rentals payable monthly. Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. There are no variable lease payments included within the lease agreements entered into by the Company. Although the Company is exposed to changes in the residual value at the end of the current leases, the Company typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases.

ii) Interest income

Interest income is recognised in profit or loss as it accrues.

3.4 Taxes

a) Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in Malaysia.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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3. Material accounting policies (continued)

3.4 Taxes (continued)

b) Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

i) When the deferred tax asset relating to the dductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax asset is recognised only to the extent that it is probably that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax asset and liability are measured at the tax rates that are expected to apply in the financial years when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax asset and deferred tax liability are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.5 Plant and equipment

Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

When significant parts of plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of the replaced part is deregconised. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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3. Material accounting policies (continued)

3.5 Plant and equipment (continued)

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Motor vehicles	10 years
Computers	10 years
Furniture and Fittings	10 years
Renovation	10 years
Office equipments	10 years
Vessels	12 to 16 years
Vessel equipment	5 years
Vessels drydocking cost	5 years

An item of plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of plant and equipment are reviewed at each financial years end and adjusted prospectively, if appropriate.

At the end of the reporting period, the Company assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 3.8 on impairment of non-financial assets.

3.6 Leases

a) Accounting by lessee

Leases are recognised as right-of-use ("ROU") asset and a corresponding liability at the date on which the leased asset is available for use by the Company (i.e. the commencement date).

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of vessels for which the Company is a lessee, it has elected the practical expedient provided in MFRS 16 not to separate lease and non-lease components. Both components are accounted for as a single lease component and payments for both components are included in the measurement of lease liability.

Lease term

In determining the lease term, the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Company reassesses the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Company and affects whether the Company is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities. See accounting policy below on reassessment of lease liabilities.

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3. Material accounting policies (continued)

3.6 Leases (continued)

b) Accounting by lessor

As a lessor, the Company determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Operating lease

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on a straight-line basis on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Separating lease and non-lease components

If an arrangement contains lease and non-lease components, the Company allocates the consideration in the contract to the lease and non-lease components based on the stand-alone selling prices in accordance with the principles in MFRS 15.

3.7 Financial instruments

i) Financial assets

a) Classification, initial recognition and measurement

The Company classifies its financial assets in the following measurement category:

- Financial assets measured at amortised cost;

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ("SPPI").

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3. Material accounting policies (continued)

3.7 Financial instruments (continued)

i) Financial assets (continued)

b) Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

- Financial assets at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost using the effective interest rate ("EIR") method. Any gains and losses are recognised in profit or loss when the debt instruments are derecognised or impaired, and through the amortisation process.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- the rights to receive cash flow from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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3. Material accounting policies (continued)

3.7 Financial instruments (continued)

ii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit loss ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company has two types of financial instruments that are subject to the ECL model:

- Trade and other receivables
- Amount due from fellow subsidiaries
- Bank balances

While cash and bank balances are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

ECL represent a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Company expects to receive, over the remaining life of the financial instrument. For financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Company expects to receive from the holder, the debtor or any other party.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

a) General 3-stage approach for other receivables and amount due from fellow subsidiaries

At each reporting date, the Company measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required.

Debt instruments at amortised cost other than trade receivables are using general 3-stage approach.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

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3. Material accounting policies (continued)

3.7 Financial instruments (continued)

ii) Impairment of financial assets (continued)

a) General 3-stage approach for other receivables and amount due from fellow subsidiaries (continued)

The following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the debtor
- significant increases in credit risk on other financial instruments of the same debtor
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the group and changes in the operating results of the debtor

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Note 23(a) sets out the measurement details of ECL.

b) Simplified approach for trade receivables

The Company applies the MFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables.

The Company defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

1. Quantitative criteria

The Company defines a financial instrument as default, when the counterparty fails to make contractual payment within 90 days of when they fall due.

2. Qualitative criteria

The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Company considers the following instances:

- the debtor is in breach of financial covenants
- concessions have been made by the lender relating to the debtor's financial difficulty
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

Note 23(a) sets out the measurement details of ECL.

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3. Material accounting policies (continued)

3.7 Financial instruments (continued)

iii) Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and borrowings including bank overdrafts.

b) Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit or loss.

This category generally applies to interest-bearing loans and borrowings.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

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3. Material accounting policies (continued)

3.8 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment calculation are based on detailed budgets and forecast calculations, which are prepared separately for each CGU to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth years.

Impairment losses are recognised in profit or loss in expense categories consistent with the function of the impaired asset.

3.9 Cash and cash equivalents

Cash and bank balances in the statement of financial position comprise cash at banks and cash on hand with a maturity of three months or less, for purpose of short-term working capital rather than for investment or other purposes, that are convertible to known amounts of cash and is not subject to significant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and bank balances, as defined above.

3.10 Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Company. If collection is expected in one years or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

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3. Material accounting policies (continued)

3.11 Trade and other payables

Trade payables represent liabilities for goods or services provided to the Company prior to the end of the financial year which are unpaid. Other payables generally arise from transactions outside the ordinary course of businesses of the Company. Trade and other payables are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value net of transaction costs incurred, which include non-refundable taxes and duties.

Trade and other payables are subsequently measured at 'amortised cost' using the effective interest method.

3.12 Employee benefits

a) Short term employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

b) Defined contribution plans

The Company's contributions to defined contribution plans are charged to profit or loss in the period to which they relate. Once the contributions have been paid, the Company has no further financial obligations.

3.13 Share capital

Ordinary shares are classified as equity. Other shares are classified as equity or liability according to the economic substance of the particular instruments. Distribution to holders of a financial instrument classified as an equity instrument is charged directly to equity.

3.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

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4. Revenue

	Financial years ended		
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Revenue from contracts with customers			
Catering service income	1,147,355	1,544,001	1,542,520
Management fee income	1,448,520	1,079,850	1,175,724
Crew service income	42,044	44,628	215,380
Mobilisation and demobilisation income	911,000	490,000	320,000
	3,548,919	3,158,479	3,253,624
Revenue from other source			
Chartering income	42,547,690	40,469,547	27,651,388
Interest income	-	48,242	-
	42,547,690	40,517,789	27,651,388
	46,096,609	43,676,268	30,905,012

Revenue from contracts with customers are recognised upon services rendered at the following time:

Revenue recognised over time	2,401,564	1,614,478	1,711,104
Revenue recognised point in time	1,147,355	1,544,001	1,542,520
	3,548,919	3,158,479	3,253,624

5. Other income

	Financial years ended		
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Deposit forfeited received	3,721,263	-	-

Forfeited deposit relates to the termination of a vessel purchase agreement by the buyer.

6. Finance costs

	Financial years ended		
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Interest expenses:			
- Advances due to a fellow subsidiary	3,338,892	4,240,848	4,390,098
Lease liabilities	5,325	7,998	7,998
Bank charges	17,243	21,549	21,244
	3,361,460	4,270,395	4,419,340

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7. Profit before tax

Profit before tax is arrived at after charging/(crediting):

	Financial years ended		
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Auditors' remuneration	46,120	43,600	40,000
Employee benefits expense	7,405,514	6,560,889	6,155,831
Depreciation of plant and equipment	7,059,138	7,058,239	7,057,648
Amortisation of intangible assets	8,328	8,328	8,328
Repair and maintenance expenses	3,656,355	2,466,252	2,121,633
Short term lease - vessel lease rental	2,343,014	10,361,160	47,600
Agency fee	1,338,292	1,223,190	1,269,752
Net unrealised gain on foreign exchange	(1,209,427)	(20,007)	(190,482)
Net realised (gain)/loss on foreign exchange	949,261	180,968	402,559
Management and service fees charged by ultimate holding company	240,000	420,000	420,000
Net impairment loss/(reversal) on trade receivable	261,669	(68,043)	876,758
Impairment loss on amount due from immediate holding company	-	-	926,229

8. Employee benefits expense

	Financial years ended		
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Wages and salaries staff	6,049,544	5,461,053	5,160,334
Contributions to defined contribution plan	872,368	774,778	759,022
Social security contributions	97,650	94,087	43,220
Other benefits	385,952	230,971	193,255
	7,405,514	6,560,889	6,155,831

Included in employee benefits expense of the Company is Executive Director's remuneration of RM2,402,936 (2023: RM1,916,650, 2022: RM1,752,355).

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9. Income tax expense/(credit)

	Financial years ended		
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Income tax			
- Current financial years	142,388	24,635	-
- Previous financial years	7,179	-	-
	149,567	24,635	-
Deferred tax			
- Origination and reversal of temporary differences (Note 16)	4,946,360	1,844,750	996,038
- Recognition of previously unrecognised deferred tax assets (Note 16)	-	(4,989,826)	(996,038)
Tax expense/(credit) for the financial years	5,095,927	(3,120,441)	-

A reconciliation of income tax expense/(credit) and the product of profit before tax at the statutory income tax rate is

	Financial years ended		
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Profit before tax	20,755,706	6,791,317	4,017,996
Tax at Malaysian statutory tax rate of 24% (2023: 24%, 2022: 24%)	4,981,369	1,629,916	964,319
Expenses not deductible for tax purpose	107,379	239,469	31,719
Underprovision in previous financial year	7,179	-	-
Recognition of previously unrecognised deferred tax assets	-	(4,989,826)	(996,038)
Tax expense/(credit) for the financial years	5,095,927	(3,120,441)	-

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10. Plant and equipment

	Motor vehicles RM	Computers RM	Vessels ^ RM	Drydocking costs RM	Others * RM	Total RM
Cost:						
As at 1 February 2021	374,938	136,595	101,587,515	7,864,880	79,273	110,043,201
Additions	-	10,021	-	-	-	10,021
As at 1 February 2022	374,938	146,616	101,587,515	7,864,880	79,273	110,053,222
Additions	-	43,050	-	-	-	43,050
As at 31 January 2023 and 31 January 2024	374,938	189,666	101,587,515	7,864,880	79,273	110,096,272
Accumulated depreciation:						
As at 1 February 2021	90,627	70,022	13,539,884	193,132	38,339	13,932,004
Charge for the financial years ended (Note 7)	37,494	14,031	5,425,220	1,572,976	7,927	7,057,648
As at 1 February 2022	128,121	84,053	18,965,104	1,766,108	46,266	20,989,652
Charge for the financial years ended (Note 7)	37,494	14,630	5,425,220	1,572,976	7,919	7,058,239
As at 1 February 2023	165,615	98,683	24,390,324	3,339,084	54,185	28,047,891
Charge for the financial years ended (Note 7)	37,494	22,177	5,419,096	1,572,976	7,395	7,059,138
As at 31 January 2024	203,109	120,860	29,809,420	4,912,060	61,580	35,107,029
Accumulated impairment:						
As at 1 February 2021/1 February 2022/ 1 February 2023 and 31 January 2024	-	-	25,224,644	-	-	25,224,644
Net carrying amounts:						
As at 31 January 2022	246,817	62,563	57,397,767	6,098,772	33,007	63,838,926
As at 31 January 2023	209,323	90,983	51,972,547	4,525,796	25,088	56,823,737
As at 31 January 2024	171,829	68,806	46,553,451	2,952,820	17,693	49,764,599

^ Vessels include vessel equipments.
* Other assets comprise furniture and fittings, renovation and office equipment.

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10. Plant and equipment (continued)

(a) Carrying amounts of motor vehicles at 31 January 2024 was RM171,829 (2023: RM209,323, 2022: RM246,817). The leased asset had been pledged as security for lease liability of the Company in previous financial years as disclosed in Note 19 to the Financial Statements.

(b) During the financial years, the Company acquired plant and equipment by means of:

			As at
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Cash payments	-	43,050	10,021

11. Intangible assets

			As at
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Cost:			
At 1 February/31 January	83,278	83,278	83,278
Accumulated amortisation:			
At 1 February	63,691	55,363	47,035
Amortisation during the years (Note 7)	8,328	8,328	8,328
At 31 January	72,019	63,691	55,363
Net carrying amount:	11,259	19,587	27,915

Intangible assets consist of accounting and leasing operations software.

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12(a). Trade and other receivables

	31.1.2024 RM	31.1.2023 RM	As at 31.1.2022 RM
Current			
Trade receivables:			
Third parties	10,469,543	11,704,603	8,487,527
Less: Allowance for impairment (Note (i))	(1,070,384)	(808,715)	(876,758)
	9,399,159	10,895,888	7,610,769
Amount due from ultimate holding company	294,835	-	-
	9,693,994	10,895,888	7,610,769
Other receivables:			
Sundry receivables	2,310,506	378,048	2,743,232
Amount due from immediate holding company	926,229	926,229	926,229
Less: Allowance for impairment (Note (ii))	(926,229)	(926,229)	(926,229)
	-	-	-
	2,310,506	378,048	2,743,232
Total trade and other receivables	12,004,500	11,273,936	10,354,001

Trade receivables are non-interest bearing. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(i) Trade receivables

Movements in trade receivables allowance for impairment account are as follows:

	31.1.2024 RM	31.1.2023 RM	As at 31.1.2022 RM
At 1 February	808,715	876,758	-
Impairment	261,669	856,957	876,758
Reversal	-	(925,000)	-
At 31 January	1,070,384	808,715	876,758

(ii) Other receivables

Movements in other receivables allowance for impairment account are as follows:

	31.1.2024 RM	31.1.2023 RM	As at 31.1.2022 RM
At 1 February	926,229	926,229	-
Impairment	-	-	926,229
At 31 January	926,229	926,229	926,229

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12(b) Amount due from/(to) fellow subsidiaries

			As at
	31.1.2024	31.1.2023	31.1.2022
	RM	RM	RM
Non-current			
Amount due from a fellow subsidiary	1,876,009	4,144,845	1,310,983
Current			
Amount due from fellow subsidiaries	4,743,442	4,245,000	800,000
	6,619,451	8,389,845	2,110,983
Non-current			
Amount due to a fellow subsidiary	30,145,390	45,806,497	66,165,576
Current			
Amount due to a fellow subsidiary	11,000,000	12,168,950	3,500,000
	41,145,390	57,975,447	69,665,576

(i) Amount due from fellow subsidiaries is non-interest bearing and is denominated in RM. This amount is unsecured and revolving on a daily basis, except for RM1,876,009 as at 31 January 2024 (2023: RM4,144,845, 2022: RM1,310,983) which are not expected to be recovered within the next 12 months from each reporting dates.

(ii) Amount due to a fellow subsidiary is an interest-bearing loan of RM41,145,390 (2023: RM57,975,447, 2022: RM69,665,576), which bears interest at cost of funds + 0.5%. The Company has the discretion to defer settlement for an amount of RM30,145,390 (2023: RM45,806,497, 2022: RM66,165,576) due to fellow subsidiary for more than 12 months from each reporting dates.

13. Cash and bank balances

			As at
	31.1.2024	31.1.2023	31.1.2022
	RM	RM	RM
Cash and bank balances	19,483,587	7,143,098	14,744,168
Deposits held at call with licensed bank	-	5,017,708	-
	19,483,587	12,160,806	14,744,168

Included in cash and bank balances are fixed deposits held at call with a licensed bank in Malaysia amounting to Nil as at 31 January 2024 (2023: RM5,017,708, 2022: Nil), with a fixed interest rate of Nil as at 31 January 2024 (2023: 2.55%, 2022: Nil) and a maturity period of less than 3 months from acquisition date.

14. Share capital

	Number of ordinary shares			Amount		
			As at			As at
	31.1.2024	31.1.2023	31.1.2022	31.1.2024	31.1.2023	31.1.2022
				RM	RM	RM
Ordinary shares issued and fully paid:						
At beginning/ end of each financial year	750,000	750,000	750,000	750,000	750,000	750,000

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15. Preference Shares

	Number of Preference Shares			Amount		
			As at			As at
	31.1.2024	31.1.2023	31.1.2022	31.1.2024	31.1.2023	31.1.2022
				RM	RM	RM
Preference Shares issued and fully paid:						
At beginning/ end of each financial year	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000

The salient terms of non-convertible redeemable Preference Shares are as follows:

a) Redemption of Preference shares
The Company shall have the option to redeem all Preference Shares or any part thereof at any time provided that distributable reserves of the Company exceeds Total Issue Price and any accrued dividend payable to the Preference Shareholder.

b) Dividend
The rights of Preference Shareholder to receive dividends is subject to there being sufficient distributable reserve at the relevant dividend date. Dividends on the Preference Shares shall be non-cumulative and at the Board's discretion.

c) Voting Rights
The Preference Shareholder shall be entitled to receive notices of general meetings, reports, and audited accounts, and to attend general meetings of the Company. Preference shares do not entitle their holders to the right to vote at general meetings, except on matters affecting their rights and interests, subject to the contract and/or term sheet of issuance of the preference shares.

16. Deferred tax asset/(liability)

Deferred tax asset and liability are offset when there is a legally enforceable right to set off current tax asset against current tax liability and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

			As at
	31.1.2024	31.1.2023	31.1.2022
	RM	RM	RM
Deferred tax liabilities	(11,435,677)	(12,783,850)	(11,108,564)
Deferred tax assets	9,634,393	15,928,926	11,108,564
	(1,801,284)	3,145,076	-

The movement during the financial year relating to deferred taxation is as follows:

At 1 February	3,145,076	-	-
Recognised in profit or loss (Note 9)	(4,946,360)	3,145,076	-
At 31 January	(1,801,284)	3,145,076	-

Deferred tax asset and liability are offset when there is a legally enforceable right to set off deferred tax asset against deferred tax liability when deferred taxes relate to the same tax authority.

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16. Deferred tax asset/(liability) (continued)

The components of deferred tax asset and liability at the end of the reporting periods comprise the tax effects of:

			As at
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Deferred tax liability			
- property, plant and equipment	11,148,107	12,783,850	11,108,564
- unrealised forex	287,570	-	-
Deferred tax liability (before offsetting)	11,435,677	12,783,850	11,108,564
Offsetting	(9,634,393)	(12,783,850)	(11,108,564)
Deferred tax liability (after offsetting)	1,801,284	-	-

			As at
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Deferred tax asset			
- provision for bonus	145,998	64,066	60,137
- unrealised forex	-	4,802	45,716
- tax losses	278,451	278,451	278,451
- capital allowance	9,209,944	15,581,607	10,724,260
Deferred tax asset (before offsetting)	9,634,393	15,928,926	11,108,564
Offsetting	(9,634,393)	(12,783,850)	(11,108,564)
Deferred tax asset (after offsetting)	-	3,145,076	-

Deferred tax asset has not been recognised for the following amounts as it was not practicable to project the probability of future realisability of the potential tax benefits:

			As at
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Unutilised tax losses:			
- Expiring in 2032	-	-	1,160,213
Unabsorbed capital allowances	-	-	19,189,674
Others	-	-	441,054
	-	-	20,790,941
Deferred tax asset not recognised at 24%	-	-	4,989,826

Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2019, the Company's unutilised tax losses of RM1,160,213 as at 31 January 2022 will be imposed with a time limit of utilisation. Any accumulated unutilised tax losses brought forward from the years of assessment 2022 could be carried forward for another 10 consecutive years of assessment.

During financial year ended 31 January 2023, management revised its estimates following improving economic conditions where vessel charter rates improved as compared to previous financial years, with all Company vessels being on-hire as of the financial year end. Consequently, management considers it probable that future taxable profits will be available against which the Company's deferred tax asset can be utilised. As a result, RM4,989,826 of previously unrecognised deferred tax assets were recognised in the financial year ended 31 January 2023.

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17. Trade and other payables

	As at 31.1.2024 RM	31.1.2023 RM	31.1.2022 RM
Trade payables (Note (a)):			
Third parties	351,149	4,277,120	2,033,085
Other payables:			
Amount due to the ultimate holding company (Note (b))	34,112	217,655	308,779
Sundry payables	24,952	49	19,904
Accruals (Note (c))	2,509,092	2,884,280	2,426,320
	2,568,156	3,101,984	2,755,003
Total trade and other payables	2,919,305	7,379,104	4,788,088

a) Trade payables

Amounts due to third parties are non-interest bearing and have credit terms of 30 days (2023: 30 days, 2022: 30 days).

b) Other payables

Amount due to the ultimate holding company is unsecured, non-interest bearing and repayable on demand.

c) Accruals

Included within accruals are accruals for the operations and maintenance of vessels amounting to RM1,146,653 (2023: RM2,163,688, 2022: RM1,633,371).

18. Operating lease

(a) The Company as lessor

The Company entered into leases for its vessels. As at 31 January 2024, the non-cancelleable lease had remaining lease term of less than one year (2023: less than one year, 2022: less than one year).

Future minimum rentals receivable under non-cancellable operating lease at the reporting date were as follows:

	As at 31.1.2024 RM	31.1.2023 RM	31.1.2022 RM
Within 1 year	2,150,313	3,258,000	5,369,000

Chartering income from leasing of vessels recognised in profit or loss during the financial year are disclosed in Note 4.

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19. Lease liability

	31.1.2024 RM	31.1.2023 RM	As at 31.1.2022 RM
Minimum lease commitments:			
Not later than 1 years	-	51,203	72,804
Later than 1 years and not later than 2 years	-	-	50,546
Total minimum lease payments	-	51,203	123,350
Less: Amounts representing finance charges	-	(7,998)	(15,339)
Present value of minimum lease payments	-	43,205	108,011
Present value of payments:			
Not later than 1 years	-	43,205	64,806
Later than 1 years and not later than 2 years	-	-	43,205
Present value of minimum lease payments	-	43,205	108,011
Less: Amount due within 12 months	-	(43,205)	(64,806)
Amount due after 12 months	-	-	43,205

20. Significant related party transactions

For the purposes of these Financial Statements, parties are considered related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or entities.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. Key management personnel comprises all Directors of the Company. Key management personnel compensation for the financial years as disclosed in Note 8 to the Financial Statements are RM2,402,936 (2023: RM1,916,650, 2022: RM1,752,355).

In addition to information disclosed elsewhere in the Financial Statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

	31.1.2024 RM	31.1.2023 RM	As at 31.1.2022 RM
Management and service fees charged by:			
- Yinson Holdings Berhad, ultimate holding company	240,000	420,000	420,000
Management services income from fellow subsidiaries:			
- Yinson Camellia Sdn Bhd	(1,448,520)	(1,079,850)	(1,175,724)
Advance interest charged by a fellow subsidiary:			
- Yinson TMC Sdn Bhd	3,338,893	4,240,848	4,390,098
Repayment to a fellow subsidiary:			
- Yinson TMC Sdn Bhd	19,999,926	16,100,000	4,069,605
Payment made on behalf of a fellow subsidiary:			
- Yinson Camellia Sdn Bhd	(4,294,783)	(10,608,254)	(4,569,148)
Repayments from a fellow subsidiary:			
- Yinson Camellia Sdn Bhd	7,585,305	7,056,792	3,130,907

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21. Fair values of financial instruments

The carrying amounts of financial assets and liabilities classified within current assets and current liabilities respectively approximate their fair values due to the relatively short term nature of these financial instruments.

There are no assets or liabilities of the Company which are measured at fair value.

22. Financial instruments by category

			As at
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
Financial assets			
Financial assets measured at amortised cost:			
- Trade and other receivables	12,004,500	11,273,936	10,354,001
- Amount due from fellow subsidiaries	6,619,451	8,389,845	2,110,983
- Cash and bank balances	19,483,587	12,160,806	14,744,168
	38,107,538	31,824,587	27,209,152
Financial liabilities			
Financial liabilities measured at amortised cost:			
- Trade and other payables	2,919,305	7,379,104	4,788,088
- Amount due to a fellow subsidiary	41,145,390	57,975,447	69,665,576
- Lease liability	-	43,205	108,011
	44,064,695	65,397,756	74,561,675

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23. Financial risk management objectives and policies

The Company's overall financial risk management objectives and policies are to enhance shareholder's value through effective management of the Company's risks. Financial risk management is carried out through risk reviews, internal control systems, benchmarking the industry's best practices and adherence to the ultimate holding company, Yinson Holdings Berhad's financial risk management policies.

The main risks arising from the financial instruments of the Company are credit risk, liquidity risk, foreign currency risk and interest rate risk. Management monitors the Company's financial position closely with the objective to minimise potential adverse effects on the financial performance of the Company. These policies have remained substantially unchanged during the financial years.

Details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks are set out below:

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from its trade and other receivables and bank balances. At the reporting date, the Company's maximum exposure to credit risk is represented by the carrying amounts of each class of

(i) Trade and other receivables

ECL for trade and other receivables are measured using the simplified approach. Expected loss rates are based on payment profile of sales before reporting date and corresponding historical credit losses experienced within this period. Loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle receivables. No significant changes to estimation techniques or assumptions were made during the reporting period. ECL has been provided for the trade and other receivables which are overdue for more than 90 days for each of the reported periods.

(ii) Debt instruments at amortised cost

ECL for debt instruments at amortised cost such as amount due from fellow subsidiaries are measured using the general 3-stage approach. The Company uses three categories which reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions

Category	Company's definition of category	Basis for recognising ECL
Performing	Debtors have a low risk of default and a strong capacity to meet contractual cash flows.	12-month ECL
Underperforming	Debtors for which there is a significant increase in credit risk or significant increase in credit risk if presumed the forward looking information and indicators available signify impairment to debtor's ability to repay.	Lifetime ECL
Non-performing	Debtor's ability to repay or likelihood of repayment is determined as fully impaired according to the available indicators.	Lifetime ECL (credit impaired)

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23. Financial risk management objectives and policies (continued)

(a) Credit risk (continued)

(ii) Debt instruments at amortised cost (continued)

Based on the above, loss allowance is measured on either 12-month ECL or lifetime ECL using a PD x LGD x EAD methodology as follows:

- PD ("probability of default") – the likelihood that the debtor would not be able to repay during the contractual period;
- LGD ("loss given default") – the percentage of contractual cash flows that will not be collected if default happens; and
- EAD ("exposure at default") – the outstanding amount that is exposed to default risk.

In deriving the PD and LGD, the Company considers historical data by each debtor by category and adjusts for forward-looking macroeconomic data. The Company has identified the industry and geographical area which the debtor operates in, to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. Loss allowance is measured at a probability-weighted amount that reflects the possibility that a credit loss occurs and the possibility that no credit loss occurs. No significant changes to estimation techniques or assumptions were made during the reporting period. Total ECL provided for the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022 is immaterial.

The net carrying amount disclosed below represents the Company's maximum exposure to credit risk on these assets:

	Current	1-60 days	61-90 days	More than 90 days	Total
	RM	RM	RM	RM	RM
As at 31.1.2024					
Gross carrying amount					
- Trade receivables	7,115,484	2,119,120	164,555	1,070,384	10,469,543
- Other receivables	2,310,506	-	-	-	2,310,506
	9,425,990	2,119,120	164,555	1,070,384	12,780,049
Allowance for impairment					
- Trade receivables	-	-	-	(1,070,384)	(1,070,384)
	-	-	-	(1,070,384)	(1,070,384)
Net carrying amount	9,425,990	2,119,120	164,555	-	11,709,665

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23. Financial risk management objectives and policies (continued)

(a) Credit risk (continued)

(ii) Debt instruments at amortised cost (continued)

The net carrying amount disclosed below represents the Company's maximum exposure to credit risk on these assets: (continued)

	Current	1-60 days	61-90 days	More than 90 days	Total
	RM	RM	RM	RM	RM
As at 31.1.2023					
Gross carrying amount					
- Trade receivables	7,609,583	3,286,305	-	808,715	11,704,603
- Other receivables	378,048	-	-	-	378,048
	7,987,631	3,286,305	-	808,715	12,082,651
Allowance for impairment					
- Trade receivables	-	-	-	(808,715)	(808,715)
	-	-	-	(808,715)	(808,715)
Net carrying amount	7,987,631	3,286,305	-	-	11,273,936

	Current	1-60 days	61-90 days	More than 90 days	Total
	RM	RM	RM	RM	RM
As at 31.1.2022					
Gross carrying amount					
- Trade receivables	2,372,712	3,196,065	2,041,992	876,758	8,487,527
- Other receivables	2,743,232	-	-	-	2,743,232
	5,115,944	3,196,065	2,041,992	876,758	11,230,759
Allowance for impairment					
- Trade receivables	-	-	-	(876,758)	(876,758)
	-	-	-	(876,758)	(876,758)
Net carrying amount	5,115,944	3,196,065	2,041,992	-	10,354,001

	Performing	Non-performing	Total
	RM	RM	RM
As at 31.1.2024			
Gross carrying amount			
- Fellow subsidiaries	6,619,451	-	6,619,451
- Ultimate holding company	294,835	-	294,835
- Immediate holding company	-	926,229	926,229
	6,914,286	926,229	7,840,515
Allowance for impairment			
- Immediate holding company	-	(926,229)	(926,229)
	-	(926,229)	(926,229)
Net carrying amount	6,914,286	-	6,914,286

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23. Financial risk management objectives and policies (continued)

(a) Credit risk (continued)

(ii) Debt instruments at amortised cost (continued)

The net carrying amount disclosed below represents the Company's maximum exposure to credit risk on these assets: (continued)

	Performing RM	Non-performing RM	Total RM
As at 31.1.2023			
Gross carrying amount			
- Fellow subsidiaries	8,389,845	-	8,389,845
- Immediate holding company	-	926,229	926,229
	8,389,845	926,229	9,316,074
Allowance for impairment			
- Immediate holding company	-	(926,229)	(926,229)
	-	(926,229)	(926,229)
Net carrying amount	8,389,845	-	8,389,845

	Performing RM	Non-performing RM	Total RM
As at 31.1.2022			
Gross carrying amount			
- Fellow subsidiaries	2,110,983	-	2,110,983
- Immediate holding company	-	926,229	926,229
	2,110,983	926,229	3,037,212
Allowance for impairment			
- Immediate holding company	-	(926,229)	(926,229)
	-	(926,229)	(926,229)
Net carrying amount	2,110,983	-	2,110,983

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23. Financial risk management objectives and policies (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's exposure to liquidity risk arises principally from its payables and borrowings. The Company maintains a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

	Financial years ended		
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
On demand:			
Amount due to a fellow subsidiary	11,000,000	12,168,950	3,500,000
	11,000,000	12,168,950	3,500,000
Within one year:			
Trade and other payables	2,919,305	7,379,104	4,788,088
Amount due to a fellow subsidiary	1,987,094	3,021,534	4,208,197
Lease liability	-	51,203	72,804
	4,906,399	10,451,841	9,069,089
Two to five years:			
Amount due to a fellow subsidiary	30,152,848	45,815,644	66,177,194
Lease liability	-	-	50,546
	30,152,848	45,815,644	66,227,740
Total undiscounted financial liabilities	46,059,247	68,436,435	78,796,829

(c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has transactional currency exposures that are denominated in a currency other than Ringgit Malaysia ("RM"), the functional currency of the Company. The foreign currency in which these transactions are denominated are mainly US Dollars ("USD") and Singapore Dollars ("SGD"). The Company did not enter into any forward currency contracts during the financial years ended 31 January 2024, 31 January 2023 and 31 January 2022.

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23. Financial risk management objectives and policies (continued)

(c) Foreign currency risk (continued)

The Company's exposure to foreign currency risk (a currency which is other than the functional currency of the Company) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

	United States Dollar	Singapore Dollar	Denominated in functional currency	Total
	RM	RM	RM	RM
As at 31.1.2024				
Financial Assets				
- Cash and bank balances	3,026,910	-	16,456,677	19,483,587
Financial Liabilities				
- Trade and other payables	(63,750)	(70,496)	(2,785,059)	(2,919,305)
Currency Exposure	2,963,160	(70,496)	13,671,618	16,564,282
As at 31.1.2023				
Financial Assets				
- Trade and other receivables	2,136,671	-	9,137,265	11,273,936
- Cash and bank balances	77,039	-	12,083,767	12,160,806
	2,213,710	-	21,221,032	23,434,742
Financial Liabilities				
- Trade and other payables	(1,233,991)	-	(6,145,113)	(7,379,104)
Currency Exposure	979,719	-	15,075,919	16,055,638
As at 31.1.2022				
Financial Assets				
- Cash and bank balances	1,940,668	-	12,803,500	14,744,168
Financial Liabilities				
- Trade and other payables	(120,466)	(186,817)	(4,480,805)	(4,788,088)
Currency Exposure	1,820,202	(186,817)	8,322,695	9,956,080

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23. Financial risk management objectives and policies (continued)

(c) Foreign currency risk (continued)

The following table demonstrates the sensitivity of the Company's profit after taxation and equity for the financial years to the reasonable change in major currency exchange rates against Ringgit Malaysia, with all other variables held constant.

	(Decrease)/Increase Financial years ended		
	31.1.2024	**31.1.2023**	**31.1.2022**
	RM	**RM**	**RM**
RM/USD			
- strengthened by 5%	(148,158)	(48,986)	(91,010)
- weakened by 5%	148,158	48,986	91,010
RM/SGD			
- strengthened by 5%	3,525	-	9,341
- weakened by 5%	(3,525)	-	(9,341)

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's amount due to fellow subsidiaries with floating interest rates.

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Company's profit after tax and equity would have been approximately RM41,145 (2023: RM58,019, 2022: RM69,774) lower/higher, arising mainly as a result of lower/higher interest expense on floating rate related company payables.

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24. Capital management

For the purpose of the Company's capital management, capital includes share capital and all other equity reserves attributable to owners of the Company.

The Company's objectives when managing capital, are to safeguard the Company's ability to continue as a going concern in order to provide returns for its shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and make adjustments in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholder, return capital to shareholder or issue new shares or debts.

At the reporting date, the Company is not subject to externally imposed capital requirements.

25. Subsequent events

On 30 August 2024, the Company's immediate holding company, Yinson Offshore Services Sdn Bhd ("YOSSB"), entered into a binding term-sheet with Icon Offshore Berhad ("IOB") for the sale of its shareholdings in the Company. The purchase consideration is to be wholly satisfied via issuance of 154,545,455 new shares of Icon Offshore Berhad.

Following on from the binding term-sheet, a share sale agreement has been entered into between YOSSB and IOB on 22 November 2024 with the same purchase consideration. The sale is conditional on the approval by IOB's shareholders.

26. Approval of Financial Statements

The Financial Statements have been approved for issue in accordance with a resolution of the Board of Directors on 7 January 2025.

PRICEWATERHOUSECOOPERS PLT
KUALA LUMPUR
for identification only
Chartered Accountants

LIANNEX FLEET PTE LTD

28 Kranji Loop #05-07/08 Kranji Green Singapore 739571
Tel: +65 63635133 Fax: +65 63635122
Co. Reg. No.: 202406787C

Date : 3 January 2025

The Board of Directors
ICON Offshore Berhad
Suite 28.01, Level 28 Menara Southpoint,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur
Wilayah Persekutuan

Dear Sir/Madam,

I. PROPOSED ACQUISITION OF LIANNEX FLEET;
II. PROPOSED ACQUISITION OF YINSON POWER MARINE;
III. PROPOSED ACQUISITION OF REGULUS OFFSHORE;
IV. PROPOSED ACQUISITION OF YINSON CAMELLIA;
V. PROPOSED ACQUISITION OF ICON BAHTERA; AND
VI. PROPOSED ACQUISITION OF ICON WAJA

(COLLECTIVELY, THE "PROPOSED ACQUISITIONS")

(Unless otherwise stated, all abbreviations used herein shall have the same meaning as defined in this Circular)

On behalf of the board of directors of Liannex Fleet ("**Board**"), we wish to report that after making due enquiries in relation to:

(i) Liannex Fleet during the period between 21 February 2024 (being the date of incorporation);

(ii) Barisar Corporation Pte Ltd ("**Barisar**") during the period between 31 December 2023 (being the date on which the last audited financial statements of Barisar have been made up);

(iii) Ferlisar Corporation Pte Ltd ("**Ferlisar**") during the period between 31 December 2023 (being the date on which the last audited financial statements of Ferlisar have been made up);

(iv) Bursar Corporation Pte Ltd ("**Bursar**") during the period between 31 December 2023 (being the date on which the last audited financial statements of Bursar have been made up);

(v) Gimsar Corporation Pte Ltd ("**Gimsar**") during the period between 31 December 2023 (being the date on which the last audited financial statements of Gimsar have been made up);

(vi) Handal Corporation Pte Ltd ("**Handal**") during the period between 31 December 2023 (being the date on which the last audited financial statements of Handal have been made up);

(vii) Himsar Corporation Pte Ltd ("**Himsar**") during the period between 31 December 2023 (being the date on which the last audited financial statements of Himsar have been made up);

(viii) Kangsar Corporation Pte Ltd ("**Kangsar**") during the period between 31 December 2023 (being the date on which the last audited financial statements of Kangsar have been made up);

(ix) Kelisar Corporation Pte Ltd ("**Kelisar**") during the period between 31 December 2023 (being the date on which the last audited financial statements of Kelisar have been made up);

(x) Melisar Corporation Pte Ltd ("**Melisar**") during the period between 31 December 2023 (being the date on which the last audited financial statements of Melisar have been made up);

LIANNEX FLEET PTE LTD

28 Kranji Loop #05-07/08 Kranji Green Singapore 739571
Tel: +65 63635133 Fax: +65 63635122
Co. Reg. No.: 202406787C

(xi) Nimsar Corporation Pte Ltd ("**Nimsar**") during the period between 31 December 2023 (being the date on which the last audited financial statements of Nimsar have been made up); and

(xii) Yinson Power Marine Sdn Bhd ("**Yinson Power Marine**") during the period between 31 December 2023 (being the date on which the last audited financial statements of Yinson Power Marine have been made up),

and the date hereof, being a date not earlier than 14 days prior to the date of this Circular, that:

(i) the business of Liannex Fleet and its subsidiaries ("**Liannex Fleet's Subsidiaries**") ("**Liannex Fleet Group**"), in the opinion of the Board, has been satisfactorily maintained;

(ii) in the opinion of the Board, no circumstances have arisen since the date of incorporation of Liannex Fleet and the last audited financial statements of Liannex Fleet's Subsidiaries which have adversely affected the trading or the value of the assets of Liannex Fleet Group;

(iii) the current assets of Liannex Fleet Group appear in the books at values which are believed to be realisable in the ordinary course of business;

(iv) there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by Liannex Fleet Group;

(v) there has been, since the date of incorporation of Liannex Fleet and the last audited financial statements of Liannex Fleet's Subsidiaries, no default or any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in relation to any borrowings by Liannex Fleet Group; and

(vi) there have been, since the date of incorporation of Liannex Fleet and the last audited financial statements of Liannex Fleet's Subsidiaries, no material changes to the published reserves or any unusual factors affecting the financial performance of Liannex Fleet Group.

Yours faithfully,
For and on behalf of
Liannex Fleet Pte Ltd

Lim Han Weng
Director

DIRECTORS' REPORT ON YINSON POWER MARINE

YINSON POWER MARINE SDN. BHD. (Co. No. : 833361-P)
Head Office : No. 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor.
P. O. Box 44, 80902 Johor Bahru, Johor. Tel : 07-355 2244 Fax : 07-355 2277, 355 3311
Email Address : info@yinson.com.my

Date : 3 January 2025

The Board of Directors
ICON Offshore Berhad
Suite 28.01, Level 28 Menara Southpoint,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur
Wilayah Persekutuan

Dear Sir/Madam,

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

(COLLECTIVELY, THE "PROPOSED ACQUISITIONS")

(Unless otherwise stated, all abbreviations used herein shall have the same meaning as defined in this Circular)

On behalf of the board of directors of Yinson Power Marine ("**Board**"), we wish to report that after making due enquiries during the period between 31 December 2023, being the date on which the last audited financial statements of Yinson Power Marine have been made up, and the date hereof, being a date not earlier than 14 days prior to the date of the circular to the shareholders of ICON in relation to the Proposed Acquisitions, that:

(i) the business of Yinson Power Marine, in the opinion of the Board, has been satisfactorily maintained;

(ii) in the opinion of the Board, no circumstances have arisen since the last audited financial statements of Yinson Power Marine which have materially adversely affected the carrying value of the assets of Yinson Power Marine;

(iii) the current assets of Yinson Power Marine appear in the books at values which are believed to be realisable in the ordinary course of business;

(iv) there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by Yinson Power Marine other than those incurred in the ordinary course of business;

(v) As at the date of this letter and based on the latest audited financial statements for the FYE 31 December 2023, Yinson Power Marine has no bank borrowings; and

(vi) there have been no material changes to the published reserves or any unusual factors affecting the financial performance of Yinson Power Marine since the last audited financial statements of Yinson Power Marine.

YINSON POWER MARINE SDN. BHD. (Co. No. : 833361-P)
Head Office : No. 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor.
P. O. Box 44, 80902 Johor Bahru, Johor. Tel : 07-355 2244 Fax : 07-355 2277, 355 3311
Email Address : info@yinson.com.my

This letter is addressed solely to ICON Offshore Berhad for the purpose of inclusion in this Circular.

Yours faithfully,
For and on behalf of
Yinson Power Marine Sdn Bhd

Lim Han Weng
Director

DIRECTORS' REPORT ON REGULUS OFFSHORE

Regulus Offshore Sdn Bhd
Registration no.:
201101023642 (951778-A)
www.yinson.com

Contact details
Tel: (+603) 2289 3888
Fax: (+603) 2202 1038
info@yinson.com

Level 16, Menara South Point
Mid Valley City
Medan Syed Putra Selatan
59200 Kuala Lumpur
Malaysia

Date : 3 January 2025

The Board of Directors
ICON Offshore Berhad
Suite 28.01, Level 28 Menara Southpoint,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur
Wilayah Persekutuan

Dear Sir/Madam,

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

(COLLECTIVELY, THE "PROPOSED ACQUISITIONS")

(Unless otherwise stated, all abbreviations used herein shall have the same meaning as defined in this Circular)

On behalf of the board of directors of Regulus Offshore ("**Board**"), we wish to report that after making due enquiries during the period between 31 January 2024, being the date on which the last audited financial statements of Regulus Offshore have been made up, and the date hereof, being a date not earlier than 14 days prior to the date of the circular to the shareholders of ICON in relation to the Proposed Acquisitions, that:

(i) the business of Regulus Offshore, in the opinion of the Board, has been satisfactorily maintained;

(ii) in the opinion of the Board, no circumstances have arisen since the last audited financial statements of Regulus Offshore which have materially adversely affected the carrying value of the assets of Regulus Offshore;

(iii) the current assets of Regulus Offshore appear in the books at values which are believed to be realisable in the ordinary course of business;

(iv) there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by Regulus Offshore other than those incurred in the ordinary course of business;

(v) As at the date of this letter and based on the latest audited financial statements for the FYE 31 January 2024, Regulus Offshore has no bank borrowings; and

(vi) there have been no material changes to the published reserves or any unusual factors affecting the financial performance of Regulus Offshore since the last audited financial statements of Regulus Offshore.

Regulus Offshore Sdn Bhd
Registration no.:
201101023642 (951778-A)
www.yinson.com

Contact details
Tel: (+603) 2289 3888
Fax: (+603) 2202 1038
info@yinson.com

Level 16, Menara South Point
Mid Valley City
Medan Syed Putra Selatan
59200 Kuala Lumpur
Malaysia

This letter is addressed solely to ICON Offshore Berhad for the purpose of inclusion in this Circular.

Yours faithfully,
For and on behalf of
Regulus Offshore Sdn Bhd

Liaw Thong Jung
Director

DIRECTORS' REPORT ON YINSON CAMELLIA

Yinson Camellia Sdn Bhd
Registration no.:
201901030641 (1339971-X)
www.yinson.com

Contact details
Tel: (+603) 2289 3888
Fax: (+603) 2202 1038
info@yinson.com

Level 16, Menara South Point
Mid Valley City
Medan Syed Putra Selatan
59200 Kuala Lumpur
Malaysia

Date : 3 January 2025

The Board of Directors
ICON Offshore Berhad
Suite 28.01, Level 28 Menara Southpoint,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur
Wilayah Persekutuan

Dear Sir/Madam,

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

(COLLECTIVELY, THE "PROPOSED ACQUISITIONS")

(Unless otherwise stated, all abbreviations used herein shall have the same meaning as defined in this Circular)

On behalf of the board of directors of Yinson Camellia ("**Board**"), we wish to report that after making due enquiries during the period between 31 January 2024, being the date on which the last audited financial statements of Yinson Camellia have been made up, and the date hereof, being a date not earlier than 14 days prior to the date of the circular to the shareholders of ICON in relation to the Proposed Acquisitions, that:

(i) the business of Yinson Camellia, in the opinion of the Board, has been satisfactorily maintained;

(ii) in the opinion of the Board, no circumstances have arisen since the last audited financial statements of Yinson Camellia which have materially adversely affected the carrying value of the assets of Yinson Camellia;

(iii) the current assets of Yinson Camellia appear in the books at values which are believed to be realisable in the ordinary course of business;

(iv) there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by Yinson Camellia other than those incurred in the ordinary course of business;

(v) As at the date of this letter and based on the latest audited financial statements for the FYE 31 January 2024, Yinson Camellia has no bank borrowings; and

(vi) there have been no material changes to the published reserves or any unusual factors affecting the financial performance of Yinson Camellia since the last audited financial statements of Yinson Camellia.

YINSON

This letter is addressed solely to ICON Offshore Berhad for the purpose of inclusion in this Circular.

Yours faithfully,
For and on behalf of
Yinson Camellia Sdn Bhd

Liaw Thong Jung
Director

AUDITED FINANCIAL STATEMENTS OF YINSON POWER MARINE FOR THE FYE 31 DECEMBER 2023 TOGETHER WITH THE AUDITORS' REPORT THEREON

Registration No.: 200801032026 (833361-P)

YINSON POWER MARINE SDN. BHD.
(Incorporated in Malaysia)

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023
TOGETHER WITH DIRECTORS' AND AUDITORS' REPORT

These financial statements and reports of the Company with Unqualified Auditor's Report for the financial year ended on 31 December 2023 were circulated on

....
Lim Han Weng
Director

Registration No.: 200801032026 (833361-P)

YINSON POWER MARINE SDN. BHD.
(Incorporated in Malaysia)

CONTENTS

Registration No.: 200801032026 (833361-P)

YINSON POWER MARINE SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The directors hereby submit their report together with the audited financial statements of the Company for the financial year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Company are providing marine transport services and leasing tug boat and barge.

There have been no significant changes in the nature of the principal activities during the financial year.

RESULTS

	RM
Profit for the financial year	1,975,161

DIVIDENDS

No dividends have been paid or declared since the end of the previous financial year. The directors do not recommend that a dividend to be paid in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the year.

SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

Registration No.: 200801032026 (833361-P)

YINSON POWER MARINE SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

DIRECTORS

The directors of the Company in office at any time during the financial year and since the end of the financial year up to the date of this report are:

Lim Han Weng
Bah Kim Lian
Lim Chern Yuan

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings under section 59 of the Companies Act 2016, the interests of directors in office at the end of the financial year, who are also directors of the holding company, Liannex Asia Pacific Sdn. Bhd. ("LAPSB"), and ultimate holding company, Liannex Corporation (S) Pte. Ltd. ("LCPL") in shares in the Company and its related corporations during the financial year, are disclosed in the Directors' Report of LAPSB and LCPL respectively.

DIRECTORS' REMUNERATIONS

None of the directors of the Company have received any remunerations from the Company during the financial year.

None of the directors or past directors of the Company have received any other benefits otherwise than in cash from the Company during the financial year.

No payment has been paid to or receivable by any third party in respect of the services provided to the Company by the directors or past directors of the Company during the financial year.

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given to or insurance effected for, during or since the end of the financial year, any person who is or has been the director, officer or auditor of the Company.

YINSON POWER MARINE SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

OTHER STATUTORY INFORMATION

Before the financial statements of the Company were prepared, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that no provision for doubtful debts was necessary; and

(b) to ensure that any current assets which were unlikely to be realised at their book values in the ordinary course of business have been written down to their estimated realisable values.

As at the date of this report, the directors are not aware of any circumstances:

(a) which would necessitate the writing off of bad debts or the provision for doubtful debts; or

(b) which would render the values attributed to current assets in the financial statements of the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Company misleading.

As at the date of this report, there does not exist:

(a) any charge on the assets of the Company which has arisen since the end of the financial year and secures the liability of any other person; or

(b) any contingent liability of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

In the opinion of the directors:

(a) the results of the operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

(b) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Company for the financial year in which this report is made.

Registration No.: 200801032026 (833361-P)

YINSON POWER MARINE SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

HOLDING AND ULTIMATE HOLDING COMPANIES

The Company is a subsidiary of Liannex Asia Pacific Sdn. Bhd., a company incorporated in Malaysia. The directors regard Liannex Corporation (S) Pte. Ltd., a company incorporated in the Republic of Singapore, as the ultimate holding company.

AUDITORS' REMUNERATIONS

Total amounts paid to or receivable by the auditors as remunerations for their services as auditors are as follows:

	2023 RM
Statutory audit	6,000

AUDITORS

The auditors, B P Associates, have indicated their willingness to be re-appointed.

Approved by the Board and signed on behalf of the Directors

LIM HAN WENG
Director

BAH KIM LIAN
Director

Date: 26 APR 2024

Registration No.: 200801032026 (833361-P)

YINSON POWER MARINE SDN. BHD.
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
Pursuant to Section 251 (2) of the Companies Act 2016

The directors of YINSON POWER MARINE SDN. BHD. state that, in the opinion of the directors, the financial statements set out on pages 9 to 36 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31 December 2023 and financial performance of the Company for the financial year ended 31 December 2023.

Approved by the Board and signed on behalf of the Directors

LIM HAN WENG **Director**	BAH KIM LIAN **Director**

Date: 2 6 APR 2024

STATUTORY DECLARATION
Pursuant to Section 251 (1) (b) of the Companies Act 2016

I, LIM HAN WENG, the director primarily responsible for the financial management of YINSON POWER MARINE SDN. BHD., do solemnly and sincerely declare that the financial statements set out on pages 9 to 36 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed LIM HAN WENG)
at Johor Bahru in the State of Johor)
on 2 6 APR 2024)

LIM HAN WENG

Before me,

COMMISSIONER FOR OATHS

PESURUHJAYA SUMPAH
J 357
PENGERAN HIDAYATULLAH
(MD ALI)
01.1.2022 - 31.12.2024
MALAYSIA

Lot K1 & K2, Podium 1,
Menara Ansar,
No.65, Jalan Trus,
80000 Johor Bahru, Johor

Registration No.: 200801032026 (833361-P)

B P ASSOCIATES
[AF 1494]
CHARTERED ACCOUNTANTS
Suite 11.2A, Level 11, Menara Pelangi,
No 2, Jalan Kuning, Taman Pelangi,
80400 Johor Bahru,
Johor Darul Takzim, Malaysia.

Tel : 607-333 8800
Fax : 607-334 6151

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YINSON POWER MARINE SDN. BHD.
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of YINSON POWER MARINE SDN. BHD., which comprise the statement of financial position as at 31 December 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 9 to 36.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ('By-Laws') and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including International Independence Standards) ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Information Other than the Financial Statements and Auditors' Report Thereon (Cont'd)

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Registration No.: 200801032026 (833361-P)

B P ASSOCIATES

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

B P Associates
AF1494
Chartered Accountants

Teo Boon Huat
03686/09/2024 J
Chartered Accountant

Johor Bahru, Malaysia
Date: 2 6 APR 2024

Registration No.: 200801032026 (833361-P)

YINSON POWER MARINE SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	2023 RM	2022 RM
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	4	5,576,184	5,946,332
Intangible assets	5	2	156
		5,576,186	5,946,488
CURRENT ASSETS			
Trade receivable	6	196,084	-
Prepayments		157,637	164,677
Non-current asset held for sale	7	654,500	-
Tax recoverable		75,000	-
Cash at banks		241,036	33,714
		1,324,257	198,391
TOTAL ASSETS		6,900,443	6,144,879
EQUITY AND LIABILITY			
CAPITAL AND RESERVES			
Share capital	8	10,440,000	10,440,000
Redeemable convertible preference shares ("RCPS")	9	8,800,000	8,800,000
Accumulated losses		(13,226,158)	(15,201,319)
SHAREHOLDERS' EQUITY		6,013,842	4,038,681
NON-CURRENT LIABILITY			
Deferred tax liabilities	10	515,000	-
CURRENT LIABILITY			
Trade and other payables	11	371,601	2,106,198
TOTAL LIABILITY		886,601	2,106,198
TOTAL EQUITY AND LIABILITY		6,900,443	6,144,879

The accompanying notes form an integral part of the financial statements.

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YINSON POWER MARINE SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 RM	2022 RM
Revenue	12	7,078,753	6,862,955
Cost of sales		(3,665,589)	(5,975,578)
Gross profit		3,413,164	887,377
Other operating income		20,228	406,825
Administration expenses		(936,523)	(1,009,041)
Profit from operations		2,496,869	285,161
Finance cost		(6,708)	(4,977)
Profit before tax	13	2,490,161	280,184
Income tax expense	14	(515,000)	-
Profit for the financial year		1,975,161	280,184
Other comprehensive income, net of tax		-	-
Total comprehensive income for the financial year		1,975,161	280,184

The accompanying notes form an integral part of the financial statements.

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YINSON POWER MARINE SDN. BHD.
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STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Share capital RM	Redeemable convertible preference shares ("RCPS") RM	Accumulated losses RM	Total RM
As at 1 January 2022	10,440,000	8,800,000	(15,481,503)	3,758,497
Total comprehensive income for the financial year	-	-	280,184	280,184
As at 31 December 2022	10,440,000	8,800,000	(15,201,319)	4,038,681
Total comprehensive income for the financial year	-	-	1,975,161	1,975,161
As at 31 December 2023	10,440,000	8,800,000	(13,226,158)	6,013,842

The accompanying notes form an integral part of the financial statements.

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YINSON POWER MARINE SDN. BHD.
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	2023 RM	2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,490,161	280,184
Adjustments for:		
Amortisation of intangible assets	154	593
Depreciation of plant and equipment	2,345,121	3,281,307
Gain on disposal of plant and equipment	(20,228)	(346,825)
Loss on foreign exchange - unrealised	5,067	33,177
Operating profit before working capital changes	4,820,275	3,248,436
Receivables	(189,044)	2,989
Payables	(2,141,369)	(3,251,469)
Cash generated from/(used in) operations	2,489,862	(44)
Tax paid	(75,000)	-
Net cash generated from/(used in) operating activities	2,414,862	(44)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of plant and equipment	685,700	796,675
Purchase of plant and equipment	(2,893,240)	(830,579)
Net cash used in investing activities	(2,207,540)	(33,904)
Net increase/(decrease) in cash and cash equivalents	207,322	(33,948)
Cash and cash equivalents at beginning of the financial year	33,714	67,662
Cash and cash equivalents at end of the financial year	241,036	33,714

The accompanying notes form an integral part of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1 GENERAL INFORMATION

The Company is a private limited company incorporated and domiciled in Malaysia.

The principal place of business is located at No. 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor, Malaysia.

The registered office is located at 55-A, Jalan Perang, Taman Pelangi, 80400 Johor Bahru, Johor, Malaysia.

The principal activities of the Company are providing marine transport services and leasing of tug boat and barge. There have been no significant changes in the nature of the principal activities during the financial year.

The Company is a subsidiary of Liannex Asia Pacific Sdn. Bhd., a company incorporated in Malaysia. The directors regard Liannex Corporation (S) Pte. Ltd., a company incorporated in the Republic of Singapore, as the ultimate holding company.

The financial statements of the Company are presented in the functional currency, which is the currency of the primary economic environment in which the entity operates. The functional currency of the Company is Ringgit Malaysia ("RM").

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards ('MFRS'), International Financial Reporting Standards and the provisions of the Companies Act 2016.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

Management has used estimates and assumptions in measuring the reported amounts in assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts. The areas involving significant judgments and estimation uncertainties are disclosed in Note 3.

The principal accounting policies adopted are set out below:

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 STANDARDS ISSUED BUT NOT YET EFFECYIVE

The Company has not adopted the following new accounting pronouncements that have been issued as at date of authorisation of these financial statements but are not yet effective for the Company:-

Effective for financial period beginning on or after 1 January 2024

Amendments to MFRS 16	Leases – Lease Liability in a Sale and Leaseback*
Amendments to MFRS 101	Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current

Effective for financial period beginning on or after 1 January 2025

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

Effective date yet to be announced

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

*Not applicable to the Company

The Company will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Company upon their initial application.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 PLANT AND EQUIPMENT

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on a straight-line method so as to write off the cost or valuation of the assets over their estimated useful lives, as follows:

	Useful life (years)
Tug boat and barge	2 - 6
Computer hardware	5
Office equipment	5

Dry docking expenses, when incurred, will be deferred and amortised on a straight-line basis over the period to the next dry-docking date, which is 2 years.

Depreciation of an asset begins when it is ready for its intended use.

The residual values and the useful lives of assets, if significant, are reviewed at each reporting date.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.4 INTANGIBLE ASSETS

Expenditure incurred on research activities and internally generated goodwill is recognised in profit or loss as and when it is incurred.

An internally generated intangible asset is recognised only if the item is identifiable, and it is probable that the expected future economic benefits will flow to the entity, and the cost can be measured reliably.

Other intangible assets with finite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Other intangible assets are amortised on a straight-line method over their estimated useful lives, as follows:

	Useful life (years)
Computer software	5

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 IMPAIRMENT OF ASSETS

i) *Financial Assets*

The Company recognises an allowance for expected credit losses ('ECL') on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income, lease receivables, amounts due from customers under construction contracts, as well as on loan commitments and financial guarantee contracts. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables, amounts due from customers under construction contracts and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

ii) *Non-Financial Assets*

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amounts of the assets are estimated. Irrespective of whether there is any indication of impairment, the Company tests an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment annually.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 IMPAIRMENT OF ASSETS (CONT'D)

ii) *Non-Financial Assets (Cont'd)*

Recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or a cash-generating unit) is less than its carrying amount, an impairment loss is recognised to reduce the carrying amount to its recoverable amount. An impairment loss for a cash-generating unit is firstly allocated to reduce the carrying amount of goodwill allocated to the cash-generating unit, and then, to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

An impairment loss is recognised immediately in profit or loss.

An impairment loss recognised in prior periods for an asset, other than goodwill, is reversed if there has been a change in the estimate used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation if no impairment loss had been recognised, and is recognised immediately in profit or loss.

2.6 FOREIGN CURRENCY

Foreign Currency Transactions

Transactions in foreign currencies are initially translated at the exchange rate at the dates of the transactions.

At the reporting date, foreign currency monetary assets and liabilities are translated into Ringgit Malaysia at the exchange rate ruling at that date. Exchange differences arising on the settlement or translation of monetary items are recognised in profit or loss.

Non-monetary assets and liabilities measured at historical cost in a foreign currency are translated using exchange rates at the date of the transactions. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined.

2.7 CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hands and at banks.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 FINANCIAL INSTRUMENTS

i) Initial Recognition And Measurement

A financial asset or a financial liability is recognised in the statements of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

ii) Financial Instrument Categories And Subsequent Measurement

The Company categorises financial instruments as follows:

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.

Interest income, foreign exchange gains and losses and impairment are recognised in the profit or loss. Any gain or loss on derecognition is recognised in the profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2.5(i)) where the effective interest rate is applied to the amortised cost.

All financial assets are subject to impairment assessment (see Note 2.5(i)).

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 FINANCIAL INSTRUMENTS (CONT'D)

ii) Financial Instrument Categories And Subsequent Measurement (Cont'd)

Financial liabilities

Amortised cost

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

iii) Offsetting Of Financial Instruments

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

iv) Regular Way Purchase Or Sale Of Financial Assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the market place concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

(a) the recognition of an asset to be received and the liability to pay for it on the trade date; and

(b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

v) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risk and rewards of ownership of the financial assets are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 FINANCIAL INSTRUMENTS (CONT'D)

v) Derecognition (Cont'd)

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the profit or loss.

2.9 REVENUE

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

The revenue recognition policies for each of the Company's major activities are described below:

i) Rendering Of Services

Revenue is recognised in the accounting period in which the services are rendered and the customer receives and consumes the benefits provided by the Company, and the Company has a present right to payment for, the services.

ii) Interest Income

Interest income is recognised using the effective interest method, and accrued on a time basis.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 EMPLOYMENT BENEFITS

i) *Short-Term Employment Benefits*

Short-term employment benefits, such as wages, salaries and social security contributions, are recognised as an expense in the financial year in which the associated services are rendered by employees of the Company.

Short-term accumulating compensated absences, such as paid annual leave, are recognised when the employees render services that increase their entitlement to future compensated absences. Non-accumulating compensated absences, such as sick and medical leaves, are recognised when the absences occur.

ii) *Defined Contribution Plan*

Contributions to the statutory pension scheme are recognised as an expense in profit or loss in the financial year to which they relate.

2.11 INCOME TAX

Income tax comprises of current tax and deferred tax. Current tax and deferred tax are charged or credited to other comprehensive income or equity if the tax relates to items that are credited or charged directly to other comprehensive income or equity.

Current tax liabilities are measured based on the amounts expected to be paid, using the tax rates that have been enacted or substantially enacted by the reporting date.

Deferred tax is provided in full, using the liability method, on temporary differences which are the differences between the carrying amount in the financial statements and the corresponding tax base of an asset or liability at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Deferred tax liabilities and assets are not recognised if the temporary differences arise from goodwill and for initial recognition of assets or liabilities that affect neither accounting profit nor taxable profit. Deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amounts of its assets and liabilities and are measured using the tax rates that have been enacted or substantially enacted by the reporting date.

The carrying amount of the deferred tax assets are reviewed at each reporting date, and the carrying amount is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be utilised. The reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the financial year end.

2.13 NON-CURRENT ASSETS HELD FOR SALE

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 NON-CURRENT ASSETS HELD FOR SALE (CONT'D)

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn.

Plant and equipment are not depreciated once classified as held for sale.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

3.1 CRITICAL JUDGEMENTS IN APPLYING THE ACCOUNTING POLICIES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

There were no major judgements made by the management in the process of applying the Company's accounting policies that has the most significant effect on the amounts recognised in the financial statements other than those disclosed in Note 16.2 fair value of financial instruments that uses significant unobservable input in determination of the fair value.

3.1 KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, other than those disclosed in the Notes, are as follows:

Useful lives of plant and equipment

The cost of plant and equipment is depreciated on a straight-line basis over the assets' estimated economic useful lives. Management estimates the useful lives of these plant and equipment to be within 2 to 6 years. The carrying amount of the Company's plant and equipment at the reporting date is disclosed in Note 4.

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4 PLANT AND EQUIPMENT

	Tug boat and barges RM	Dry-docking RM	Computer hardware RM	Office equipment RM	Total RM
Cost					
At 1 January 2023	22,033,423	826,081	4,298	4,498	22,868,300
Additions	-	3,292,967	-	1,978	3,294,945
Disposal	(1,058,000)	-	-	-	(1,058,000)
Reclassified to non-current asset held for sale (Note 7)	(2,049,212)	-	-	-	(2,049,212)
At 31 December 2023	18,926,211	4,119,048	4,298	6,476	23,056,033
Accumulated depreciation					
At 1 January 2023	16,917,273	-	3,795	900	16,921,968
Charge for the year financial year	1,689,877	653,583	498	1,163	2,345,121
Disposal	(392,528)	-	-	-	(392,528)
Reclassified to non-current asset held for sale (Note 7)	(1,394,712)	-	-	-	(1,394,712)
At 31 December 2023	16,819,910	653,583	4,293	2,063	17,479,849
Net book value					
At 31 December 2023	2,106,301	3,465,465	5	4,413	5,576,184

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4 PLANT AND EQUIPMENT (CONT'D)

	Tug boat and barges RM	Dry-docking RM	Computer hardware RM	Office equipment RM	Total RM
Cost					
At 1 January 2022	22,575,423	-	4,298	-	22,579,721
Additions	-	826,081	-	4,498	830,579
Disposal	(542,000)	-	-	-	(542,000)
At 31 December 2022	22,033,423	826,081	4,298	4,498	22,868,300
Accumulated depreciation					
At 1 January 2022	13,730,914	-	1,897	-	13,732,811
Charge for the year financial year	3,278,509	-	1,898	900	3,281,307
Disposal	(92,150)	-	-	-	(92,150)
At 31 December 2022	16,917,273	-	3,795	900	16,921,968
Net book value					
At 31 December 2022	5,116,150	826,081	503	3,598	5,946,332

4 PLANT AND EQUIPMENT (CONT'D)

(a) The Company acquired its property, plant and equipment by way of:

	2023 RM	2022 RM
Cash	2,893,240	830,579
Payable	401,705	-
	3,294,945	830,579

(b) On 4 March 2024, the ultimate holding company has accepted an offer from a bank for new banking facilities with the requirements of pledging the tug boat and barges of the Company with the carrying amount of RM2,106,300.

5 INTANGIBLE ASSETS

	Computer software	
	2023 RM	2022 RM
Cost		
At beginning and end of the financial year	1,342	1,342
Accumulated Amortisation		
At beginning of the financial year	1,186	593
Amortisation for the year	154	593
At end of the financial year	1,340	1,186
Carrying Amounts		
At end of the financial year	2	156

6 TRADE RECEIVABLE

	2023 RM	2022 RM
Amount due from ultimate holding company	196,084	-

The amount due from ultimate holding company has credit term of 30 days.

7 NON-CURRENT ASSET HELD FOR SALE

	2023
Tug boat and barges	**RM**
Net carrying amount	
Reclassification from plant and equipment (Note 4)	654,500

During the financial year, the Company entered into an agreement for the sale of a barge and is expected to be completed subsequent to year end. Accordingly, the barge was classified as held for sale at the end of the financial year.

8 SHARE CAPITAL

	Number of shares		Amount	
	2023	2022	2023	2022
			RM	RM
Issued and fully paid ordinary shares				
At beginning and end of the financial year	10,440,000	10,440,000	10,440,000	10,440,000

Ordinary shares of the Company have no par value. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

9 REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS")

	Number of shares		Amount	
	2023	2022	2023	2022
	Units	Units	RM	RM
At beginning and end of the financial year	8,800,000	8,800,000	8,800,000	8,800,000

On 31 December 2019, the Company issued 8,800,000 Redeemable Convertible Preference Shares ("RCPS") at an issue price of RM1.00 each.

9 REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS") (CONT'D)

The main features of the RCPS are as follows:

(a) the RCPS shall be convertible to new ordinary shares at the option of the holder;

(b) the RCPS shall rank in priority to the ordinary shares with regard to the repayment or return of capital and participation in surplus assets and profits in the event of winding up;

(c) the RCPS shall not be entitled to any right of voting at any general meeting nor receipt of any notices of the general meetings;

(d) the RCPS can be redeemed at the option of the issuer at any time and redemption can be allowed in whole or part;

(e) any entitlement to dividend will be at the option of the issuer;

(f) the RCPS shall not be transferable.

10 DEFERRED TAX LIABILITIES

The following are the movements of deferred tax assets and liabilities (before offsetting):

	Unabsorbed capital allowances and tax losses	Total
	RM	RM
Deferred Tax Assets		
At 1 January 2023	-	-
From profit or loss	326,000	326,000
At 31 December 2023	326,000	326,000

	Accelerated capital allowances	Total
	RM	RM
Deferred Tax Liabilities		
At 1 January 2023	-	-
To profit or loss	841,000	841,000
At 31 December 2023	841,000	841,000

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10 DEFERRED TAX LIABILITIES (CONT'D)

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off current tax assets against current tax liabilities and deferred tax relate to income taxes levied by the same taxation authority on the same taxable entity. The amounts of deferred tax assets, after appropriate offsetting, are included in the statement of financial position, as follows:

	2023 RM	2022 RM
Deferred tax assets	326,000	-
Deferred tax liabilities	(841,000)	-
	(515,000)	-

11 TRADE AND OTHER PAYABLES

	2023 RM	2022 RM
Trade payable		
Third parties	84,656	91,581
Other payable		
Amount due to ultimate holding company	-	1,183,739
Amount due to directors' related company	115,198	113,270
Accruals	171,747	717,608
	286,945	2,014,617
	371,601	2,106,198

11.1 TRADE PAYABLES

The normal trade payables credit terms granted to the Company is 30 days (2022: 30 days).

Included in trade payables is an amount of RM80,906 (2022: RM89,381) denominated in US dollar.

11.2 OTHER PAYABLES

The amounts due to ultimate holding company and directors' related companies are unsecured, interest free and are repayable on demand.

Included in other payables is an amount of RMNil (2022: RM1,183,739) denominated in Singapore dollar.

12 REVENUE

	2023 RM	2022 RM
Chartering income	7,078,753	6,862,955

DISAGGREGATION OF REVENUE

	2023 RM	2022 RM
Timing of revenue		
At point in time	7,078,753	6,862,955

13 PROFIT BEFORE TAX

13.1 PROFIT BEFORE TAX IS ARRIVED AFTER CHARGING/(CREDITING):

	2023 RM	2022 RM
Auditor's remuneration	6,000	6,000
Amortisation of intangible assets	154	593
Depreciation of plant and equipment	2,345,121	3,281,307
Employees benefits expense (Note 13.2)	1,584,928	1,455,748
Loss on foreign exchange		
- realised	47,426	131,302
- unrealised	5,067	33,177
Rental expenses	1,200	1,200
Gain on disposal of plant and equipment	(20,228)	(346,825)

13.2 EMPLOYEES BENEFITS EXPENSES

	2023 RM	2022 RM
Salaries, allowances and bonuses	720,988	645,158
Crew wages and bonus	840,065	787,897
Employees provident fund	12,232	10,512
SOCSO contributions	1,902	1,645
Other employees benefits	9,741	10,536
	1,584,928	1,455,748

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14 INCOME TAX EXPENSE

	2023 RM	2022 RM
Income tax		
Current tax expenses	-	-
Deferred tax expenses		
Temporary differences (Note 10)	515,000	-
Total income tax expense	515,000	-

The income tax expense is reconciled to the accounting profit at the applicable tax rate as follows:

	2023 RM	2022 RM
Profit before tax	2,490,161	280,184
Tax at Malaysian statutory tax rate at 24% (2022: 24%)	597,639	67,244
Tax effects of:		
Non-deductible expenses	7,180	1,780
Non-taxable income	(13,686)	-
Utilisation of unrecognised deferred tax benefits	(76,133)	(69,024)
Total income tax expense	515,000	-

Subject to agreement with the Inland Revenue Board, the Company has unabsorbed capital allowances of approximately RMNil (2022: RM2,662,208) and unutilised tax losses of approximately RM1,356,486 (2022: RM2,785,402) for offsetting against future taxable profits of the Company.

With effect from Year of Assessment ("YA") 2019, the unutilised tax losses in a YA of the Company can only be carried forward for a maximum period of 10 consecutive YAs to be utilised against income from any business source.

15 RELATED PARTY TRANSACTIONS

Parties are considered to be related to the company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the company and the party are subject to common control or common significant influence. Related parties could be individuals or other entities.

The company has controlling related part relationship with its ultimate holding company and director's related company.

	2023 RM	2022 RM
Ultimate holding company		
Sales	(7,078,753)	(6,862,955)
Fellow subsidiaries		
Rental fee paid	1,200	1,200
Director's related company		
Management fee	108,000	62,540

16 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management is integral to the development of the Company's business. The Company has in place the financial risk management policies to manage its exposure to a variety of risks to an acceptable level. The Company's principal financial risk management policies are as follows:

16.1 CREDIT RISK

Cash and bank balances are placed with reputable financial institutions based on rating agencies' ratings. The Company placed funds in respect of other financial assets by reference to the investment evaluation procedures to ensure that the credit risk is kept at minimum level.

Therefore, credit risk arises mainly from the inability of its customers to make payments when due. Trade receivables presented in the statement of financial position are net of allowances for impairment losses, estimated by management based in prior experience and the current economic environment.

16 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

16.1 CREDIT RISK (CONT'D)

The carrying amounts of the financial assets recorded on the statement of financial position at the reporting date represent the Company's maximum exposure to credit risk in relation to financial assets. No financial assets carry a significant exposure to credit risk other than those disclosed in the notes.

The Company does not hold any collateral and thus, the credit exposure is continuously monitored by the directors.

16.2 LIQUIDITY RISK

The Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Company monitors its cash flows and ensures that sufficient funding is in place to meet the obligations as and when they fall due.

The following table analyses the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The weighted average effective interest rates of these non-derivative financial liabilities are disclosed in the respective notes.

	On demand or within 1 year RM
2023	
Trade and other payables	371,601
2022	
Trade and other payables	2,106,198

16.3 CURRENCY RISK

The Company ensures that the net exposure to foreign currency risk is kept to an acceptable level.

16 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

16.3 CURRENCY RISK (CONT'D)

Foreign currency risk sensitivity

A 10% strengthening of Ringgit Malaysia against the following foreign currencies at the reporting date would (decrease)/increase the profit/(loss) before tax by the amounts shown below. This analysis assumes that all other variables remain unchanged.

	USD RM	SGD RM	Total RM
2023			
Profit before tax	(8,091)	-	(8,091)
2022			
Profit before tax	(8,938)	(118,374)	(127,312)

A 10% weakening of Ringgit Malaysia against the above foreign currencies at the reporting date would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain unchanged.

17 FINANCIAL INSTRUMENTS

17.1 CLASSIFICATION OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are measured on an on-going basis either at fair value or at amortised cost. The principal accounting policies in Note 2.8 and describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statement of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

17 FINANCIAL INSTRUMENTS (CONT'D)

17.1 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	Financial assets measured at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2023			
Financial assets			
Cash at banks	241,036	-	241,036
Trade receivable	196,084	-	196,084
Total financial assets	437,120	-	437,120
Financial liabilities			
Trade and other payables	-	371,601	371,601
Total financial liabilities	-	371,601	371,601
2022			
Financial assets			
Cash at banks	33,714	-	33,714
Total financial assets	33,714	-	33,714
Financial liabilities			
Trade and other payables	-	2,106,198	2,106,198
Total financial liabilities	-	2,106,198	2,106,198

17.2 FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT AMORTISED COST AND COST

Cash and bank balances and trade and other payables

The carrying amounts approximate the fair values due to their short-term nature.

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18 CAPITAL MANAGEMENT

The primary objective of the management of the Company's capital structure is to optimise the balance between debts and equity to achieve a low cost of capital and maximise the return to stakeholder.

The capital structure of the Company consists of equity (comprising issued ordinary shares, issued redeemable convertible preference shares and accumulated losses). The Company monitors its capital using a gearing ratio, based on total debts divided by total equity.

During the financial year, no significant changes were made in the objectives, policies or processes for managing capital.

19 AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

The financial statements of the Company were authorised for issue by the Board of Directors on 26 APR 2024.

AUDITED FINANCIAL STATEMENTS OF YINSON CAMELLIA FOR THE FYE 31 JANUARY 2024 TOGETHER WITH THE AUDITORS' REPORT THEREON

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STATUTORY FINANCIAL STATEMENTS
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YINSON CAMELLIA SDN. BHD.
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DIRECTOR'S REPORT

The Director hereby submits this report together with the audited financial statements of the Company for the financial year ended 31 January 2024.

PRINCIPAL ACTIVITY

The principal activity of the Company is chartering of offshore support vessels. There have been no significant changes in the nature of this activity during the financial year.

FINANCIAL RESULTS

	RM
Net profit for the financial year	3,422,571

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The Director does not recommend the payment of any dividend for the financial year ended 31 January 2024.

ISSUE OF SHARES AND DEBENTURES

During the financial year:

(a) there were no changes in the issued and paid-up share capital of the Company; and

(b) there were no issues of debentures by the Company.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

DIRECTOR

The Director in office during the financial year and during the period from the end of the financial year to the date of the report is:

Liaw Thong Jung (appointed on 10 May 2024)
Lim Chern Wooi (resigned on 10 May 2024)

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DIRECTOR'S REPORT (CONTINUED)

DIRECTOR'S BENEFITS

Since the end of previous financial year, no Director has received or become entitled to receive a benefit by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company a party to any arrangements to whose object was to enable the Director to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTOR AND OFFICERS

The Director and officers of the Company are covered by a Directors' and officers' liability insurance maintained by the ultimate holding company, Yinson Holdings Berhad ("YHB"). The aforesaid insurance covers the Directors and officers of YHB and its subsidiaries as well as YHB's representatives in its joint ventures and/or associated companies up to an aggregate limit of RM1.4 billion against any legal liability incurred by the Directors and officers in the discharge of their duties while holding office. The premium of the Directors' and officers' liability insurance of YHB is RM2,002,083.02.

DIRECTOR'S INTERESTS IN SHARES AND SHARE OPTIONS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, none of the Director who held office at the end of the financial year held any shares or options over unissued shares or debentures in the Company or its related companies during the financial year except as follows:

Ordinary Shares	Number of ordinary shares			
Ultimate holding company - Yinson Holdings Berhad	1.2.2023	Acquired	Sold	31.1.2024
Direct interest Lim Chern Wooi	5,090,960	777,000	-	5,867,960

Share Options	Number of options over unissued ordinary shares			
Ultimate holding company - Yinson Holdings Berhad	1.2.2023	Granted	Exercised	31.1.2024
Direct interest Lim Chern Wooi	777,180	-	(777,180)	-

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DIRECTOR'S REPORT (CONTINUED)

DIRECTOR'S INTERESTS IN SHARES AND SHARE OPTIONS (CONTINUED)

Warrants	Number of options over unissued ordinary shares			
	1.2.2023	Granted	Exercised	31.1.2024
Ultimate holding company - Yinson Holdings Berhad	-	-	-	-
Direct interest Lim Chern Wooi	623,382	-	-	623,382

Restricted Share Units	Number of Restricted Shares Unit over unissued ordinary shares			
	1.2.2023	Awarded	Exercised	31.1.2024
Ultimate holding company - Yinson Holdings Berhad	-	-	-	-
Direct interest Lim Chern Wooi	-	246,728	-	246,728

DIRECTOR'S REMUNERATION

The Director did not receive any remuneration during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Company were prepared, the Director took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance is made for doubtful debts; and

(b) to ensure that any current assets, which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the Director is not aware of any circumstances:

(a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

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YINSON CAMELLIA SDN. BHD.
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DIRECTOR'S REPORT (CONTINUED)

OTHER STATUTORY INFORMATION (CONTINUED)

At the date of this report, there does not exist:

(a) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Director, will or may substantially affect the ability of the Company to meet its obligations when they fall due.

At the date of this report, the Director is not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Director:

(a) the results of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION

The auditors' remuneration for the current financial year is RM27,300 (2023: RM26,300).

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DIRECTOR'S REPORT (CONTINUED)

OTHER STATUTORY INFORMATION (CONTINUED)

HOLDING COMPANY

The Director regards Yinson Holdings Berhad, a company incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, as the ultimate holding company. The Company's immediate holding company, Yinson Offshore Services Sdn Bhd, is a company incorporated and domiciled in Malaysia.

AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

Signed in accordance with a resolution of the Director dated 21 June 2024.

LIAW THONG JUNG
DIRECTOR

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YINSON CAMELLIA SDN. BHD.
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STATEMENT BY DIRECTOR
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

I, Liaw Thong Jung, being the Director of Yinson Camellia Sdn. Bhd., do hereby state that, in the opinion of the Director, the financial statements set out on pages 7 to 42 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 January 2024 and financial performance and cash flows of the Company for the financial year ended 31 January 2024 in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed in accordance with a resolution of the Director dated 21 June 2024.

LIAW THONG JUNG
DIRECTOR

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, Guillaume Francois Jest, the officer primarily responsible for the financial management of Yinson Camellia Sdn. Bhd., do solemnly and sincerely declare that, the financial statements set out on pages 7 to 42 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Guillaume Francois Jest

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur on 21 June 2024.

Before me,

PESURUHJAYA SUMPAH
W.490
S.ARULSAMY
1.1.2024 - 31.07.2025
MALAYSIA

COMMISSIONER FOR OATHS

16 - Tingkat Bawah Jalan Pudu,
55100 Kuala Lumpur

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YINSON CAMELLIA SDN. BHD.
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STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024

	Note	2024 RM	2023 RM
Revenue	7	13,895,713	13,463,972
Cost of sales		(10,497,243)	(10,148,234)
Gross profit		3,398,470	3,315,738
Finance income		85,680	68,558
Other operating income		3,346,407	919,344
Administrative expenses		(62,472)	(228,144)
Finance costs	8	(1,310,149)	(1,883,140)
Profit before taxation	9	5,457,936	2,192,356
Income tax expense	11	(2,035,365)	158,714
Net profit for the financial year		3,422,571	2,351,070
Other comprehensive loss: Items that will be reclassified subsequently to profit or loss:			
- Foreign currency translation differences		(82,031)	(140,285)
Total comprehensive income for the financial year		3,340,540	2,210,785

The notes set out on pages 12 to 42 form an integral part of these financial statements.

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STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024

	Note	2024 RM	2023 RM
NON-CURRENT ASSET			
Plant and equipment	12	25,443,437	26,220,775
CURRENT ASSETS			
Trade and other receivables	13	2,358,293	3,188,586
Prepayments		7,550	4,254
Tax recoverable		2,679,053	2,199,932
Cash and bank balances	14	415,857	818,277
		5,460,753	6,211,049
TOTAL ASSETS		30,904,190	32,431,824
CAPITAL AND RESERVES			
Share capital	15	1	1
Accumulated profit/(loss)		1,928,195	(1,494,376)
Foreign currency translation reserve		(210,079)	(128,048)
TOTAL EQUITY		1,718,117	(1,622,423)
NON-CURRENT LIABILITIES			
Deferred tax liability	19	4,432,666	2,433,950
Trade and other payables	16	11,636,291	20,508,090
		16,068,957	22,942,040
CURRENT LIABILITY			
Trade and other payables	16	13,117,116	11,112,207
TOTAL LIABILITIES		29,186,073	34,054,247
NET CURRENT LIABILITIES		(7,656,363)	(4,901,158)
TOTAL EQUITY AND LIABILITIES		30,904,190	32,431,824

The notes set out on pages 12 to 42 form an integral part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024

	Share capital RM	Foreign Currency translation reserve RM	Accumulated profit/(loss) RM	Total RM
At 1 February 2023	1	(128,048)	(1,494,376)	(1,622,423)
Total comprehensive income for the financial year	-	(82,031)	3,422,571	3,340,540
At 31 January 2024	1	(210,079)	1,928,195	1,718,117
At 1 February 2022	1	12,237	(3,845,446)	(3,833,208)
Total comprehensive income for the financial year	-	(140,285)	2,351,070	2,210,785
At 31 January 2023	1	(128,048)	(1,494,376)	(1,622,423)

The notes set out on pages 12 to 42 form an integral part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024

	Note	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		5,457,936	2,192,356
Adjustments for:			
Depreciation of plant and equipment	9	3,647,415	3,502,329
Unrealised foreign exchange gain		(2,360,251)	(60,461)
Interest expenses	8	1,310,149	1,883,140
Interest income		(85,680)	(68,558)
Operating cash flows before changes in working capital		7,969,569	7,448,806
Receivables		830,293	(504,042)
Payables		9,844,378	7,418,003
Prepayment		(3,523)	7,127
Cash generated from operations		18,640,717	14,369,894
Tax paid		(499,647)	(779,984)
Interest paid		(9,407)	(1,257)
Interest received		85,680	68,558
Net cash flows generated from operating activities		18,217,343	13,657,211
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments to a holding company		-	(1,032,320)
Repayments to a fellow subsidiary		(15,667,024)	(19,084,931)
Net cash flows used in financing activities		(15,667,024)	(20,117,251)

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STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024 (CONTINUED)

	Note	2024 RM	2023 RM
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,550,319	(6,460,040)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		818,277	7,783,638
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		(2,952,739)	(505,321)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	14	415,857	818,277

The notes set out on pages 12 to 42 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024

1 GENERAL INFORMATION

Yinson Camellia Sdn. Bhd. ("the Company") is a private limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business of the Company is located at Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur, Wilayah Persekutuan.

The principal activity of the Company is chartering of offshore support vessels. There were no changes in the nature of activity during the financial year.

The Director regards Yinson Holdings Berhad, a company incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, as the ultimate holding company. The Company's immediate holding company, Yinson Offshore Services Sdn Bhd, is a company incorporated and domiciled in Malaysia.

The functional currency of the Company is United States Dollar ("USD"). For statutory reporting purposes in Malaysia, the financial statements of the Company have been presented in Ringgit Malaysia ("RM").

2 MATERIAL ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention unless otherwise indicated in the summary of material accounting policies.

The preparation of financial statements in conformity with the MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Director to exercise judgement in the process of applying the Company's accounting policies. Although these estimates and judgement are based on the Director's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement of complexity, or areas where assumptions are estimates are significant to the financial statements are disclosed in Note 6 to the financial statements.

During the financial year, the Company recorded a net profit RM3,422,571 (2023: net profit RM2,351,070). As at reporting date, the Company recorded an excess in shareholder's fund amounting to RM1,718,117 (2023: shareholder's deficit RM1,622,423) and its current liabilities exceeded current assets by RM7,656,363 (2023: net current assets RM4,901,158). As disclosed in Note 24, Yinson Holdings Berhad, the ultimate holding company, has given continued financial support to the Company to enable it to meet its obligations as and when they fall due. Based on the continued financial support and the Company's intention to continue operations for the foreseeable future, the financial statements have been prepared on a going concern basis.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

(a) expected to be realised or intended to be sold or consumed in its normal operating cycle;
(b) held primarily for the purpose of trading;
(c) expected to be realised within twelve months after the reporting period; or
(d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

(a) it is expected to be settled in its normal operating cycle;
(b) it is held primarily for the purpose of trading;
(c) it is due to be settled within twelve months after the reporting period; or
(d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3 Foreign currencies

(a) Functional and presentation currency

The financial statements of the Company are measured using the United States Dollar ("USD"), the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM").

(b) Transactions and balances

Transactions in foreign currencies are translated into the functional currency at the rate of exchange ruling at the dates of the transactions.

Monetary items denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period.

Non-monetary items which are measured in terms of historical costs denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

Foreign exchange gains and losses arising on the settlement of monetary items and the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss for the financial year.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any corresponding exchange gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised directly in profit or loss, any corresponding exchange gain or loss is recognised directly in profit or loss.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Revenue recognition

(a) Revenue from contracts with customers

Revenue is recognised when a customer obtains control of goods or services, i.e. when the customer has the ability to direct the use of and obtain the benefits from the goods or services.

A five-step process is applied before revenue can be recognised:

Step 1: Identify contracts with customers;

Step 2: Identify the separate performance obligations;

Step 3: Determine the transaction price of the contract;

Step 4: Allocate the transaction price to each of the separate performance obligations; and

Step 5: Recognise the revenue as each performance obligation is satisfied.

The specific recognition criteria described below must also be met before revenue is recognised.

(i) Management and offshore maintenance services

The Company provides separate services to vessel charterer including vessel management, repair and maintenance, crewing and operators, provisions, insurance, logistic support during the on-hire period. Revenue from maintenance support and rendering of services are identified as single performance obligation as the contracts comprise multiple deliverables that include a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. Revenue is recognised upon provision of services to the customer.

The Company recognises revenue from management and offshore maintenance support services over time, using an input method, measuring the inputs put in relative to the total expected inputs needed to transfer the promised services to the customer. Revenue is recognised on a straight-line basis as the inputs are expended evenly throughout the period.

(b) Revenue from other source

The Company recognises revenue from other source as follows:

(i) Vessel chartering

Revenue from vessel chartering contracts classified as operating leases are recognised on a straight-line basis over the lease period for which the customer has contractual right over the vessel.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current financial year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in Malaysia.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
ii. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the financial year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income ("OCI") or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.6 Plant and equipment

Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

When significant parts of plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of the replaced part is deregconised. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Vessel	12 years
Vessel equipment	10 years

An item of plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

At the end of the reporting period, the Company assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See Note 2.9 for accounting policy on impairment of non-financial assets.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.7 Leases

Accounting by lessor

As a lessor, the Company determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Operating lease

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on a straight-line basis on the same basis as rental income. Contingent rents are recognised as revenue in the financial year in which they are earned.

Separating lease and non-lease components

If an arrangement contains lease and non-lease components, the Company allocates the consideration in the contract to the lease and non-lease components based on the stand-alone selling prices in accordance with the principles in MFRS 15.

2.8 Financial instruments

(i) Financial assets

(a) Classification, initial recognition and measurement

The Company classifies its financial assets in the following measurement category:

- Financial assets measured at amortised cost;

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ("SPPI").

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Financial instruments (continued)

(i) Financial assets (continued)

(b) Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

- Financial assets at amortised cost

  Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost using the effective interest rate ("EIR") method. Any gains and losses are recognised in profit or loss when the debt instruments are derecognised or impaired, and through the amortisation process.

(c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- the rights to receive cash flow from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Financial instruments (continued)

(ii) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company has two types of financial instruments that are subject to the ECL model:

- Trade and other receivables
- Cash and bank balances

While cash and bank balances are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

ECL represents a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Company expects to receive, over the remaining life of the financial instrument. For financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Company expects to receive from the holder, the debtor or any other party.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

(a) General 3-stage approach for other receivables

At each reporting date, the Company measures ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required.

Debt instruments at amortised cost other than trade receivables are using general 3-stage approach.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Financial instruments (continued)

(ii) Impairment of financial assets (continued)

(a) General 3-stage approach for other receivables (continued)

The following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the debtor
- significant increases in credit risk on other financial instruments of the same debtor
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the group and changes in the operating results of the debtor

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Note 21(a) sets out the measurement details of ECL.

(b) Simplified approach for trade receivables

The Company applies the MFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables.

The Company defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

1. Quantitative criteria

The Company defines a financial instrument as default, when the counterparty fails to make contractual payment within 90 days of when they fall due.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Financial instruments (continued)

(ii) Impairment of financial assets (continued)

(b) Simplified approach for trade receivables (continued)

2. <u>Qualitative criteria</u>

The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Company considers the following instances:

- the debtor is in breach of financial covenants
- concessions have been made by the lender relating to the debtor's financial difficulty
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

Note 21(a) sets out the measurement details of ECL.

(iii) Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

(b) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Financial instruments (continued)

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

2.9 Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment calculations are based on detailed budgets and forecast calculations, which are prepared separately for each CGU to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in profit or loss in expense categories consistent with the function of the impaired asset.

2.10 Cash and cash equivalents

Cash and bank balances in the statement of financial position comprise cash at banks and cash on hand with a maturity of three months or less, for purpose of short-term working capital rather than for investment or other purposes, that are convertible to known amounts of cash and is not subject to significant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and bank balances, as defined above.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Company. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.12 Payables

Payables represent liabilities for services provided to the Company prior to the end of financial year which are unpaid. Payables are classified as current liabilities unless payment is not due within 12 months after the reporting period. If not, they are presented as non-current liabilities.

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.13 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligations, and when a reliable estimate of the amount can be made. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the profit or loss net of any reimbursement.

2.14 Employee benefits

(a) Short term employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Defined contribution plans

The Company's contributions to defined contribution plans are charged to profit or loss in the period to which they relate. Once the contributions have been paid, the Company has no further financial obligations.

2.15 Share capital

Ordinary shares are classified as equity. Other shares are classified as equity or liability according to the economic substance of the particular instruments. Distribution to holders of a financial instrument classified as an equity instrument is charged directly to equity.