

THIS CIRCULAR TO SHAREHOLDERS OF YINSON HOLDINGS BERHAD IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular and report contained herein, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular and report contained herein.



YINSON HOLDINGS BERHAD

Registration No. 199301004410 (259147-A)

(Incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

CIRCULAR TO SHAREHOLDERS IN RELATION TO

PROPOSED ISSUANCE BY YINSON PRODUCTION OFFSHORE HOLDINGS LTD ("YPOHL"), AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF YINSON HOLDINGS BERHAD ("YHB" OR THE "COMPANY"), OF 1,000,000 REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS") AT AN AGGREGATE SUBSCRIPTION AMOUNT OF USD1.00 BILLION, AND 1,000,000 WARRANTS ON THE BASIS OF ONE (1) WARRANT FOR EVERY ONE (1) RCPS ISSUED. ADDITIONALLY, SUBJECT TO THE AGREEMENT OF YPOHL AND THE INVESTORS, YPOHL MAY UPSIZE THE ISSUANCE OF RCPS TO USD1.50 BILLION THROUGH THE ISSUANCE OF ADDITIONAL USD0.50 BILLION RCPS WHICH HAVE NO ENTITLEMENT TO WARRANTS ("PROPOSED YPOHL RCPS AND WARRANTS ISSUE")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Joint Principal Advisers



AmInvestment Bank

AmInvestment Bank Berhad

Registration No. 197501002220 (23742-V)

(A Participating Organisation of Bursa Malaysia Securities Berhad)



Investment Bank

Company Registration No. 197301002412

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The resolution in respect of the above will be tabled at the Company's Extraordinary General Meeting ("EGM") to be held at The Gardens Ballroom, Level 5, The Gardens Hotel & Residences, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia ("Main Venue") and virtually by way of electronic means via the Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com> ("Online Platform") on **Thursday, 27 March 2025 at 10.30 a.m.** or any adjournment thereof, for the purpose of considering the Proposed YPOHL RCPS And Warrants Issue. The notice of the EGM and the Form of Proxy for the EGM are enclosed in this Circular. This Circular together with the Administrative Details for the EGM are available on the Company's website at www.yinson.com.

The Form of Proxy must be completed and lodged at the office of the appointed Share Registrar for the EGM, Boardroom Share Registrars Sdn Bhd ("Boardroom") not less than forty-eight (48) hours before the time and date fixed for holding the EGM or at any adjournment thereof. The Form of Proxy may also be submitted to Boardroom electronically via BSIP at <https://investor.boardroomlimited.com> ("eProxy Lodgement"). Please refer to the Administrative Details for the EGM for the steps on the eProxy Lodgement. The lodging of the Form of Proxy will not preclude you from attending and voting at the EGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Tuesday, 25 March 2025 at 10.30 a.m.
Date and time of the EGM : Thursday, 27 March 2025 at 10.30 a.m.

This Circular is dated 12 March 2025

DEFINITIONS

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

AmInvestment Bank	:	AmInvestment Bank Berhad
Additional Subscription Shares	:	Additional subscription by the Investors and issuance by YPOHL of up to 500,000 RCPS pursuant to the Proposed YPOHL RCPS And Warrants Issue
Act	:	Companies Act 2016
ADGM	:	Abu Dhabi Global Market
ADIA	:	Abu Dhabi Investment Authority
BCI	:	British Columbia Investment Management Corporation
BCI GPF	:	EOS Investment Limited Partnership
BCI PE	:	IMCPE Arbutus INV Limited Partnership
Board	:	Board of Directors of the Company
Bursa Securities	:	Bursa Malaysia Securities Berhad
Circular	:	This circular to shareholders of the Company dated 12 March 2025 in relation to the Proposed YPOHL RCPS And Warrants Issue
Closing	:	Either First Tranche Closing, Second Tranche Closing, Third Tranche Closing, or Fourth Tranche Closing (as the case may be)
Company or YHB	:	Yinson Holdings Berhad
Conditions Precedent	:	The conditions precedent of the Subscription Agreement as set out in Section 3.1, Appendix I of this Circular
Director(s)	:	Director(s) of YHB and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon: (i) a director of YHB, its subsidiaries or holding company; or (ii) a chief executive of YHB, its subsidiaries or holding company
EBITDA	:	Earnings before interest, tax, depreciation and amortisation
EGM	:	Extraordinary general meeting
EPS	:	Earnings per Share
EV	:	Enterprise value
First Tranche Closing	:	On the date falling 15 business days after the date on which the last of the conditions precedent is satisfied or waived

DEFINITIONS *(Cont'd)*

Fourth Tranche Closing	: On the date falling 18 months from the First Tranche Closing, or such earlier date (which may not be earlier than the date of the First Tranche Closing) which YPOHL may specify by giving not less than 30 business days' notice in writing to each Investor
FPSO	: Floating production, storage and offloading
FSO	: Floating storage and offloading
FYE	: Financial year ended
GP	: Gross profit
Investors	: Collectively, Platinum, BCI PE, BCI GPF, RRJ 1 and RRJ 2
IPO	: Initial public offering of the IPO Entity
IPO Entity	: Either a Relevant Group Company or any other entity which owns all or substantially all of the assets of the YPOHL Group at that time, including any new holding company
Issue Price	: Issue price of USD1,000.00 (equivalent to RM4,427.50) per RCPS
Joint Principal Advisers	: Collectively, AmInvestment Bank and Maybank IB
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LPD	: 20 February 2025, being the latest practicable date prior to the printing of this Circular
Major Shareholder	: Any person who is or was within the preceding 6 months of the date on which the terms of the Proposed YPOHL RCPS And Warrants Issue were agreed upon, who has an interest or interests in one or more voting shares in YHB and the number or aggregate number of those shares, is: (i) 10% or more of the total number of voting shares in YHB; or (ii) 5% or more of the total number of voting shares in YHB where such person is the largest shareholder of YHB. For the purpose of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Act
Maybank IB	: Maybank Investment Bank Berhad
NA	: Net assets
New BCI LP	: A new British Columbia, Canada limited partnership to be formed by BCI
PAT	: Profit after taxation
PATAMI	: Profit after tax and minority interest

DEFINITIONS *(Cont'd)*

PBT	: Profit before taxation
PB	: Perpetual bonds
Platinum	: Platinum Lily B 2024 RSC Limited
Post-Subscription Value of YPOPL	: Enlarged equity value of YPOPL post-subscription of the RCPS
Pre-Subscription Value of YPOPL	: Equity value of YPOPL ascribed by the Investors pre-subscription of the RCPS
Pro Forma Consolidated Statement of Financial Position of YHB as at 31 January 2024	: Pro forma consolidated statement of financial position of YHB as at 31 January 2024 together with the Reporting Accountants' letter as set out in Appendix X of this Circular
Proposed YPOHL RCPS And Warrants Issue	: Proposed issuance by YPOHL, an indirect wholly-owned subsidiary of YHB, of 1,000,000 RCPS at an aggregate subscription amount of USD1.00 billion, and 1,000,000 Warrants on the basis of 1 Warrant for every 1 RCPS issued. Additionally, subject to the agreement of YPOHL and the Investors, YPOHL may upsize the issuance of RCPS to USD1.50 billion through the issuance of additional USD0.50 billion RCPS which have no entitlement to Warrants
RCPS	: Redeemable convertible preference shares
Relevant Group Company	: Each of YPOHL, YPOIL, YPOPL or YPF SPL
Reporting Accountants or PwC	: PricewaterhouseCoopers PLT
RRJ 1	: Galant Asset Holding Ltd
RRJ 2	: Hampton Asset Holding Ltd
Second Tranche Closing	: On the date falling 6 months from the First Tranche Closing, or such earlier date (which may not be earlier than the date of the First Tranche Closing) which YPOHL may specify by giving not less than 30 business days' notice in writing to each Investor
Shareholders Agreement	: Shareholders agreement between YPOHL, YGCS and the Investors to govern the relationship of the parties on the undertaking of the business of the YPOHL Group dated 14 January 2025
SPV	: Special purpose vehicle
Subscription Agreement	: Conditional subscription agreement between YPOHL and the Investors for the Proposed YPOHL RCPS And Warrants Issue dated 14 January 2025
Subscription Price	: Subscription price of up to USD1.50 billion (equivalent to RM6.64 billion) to be wholly satisfied in cash for the subscription of up to 1,500,000 new RCPS at the Issue Price

DEFINITIONS *(Cont'd)*

Subscription Shares	:	Subscription by the Investors and issuance by YPOHL of 1,000,000 RCPS pursuant to the Proposed YPOHL RCPS And Warrants Issue
Target Exit Date	:	The date falling on the 5 th anniversary of the First Tranche Closing
Third Tranche Closing	:	On the date falling 12 months from the First Tranche Closing, or such earlier date (which may not be earlier than the date of the First Tranche Closing) which YPOHL may specify by giving not less than 30 business days' notice in writing to each Investor
Warrants	:	1,000,000 new warrants to be issued by YPOHL in tranches pursuant to the Proposed YPOHL RCPS And Warrants Issue for an aggregate consideration of USD1.00 (equivalent to RM4.43) to each Investor for each tranche
YGCS	:	Yinson Global Corporation (S) Pte Ltd, a wholly-owned subsidiary of YHB, established and existing under the laws of Singapore
YHB Group or Group	:	Collectively, YHB and its subsidiaries
YHB Shares or Shares	:	Ordinary shares in YHB
YHB Shareholders or Shareholders	:	Holders of YHB Shares
YPF SPL	:	Yinson Production Financial Services Pte Ltd, an indirect wholly-owned subsidiary of YHB held via YPOPL, established and existing under the laws of Singapore
YPOHL	:	Yinson Production Offshore Holdings Ltd, an indirect wholly-owned subsidiary of YHB held via YGCS, established and existing under the laws of the United Kingdom
YPOHL Board	:	Board of Directors of YPOHL
YPOHL Group	:	Collectively, YPOHL and its group of companies
YPOHL Shares	:	Ordinary shares in YPOHL
YPOIL	:	Yinson Production Offshore Investments Ltd, an indirect wholly-owned subsidiary of YHB held via YGCS, established and existing under the laws of the United Kingdom
YPOPL	:	Yinson Production Offshore Pte Ltd, an indirect wholly-owned subsidiary of YHB held via YGCS, established and existing under the laws of Singapore
YPOPL Group	:	Collectively, YPOPL and its group of companies

Currencies

USD	:	United States Dollars, the lawful currency of the United States of America
RM and sen	:	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia

DEFINITIONS *(Cont'd)*

References to “we”, “us”, “our” and “ourselves” in this Circular are to the Company, and where the context otherwise requires, the subsidiaries. All references to “you” in this Circular are to the Shareholders.

Words denoting the singular, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment currently enforced and as may be amended from time to time and any re-enactment thereof.

All references to the date or time in this Circular are references to Malaysian time, unless otherwise stated.

Unless otherwise stated and wherever applicable, the exchange rate of USD1: RM4.4275, being the middle rate for USD to RM quoted by Bank Negara Malaysia at 12.00 p.m. as at 20 February 2025, being the LPD, are used throughout this Circular.

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

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

CONTENTS

	PAGE
EXECUTIVE SUMMARY	viii
LETTER TO THE SHAREHOLDERS IN RELATION TO THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE CONTAINING:	
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE	2
3. UTILISATION OF PROCEEDS	20
4. RATIONALE AND BENEFITS OF THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE	25
5. RISKS OF THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE	25
6. EFFECTS OF THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE	29
7. APPROVALS REQUIRED	34
8. PERCENTAGE RATIO	35
9. APPLICATIONS TO RELEVANT AUTHORITIES	35
10. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION	36
11. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM	36
12. DIRECTORS' STATEMENT AND RECOMMENDATION	36
13. ESTIMATED TIMEFRAME FOR COMPLETION	36
14. EGM	37
15. FURTHER INFORMATION	37
APPENDICES	
I SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT	38
II SALIENT TERMS OF THE RCPS	48
III SALIENT TERMS OF THE WARRANTS	63
IV SALIENT TERMS OF THE SHAREHOLDERS AGREEMENT	67
V INFORMATION ON YPOHL	72
VI INFORMATION ON YPOPL	74
VII AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024	85

CONTENTS *(Cont'd)*

	PAGE
VIII INFORMATION ON YPF SPL	173
IX INFORMATION ON INVESTORS	176
X PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024	183
XI FURTHER INFORMATION	196
NOTICE OF EGM	ENCLOSED
FORM OF PROXY	ENCLOSED

EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposed YPOHL RCPS And Warrants Issue in this Circular. You are advised to read and carefully consider the contents of this Circular and the appendices contained herein in their entirety for further details and not to rely solely on this Executive Summary in forming a decision on the Proposed YPOHL RCPS And Warrants Issue before voting by way of poll at the forthcoming EGM.

Salient information	Summary	Reference																																																				
Details	The Proposed YPOHL RCPS And Warrants Issue consists of 2 components, as follows: (i) Investment Entails the proposed issuance of 1,000,000 RCPS at an aggregate principal amount of USD1.00 billion (equivalent to RM4.43 billion) and the issuance of 1,000,000 Warrants. (ii) Additional investment Entails the further issuance of up to 500,000 RCPS at an aggregate principal amount of up to USD0.50 billion (equivalent to RM2.21 billion).	Section 2.1																																																				
Utilisation of proceeds	The Subscription Price is intended to be utilised by the Group in the following manner: <table><tr><th>Description</th><th>Estimated timeframe for utilisation</th><th>In USD'000</th><th>%</th></tr><tr><td colspan="4"><u>For YHB's offshore production business (YPOHL):</u></td></tr><tr><td>General corporate purposes of the YPOPL Group</td><td>Within 18 months</td><td>784,500</td><td>78.0</td></tr><tr><td>Estimated expenses relating to the Proposed YPOHL RCPS And Warrants Issue</td><td>Within 12 months</td><td>15,500</td><td>2.0</td></tr><tr><td></td><td></td><td>800,000</td><td>80.0</td></tr><tr><td colspan="4"><u>For YHB and its other businesses:</u></td></tr><tr><td>Expansion of renewable energy business</td><td>Within 18 months</td><td>60,000</td><td>6.0</td></tr><tr><td>Expansion of green technology business</td><td>Within 18 months</td><td>20,000</td><td>2.0</td></tr><tr><td>Repayment of bank borrowings</td><td>Within 18 months</td><td>20,000</td><td>2.0</td></tr><tr><td>Working capital for the Group</td><td>Within 18 months</td><td>70,000</td><td>7.0</td></tr><tr><td>Distribution to shareholders of YHB through share buy-back and/or dividends</td><td>Within 18 months</td><td>30,000</td><td>3.0</td></tr><tr><td></td><td></td><td>200,000</td><td>20.0</td></tr><tr><td>Total</td><td></td><td>1,000,000</td><td>100.0</td></tr></table>	Description	Estimated timeframe for utilisation	In USD'000	%	<u>For YHB's offshore production business (YPOHL):</u>				General corporate purposes of the YPOPL Group	Within 18 months	784,500	78.0	Estimated expenses relating to the Proposed YPOHL RCPS And Warrants Issue	Within 12 months	15,500	2.0			800,000	80.0	<u>For YHB and its other businesses:</u>				Expansion of renewable energy business	Within 18 months	60,000	6.0	Expansion of green technology business	Within 18 months	20,000	2.0	Repayment of bank borrowings	Within 18 months	20,000	2.0	Working capital for the Group	Within 18 months	70,000	7.0	Distribution to shareholders of YHB through share buy-back and/or dividends	Within 18 months	30,000	3.0			200,000	20.0	Total		1,000,000	100.0	Section 3
Description	Estimated timeframe for utilisation	In USD'000	%																																																			
<u>For YHB's offshore production business (YPOHL):</u>																																																						
General corporate purposes of the YPOPL Group	Within 18 months	784,500	78.0																																																			
Estimated expenses relating to the Proposed YPOHL RCPS And Warrants Issue	Within 12 months	15,500	2.0																																																			
		800,000	80.0																																																			
<u>For YHB and its other businesses:</u>																																																						
Expansion of renewable energy business	Within 18 months	60,000	6.0																																																			
Expansion of green technology business	Within 18 months	20,000	2.0																																																			
Repayment of bank borrowings	Within 18 months	20,000	2.0																																																			
Working capital for the Group	Within 18 months	70,000	7.0																																																			
Distribution to shareholders of YHB through share buy-back and/or dividends	Within 18 months	30,000	3.0																																																			
		200,000	20.0																																																			
Total		1,000,000	100.0																																																			

EXECUTIVE SUMMARY (Cont'd)

Salient information	Summary	Reference
	In the event the additional investment materialises, the Group intends to use the additional proceeds of up to USD500 million (equivalent to RM2.21 billion) for general corporate purposes of the YPOPL Group.	
Rationale and benefits	The Proposed YPOHL RCPS And Warrants Issue will enable the Group to raise funds for, amongst others, new FPSO projects and expansion of its renewable energy and green technology businesses. The Proposed YPOHL RCPS And Warrants Issue also allows YHB to maintain its equity interest in YPOHL without being immediately diluted, which would otherwise arise from the issuance of new YPOHL Shares. The exercise of the Warrants will strengthen the capital base and provide additional funds to the Group when exercised.	Section 4
Risks	The Proposed YPOHL RCPS And Warrants Issue is subject to, but not limited to, the following risks: (i) Completion risk The completion of the Proposed YPOHL RCPS And Warrants Issue is conditional upon the Conditions Precedent being fulfilled, obtained and/or waived. (ii) Contractual risk YPOHL has given representation, warranties, undertakings, covenants and indemnities via the Subscription Agreement in favour of the Investors. In this respect, YPOHL may be subject to claims in accordance with the terms and conditions of the Subscription Agreement. (iii) Dilution risk of YHB's equity interest in YPOHL The existing indirect shareholding of YHB in YPOPL will be diluted in the event the RCPS and Warrants are converted and exercised into new YPOHL Shares and the PATAMI contribution of YPOHL and YPOPL to the YHB Group will be reduced accordingly. (iv) Implementation risk to the IPO The proposed IPO is subject to, amongst others, the approval of YHB's shareholders, the approval of the relevant regulatory authorities being obtained as well as meeting the relevant regulatory authorities' rules, guidelines and requirements in connection with the proposed IPO. In addition, the occurrence of certain events may cause a delay or termination in the proposed IPO.	Section 5

EXECUTIVE SUMMARY (Cont'd)

Salient information	Summary	Reference
	(v) Risk relating to the issuance of PB The PB carry a higher interest rate and yield upon redemption which is payable to the PB holders. There is no assurance that YPOHL will be in a position to continue to service the higher financing costs payable in respect of the PB throughout their tenure or to redeem the PB with a higher yield payable upon redemption.	
Approvals required	The Proposed YPOHL RCPS And Warrants Issue is conditional upon the following being obtained: (i) The approval of the shareholders of YHB at the forthcoming EGM; (ii) The consent and approval from the security agent as well as regulatory commission and authority in connection with the restructuring exercise to be effected such that YPOPL will become a wholly-owned subsidiary of YPOHL; and (iii) The Conditions Precedent of the Subscription Agreement as set out in Appendix I of this Circular.	Section 7
Conditionality	The Proposed YPOHL RCPS And Warrants Issue is not conditional upon any other corporate proposal/scheme of the Company except for the internal restructuring exercise as detailed in Section 2.1 of this Circular.	Section 10
Interests of Directors, Major Shareholders and persons connected to them	None of the Directors, Major Shareholders and persons connected to them has any interest, whether direct or indirect, in the Proposed YPOHL RCPS And Warrants Issue.	Section 11
Directors' statement and recommendation	The Board, after having considered all aspects of the Proposed YPOHL RCPS And Warrants Issue and after careful deliberation, is of the opinion that the Proposed YPOHL RCPS And Warrants Issue is in the best interest of YHB. Accordingly, the Board recommends that you VOTE IN FAVOUR of the resolution pertaining to the Proposed YPOHL RCPS And Warrants Issue to be tabled at the forthcoming EGM.	Section 12



YINSON HOLDINGS BERHAD

Registration No. 199301004410 (259147-A)
(Incorporated in Malaysia under the Companies Act 1965
and deemed registered under the Companies Act 2016)

Registered Office

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

12 March 2025

Board of Directors

Lim Han Weng (*Group Executive Chairman / Non-Independent Executive Director*)
Lim Chern Yuan (*Group Chief Executive Officer / Non-Independent Executive Director*)
Dato' Mohamad Nasir Bin Ab Latif (*Independent Non-Executive Director*)
Bah Kim Lian (*Non-Independent Executive Director*)
Tan Sri Dato' (Dr) Wee Hoe Soon @ Gooi Hoe Soon (*Senior Independent Non-Executive Director*)
Datuk Abdullah Bin Karim (*Independent Non-Executive Director*)
Raja Datuk Zaharaton Binti Raja Zainal Abidin (*Independent Non-Executive Director*)
Fariza Binti Ali @ Taib (*Non-Independent Non-Executive Director*)
Sharifah Munira Bt. Syed Zaid Albar (*Independent Non-Executive Director*)
Gregory Lee (*Independent Non-Executive Director*)
Lim Poh Seong (*Independent Non-Executive Director*)

To: The Shareholders

Dear Sir/Madam,

PROPOSED YPOHL RCPS AND WARRANTS ISSUE

1 INTRODUCTION

On 14 January 2025, the Joint Principal Advisers had, on behalf of the Board announced that YPOHL, an indirect wholly-owned subsidiary of YHB, had, on 14 January 2025, entered into the Subscription Agreement (subject to the conditions stipulated in **Section 7** of this Circular) for the issuance to the Investors of the following:

- (i) 1,000,000 new RCPS at an aggregate subscription price of USD1.00 billion (equivalent to RM4.43 billion);
- (ii) 1,000,000 new Warrants for an aggregate consideration of USD1.00 (equivalent to RM4.43) to each Investor in each tranche; and
- (iii) subject to mutual agreement between YPOHL and the Investors, and subject to the Fourth Tranche Closing, up to a further 500,000 RCPS at an aggregate subscription price of USD0.50 billion (equivalent to RM2.21 billion).

In addition, YPOHL, YGCS (as the controlling shareholder) and the Investors have also on 14 January 2025, entered into the Shareholders Agreement to govern the relationship of the parties on the undertaking of the business of the YPOHL Group.

The interest held by YGCS in YPOHL will be diluted upon conversion of the RCPS and/or the exercise of the Warrants by the Investors, and therefore the Proposed YPOHL RCPS And Warrants Issue constitutes a deemed disposal which could be up to 42.4% (based on the assumptions as stated in **Section 2.3** of this Circular) of YHB's indirect equity interest in YPOHL pursuant to Paragraph 10.02(l) of the Listing Requirements.

The salient terms of the Subscription Agreement and Shareholders Agreement are set out in **Appendix I** and **Appendix IV** of this Circular, respectively.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE TO BE TABLED AT THE FORTHCOMING EGM.

2 DETAILS OF THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE

2.1 Background information on the Proposed YPOHL RCPS And Warrants Issue

YPOHL is the issuer of the RCPS and Warrants. YPOHL was incorporated on 13 November 2024 as an SPV to facilitate the Proposed YPOHL RCPS And Warrants Issue.

Prior to the issuance of the RCPS and Warrants, YHB will undertake an internal restructuring exercise which involves the transfer of YPOPL to YPOHL for the YPOHL Shares. The internal restructuring exercise involves the transfer of YPOPL's shares, originally held by YGCS, to YPOHL at a consideration of USD2.87 billion (equivalent to RM12.71 billion). The consideration was calculated based on the agreed equity valuation of YPOPL as part of the issuance of the RCPS i.e. the Pre-Subscription Value of YPOPL of USD2.67 billion (equivalent to RM11.82 billion), plus USD200.00 million (equivalent to RM885.50 million) of subscription funds distributable to the YHB Group as detailed in **Section 3** of this Circular. The entire consideration will be paid to YGCS in the form of a share swap, whereby YPOHL will issue 2,669,999 new YPOHL Shares based on a nominal value of USD1.00 (equivalent to RM4.43) each to YGCS, with the remaining values allocated to YPOHL's share premium account. The internal restructuring exercise is expected to complete as soon as practicable, after the last Conditions Precedent stipulated in the Subscription Agreement are satisfied.

The principal activity of the YPOPL Group is the core business of YHB where it is principally involved in the provision of processing, storing and offloading of crude oil and gas from subsea reservoirs through the design, construction, leasing and operation of production assets for the offshore oil and gas industry.

For Shareholders' information, the revenue and PAT contribution of the YPOPL Group to YHB for the FYE 31 January 2022, FYE 31 January 2023, FYE 31 January 2024 and the nine-month financial period ended ("9M-FPE") 31 October 2024 are as follows:

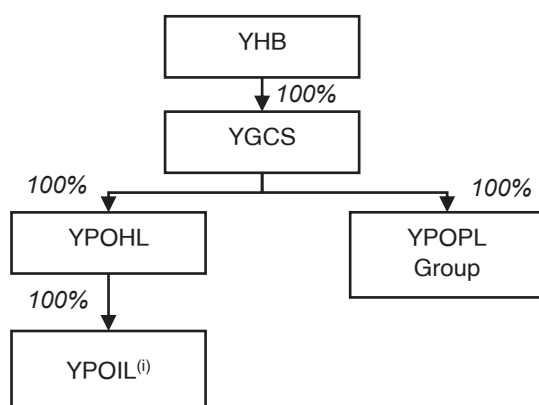
	Audited			Unaudited
	FYE 31 January 2022	FYE 31 January 2023	FYE 31 January 2024	9M-FPE 31 October 2024
	RM'million	RM'million	RM'million	RM'million
<u>YPOPL:</u>				
Revenue	3,492	6,188	11,499	6,015
PAT	674	913	1,457	822
<u>YHB Group:</u>				
Revenue	3,607	6,324	11,646	6,209
PAT	524	588	1,142	756
<u>YPOPL's Contribution:</u>				
Revenue (%)	96.8	97.8	98.7	96.9
PAT (%)	>100.0	>100.0	>100.0	>100.0

Further information on YPOPL is set out in **Appendix VI** of this Circular.

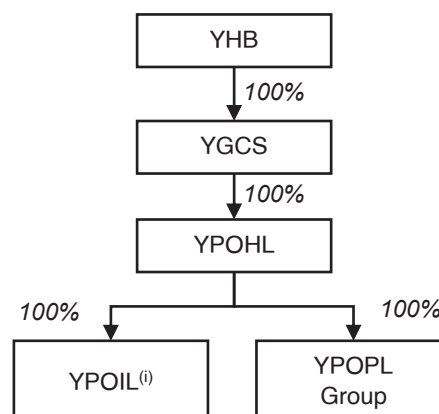
As at the date of this Circular, the abovementioned internal restructuring exercise has yet to be completed and the restructuring exercise is one of the Conditions Precedent of the Subscription Agreement.

The shareholding structure of the companies involved before and after the internal restructuring exercise but prior to the Proposed YPOHL RCPS And Warrants Issue are as follows:

Before the internal restructuring exercise



After the internal restructuring exercise



Note:

(i) YPOIL is a newly incorporated SPV with no material assets.

The Proposed YPOHL RCPS And Warrants Issue consists of 2 components, as follows:

(i) **Investment**

The investment entails the subscription by the Investors and the issuance by YPOHL of the Subscription Shares at the Issue Price amounting to an aggregate principal amount of USD1.00 billion (equivalent to RM4.43 billion) and issuance of 1,000,000 Warrants for an aggregate consideration of USD1.00 (equivalent to RM4.43) to each Investor in each tranche on the basis of one (1) Warrant for every one (1) RCPS issued subject to the closing condition for each tranche are met as detailed in **Section 3.1, Appendix I** of this Circular.

The 1,000,000 RCPS and 1,000,000 Warrants will be issued by YPOHL in 4 tranches in the following manner:

Tranche	Timing of issuance	No. of RCPS	No. of Warrants ⁽ⁱ⁾	Subscription consideration		
				In USD	Equivalent amount in RM	%
Tranche 1	First Tranche Closing	300,000	300,000	300,000,000	1,328,250,000	30.0
Tranche 2	Second Tranche Closing	200,000	200,000	200,000,000	885,500,000	20.0
Tranche 3	Third Tranche Closing	300,000	300,000	300,000,000	1,328,250,000	30.0
Tranche 4	Fourth Tranche Closing	200,000	200,000	200,000,000	885,500,000	20.0
Total		1,000,000	1,000,000	1,000,000,000	4,427,500,000	100.0

Note:

- (i) *Each Investor is required to pay a nominal consideration of USD1.00 (equivalent to RM4.43) prior to subscribing for their entitled number of Warrants under each tranche. Further information on the details of the subscription of Warrants is set out in **Section 2, Appendix I** of this Circular.*

If an Investor fails to fund in full its relevant subscription consideration and has failed to remedy such failure (“**Funding Shortfall**”), the non-defaulting Investor shall have the right, but not the obligation, by notice from such non-defaulting Investor to YPOHL, to subscribe for the portion of the Funding Shortfall that the non-defaulting Investor sets out in the notice as a “step-in Investor”. If there is one or more step-in Investors, the balance Subscription Shares and Warrants shall be allocated pro rata (proportionately) to their respective subscribed proportions (i.e. calculated based on the quantum of their respective subscription of RCPS), unless otherwise agreed between the step-in Investors (“**Relevant Proportions**”).

Further to this, in the event that any Funding Shortfall is not fully subscribed by the step-in Investors, YPOHL may at any time between the date of the Second Tranche Closing, Third Tranche Closing or Fourth Tranche Closing (as the case may be) and the date which is 9 months from the date of such Closing, issue some or all of the balance Subscription Shares and Warrants to such 3rd party persons as the YPOHL Board may determine, on terms which are no more favourable than the terms agreed with the Investors.

(ii) Additional investment

Subject to the Fourth Tranche Closing having occurred, YPOHL and the Investors may (but neither YPOHL nor the Investors shall be obliged to) agree to a further issuance by YPOHL of the Additional Subscription Shares at the Issue Price per RCPS to the Investors subject to the following conditions:

- (a) The additional investment shall not exceed USD500.00 million (equivalent to RM2.21 billion);
- (b) Each Investor shall have the right ("**Pro-Rata Additional Subscription Right**"), but not obligation, to subscribe for its Relevant Proportions of the Additional Subscription Shares and notify YPOHL of such number of Additional Subscription Shares ("**Excess Allocation**") for which it is prepared to subscribe in the event that each of the other Investor does not exercise its Pro-Rata Additional Subscription Right in full at the Issue Price per Additional Subscription Share;
- (c) Any Investor who subscribes for its full Pro-Rata Additional Subscription Right, shall have the right to subscribe for excess Additional Subscription Shares not subscribed by the other Investor(s) and the excess Additional Subscription Shares shall continue to be allocated on this basis until either of (i) all such Additional Subscription Shares are allocated; or (ii) all requests for Additional Subscription Shares have been satisfied (provided that in each case, no Investor shall be allocated more than its Excess Allocation); and
- (d) The subscription shall be undertaken on the same terms as the investment as set out in **Section 2.1(i)** of this Circular.

For the avoidance of doubt, there are no warrants to be issued pursuant to the Additional Subscription Shares subscribed for pursuant to the additional investment.

YPOHL shall have the right (but not obligation) to offer the Additional Subscription Shares which have been offered to the Investors but not subscribed by them to such 3rd party persons as the YPOHL Board may determine within 6 months from the Fourth Tranche Closing based on terms no more favourable than terms agreed with the Investors.

Pursuant to Paragraph 6.06 of the Listing Requirements, in the event that the balance Subscription Shares, Warrants and Additional Subscription Shares not subscribed by the Investors or 3rd party persons are issued to the Directors, Major Shareholders or chief executive of YHB ("**Interested Person**"), or a person connected with the Interested Person, YHB will seek prior approval from its Shareholders for the specific allotment made to such Interested Person and/or any person connected with him/her.

(The rest of this page has been intentionally left blank)

2.2 Summary of the conversion and redemption scenarios of the RCPS, subscription of PB and exercise of Warrants

Conversion of RCPS and subscription of PB

In the event of IPO	During the PB Exercise Period ⁽ⁱ⁾
In connection with an IPO - YPOHL to provide written notice informing the RCPS holders of the proposed IPO. RCPS holders can part convert their RCPS into YPOHL Shares and sell all or part of their converted YPOHL Shares in conjunction with the proposed IPO. After the IPO - RCPS holders can convert some or all of their RCPS into YPOHL Shares at any time following the IPO, provided that the aggregate amount of conversion is USD25.00 million (equivalent to RM110.69 million) or more (unless the remaining conversion amount is less than USD25.00 million (equivalent to RM110.69 million) which in this case such RCPS holder may convert all such remaining amounts).	- RCPS holders may give written notice (within 15 business days from Target Exit Date) to YPOHL to convert the RCPS into PB. - YPOHL to issue PB to RCPS holders who provided notice on their total outstanding principal amount of the RCPS equal to the aggregate issue price of the converted RCPS, on the basis of one (1) PB issued in respect of each one (1) RCPS. - Any RCPS not converted to PB shall remain as RCPS. For the avoidance of doubt after the Target Exit Date, YPOHL can still undertake the IPO and the Investors will have the conversion rights as stated in the "In the event of IPO".

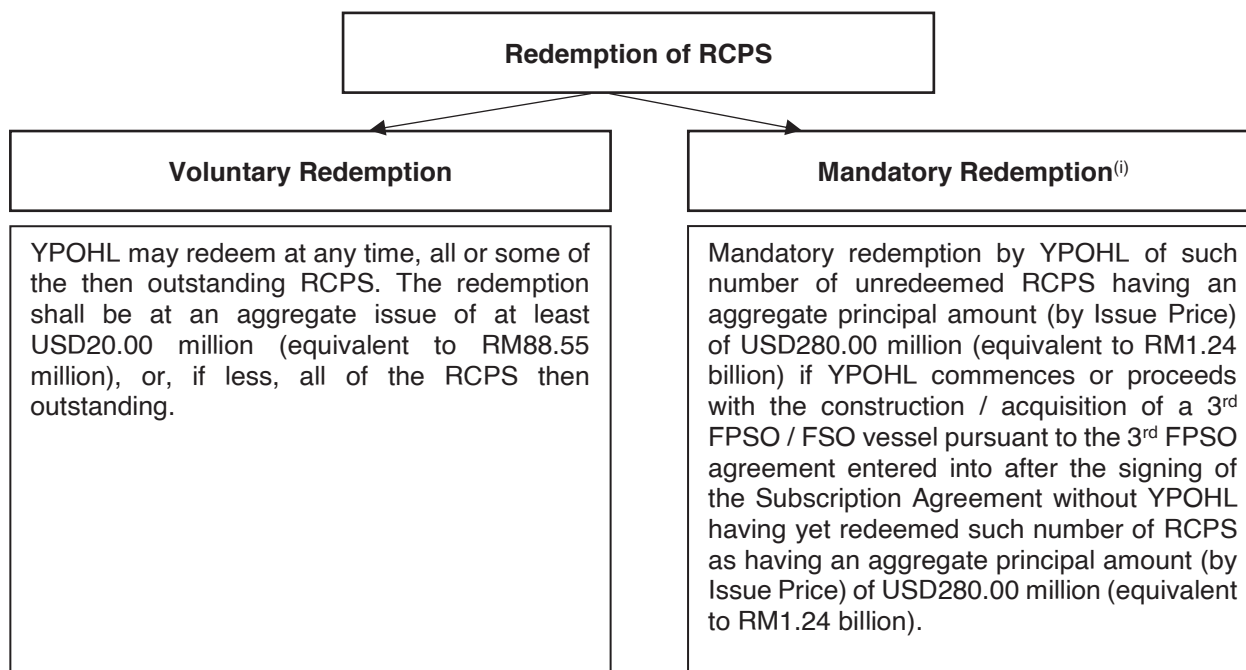
Note:

- (i) A period commencing on the Target Exit Date and ending on the date which is 15 business days following the Target Exit Date ("**PB Exercise Period**").

The consummation of the proposed IPO is targeted to commence within 3 to 5 years from the completion of the First Tranche Closing of the Proposed YPOHL RCPS And Warrants Issue. However, the consummation of the proposed IPO is dependent on factors such as, amongst others, prevailing market conditions, valuation of the IPO Entity and the YHB Group complying with the relevant regulatory requirements.

For clarification, the issuance of the PB pursuant to the conversion of the RCPS, if any, is a part of the terms for the Proposed YPOHL RCPS And Warrants Issue. Accordingly, on the basis that the Proposed YPOHL RCPS And Warrants Issue is tabled to the Shareholders for approval at the forthcoming EGM, no other Shareholders' approval is required for the issuance of the PB.

Redemption of RCPS



Note:

- (i) The mandatory redemption of the RCPS at an aggregate principal amount of USD280.00 million (equivalent to RM1.24 billion) was mutually agreed upon between the Investors and the YHB Group, taking into account the future projected cash flows of the YPOHL Group and the Investors' risk appetite. The YHB Group estimates that the equity contribution required for the construction/acquisition of a FPSO/FSO vessel is approximately USD400.00 million (equivalent to RM1.77 billion), and the minimum subscription price of USD1.00 billion (equivalent to RM4.43 billion) from the Investors would enable the YPOHL Group to undertake 2 new FPSO/FSO projects. At the request of the Investors, in the event the YPOHL Group has substantial excess cash flow to embark on the construction/acquisition of a 3rd FPSO/FSO vessel, the inclusion of the mandatory redemption clause is to partially recoup their investment prior to the YPOHL Group proceeding with the 3rd FPSO/FSO vessel.

For information, YPOHL can redeem the RCPS at any time except for the following periods:

- (i) From the date of a written notice given by YPOHL to the RCPS holders until the earlier of the consummation of the IPO or the notification by YPOHL to the RCPS holders that the proposed IPO will not be consummated; or
- (ii) From the Target Exit Date until the expiry of the PB Exercise Period, being the period commencing on the Target Exit Date and ending on the date falling 15 business days following the Target Exit Date; or
- (iii) If YPOHL has consummated an IPO, for a period of 15 business days from the date YPOHL provides the RCPS holders with a non-binding notice in writing of its intention to deliver a redemption notice; or

- (iv) In the event the RCPS holders have elected to convert the RCPS to either YPOHL Shares or PB, the terms of the PB to be issued by YPOHL to such RCPS holders will entail such key agreed terms as set out in “Subscription of PB” of **Appendix II** of this Circular. For clarity, such terms would have to be determined or modified based on market standard terms for comparable bonds listed on the London Stock Exchange or the Singapore Exchange (as applicable) depending on the eventual listing venue of the PB. Further, the RCPS shall rank *pari passu* with the PB in a winding-up or liquidation scenario except in the application of Distributable Excess Cash (as defined in the next page) in the event of an IPO, YPOHL shall use its reasonable endeavours to pay all unpaid and accrued interest or coupon in respect of the PB in priority to any other amounts payable in respect of the RCPS.

Exercise of Warrants

Warrants holders may exercise their subscription rights in respect of any of the Warrants as follows:

- (i) At any time during the Exercise Period as defined below:
- (a) If an IPO is consummated prior to the Target Exit Date, the period beginning on the consummation of the IPO and ending on the Target Exit Date; or
 - (b) If an IPO has not been consummated prior to the Target Exit Date, the period beginning on the consummation of the IPO and ending on the date falling 18 months after the Target Exit Date; and
- (ii) At any time prior to the consummation of an IPO, conditionally upon the consummation of:
- (a) A drag sale, being a situation where YGCS proposes to sell all of the securities held by YGCS and any of its permitted transferees (i.e. its affiliates) to a *bona fide* proposed purchaser other than the affiliates of YGCS, in which case YGCS is entitled to give written notice to each other shareholder and Warrants holder at any time before completing the proposed sale requiring each shareholder and/or Warrants holder to sell all (and not some) of its securities to the proposed purchaser of YGCS' shares (“**Drag Sale**”);
 - (b) A sale pursuant to a tag along offer, being a situation where YGCS proposes to dispose of such number of securities held by it that would result in YGCS and its permitted transferees ceasing to control YPOHL or results in YGCS transferring at least 5% of its securities, in which case YGCS may not complete such disposal unless the person to which YGCS proposes to sell its securities makes a separate offer to all RCPS holders and Warrants holder to buy all of the securities or such proportion of the securities as is equal to the aggregate proportion of the holding of securities of YGCS which is proposed to be disposed (“**Tag Along Offer**”); or
 - (c) Following the occurrence of (i) a consolidation, merger, scheme of arrangement or amalgamation of YPOPL with or into any other corporation, or sale transaction involving YPOPL in which the shareholders of YPOPL immediately prior to such consolidation, merger, reorganisation or sale transaction, cease to control YPOPL or (ii) a sale or disposition of all or substantially all of the assets of YPOHL or YPOPL, whether directly or indirectly (“**Deemed Liquidity Event**”).

In such situation where a Warrants holder choose not to exercise its subscription rights in respect of any of the Warrants as detailed above, the Warrants shall automatically lapse and be cancelled on the date following the last day of the Exercise Period and the Warrants holder shall not have any further rights under the Warrants.

Application of Distributable Excess Cash

Where (i) an IPO has been consummated and (ii) an IPO has not been consummated by the Target Exit Date, YPOHL shall use its reasonable endeavours to distribute all excess cash held by YPOHL which refers to cash held by YPOHL available to be distributed to the shareholders under applicable law, after deduction of cash required by the YPOHL Group in respect of operating expenses, capital expenditures, debt service and any other necessary financial obligations of the YPOHL Group falling due within the following 6 months, as determined by the YPOHL Board (acting reasonably and in good faith) ("**Distributable Excess Cash**").

Please refer to "IPO" of **Appendix II** of this Circular for the details on the distribution waterfall of the Distributable Excess Cash in the event an IPO has been consummated and in the event an IPO has not be consummated.

The salient terms of the RCPS and Warrants are set out in **Appendix II** and **Appendix III** of this Circular, respectively.

Any material developments related to or arising from the Proposed YPOHL RCPS And Warrants Issue will be made known via an immediate announcement on Bursa Securities. Furthermore, YHB will seek its Shareholders' approval for any material amendments, modifications or variations to the Proposed YPOHL And Warrants Issue pursuant to Paragraph 8.22(1)(b) of the Listing Requirements.

2.3 Dilution to YHB's indirect equity interest in YPOHL

Assuming full subscription of the investment and the additional investment as set out in **Sections 2.1(i)** and **2.1(ii)** of this Circular, respectively, a total of 1,500,000 RCPS together with 1,000,000 Warrants will be issued to the Investors.

For illustrative purposes, the following is assumed in order to illustrate the potential dilution effect of YGCS' direct shareholding in YPOHL, whereby the RCPS and Warrants are fully converted/exercised at issuance based on the scenarios where 1,000,000 RCPS are issued ("**USD1.0 billion RCPS Case**") and where 1,500,000 RCPS are issued ("**USD1.5 billion RCPS Case**"), respectively:

USD1.0 billion RCPS Case scenario

- (i) No redemption of any RCPS and full conversion and exercise of all 1,000,000 RCPS and 1,000,000 Warrants, respectively;
- (ii) The equity value from the exercise of the Warrants is 10% of the Post-Subscription Value of YPOPL (after exercise of the Warrants) of USD4,078 million (equivalent to RM18,054 million), assuming no redemption of any RCPS. Please refer to **Appendix III** of this Circular for details on the adjustment to "Warrants Subscription Rights" formula in the event of a redemption of no less than USD280 million (equivalent to RM1,240 million);
- (iii) The RCPS and Warrants are assumed to be issued, converted and exercised in full on the same day, together with the IPO of YPOHL. As a result, it is assumed that there will be no future dividend payouts by YPOHL to YGCS; and
- (iv) YPOHL's valuation at IPO is assumed to be USD3,670 million (equivalent to RM16,249 million), which represents the Post-Subscription Value of YPOPL (before exercise of Warrants).

USD1.5 billion RCPS Case scenario

- (i) No redemption of any RCPS and full conversion and exercise of all 1,500,000 RCPS and 1,000,000 Warrants, respectively;
- (ii) The equity value from the exercise of the Warrants is 10% of the Post-Subscription Value of YPOPL (after exercise of the Warrants) of USD4,633 million (equivalent to RM20,513 million) assuming no redemption of any RCPS. Please refer to **Appendix III** of this Circular for details on the adjustment to “Warrants Subscription Rights” formula in the event of a redemption of no less than USD280 million (equivalent to RM1,240 million);
- (iii) The RCPS and Warrants are assumed to be issued, converted and exercised in full on the same day, together with the IPO of YPOHL. As a result, it is assumed that there will be no future dividend payouts by YPOHL to YGCS; and
- (iv) YPOHL’s valuation at IPO is assumed to be USD4,170 million (equivalent to RM18,463 million), which represents the Post-Subscription Value of YPOPL (before exercise of Warrants).

The impact of the USD1.0 billion RCPS Case and USD1.5 billion RCPS Case scenarios on the shareholding structure of YPOHL are illustrated below:

	USD1.0 billion RCPS Case scenario		USD1.5 billion RCPS Case scenario	
	In USD'million	Equivalent amount in RM'million	In USD'million	Equivalent amount in RM'million
Pre-Subscription Value of YPOPL ⁽ⁱ⁾	2,670	11,821	2,670	11,821
Add : Proceeds from issuance of 1,000,000 RCPS	1,000	4,428	1,000	4,428
Add : Proceeds from issuance of additional 500,000 RCPS	-	-	500	2,213
Post-Subscription Value of YPOPL (before exercise of Warrants)	3,670	16,249	4,170	18,462
Add : Proceeds from exercise of Warrants ⁽ⁱⁱ⁾	408	1,805	463	2,051
Post-Subscription Value of YPOPL (after exercise of Warrants)	4,078	18,054	4,633	20,513

Number of new YPOHL Shares to be issued pursuant to:

(i) Conversion of the RCPS

Conversion ratio ⁽ⁱⁱⁱ⁾	1.00	1.00
Number of new YPOHL Shares to be issued upon conversion ^(iv)	1,000,000	1,500,000

	USD1.0 billion RCPS Case scenario		USD1.5 billion RCPS Case scenario	
(ii) <u>Exercise of the Warrants</u>				
Exercise ratio ^(v)	0.41		0.46	
Number of new YPOHL Shares to be issued upon exercise ^(vi)	407,778		463,333	
Proceeds from exercise of Warrants (USD'million/RM'million) ^(vii)	408	1,805	463	2,051
Eventual number of YPOHL Shares held by:				
YHB	2,670,000	65.5%	2,670,000	57.6%
RCPS holders	1,000,000	24.5%	1,500,000	32.4%
Warrants holders	407,778	10.0%	463,333	10.0%
Total number of YPOHL Shares	4,077,778	100.0%	4,633,333	100.0%
Dilution in YPOHL ^(viii)		34.5%		42.4%

Notes:

- (i) As at the LPD, the issued share capital of YPOHL is USD1.00 (equivalent to RM4.43) comprising 1 YPOHL Share. However, upon completion of the internal restructuring exercise, the issued share capital of YPOHL will be USD2,670,000,000 (equivalent to RM11,821,425,000) comprising 2,670,000 YPOHL Shares to reflect the Pre-Subscription Value of YPOPL.
- (ii) Represents 10.0% of the Post-Subscription Value of YPOPL (after exercise of the Warrants), the formula of which is shown in Note (vii).
- (iii) The RCPS conversion ratio is computed using the formula ("RCPS Conversion Ratio"):

$$\frac{A \times B}{D - (B \times C)}$$

where:

A = Outstanding YPOHL Shares (2,670,000 YPOHL Shares)

B = Issue Price (USD1,000 per RCPS)

C = Outstanding RCPS before conversion (1,000,000 or 1,500,000 RCPS)

D = Post-Subscription Value of YPOPL before exercise of Warrants (USD 3.67 billion or USD4.17 billion)

- (iv) The number of new YPOHL Shares to be issued upon conversion is computed using the formula:

Conversion ratio x Outstanding RCPS before conversion

- (v) The Warrants exercise ratio is computed using the formula:

$$\frac{A \times B}{D \times (1 - (B \times C))}$$

where:

A = Outstanding YPOHL Shares after conversion of RCPS but before exercise of the Warrants (3,670,000 or 4,170,000 YPOHL Shares)

B = Percentage of Warrants shareholding (10% of the enlarged YPOHL Shares after exercise of the Warrants)

C = Percentage of Warrants exercising (100% of the Warrants)

D = Number of Warrants issued (1,000,000 Warrants)

- (vi) The number of new YPOHL Shares to be issued upon exercise is computed using the formula ("**Warrants Subscription Rights**"):

Exercise ratio x Number of Warrants issued x Percentage of Warrants exercising

- (vii) The proceeds from exercise of Warrants is computed using the formula ("**Warrants Equity Proceeds**"):

Warrants aggregate strike price x B x C

Warrants aggregate strike price is computed using the formula ("**Warrants Aggregate Strike Price**"):

$$\text{Maximum of } \frac{\text{Post-Subscription Value of YPOPL before exercise of Warrants}}{(1 - (B \times C))} \text{ or USD3.20 billion}$$

where:

B = Percentage of Warrants shareholding (10% of the enlarged YPOHL Shares after exercise of the Warrants)

C = Percentage of Warrants exercising (100% of the Warrants)

The floor of USD3.20 billion (equivalent to RM14.17 billion) is determined after negotiations with the Investors, taking into account the Post-Subscription Value of YPOPL (before exercise of Warrants) ascribed by the Investors of USD3.67 billion (equivalent to RM16.25 billion), adjusted for future potential dividend payouts by YPOHL to YGCS over a period until the Target Exit Date i.e. a maximum permitted of USD125.00 million (equivalent to RM553.44 million) per annum from the 2nd financial year following the First Tranche Closing up to the Target Exit Date, totalling USD500.00 million (equivalent to RM2.21 billion). The Warrants are deemed to be in the money if the value is above USD3.20 billion (equivalent to RM14.17 billion).

- (viii) The dilution in YPOHL is computed using the formula:

$$\frac{\text{Number of YPOHL Shares held by RCPS holders + Warrants holders}}{\text{Total number of YPOHL Shares}} \times 100\%$$

Based on the above, YHB's indirect equity interest in YPOHL could be in the range of 57.6% - 65.5% pursuant to the Proposed YPOHL RCPS And Warrants Issue. The final shareholding may vary, and it could be lower, within or higher than the aforesaid range which is dependent on, amongst others, holders exercising their conversion rights, future dividend payouts by YPOHL to YGCS, any redemption of the RCPS by YPOHL and YPOHL's valuation at IPO. The impact of these factors on the dilution of YHB's indirect interest in YPOHL is summarised as follows:

Factors	Dilution of the YHB Group's shareholding in YPOHL
Number of RCPS converting	Higher number of converting RCPS will result in higher dilution whereas lower number of converting RCPS will result in lower dilution.
Future dividend payouts by YPOHL to YGCS	Higher future dividend payouts will result in higher dilution whereas lower future dividend payouts will result in lower dilution.

Factors	Dilution of the YHB Group's shareholding in YPOHL
Redemption of RCPS by YPOHL	Higher redemption of RCPS will result in lower dilution whereas lower redemption of RCPS will result in higher dilution.
YPOHL's valuation at IPO	In the event YPOHL's valuation at IPO is higher than USD4.97 billion (equivalent to RM22.00 billion), it will result in lower dilution. Nevertheless, this factor will not have an impact to the dilution in YPOHL if the valuation of YPOHL at IPO is less than USD4.97 billion (equivalent to RM22.00 billion).

Please refer to **Appendix II** of this Circular for details on "RCPS Conversion Ratio". At this juncture, based on best estimates and assumptions made, YHB anticipates that the highest level of YHB's diluted indirect equity interest in YPOHL could be 57.6%, as illustrated in the USD1.5 billion RCPS Case scenario.

In any event, the conversion of the RCPS shall not result in YHB ceasing to directly or indirectly control, or holding less than 51.1% (as commercially determined by the YHB Group after negotiations with the Investors and being above the statutory control limit) of the issued share capital of YPOHL (assuming all the Warrants held by the Warrants holders are exercised in full) ("**Control Threshold**"). If the conversion of the RCPS would result in YHB ceasing to hold the Control Threshold, the RCPS holders shall proportionally scale back the number of RCPS converting into YPOHL Shares, such that YHB shall continue to control or hold at least the Control Threshold following such conversion, in accordance with the terms and conditions of the Subscription Agreement. The Subscription Agreement stipulates that where any proposed conversion by the RCPS holders would result in YHB ceasing to hold the Control Threshold, the RCPS holders are obliged not to convert their RCPS such that YHB continues to hold the Control Threshold. YPOHL may also alternatively potentially elect to redeem all or some of the then outstanding RCPS to ensure that YHB continues to hold the Control Threshold.

The maximum conversion clause as stated above is designed to ensure that YHB will continue to retain control of its offshore production business, as it will retain at least 51.1% ownership in the YPOPL Group through its interest in YPOHL pursuant to the Proposed YPOHL RCPS And Warrants Issue. Nevertheless, for the avoidance of doubt, this does not account for any potential dilution due to issuance of new securities pursuant to the proposed IPO.

In addition to its offshore production business, YHB also engages in green technology and renewable energy businesses, which are undertaken by other Group subsidiaries (not within the YPOHL Group). The Proposed YPOHL RCPS And Warrants Issue does not have any impact on YHB's shareholdings/equity interests in these businesses.

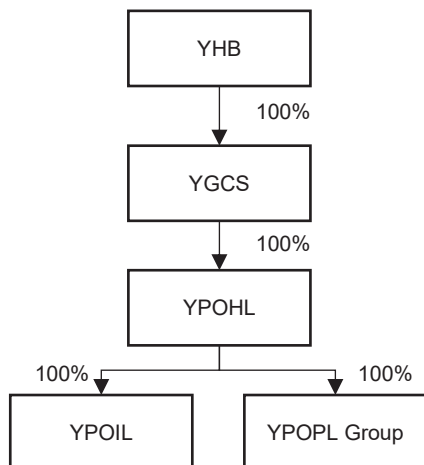
RCPS Converted to PB Case scenario

In the event that the RCPS holders convert their RCPS into PB during the PB Exercise Period, there will be no dilution to YHB's indirect shareholding in YPOHL, as the PB are not issued to the ordinary equity shareholders of YPOHL and are not convertible into YPOHL Shares.

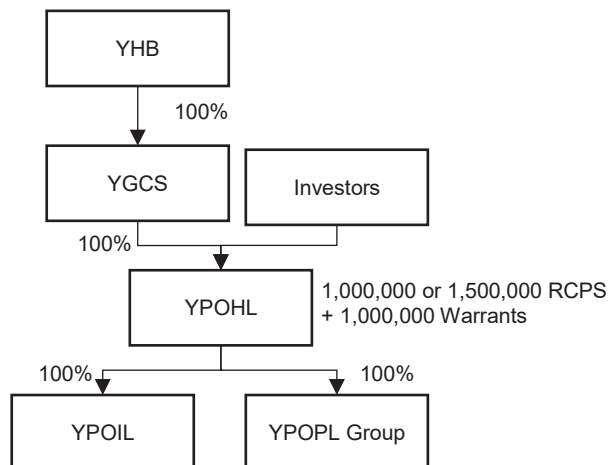
2.4 Shareholding structure

The shareholding structure of YPOHL before and after the Proposed YPOHL RCPS And Warrants Issue, as well as conversion/exercise of the RCPS and Warrants based on the USD1.0 billion RCPS Case and USD1.5 billion RCPS Case scenarios are as follows:

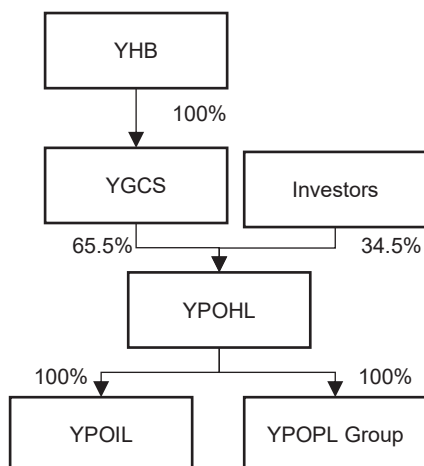
As at the LPD⁽ⁱ⁾ (assuming completion of the internal restructuring exercise)



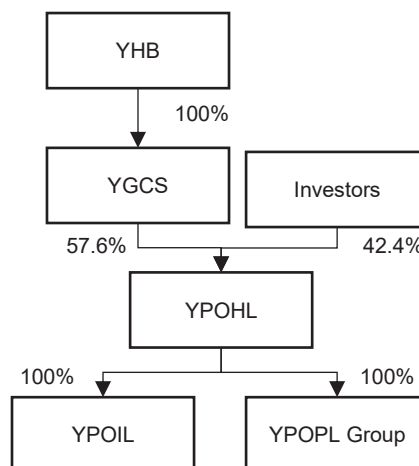
After the Proposed YPOHL RCPS And Warrants Issue



USD1.0 billion RCPS Case



USD1.5 billion RCPS Case



Note:

- (i) The internal restructuring exercise involving the transfer of YPOPL to YPOHL has yet to be completed as at the date of this Circular.

2.5 Background information on YPOHL

YPOHL is a wholly-owned subsidiary of YGCS, which in turn is a wholly-owned subsidiary of YHB. YPOHL was incorporated on 13 November 2024 as a private company limited by shares under the laws of the United Kingdom.

The principal activity of YPOHL is investment holding. It is proposed that YPOPL shall be a wholly-owned subsidiary of YPOHL as a term of the Proposed YPOHL RCPS And Warrants Issue. Further information on YPOHL is set out in **Appendix V** of this Circular.

2.6 Background information on YPOPL

YPOPL is a wholly-owned subsidiary of YGCS, which in turn is a wholly-owned subsidiary of YHB. YPOPL was incorporated on 1 October 2014 under the name OY Offshore Pte Ltd (“**OYOPL**”) in the Republic of Singapore as a private company limited by shares under the Singapore Companies Act 1967.

On 3 October 2018, OYOPL changed its name to YPOPL and its principal activity from vessel owner and operator to investment holding. Through its subsidiaries, the YPOPL Group is principally involved in the provision of processing, storing and offloading crude oil and gas from subsea reservoirs through the design, construction, leasing and operation of production assets for the offshore oil and gas industry.

Upon the completion of the internal restructuring exercise, YPOPL will be a wholly-owned subsidiary of YPOHL. Further information on YPOPL is set out in **Appendix VI** of this Circular.

2.7 Background information on YPFSPL

YPFSPL is a wholly-owned subsidiary of YPOPL, which in turn is a wholly-owned subsidiary of YGCS, and in turn, YGCS is a wholly-owned subsidiary of YHB. YPFSPL was incorporated on 6 October 2023 in the Republic of Singapore as a private company limited by shares under the Singapore Companies Act 1967.

The principal activity of YPFSPL is the provision of treasury management services. Further information on YPFSPL is set out in **Appendix VIII** of this Circular.

2.8 Background information on the Investors

Platinum Lily B 2024 RSC Limited (Platinum)

Platinum was established on 1 February 2024 as a restricted scope company under the laws of the ADGM. The principal activity of Platinum is investing into private equity assets. Platinum is ultimately owned by ADIA which is a globally diversified investment institution that prudently invests funds on behalf of the Government of Abu Dhabi through a strategy focused on long-term value creation.

IMCPE Arbutus INV Limited Partnership (BCI PE) and EOS Investment Limited Partnership (BCI GPF)

BCI PE and BCI GPF were formed to hold investments on behalf of BCI. BCI is amongst the largest institutional investors in Canada with offices in Victoria, Vancouver, New York and London, United Kingdom. BCI manages a portfolio of diversified public and private market investments on behalf of its clients.

For information purposes, BCI will incorporate the New BCI LP to hold the investment in YPOHL that BCI PE would hold. BCI PE will assign all its rights and obligations under the Subscription Agreement to the New BCI LP.

Galant Asset Holding Ltd (RRJ 1) and Hampton Asset Holding Ltd (RRJ 2)

RRJ 1 was incorporated on 25 June 2024 as an exempt limited liability company under the laws of the Cayman Islands, while RRJ 2 was incorporated on 5 May 2009 as a limited liability company under the laws of the British Virgin Islands. The principal activities of RRJ 1 and RRJ 2 are investment holding. RRJ is an Asian-based private equity group with over USD25 billion (equivalent to RM111 billion) of long-term capital under management. Its founders are Richard Ong and Charles Ong. Richard Ong was the Head of Investment Banking Asia, Ex-Japan of Goldman Sachs, and Charles Ong was Senior Managing Director at Temasek Holdings Limited.

RRJ has a strategic focus in key industries, including energy, transportation, logistic, financial services, and healthcare. RRJ has a long history of working seamlessly across geographic regions, with portfolio companies diversified across Asia Pacific, Europe and the United States of America.

Further information on the Investors is set out in **Appendix IX** of this Circular.

2.9 Basis and justification for the Subscription Price

The Subscription Price was arrived at on a willing buyer-willing seller basis after negotiations with the Investors who were selected as the successful parties from over 30 potential investors that were engaged with. In arriving at the subscription price of USD1.00 billion (equivalent to RM4.43 billion) and the upside of USD0.50 billion (equivalent to RM2.21 billion), the Board has taken into consideration, amongst others, the YPOPL Group's cash flow projections, its operations, existing and potential projects and growth plan.

Prior to accepting the offer from the Investors, the Board had considered several factors including the valuation of the YPOPL Group by potential investors, their profiles and credentials, their size and the investment terms offered.

The Board is of the view that the Subscription Price is justifiable after taking into consideration, amongst others, the following:

- (i) The implied EV/EBITDA (based on the Pre-Subscription Value of YPOPL) multiple of 8.90 times accorded to YPOPL is based on the trailing 12-month financial results of up to 31 October 2024, which is the latest available financial results prior to the latest practicable date of 31 December 2024 for the announcement on 14 January 2025 ("**Announcement LPD**"). It is within the range of the EV/EBITDA multiple of the selected comparable companies ("**YPOPL Comparable Companies**") as set out below. In addition, the implied EV/EBITDA multiple is also higher than the EV/EBITDA multiple of YHB of 7.13 times based on the trailing 12-month financial results prior to the Announcement LPD.

The implied EV/EBITDA multiple accorded to YPOPL is set out below:

Company	Currency	Pre-Subscription Value of YPOPL	EV ^(a)	EBITDA ^(b)	EV/EBITDA
		million	million	million	times
YPOPL	USD	2,670	6,157	695	8.90

Notes:

(a) EV is the sum of Pre-Subscription Value of YPOPL, total borrowings, minority interest and other debt-like adjustments less cash and cash equivalents and associates (based on the latest trailing 12-month financial results prior to the Announcement LPD).

(b) EBITDA is based on the latest available trailing 12-months financial results prior to the Announcement LPD.

The YPOPL Comparable Companies were selected based on companies that are primarily involved in the provision of marine transportation in the form of FPSO. The YPOPL Comparable Companies and their corresponding EV/EBITDA multiples are set out below:

YPOPL Comparable Companies^(a)	Country	Currency	Market capitalisation^(b) million	EV^(c) million	EBITDA^(d) million	EV/EBITDA times
Modec Inc	Japan	USD	1,454	1,300	234	5.55
SBM Offshore NV	Netherlands	USD	3,144	14,430	1,294	11.15
BW Offshore Ltd	Norway	USD	565	694	325	2.14
Bumi Armada Berhad	Malaysia	RM	3,912	6,382	940	6.79
Minimum						2.14
Maximum						11.15

(Source: Bloomberg and company filings)

Notes:

- (a) *The YPOPL Comparable Companies were identified on a best effort basis based on publicly available information and are selected for illustrative purposes only. It should be noted that the list of YPOPL Comparable Companies is not exhaustive and may not be directly comparable to the YPOPL Group due to various factors which include, amongst others, capital and shareholding structure, geographical and coverage of business activities, operating history, profit track record, financial strength, risk profile, prospects and marketability and liquidity of the YPOPL Comparable Companies' securities.*
- (b) *Computed by multiplying the total number of shares in issue with the closing market price of the respective securities of the YPOPL Comparable Companies as at the Announcement LPD.*
- (c) *EV is the sum of market capitalisation (based on the closing market price of the securities of the YPOPL Comparable Companies as at the Announcement LPD), total borrowings, minority interest and other debt-like adjustments less cash and cash equivalents and associates (based on the latest trailing 12-month financial results prior to the Announcement LPD).*
- (d) *EBITDA is based on the latest available trailing 12-months financial results prior to the Announcement LPD.*

The implied EV/EBITDA multiple of 8.90 times is compared against the EV/EBITDA multiples of YPOPL Comparable Companies calculated as at the Announcement LPD and based on their latest available financial results.

- (ii) The Pre-Subscription Value of YPOPL of USD2.67 billion (equivalent to RM11.82 billion) is higher than the market capitalisation of YHB as at the Announcement LPD of RM7.70 billion;
- (iii) The USD2.67 billion (equivalent to RM11.82 billion) Pre-Subscription Value of YPOPL representing the equity value of YPOPL was negotiated and agreed between the YHB Group and the Investors. The USD2.67 billion (equivalent to RM11.82 billion) is at a premium of approximately 66.9% to the audited consolidated NA of YPOPL as at 31 January 2024 of USD1.60 billion (equivalent to RM7.08 billion). In arriving at the agreed value, both parties have considered, amongst others, the growth of YPOPL, timing of the potential IPO and the financial projections of the YPOPL Group taking into consideration existing and potential projects; and
- (iv) The rationale and benefits of the Proposed YPOHL RCPS And Warrants Issue as set out in **Section 4** of this Circular.

2.10 Basis and justification for the Issue Price, conversion ratio of the RCPS and dividend rate

The Issue Price is determined after taking into account the Subscription Price for a total of 1,500,000 RCPS.

The Board is of the view that the Issue Price and the RCPS Conversion Ratio (as detailed in **Section 2.3** of this Circular) are justifiable as they were determined based on the Subscription Price which in turn is based on the valuation of the YPOPL Group as detailed in **Section 2.9** of this Circular.

Furthermore, the Board is of the view that the preferred annual dividend rate of either 12.95% or 13.50% payable to the RCPS holders prior to the Target Exit Date is justifiable, after taking into consideration YHB's FPSO mezzanine financings which were secured in 2023 with interest ranging from 12.50% to 13.50% per annum. On or after the Target Exit Date, the preferred annual dividend rate for the RCPS will increase to a maximum of either 14.95% or 15.50%. If the RCPS are subsequently converted into PB, the annual interest rate will be 14.50%, increasing to a maximum of 17.50%. The Board is also of the view that the step-up rate of up to 4.55% (from 12.95% to 17.50%) is justifiable, given that YHB's existing perpetual securities also incorporate a similar step-up feature of 1.00% to 5.00% per annum if not redeemed on the call date.

Please refer to "Distributions" and "Subscription of PB" of **Appendix II** of this Circular for further details on the increase in the preferred annual dividend rate for the RCPS and the increase in interest rate of the PB, respectively.

2.11 Basis and justification for the exercise price of the Warrants

Notwithstanding that the Warrants will be issued at a nominal consideration of USD1.00 (equivalent to RM4.43) to each Investor for every tranche, the Board is of the view that the Warrants Aggregate Strike Price and the Warrants Subscription Rights (as detailed in **Section 2.3** of this Circular) are justifiable as these are determined based on the Post-Subscription Value of YPOPL at the time of exercise.

For the avoidance of doubt, the Warrants are intended to be free. However, a nominal fee of USD1.00 (equivalent to RM4.43) is charged to each Investor for every tranche to fulfill the requirement of having "consideration" for a legally binding agreement.

For clarification, the Warrants Aggregate Strike Price refers to the reference price at which the Warrants holders decide whether or not to exercise the Warrants. The exercise price is the amount payable by the Warrants holders to acquire new YPOHL Shares for each Warrant exercised, while the Warrants exercise ratio is the number of YPOHL Shares the Warrants holders will receive for each Warrant exercised.

2.12 Ranking of the RCPS, Warrants and new YPOHL Shares to be issued arising from the conversion of the RCPS and exercise of the Warrants

The RCPS rank in priority to any other class of equity securities of YPOHL (including the YPOHL Shares) with respect to payment of dividends and liquidation preference. The RCPS have no maturity date and shall remain until redeemed, converted or swapped into other instruments.

The Warrants will not be entitled to any voting rights or participation in any form of distribution and/or offer of further securities in YPOHL until and unless the Investors exercise their Warrants and new YPOHL Shares are issued and allotted.

The new YPOHL Shares to be issued arising from the conversion of the RCPS and exercise of the Warrants shall, upon allotment and issuance, rank equally in all respects with the existing YPOHL Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other forms of distributions, the entitlement date of which is prior to the issue date of the new YPOHL Shares to be issued arising from the conversion of the RCPS and exercise of the Warrants.

2.13 Listing and quotation of the RCPS, Warrants and new YPOHL Shares or ordinary shares of the IPO Entity ("IPO Entity Shares") to be issued arising from the conversion of the RCPS and exercise of the Warrants

The RCPS and Warrants will not be listed. As at the date of this Circular, YPOHL is not listed on Bursa Securities or any other stock exchange. In the event that the proposed IPO materialises, the YPOHL Shares or the IPO Entity Shares will be listed, quoted or traded on a foreign stock exchange upon conversion/exercise of the RCPS and Warrants.

2.14 Original cost and date of investment

The original cost and date of investment of YGCS in YPOHL are as follows:

Investor	Date of investment	No. of YPOHL Shares	Original cost of investment (USD)	Original cost of investment (RM)
YGCS	13.11.2024	1	1.00	4.45

Further to the above, the original cost and date of investment in YPOPL are as follows:

Investor	Date of investment	No. of ordinary shares	Original cost of investment (USD)	Original cost of investment (RM)
YGCS	22.12.2021 ⁽ⁱ⁾	380,000,000	469,000,000	1,899,747,815
	21.01.2022	828,875,079	828,875,079	1,932,865,500
	22.09.2022	169,000,000	169,000,000	742,653,600
	29.09.2022	89,564,127	89,564,127	393,580,600
	19.01.2024 ⁽ⁱⁱ⁾	(90,000,000)	(90,000,000)	(413,109,000)

Notes:

(i) Based on YGCS cost of investment in YPOPL post internal restructuring which was completed in 2021.

(ii) Share capital reduction.

2.15 Liabilities and guarantees to be assumed

There are no other liabilities and guarantees to be assumed by YHB pursuant to the Proposed YPOHL RCPS And Warrants Issue.

2.16 Cash company or Practice Note ("PN") 17 company

The Proposed YPOHL RCPS And Warrants Issue will not result in YHB becoming a cash company or a PN17 company as defined under the Listing Requirements.

2.17 Affected listed issuer

The Proposed YPOHL RCPS And Warrants Issue will not result in YHB becoming an affected listed issuer as defined under the Listing Requirements.

3 UTILISATION OF PROCEEDS

Upon receipt of funds from the Investors, the majority of the funds received will be retained by YPOHL, while USD200 million (equivalent to RM886 million) shall be distributed to the YHB Group. The Subscription Price is intended to be utilised by the Group in the following manner:

Description	Note	Estimated timeframe for utilisation from the receipt of funds	In USD'000	Equivalent amount in RM'000	%
<u>For YHB's offshore production business (YPOHL):</u>					
General corporate purposes of the YPOPL Group	(i)	Within 18 months	784,500	3,473,374	78.0
Estimated expenses relating to the Proposed YPOHL RCPS And Warrants Issue	(ii)	Within 12 months	15,500	68,626	2.0
			800,000	3,542,000	80.0
<u>For YHB and its other businesses:</u>					
Expansion of renewable energy business	(iii)	Within 18 months	60,000	265,650	6.0
Expansion of green technology business	(iv)	Within 18 months	20,000	88,550	2.0
Repayment of bank borrowings	(v)	Within 18 months	20,000	88,550	2.0
Working capital for the Group	(vi)	Within 18 months	70,000	309,925	7.0
Distribution to shareholders of YHB through share buy-back and/or dividends	(vii)	Within 18 months	30,000	132,825	3.0
			200,000	885,500	20.0
Total			1,000,000	4,427,500	100.0

Notes:

(i) General corporate purposes of the YPOPL Group

The FPSO market is projected to have a capital expenditure of USD96 billion (equivalent to RM425 billion) over the next five years (2024 – 2028), which translates to approximately 60 FPSO opportunities globally, both awarded and yet to be awarded. These 60 FPSO projects span diverse geographies, including North America, Brazil and South America, Europe, Africa, Asia, and Australia (source: Energy Maritime Associates – Floating Production Systems Outlook Report, 2024 Volume 4 - October).

Approximately USD21 billion (equivalent to RM93 billion) of the projected capital expenditure is categorised as mid-sized (i.e. 50 – 200 thousand barrels of oil equivalent per day). The Group's FPSO business currently operates in all these geographical areas except for Europe and Australia. The Group intends to bid for mid-sized FPSO markets that align with its objective for sustainable long-term profitability. The projects under the Group's pipelines are shown in the table below.

Project name	A	B	C	D	E	F	G
Location	West Africa	South East Asia	West Africa	West Africa	Southern Africa	South America	South America
Estimated capital expenditure (USD'million)	> 2,000	1,000 – 2,000	< 1,000	1,000 – 2,000	1,000 – 2,000	1,000 – 2,000	1,000 – 2,000
Estimated timing of award	~2025	~2025	~2025	~2026	~2025	~2026	~2026

The Group proposes to utilise proceeds of USD785 million (equivalent to RM3,473 million) to partly fund the estimated capital expenditure for the new FPSO projects as stated above (including the acquisition/conversion cost of the vessels) that the Group will secure. The acquisition/conversion cost of the vessels includes vessel acquisition, financing cost, conversion and start-up costs. The total amount will depend on the specific requirements of future project and client needs, which cannot be determined at this juncture.

In the event the additional investment materialises, the Group intends to use the additional proceeds of up to USD500 million (equivalent to RM2,213 million) within 18 months from the receipt of funds for general corporate purposes of the YPOPL Group.

(ii) Estimated expenses relating to the Proposed YPOHL RCPS And Warrants Issue

The breakdown of the estimated expenses for the Proposed YPOHL RCPS And Warrants Issue is illustrated below:

	In USD'000	Equivalent amount in RM'000
Professional fees ⁽¹⁾	15,456	68,431
Fees to relevant authorities	3	13
Printing, despatch, EGM expenses and miscellaneous expenses	41	182
Total	15,500	68,626

Note:

- (1) Comprises of estimated professional fees for, amongst others, local and foreign advisers, foreign due diligence advisers, local and foreign solicitors, accounting, taxation and other financial services.

The breakdown and details of the professional fees are illustrated below:

	In USD'000	Equivalent amount in RM'000
Local and foreign advisers	8,226	36,420
Foreign due diligence advisers	1,045	4,627
Local and foreign solicitors	3,052	13,513
Accounting, taxation and other financial services	1,133	5,016
Contingency fees	2,000	8,855
Total	15,456	68,431

Any excess or shortfall to the proceeds allocated for expenses relating to the Proposed YPOHL RCPS And Warrants Issue will be adjusted to/from proceeds allocated for the general corporate purposes of the YPOPL Group.

(iii) Expansion of renewable energy business

The Group proposes to utilise proceeds of USD60 million (equivalent to RM266 million) for the expansion of its renewable energy business i.e. its second Peruvian venture, namely the Majes solar project which is located in the Arequipa region, approximately 80 kilometres from Matarani, Peru.

The Majes solar project will have a total installed capacity of 130 megawatt, which are divided into two phases, i.e. Majes I (54 megawatt) and Majes II (76 megawatt). The estimated total capital expenditure for Majes I and Majes II is expected to reach approximately USD136 million (equivalent to RM602 million), with USD60 million (equivalent to RM266 million) allocated for Majes I.

A power purchase agreement for Majes covering 70% of the offtake for 13 years is under negotiations. The completion of Majes I will add around 140 gigawatt hours of renewable energy into the Peruvian grid, annually. The first phase of construction has commenced in December 2024 and the indicative breakdown for the use of proceeds is as follows:

	In USD'000	Equivalent amount in RM'000
Pre-development & land cost	4,000	17,710
Engineering, procurement and construction	46,000	203,665
Financing costs	2,000	8,855
Value-added taxes	8,000	35,420
Total	60,000	265,650

The Group is in the midst of procuring bank borrowings to fund the Majes solar project. In the event that the Group is able to procure bank borrowings, the amount proposed to be utilised as indicated in the table above will reduce accordingly. The Group proposes to use any unutilised proceeds for developing other renewable energy projects in Latin America to be identified.

Any excess or shortfall to the proceeds allocated for the expansion of renewable energy business will be adjusted to/from proceeds allocated for the expansion of green technology business.

(iv) Expansion of green technology business

The Group proposes to utilise proceeds of USD20 million (equivalent to RM89 million) for the expansion of its electric vehicle leasing business known as DrivEV and electric cargo vessels known as MarinEV. As at the LPD, the Group has secured leasing contracts for over 380 electric vehicles.

DrivEV provides leasing and charging of electric fleets such as vans, buses, passenger cars and motorbikes, while MarinEV is the marine electrification business within Yinson GreenTech focusing on delivering sustainable solutions for marine transportation. The MarinEV business has launched the Hydromover, being Singapore's first fully electric light cargo vessel. Commercial operations are ongoing with several interested parties in discussion to charter the vessel. Additionally, the MarinEV business has also launched the Hydroglyder, a high speed crew transfer vessel in November 2024, which is equipped with hydrofoil technology that enables efficient mobility on the water.

The proceeds will be utilised for additional purchase of electric vehicles and/or construction of Hydromover vessels, which will be dependent on the demand at the point of utilisation.

Any excess or shortfall to the proceeds allocated for the expansion of green technology business will be adjusted to/from proceeds allocated for the expansion of renewable energy business.

(v) Repayment of bank borrowings

The Group intends to utilise proceeds of USD20 million (equivalent to RM89 million) for the discretionary repayment of corporate bank borrowings. As at the LPD, the Group has total bank borrowings of approximately RM16,187 million. The repayment of the bank borrowings is expected to result in annual interest savings of approximately USD1.40 million (equivalent to RM6.20 million), based on the prevailing interest rate. The weighted average interest rate of the said loans based on its outstanding loan amount as at the LPD is approximately 7% per annum.

Any excess or shortfall to the proceeds allocated for repayment of bank borrowings will be adjusted to/from proceeds allocated for the expansion of renewable energy business.

(vi) Working capital for the Group

The Group intends to utilise proceeds of USD70 million (equivalent to RM310 million) to meet its working capital requirements such as operating expenses, administrative expenses and interest costs. The indicative breakdown for the use of proceeds is as follows:

	In USD'000	Equivalent amount in RM'000
Operating and administrative expenses ⁽¹⁾	20,000	88,550
Interest costs ⁽²⁾	50,000	221,375
Total	70,000	309,925

Notes:

- (1) Operating and administrative expenses include employee salaries and benefits, office rentals, utility bills and other general office expenditures.
- (2) Interest costs for bank borrowings and the Group's RM1,000 million Islamic Medium Term Notes (Sukuk Wakalah), RM950 million Sukuk Murabahah and RM1,000 million Perpetual Sukuk Wakalah with distributions of RM55.5 million, RM64.6 million and RM75.0 million per annum, respectively.

(vii) Distribution to shareholders of YHB through share buy-back and/or dividends

YHB intends to utilise up to USD30 million (equivalent to RM133 million) to partly fund its share buy-back activities and/or ordinary dividends to its shareholders. At this juncture, the allocation between share buy-back activities and/or dividends has yet to be decided. Relevant announcement on the dividend declaration, if any, will be made as and when the Board decides.

Any excess or shortfall to the proceeds allocated for distribution to shareholders of YHB through share buy-back and/or dividends will be adjusted to/from proceeds allocated for the expansion of renewable energy business.

Pending utilisation of the proceeds from the Proposed YPOHL RCPS And Warrants Issue, the proceeds will be placed in interest-bearing deposits with financial institutions.

The exact quantum of proceeds that may be raised from the exercise of the Warrants would depend on the actual number of Warrants exercised. The proceeds from the exercise of the Warrants will be received on an "as and when basis" over the tenure of the Warrants. Based on the 1.5 billion RCPS Case scenario as detailed in **Section 2.3** of this Circular, the maximum equity proceeds to be raised from the exercise of Warrants is USD463 million (equivalent to RM2,051 million). The proceeds to be raised from the exercise of Warrants will be utilised as additional working capital to finance the general corporate purposes of the YPOPL Group as detailed in Note (i) within 18 months from the receipt of funds.

4 RATIONALE AND BENEFITS OF THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE

The Proposed YPOHL RCPS And Warrants Issue will enable the Group to raise the requisite proceeds to be used in the manner as set out in **Section 3** of this Circular, the quantum of which would be unobtainable in the event that the Group had opted for bank borrowings, secondary fund-raising exercises and/or mezzanine financing. Additionally, the Board has also considered other factors such as the Group's financial position and overall financial strategy, where the issuance of the RCPS will improve the Group's gearing ratio as they are classified as equity instruments.

As at the LPD, the Group has a portfolio of 10 FPSOs/FSOs in South America, Africa and Asia. The Group plans to undertake more FPSO projects and bid for mid-sized FPSO markets that align with its objective for sustainable long-term profitability. The Proposed YPOHL RCPS And Warrants Issue allows the Group to raise USD800 million (equivalent to RM3,542 million) for its offshore production business comprising, *inter alia*, the acquisition and conversion costs of vessels for the new FPSO projects that the Group secures.

Additionally, USD200 million (equivalent to RM886 million) of the proceeds will be utilised to further expand the Group's renewable energy and green technology businesses undertaken by other Group subsidiaries (not within the YPOPL Group). The funds will also be allocated for share buy-backs and/or dividends for Shareholders, support the Group's working capital requirements and repay corporate bank borrowings. The Proposed YPOHL RCPS And Warrants Issue will improve the Group's cash flow position and accord greater flexibility over its cash flows.

The Proposed YPOHL RCPS And Warrants Issue also allows YHB to maintain its equity interest in YPOHL without being immediately diluted, which would otherwise arise from the issuance of new YPOHL Shares. The dilution impact to YHB's shareholding in YPOHL will be on a progressive basis as and when the RCPS and/or the Warrants are converted and/or exercised into new YPOHL Shares and if the proposed IPO occurs. YPOHL can also redeem the RCPS within the stipulated timeframe.

The exercise of the Warrants will strengthen the capital base and provide additional funds to the Group when exercised. There will not be an immediate dilution of the equity interest of the Group in YPOHL until such time as the Warrants are exercised by the Investors. The issuance of the Warrants allows the Group to stagger the capital structure to which immediate capital shall be injected through the issuance of the RCPS and thereafter, future capital inflow from the exercise of the Warrants.

5 RISKS OF THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE

The Proposed YPOHL RCPS And Warrants Issue is subject to, but not limited to, the following risks:

(i) Completion risk

The completion of the Proposed YPOHL RCPS And Warrants Issue is conditional upon the Conditions Precedent being fulfilled, obtained and/or waived, as the case may be (including the Company's Shareholders' approval being obtained at the forthcoming EGM and there being no material breach in representation, warranties and undertaking pursuant to the Subscription Agreement). If the Conditions Precedent are not fulfilled, obtained and/or waived or if there is any material breach in representation, warranties and undertakings pursuant to the Subscription Agreement, the Subscription Agreement may be terminated and all the potential benefits arising from the Proposed YPOHL RCPS And Warrants Issue may not materialise.

Nevertheless, the Board endeavours to take reasonable steps, to the extent possible, to ensure that all the Conditions Precedent and terms and conditions pursuant to the Subscription Agreement will be met to facilitate the completion of the Proposed YPOHL RCPS And Warrants Issue.

(ii) Contractual risk

YPOHL has given representation, warranties, undertakings, covenants and indemnities via the Subscription Agreement in favour of the Investors. In this respect, YPOHL may be subject to claims in accordance with the terms and conditions of the Subscription Agreement if the pre-completion or post-completion obligations under the Subscription Agreement are not fulfilled and/or in the event of any breach of any representation, warranty, undertaking and/or covenant given by YPOHL. In this regard, YHB will endeavour to procure YPOHL to ensure compliance with its obligations under the Subscription Agreement in order to minimise the risk of any breach of the representation, warranties, undertakings, covenants and/or indemnities given.

(iii) Dilution risk of YHB's equity interest in YPOHL

For the FYE 31 January 2024, YPOPL is the main profit contributor to the YHB Group, contributing to the Group's PATAMI of approximately RM1,249 million or 130%. The existing indirect shareholding of YHB in YPOPL will be diluted in the event the RCPS and Warrants are converted and exercised into new YPOHL Shares and the PATAMI contribution of YPOHL and YPOPL to the YHB Group will be reduced accordingly.

Furthermore, the dilution will enable the Investors to exert some level of influence over the management and operations of the YPOHL Group, including but not limited to, influence over financial policies (such as dividend distribution or capital reinvestment strategies) and approval of key transactions (such as mergers, acquisitions or strategic changes).

As illustrated in **Section 2.3** of this Circular, upon completion of the Proposed YPOHL RCPS And Warrants Issue, under the USD1.5 billion RCPS Case scenario, the YHB Group's interest in YPOHL would be reduced to 57.6%. YHB can only recognise 57.6% of the YPOPL Group's earnings. The 42.4% minority interests in the YPOPL Group would share 42.4% of the YPOPL Group's earnings.

(iv) Implementation risk to the IPO

Regulatory requirements of the proposed IPO

The proposed IPO is subject to, amongst others, the approval of YHB's Shareholders pursuant to Paragraph 8.24(1)(b) of the Listing Requirements, and the approval of the relevant regulatory authorities being obtained as well as meeting the relevant regulatory authorities' rules, guidelines and requirements in connection with the proposed IPO. In particular, YHB will need to ensure compliance with the chain listing requirements issued by the Securities Commission Malaysia ("**SC**") as stipulated in Paragraph 5.09 of the Equity Guidelines, where, amongst others, YHB must ensure that it:

- (a) has a separate autonomous and sustainable business of its own;
- (b) meets the profit test or the market capitalisation test after excluding its interest in the IPO Entity; and
- (c) has a healthy financial position after excluding its interest in the IPO Entity.

The profit test refers to uninterrupted profit of 3 to 5 full financial years based on the audited financial statements prior to submission to the SC, with an aggregate after-tax profit of at least RM20 million and an after-tax profit for the most recent financial year of at least RM6 million.

The market capitalisation test requires that the YHB Shares must have a total market capitalisation of at least RM500 million and that YHB must cease its control over the IPO Entity.

The YHB Group's businesses are classified into the following operating segments with financial performance as set out below:

Segment results	FYE 31 January 2024 (RM'million)
Offshore Production	2,782
Offshore Marine ⁽ⁱ⁾	41
Renewable Energy	(41)
Green Technologies	(23)
Other Operations	(110)
Total segment results	2,649
Finance costs	(963)
Share of profit of joint ventures	27
Share of loss of associates	(18)
Income tax expense	(553)
PAT for the financial year	1,142
Profit attributable to:	
- Owners of the Company	964
- Non-controlling interests	178
	1,142

Note:

(i) On 31 January 2025, the Company announced the completion of the disposal of its Offshore Marine business.

As disclosed above, the Offshore Production segment is the main profit contributor of the YHB Group. Based on the Group's profit composition for the FYE 31 January 2024, the Group does not satisfy the abovementioned chain listing requirements of the SC for it to undertake an IPO of the Offshore Production business, i.e. the YPOPL Group.

The YHB Group is continuously reviewing its businesses, operations and strategies to improve its profitability. The Group will have to ensure it fulfils the then applicable Listing Requirements and the SC's Equity Guidelines should it decide to list any of its subsidiaries including the YPOPL Group.

For clarification, the YHB Group retains the right to decide on when and whether to list the IPO Entity notwithstanding the terms of the Proposed YPOHL RCPS And Warrants Issue have references to IPO of the YPOPL Group.

Delay or termination in the proposed IPO

The occurrence of certain events may cause a delay or termination in the proposed IPO such as valuation for YPOHL, the inability to meet the public shareholding spread requirement at the point of listing and the revocation of approvals from the relevant authorities for the proposed IPO for any reason whatsoever.

In the event the proposed IPO does not materialise, (i) the Investors will not be able to convert the RCPS to YPOHL Shares; (ii) the Investors would have the right to convert the RCPS into PB which carry a higher interest rate than the RCPS (in the event the proposed IPO is not consummated by the Target Exit Date); and (iii) the Distributable Excess Cash in YPOHL can only be distributed to the ordinary shareholder of YPOHL after settlement of such amounts as detailed in the salient terms of the RCPS under **Appendix II** of this Circular.

In any event, if the proposed IPO is not consummated, the RCPS do not have a maturity date and are not callable by the Investors. YPOHL could undertake other steps to raise liquidity to voluntarily redeem the RCPS, such as refinancing of the RCPS or partial divestment of assets.

(v) Risk relating to the issuance of PB

The PB carry a higher interest rate and yield upon redemption which is payable to PB holders. Consequently, YPOHL, will upon issuance of the PB be required to make ongoing interest payments at a higher rate of interest and pay a higher yield upon redemption. There is no assurance that YPOHL will be in a position to continue to service the higher financing costs payable in respect of the PB throughout their tenure or to redeem the PB with a higher yield payable upon redemption, which may potentially impact the overall financial flexibility and financial position of the YPOHL Group.

(The rest of this page has been intentionally left blank)

6 EFFECTS OF THE PROPOSED YPOHL RCPS AND WARRANTS ISSUE

6.1 Issued share capital and substantial shareholders' shareholding

The Proposed YPOHL RCPS And Warrants Issue will not have any effect on the issued share capital and substantial shareholders' shareholding in YHB as the Proposed YPOHL RCPS And Warrants Issue does not entail any issuance of new YHB Shares.

6.2 NA per YHB Share and gearing

For illustrative purposes only, based on the latest audited consolidated statement of financial position of YHB as at 31 January 2024 and on the assumption that the Proposed YPOHL RCPS And Warrants Issue had been effected on that date, the pro forma effects of the Proposed YPOHL RCPS And Warrants Issue on the NA per YHB Share and gearing of the Group are as follows:

USD1.0 billion RCPS Case Scenario

	(I) Audited as at 31 January 2024 RM'million	After the issuance of RCPS and Warrants RM'million	(II) After (I) and assuming full conversion of RCPS* RM'million	(III) After (II) and assuming full exercise of Warrants* RM'million
Share capital	2,241	2,241	2,241	2,241
Treasury shares	(369)	(369)	(369)	(369)
Reserves ⁽ⁱ⁾	1,117	1,117	1,117	1,117
Retained earnings	2,462	2,462	(iii), (v)4,856	(iv), (v)6,177
Equity/NA attributable to owners of the Company	5,451	5,451	7,845	9,166
Perpetual securities	1,792	1,792	1,792	1,792
RCPS (after allocation to Warrants)	-	(ii)4,328	-	-
Non-controlling interests	734	734	(iii), (v)2,668	(iv), (v)3,184
Total equity^(vi)	7,977	12,305	12,305	14,142
Number of YHB Shares in issue (excluding treasury shares) ('000)	2,906,998	2,906,998	2,906,998	2,906,998
Total loans and borrowings	16,319	16,319	16,319	16,319
NA per YHB Share (RM) ^(vii)	1.88	1.88	2.70	3.15
Gearing ratio (times) ^(viii)	2.05	1.33	1.33	1.15

Notes:

* The conversion and exercise of RCPS and Warrants are not illustrated in the Pro Forma Consolidated Statement of Financial Position of YHB as at 31 January 2024, reported by the Reporting Accountants and set out in **Appendix X** of this Circular, as the final outcome of such events is uncertain and cannot be ascertained. Hence, such events will not meet the "factually supportable" criterion as set out in paragraph 4.1.4 of the Malaysian Institute of Accountants' Guidance Note 'For Issuers of Pro Forma Financial Information'.

(i) Other reserves collectively consist of foreign currency translation reserve, cash flows hedge reserve, share-based option reserve, share grant reserve, put option reserve and warrants reserve.

(ii) The net proceeds raised from the issuance of the RCPS of RM4,360 million (after deducting estimated expenses of RM68 million) will be allocated to Warrants (treated as a derivative liability) of RM32 million and RCPS (treated as an equity instrument) of RM4,328 million.

(iii) Assuming all 1,000,000 RCPS are converted into 1,000,000 new YPOHL Shares as illustrated in **Section 2.3** of this Circular.

(iv) Assuming all 1,000,000 Warrants are exercised into 407,778 new YPOHL Shares as illustrated in **Section 2.3** of this Circular.

(v) Upon issuance of the new YPOHL Shares as set out in Note (iii) and Note (iv), the total gain arising from dilution of YGCS' shareholding in YPOHL from 100.0% to 65.5%, amounting to RM3,715 million, is recognised directly in retained earnings and calculated as follows:

	(II) RM'million	(III) RM'million	Total RM'million
Principal amount of RCPS converted	4,328	-	4,328
Warrants equity proceeds received in cash	-	1,805	1,805
Fair value of warrants liability at inception	-	32	32
Less: Carrying amount of non-controlling interests recognised	4,328 (1,934)	1,837 (516)	6,165 (2,450)
Proforma gain on dilution recognised directly in retained earnings	2,394	1,321	3,715

(vi) Total equity is inclusive of perpetual securities issued by the Company of RM1,792 million as at 31 January 2024.

(vii) Computed based on equity/NA attributable to owners of the Company divided by number of YHB Shares in issue (excluding treasury shares).

(viii) Computed based on total loans and borrowings divided by total equity (perpetual securities and non-controlling interests included).

In the event proceeds are used for repayment of borrowings as depicted in **Section 3** of this Circular, the borrowings will reduce by approximately RM89 million after the issuance of the RCPS and Warrants but prior to the conversion of the RCPS and exercise of the Warrants. There is no material impact on the gearing of the Group arising from the repayment of borrowings.

USD1.5 billion RCPS Case scenario

	(I) Audited as at 31 January 2024 RM'million	After the issuance of RCPS and Warrants RM'million	(II) After (I) and assuming full conversion of RCPS* RM'million	(III) After (II) and assuming full exercise of Warrants* RM'million
Share capital	2,241	2,241	2,241	2,241
Treasury shares	(369)	(369)	(369)	(369)
Reserves ⁽ⁱ⁾	1,117	1,117	1,117	1,117
Retained earnings	2,462	2,462	(iii), (v)6,453	(iv), (v)8,079
Equity/NA attributable to owners of the Company	5,451	5,451	9,442	11,068
Perpetual securities	1,792	1,792	1,792	1,792
RCPS (after allocation to Warrants)	-	(ii)6,544	-	-
Non-controlling interests	734	734	(iii), (v)3,287	(iv), (v)3,741
Total equity^(vi)	7,977	14,521	14,521	16,601
Number of YHB Shares in issue (excluding treasury shares) ('000)	2,906,998	2,906,998	2,906,998	2,906,998
Total loans and borrowings	16,319	16,319	16,319	16,319
NA per YHB Share (RM) ^(vii)	1.88	1.88	3.25	3.81
Gearing ratio (times) ^(viii)	2.05	1.12	1.12	0.98

Notes:

- * The conversion and exercise of RCPS and Warrants are not illustrated in the Pro Forma Consolidated Statement of Financial Position of YHB as at 31 January 2024, as reported by the Reporting Accountants and set out in **Appendix X** of this Circular, as the final outcome of such events is uncertain and cannot be ascertained. Hence, such events will not meet the "factually supportable" criterion as set out in paragraph 4.1.4 of the Malaysian Institute of Accountants' Guidance Note 'For Issuers of Pro Forma Financial Information'.
- (i) Other reserves collectively consist of foreign currency translation reserve, cash flows hedge reserve, share-based option reserve, share grant reserve, put option reserve and warrants reserve.
- (ii) The net proceeds raised from the issuance of the RCPS of RM6,573 million (after deducting estimated expenses of RM68 million) will be allocated to Warrants (treated as a derivative liability) of RM29 million and RCPS (treated as an equity instrument) of RM6,544 million.
- (iii) Assuming all 1,500,000 RCPS are converted into 1,500,000 new YPOHL Shares as illustrated in **Section 2.3** of this Circular.
- (iv) Assuming all 1,000,000 Warrants are exercised into 463,333 new YPOHL Shares as illustrated in **Section 2.3** of this Circular.

(v) Upon issuance of the new YPOHL Shares as set out in Note (iii) and Note (iv), the total gain arising from dilution of YGCS' shareholding in YPOHL from 100.0% to 57.6%, amounting to RM5,617 million, is recognised directly in retained earnings and calculated as follows:

	(ii) RM'million	(iii) RM'million	Total RM'million
Principal amount of RCPS converted	6,544	-	6,544
Warrants equity proceeds received in cash	-	2,051	2,051
Fair value of warrants liability at inception	-	29	29
Less: Carrying amount of non-controlling interests recognised	6,544	2,080	8,624
	(2,553)	(454)	(3,007)
Proforma gain on dilution recognised directly in retained earnings	3,991	1,626	5,617

(vi) Total equity is inclusive of perpetual securities issued by the Company of RM1,792 million as at 31 January 2024.

(vii) Computed based on equity/NA attributable to owners of the Company divided by number of YHB Shares in issue (excluding treasury shares).

(viii) Computed based on total loans and borrowings divided by total equity (perpetual securities and non-controlling interests included).

In the event proceeds are used for repayment of borrowings as depicted in **Section 3** of this Circular, the borrowings will reduce by approximately RM89 million after the issuance of the RCPS and Warrants but prior to the conversion of the RCPS and exercise of the Warrants. There is no material impact on the gearing of the Group arising from the repayment of borrowings.

In the event of the redemption of RCPS, the RCPS balance recognised within equity will be reduced with the redemption amount being credited from the Group's cash and bank balances.

In the event that the RCPS are converted into PB as depicted in **Section 2.2** of this Circular, the balance RCPS recognised within equity will be fully reclassified to perpetual securities within equity. There is no impact on the total equity of the Group arising from the conversion, as the PB are also classified as an equity instrument.

6.3 Earnings and EPS

There will be no effect on earnings of the YHB Group and EPS upon issuance of the RCPS and Warrants. However, after the issuance but prior to the full conversion or redemption of the RCPS, the PATAMI attributable to ordinary equity shareholders of the Company used for computation of the Group's basic and diluted EPS will be reduced by the cumulative preference distribution accrued on the RCPS in accordance with Malaysian Financial Reporting Standard ("MFRS") 133 "Earnings per Share", which will result in the reduction of the basic and diluted EPS accordingly. MFRS 133, paragraph 12, states that the profits attributable to ordinary equity holders of the Company used for calculation of basic and diluted EPS shall be adjusted for the after-tax amounts of preference dividends, differences arising on the settlement of preference shares, and other similar effects of preference shares classified as equity.

Upon conversion of the RCPS and exercise of the Warrants, the equity interest of YHB in YPOHL will be diluted and the YPOHL Group's contribution to YHB's consolidated PATAMI will correspondingly reduce. For illustrative purposes only, based on the latest audited consolidated financial statements of YHB for the FYE 31 January 2024 and assuming that the full conversion/exercise of the RCPS and Warrants had been effected on 1 February 2023, being the commencement of the FYE 31 January 2024, the pro forma effects on the consolidated PATAMI of YHB and EPS are as follows:

	USD1.0 billion RCPS Case scenario RM'million	USD1.5 billion RCPS Case scenario RM'million
PATAMI	964	964
Less : Reduction in earnings contributed by YPOPL for the FYE 31 January 2024	(442)	(543)
Proforma PATAMI	522	421
Number of YHB Shares in issue (excluding treasury shares) ('000)	2,906,998	2,906,998
Existing EPS (sen)		
- Basic	28.50	28.50
- Diluted	28.10	28.10
Proforma EPS (sen)		
- Basic	13.30	9.80
- Diluted	13.10	9.70

The loss of contribution from YPOHL pursuant to the Proposed YPOHL RCPS And Warrants Issue as illustrated above will only occur upon conversion of the RCPS and exercise of the Warrants if the proposed IPO materialises. However, the effects on the earnings above do not incorporate the benefits from the use of proceeds (as set out in **Section 3** of this Circular), which are expected to contribute positively to the future earnings of the Group and EPS as and when the financial benefits from the use of proceeds are realised.

Under MFRS 132 "Financial instruments: Presentation", the RCPS are treated as an equity instrument while the Warrants are treated as a derivative liability instrument. In the event the RCPS are converted to PB, the PB are also treated as an equity instrument under MFRS 132.

As YPOHL will remain as a subsidiary of YHB upon completion of the Proposed YPOHL RCPS And Warrants Issue and upon conversion/exercise of the RCPS and Warrants, changes in ownership interest in YPOHL arising from the conversion/exercise of the RCPS and Warrants are accounted for as equity transactions, where there is no gain or loss recognised in the audited consolidated statement of profit or loss of YHB in accordance with MFRS 10 “Consolidated Financial Statements”. Gains or losses on changes in ownership interest without loss of control are recognised directly in retained earnings.

7 APPROVALS REQUIRED

The Proposed YPOHL RCPS And Warrants Issue is conditional upon the following being obtained:

- (i) The approval of the YHB Shareholders at the forthcoming EGM;
- (ii) The consent and approval from the security agent as well as regulatory commission and authority in connection with the restructuring exercise to be effected such that YPOHL will become a wholly-owned subsidiary of YPOHL; and
- (iii) The Conditions Precedent of the Subscription Agreement as set out in **Section 3.1, Appendix I** of this Circular.

For Shareholders’ information, on 14 January 2025, the Executive Directors, namely Mr. Lim Han Weng, Mr. Lim Chern Yuan and Madam Bah Kim Lian together with the persons connected to them, representing approximately a total of 24.49% equity interest in the Company had provided their irrevocable and unconditional undertaking to vote in favour of the Proposed YPOHL RCPS And Warrants Issue at the forthcoming EGM (“**Undertakings**”). The direct and indirect shareholdings of the Executive Directors as at the LPD are as follows:

	Direct		Indirect	
	No. of Shares	% [^]	No. of Shares	% [^]
Mr. Lim Han Weng	44,060,231	1.53	674,470,378 ⁽ⁱ⁾	23.49
Madam Bah Kim Lian	9,953,455	0.35	635,541,635 ⁽ⁱⁱ⁾	22.14
Mr. Lim Chern Yuan	5,013,084	0.17	-	-

Notes:

[^] Excluding 208,231,751 treasury shares.

- (i) Deemed interested by virtue of his spouse and children’s direct shareholdings in the Company pursuant to Section 59(11)(c) of the Act and Liannex Corporation (S) Pte Ltd and Yinson Legacy Sdn Bhd’s (“**YLSB**”) direct shareholdings in the Company pursuant to Section 8(4) of the Act.
- (ii) Deemed interested by virtue of her spouse and children’s direct shareholdings in the Company pursuant to Section 59(11)(c) of the Act and YLSB’s direct shareholding in the Company pursuant to Section 8(4) of the Act.

8 PERCENTAGE RATIO

The interest held by YGCS in YPOHL will be diluted upon conversion of the RCPS and exercise of the Warrants by the Investors, and therefore constitutes a deemed disposal which could be up to 42.4% (based on the assumptions as stated in **Section 2.3** of this Circular) of YHB's indirect equity interest in YPOHL pursuant to Paragraph 10.02(l) of the Listing Requirements.

The Proposed YPOHL RCPS And Warrants Issue is deemed to be a very substantial transaction pursuant to Paragraph 10.10 of the Listing Requirements. The highest percentage ratio applicable to the Proposed YPOHL RCPS And Warrants Issue pursuant to Paragraph 10.02(g) of the Listing Requirements is approximately 123.16% based on the Subscription Price over the audited consolidated NA of YHB as at 31 January 2024.

9 APPLICATIONS TO RELEVANT AUTHORITIES

Barring any unforeseen circumstances, the details on the applications to the relevant authorities in relation to the Proposed YPOHL RCPS And Warrants Issue and the status of the applications are as follows:

Details of application		Status of application
(i)	Approval from the Ghana Petroleum Commission on the transfer of shares in Yinson Production West Africa Limited arising from the internal restructuring exercise to be effected such that YPOPL will become a wholly-owned subsidiary of YPOHL.	As at the LPD, Yinson Production West Africa Limited has made the requisite application to the Ghana Petroleum Commission.
(ii)	Approval from the Ghana Petroleum Commission in connection with any direct or indirect transfer of shares in Yinson Production West Africa Limited arising out of (a) the conversion into YPOHL Shares of all of the Subscription Shares to be issued to the Investors; and (b) the exercise into YPOHL Shares of all of the Warrants to be issued to the Investors.	The submission to the Ghana Petroleum Commission will be made no later than 15 business days following the receipt of the approval under (i) above.
(iii)	The withdrawal and termination by Yinson Operation & Production West Africa Limited (" Yinson West Africa ") of the pending application to renew the Category A Petroleum Storage Licence, and First Exploration and Petroleum Development Company Limited (" First E&P ", being the charterparty pursuant to the bareboat charter agreement dated 28 February 2019 entered into with Yinson West Africa in respect of FPSO Abigail-Joseph), having obtained from the Nigerian Midstream and Downstream Petroleum Regulatory Authority (" NMDPRA ") a new Category A Petroleum Storage License or any equivalent licence issued by the NMDPRA.	First E&P is in the process of submitting the application for the licence with the NMDPRA. Upon First E&P completing its submission to NMDPRA, it is expected that Yinson West Africa will proceed with the withdrawal of the existing renewal application.

10 CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed YPOHL RCPS And Warrants Issue, there are no other corporate exercises which have been announced by the Company but are pending completion as at the date of this Circular.

The Proposed YPOHL RCPS And Warrants Issue is not conditional upon any other corporate proposal/scheme of the Company except for the internal restructuring exercise as detailed in **Section 2.1** of this Circular.

11 INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM

None of the Directors, Major Shareholders of the Company and persons connected to them has any interest, whether direct or indirect, in the Proposed YPOHL RCPS And Warrants Issue.

12 DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, after having considered all aspects of the Proposed YPOHL RCPS And Warrants Issue (including but not limited to the basis and justification for the Subscription Price, rationale and benefits of the Proposed YPOHL RCPS And Warrants Issue, effects of the Proposed YPOHL RCPS And Warrants Issue and the risks involved) and after careful deliberation, is of the opinion that the Proposed YPOHL RCPS And Warrants Issue is in the best interest of YHB.

Accordingly, the Board recommends that you **VOTE IN FAVOUR** of the resolution pertaining to the Proposed YPOHL RCPS And Warrants Issue to be tabled at the forthcoming EGM.

13 ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed YPOHL RCPS And Warrants Issue is expected to be completed in the 2nd quarter of 2025. The tentative timeline of events leading to the completion of the Proposed YPOHL RCPS And Warrants Issue is as follows:

Event	Tentative timeline
EGM	27 March 2025
Completion	2 nd quarter of 2025

14 EGM

The EGM, the notice of which is enclosed in this Circular, will be held at The Gardens Ballroom, Level 5, The Gardens Hotel & Residences, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia ("**Main Venue**") and virtually by way of electronic means via the Boardroom Smart Investor Portal ("**BSIP**") at <https://investor.boardroomlimited.com> ("**Online Platform**") on **Thursday, 27 March 2025 at 10.30 a.m.** or any adjournment thereof, for the purpose of considering and, if thought fit, passing the ordinary resolution, with or without any modifications to give effect to the Proposed YPOHL RCPS And Warrants Issue.

If you are unable to attend and vote at the EGM, you may appoint a proxy to attend and vote on your behalf by completing, signing and returning the Form of Proxy in accordance with the instructions contained therein as soon as possible and in any event so as to arrive at the office of the Company's appointed Share Registrar for the EGM, Boardroom Share Registrars Sdn Bhd not less than forty-eight (48) hours before the time set for holding the EGM or any adjournment thereof. The instrument appointing a proxy can also be electronically submitted to the appointed Share Registrar for the EGM via BSIP at <https://investor.boardroomlimited.com> before the cut-off time as mentioned above. Kindly refer to the Administrative Details for the EGM which are available on the Company's website at www.yinson.com.

The completion and lodgement of the Form of Proxy will not preclude you from attending and voting at the forthcoming EGM should you subsequently wish to do so.

15 FURTHER INFORMATION

You are requested to refer to the enclosed appendices for further information.

Yours faithfully
for and on behalf of the Board of
YINSON HOLDINGS BERHAD

LIM HAN WENG
Group Executive Chairman

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT

1. Subscription**1.1 First Tranche Subscription**

- (i) Subject to the First Tranche Conditions being satisfied or, where applicable, waived in accordance with the Subscription Agreement, each Investor shall subscribe for, and YPOHL shall allot and issue to each Investor, at First Tranche Closing, the relevant number of Subscription Shares, set out opposite its name in column (2) in the table below ("**First Tranche Subscription Shares**"), in consideration for the aggregate subscription price (in respect of each Investor, the "**First Tranche Subscription Amount**"), set out opposite its name in column (3) in the table below, based on the Issue Price ("**First Tranche Subscription**").

(1) Investor	(2) Number of First Tranche Subscription Shares to be subscribed for	(3) Investor First Tranche Subscription Amount for the First Tranche Subscription Shares (USD)
RRJ 1	112,500 RCPS	112,500,000
RRJ 2	7,500 RCPS	7,500,000
Platinum	75,000 RCPS	75,000,000
BCI PE	30,000 RCPS	30,000,000
BCI GPF	75,000 RCPS	75,000,000
Total	300,000 RCPS	300,000,000

- (ii) The share capitalisation of YPOHL on a fully diluted basis on First Tranche Closing, immediately following the issuance of the First Tranche Subscription Shares and the First Tranche Warrants in full, shall be as set out below:

No.	Shareholders	No. of YPOHL Shares	No. of RCPS	No. of YPOHL Shares into which RCPS converts	No. of Warrants	No. of YPOHL Shares into which Warrants are exercisable	Total YPOHL Shares (on a fully diluted basis)	% (on a fully diluted basis)
1	YGCS	2,670,000	-	-	-	-	2,670,000	87.20
2	RRJ 1	-	112,500	112,500	112,500	34,446	146,946	4.80
3	RRJ 2	-	7,500	7,500	7,500	2,297	9,797	0.32
4	Platinum	-	75,000	75,000	75,000	22,964	97,964	3.20
5	BCI PE	-	30,000	30,000	30,000	9,186	39,186	1.28
6	BCI GPF	-	75,000	75,000	75,000	22,964	97,964	3.20
	TOTAL	2,670,000	300,000	300,000	300,000	91,857	3,061,857	100

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT (Cont'd)

1.2 Second Tranche Subscription

- (i) Subject to the Subsequent Tranche Conditions and the Second Tranche Additional Condition being satisfied or, where applicable, waived in accordance with the Subscription Agreement, each Investor shall subscribe for, and YPOHL shall allot and issue to each Investor, at Second Tranche Closing, the relevant number of Subscription Shares set out opposite its name in column (2) in the table below ("**Second Tranche Subscription Shares**"), in consideration for the aggregate subscription price (in respect of each Investor, the "**Second Tranche Subscription Amount**"), set out opposite its name in column (3) in the table below, based on the Issue Price ("**Second Tranche Subscription**"), in each case as may be adjusted in accordance with the Subscription Agreement.

(1) Investor	(2) Number of Second Tranche Subscription Shares to be subscribed for	(3) Investor Second Tranche Subscription Amount for the Second Tranche Subscription Shares (USD)
RRJ 1	75,000 RCPS	75,000,000
RRJ 2	5,000 RCPS	5,000,000
Platinum	50,000 RCPS	50,000,000
BCI PE	20,000 RCPS	20,000,000
BCI GPF	50,000 RCPS	50,000,000
Total	200,000 RCPS	200,000,000

- (ii) The share capitalisation of YPOHL on a fully diluted basis on Second Tranche Closing, immediately following the issuance of the Second Tranche Subscription Shares and the Second Tranche Warrants in full (and assuming First Tranche Closing occurred in full), shall be as set out below:

No.	Shareholders	No. of YPOHL Shares	No. of RCPS	No. of YPOHL Shares into which RCPS converts	No. of Warrants	No. of YPOHL Shares into which Warrants are exercisable	Total YPOHL Shares (on a fully diluted basis)	% (on a fully diluted basis)
1	YGCS	2,670,000	-	-	-	-	2,670,000	80.02
2	RRJ 1	-	187,500	187,500	187,500	62,566	250,066	7.49
3	RRJ 2	-	12,500	12,500	12,500	4,172	16,672	0.50
4	Platinum	-	125,000	125,000	125,000	41,711	166,711	5.00
5	BCI PE	-	50,000	50,000	50,000	16,685	66,685	2.00
6	BCI GPF	-	125,000	125,000	125,000	41,711	166,711	5.00
	TOTAL	2,670,000	500,000	500,000	500,000	166,845	3,336,845	100

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT (Cont'd)

1.3 Third Tranche Subscription

- (i) Subject to the Subsequent Tranche Conditions and the Third Tranche Additional Condition being satisfied or, where applicable, waived in accordance with the Subscription Agreement, each Investor shall subscribe for, and YPOHL shall allot and issue to each Investor, at Third Tranche Closing, the relevant number of Subscription Shares, set out opposite its name in column (2) in the table below ("**Third Tranche Subscription Shares**"), in consideration for the aggregate subscription price (in respect of each Investor, the "**Third Tranche Subscription Amount**"), set out opposite its name in column (3) in the table below, based on the Issue Price ("**Third Tranche Subscription**"), in each case as may be adjusted in accordance with the Subscription Agreement.

(1) Investor	(2) Number of Third Tranche Subscription Shares to be subscribed for	(3) Investor Third Tranche Subscription Amount for the Third Tranche Subscription Shares (USD)
RRJ 1	112,500 RCPS	112,500,000
RRJ 2	7,500 RCPS	7,500,000
Platinum	75,000 RCPS	75,000,000
BCI PE	30,000 RCPS	30,000,000
BCI GPF	75,000 RCPS	75,000,000
Total	300,000 RCPS	300,000,000

- (ii) The share capitalisation of YPOHL on a fully diluted basis on Third Tranche Closing, immediately following the issuance of the Third Tranche Subscription Shares and the Third Tranche Warrants in full (and assuming First Tranche Closing and Second Tranche Closing occurred in full), shall be as set out below:

No.	Shareholders	No. of YPOHL Shares	No. of RCPS	No. of YPOHL Shares into which RCPS converts	No. of Warrants	No. of YPOHL Shares into which Warrants are exercisable	Total YPOHL Shares (on a fully diluted basis)	% (on a fully diluted basis)
1	YGCS	2,670,000	-	-	-	-	2,670,000	70.79
2	RRJ 1	-	300,000	300,000	300,000	113,153	413,153	10.95
3	RRJ 2	-	20,000	20,000	20,000	7,544	27,544	0.73
4	Platinum	-	200,000	200,000	200,000	75,435	275,435	7.30
5	BCI PE	-	80,000	80,000	80,000	30,174	110,174	2.92
6	BCI GPF	-	200,000	200,000	200,000	75,435	275,435	7.30
	TOTAL	2,670,000	800,000	800,000	800,000	301,741	3,771,741	100

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT (Cont'd)**1.4 Fourth Tranche Subscription**

- (i) Subject to the Subsequent Tranche Conditions and the Third Tranche Additional Condition being satisfied or, where applicable, waived in accordance with the Subscription Agreement, each Investor shall subscribe for, and YPOHL shall allot and issue to each Investor, at Fourth Tranche Closing, the relevant number of Subscription Shares, set out opposite its name in column (2) in the table below ("**Fourth Tranche Subscription Shares**"), in consideration for the aggregate subscription price (in respect of each Investor, the "**Fourth Tranche Subscription Amount**"), set out opposite its name in column (3) in the table below, based on the Issue Price ("**Fourth Tranche Subscription**"), in each case as may be adjusted in accordance with the Subscription Agreement.

(1) Investor	(2) Number of Fourth Tranche Subscription Shares to be subscribed for	(3) Investor Fourth Tranche Subscription Amount for the Fourth Tranche Subscription Shares (USD)
RRJ 1	75,000 RCPS	75,000,000
RRJ 2	5,000 RCPS	5,000,000
Platinum	50,000 RCPS	50,000,000
BCI PE	20,000 RCPS	20,000,000
BCI GPF	50,000 RCPS	50,000,000
Total	200,000 RCPS	200,000,000

- (ii) The share capitalisation of YPOHL on a fully diluted basis on Fourth Tranche Closing, immediately following the issuance of the maximum number of RCPS and Warrants in connection with all Closings (and assuming the First Tranche Closing, Second Tranche Closing and Third Tranche Closing occurred in full), shall be as set out below:

No.	Shareholders	No. of YPOHL Shares	No. of RCPS	No. of YPOHL Shares into which RCPS converts	No. of Warrants	No. of YPOHL Shares into which Warrants are exercisable	Total YPOHL Shares (on a fully diluted basis)	% (on a fully diluted basis)
1	YGCS	2,670,000	-	-	-	-	2,670,000	65.48
2	RRJ 1	-	375,000	375,000	375,000	152,917	527,917	12.95
3	RRJ 2	-	25,000	25,000	25,000	10,195	35,195	0.86
4	Platinum	-	250,000	250,000	250,000	101,945	351,945	8.63
5	BCI PE	-	100,000	100,000	100,000	40,778	140,778	3.45
6	BCI GPF	-	250,000	250,000	250,000	101,945	351,945	8.63
	TOTAL	2,670,000	1,000,000	1,000,000	1,000,000	407,780	4,077,780	100

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT (Cont'd)

2. Warrants**2.1 First Tranche Warrants**

Subject to the First Tranche Conditions being satisfied, or, where applicable, waived in accordance with the Subscription Agreement and the subscription by the Investors of all (and not part only of) the First Tranche Subscription Shares, each Investor shall subscribe for, and YPOHL shall allot and issue to each Investor, at First Tranche Closing, the number of Warrants set out opposite its name in column (2) in the table below ("**First Tranche Warrants**"), for an aggregate consideration of USD 1 from each Investor.

(1) Investor	(2) Number of Warrants
RRJ 1	112,500
RRJ 2	7,500
Platinum	75,000
BCI PE	30,000
BCI GPF	75,000
Total	300,000

2.2 Second Tranche Warrants

Subject to the Subsequent Tranche Conditions and the Second Tranche Additional Condition being satisfied, or, where applicable, waived in accordance with the Subscription Agreement and the subscription by such Investor of all (and not part only of) its relevant Second Tranche Subscription Shares, each Investor shall subscribe for, and YPOHL shall allot and issue to each Investor, at Second Tranche Closing, the number of Warrants set out opposite its name in column (2) in the table below ("**Second Tranche Warrants**") (subject to any adjustment pursuant to the Subscription Agreement) for an aggregate consideration of USD1 from each Investor, provided that if an Investor subscribes for part only (and not all) of its Second Tranche Subscription Shares at Second Tranche Closing, such Investor shall instead subscribe for one (1) Warrant for every one (1) Subscription Share subscribed for by such Investor at Second Tranche Closing.

(1) Investor	(2) Number of Warrants
RRJ 1	75,000
RRJ 2	5,000
Platinum	50,000
BCI PE	20,000
BCI GPF	50,000
Total	200,000

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT (Cont'd)

2.3 Third Tranche Warrants

Subject to the Subsequent Tranche Conditions and the Third Tranche Additional Condition being satisfied, or, where applicable, waived in accordance with the Subscription Agreement and the subscription by such Investor of all (and not part only of) its relevant Third Tranche Subscription Shares, each Investor shall subscribe for, and YPOHL shall allot and issue to each Investor, at Third Tranche Closing, the number of Warrants set out opposite its name in column (2) in the table below ("**Third Tranche Warrants**") (subject to any adjustment pursuant to the Subscription Agreement) for an aggregate consideration of USD1 from each Investor, provided that if an Investor subscribes for part only (and not all) of its Third Tranche Subscription Shares at Third Tranche Closing, such Investor shall instead subscribe for one (1) Warrant for every one (1) Subscription Share subscribed for by such Investor at Third Tranche Closing.

(1) Investor	(2) Number of Warrants
RRJ 1	112,500
RRJ 2	7,500
Platinum	75,000
BCI PE	30,000
BCI GPF	75,000
Total	300,000

2.4 Fourth Tranche Warrants

Subject to the Subsequent Tranche Conditions and the Third Tranche Additional Condition being satisfied, or, where applicable, waived in accordance with the Subscription Agreement and the subscription by such Investor of all (and not part only of) its relevant Fourth Tranche Subscription Shares, each Investor shall subscribe for, and YPOHL shall allot and issue to each Investor, at Fourth Tranche Closing, the number of Warrants set out opposite its name in column (2) in the table below ("**Fourth Tranche Warrants**") (subject to any adjustment pursuant to the Subscription Agreement) for an aggregate consideration of USD1 from each Investor, provided that if an Investor subscribes for part only (and not all) of its Fourth Tranche Subscription Shares at Fourth Tranche Closing, such Investor shall instead subscribe for one (1) Warrant for every one (1) Subscription Share subscribed for by such Investor at Fourth Tranche Closing.

(1) Investor	(2) Number of Warrants
RRJ 1	75,000
RRJ 2	5,000
Platinum	50,000
BCI PE	20,000
BCI GPF	50,000
Total	200,000

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT *(Cont'd)*

3. Conditions precedent**3.1 Conditions**

First Tranche Closing is conditional on the satisfaction of each of the conditions set out below ("**First Tranche Conditions**") (or waiver thereof on or before the First Tranche Closing):

(i) Restructuring and approvals

- (a) Completion of the internal restructuring exercise which involves the transfer of YPOPL to YPOHL for the YPOHL Shares, pursuant to which YPOPL will become a wholly-owned subsidiary of YPOHL, in accordance with the restructuring steps plan.
- (b) Nordic Trustee AS, as security agent of the 9.625% senior secured USD600.0 million bonds (in aggregate) issued by Yinson Production Financial Services Pte. Ltd. executing (i) a deed of release in favour of YGCS to discharge the existing share charge over the shares of YPOPL; and (ii) a new share charge over the shares of YPOPL held by YPOHL.
- (c) The prior approval from the Ghana Petroleum Commission in connection with any direct or indirect transfer of shares in Yinson Production West Africa Limited (a 49%-owned indirect subsidiary of YHB held via YPOPL) arising from the restructuring, such approval to be unconditional and otherwise in a form acceptable to the Investors (acting reasonably).
- (d) Either:
 - (1) written confirmation is received from the NMDPRA that the Nigerian Assignment Regulations are not applicable to a holder of either: (A) a Category A Petroleum Storage Licence issued by NMDPRA; or (B) if upon the renewal of the Category A Petroleum Storage License by Yinson Operation & Production West Africa Limited, an Industrial Storage and Utilisation License is issued to Yinson Operation & Production West Africa Limited by NMDPRA, such Industrial Storage and Utilisation License; or
 - (2) the withdrawal and termination by Yinson Operation & Production West Africa Limited of its pending application to renew its Category A Petroleum Storage License, and the Relevant Charterparty having obtained from NMDRPA a new Category A Petroleum Storage License, or any equivalent licence issued by the NMDPRA.

(ii) Shareholders' approval

The approval by the shareholders of YHB at the shareholder meeting of YHB of the transactions contemplated by the Subscription Agreement as required under Chapter 10 of the Listing Requirements.

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT *(Cont'd)*

(iii) Other conditions

- (a) No material breach by YPOHL of any of its pre-closing obligations under the Subscription Agreement having occurred.
- (b) The fundamental warranties being true, accurate and not misleading by reference to the facts, matters and circumstances existing as at the relevant closing date (or, if any fundamental warranty is expressly specified to be given on a particular date, such fundamental warranty being true, accurate and not misleading on such date).
- (c) The business warranties being true and accurate by reference to the facts, matters and circumstances existing as at the relevant closing date (or, if any business warranty is expressly specified to be given on a particular date, such business warranty being true and accurate on such date) other than where such failure to be true or accurate would not constitute a material adverse change.
- (d) No material adverse change existing as at the relevant closing date, other than any material adverse change which occurred prior to the immediately previous Closing and which is continuing since such previous Closing based on the same material adverse change events and in respect of which the applicable Investor has waived this condition in respect of such previous Closing.
- (e) No party to the Subscription Agreement having received any written notice from any government agency which prohibits, or which could reasonably be expected to prohibit, any part of the transaction which is the subject of the Subscription Agreement nor there coming into, or remaining in, force any applicable law having the same result.
- (f) For each subsequent closing, no company default event having occurred in respect of YPOHL (and in respect of the First Tranche Closing only, no event having occurred prior to the First Tranche Closing which would have been a company default event under the Shareholders Agreement had the Shareholders Agreement been in full effect as at such time), in each case which has not been remedied to the reasonable satisfaction of the Investors.
- (g) No Relevant Group Company being subject to financial distress.

The Second Tranche Closing is conditional on the satisfaction of each of the conditions set out in paragraph 3.1(iii)(b) to (g) above ("**Subsequent Tranche Conditions**") and the Second Tranche Additional Condition (or waiver thereof on or before Second Tranche Closing), as follows:

Second Tranche Additional Condition

YPOHL having submitted to the Ghana Petroleum Commission a valid request in respect of the Ghana Approval.

The Third Tranche Closing and Fourth Tranche Closing are conditional on the satisfaction of each of the Subsequent Tranche Conditions and the Third Tranche Additional Condition (or waiver thereof on or before Third Tranche Closing and Fourth Tranche Closing, respectively), as follows:

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT *(Cont'd)*

Third Tranche Additional Condition

The approval from the Ghana Petroleum Commission in connection with any direct or indirect transfer of shares in Yinson Production West Africa Limited arising out of (a) the conversion into YPOHL Shares of all of the Subscription Shares to be issued to the Investors pursuant to the Subscription Agreement; and (b) the exercise into YPOHL Shares of all of the Warrants to be issued to the Investors pursuant to the Subscription Agreement, such approval to be unconditional and otherwise in a form acceptable to the Investors (acting reasonably) (the “**Ghana Approval**”) and it being agreed that if the Ghana Petroleum Commission will only grant the Ghana Approval subject to YHB retaining control of YPOHL, that such condition shall be deemed to be acceptable to the Investors.

3.2 Waiver of Conditions

- (i) The Investors may waive all or any of the conditions precedent under paragraph 3.1(i)(a) and 3.1(iii) above in whole or in part by notice to YPOHL.
- (ii) The Investors together with YPOHL may waive all or any of the conditions precedent set out under paragraph 3.1(i)(b), 3.1(i)(c), 3.1(d)(2) and 3.1(ii) in whole or in part. The condition set out in paragraph 3.1(i)(d)(1) may only be waived in whole or in part by YPOHL.

3.3 Satisfaction of Conditions

YPOHL shall use all reasonable endeavours to procure that the First Tranche Conditions are satisfied on or before 30 June 2025 (or such later date as may be agreed in writing between YPOHL and each of the Investors) (“**Long Stop Date**”).

3.4 Termination

- (i) If any of the First Tranche Conditions are not satisfied, or waived in accordance with the Subscription Agreement, on or before 6.00 p.m. on the Long Stop Date, any of the Investors may by notice to the other parties terminate the Subscription Agreement (save for the surviving clauses on definitions and interpretation, termination, confidentiality, notices, payments, general clauses, governing law and dispute resolution) after 6.00 p.m. on the Long Stop Date.
- (ii) Upon termination of the Subscription Agreement, no party shall have any claim against any other party for costs, damages, compensation or otherwise, save for any rights, claims or remedies available or already accrued to any party prior to such termination.

4. Additional investment

Subject to Fourth Tranche Closing having occurred, YPOHL and the Investors may (but neither YPOHL nor the Investors shall be obliged to) agree to participate in the Additional Subscription Shares at the Issue Price per RCPS to the Investors, subject to the following conditions:

- (i) the total subscription amount to be paid by the Investors for all the Additional Subscription Shares shall not exceed USD500,000,000 in aggregate;

SALIENT TERMS OF THE SUBSCRIPTION AGREEMENT *(Cont'd)*

- (ii) each Investor shall have the right (but not the obligation) ("**Pro-Rata Additional Subscription Right**") to:
 - (a) subscribe for its relevant proportion of Additional Subscription Shares; and
 - (b) notify YPOHL of such number of further Additional Subscription Shares (an "**Excess Allocation**") for which it is prepared to subscribe in the event that each other Investor does not exercise its Pro-Rata Additional Subscription Right in full,

in each case at the Issue Price per Additional Subscription Share;
- (iii) any Investor(s) who subscribes for its full Pro-Rata Additional Subscription Right, shall have the right to subscribe (pro rata to their respective relevant proportions) for any excess Additional Subscription Shares not subscribed for by the other Investor(s) and excess Additional Subscription Shares shall continue to be allocated on this basis until either: (i) all such Additional Subscription Shares are allocated; or (ii) all requests for Additional Subscription Shares have been satisfied (provided that, in each case, no Investor shall be allocated more than its Excess Allocation); and
- (iv) the subscription shall be undertaken otherwise on terms and conditions (including with respect to the closing of the subscription of such Additional Subscription Shares) equivalent to those applicable to either Second Tranche Closing, Third Tranche Closing or Fourth Tranche Closing (as the case may be) under the Subscription Agreement.

5. Third-Party Subscription

YPOHL shall have the right (but not the obligation) to offer (in compliance with the terms of the Shareholders Agreement) any Additional Subscription Shares which have been offered to the Investors in accordance with the Subscription Agreement but have not been subscribed for by the Investors ("**Remaining Additional Subscription Shares**") at any time between the date immediately following the conclusion of the process set out in paragraph 4(iii) above, up to the date which is six (6) months following the date of Fourth Tranche Closing to such person as the YPOHL Board may determine, provided that such Remaining Additional Subscription Shares are issued on terms which are no more favourable (including as to subscription price) than the terms set out in the transaction documents.

6. Governing law

The Subscription Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

SALIENT TERMS OF THE RCPS

Ranking : The RCPS shall rank in priority to any other class of equity securities of YPOHL (including the YPOHL Shares) with respect to the payment of distributions and liquidation preference pursuant to the terms of the RCPS.

The RCPS shall be treated and rank equally among themselves and, accordingly, any repayments of principal shall be made in accordance with the redemption provisions below, and payments of Preferred Distributions shall be made otherwise in accordance with the terms of the RCPS.

For the avoidance of doubt, but subject to any applicable laws (including the Insolvency Act 1986), the RCPS shall rank *pari passu* with the PB save as provided to the contrary in accordance with the conditions of the RCPS. Notwithstanding anything in this provision, the parties agree that RCPS shall constitute “Securities” (insofar as such term relates to shares in YPOHL) as referred to in the terms of any written agreement between YPOHL and its shareholders.

Distributions : If declared by the YPOHL Board out of funds legally available for distribution, and to the fullest extent permissible by law, YPOHL shall pay the RCPS holders in respect of each RCPS in issue a preferential dividend for each distribution period (“**Preferred Distributions**”). The Preferred Distributions shall comprise of:

- (i) cash preferential dividends (“**Cash Distributions**”); and
- (ii) (if applicable) payment in kind dividends (“**PIK Distributions**”), which for all purposes under the terms of the RCPS also includes any Deferred Distributions to be settled in cash eventually,

and (if applicable) shall be increased in respect of any amount payable in respect of an RCPS in accordance with any gross-up for withholding tax.

The Preferred Distributions shall accrue and accumulate on each of the RCPS of an amount equal to (i) the Issue Price of such RCPS, plus (ii) the aggregate of all PIK Distributions accrued and unpaid in respect of such RCPS as at the most recent anniversary of the date on which such RCPS was issued (“**Issue Date**”) for such RCPS, provided that the amount under this limb (ii) shall be reduced by the amount of those accrued and unpaid PIK Distributions which are paid by YPOHL in accordance with the terms of the RCPS but excluding any gross-up withholding tax amount of each RCPS on the basis that during each distribution period (with effect from and commencing on the first date of such distribution period) at such rates as elected by YPOHL pursuant to the terms of the RCPS.

The Preferred Distributions for each Distribution Period shall be calculated on the basis of one of the following options which the YPOHL Board will select at the relevant meeting, being either:

- (i) the Preferred Distributions for such Distribution Period shall comprise Cash Distributions only, which shall be deemed to have accrued in respect of the relevant Distribution Period at the Option A Cash Distribution Rate; or
- (ii) the Preferred Distributions for such Distribution Period shall comprise Cash Distributions and PIK Distributions which:
 - (a) in respect of the Cash Distributions, shall be deemed to have accrued in respect of the relevant Distribution Period at the Option B Cash Distribution Rate; and

SALIENT TERMS OF THE RCPS *(Cont'd)*

- (b) in respect of the PIK Distributions, shall be deemed to have accrued in respect of the relevant Distribution Period at the PIK Distribution Rate,

and YPOHL's choice of option shall apply in respect of all the RCPS.

The **Option A Cash Distribution Rate** shall mean:

- (i) prior to Target Exit Date, at a rate equal to 12.95% per annum;
- (ii) on or after the Target Exit Date up to the date immediately prior to the seventh anniversary of the First Tranche Closing date, a rate equal to 13.95% per annum;
- (iii) on or after the date falling on the seventh anniversary of the First Tranche Closing date, at a rate equal to 14.95% per annum;

in each case subject to this provision herein and provided that for such time as YPOHL is subject to any applicable default event pursuant to the terms of any written agreement between YPOHL and its shareholders which remains unremedied, the Option A Cash Distribution Rate shall increase by 2.0% per annum with effect from the date on which such event occurred until such time as the default event is remedied to the reasonable satisfaction of the RCPS holders.

The **Option B Cash Distribution Rate** shall mean:

- (i) prior to Target Exit Date, at a rate equal to 7.25% per annum;
- (ii) on or after the Target Exit Date up to the date immediately prior to the seventh anniversary of the First Tranche Closing date, at a rate equal to 8.25% per annum;
- (iii) on or after the seventh anniversary of the First Tranche Closing date, at a rate equal to 9.25% per annum;

in each case this provision herein provided and provided that for such time as YPOHL is subject to any applicable default event pursuant to the terms of any written agreement between YPOHL and its shareholders which remains unremedied, the Option B Cash Distribution Rate shall increase by 2.0% per annum with effect from the date on which such event occurred until such time as the default event is remedied to the reasonable satisfaction of the RCPS holders.

YPOHL shall, by written notice ("**Distribution Rate Election Notice**") to the RCPS holders, within 1 business day following each Distribution Rate Determination Date ("**Declaration Date**") notify the RCPS holders of the Preferred Distributions for the applicable Distribution Period and the basis upon which they have been determined. YPOHL shall declare the Preferred Distributions (to the extent comprising Cash Distributions) on the Declaration Date to which they relate. For the avoidance of doubt, Preferred Distributions comprising PIK Distributions need not be declared, but shall accumulate in accordance with the terms of the RCPS.

SALIENT TERMS OF THE RCPS (Cont'd)

If YPOHL fails to deliver a Distribution Rate Election Notice on or prior to the Declaration Date, or when the YPOHL Board does not declare any Preferred Distribution comprising Cash Distributions in respect of a Distribution Period in accordance with the terms of the RCPS (whether or not so permitted by applicable law), the Preferred Distributions for each RCPS in respect of the relevant Distribution Period shall comprise Cash Distributions and PIK Distributions, provided that:

- (i) such Cash Distributions shall be deemed to have accrued in respect of the relevant Distribution Period at the Option B Cash Distribution Rate, but (instead of being payable in cash) shall with effect from the first date of the following Distribution Period continue to accrue and accumulate as PIK Distributions on the relevant RCPS (and shall be referred to as “**Deferred Distributions**”); and
- (ii) such PIK Distributions shall be deemed to have accrued in respect of the relevant Distribution Period at the PIK Distribution rate of 6.25% per annum (“**PIK Distribution Rate**”).

The Preferred Distributions shall be calculated on the basis of the Distribution Periods elapsed over a financial year consisting of 12 months.

Distribution Period(s) shall mean each period which commences on the date immediately after the Declaration Date for one Distribution Quarter and ends on the Declaration Date for the subsequent Distribution Quarter, provided that the initial Distribution Period shall commence on and include the Issue Date of the RCPS to be issued and end on the Declaration Date for the Distribution Quarter in which such Issue Date occurs.

Distribution Rate Determination Date : The **Distribution Rate Determination Date** means the date the YPOHL Board elects the applicable distribution rate option applying to a Distribution Period which shall be no later than:

- (i) 14 June of each year, in respect of the Distribution Quarter commencing on 1 February and ending on (and including) 30 April of the same calendar year, being the first financial reporting quarter of YPOHL;
- (ii) 14 September of each year, for the Distribution Quarter commencing on 1 May and ending on (and including) 31 July of the same calendar year, being the second financial reporting quarter of YPOHL;
- (iii) 15 December each year, for the Distribution Quarter commencing on 1 August and ending on (and including) 31 October of the same calendar year, being the third financial reporting quarter of YPOHL; and
- (iv) 17 March of each year, for the Distribution Quarter commencing on 1 November of the previous calendar year, and ending on (and including) 31 January of the same calendar year, being the fourth financial reporting quarter of YPOHL,

provided that if YPOHL fails to deliver the Distribution Rate Election Notice by the relevant date or does not declare any Preferred Distribution, the Distribution Rate Determination Date shall be taken to be the dates set out in (i), (ii), (iii) or (iv) above.

SALIENT TERMS OF THE RCPS *(Cont'd)*

- Distribution Quarter** : The **Distribution Quarter** shall mean, in respect of each financial year:
- (i) the period commencing 1 February and ending on (and including) 30 April;
 - (ii) the period commencing 1 May and ending on (and including) 31 July;
 - (iii) the period commencing 1 August and ending on (and including) 31 October; and
 - (iv) the period commencing 1 November and ending on (and including) 31 January.
- Liquidation Preference** : Upon the occurrence of a Deemed Liquidity Event or the liquidation, dissolution or winding up of YPOHL, all assets and funds of the YPOHL Group available for distribution among shareholders of YPOHL shall be applied as set out below:
- (i) to each of the RCPS holders, in priority to the ordinary shareholders of YPOHL and the holders of any other equity securities of YPOHL, an amount per RCPS held equal to (i) a price per RCPS that would result in each RCPS holder realising (on a per RCPS basis) an IRR in Dollar terms of 15.75% per annum calculated from the Issue Date of such RCPS up to (and including): (A) where no more than one (1) floating production storage and offloading vessel or floating storage and offloading vessel ("**F(P)SO**") agreement has been executed, the later of: (x) the date of payment and (y) the date which is three (3) years following the Issue Date of such RCPS; or (B) where two (2) or more F(P)SO agreements have been executed, the later of: (x) the date of payment and (y) in respect of any RCPS which, if it were to be redeemed at the relevant time would be redeemed ("**Shortened Make Whole RCPS**") held by such RCPS holder, the date which is twenty (20) months following the First Tranche Closing date; or (z) in respect of any RCPS held by such RCPS holder which are not Shortened Make Whole RCPS, the date which is three (3) years following the Issue Date of such RCPS, or (ii) such amount as would have been payable for such RCPS immediately prior to such liquidation, dissolution or winding up of YPOHL or the occurrence of such Deemed Liquidity Event if the relevant RCPS holder had converted such RCPS to an YPOHL Shares immediately prior to the occurrence of such Deemed Liquidity Event or liquidation, dissolution or winding up of YPOHL, plus an amount equal to all accrued and unpaid PIK Distributions on the RCPS, whichever ((i) or (ii)) is higher, each as increased in respect of any amount payable in respect of an RCPS (if applicable) in accordance with the terms of the RCPS (the "**Liquidation Preference Amount**") (provided that if there are insufficient surplus assets to pay the amount per RCPS equal to the applicable Liquidation Preference Amount, the remaining surplus assets shall be distributed to the Investors pro rata to their respective holdings of RCPS); and
 - (ii) the balance of the surplus assets (if any) shall be distributed among the ordinary shareholders of YPOHL pro rata to the number of YPOHL Shares.

SALIENT TERMS OF THE RCPS *(Cont'd)*

A “**Deemed Liquidity Event**” shall mean any of the following:

- (i) a consolidation, merger, scheme of arrangement or amalgamation of YPOPL with or into any other corporation or corporations or non-corporate business entity or any other corporate reorganisation, or a sale transaction involving YPOPL, in one transaction or a series of related transactions, in which the shareholders of YPOPL (as applicable) immediately prior to such consolidation, merger or reorganisation or sale transaction, cease to control YPOPL (as applicable); or
- (ii) a sale or disposition of all or substantially all of the assets of YPOHL or YPOPL, whether directly or indirectly or in one transaction or a series of related transactions.

Redemption : Voluntary redemption by YPOHL

YPOHL may, at any time, at its sole option, redeem some or all of the then outstanding RCPS for a price equal to the applicable Redemption Amount, as increased in respect of any amount payable in respect of an RCPS (if applicable), by serving a notice of redemption of RCPS (“**Redemption Notice**”) on each RCPS holder stating YPOHL’s election to redeem some or all of the RCPS on a date (“**Voluntary Redemption Date**”) which is no earlier than 20 business days, and no later than 40 business days following the date of such Redemption Notice.

Any redemption pursuant to this provision shall be in respect of RCPS having an aggregate principal amount (by Issue Price) of at least USD20,000,000, or, if less, all of the RCPS outstanding.

Mandatory Redemption

Neither YPOHL or any group companies of YPOHL shall commence or proceed with the construction (or acquisition, as applicable) of any F(P)SO, pursuant to the third F(P)SO agreement following 14 January 2025 without YPOHL having yet redeemed, following the First Tranche Closing, such number of RCPS as have an aggregate principal amount (by Issue Price) of USD280,000,000. YPOHL shall notify the RCPS holders in writing at least 15 business days prior to commencing or proceeding with the construction (or acquisition, as applicable) of any F(P)SO pursuant to the third F(P)SO Agreement.

Without prejudice to the foregoing, at least five (5) business days prior to commencing or proceeding with the construction (or acquisition, as applicable) of any F(P)SO pursuant to the third F(P)SO agreement following 14 January 2025 (the “**Mandatory Redemption Date**”), YPOHL shall be required to redeem, at the Redemption Amount, as increased in respect of any amount payable in respect of an RCPS (if applicable) in accordance with the terms of the RCPS, such number of RCPS having an aggregate principal amount (by Issue Price) equal to the amount by which (a) USD280,000,000 exceeds (b) the aggregate principal amount (by Issue Price) of the total RCPS that have been voluntarily redeemed by YPOHL prior to the Mandatory Redemption Date, by serving a Redemption Notice on each RCPS holder stating YPOHL’s redemption of the abovementioned RCPS.

SALIENT TERMS OF THE RCPS (Cont'd)

No redemption of RCPS held by an RCPS holder may be undertaken by YPOHL:

- (i) from the date where a written notice is given by YPOHL to the RCPS holders to notify the RCPS holders of any proposed IPO by a Relevant Group Company that is incorporated after the First Tranche Closing date that, directly or indirectly, is controlled by YPOHL which holds or will hold all or substantially all of the assets of the YPOHL Group (including the subsidiaries and/or associated companies of the company or YPOPL) ("**New Holding Company**") and the notice, a "**Proposed IPO Notice**", until the earlier of the consummation of the IPO by the Relevant Group Company or New Holding Company, or the notification by YPOHL to the RCPS holders that such proposed IPO will not be consummated;
- (ii) PB Exercise Period;
- (iii) if YPOHL has consummated an IPO, for a period of 15 business days from the date YPOHL provides the RCPS holder with a non-binding notice in writing of its intention to deliver a Redemption Notice;
- (iv) with respect to any RCPS which such RCPS holder has elected to convert:
 - (a) into YPOHL Shares in accordance with the conversion provisions; or
 - (b) into PB in accordance with the terms of the PB,

in each case (x) without the prior written consent of such RCPS holder and (y) provided that, in the event that YPOHL proposes to exercise its redemption rights under "voluntary redemption by YPOHL" during the pre-IPO conversion period or the PB Exercise Period, YPOHL shall notify the RCPS holders in writing and such redemption shall proceed only in respect of the RCPS held by such RCPS holders who notify YPOHL in writing of their agreement within ten (10) business days of such notice (and otherwise in accordance with the conditions of the RCPS).

Redemption Amount : Means the price per RCPS that would result in each RCPS holder realising (on a per RCPS basis) an annualised discount rate ("**IRR**") in Dollar terms of 15.75% per annum calculated from the Issue Date of the relevant RCPS up to and including the later of:

- (i) the Redemption Date of such RCPS; and
- (ii) in respect of:
 - (a) the redemption by YPOHL of the first USD280,000,000 in aggregate principal amount (by Issue Price) of RCPS which are redeemed following the First Tranche Closing, the date which is 20 months following the First Tranche Closing date; or
 - (b) the redemption by YPOHL of any RCPS after redemption in full of USD280,000,000 in aggregate principal amount (by Issue Price) as set forth in paragraph (a) above, the date which is three years following the Issue Date of such RCPS.

Redemption Date : Means the Voluntary Redemption Date or the Mandatory Redemption Date.

SALIENT TERMS OF THE RCPS *(Cont'd)*

IPO : If an IPO has not been consummated by a Relevant Group Company or any other entity which owns all or substantially all of the assets of the YPOHL Group at that time, including any New Holding Company by the Target Exit Date

If an IPO has not been consummated by a Relevant Group Company or New Holding Company by the Target Exit Date and any RCPS holder exercises its rights to convert its RCPS into PB, the YPOHL Board shall use its reasonable endeavours to ensure that the cash held by YPOHL which is available to be distributed to shareholders under applicable law, after the deduction of cash required by the group in respect of operating expenses, capital expenditures, debt service and any other necessary financial obligations of the group falling due within the following 6 months, as determined by the YPOHL Board (acting reasonably and in good faith) ("**Distributable Excess Cash**") as at the date immediately prior to the issue of such PB is maximised and applied, no later than such date, as follows:

- (i) first, in payment of all accrued and unpaid Deferred Distributions;
- (ii) second, subject to the payment in full of all accrued and unpaid Deferred Distributions:
 - (a) 65.0% of the Distributable Excess Cash remaining following such payment of Deferred Distributions ("**Net Distributable Excess Cash**") is applied to the RCPS holders in the following order of priority:
 - (1) first, to the RCPS holders until all accrued and unpaid PIK Distributions (excluding Deferred Distributions) in respect of such outstanding RCPS have been paid in full; and
 - (2) second, to the RCPS holders who have outstanding RCPS by way of redemption of their RCPS in accordance with the redemption provisions; and
 - (b) 35.0% of the Net Distributable Excess Cash is applied to the ordinary shareholders of YPOHL in cash distributions on YPOHL Shares.

If an IPO has not been consummated by a Relevant Group Company or New Holding Company by the Target Exit Date, after the Target Exit Date, for so long as there are any RCPS or (if applicable) PIK converted balances outstanding, the YPOHL Board shall use its reasonable endeavours to ensure that the Distributable Excess Cash is maximised and applied as follows:

- (i) first, (if there are PB outstanding) to pay all unpaid and accrued interest or coupon in respect of the PB ("**PB Interests**") which have been deferred in accordance with the terms of the PB;
- (ii) second, (if there are PB outstanding) subject to the payment in full of all amounts referred to in (i) above, to pay all PB Interests that have not been deferred in accordance with the terms of the PB (and are therefore not subject to repayment in accordance with (i) above);

SALIENT TERMS OF THE RCPS *(Cont'd)*

- (iii) third, subject to the payment of in full of all amounts referred to in (i) and (ii) above, to pay any unpaid and accrued PIK Distributions in respect of any (i) IPO Converting RCPS or Further Converting RCPS, or (ii) RCPS which are converted into PB shall, upon the conversion of the RCPS to which they relate, become outstanding balances of YPOHL (increased, where applicable, taking into account the gross-up for withholding tax) in favour of the former holders of such RCPS ("**PCB Holder(s)**") ("**PIK Converted Balances**") to the PCB Holders all unpaid and accrued amount on such PIK Converted Balance which shall include any portion of a PIK Converted Balance which was a Deferred Distribution prior to the conversion of the relevant RCPS (the "**PIK Deferred Balances**");
- (iv) fourth, subject to the payment in full of all amounts referred to in (i) to (iii) above, to pay to the RCPS holders all unpaid and accrued Deferred Distributions;
- (v) fifth, subject to the payment in full of all amounts referred to in (i) to (iv) above, to pay all cash payments owing under the terms of the RCPS in respect of any PIK Converted Balances (that are not PIK Deferred Balances);
- (vi) sixth, subject to the payment in full of all amounts referred to in (i) to (v) above, to pay all Cash Distributions which are declared in respect of any RCPS;
- (vii) seventh, subject to the payment in full of all amounts referred to in (i) to (vi) above, to pay to the PCB Holders all accrued and unpaid PIK Converted Balance in respect of each Distribution Period, which is deemed to be increased by an amount equal to the Preferred Distribution which would have accrued on such PIK Converted Balances had it constituted an accrued PIK Distribution during such Distribution Period ("**PIK Additional Balances**") but excluding any such amount which is paid in the event the Preferred Distribution option is selected by the YPOHL Board which comprises (in whole or in part) a Cash Distribution, YPOHL shall pay to the PCB Holder an amount in cash equal to the Cash Distribution which would have been payable by YPOHL to such holders had the applicable PIK Converted Balance been an accrued PIK Distribution, together with any additional gross-up for withholding tax amount;
- (viii) eighth, subject to the payment in full of all amounts referred to in (i) to (vii) above, to pay to the PCB Holders all amounts owing in respect of their PIK Converted Balances until such PIK Converted Balances have been paid in full; and
- (ix) ninth, subject to the payment in full of all amounts referred to in Conditions (i) to (viii) above:
 - (a) 65.0% of the Distributable Excess Cash following payment of all amounts referred to in (i) to (viii) above in full ("**Relevant Distributable Excess Cash**") shall be applied to the RCPS holders in the following order of priority:
 - (1) first, to the RCPS holders until all accrued and unpaid PIK Distributions (excluding Deferred Distributions) in respect of such outstanding RCPS have been paid in full; and

SALIENT TERMS OF THE RCPS (Cont'd)

- (2) second, to the RCPS holders who have outstanding RCPS by way of redemption of their RCPS in accordance with the redemption provisions; and
- (b) 35.0% of the Relevant Distributable Excess Cash shall be applied to the ordinary shareholders of YPOHL in cash distributions on the ordinary shares.

If an IPO is consummated by a Relevant Group Company or New Holding Company

If an IPO is consummated, following consummation of such IPO and for so long as there are RCPS or Preferred Distributions or (if applicable) PIK Converted Balances outstanding, the YPOHL Board shall use its reasonable endeavours to ensure that the Distributable Excess Cash is maximised and is applied as follows:

- (i) first, (if there are PB outstanding on or following the consummation of the IPO), to pay all the PB Interests which have been deferred in accordance with the terms of the PB;
- (ii) second, (if there are PB outstanding on or following the consummation of the IPO) subject to the payment in full of all amounts referred to in (i) above, to pay all PB Interests that have not been deferred in accordance with the terms of the PB (and are therefore not subject to repayment in accordance with (i) above);
- (iii) third, subject to the payment in full of all amounts referred to in (i) and (ii) above, to pay to the PCB Holders all unpaid and accrued PIK Deferred Balances;
- (iv) fourth, subject to the payment in full of all amounts referred to in (i) to (iii) above, to pay to the RCPS holders all unpaid and accrued Deferred Distributions;
- (v) fifth, subject to the payment in full of all amounts referred to in (i) to (iv) above, to pay all cash payments owing under the terms of the RCPS in respect of any PIK Converted Balances (that are not PIK Deferred Balances);
- (vi) sixth, subject to the payment in full of all amounts referred to in (i) to (v) above, to pay all Cash Distributions which are declared in respect of any RCPS;
- (vii) seventh, subject to the payment in full of all amounts referred to in (i) to (vi) above, to pay to the PCB Holders all accrued and unpaid PIK Additional Balances (excluding PIK Deferred Balances);
- (viii) eighth, subject to the payment in full of all amounts referred to in (i) to (vii) above, to pay to the PCB Holders all amounts owing in respect of their PIK Converted Balances until such PIK Converted Balances have been paid in full; and
- (ix) ninth, subject to the payment in full of all amounts referred to in (i) to (viii) above:
 - (a) 65.0% of the Relevant Distributable Excess Cash shall be applied to the RCPS holders in the following order of priority:

SALIENT TERMS OF THE RCPS (Cont'd)

- (1) first, to the RCPS holders until all accrued and unpaid PIK Distributions (excluding Deferred Distributions) in respect of such outstanding RCPS have been paid in full; and
- (2) second, to the RCPS holders who have outstanding RCPS by way of redemption of their RCPS in accordance with the redemption provisions; and
- (b) 35.0% of the Relevant Distributable Excess Cash shall be applied to the ordinary shareholders in YPOHL in cash distributions on the ordinary shares.

Subscription of PB : At any time during the PB Exercise Period, each RCPS holder may (but shall not be obliged to) by notice to YPOHL in writing ("**PB Conversion Notice**") require YPOHL to convert into PB the RCPS held by such RCPS holder having an aggregate Issue Price which, when taken together with any RCPS which are also required to be so converted by any other RCPS holder(s) is not less than USD50,000,000.

YPOHL shall issue any PB to be issued pursuant to the terms of the RCPS in a principal amount equal to the aggregate Issue Price of the converted RCPS, on the basis of one (1) PB issued in respect of each one (1) RCPS as soon as reasonably practicable and in any event within 3 months following the end of the PB Exercise Period and take such necessary steps in accordance with applicable law (including by way of undertaking a capital reduction) to cancel the converting RCPS and shall apply the amounts arising from such cancellation in full satisfaction of the subscription amounts for the PB. YPOHL and the PB holders may agree to consolidate or subdivide such number of PB so long as the PB holders continue to receive the equivalent rights and economic entitlement as prior to such consolidation or subdivision.

The issuance of the PB shall be on terms to be mutually agreed according to market standards and in good faith between YPOHL and the RCPS holders but reflecting the terms and conditions as set out in the Subscription Agreement, which shall include, but not limited to the following:

- (i) The PB will constitute unconditional, unsecured and subordinated obligations of the issuer of the RCPS (and in the event of an IPO of a Relevant Group Company which is not YPOHL or a New Holding Company, the IPO entity) ("**Issuer**") and will at all times rank *pari passu* without any preference among themselves and any instrument or security issued, entered into or guaranteed by the Issuer which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the PB. The rights and claims of the holders in respect of the PB are subordinated as follow:
 - (a) Subject to the insolvency laws of England and any other applicable laws, in the event of the winding-up of the Issuer, the rights of the holders to payment of principal of and interest on the PB are expressly subordinated and subject in right of payment to the prior payment in full of all claims or senior creditors of the Issuer but at least *pari passu* with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the PB, and in priority to the claims of shareholders of the Issuer.

SALIENT TERMS OF THE RCPS (Cont'd)

- (b) For the avoidance of doubt, subject to any applicable laws (including the Insolvency Act 1986), the RCPS shall rank *pari passu* with the PB save as provided to the contrary in the terms of the RCPS).
- (ii) Interest on the PB will accrue for the period ("**Interest Period**"):
 - (a) From (and including) the Issue Date to (but excluding) the second anniversary of Issue Date at an interest rate of 14.50% per annum; and
 - (b) From (and including) the second anniversary of Issue Date to (but excluding) the third anniversary of Issue Date at an interest rate of 15.50% per annum; and
 - (c) From (and including) the third anniversary of Issue Date to (but excluding) the fourth anniversary of Issue Date at an interest rate of 16.50% per annum; and
 - (d) From (and including) the fourth anniversary of Issue Date onwards at an interest rate of 17.50% per annum,

in each case on the outstanding principal amount of the PB, which interest will be payable semi-annually in arrears on each Interest Payment Date, subject to any optional deferral.
- (iii) The Interest Payment Date shall be 31 April and 31 October of each year ("**Interest Payment Date**").
- (iv) Unless all accrued but unpaid interest has been paid to the PB investors, (1) no cash dividends or distributions shall be declared or paid to the shareholders of the Issuer; and (2) no returns of capital (including share buy-backs or redemptions) may be made to holders of ordinary share capital or other junior securities.
- (v) The Issuer may, subject to certain notice requirements, redeem all or part of the PB at the following price:
 - (a) On any date between (and including) the Issue Date and (but excluding) the first anniversary of the Issue Date a price that would result in each PB Investor realizing a yield in dollar terms on the principal amount of the PB of 13.85%; and
 - (b) On any date between (and including) the first anniversary of the Issue Date and (but excluding) the second anniversary of the Issue Date a price that would result in each PB Investor realizing a yield in dollar terms on the principal amount of the PB of 14.35%; and
 - (c) On any date between (and including) the second anniversary of the Issue Date and (but excluding) the fifth anniversary of the Issue Date a price that would result in each PB Investor realizing a yield in dollar terms on the principal amount of the PB of 14.50%; and
 - (d) On any date after (and including) the fifth anniversary of the Issue Date a price that would result in each PB Investor realizing a yield in dollar terms on the principal amount of the PB of 15.00%.

SALIENT TERMS OF THE RCPS (Cont'd)

Such redemption amount shall include any interest received by the PB Investor (including any deferred interest which has been capitalized on a semi-annual basis).

Conversion : Conversion Ratio

The RCPS Conversion Ratio is computed using the following formula:

$$\frac{A \times B}{D + E - (B \times C)}$$

where:

- A : The aggregate number of outstanding YPOHL Shares at the time of conversion excluding any YPOHL Shares issued upon the exercise of the Warrants but includes YPOHL Shares issued as consideration in an acquisition
- B : Issue Price
- C : The aggregate number of outstanding RCPS immediately before the conversion
- D : Adjusted Post-Subscription Value of YPOPL which shall be calculated based on:
 - (a) the Pre-Subscription Value of YPOPL (being USD 2,670,000,000); *less*
 - (b) any due diligence adjustment amount; *less*
 - (c) the aggregate amount of any distribution paid to the ordinary shareholders of YPOHL (excluding the initial USD200 million distributions to YGCS); *plus*
 - (d) the aggregate subscription amounts of USD1 billion actually paid by the Investors under the Subscription Agreement (including, if any, the additional subscription amounts of USD500 million); *plus*
 - (e) any other new proceeds received by YPOHL in respect of the issuance of any YPOHL Shares
- E : Incremental Profit Sharing of IPO and customary adjustments in the event of a Drag Sale

Incremental Profit Sharing shall mean, at IPO, if the equity valuation of YPOHL post drawdown of the USD1.00 billion RCPS investment and the pre-IPO proceeds is more than the adjusted reference price, being at a cap of USD4.97 billion ("**Adjusted Reference Price**"), the RCPS holders will share 50% of the incremental profit above the Adjusted Reference Price with the issuer, provided that such amount is more than USD0.

SALIENT TERMS OF THE RCPS *(Cont'd)*

Conversion right : Conversion right prior to IPO

YPOHL shall, by way of written notice to the RCPS holders ("**Proposed IPO Notice**") notify the RCPS holders of any proposed IPO by no later than 3 months prior to the proposed date of consummation of such IPO. A Proposed IPO Notice be in the form as set out in the terms of the RCPS and shall contain, amongst others, the target date for consummation of the proposed IPO, the indicative listing price range for the shares and the proposed size of primary issuance and secondary offering (if any).

Upon receipt of a Proposed IPO Notice, each RCPS holder shall be entitled, by notice in writing to YPOHL ("**Initial Conversion Notice**") within the period commencing on the date of the Proposed IPO Notice and ending on the date which is 15 business days thereafter to notify YPOHL of:

- (i) such indicative number (if any) of its outstanding RCPS which the RCPS holder intends to convert into ordinary shares of the IPO Entity in connection with the IPO;
- (ii) the indicative number (if any) of IPO Conversion Shares which the RCPS holder intends to sell as part of the vendor secondary tranche offering in the IPO; and
- (iii) the indicative number (if any) of IPO Conversion Shares which the RCPS holder intends to retain upon consummation of the IPO.

YPOHL shall notify the RCPS holders at least 15 business days prior to the issuance of a publicly available prospectus or offering document (which may be in preliminary form and issued for price discovery and/or bookbuilding purposes) of the target listing price range for the shares of the IPO Entity pursuant to the IPO (the "**Target Listing Price Range**") and the proposed date of the IPO. Each RCPS holder shall be entitled, by notice in writing to YPOHL (a "**Final Conversion Notice**") within 15 business days from the date of such notice, to notify YPOHL of:

- (i) such number (if any) of its outstanding RCPS which the RCPS holders intends to convert ("**IPO Converting RCPS**") into ordinary shares of the IPO Entity in connection with the IPO ("**IPO Conversion Shares**");
- (ii) the number (if any) of IPO Conversion Shares which the RCPS holder intends to sell as part of the vendor secondary tranche offering in the IPO; and
- (iii) the number (if any) of IPO Conversion Shares which the RCPS holder intends to retain upon consummation of the IPO,

in each case, subject to the final listing price per share of the IPO entity, being YPOHL, YPOIL, and Yinson Production Financial Services Pte Ltd, or a new holding company being a YPOHL Group company that, directly or indirectly is controlled by YPOHL which holds or will hold all or substantially all of the assets of the YPOHL Group (including the subsidiaries and/or associated companies of YPOHL or YPOPL) in the IPO being within the target listing price range.

SALIENT TERMS OF THE RCPS *(Cont'd)*

If the final listing price per share of the IPO Entity in the IPO is not within the target listing price range, the RCPS holders shall be given the opportunity by YPOHL to update the information contained in the Final Conversion Notice prior to the consummation of the IPO by sending a subsequent Final Conversion Notice to YPOHL.

As soon as possible following the final listing price per share of the IPO entity in the IPO being determined by the YPOHL Board, YPOHL shall notify the RCPS holders of the number of IPO Conversion Shares that will be issued to the RCPS holders, which shall be the product of the number of the IPO Converting RCPS and the Conversion Ratio.

Immediately prior to the listing of the IPO entity (the date on which such listing occurs being the **"IPO Conversion Date"**), the IPO Converting RCPS shall without further authority than is contained in the terms of the RCPS be converted into and re-designated as such number of IPO Conversion Shares as is derived by multiplying the number of IPO Converting RCPS by the Conversion Ratio. Each IPO Conversion Share shall be deemed to be issued at a price equivalent to the Issue Price multiplied by the aggregate number of IPO Converting RCPS divided by the aggregate number of IPO Conversion Shares.

Each RCPS holder shall sell in the vendor secondary tranche offering in the IPO all of its IPO Conversion Shares which such RCPS holder notified it will sell in the Final Conversion Notice (as updated in accordance with the terms of the RCPS, as applicable).

In the event that any IPO which is proposed is not consummated on the IPO Conversion Date:

- (i) any RCPS notified to YPOHL in any Final Conversion Notice relating to such IPO shall remain outstanding as RCPS (and such Final Conversion Notice shall be deemed revoked), unless otherwise converted or redeemed in accordance with the terms of the RCPS; and
- (ii) each holder of IPO Conversion Shares, if any, shall, to the extent permitted by applicable law, be entitled, by notice to YPOHL in writing, to require that YPOHL acquires their respective IPO Conversion Shares and to issue to such holder the equivalent number of RCPS or preference shares with substantially the same rights and economic entitlement as the RCPS which were converted (and provided that such holder shall not be required to pay more than the minimum amount required under applicable law to ensure that such shares are fully paid up).

Conversion right following IPO

At any time following an IPO, each RCPS holder shall be entitled, by notice in writing to YPOHL (**"Further Conversion Notice"**) to require the conversion of all (or some) of the RCPS held by such RCPS holder (**"Further Converting RCPS"**) into IPO Conversion Shares (**"Further Conversion Shares"**) immediately on the date set out in such notice (**"Further Conversion Date"**), save that:

SALIENT TERMS OF THE RCPS (Cont'd)

- (i) the Further Conversion Date shall be at least ten (10) business days from the date of the Further Conversion Notice (or if the conversion is subject to any regulations or restrictions imposed by the approved stock exchange such as dealing restrictions or moratorium requirements, the earliest business day permitted by such restrictions); and
- (ii) the amount of the Issue Price multiplied by the aggregate number of Further Converting RCPS which are the subject of the Conversion ("**Further Conversion Amount**") shall not be less than USD25,000,000 (unless such RCPS holder holds, in aggregate, Further Converting RCPS which, when multiplied by the Issue Price, would produce a Further Conversion Amount which is which is less than USD25,000,000, in which case such RCPS holder may convert all such Further Converting RCPS).

On the Further Conversion Date, the Further Converting RCPS shall without further authority than is contained in the conditions of the RCPS be converted into and re-designated into such number of Further Conversion Shares as is derived by multiplying the number of Further Converting RCPS by the Conversion Ratio. Each Further Conversion Share shall be deemed to be issued at a price equivalent to the Issue Price multiplied by the number of Further Converting RCPS divided by the number of Further Conversion Shares.

Maximum conversion : Where any proposed conversion by the RCPS holders of IPO Converting RCPS or Further Converting RCPS into IPO Conversion Shares or Further Conversion Shares (as applicable) would otherwise result in the controlling shareholder ceasing to control, or holding less than 51.1% of the issued share capital of YPOHL (assuming all the Warrants held by the Warrants holders are exercised in full, other than in circumstances where the corresponding YPOHL Shares shall be transferred immediately following exercise in respect of a Drag Sale or Tag Sale), the RCPS holders shall proportionately scale back the number of IPO Converting RCPS or Further Converting RCPS which they may convert such that the controlling shareholder shall continue to control or hold at least 51.1% of the issued share capital of the Company following such conversion (it being understood that this shall solely affect the number of RCPS which may be converted, not the number of Conversion Shares into which the RCPS are convertible).

Voting rights : The RCPS shall confer on the RCPS holders the right to receive notice of and to attend and speak at all general meetings of YPOHL and to receive proposed written resolutions of YPOHL, but save as in respect of any matter YPOHL and the Investors have agreed in writing shall require the approval of the RCPS holders (or anything which is analogous or has a substantially similar effect to any of those things), not to vote at any such general meeting or on any such written resolution.

Target Date **Exit** : Date falling on the fifth anniversary of the First Tranche Closing.

Issue Price : USD1,000 per RCPS.

Governing Law : English law.

SALIENT TERMS OF THE WARRANTS

- Issue size** : The Warrants shall be issued in the following manner:
- (i) up to 300,000 Warrants on First Tranche Closing date;
 - (ii) up to 200,000 Warrants on Second Tranche Closing date;
 - (iii) up to 300,000 Warrants on Third Tranche Closing date; and
 - (iv) up to 200,000 Warrants on Fourth Tranche Closing date.
- Form and denomination** : The Warrants shall be issued in registered form and will be constituted by the Warrant instrument.
- Transferability** : The Warrants are freely transferable by the holders of the Warrants ("**Warrantholder**") subject to, amongst others, the following:
- (i) The articles of association of YPOHL, as amended from time to time.
 - (ii) The Shareholders Agreement.
 - (iii) The register of Warrantholders kept by or on behalf of YPOHL be kept accurately by YPOHL at its registered office or at such other place as may be permitted by applicable law ("**Warrant Register**").
 - (iv) Any change in the name, address or e-address of the Warrantholder shall be notified to YPOHL within a reasonable time after the change occurs which shall cause the Warrant Register to be altered accordingly. Save where the Warrant Register is made publicly available, the Warrantholder and any person authorised by a Warrantholder shall be at liberty at all reasonable times with prior appointment during office hours to inspect the Warrant Register and to take copies of or extracts from it or any part of it.
 - (v) YPOHL shall be entitled to treat the registered Warrantholder as the absolute owner of a Warrant and accordingly shall not, except as ordered by a court of competent jurisdiction or as required by law, be bound to recognise any equitable or other claim to, or interest in, that Warrant on the part of any other person, whether or not it shall have express or other notice of that claim or interest.
 - (vi) The Warrantholder will be recognised by YPOHL as entitled to their Warrants free from any equity, set off or cross claim on the part of YPOHL against the original or any intermediate holder of such Warrants.

SALIENT TERMS OF THE WARRANTS *(Cont'd)*

- (vii) Every transfer of a Warrant shall be made by an instrument of transfer in the usual or common form or in any other form which may be approved for the time being by the directors of YPOHL.
- (viii) The instrument of transfer of a Warrant shall be signed by or on behalf of the transferor but need not be signed by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the Warrant until the name of the transferee is entered in the Warrant Register in respect of that Warrant.
- (ix) No fee shall be charged for any registration of a transfer of a Warrant or for the registration of any other documents which in the opinion of the directors of YPOHL require registration.
- (x) The registration of a transfer shall be conclusive evidence of the approval by the directors of YPOHL of such transfer and the directors of YPOHL shall not have any discretion to refuse to register such a transfer.

Listing status : The Warrants will not be listed or registered for trading on any stock exchange.

Modification of rights of Warrantholders : The terms of the Warrant instrument and the rights of the Warrantholder may not be modified, abrogated, extinguished or compromised except with the prior written of the holders of 80.0% of the Warrants then outstanding under the Warrant instrument.

Exercise of Warrants : A Warrantholder may exercise its subscription rights in respect of any of the Warrants:

- (i) at any time during the Exercise Period; and
- (ii) at any time prior to the consummation of an IPO, conditionally upon the consummation of:
 - (a) a Drag Sale;
 - (b) a sale pursuant to a Tag Along Offer; or
 - (c) following the occurrence of a Deemed Liquidity Event.

SALIENT TERMS OF THE WARRANTS *(Cont'd)*

Exercise Period : Exercise Period means:

- (i) if an IPO is consummated prior to the Target Exit Date, the period beginning on the consummation of the IPO and ending on the Target Exit Date; or
- (ii) if an IPO has not been consummated prior to the Target Exit Date, the period beginning on the consummation of the IPO and ending on the date falling eighteen (18) months after the Target Exit Date.

Warrants Subscription Rights : The number of Warrant Shares issuable upon the exercise of the Warrants shall be calculated based on the following formula:

$$\frac{A \times B}{(1 - (B \times C))} \times C$$

where:

- A : The outstanding number of YPOHL Shares prior to the exercise of Warrants
- B : Maximum Proportion
- C : Percentage of Warrants exercising in which such percentage as is derived from (a) the number of Warrants which are the subject of the exercise in respect of the relevant exercise divided by (b) the aggregate number of Warrants issued

Maximum Proportion shall mean (i) the percentage derived by dividing the subscription amount, being the First Tranche Subscription Amount, the Second Tranche Subscription Amount, Third Tranche Subscription Amount and the Fourth Tranche Subscription Amount (as applicable), fully paid by the Investors to YPOHL pursuant to the terms of the Subscription Agreement by USD1.00 billion, multiplied by (ii) 10.0%, less (iii) 2.8% if, on the date of the exercise of Warrants, YPOHL has redeemed an aggregate of not less than USD280 million in principal amount (by Issue Price) of the RCPS.

Exercise price : The Warrants will be issued at a nominal consideration of USD1.00 (equivalent to RM4.43) to each Investor for every tranche.

The Warrants exercise price shall be calculated based on the following formula:

$$\frac{\text{Warrants Equity Proceeds}}{\text{Warrants Subscription Rights}}$$

where:

Warrants Equity Proceeds is calculated using the following formula:

Warrants Aggregate Strike Price x B x C

SALIENT TERMS OF THE WARRANTS *(Cont'd)*

where:

Warrants Aggregate Strike Price is calculated using the following formula:

$$\text{Maximum of } \frac{\text{Post-Subscription Value of YPOPL before exercise of Warrants}}{(1 - (B \times C))} \text{ or USD3.2 billion}$$

where:

B : Maximum Proportion

C : Percentage of Warrants exercising in which such percentage as is derived from (a) the number of Warrants which are the subject of the exercise in respect of the relevant exercise divided by (b) the aggregate number of Warrants issued

Warrant Shares : The YPOHL Shares to be issued on exercise of the Warrants ("**Warrant Shares**") shall:

- (i) be allotted and issued fully paid;
- (ii) rank *pari passu* in all respects with the YPOHL Shares then in issue on the relevant registration date; and
- (iii) entitle the registered holder to receive any dividend or other distribution announced or declared on or after the date of exercise of the Warrants in respect of the relevant Warrant Shares.

Cancellation and lapse of Warrants : The Warrants (to the extent unexercised) shall automatically lapse and be cancelled on the date following the last day of the Exercise Period, and the Warrantholder shall not have any further rights under the Warrant instrument (without prejudice to any rights in respect of an antecedent breach by YPOHL).

Governing law : English law

SALIENT TERMS OF THE SHAREHOLDERS AGREEMENT

1. Rights Offers**1.1 Rights offer notice**

If YPOHL proposes to issue any shares or any other class of shares in YPOHL or any other equity securities in YPOHL and any other notes, options, warrants, bonds or other securities or debt convertible into, exchangeable for, or carry a right to subscribe for or purchase, shares or any other class of shares or any other equity securities in YPOHL ("**Securities**") (other than an exempt issuance or a permitted issuance) or shareholder loans, it must first give written notice to each of the shareholders (including the RCPS holders) ("**Offer Notice**"), inviting the shareholder to subscribe for those Securities or shareholder loans. An Offer Notice must:

- (i) specify the total amount of funding that YPOHL is intending to raise;
- (ii) specify the aggregate number of Securities and/ or shareholder loans YPOHL proposes to offer for subscription ("**Offer Instruments**"), the issue price per Offer Instrument (in the case of Securities) ("**Offer Price**") and any other terms and conditions of the issue (including, in the case of shareholder loans, the principal amount of the shareholder loan and the applicable interest rate);
- (iii) inform each shareholder of its equity proportion of the Offer Instruments ("**Rights Entitlement**");
- (iv) specify the period for which the offer is open, which shall be at least 20 business days from the date of the Offer Notice ("**Offer Period**");
- (v) invite the shareholder to apply for its Rights Entitlement by giving written notice to YPOHL on the last day of the Offer Period, stating the number (or, in the case of shareholder loans, principal amount) and class of Offer Instruments for which the shareholder wishes to subscribe from its Rights Entitlement, including (if it accepts its Rights Entitlement in full) whether it would irrevocably accept, on the same terms, Offer Instruments that are not accepted by other shareholders ("**Excess Offer Instruments**") (and specifying a maximum number thereof); and
- (vi) not be revoked unless such revocation is otherwise approved by the YPOHL Board.

2. Restrictions on disposal

- 2.1 Each shareholder acknowledges and agrees to maintain the closely held nature of YPOHL by restricting the way in which shareholders may dispose of their Securities and giving shareholders an opportunity to buy any Securities offered for sale before those securities are offered to any party who is not a party to the Shareholders Agreement and must not enter into any arrangement, structuring device or other transaction which is designed, directly or indirectly, to circumvent or avoid this provisions or is otherwise inconsistent with this clause.
- 2.2 No disposal of any Securities may be made except as expressly permitted or required by the provisions of the Shareholders Agreement.

SALIENT TERMS OF THE SHAREHOLDERS AGREEMENT (Cont'd)

3. Right of first offer**3.1 Sale notice**

If at any time a shareholder or Warrantholder wishes to dispose of any of its Securities to a *bona fide* third party proposed purchaser other than pursuant to a permitted transfer, the creation of a security arrangement, a Drag Sale or a transfer of Tag Securities that shareholder (a “**Selling Shareholder**”) must first give written notice to YGCS and the Investors (collectively the “**ROFO Shareholder**”), copied to YPOHL (a “**Sale Notice**”). A Sale Notice must specify the number of Securities the Selling Shareholder proposes to dispose of.

3.2 On receipt of the Sale Notice, each of the ROFO Shareholders shall have the right (but shall be under no obligation) to make an offer in respect of the sale securities by giving notice in writing to the Selling Shareholder (“**ROFO Offer Notice**”) within 30 business days from the date of the Sale Notice (“**ROFO Offer Period**”). If a ROFO Shareholder has not served a ROFO Offer Notice before the end of the ROFO Offer Period (or otherwise notifies the Selling Shareholder in writing that it will not make a ROFO Offer), such ROFO Shareholder shall be deemed to have irrevocably waived its right to make an offer in relation to the proposed disposal as notified in the Sale Notice. The ROFO Notice must specify, amongst others, the price per sale security which the ROFO Shareholder is willing to pay, which must be in cash (“**Sale Price**”) and any other material terms and conditions of the proposed sale (“**Sale Terms**”).

The ROFO Offer Notice given by the ROFO Shareholder shall constitute an irrevocable offer by the ROFO Shareholder to buy the sale securities for cash at the Sale Price and on the Sale Terms.

3.3 Following the end of the ROFO Offer Period, the Selling Shareholder may:

- (i) prior to the end of the ROFO acceptance period, irrevocably accept or decline any ROFO Offer by giving written notice thereof to a ROFO Shareholder and, if the Selling Shareholder accepts a ROFO Offer, the Selling Shareholder shall sell and the relevant ROFO Shareholder(s) shall purchase the sale securities on the terms of the ROFO Offer with such ROFO Shareholder(s);
- (ii) if it does not accept any ROFO Offer, elect to dispose of all (but not less than all) of the sale securities to a third party, provided that in respect of any such disposal, (i) the consideration payable by the transferee on completion of such disposal is an amount which is higher than the highest sale price offered, (ii) any other terms shall not be materially more favourable to the transferee other than those proposed by the ROFO Shareholder who has offered the highest sale price, (iii) completion occurs or all conditions to completion are satisfied or irrevocably waived within 180 calendar days following the end of the ROFO Offer Period, and (iv) the proposed transferee is not a prohibited person; or
- (iii) provided that if no ROFO Offer is received by the end of the ROFO Offer Period, the Selling Shareholder may dispose of the sale securities to a third party on such terms as it may elect, provided that the provisions above shall apply.

SALIENT TERMS OF THE SHAREHOLDERS AGREEMENT (Cont'd)

3.4 At completion of any disposal of sale securities pursuant to a ROFO Offer which is accepted:

- (i) the relevant ROFO Shareholder(s) must pay to the Selling Shareholder the purchase price for the sale securities; and
- (ii) the Selling Shareholder must deliver to the relevant ROFO Shareholder(s) a duly executed transfer in favour of the relevant ROFO Shareholder(s) of the relevant sale securities and must deliver to YPOHL share certificates or other appropriate instruments relating to the sale securities.

4. Drag rights

If at any time during the period from the First Tranche Closing, YGCS wishes to sell all of its Securities to a *bona fide* proposed purchaser other than a permitted transferee of YGCS, YGCS may give written notice (a “**Drag Notice**”) to each other shareholder and Warrantholder at any time before completing the proposed sale requiring each other shareholder to sell all (and not some only) of its securities to the proposed buyer of the YGCS’ shares in accordance with this clause (“**Drag Sale**”) provided that the Drag Sale must satisfy the Minimum Drag Condition.

The **Minimum Drag Condition** shall mean, in respect of a Drag Sale, the RCPS holders shall receive a cash consideration in respect of their RCPS which is the higher of:

- (i) 1.6 times the Issue Price per RCPS, less all Cash Distributions received by such RCPS holder in respect of its RCPS up to the date immediately prior to the consummation of the Drag Sale; or
- (ii) The Redemption Amount.

5. Tag rights

5.1 If, having already complied with paragraph 3 above and subject to paragraph 5.2 below, YGCS proposes to dispose of, in a single transaction or a series of related transactions and other than pursuant to a permitted transfer, such number of securities held by it that would (or, in the case of a series of related transactions, the transaction, the completion of which would), (a) result in YGCS, together with any of its affiliates ceasing to control YPOHL (“**Full Tag Transfer**”) or (b) result in YGCS transferring at least 5% of its securities, but which does not constitute a Full Tag Transfer (“**Pro Rata Tag Transfer**”), then YGCS may not complete such disposal (“**Third Party Sale**”) unless it ensures that the person to which YGCS proposes to sell its securities (“**Tag Buyer**”) makes a separate offer to all Investors (or shareholders of YPOHL holding conversion shares) and Warrants Holders (“**Tagging Shareholders**”) to buy, (i) in the case of a Full Tag Transfer, all of the securities (of each class) held by such Tagging Shareholder; or (ii) in the case of Pro Rata Tag Transfer, such proportion of the securities (of each class) held by such Tagging Shareholder as equals the aggregate proportion of the holding of securities (of the relevant class) of YGCS which is proposed to be disposed of pursuant to the Third Party Sale (“**Tag Securities**”) on the terms set out in this paragraph (“**Tag Along Offer**”).

5.2 No Tag Along Offer shall be required to be made if a Drag Notice has been served.

SALIENT TERMS OF THE SHAREHOLDERS AGREEMENT (Cont'd)

6. Ordinary distributions

- 6.1 Subject to applicable law and the terms of the Shareholders Agreement and the articles of YPOHL, before application of any profits to reserve or for any other purpose, and as and if declared by the board of YPOHL out of funds legally available therefor on each distribution payment date, YPOHL has the right (but not the obligation to) pay to each ordinary shareholder in respect of each ordinary share held on distribution payment date, dividends for each Distribution Period ("**Ordinary Distributions**") provided that no Ordinary Distributions may be declared in favour of or paid to YGCS (or any of its permitted transferees) unless:
- (i) any Cash Distributions payable to the Investors in respect of the applicable Distribution Period have been determined and been paid by YPOHL in full;
 - (ii) there are no outstanding unpaid Deferred Distributions; and
 - (iii) any coupon or interest payments which are due to the holders of any PB issued by YPOHL have been paid by YPOHL in full.
- 6.2 YPOHL may not declare or pay to the ordinary shareholders of YPOHL, in respect of any (i) financial year following the financial year in which First Tranche Closing occurs, Ordinary Distributions in an aggregate amount exceeding USD200,000,000; and (ii) any financial year following the financial year which First Tranche Closing occurs, Ordinary Distributions in an aggregate amount exceeding the lower of:
- (i) 1.5 times the aggregate Cash Distributions paid to the Investors for the Distribution Periods for such financial year; and
 - (ii) an amount in aggregate for such financial year which would result in YGCS or any of its permitted transferees receiving USD125,000,000 or more as its proportionate share of the Ordinary Distributions.
- 6.3 The Ordinary Distributions (if any) shall be paid by YPOHL on or about the distribution payment date, but not prior to the payment of any distributions on the RCPS for the relevant Distribution Period.

7. Term and termination**7.1 Term**

- (i) The clause relating to the term of the Shareholders Agreement and the clauses on business and objectives, warranties, confidentiality, notices, general, governing law, dispute resolution (and the schedules referred to in the clauses) and definitions and interpretation shall take effect from and including the date of the Shareholders Agreement.
- (ii) All clauses and schedules of the Shareholders Agreement, other than those referred to above, shall take effect immediately upon First Tranche Closing.
- (iii) Once in force, the provisions of the Shareholders Agreement shall continue in force and bind the parties to it from time to time until the Shareholders Agreement is terminated in accordance with the provisions below.

SALIENT TERMS OF THE SHAREHOLDERS AGREEMENT *(Cont'd)*

7.2 Circumstances for termination

The Shareholders Agreement terminates:

- (i) in respect of the rights and obligations of all parties:
 - (a) on the date on which YPOHL is wound up;
 - (b) on the date on which one person becomes the beneficial owner all of the shares and other securities;
 - (c) upon the consummation of an IPO; or
 - (d) on the date on which all parties agree in writing to terminate the Shareholders Agreement; and
- (ii) in respect of the rights and obligations of a shareholder, on the date on which that shareholder (or any of its permitted transferees) ceases to hold any shares and other securities, unless otherwise expressly stated in the Shareholders Agreement.
- (iii) automatically, if the Subscription Agreement is terminated on or before First Tranche Closing pursuant to the terms of the Subscription Agreement.

7.3 Effect of termination

If the Shareholders Agreement terminates in respect of the rights and obligations of any party:

- (i) except as provided in (iii) below, that party is released from its obligations to further perform the Shareholders Agreement;
- (ii) each party retains all rights that it has against each other party in respect of any breach of the Shareholders Agreement occurring before termination; and
- (iii) the provisions of and the rights and obligations of each party under this clause 7.3 and each of the surviving clauses (being clauses on definitions and interpretation, confidentiality, notices, payments, tax information, secondary tax liabilities, transfer taxes, general clauses, governing law, dispute resolution, as well as clauses on board composition, Ordinary Distributions, distributions, capital reduction and redemption, YPOHL undertakings in connection with an IPO, if the Shareholders Agreement terminates upon the consummation of an IPO) survive termination of the Shareholders Agreement.

8. Governing law

The Shareholders Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

INFORMATION ON YPOHL

1. HISTORY AND BUSINESS

YPOHL was incorporated on 13 November 2024 as a private limited company by shares under the laws of the United Kingdom.

The principal activity of YPOHL is investment holding. Its subsidiaries and associate companies' principal activities are provision of processing, storing and offloading of crude oil and gas from subsea reservoirs through the design, construction, leasing and operation of production assets for the offshore oil and gas industry.

As at the LPD, YPOHL does not own any major assets. Pursuant to the internal restructuring exercise as set out in **Section 2.1** of this Circular, YPOHL will own 100% of the YPOPL Group and YPOIL.

2. SHARE CAPITAL

As at the LPD, the issued share capital of YPOHL is USD1.00 (equivalent to RM4.43) comprising 1 YPOHL Share.

3. SHAREHOLDERS

As at the LPD, YPOHL is a wholly-owned subsidiary of YGCS, which is a wholly-owned subsidiary of YHB.

4. DIRECTORS

As at the LPD, the directors of YPOHL are as follows and none of them hold YPOHL Shares:

<u>Name</u>	<u>Nationality</u>
Lim Chern Yuan	Malaysian
Andrew Chow Wei Nung	Singaporean
Jahn Atle Høgberg	Norwegian

INFORMATION ON YPOHL (Cont'd)

5. SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

Upon completion of the internal restructuring exercise as set out in **Section 2.1** of this Circular, the subsidiaries directly held by YPOHL are as follows:

Name of company	Date / Place of incorporation	Share capital	Effective equity interest (%)	Principal activities
YPOIL	09.12.2024 / United Kingdom	1/ USD1	100	Financial services holding company
YPOPL ⁽ⁱ⁾	01.10.2014 / Republic of Singapore	1,013,564,127/ USD1,013,564,127	100	Investment holding and provision of management consultancy services

Note:

(i) The subsidiaries, associate companies and joint ventures held under YPOPL are set out in **Section 5, Appendix VI** of this Circular.

6. HISTORICAL FINANCIAL INFORMATION AND MATERIAL LITIGATION

YPOHL was incorporated on 13 November 2024 as a SPV to facilitate the Proposed YPOHL RCPS And Warrants Issue.

The historical financial information and material litigations of the YPOPL Group being the operating entity, are set out in **Sections 7 and 8, Appendix VI** of this Circular, respectively.

7. MATERIAL CONTRACTS

Save for the Subscription Agreement and Shareholders Agreement, YPOHL has not entered into any material contract (not being contracts entered into in the ordinary course of business) within the past 2 years immediately preceding the date of this Circular.

INFORMATION ON YPOPL

1. HISTORY AND BUSINESS

YPOPL is a private company limited by shares incorporated on 1 October 2014 under the name of OYOPL in the Republic of Singapore under the Singapore Companies Act 1967.

On 3 October 2018, OYOPL changed its name to YPOPL and its principal activity from vessel owner and operator to investment holding. Its initial investments include Yinson Production AS and Yinson Acacia Ltd on 31 October 2018.

On 29 January 2019, YPOPL expanded its principal activities to include the provision of management services. YPOPL's main activities are investment holding and provision of management consultancy services. Through its subsidiaries, the YPOPL Group is principally involved in the provision of processing, storing and offloading of crude oil and gas from subsea reservoirs through the design, construction, leasing and operation of production assets for the offshore oil and gas industry.

As at the LPD, the YPOPL Group currently has a portfolio of 2 FSO vessels and 8 FPSO vessels deployed across Vietnam, Ghana, Malaysia, Nigeria, Brazil and Angola. Based on the latest unaudited results of YPOPL for the 9M-FPE 31 October 2024, the revenue breakdown for the YPOPL Group is as follows:

Country	In USD'million	Equivalent amount in RM'million	%
Malaysia	46	204	3.50
Foreign	1,269	5,618	96.50
Total	1,315	5,822	100.00

2. SHARE CAPITAL

As at the LPD, YPOPL has an issued share capital of USD1,013,564,127 (equivalent to RM4,487,555,172) comprising 1,013,564,127 ordinary shares.

3. SHAREHOLDERS

As at the LPD, the shareholder of YPOPL is YGCS, which is a wholly-owned subsidiary of YHB.

4. DIRECTORS

As at the LPD, the directors of YPOPL are as follows and none of them hold shares in YPOPL:

Name	Nationality
Lim Chern Yuan	Malaysian
Andrew Choy Wei Nung	Singaporean
Chai Jia Jun	Malaysian
Flemming Groennegaard	Danish
Jahn Atle Høgberg	Norwegian

INFORMATION ON YPOPL (Cont'd)

5. SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES**5.1 Subsidiaries**

As at the LPD, the subsidiaries of YPOPL are as follows:

Name of company	Date / Place of incorporation	Share capital	Effective equity interest (%)	Principal activities
Yinson Production (The Netherlands) B.V.	23.12.2022 / Netherlands	770,000/ USD770,000	100	Provision of intercompany services
Yinson Brasil Servicos Ltda.	13.02.2023 / Brazil	12,733,746/ BRL12,733,746	100	Provision of intercompany services
London Marine Group Limited	15.12.1997 / United Kingdom	26,041,925/ GBP2,604,192.50	100	Activities of head offices
London Marine Consultants Limited	14.05.1990 / United Kingdom	1,000/ GBP1,000	100	Engineering related scientific and technical consulting activities
LMC Asia Pacific Ptd. Ltd.	26.01.2007 / Singapore	2/ SGD2	100	Under creditor's voluntarily winding up
YPFSPL	06.10.2023 / Singapore	1,500,001/ USD1,500,001	100	Provision of treasury management services
Yinson Production Capital Pte. Ltd.	17.08.2018 / Singapore	216,798,433/ USD216,798,433	100	Investment holding and provision of management consultancy services
Yinson Trillium Limited	01.10.2014 / Labuan	45,330,001/ USD45,330,001	100	Investment holding
Yinson Production (West Africa) Pte. Ltd.	05.05.2014 / Singapore	64,163,365/ USD 64,163,365	74	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Production Pte. Ltd.	28.01.2014 / Singapore	300,000/ USD300,000	100	Provision of engineering design and consultancy services relating to the offshore oil and gas industry
Yinson Nepeta Production Ltd	16.05.2018 / Marshall Islands	1/ USD1,000	100	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Macacia Sdn. Bhd.	10.05.2022 / Malaysia	1,072,501,001/ RM1,072,501,001	100	Investment holding
Yinson Macacia Limited	10.10.2017 / Labuan	243,417,566/ USD232,466,117	100	Investment holding

INFORMATION ON YPOPL (Cont'd)

Name of company	Date / Place of incorporation	Share capital	Effective equity interest (%)	Principal activities
Yinson Lavender Limited	28.11.2017 / Labuan	230,000,000/ USD230,000,000	100	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Lavender Operations Sdn. Bhd.	30.03.2018 / Malaysia	500,000/ RM500,000	100	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry
Yinson Acacia Ltd	11.02.2015 / Marshall Islands	3/ USD88,150,001	100	Investment holding
Yinson Bouvardia Consortium Pte. Ltd.	01.11.2021 / Singapore	20,123,000/ USD 20,123,000	100	Investment holding
Yinson Bouvardia Holdings Pte. Ltd.	01.11.2021 / Singapore	20,073,000/ USD 20,073,000	100	Investment holding
AFPS B.V.	14.12.2021 / Netherlands	1/ USD1	100	Own, lease, sublease and operate floating production and offloading vessels and any other upstream and downstream equipment
Yinson Bouvardia Servicos De Operacao Ltda.	28.01.2022 / Brazil	34,714,147/ BRL34,714,147	100	Provision of operations and maintenance services of floating marine assets to the offshore oil and gas industry
Yinson Bouvardia Production B.V.	25.11.2021 / Netherlands	300,000/ USD300,000	100	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Production Azalea Consortium Pte. Ltd.	24.03.2022 / Singapore	1,001,000/ USD 1,001,000	100	Investment holding
Yinson Production Azalea Holdings (S) Pte. Ltd.	06.07.2023 / Singapore	44,894,038/ USD 44,894,038	100	Investment holding
Yinson Azalea Production Pte. Ltd.	05.08.2022 / Singapore	1/ USD1	100	Provision of floating marine assets for chartering
Yinson Azalea Operacoes Angola Prestacao de Servicos (SU), Lda.	21.09.2022 / Angola	832,774,133/ AKZ832,774,133	100	Provision of operations maintenance services of floating marine assets to the offshore oil and gas industry
Yinson Production Iterum Holdings Pte. Ltd.	11.01.2019 / Singapore	1/ USD1	100	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction

INFORMATION ON YPOPL (Cont'd)

Name of company	Date / Place of incorporation	Share capital	Effective equity interest (%)	Principal activities
Yinson Bergenia Consortium Pte. Ltd.	07.02.2020 / Singapore	173,200,000/ USD173,200,000	100	Investment holding
Yinson Bergenia Holdings Pte. Ltd.	07.02.2020 / Singapore	173,100,000/ USD173,100,000	100	Investment holding
Yinson Bergenia Production B.V.	14.02.2020 / Netherlands	173,000,000/ USD 173,000,000	100	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Bergenia Servicos De Operacao Ltda	07.04.2020 / Brazil	15,339,200/ R\$15,339,200	100	Provision of operations and maintenance services of floating marine assets to the offshore oil and gas industry
Yinson Boronia Holdings (S) Pte. Ltd.	03.08.2018 / Singapore	443,800,000/ USD274,600,000	63.2	Investment holding
Yinson Boronia Production B.V.	25.02.2019 / Netherlands	220,000,000/ USD220,000,000	63.2	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Boronia Servicos De Operacao Ltda.	15.05.2019 / Brazil	3,885,097/ R\$23,310,582	63.2	Provision of operations and maintenance services of floating marine assets to the offshore oil and gas industry
Yinson Production AS	05.11.1980 / Norway	1/ NOK30,000	100	Investment holding and provision of management services
Allan AS	19.01.2007 / Norway	200/ NOK250,000	100	Investment holding
Adoon AS	19.01.2007 / Norway	200/ NOK200,000	100	Investment holding
Adoon Pte. Ltd.	01.12.2004 / Singapore	8,300,000/ USD8,300,000	100	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Floating Operations and Production Pte. Ltd.	01.09.2006 / Singapore	1/ USD1	100	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry
Yinson Malva Operations S.A. DE C.V.	21.08.2018 / Mexico	10,000/ Peso 10,000	100	Dormant (in dissolution and liquidation)

INFORMATION ON YPOPL (Cont'd)

Name of company	Date / Place of incorporation	Share capital	Effective equity interest (%)	Principal activities
Yinson Production EPC Pte. Ltd.	06.04.2020 / Singapore	149,000,001/ USD 149,000,001	100	Investment holding and provision of Engineering, Procurement and Construction for floating production system and management services
Yinson Production EPC Sdn. Bhd.	14.04.2020 / Malaysia	1/ RM1	100	Provision of Engineering, Procurement and Construction for floating production system and management services
Yinson Production West Africa Limited	05.05.2014 / Ghana	674,900/ GH¢674,900	49	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry
Yinson Operations & Production West Africa Limited	22.06.2016 / Nigeria	40,000,000/ N40,000,000	40	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry
Yinson Production Fortuna Holdings B.V.	28.01.2025 / Netherlands	1/ USD1	100	Non-financial holding company and provision of intra-group services
Stella Maris CCS AS	19.01.2022 / Norway	150/ NOK150,000	100	Developing and owning projects covering vessel transportation, injection and storage of CO ₂ in subsea reservoirs

5.2 Associate companies

As at the LPD, the associate companies of YPOPL are as follows:

Name of company	Date / Place of incorporation	Share capital	Effective equity interest (%)	Principal activities
Carbon Removal AS	12.04.2021 / Norway	610,000/ NOK61,000	38.88	Carbon removal services
Floating Operations & Production West Africa Ltd	16.05.2002 / Nigeria	10,000/ N10,000,000	40	Dormant (in liquidation)
Ionada PLC	02.01.2020 / Marshall Islands	877,918/ USD877,918	6.79	Provision of development, manufacture, and market exhaust gas cleaning system

INFORMATION ON YPOPL (Cont'd)

5.3 Joint ventures

As at the LPD, the joint ventures of YPOPL are as follows:

Name of company	Date / Place of incorporation	Share capital	Effective equity interest (%)	Principal activities
PTSC South East Asia Pte. Ltd.	10.06.2011 / Singapore	15,680,000/ USD15,680,000	49	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
PTSC Asia Pacific Pte. Ltd.	14.06.2012 / Singapore	29,400,000/ USD29,400,000	49	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Boronia Consortium Pte. Ltd. ⁽ⁱ⁾	11.1.2019 / Singapore	247,493,871/ USD 171,388,873	63.2	Investment holding
Havstjerne ANS (general partnership)	02.06.2023 / Norway	Not applicable	40	Exploration licence EXL006, including fulfilling its obligations as licensees of the exploration licence

Note:

- (i) On 31 January 2025, the investment in Yinson Boronia Consortium Pte. Ltd. ("YBC") was reclassified from subsidiary to joint venture arising from a variation to the shareholders' agreement where joint consent is now required from all directors in relation to votes at board meetings of YBC and any action or decision in respect of the reserved matters under the shareholders' agreement. Please refer to the Company's announcement dated 3 February 2025 for further details on the variation to the shareholders' agreement.

(The rest of this page has been intentionally left blank)

INFORMATION ON YPOPL (Cont'd)

6. DETAILS OF VESSELS AND CONTRACTS

As at the LPD, the vessels owned by the YPOPL Group are as follows:

Vessel	Type of vessel	Storage capacity	Field (Country)	Charterer / Client	Contract commencement	Contract duration	Project status
PTSC Bien Dong 01	FSO	350,000 barrels	Block 05-2/ 05-3 (Vietnam)	PetroVietnam Technical Services Corporation	2013	Firm period of 15 years (2013 – 2028) Options period of 2+2+1 years (2028 – 2033)	Operational
PTSC Lam Son	FPSO	350,000 barrels	Block 1-2/ 97 (Vietnam)	PetroVietnam Technical Services Corporation	2017	Firm period of 9 years (2017 – 2026)	Operational
John Agyekum Kufuor	FPSO	1,400,000 barrels	Offshore Cape Three Points Block (Ghana)	Ente nazionale idrocarburi	2017	Firm period of 15 years (2017 – 2032) Options period of 5 x 1 years (2033 – 2037)	Operational
Helang	FPSO	550,000 barrels	Block SK10 (Malaysia)	JX Nippon Oil and Gas Exploration	2019	Firm period of 8 years (2019 – 2027) Options period of 10 x 1 years (2028 – 2037)	Operational
Abigail-Joseph	FPSO	870,000 barrels	OML 83 & 85 (Nigeria)	First Exploration and Petroleum Development Company	2020	Firm period of 14 years (2020 – 2034) Options period of 2 x 1 years (2034 – 2036)	Operational

INFORMATION ON YPOPL (Cont'd)

Vessel	Type of vessel	Storage capacity	Field (Country)	Charterer / Client	Contract commencement	Contract duration	Project status
Anna Nery	FPSO	1,600,000 barrels	Marlim in Campos Basin (Brazil)	Petrobras	2023	Firm period of 25 years (2023 – 2048)	Operational
Maria Quitéria	FPSO	1,000,000 barrels	Jubarite Field, North Campos Basin (Brazil)	Petrobras	2024	Firm period of 22.5 years (2024 – 2047)	Operational
Atlanta	FPSO	1,000,000 – 1,251,000 barrels	Atlanta Field (Brazil)	Brava Energia	2024	Firm period of 15 years (2024 – 2039)	Operational
Agogo	FPSO	1,600,000 barrels	The West Hub part of Block 15/06 (Angola)	Azule Energia Angola S.p.A	Expected 2025	Firm period of 15 years (2025 – 2040) Options period of 5 years (2040 – 2045)	Under construction
Lac Da Vang	FSO	500,000 barrels	Block 15-1/ 05 (Vietnam)	Murphy Cuu Long Bac Oil Co. Ltd.	Expected 2026	Firm period of 10 years Options period of 5 years	Under construction

(The rest of this page has been intentionally left blank)

INFORMATION ON YPOPL (Cont'd)

7. HISTORICAL FINANCIAL INFORMATION

A summary of the financial information of the YPOPL Group based on its audited consolidated financial statements for the FYE 31 January 2022, FYE 31 January 2023, FYE 31 January 2024, as well as the latest unaudited results for the 9M-FPE 31 October 2024 are as follows:

	Audited			Unaudited	
	FYE 31	FYE 31	FYE 31	9M-FPE 31	9M-FPE 31
	January 2022	January 2023	January 2024	October 2024	October 2023
	USD'million	USD'million	USD'million	USD'million	USD'million
Revenue	949	1,351	2,506	1,315	1,940
- Other income	11	9	11	12	11
GP	312	400	636	504	469
PBT	191	282	433	230	339
PAT	144	219	319	185	271
Share capital	845	1,104	1,014	1,014	1,104
Reserves	189	46	45	41	83
Retained earnings	154	301	544	647	537
NA attributable to owners of YPOPL	1,188	1,451	1,603	1,702	1,724
Total equity	1,308	1,580	1,761	1,902	1,863
Total loans and borrowings	1,492	1,569	2,886	3,870	2,353
Current assets	648	725	914	1,082	792
Current liabilities	341	645	826	580	800
Number of shares (million)	845	1,104	1,014	1,014	1,104
Profits per share (USD) ⁽ⁱ⁾	0.17	0.20	0.31	0.18	0.25
NA per share (USD) ⁽ⁱⁱ⁾	1.41	1.31	1.58	1.68	1.56
Current ratio (times) ⁽ⁱⁱⁱ⁾	1.90	1.12	1.11	1.87	0.99
Gearing ratio (times) ^(iv)	1.14	0.99	1.64	2.03	1.26

The table below denotes amount equivalent to RM:

	Audited			Unaudited	
	FYE 31	FYE 31	FYE 31	9M-FPE 31	9M-FPE 31
	January 2022	January 2023	January 2024	October 2024	October 2023
	*RM'million	*RM'million	*RM'million	*RM'million	*RM'million
Revenue	3,972	5,760	11,852	5,762	9,242
- Other income	46	38	52	53	52
GP	1,306	1,705	3,008	2,208	2,234
PBT	799	1,202	2,048	1,008	1,615
PAT	603	934	1,509	811	1,291
Share capital	3,537	4,707	4,795	4,443	5,260
Reserves	791	196	213	179	395
Retained earnings	644	1,283	2,573	2,835	2,558
NA attributable to owners of YPOPL	4,972	6,186	7,581	7,457	8,213
Total equity	5,475	6,736	8,329	8,334	8,875
Total loans and borrowings	6,245	6,689	13,649	16,956	11,210
Current assets	2,712	3,091	4,323	4,741	3,773
Current liabilities	1,427	2,750	3,907	2,541	3,811

INFORMATION ON YPOPL (Cont'd)

	Audited			Unaudited	
	FYE 31	FYE 31	FYE 31	9M-FPE 31	9M-FPE 31
	January 2022	January 2023	January 2024	October 2024	October 2023
	*RM'million	*RM'million	*RM'million	*RM'million	*RM'million
Number of shares (million)	845	1,104	1,014	1,014	1,104
Profits per share (RM) ⁽ⁱ⁾	0.71	0.85	1.49	0.80	1.17
NA per share (RM) ⁽ⁱⁱ⁾	5.88	5.60	7.48	7.35	7.44
Current ratio (times) ⁽ⁱⁱⁱ⁾	1.90	1.12	1.11	1.87	0.99
Gearing ratio (times) ^(iv)	1.14	0.99	1.64	2.03	1.26

Notes:

* Converted based on the following middle rate quoted by BNM as at 5.00 p.m. on the respective end dates for each financial year/period under review, as follows:

FYE 31 January 2022	USD1.00 : RM4.1855
FYE 31 January 2023	USD1.00 : RM4.2635
FYE 31 January 2024	USD1.00 : RM4.7295
9M-FPE 31 October 2023	USD1.00 : RM4.7640
9M-FPE 31 October 2024	USD1.00 : RM4.3815

- (i) Computed based on PAT divided by number of shares in YPOPL.
- (ii) Computed based on NA attributable to owners of YPOPL divided by number of shares in YPOPL.
- (iii) Computed based on current assets divided by current liabilities.
- (iv) Computed based on total loans and borrowings divided by total equity.

Accounting policies and audit qualification

Based on YPOPL's audited consolidated financial statements for the past 3 financial years, FYE 31 January 2022, FYE 31 January 2023 and FYE 31 January 2024:

- (i) There were no exceptional or extraordinary items;
- (ii) The accounting policies adopted by the YPOPL Group were in compliance with the International Financial Reporting Standards and assessed to be appropriate for the nature of its business; and
- (iii) There was no audit qualification for the financial statements of the YPOPL Group.

Commentaries on financial performance**FYE 31 January 2022 vs FYE 31 January 2023**

Revenue increased by USD0.40 billion or 42.4% from USD0.95 billion for the FYE 31 January 2022 to USD1.35 billion for the FYE 31 January 2023. The growth was driven primarily by FPSO Maria Quitéria and FPSO Atlanta, which commenced Engineering, Procurement, Construction, Installation & Commissioning ("EPCIC") business activities in the current FYE 31 January 2023.

PBT increased by USD0.09 billion or 47.6% from USD0.19 billion for the FYE 31 January 2022 to USD0.28 billion for the FYE 31 January 2023, which was in tandem with revenue growth.

INFORMATION ON YPOPL (Cont'd)

FYE 31 January 2023 vs FYE 31 January 2024

Revenue increased by USD1.16 billion or 85.5% from USD1.35 billion for the FYE 31 January 2023 to USD2.51 billion for the FYE 31 January 2024. The growth was driven primarily by the commencement of EPCIC activities for FPSO Agogo in the current FYE 31 January 2024, the commencement of operations FPSO Anna Nery in May 2023 and the one-off effect of the exercise of the call option for the acquisition of AFPS B.V. completed on 31 July 2023 which increased the total contract value prior to completion of construction.

PBT increased by USD0.15 billion or 53.5% from USD0.28 billion for the FYE 31 January 2023 to USD0.43 billion for the FYE 31 January 2024, which was in tandem with revenue growth.

9M-FPE 31 October 2023 vs 9M-FPE 31 October 2024

Revenue decreased by USD0.63 billion or 32.2% from USD1.94 billion for the 9M-FPE 31 October 2023 to USD1.32 billion for the 9M-FPE 31 October 2024. The decline in revenue was primarily due to lower contribution from EPCIC activities as FPSO Atlanta is expected to be completed by the end of the current financial year (completed on 31 December 2024), the absence of the one-off effect of the exercise of the call option for the acquisition of AFPS B.V. completed on 31 July 2023, and the completion of FPSO Anna Nery and FPSO Maria Quitéria on 7 May 2023 and 15 October 2024, respectively. The lower contribution from EPCIC activities was partially offset by higher contribution from FPSO Anna Nery's and FPSO Maria Quitéria's operations since first oil was achieved on 7 May 2023 and 15 October 2024, respectively.

PBT decreased by USD0.11 billion or 32.2% from USD0.34 billion for the 9M-FPE 31 October 2023 to USD0.23 billion for the 9M-FPE 31 October 2024, which was in tandem with the decline in revenue.

8. MATERIAL LITIGATION

As at the LPD, the YPOPL Group is not involved in any material litigation, claims and/or arbitration, either as plaintiff or defendant, and the Board is not aware of any proceedings, pending or threatened, against the YPOPL Group or any facts likely to give rise to any proceedings which may materially and adversely affect the business or financial position of the YPOPL Group.

9. MATERIAL CONTRACTS

The YPOPL Group has not entered into any material contract (not being contracts entered into in the ordinary course of business) within the past 2 years immediately preceding the date of this Circular.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024

**YINSON PRODUCTION OFFSHORE PTE LTD
AND ITS SUBSIDIARIES**

(Incorporated in Singapore. Registration Number: 201429097M)

FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 *(Cont'd)*

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES*(Incorporated in Singapore)***FINANCIAL STATEMENTS***For the financial year ended 31 January 2024*

Contents

	Pages
Directors' Statement	1 - 2
Independent Auditor's Report	3 - 5
Income Statements	6
Statements of Comprehensive Income	7
Statements of Financial Position	8
Statements of Changes in Equity	9 - 11
Statements of Cash Flows	12 - 15
Notes to the Financial Statements	16 - 86

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**DIRECTORS' STATEMENT***For the financial year ended 31 January 2024*

The Directors present their statement to the shareholder together with the audited financial statements of the Group and the Company for the financial year ended 31 January 2024.

In the opinion of the Directors,

- (a) the financial statements of the Group and the Company as set out on pages 6 to 86 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 January 2024 and the financial performance, changes in equity and cash flows of the Group and the Company for the financial year covered by the financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company, will be able to pay its debts as and when they fall due.

Directors

The Directors of the Company in office at the date of this statement are as follows:

Lim Chern Yuan
 Flemming Grønnegaard
 Andrew Choy Wei Nung
 Jahn Atle Høgberg (appointed on 28 April 2023)
 Chai Jia Jun (appointed on 24 October 2023)
 Rolf Marthin Normann (resigned on 28 April 2023)
 Bong Ming Enn (resigned on 24 October 2023)

Arrangements to enable Directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the 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.

Directors' interests in shares or debentures

- (a) According to the register of Directors' shareholdings, none of the Directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of Director	
	At <u>31.1.2024</u>	At <u>1.2.2023 or</u> <u>the date of</u> <u>appointment</u>
Ultimate Holding Corporation - Yinson Holdings Berhad (No. of ordinary shares)		
Lim Chern Yuan	4,970,960	2,640,060
Flemming Grønnegaard	1,184,780	1,113,980
Andrew Choy Wei Nung	-	140,800
Chai Jia Jun (appointed on 24 October 2023)	2,650,000	2,650,000
Jahn Atle Høgberg (appointed on 28 April 2023)	300,000	300,000

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

DIRECTORS' STATEMENT

For the financial year ended 31 January 2024

Directors' interests in shares or debentures (continued)

- (b) According to the register of Directors' shareholdings, certain Directors holding office at the end of the financial year had interests in options and warrants to subscribe for ordinary shares of the Company or its related corporations as set out below:

	No. of unissued ordinary shares under option, warrants and RSU	
	At <u>31.1.2024</u>	At <u>1.2.2023 or the date of appointment</u>
Ultimate Holding Corporation - Yinson Holdings Berhad		
(Options to acquire ordinary shares)		
Lim Chern Yuan	-	2,331,074
Flemming Grønnegaard	-	404,208
Bong Ming Enn (resigned on 24 October 2023)	-	69
Andrew Choy Wei Nung	-	807,484
Rolf Marthin Normann (resigned on 28 April 2023)	-	349,662
(Warrants to acquire ordinary shares)		
Lim Chern Yuan	324,710	324,710
Flemming Grønnegaard	135,977	135,977
Chai Jia Jun (appointed on 24 October 2023)	300,000	300,000
Jahn Atle Høgberg (appointed on 28 April 2023)	86,957	86,957
(Restricted Share Units ("RSU"))		
Lim Chern Yuan	1,683,242	-
Flemming Grønnegaard	510,355	-
Andrew Choy Wei Nung	320,531	-
Chai Jia Jun (appointed on 24 October 2023)	143,999	-
Jahn Atle Høgberg (appointed on 28 April 2023)	115,791	-

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company.

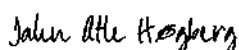
No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

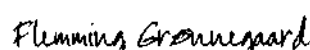
Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept reappointment.

Signed on behalf of the Board of Directors in accordance with a resolution dated 30 May 2024:



Jahn Atle Høgberg
Director



Flemming Grønnegaard
Director

30 May 2024

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF YINSON PRODUCTION
OFFSHORE PTE LTD**
Report on the Audit of the Financial Statements
Our Opinion

In our opinion, the accompanying consolidated financial statements of Yinson Production Offshore Pte. Ltd. ("the Company") and its subsidiaries ("the Group") and the financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 January 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the income statements of the Group and of the Company for the financial year ended 31 January 2024;
- the statements of comprehensive income of the Group and of the Company for the financial year ended 31 January 2024;
- the statements of financial position of the Group and of the Company as at 31 January 2024;
- the statements of changes in equity of the Group and of the Company for the financial year then ended;
- the statements of cash flows of the Group and of the Company for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor'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

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF YINSON PRODUCTION
OFFSHORE PTE LTD (continued)****Other Information**

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor'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 an auditor's 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 SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF YINSON PRODUCTION
OFFSHORE PTE LTD (continued)**
Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Group 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 30 May 2024

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

INCOME STATEMENTS

For the financial year ended 31 January 2024

	Note	Group		Company	
		2024 USD million	2023 USD million	2024 USD million	2023 USD million
Revenue	6	2,506	1,351	121	159
Cost of sales	7	(1,870)	(951)	-	-
Gross profit		636	400	121	159
Other items of income					
Interest income		11	6	1	[^]
Other income	8	11	9	[^]	1
Other items of expenses					
Administrative expenses	9	(54)	(39)	(69)	(94)
Finance costs	11	(175)	(93)	(20)	(3)
Share of profit/(loss) of joint ventures		4	(1)	-	-
Share of loss of associates		([^])	-	-	-
Profit before tax		433	282	33	63
Income tax (expense)/credit	12	(114)	(63)	1	(1)
Profit for the financial year		319	219	34	62
<u>Attributable to:</u>					
Owners of the Company		279	216	34	62
Non-controlling interests		40	3	-	-
		319	219	34	62

[^] Below USD 1 million.

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

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 January 2024

	Note	Group		Company	
		2024 USD million	2023 USD million	2024 USD million	2023 USD million
Profit for the financial year		319	219	34	62
Other comprehensive income/(loss):					
Items that will be reclassified subsequently to profit or loss:					
- Cash flows hedge reserve		27	95	-	-
- Reclassification of changes in fair value of cash flow hedges	11	(39)	(2)	-	-
Other comprehensive (loss)/income for the financial year		(12)	93	-	-
Total comprehensive income for the financial year		307	312	34	62
<u>Attributable to:</u>					
Owner of the Company		268	288	34	62
Non-controlling interests		39	24	-	-
		307	312	34	62

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

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

As at 31 January 2024

		Group		Company	
	Note	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Assets					
Non-current assets					
Property, plant and equipment	14	692	729	12	11
Intangible assets	15	43	55	1	^
Investment in subsidiaries	16	-	-	400	315
Investment in joint ventures	17	78	82	-	-
Investment in associates	18	4	1	3	-
Other receivables	19	17	17	291	291
Other assets	20	4	5	-	-
Finance lease receivables	21(a)	1,785	471	-	-
Deferred tax assets	22	4	2	1	-
Derivatives	23	73	80	-	-
Contract assets	6(b)	1,965	1,934	-	-
		4,665	3,376	708	617
Current assets					
Inventories	24	16	6	-	-
Other assets	20	49	165	3	2
Contract assets	6(b)	72	30	-	-
Tax recoverable		3	-	-	-
Derivatives	23	8	7	-	-
Finance lease receivables	21(a)	34	23	-	-
Trade and other receivables	19	156	219	744	800
Cash and bank balances	25	576	275	160	32
		914	725	907	834
Total assets		5,579	4,101	1,615	1,451
Equity and liabilities					
Equity					
Share capital	26	1,014	1,104	1,014	1,104
Reserves	27	45	46	-	-
Retained earnings		544	301	37	39
Equity attributable to owner of the Company		1,603	1,451	1,051	1,143
Non-controlling interests		158	129	-	-
Total equity		1,761	1,580	1,051	1,143
Non-current liabilities					
Loans and borrowings	28	2,701	1,452	373	-
Lease liabilities	21(b)	12	14	4	6
Contract liabilities	6(b)	52	59	-	-
Other payables	29	97	275	47	227
Derivatives	23	6	-	-	-
Deferred tax liabilities	22	124	76	-	-
		2,992	1,876	424	233
Current liabilities					
Loans and borrowings	28	185	117	46	-
Lease liabilities	21(b)	5	4	4	3
Contract liabilities	6(b)	11	218	-	-
Trade and other payables	29	588	278	90	71
Put option liability	27(c)	5	15	-	-
Tax payables		32	13	-	1
		826	645	140	75
Total liabilities		3,818	2,521	564	308
Total equity and liabilities		5,579	4,101	1,615	1,451

[^] Below USD 1 million

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

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 January 2024

	Attributable to owner of the Company									
	Foreign		Cash flows		Put option reserve USD million (Note 27(c))	Capital reserve USD million (Note 27(d))	Retained earnings USD million	Total USD million	Non- controlling interests USD million	Total equity USD million
	Share capital USD million (Note 26)	currency translation reserve USD million (Note 27(a))	hedge reserve USD million (Note 27(b))	reserve USD million (Note 27(b))						
Group 2024										
At 1 February 2023	1,104	4	65	(15)	(8)	301	1,451	129	1,580	
Profit for the financial year	-	-	-	-	-	279	279	40	319	
Other comprehensive loss	-	-	(11)	-	-	-	(11)	(1)	(12)	
Total comprehensive income	-	-	(11)	-	-	279	268	39	307	
Transactions with owners										
Cash dividends to owner of the Company (Note 13)	-	-	-	-	-	(36)	(36)	-	(36)	
Cash dividends to a non-controlling interest (Note 16(b)(i))	-	-	-	10	-	-	10	(10)	-	
Capital reduction to owner of the Company (Note 26)	(90)	-	-	-	-	-	(90)	-	(90)	
Total transactions with owners	(90)	-	-	10	-	(36)	(116)	(10)	(126)	
At 31 January 2024	1,014	4	54	(5)	(8)	544	1,603	158	1,761	

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

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 January 2024

	Attributable to owner of the Company								
	Share capital USD million (Note 26)	Foreign currency translation reserve USD million (Note 27(a))	Cash flows hedge reserve USD million (Note 27(b))	Put option reserve USD million (Note 27(c))	Capital reserve USD million (Note 27(d))	Retained earnings USD million	Total USD million	Non- controlling interests USD million	Total equity USD million
Group 2023									
At 1 February 2022	845	4	(7)	(30)	222	154	1,188	120	1,308
Profit for the financial year	-	-	-	-	-	216	216	3	219
Other comprehensive income	-	-	72	-	-	-	72	21	93
Total comprehensive income	-	-	72	-	-	216	288	24	312
Transactions with owners									
Cash dividends to owner of the Company (Note 13)	-	-	-	-	-	(69)	(69)	-	(69)
Cash dividends to a non-controlling interest (Note 16(b)(i))	-	-	-	15	-	-	15	(15)	-
Restructuring exercise (Note 27(d))	-	-	-	-	(230)	-	(230)	-	(230)
Issue of share capital (Note 26)	259	-	-	-	-	-	259	-	259
Total transactions with owners	259	-	-	15	(230)	(69)	(25)	(15)	(40)
At 31 January 2023	1,104	4	65	(15)	(8)	301	1,451	129	1,580

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

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 January 2024

	Attributable to owner of the Company		
	Share capital USD million (Note 26)	Retained earnings USD million	Total USD million
Company			
At 1 February 2022	845	46	891
Profit and total comprehensive income for the financial year	-	62	62
Transactions with owner			
Cash dividends to owner of the Company (Note 13)	-	(69)	(69)
Issue of share capital (Note 26)	259	-	259
Total transactions with owner	259	(69)	190
At 31 January 2023 and 1 February 2023	1,104	39	1,143
Profit and total comprehensive income for the financial year	-	34	34
Transactions with owner			
Cash dividends to owner of the Company (Note 13)	-	(36)	(36)
Capital reduction to owner of the Company (Note 26)	(90)	-	(90)
Total transactions with owner	(90)	(36)	(126)
At 31 January 2024	1,014	37	1,051

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

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the financial year ended 31 January 2024

	Note	Group		Company	
		2024 USD million	2023 USD million	2024 USD million	2023 USD million
Cash flows from operating activities					
Profit before tax		433	282	33	63
<u>Adjustments for:</u>					
Amortisation of intangible assets	15	13	13	^	^
Depreciation of property, plant and equipment	14	50	52	6	3
Dividend income from subsidiaries	6	-	-	(52)	(94)
Finance costs	11	175	93	20	3
Finance lease income	6	(195)	(82)	-	-
Gain on disposal of property, plant and equipment	8	-	(5)	-	-
Impairment loss on investment in subsidiaries	9	-	-	1	28
Interest income		(11)	(6)	(1)	(^)
Net compensation income from termination of an anticipated FPSO project	8	(8)	-	-	-
Remeasurement of finance lease receivables	6	(93)	-	-	-
Share of (profit)/loss of joint ventures		(4)	1	-	-
Unrealised loss on foreign exchange		3	4	^	1
Operating cash flows before working capital changes		363	352	7	4
<u>Changes in working capital:</u>					
Inventories		(10)	(6)	-	-
Receivables		97	(77)	(6)	(4)
Other assets		117	(149)	(1)	(2)
Payables		307	70	7	4
Contract assets		(1,357)	(837)	-	-
Contract liabilities		(214)	204	-	-
Cash flows (used in)/generated from operations		(697)	(443)	7	2
Finance lease payments received		213	112	-	-
Finance costs paid		(1)	(1)	(^)	(^)
Interest received		11	6	1	^
Taxes paid		(52)	(27)	(1)	(1)
Net cash flows (used in)/generated from operating activities		(526)	(353)	7	1

^ Below USD 1 million.

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

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the financial year ended 31 January 2024

	Note	Group		Company	
		2024 USD million	2023 USD million	2024 USD million	2023 USD million
Cash flows from investing activities					
Purchase of intangible assets	15	(1)	-	(1)	-
Purchase of property, plant and equipment	14(a)	(8)	(8)	(3)	(2)
Proceeds from disposal of property, plant and equipment		-	16	-	-
Investments in subsidiaries		-	-	(86)	(1)
Investments in associates		(3)	-	(3)	-
Fixed deposits placement with maturity period over 3 months		(2)	-	-	-
Dividend received from subsidiaries		-	-	52	54
Dividend received from joint ventures		8	-	-	-
Advance to immediate holding company		-	(12)	-	-
Advance to subsidiaries		-	-	(177)	(295)
Advance to related companies		-	(22)	-	-
Repayment of advances to subsidiaries		-	-	238	70
Repayment of advances to immediate holding company		7	-	-	-
Deposits paid to acquire a vessel		-	(8)	-	-
Deposits received to acquire a vessel		-	13	-	-
Net cash flows generated from/ (used in) investing activities		1	(21)	20	(174)
Cash flows from financing activities					
Dividends paid to immediate holding company	13	(36)	(69)	(36)	(69)
Dividends paid to non-controlling interests		(10)	(15)	-	-
Advances from immediate holding company		-	109	-	85
Advances from subsidiaries		-	-	81	30
Advances from related companies		74	138	74	138
Repayment of advances from immediate holding company		(39)	-	(39)	-
Repayment of advances from subsidiaries		-	-	(69)	-
Repayment of advances from related companies		(211)	(3)	(211)	-
Finance costs paid ⁽¹⁾		(140)	(67)	(34)	([^])
Drawdown of term loans		1,397	139	430	-
Repayment of term loans		(115)	(82)	-	-
Repayment of lease liabilities		(6)	(2)	(5)	(2)
Capital reduction to owner of the Company		(90)	-	(90)	-
Net cash flows generated from financing activities		824	148	101	182

[^] Below USD 1 million.

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

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the financial year ended 31 January 2024

	Note	Group		Company	
		2024 USD million	2023 USD million	2024 USD million	2023 USD million
Net increase/(decrease) in cash and cash equivalents		299	(226)	128	9
Cash and cash equivalents at beginning of financial year		255	481	32	23
Cash and cash equivalents at end of financial year	25	554	255	160	32

^ Below USD 1 million.

Non-cash transactions

- (i) Included in the Group's finance cost paid is finance cost relating to interest rate swaps of USD 39 million (2023: USD 2 million) received in the current financial year.

Reconciliation of liabilities arising from financing activities

	Note	Amounts due to immediate holding company USD million	Amounts due to ultimate holding company USD million	Amounts due to related companies USD million	Loans and borrowings USD million	Lease liabilities USD million	Total USD million
Group							
At 1 February 2022		-	4	42	1,492	3	1,541
<u>Cash inflows/(outflows)</u>							
Drawdown		-	-	-	139	-	139
Repayment		-	-	-	(82)	(2)	(84)
Finance costs paid		-	-	-	(68)	(1)	(69)
Advances		109	-	138	-	-	247
Repayment of advances		-	-	(3)	-	-	(3)
Changes in working capital within operating activities		(23)	3	1	-	-	(19)
<u>Non-cash changes</u>							
Addition to lease liabilities		-	-	-	-	17	17
Finance costs		-	-	3	88	1	92
Acquisition of equity interest	27(d)	-	219	-	-	-	219
Novation ⁽ⁱ⁾		259	(219)	(40)	-	-	-
Capitalisation	26	(259)	-	-	-	-	(259)
At 31 January 2023 and 1 February 2023	21(b), 28, 29	86	7	141	1,569	18	1,821
<u>Cash inflows/(outflows)</u>							
Drawdown		-	-	-	1,397	-	1,397
Repayment		-	-	-	(115)	(6)	(121)
Finance costs paid		-	-	(16)	(162)	(1)	(179)
Advances		-	-	74	-	-	74
Repayment of advances		(39)	-	(211)	-	-	(250)
Changes in working capital within operating activities		-	1	-	-	-	1
<u>Non-cash changes</u>							
Addition to lease liabilities		-	-	-	-	5	5
Finance costs		-	-	13	197	1	211
At 31 January 2024	21(b), 28, 29	47	8	1	2,886	17	2,959

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

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the financial year ended 31 January 2024

Reconciliation of liabilities arising from financing activities (continued)

	Note	Amounts due to immediate holding company USD million	Amounts due to ultimate holding company USD million	Amounts due to related companies USD million	Amounts due to subsidiaries USD million	Loans and borrowings USD million	Lease liabilities USD million	Total USD million
Company								
At 1 February 2022		-	1	-	68	-	3	72
<u>Cash inflows/(outflows)</u>								
Repayment		-	-	(2)	-	-	(2)	(4)
Finance cost paid		-	-	([^])	-	-	-	([^])
Advances		85	-	140	30	-	-	255
Changes in working capital within operating activities		1	1	-	2	-	-	4
<u>Non-cash changes</u>								
Addition to lease liabilities		-	-	-	-	-	8	8
Finance costs	11	-	-	3	-	-	-	3
Novation ⁽ⁱⁱ⁾		(259)	-	-	-	-	-	(259)
Capitalisation	26	259	-	-	-	-	-	259
Offset against receivable		-	-	-	(40)	-	-	(40)
At 31 January 2023 and 1 February 2023	21(b), 29	86	2	141	60	-	9	298
<u>Cash inflows/(outflows)</u>								
Drawdown		-	-	-	-	430	-	430
Repayment		(39)	-	(211)	(69)	-	(5)	(324)
Finance costs paid		-	-	(16)	-	(17)	(1)	(34)
Advances		-	-	73	81	-	-	154
Changes in working capital within operating activities		-	4	-	(2)	-	-	2
<u>Non-cash changes</u>								
Addition to lease liabilities		-	-	-	-	-	4	4
Finance costs	11	-	-	13	-	6	1	20
At 31 January 2024	21(b), 28, 29	47	6	-	70	419	8	550

(ii) Novation of advances arose from the internal re-organisation exercise carried out during the financial years.

[^] Below USD 1 million.

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

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***1. Corporate information**

Yinson Production Offshore Pte Ltd (the "Company" or "YPOPL") is incorporated and domiciled in Singapore. The address of its registered office is 3 Church Street, #18-01 Samsung Hub, Singapore 049483.

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the subsidiaries are disclosed in Note 16 to the financial statements.

The immediate holding company is Yinson Global Corporation (S) Pte. Ltd., incorporated in Singapore. Yinson Holdings Berhad ("YHB"), incorporated and listed in Malaysia, is the ultimate holding company.

The financial statements are presented in United States Dollar ("USD"), which is also the Company's functional currency. Unless otherwise indicated, the amounts in these financial statements have been rounded to the nearest million.

2. Material accounting policy information

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

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs"). All references to SFRS(I)s and IFRSs are referred collectively as SFRS(I)s in these financial statements, unless specified otherwise.

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

The preparation of financial statements in conformity with SFRS(I)s and IFRSs 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 Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgements are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

2.2 Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 January 2024. Control is achieved when the Group is exposed, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee, if and only if, the Group has:

- (i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) exposure or rights to variable returns from its involvement with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights in an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) the contractual arrangement with the other vote holders of the investee;
- (ii) rights arising from other contractual arrangements; and
- (iii) the Group's voting rights and potential voting rights.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.2 Consolidation (continued)**

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the financial year are included in the consolidated financial statements of the Group from the date the Group gains control or until the date the Group ceases to control the subsidiary respectively.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the owner of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Transactions with non-controlling interests that do not result in loss of control are accounted for as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received is recognised in equity attributable to owner of the Company.

2.3 Business combinations and goodwill**Common control business combinations**

Business combinations involving entities under common control are accounted for by applying predecessor accounting. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital of the "acquired" entity is reflected within equity as capital reserve. The consolidated statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. The comparative information is restated to reflect the consolidated results of combining entities.

Other business combinations

For other acquisitions, business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured to fair value at the acquisition date, any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.3 Business combinations (continued)****Other business combinations (continued)**

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9 "Financial Instruments: Classification and Measurement of Financial Assets and Financial Liabilities", is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of SFRS(I) 9, it is measured in accordance with the appropriate SFRS(I). Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

2.4 Investments in subsidiaries, associates and joint ventures

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of such investments, the difference between the net disposal proceeds and their carrying amount is included in profit or loss.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over these policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The classification of a joint arrangement as a joint venture depends upon the rights and obligations of the parties to the arrangement.

The Group's investments in its associates and joint ventures are accounted for using the equity method.

Under the equity method, the investments in associates and joint ventures are initially recognised at cost. The carrying amount of the investments is adjusted to recognise changes in the Group's share of net assets of the associates or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The profit or loss reflects the Group's share of the results of operations of the joint ventures and associates. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associates and joint ventures, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associates and joint ventures are eliminated to the extent of the interest in the associate or joint venture.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investments. When the Group's share of losses in associates or joint ventures equals or exceeds its interests in the associates or joint ventures, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

The financial information of the associate and joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss in the profit or loss.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.5 Current versus non-current classification**

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

- (i) expected to be realised or intended to be sold or consumed in its normal operating cycle;
- (ii) held primarily for the purpose of trading;
- (iii) expected to be realised within twelve months after the reporting period; or
- (iv) 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:

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

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

2.6 Fair value measurement

The Group measures financial instruments, such as derivatives, at fair value at each reporting date.

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:

- (i) in the principal market for the asset or liability; or
- (ii) 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 to by the Group.

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group 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, described as follows, 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; and
- 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 Group 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 end of each reporting period.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.6 Fair value measurement (continued)**

The Group's senior management determines the policies and procedures for recurring fair value measurement.

External valuers are involved for valuation of significant non-financial assets. Involvement of external valuers is decided by the senior management after discussion with and approval by the ultimate holding company's audit committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The senior management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the senior management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed based on the Group's accounting policies. For this analysis, the senior management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The senior management, in conjunction with the Group's external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.7 Revenue from contracts with customers

The Group and the Company recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

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) Engineering, Procurement, Construction, Installation and Commissioning ("EPCIC") of Floating Production, Storage and Offloading ("FPSO") vessels

The Group provides design, supply, installation, operation, life extension and demobilisation of FPSO vessels. The vessel is constructed and leased to a customer on a finance lease arrangement (EPCIC contracts). The vessel is operated by the Group, under a separate operating and maintenance agreement, after transfer to the customer.

The contract includes multiple deliverables (such as Front-End Engineering Design ("FEED"), engineering, construction, procurement, installation, maintenance, operating services, demobilisation). The Group assesses the level of integration between different deliverables and ability of the deliverables to be performed by another party. Based on this assessment, the Group concludes whether the multiple deliverables are a single, or separate, performance obligation(s).

The EPCIC contract generally comprise a single performance obligation due to significant integration of the activities involved.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.7 Revenue from contracts with customers (continued)****(i) Engineering, Procurement, Construction, Installation and Commissioning ("EPCIC") of Floating Production, Storage and Offloading ("FPSO") vessels (continued)**

The Group determines the transaction price based on consideration stated in the EPCIC contract and transaction price is allocated to performance obligations in the contract based on the relative stand-alone selling prices. The EPCIC contract has agreed fixed pricing terms and a fixed lump sum.

Finance lease arrangements under which the Group constructs and delivers an FPSO vessel to a customer are treated as outright sales (refer to Note 2.13(b)), therefore revenue is recognised as the lower of (i) the fair value of the underlying leased FPSO, or (ii) the present value of the future lease payments accruing to the lessor plus any unguaranteed residual value accruing to it, discounted using a market rate of interest. In order to determine the revenue to be recognised based on this policy, the Group determines discounting using a market rate of interest that takes into account among others: time value of money, financing structure, country risk and risk profile of a client and project.

At contract inception, the Group assesses whether the Group renders EPCIC services and transfers control of the FPSO vessel over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

Where the FPSO vessel has no alternative use for the Group due to contractual restriction, and where the Group has enforceable rights to payment arising from the contractual terms, revenue is recognised over time by reference to the Group's progress towards completing the EPCIC of the FPSO vessels. Otherwise, revenue is recognised at a point in time.

The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs. Costs incurred that are not related to the EPCIC contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

Management has determined that the input method best depicts the Group's performance in transferring control of the FPSO vessel to the customer for its ongoing EPCIC contract, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for these contracts.

An element of significant financing is deemed present in one of the Group's constructions FPSO project. In determining the construction revenue, the Group adjusts for the effects of the significant financing component using a discount rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception, such that it reflects the credit characteristics of the party receiving financing in the contract.

Up to the point that the Group can reasonably measure the outcome of the performance obligation, revenue is only recognised to the extent of costs incurred.

Estimates of revenues, costs, or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Due to the nature of the services performed, variation orders and claims are commonly billed to customers in the normal course of business. The variation orders and claims are modifications of contracts that are usually not distinct and are therefore normally considered as part of the existing performance obligation. Variable consideration is included in the transaction only to the extent that it is a highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.7 Revenue from contracts with customers (continued)****(i) Engineering, Procurement, Construction, Installation and Commissioning ("EPCIC") of Floating Production, Storage and Offloading ("FPSO") vessels (continued)**

The Group can agree on various payment arrangements which generally reflect the progress of delivered performance obligations. If the value of the goods transferred by the Group exceed the billings, a contract asset (refer to Note 2.27 for the accounting policy on contract assets) is recognised. If the billings exceed the value of the goods transferred, a contract liability (refer to Note 2.28 for the accounting policy on contract liabilities) is recognised.

For costs incurred in fulfilling the contract which are within the scope of another SFRS(I) (e.g. Inventories), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will capitalise these as contract costs assets only if (a) these cost relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these cost generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue over time. An impairment loss is recognised in the profit or loss to the extent that the carrying amount of capitalised contract costs exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

(ii) Offshore maintenance support and rendering of services

The Group provides separate services to FPSO charterers including vessel management, repair and maintenance, crewing and operators, provisions, insurance, logistic support during the on-hire period. Revenue from offshore maintenance support and rendering of services are identified as a 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.

The Group recognises revenue from offshore maintenance support and rendering of 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. Revenue is recognised as and when the performance obligations are satisfied by the Group. The credit terms to customers is generally for a period of 30 to 60 days.

(iii) Management fees

Management fees are recognised over time in the period in which the services are rendered.

2.8 Revenue from other sources

The Group and the Company recognise revenue from other sources as follows:

(i) Chartering of FPSOs

Revenue from FPSO 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.

(ii) Dividend income

Dividend income from subsidiaries, associates and joint ventures is recognised when the Company's right to receive payment is established.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.8 Revenue from other sources (continued)****(iii) Interest income**

Interest income from financial assets at amortised costs is recognised using the effective interest rate method.

2.9 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 the countries where the Group operates and generates taxable income.

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 in the financial statements at the reporting date.

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

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 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 tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.10 Foreign currencies**(a) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in United States Dollar, which is also the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. However, exchange differences are deferred in OCI when they arose from qualifying cash flow or net investment hedges or are attributable to items that form part of the net investment in a foreign operation.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.10 Foreign currencies (continued)****(b) Transactions and balances (continued)**

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets are included in OCI.

(c) Group companies

The results and financial position of all the Group's entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) income and expenses for each statement of comprehensive income or separate income statement presented are translated at average exchange rates for the financial periods (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of OCI.

Fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in OCI.

2.11 Cash dividend to owner of the Company

The Company recognises a liability to make cash distributions to owner of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company.

2.12 Property, plant and equipment

Property, plant and equipment is 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. Refer to Note 2.14 for the accounting policy on borrowing costs.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group 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 Group 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 derecognised. 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.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.12 Property, plant and equipment (continued)**

Construction-in-progress are not depreciated as these assets are not yet available for use. Depreciation is calculated on a straight-line basis to allocate the cost of each asset to their residual values over their estimated useful lives as follows:

Motor vehicles	5 - 10 years
FPSO	Lease term of 20 years
Electrical installation (under other assets)	3 years
Renovation, office equipment, furniture and fittings (under other assets)	3 - 10 years
Capital spares (under other assets)	25 years

An item of property, plant and equipment and any significant part 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 profit or loss when the asset is derecognised.

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

At the end of the reporting period, the Group 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. Refer to Note 2.20 for the accounting policy on impairment of non-financial assets.

2.13 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 Group (i.e. the commencement date).

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of properties for which the Group is a lessee, it has elected the practical expedient provided in SFRS(I) 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 Group 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 Group reassesses the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and affects whether the Group 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.

ROU assets

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.13 Leases (continued)****(a) Accounting by lessee (continued)**ROU assets (continued)

ROU assets are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

ROU assets are presented as part of property, plant and equipment in the statements of financial position of the Group and the Company.

Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase and extension options if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that are not based on an index or rate are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Lease liabilities are presented as a separate line item in the statements of financial position of the Group and the Company. Interest expense on the lease liability is presented within finance cost in profit or loss.

Reassessment of lease liabilities

The Group is also exposed to potential future increases in variable lease payments that depend on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is remeasured and adjusted against the ROU assets.

Short-term leases and leases of low-value assets

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture. Payments associated with short-term leases of vehicles and properties and all leases of low-value assets are recognised on a straight-line basis over the lease term as an expense in profit or loss.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.13 Leases (continued)****(b) Accounting by lessor**

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group 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 Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset at the inception of the lease and the lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised.

Finance lease

The Group classifies a lease as a finance lease if the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group derecognises the underlying asset and recognises a receivable at an amount equal to the net investment in a finance lease. Net investment in a finance lease is measured at an amount equal to the sum of the present value of lease payments from lessee and the unguaranteed residual value of the underlying asset. The lease payments include fixed payments, variable lease payments that depend on an index or a rate and unguaranteed residual value of the leased asset.

Variable lease payments that do not depend on an index or a rate are recognised as revenue in the period in which the event or condition that triggers the payment occurs.

Initial direct costs are also included in the initial measurement of the net investment. The net investment is subject to SFRS(I) 9 impairment (refer to Note 2.16(ii) on impairment of financial assets). In addition, the Group reviews regularly the estimated unguaranteed residual value.

Lease income is recognised over the term of the lease using the net investment method so as to reflect a constant periodic rate of return. The Group revises the lease income allocation if there is a reduction in the estimated unguaranteed residual value.

Where a lease is determined to be a finance lease at lease inception and the Group is a manufacturer-lessor, the Group recognises selling profit or loss on a finance lease at the lease commencement date in profit or loss as follows:

- Revenue is the fair value of the underlying leased asset or, if lower, the present value of the lease payments accruing to the lessor, discounted using a market rate of interest;
- Cost of sale is the cost, or carrying amount (if different), of the underlying leased asset, less the present value of the unguaranteed residual value; and
- Selling profit or loss is the difference between revenue and the cost of sale, and is recognised in accordance with the principles in SFRS(I) 15 (Note 2.7(i)).

Changes in variable lease payments that depend on an index or a rate that occur subsequent to initial measurement are included in the lease payments at lease commencement and upon subsequent adjustments to the charter rates that are agreed with customers. These changes are accounted for as a re-measurement of the net investment in a finance lease and recognised as revenue in the period in which the change occurs.

Operating lease

Leases in which the Group 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.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.13 Leases (continued)****(b) Accounting by lessor (continued)**Separating lease and non-lease components

If an arrangement contains lease and non-lease components, the Group 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 SFRS(I) 15.

2.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset, until such time all the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur.

2.15 Intangible assets**(i) Computer software**

Costs incurred to acquire computer software that are not an integral part of the related hardware, are capitalised as intangible assets and amortised on a straight-line basis over the estimated useful life of 5 - 10 years, when the assets are ready for their intended use. The capitalisation of computer software is on the basis of the costs incurred to acquire and bring to use the specific software.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

(ii) Contract rights

Contractual rights and obligations for a customer contract are recognised at its fair value at the date of acquisition and subsequently amortised over the contract period of 8 years upon commencement of charter.

When an indication of impairment exists, the carrying amount of the intangible assets is assessed and written down to its recoverable amount. Refer to Note 2.20 for the accounting policy on impairment of non-financial assets.

2.16 Financial instruments**(i) Financial assets****(a) Classification, initial recognition and measurement**

The Group classifies its financial assets in the following measurement categories:

- Financial assets measured at amortised cost;
- Financial assets at fair value through other comprehensive income ("FVOCI"); and
- Financial assets at fair value through profit or loss ("FVTPL").

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

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at 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.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.16 Financial instruments****(i) Financial assets (continued)****(a) Classification, initial recognition and measurement (continued)**

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

(b) Subsequent measurementDebt instruments

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

(i) 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.

(ii) Financial assets at fair value through other comprehensive income ("FVOCI")

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVOCI.

After initial measurement, FVOCI financial assets are subsequently measured at fair value with unrealised gains or losses recognised in OCI and credited in the FVOCI reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, at which time the cumulative loss is reclassified from the FVOCI reserve to the profit or loss. Interest earned whilst holding FVOCI financial assets is reported as interest income using the EIR method.

(iii) Financial assets at fair value through profit or loss ("FVTPL")

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. The Group may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases.

Financial assets at FVTPL are carried in the statements of financial position at fair value with net changes in fair value presented as administrative expenses (negative net changes in fair value) or other income (positive net changes in fair value) in profit or loss.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.16 Financial instruments (continued)****(ii) Impairment of financial assets**

The Group and the Company assess 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 Group and the Company have five types of financial instruments that are subject to the ECL model:

- (i) Trade and other receivables;
- (ii) Contract assets;
- (iii) Derivatives
- (iv) Finance lease receivables; and
- (v) Cash and bank balances.

While cash and bank balances are also subject to the impairment requirements of SFRS(I) 9, there was no impairment loss identified.

ECL represent a probability-weighted estimate of the difference between the present value of cash flows according to contracts and the present value of cash flows the Group and the Company expect 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.

(a) General 3-stage approach for financial assets and contract assets at amortised cost

At each reporting date, the Group and the Company measure 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.

Other financial assets at amortised cost comprise other receivables, finance lease receivables and cash and cash balances. The general 3-stage approach is applied for other financial assets at amortised cost other than trade receivables and contract assets.

The Group and the Company consider the probability of default upon initial recognition of the 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 Group and the Company compare 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.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.16 Financial instruments (continued)****(ii) Impairment of financial assets (continued)****(a) General 3-stage approach for financial assets and contract assets at amortised cost (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; and
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status 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 34(b) sets out the measurement details of ECL.

(b) Simplified approach for trade receivables and contract assets

The Group and the Company apply the SFRS(I) 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables and contract assets.

The Group and the Company define 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:

Quantitative criteria

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

Qualitative criteria

The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Group and the Company consider 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; and
- the debtor is insolvent.

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

Note 34(b) sets out the measurement details of ECL.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

2. Material accounting policy information (continued)

2.16 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 Group's financial liabilities include trade and other payables, loans and borrowings, lease liabilities and derivative financial instruments.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include derivative financial instruments and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by SFRS(I) 9 are classified as held for trading. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in SFRS(I) 9 are satisfied.

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.

When the basis to determine the future contractual cash flows of the borrowings are modified entirely as a result of IBOR reform, the Group applies the reliefs provided by the Phase 2 amendments related to IBOR reform to adjust the effective interest rate of the borrowings with no modification gain or loss is recognised.

(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 of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities 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.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.17 Financial guarantees**

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- (a) amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and
- (b) the amount of expected loss allowance computed using the impairment methodology under Note 2.16.

2.18 Derivative financial instruments

The Group uses derivative financial instruments, interest rate swaps, to hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives that do not qualify for hedge accounting are classified as fair value through profit or loss and changes in fair value are recognised in profit or loss.

Derivatives that qualify for hedge accounting are designated as hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

The Group documents at the inception of the hedge relationship, the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis on whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Derivatives are classified as a non-current asset or liability when the remaining maturity is more than 12 months, and the balance is classified as current.

For derivatives that qualify as cash flow hedges, the gain or loss relating to the ineffective portion of changes in the fair value is recognised in profit or loss. The gain or loss relating to the effective portion is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

IBOR reform

The Group has applied the following reliefs provided by the Amendments to SFRS(I) 9 and SFRS(I) 7 'Interest Rate Benchmark Reform – Phase 2':

- (a) Hedge designation: When the 'Phase 1' amendments cease to apply, the Group amends its hedge designation to reflect changes which are required by IBOR reform. These amendments to the hedge documentation do not require the Group to discontinue its hedge relationships;
- (b) Amounts accumulated in the cash flow hedge reserve: When the interest rate benchmark on which the hedged future cash flows were based is changed as required by IBOR reform, the accumulated amount outstanding in the cash flow hedge reserve is deemed to be based on the alternative benchmark rate;

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.18 Derivative financial instruments (continued)**

Phase 2 of the amendments requires that, for financial instruments, measured using amortised cost measurement, changes to the basis for determining the contractual cash flows required by IBOR reform are reflected by adjusting their effective interest rate. No immediate gain or loss is recognised.

2.19 Inventories

Inventories comprise spare parts and consumables are valued at the lower of cost and net realisable value.

Purchase costs and other costs incurred in bringing the spare parts to its present location and condition are accounted for on a weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.20 Impairment of non-financial assets

The Group and the Company assess, 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 Group and the Company estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or 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 assessment 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 losses are recognised in the profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase in revaluation reserve.

2.21 Cash and bank balances

Cash and bank balances in the statements of financial position comprise cash at banks, cash on hand and short-term deposits 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.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.22 Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. When the Group 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.

2.23 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 Group'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 Group and the Company have no further financial obligations.

2.24 Share capital**(i) Classification**

Ordinary shares are recorded at the proceeds received, net of directly attributable transaction costs. Ordinary shares are classified as equity.

(ii) Share issue costs

Incremental costs directly attributable to the issue of new shares or options are deducted against the share capital account. In other cases, they are charged to the profit or loss when incurred.

(iii) Dividend distribution

A liability is recognised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

Distributions to holders of an equity instrument is recognised directly in equity.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***2. Material accounting policy information (continued)****2.25 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 Group. 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.

Details on the Group's impairment policies of trade and other receivables are provided in Note 2.16(ii).

2.26 Trade and other payables

Trade and other payables represent liabilities for services provided to the Group prior to the end of financial year which are unpaid. Trade and other 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.

2.27 Contract assets

Contract assets as defined in SFRS(I) 15 represent the Group's construction work-in-progress. Construction work-in-progress is the Group's right to consideration in exchange for goods and services that the Group has transferred to the customer. The Group's contract assets are measured as accumulated revenue recognised over time based on progress of the project net of instalments invoiced to date. The invoiced instalments represent the contractually agreed unconditional milestone payments during the construction period and these amounts are classified as trade receivables until the amount is paid. The Group recognises any losses from onerous contracts under provisions in line with SFRS(I) 1-37.

2.28 Contract liabilities

The Group recognises a contract liability where instalments are invoiced or received in advance of satisfying the performance obligation towards the customer. Included in contract liabilities is also deferred income relating to charter income received in advance which are deferred and amortised on a straight-line basis over the contract period.

2.29 Put option liability

The Group recognises a liability for an option granted to a non-controlling interest to sell its equity stake back to the Group at their original consideration less dividends and proceeds from capital reduction received by then upon occurrence of conditions set out in the shareholders agreement. A corresponding amount is recognised directly in equity as put option reserve.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***3. Standards, amendments to published standards and interpretations, which are applicable and adopted by the Group and the Company**

The Group and the Company have applied the following standards and amendments for the first time for the financial year beginning on 1 February 2023:

- (i) SFRS(I) 17 "Insurance Contracts" and its amendments
- (ii) Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 "Disclosure of Accounting Policies"
- (iii) Amendments to SFRS(I) 1-8 "Definition of Accounting Estimates"
- (iv) Amendments to SFRS(I) 1-12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"
- (v) Amendments to SFRS(I) 1-12 "International Tax Reform-Pillar Two Model Rules"

The adoption of the above amendments to published standards does not have any material impact to the Group and the Company for the financial year ended 31 January 2024, other than as disclosed below:

Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 "Disclosure of Accounting Policies"

These amendments provide guidance and examples to help entities applying materiality judgements to accounting policy disclosures. The amendments aim to help entities to provide accounting policy disclosures that are more useful, by replacing the requirement for entities to disclose their "significant" accounting policies with a requirement to disclose "material" accounting policies.

The amendments had a minor impact on the consolidated financial statements of the Group. The Group had performed a reassessment of its accounting policy disclosures against the amended guidance, which resulted in minor changes to the section on accounting policies.

Amendments to SFRS(I) 1-12 "International Tax Reform-Pillar Two Model Rules"

The Group has applied the temporary exception issued by Accounting Standards Committee under Accounting and Corporate Regulatory Authority ("ACRA") and International Accounting Standards Board ("IASB") in May 2023 from the accounting requirements for deferred taxes in SFRS(I) 1-12 "International Tax Reform – Pillar Two Model Rules". Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

As the Group may be impacted by Base Erosion and Profit Shifting ("BEPS") rules, it continues to assess their potential financial impact. It should be noted that the impact can only be finally determined when legislation is enacted in the relevant jurisdictions. Once the final legislation is enacted in all jurisdictions in which the Group operates and a full assessment of the impact is completed, the Group will be able to conclude on the implications of BEPS rules.

4. Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective**(a) Financial year beginning on/after 1 February 2024****(i) Amendments to SFRS(I) 16 "Lease Liability in a Sale and Leaseback"**

Amendments to SFRS(I) 16 "Lease Liability in a Sale and Leaseback" specify the measurement of the lease liability arises in a sale and leaseback transaction that satisfies the requirements in SFRS(I) 15 "Revenue from Contracts with Customers" to be accounted for as a sale. In accordance with the amendments, the seller-lessee shall determine the "lease payments" or "revised lease payments" in a way that it does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use it retains.

The amendments shall be applied retrospectively to sale and leaseback transactions entered after the date when the seller-lessee initially applied SFRS(I) 16.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***4. Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective (continued)****(a) Financial year beginning on/after 1 February 2024 (continued)****(ii) Amendments to SFRS(I) 1-1 "Presentation of Financial Statements"**

There are two amendments to SFRS(I) 1-1 "Presentation of Financial Statements". The first amendments, "Classification of liabilities as current or non-current" clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The second amendments, "Non-current Liabilities with Covenants" specify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification of a liability as current or non-current, even if the covenant is only assessed after the reporting date.

The amendments shall be applied retrospectively.

(iii) Amendments to SFRS(I) 1-7 and SFRS(I) 7 "Supplier Finance Arrangements"

Amendments to SFRS(I) 1-7 and SFRS(I) 7 "Supplier Finance Arrangements" require entities to disclose information about the supplier finance arrangements ('SFA') that enable the users to understand the effects of SFA on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments require the following information about SFA to be disclosed in the annual period in which the amendments are first applied:

- (a) the terms and conditions of SFAs;
- (b) the carrying amount of financial liabilities that are part of SFAs and the line items in which those liabilities are presented;
- (c) the carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers;
- (d) the range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements;
- (e) the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of SFAs; and
- (f) liquidity risk information (e.g. concentration of risks; access to SFA facilities for liquidity requirement).

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***4. Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective (continued)****(b) Financial year beginning on/after 1 February 2025****(i) Amendments to SFRS(I) 1-21 "Lack of Exchangeability"**

Amendments to SFRS(I) 1-21 "Lack of Exchangeability" clarify that a currency is exchangeable when an entity is able to exchange it into another currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism that creates enforceable rights and obligations. If an entity can only obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, then the currency is not exchangeable. In such cases, the entity is required to estimate the spot exchange rate at the measurement date.

The Group and the Company are currently assessing the impact of the adoption and application of the above new/amended standards. Other standards and amendments are not relevant for the Group and the Company.

5. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Finance leases - Group as lessor

The Group has determined, based on the analysis of the terms and conditions of the contract on assessing whether the Group retains the significant risks and rewards of ownership of the FPSO subject of the lease contract. To identify whether risks and rewards are retained, the Group systematically considers, amongst others, the indicators listed by SFRS(I) 16 "Leases" on a contract-by-contract basis. The Group makes significant judgements to determine whether the arrangement results in a finance lease or an operating lease. This judgement can have a significant effect on the amounts recognised in the financial statements and its recognition of profits in the future.

The most important judgement areas assessed by the Group in respect of finance leases are as follows:

- Determination of fair value of the leased FPSOs

For the Group's awarded lease contracts that were classified under SFRS(I) 16 as finance leases for accounting purposes, the fair value of the leased FPSO is recorded as an outright sale at the commencement of the lease.

Significant judgements are used to estimate the charter rates and discount rates applied in computing the fair value of the leased FPSO. The discount rate used is based on the interest rate implicit to the lease. The interest rate implicit to the lease takes into account among others: time value of money, financing structure, country risk and risk profile of a client and project. Therefore, the discount rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***5. Critical accounting estimates and judgements (continued)****(a) Finance leases - Group as lessor (continued)**

- Allocation of transaction price to performance obligations for lease contracts

The Group provides design, supply, installation, operation, life extension and demobilisation of FPSO vessels. The vessels are constructed and leased to customers on a finance lease arrangement, and operated by the Group under a separate operating and maintenance agreement after the vessels are handed over to the customers. Therefore, the construction of the vessels, leasing and operations are each identified as a separate performance obligation. The transaction price is allocated to each performance obligation based on the relative stand-alone selling prices.

The relative stand-alone selling prices are estimated based on the expected costs to be incurred and expected profit margin applicable to each performance obligation at the inception of the lease contract. Significant judgment is used to estimate the costs and profit margins applied in the allocation of the transaction price.

Please refer to Notes 2.7(i) and Note 2.13(b) for the Group's accounting policies on revenue recognition for the construction of FPSO vessels and finance lease arrangements respectively.

- Determination of lease term

The Group determines the lease term based on the period for which the Group has contracted to lease the asset together with any further terms for which the lessee has the option to continue to lease the asset.

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive for the lessor to exercise an extension option, including the indicators set out in paragraphs B37 to B40 of SFRS(I) 16 "Leases". Extension options are only included in the lease term if the lease is reasonably certain to be extended by the lessees. The evaluation of the term "reasonably certain" involves judgement.

Extension options are included in certain leases of FPSOs across the Group in order to determine the net investment in these leases (Note 21(a)). The extension options are exercisable only by the respective lessees.

The lease term is reassessed if an option is actually exercised (or not exercised). The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment.

(b) The measurement and recognition of revenues on EPCIC contracts based on the input method

The Group has ongoing EPCIC contracts to construct FPSO vessels for customers. For this contract, revenue is recognised over time by reference to the Group's progress towards completing the EPCIC of the FPSO. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method").

Management has to estimate the total contract costs to complete, which are used in the input method to determine the Group's recognition of contract revenue. When it is probable that the total unavoidable contract costs of meeting the obligation under the contract will exceed the total contract revenue, a provision for onerous contracts is recognised immediately.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***5. Critical accounting estimates and judgements (continued)****(b) The measurement and recognition of revenues on EPCIC contracts based on the input method (continued)**

Present obligations arising under onerous contracts are recognised and measured as provisions by accessing each contract. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The management has also applied judgement to assess whether facts and circumstances indicate that a group of contracts has become onerous as a whole at the Group. Intra-group transactions will be eliminated at consolidation.

Significant judgement is used to estimate the above-mentioned total contract costs to complete. In making these estimates, management has applied its past experience of completing similar projects, as well as quotations from and contracts with suppliers and sub-contractors. These estimations are also made with due consideration of the circumstances and relevant events that were known to management at the date of these financial statements. Total contract costs are subject to fluctuations not only due to uncertainties in contract execution, variations in scope of works, and acceptance of claims by customers, but also due to broader macroeconomic factors. These include post-COVID market conditions, high commodity prices, and political events globally which can significantly affect material costs and project timelines. Recent geopolitical tensions and persistent high inflation are such examples impacting our estimations. Material changes influenced by these factors are recognised in the financial statements of the year they occur, as per SFRS(I) guidelines, and disclosed as subsequent events if identified and can be reliably measured post-reporting period but pre-financial statement issuance.

For the financial year ended 31 January 2024, if there is an increase/decrease of 5% to the estimated total contract costs, revenue would decrease/increase by USD 131 million (2023: USD 100 million).

Costs and revenue (and the resulting gross margin) at completion reflect, at each reporting period, management's current best estimate of the probable future benefits and obligations associated with the contracts.

(c) Income taxes

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Uncertain tax positions

In measuring the provision for taxation and deferred taxation at reporting date, the Group has applied judgements and estimates in relation to certain interpretation of tax legislation in arriving at the Group's tax position. Judgements and estimates are based on the current tax legislation and best available information as at the reporting date.

The Group completed a detailed review of uncertain tax positions of the Group and makes provisions based on the probability of the liability arising. The principal risks that arise for the Group are in respect of permanent establishments, cross border transactional taxes, transfer pricing and other similar international tax issues. The Group is continuously reassessing its judgements and estimates whenever there is a change in circumstances.

As a result of the above, the Group has recorded USD 6 million tax provisions in respect of ongoing tax audits following the Group's review of its uncertain tax positions.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

6. Revenue

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Revenue from contracts with customers (Note (a))	2,077	1,113	69	65
Revenue from other sources:				
- Chartering of FPSOs	141	156	-	-
- Net finance lease income	288	82	-	-
Finance lease income (Note 21(a)(i)(ii) and (iii))	195	82	-	-
Remeasurement of finance lease receivables (Note (c) and Note 21(a)(iii))	93	-	-	-
- Dividend income	-	-	52	94
	2,506	1,351	121	159

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time as follows:

Group	FPSO		
	EPCIC USD million	Operations USD million	Total USD million
2024			
EPCIC of FPSO vessel	1,924	-	1,924
FPSO support services fees	-	152	152
Others	1	-	1
	1,925	152	2,077
2023			
EPCIC of FPSO vessel	983	-	983
FPSO support services fees	-	130	130
	983	130	1,113

The Company derives its management fee income of USD 69 million (2023: USD 65 million) from contracts with customers over time in the period which the services are rendered.

Geographical information

The Group and the Company operate in the following main geographical as:

- (i) Brazil and Angola - involved in design, supply, installation, operation, life extension and demobilisation of FPSOs
- (ii) Ghana and Nigeria - mainly involved in the charter of FPSOs and ship management services
- (iii) Malaysia - mainly involved in leasing and sub-leasing of FPSOs on bareboat or time charter basis
- (iv) Singapore - mainly involved in investment holding and provision of management services

Revenue by location of the Group's and the Company's operations are analysed as follows:

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Brazil	1,119	983	-	-
Angola	1,047	-	-	-
Ghana	206	194	-	-
Nigeria	69	112	-	-
Malaysia	62	62	-	-
Singapore	-	-	121	159
Others	3	-	-	-
	2,506	1,351	121	159

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

6. Revenue (continued)

(b) Contract balances

The Group has recognised the following assets and liabilities related to contracts with customers:

	Group		
	31 January 2024 USD million	31 January 2023 USD million	1 February 2022 USD million
Contract assets (Note (b)(i))			
Current	72	30	-
Non-current	1,965	1,934	1,127
	2,037	1,964	1,127
Contract liabilities (Note (b)(ii))			
Current	11	218	7
Non-current	52	59	66
	63	277	73

(i) Contract assets

Contract assets primarily relate to the Group's right to consideration for work completed on ongoing EPCIC contracts but not yet billed as at reporting date. Bareboat charter payments received during the lease period will be allocated towards the settlement of the contract assets related to the EPCIC contracts.

Contract assets have increased in correlation with the progress of work performed for EPCIC business activities during the year.

(ii) Contract liabilities

Contract liabilities primarily comprises the following:

- Charter income received in advance of USD 59 million (31 January 2023: USD 66 million, 1 February 2022: USD 73 million) in relation to FPSO JAK, which is deferred and amortised on a straight-line basis over the contract period. As at 31 January 2024, the amount classified as current and non-current were USD 7 million and USD 52 million (31 January 2023: USD 7 million and USD 59 million, 1 February 2022: USD 7 million and USD 66 million) respectively. The Group recognised revenue of USD 7 million (2023: USD 7 million) during the year, which was included in the contract liabilities as at 31 January 2024.
- Included in current contract liabilities as at 31 January 2023 was an amount of USD 211 million relating to considerations received from customers received from EPCIC contracts, where progress billings were issued ahead of provision of services. The amounts have been set off against the contract assets coinciding with work performed for the EPCIC business activities during the current financial year.

(iii) On 31 July 2023, Yinson Bouvardia Holdings Pte. Ltd., an indirect wholly owned subsidiary of the Company, has completed the acquisition of 100% equity interest in AFPS B.V. ("AFPS") from Atlanta Field B.V. ("AFBV") by way of exercising the call option with a purchase cash consideration of USD 22 million.

The entire contractual arrangement with AFPS in respect of FPSO Atlanta is determined to be a construction service arrangement in accordance with SFRS(I) 15 "Revenue from Contracts with Customers".

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

6. Revenue (continued)

(b) Contract balances (continued)

- (iii) Upon the exercise of the call option, the total transaction price for the contractual arrangement with AFPS was re-assessed and revised to reflect the future cash flows from the charter rates to be received over the 15-years charter period in accordance with the charter contract with Enauta Energia S.A. ("Enauta").

The amounts previously received by the Group from AFPS are, in substance, advances received from AFPS, to fund the construction of the FPSO. Upon exercise of the call option, these advances were converted into a loan to be repaid by the Group to Enauta over the charter period of 15 years at a fixed interest rate of 6%. Accordingly, the future principal and interest repayments under the loan are accounted for as a consideration payable to Enauta. The consideration payable to Enauta is offset against the contract asset arising from the fulfilment of the EPCI performance obligation.

The net contract asset balance in respect of FPSO Atlanta included within contract assets as at 31 January 2024 is determined as follows:

	Group 2024 USD million
Cumulative revenue recognised for EPCI performance obligation less progress billings to date	360
Less: Consideration payable to Enauta	(330)
Net balance included within contract assets	<u>30</u>

(iv) Unsatisfied long-term EPCIC contracts

The following table shows unsatisfied performance obligations resulting from long-term EPCIC contracts:

	Group 2024 USD million	2023 USD million
Aggregate amount of the transaction price allocated to long-term EPCIC contracts that are partially or fully unsatisfied as at 31 January	<u>1,169</u>	<u>1,164</u>

Management expects 53% of the transaction price allocated to the unsatisfied performance obligations of USD 614 million as at end of the financial year may be recognised as revenue during the next reporting period as the Group continues to perform to complete the EPCIC of the FPSO vessels. The remaining 47% (USD 555 million) may be recognised in the financial year ending 31 January 2026. The Group will recognise the unsatisfied performance obligation over this period in line with the work performed.

(c) Remeasurement of finance lease receivables

Lease payments under applicable contracts are subject to indexation clauses (variable considerations). During the financial year ended 31 January 2024, there was a remeasurement of finance lease receivable to reflect adjustments in lease payments resulting from indexation movements. Accordingly, the Group has recognised a remeasurement of finance lease receivables amounting to USD 93 million (2023: Nil) upon the achievement of first oil of an FPSO project following a successful 72-hour testing.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

7. Cost of sales

Included in cost of sales are:

	Group	
	2024	2023
	USD million	USD million
Amortisation of intangible assets	12	12
Depreciation of property, plant and equipment	42	47
EPCIC construction costs	1,691	779
Employee benefits expenses (Note 10)	34	19
Vessel operating expenses	76	67

8. Other income

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
Gain on disposal of property, plant and equipment	-	5	-	-
Government grant income (Note (a))	^	1	^	1
Net compensation income from termination of an anticipated FPSO project (Note (b))	8	-	-	-
Miscellaneous	3	3	-	-
	11	9	^	1

(a) Government grants income recognised is under Jobs Growth Incentives ("JGI"). The JGI is a temporary scheme to support employers to expand local hiring from September 2020 to March 2023. Under JGI, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

(b) Net compensation income of USD 8 million was recognised during the financial year ended 2024 arising from the lapse of the exclusive rights for FPSO Nganhurra by BP Exploration (Angola) Ltd ("BP"). The Group has paid USD 15 million for the exclusivity option to secure a vessel and in turn, has received USD 23 million as part of an exclusivity agreement with the customer to secure the said vessel.

9. Administrative expenses

Included in administrative expenses are:

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
Amortisation of intangible assets	1	1	^	^
Depreciation of property, plant and equipment	8	5	6	3
Employee benefits expenses (Note 10)	12	14	39	35
Consultancy fee expenses	2	2	5	20
Management fee expenses	5	2	6	-
Impairment loss on investment in subsidiaries (Note 16)	-	-	1	28
Withholding tax expense	7	1	-	-
Net loss on foreign exchange	4	5	-	1

^ Below USD 1 million.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

10. Employee benefits expenses

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Included in:				
- Cost of sales (Note 7)	34	19	-	-
- Administrative expense (Note 9)	12	14	39	35
	46	33	39	35
Analysed as follows:				
- Wages, salaries and bonuses	33	27	35	28
- Social security contributions	4	2	-	-
- Contributions to defined contribution plans	1	1	2	2
- Other benefits	8	3	2	5
	46	33	39	35

11. Finance costs

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Bank charges	1	1	-	-
Interest expenses:				
- Loans and borrowings	197	88	6	-
- Lease liabilities	1	1	1	-
- Loans from related companies	13	3	13	3
Unwinding of notional interest (Note 29(b)(iv))	2	2	-	-
Cash flow hedge reclassified to profit or loss	(39)	(2)	-	-
	175	93	20	3

12. Income tax expense/(credit)

Major components of income tax expense/(credit)

The major components of income tax expense/(credit) are:

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Income statements				
Current income tax				
- Singapore income tax				
Current year	12	4	-	1
Under provision in prior years	^	^	^	^
- Foreign tax				
Current year	53	28	-	-
Under/(over) provision in prior years	3	(^)	-	-
	68	32	^	1
Deferred tax (Note 22):				
- Relating to origination of temporary differences	46	31	(1)	-
	114	63	(1)	1

^ Below USD 1 million.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

12. Income tax expense/(credit) (continued)

Reconciliation between tax expense/(credit) and accounting profit

The reconciliation between tax expense/(credit) and profit before tax multiplied by the applicable tax rates are as follows:

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
Profit before tax	433	282	33	63
Tax at Singapore statutory tax rate of 17%	74	48	6	11
Expenses not deductible for tax purposes	16	18	3	6
Different tax rates of subsidiaries in various national jurisdictions	24	14	-	-
Share of results of joint ventures	1	[^]	-	-
Tax exempt income	(21)	(16)	(9)	(16)
Utilisation of previously unrecognised deferred tax assets	-	(1)	-	-
Changes in deferred tax assets not recognised	17	-	-	-
Group relief	-	-	(1)	-
Under provision in prior years	3	[^]	[^]	-
Income tax expense recognised in profit or loss	114	63	(1)	1

[^] Below USD 1 million.

Domestic income tax is calculated at the Singapore statutory tax rate of 17% (2023: 17%) of the estimated assessable profit for the financial year.

Taxation for other jurisdictions are calculated at the rates prevailing in the respective jurisdictions. The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

13. Dividends

	Group and Company	
	USD cents	USD million
	per share	
2024		
Interim dividends declared on:		
- 10 July 2023	0.45	5
- 18 July 2023	0.18	2
- 21 July 2023	0.80	9
- 20 October 2023	0.45	5
- 2 November 2023	1.36	15
		36
2023		
Interim dividends declared on:		
- 17 February 2022	5.26	20
- 28 April 2022	2.41	20
- 18 May 2022	1.18	10
- 28 June 2022	1.18	10
- 1 September 2022	1.01	9
		69

The Directors do not recommend any other dividend for the financial year ended 31 January 2024.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

14. Property, plant and equipment									
Group	Motor vehicles	FPSOs	Right-of-use assets	Other assets*	Construction-in-progress	Total			
Cost	USD million	USD million	USD million	USD million	USD million	USD million			
At 1 February 2022	1	1,083	11	8	-	1,103			
Additions	-	1	17	7	-	25			
Disposals	-	(145)	-	(1)	-	(146)			
At 31 January 2023 and 1 February 2023	1	939	28	14	-	982			
Additions	-	-	5	5	3	13			
At 31 January 2024	1	939	33	19	3	995			
Accumulated depreciation									
At 1 February 2022	^	326	7	3	-	336			
Charge for the financial year	^	47	4	1	-	52			
Disposals	-	(135)	-	(^)	-	(135)			
At 31 January 2023 and 1 February 2023	^	238	11	4	-	253			
Charge for the financial year	^	42	7	1	-	50			
At 31 January 2024	^	280	18	5	-	303			
Net carrying amount									
At 31 January 2023	1	701	17	10	-	729			
At 31 January 2024	1	659	15	14	3	692			

^ Below USD 1 million.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

14. Property, plant and equipment (continued)

	Motor vehicles USD million	Right-of-use assets USD million	Other assets* USD million	Total USD million
Company Cost				
At 1 February 2022	^	9	3	12
Additions	-	8	2	10
At 31 January 2023 and 1 February 2023	^	17	5	22
Additions	-	4	3	7
At 31 January 2024	^	21	8	29
Accumulated depreciation				
At 1 February 2022	^	6	2	8
Charge for the financial year	^	2	1	3
At 31 January 2023 and 1 February 2023	^	8	3	11
Charge for the financial year	^	4	2	6
At 31 January 2024	^	12	5	17
Net carrying amount				
At 31 January 2023	^	9	2	11
At 31 January 2024	^	9	3	12

* Other assets comprise office equipment, renovation, electrical installation, furniture and fittings and capital spares.

^ Below USD 1 million.

- (a) Additions to property, plant and equipment which were acquired during the financial year were as follows:

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Cash payment	8	8	3	2
Additions to lease liabilities	5	17	4	8
	13	25	7	10

- (b) The carrying amounts of property, plant and equipment pledged to financial institutions for banking facilities granted to the Group as disclosed in Note 28 at reporting date respectively were as follows:

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
FPSOs	659	701	-	-

- (c) The FPSO contracts include options for the charterers to purchase the respective FPSO or to extend their charter periods beyond the initial firm lease period. The purchase option values are based on declining agreed prices, which are in excess of the current net book values of the FPSOs as at the reporting date.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

14. Property, plant and equipment (continued)

(d) Additional information for right-of-use assets were as follows:

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Buildings				
Depreciation charge for the financial year	7	4	4	2
Carrying amounts at the end of financial year	15	17	9	9

(e) The carrying amount of property, plant and equipment subject to operating leases (Note 31), comprising FPSO John Agyekum Kufuor, as at end of reporting date was as follows:

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
FPSOs	659	701	-	-

15. Intangible assets

	Computer software USD million	Contract rights* USD million	Total USD million
Group			
Cost			
At 1 February 2022, 31 January 2023 and 1 February 2023	8	93	101
Addition	1	-	1
At 31 January 2024	9	93	102
Accumulated amortisation			
At 1 February 2022	5	28	33
Amortisation	1	12	13
At 31 January 2023 and 1 February 2023	6	40	46
Amortisation	1	12	13
At 31 January 2024	7	52	59
Net carrying amount			
At 31 January 2023	2	53	55
At 31 January 2024	2	41	43

* Contract rights recognised pursuant to the consideration paid for the novation of a charter contract involving provision of EPCIC and leasing of FPSO Helang.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

15. Intangible assets (continued)

	Computer software USD million
Company Cost	
At 1 February 2022, 31 January 2023 and 1 February 2023	1
Addition	1
At 31 January 2024	2
Accumulated amortisation	
At 1 February 2022	1
Amortisation	^
As at 31 January 2023 and 1 February 2023	1
Amortisation	^
At 31 January 2024	1
Net carrying amount	
At 31 January 2023	^
At 31 January 2024	1

^ Below USD 1 million.

16. Investment in subsidiaries

	Company	
	2024 USD million	2023 USD million
Unquoted shares, at cost		
In Singapore	217	217
Outside Singapore	251	165
	468	382
Accumulated impairment loss	(68)	(67)
	400	315

On 29 September 2022, the Company increased its investment in Yinson Production Capital Pte. Ltd. for a total consideration of USD 89,564,127 and was satisfied via capitalisation of amount owing from a subsidiary.

On 23 December 2022, the Company incorporated Yinson Production (The Netherlands) B.V. (formerly known as Yinson the Netherlands B.V.) with an issued share capital of USD 770,000 comprising 770,000 ordinary shares.

On 7 February 2023, the Company acquired London Marine Group Limited for a total consideration of USD 633,280 (GBP 524,803) and was satisfied via cash.

On 13 February 2023, the Company incorporated Yinson Brasil Servicos Ltda. with an issued share capital of USD 764,513 (BRL 3,990,150) comprising of 3,990,150 ordinary shares.

On 11 September 2023, the Company increased its investment in Yinson Acacia Ltd for a total consideration of USD 85,000,000 and was satisfied via cash.

On 6 October 2023, the Company incorporated Yinson Production Financial Services Pte. Ltd. with an issued share capital of USD 1 comprising of 1 ordinary share.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

16. Investment in subsidiaries (continued)

Movement in the allowance in impairment account is as follows:

	Company	
	2024 USD million	2023 USD million
At 1 February	67	39
Impairment charge (Note 9)	1	28
At 31 January	68	67

An impairment loss of USD 1 million (2023: USD 28 million), in relation to the Company's investment in London Marine Group Limited (2023: Yinson Production AS), was recognised during the current financial year as the estimated recoverable amount of the investment was lower than its carrying amount.

(a) Details of subsidiaries are as follows:

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest		Principal place of business	Principal activities
		2024	2023		
Held through the Company: Yinson Acacia Ltd ⁽ⁱⁱ⁾	Republic of the Marshall Islands	100	100	Singapore	Investment holding
Yinson Production AS ⁽ⁱⁱ⁾	Norway	100	100	Norway	Investment holding and provision of management services
Yinson Production Capital Pte. Ltd. ⁽ⁱ⁾	Singapore	100	100	Singapore	Investment holding and provision of management consultancy services
London Marine Group Limited ^(iv)	United Kingdom	100	-	United Kingdom	Engineering design and provision of mooring systems for offshore installations
Yinson Production Financial Services Pte. Ltd. ⁽ⁱⁱⁱ⁾	Singapore	100	-	Singapore	Provision of treasury management services
Yinson Production EPC Pte. Ltd. ⁽ⁱ⁾	Singapore	100	100	Singapore	Investment holding and provision of engineering procurement and construction for floating production system and management services
Yinson Production (The Netherlands) B.V. (formerly known as Yinson the Netherlands B.V.) ^(v)	Netherlands	100	100	Netherlands	Investment holding and provision of management services
Yinson Brasil Servicos Ltda ⁽ⁱⁱⁱ⁾	Brazil	100	-	Brazil	Provision of Intercompany services

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

16. Investment in subsidiaries (continued)

(a) Details of subsidiaries are as follows: (continued)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest		Principal place of business	Principal activities
		2024	2023		
Held through London Marine Group Limited					
London Marine Consultants Limited ^(iv)	United Kingdom	100	-	United Kingdom	Engineering related scientific and technical consulting activities
LMC Asia Pacific Pte.Ltd. ^(iv)	Singapore	100	-	Singapore	Installation of industrial machinery and equipment, mechanical engineering works
Held through Yinson Acacia Ltd:					
Yinson Bergenia Consortium Pte. Ltd. ⁽ⁱ⁾	Singapore	100	100	Singapore	Investment holding
Yinson Boronia Consortium Pte. Ltd. ⁽ⁱ⁾	Singapore	75	75	Singapore	Investment holding
Yinson Bouvardia Consortium Pte. Ltd. ⁽ⁱ⁾	Singapore	100	100	Singapore	Investment holding
Yinson Production Azalea Consortium Pte.Ltd (formerly known as Yinson Azalea Holdings Pte.Ltd). ⁽ⁱ⁾	Singapore	100	100	Singapore	Investment holding
Yinson Production Iterum Holdings Pte.Ltd. (f.k.a Yinson Eden Pte.Ltd) ^{(i)(iv)}	Singapore	100	-	Singapore	Provision of floating marine assets for chartering and engineering design and consultancy services
Held through Yinson Bergenia Consortium Pte. Ltd.:					
Yinson Bergenia Holdings Pte. Ltd. ⁽ⁱ⁾	Singapore	100	100	Singapore	Investment holding
Held through Yinson Bergenia Holdings Pte. Ltd.:					
Yinson Bergenia Production B.V. ⁽ⁱⁱ⁾	Netherlands	100	100	Netherlands	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Held through Yinson Bergenia Production B.V.:					
Yinson Bergenia Servicos De Operacao Ltda ⁽ⁱⁱⁱ⁾	Brazil	100	100	Brazil	Provision of operations and maintenance services of floating marine assets to the offshore oil and gas industry
Held through Yinson Boronia Consortium Pte. Ltd.:					
Yinson Boronia Holdings (S) Pte. Ltd. ⁽ⁱ⁾	Singapore	100	100	Singapore	Investment holding

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

16. Investment in subsidiaries (continued)

(a) Details of subsidiaries are as follows: (continued)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest		Principal place of business	Principal activities
		2024	2023		
Held through Yinson Boronia Holdings (S) Pte. Ltd.:					
Yinson Boronia Production B.V. ⁽ⁱⁱ⁾	Netherlands	100	100	Netherlands	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Held through Yinson Boronia Holdings (S) Pte. Ltd. And Yinson Boronia Production B.V.:					
Yinson Boronia Servicos De Operacao Ltda ⁽ⁱⁱⁱ⁾	Brazil	100	100	Brazil	Provision of operations and maintenance services of floating marine assets to the offshore oil and gas industry
Held through Yinson Production Azalea Consortium Pte.Ltd. (formerly known as Yinson Azalea Holdings Pte.Ltd.):					
Yinson Production Azalea Holdings (S) Pte.Ltd. ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	Singapore	100	-	Singapore	Investment Holding
Yinson Azalea Operacoes Angola - Prestacao De Servicos (SU), Lda. ⁽ⁱⁱ⁾	Angola	100	100	Angola	Provision of operations maintenance services of floating marine assets to the offshore oil and gas industry
Held through Yinson Production Azalea Holdings (S) Pte.Ltd. :					
Yinson Azalea Production Pte.Ltd. ⁽ⁱ⁾	Singapore	100	100	Singapore	Provision of floating marine assets for chartering
Held through Yinson Bouvardia Consortium Pte. Ltd.:					
Yinson Bouvardia Holdings Pte. Ltd. ⁽ⁱ⁾	Singapore	100	100	Singapore	Investment holding
Held through Yinson Bouvardia Holdings Pte. Ltd.:					
Yinson Bouvardia Production B.V. ^(v)	Netherlands	100	100	Netherlands	Provision of floating marine assets of chartering
Yinson Bouvardia Servicos De Operacao Ltda ^(v)	Brazil	100	100	Brazil	Provision of operations and maintenance services of floating marine assets to the offshore oil and gas industry

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

16. Investment in subsidiaries (continued)

(a) Details of subsidiaries are as follows: (continued)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest		Principal place of business	Principal activities
		2024	2023		
Held through Yinson Production EPC Pte. Ltd.:					
Yinson Production EPC Sdn. Bhd. ⁽ⁱⁱ⁾	Malaysia	100	100	Malaysia	Provision of engineering, procurement and construction for floating production system and management services
Held through Yinson Production AS:					
Adoon AS ⁽ⁱⁱ⁾	Norway	100	100	Norway	Investment holding
Allan AS ⁽ⁱⁱ⁾	Norway	100	100	Norway	Investment holding
Yinson Operations & Production West Africa Limited ^{(ii)(vii)}	Nigeria	40	40	Nigeria	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry
Floating Operations and Production Pte. Ltd. ⁽ⁱ⁾	Singapore	100	100	Singapore	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry
Held through Yinson Production AS and Floating Operations and Production Pte. Ltd.:					
Yinson Malva Operations S.A. DE C.V. ^(v) (In Dissolution and Liquidation)	Mexico	100	100	Mexico	Dormant
Held through Adoon AS:					
Adoon Pte. Ltd. ⁽ⁱ⁾	Singapore	100	100	Singapore	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Held through Yinson Production Capital Pte. Ltd.:					
Yinson Trillium Limited ⁽ⁱⁱ⁾	Labuan, Malaysia	100	100	Labuan, Malaysia	Investment holding
Yinson Production Pte. Ltd. ⁽ⁱ⁾	Singapore	100	100	Singapore	Provision of engineering design and consultancy services relating to the offshore oil and gas industry

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

16. Investment in subsidiaries (continued)

(a) Details of subsidiaries are as follows: (continued)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest		Principal place of business	Principal activities
		2024	2023		
Yinson Nepeta Production Ltd ⁽ⁱⁱ⁾	Republic of the Marshall Islands	100	100	Singapore	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Macacia Sdn. Bhd. ⁽ⁱⁱ⁾	Malaysia	100	100	Malaysia	Investment holding
Held through Yinson Trillium Limited:					
Yinson Production (West Africa) Pte. Ltd. ⁽ⁱ⁾	Singapore	74	74	Singapore	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Held through Yinson Production Pte. Ltd.:					
Yinson Production West Africa Limited ^{(i)(viii)}	Ghana	49	49	Ghana	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry
Held through Yinson Macacia Sdn. Bhd.:					
Yinson Macacia Limited ^{(ii)(vi)}	Labuan, Malaysia	100	100	Labuan, Malaysia	Investment holding
Held through Yinson Macacia Limited:					
Yinson Lavender Limited ⁽ⁱⁱ⁾	Labuan, Malaysia	100	100	Labuan, Malaysia	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Lavender Operations Sdn. Bhd. ⁽ⁱⁱ⁾	Malaysia	100	100	Malaysia	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry

(i) Audited by PricewaterhouseCoopers LLP, Singapore.

(ii) Audited by PricewaterhouseCoopers firms outside Singapore.

(iii) Subsidiaries newly incorporated during the financial year ended 31 January 2024.

(iv) Subsidiaries acquired during the financial year ended 31 January 2024 as disclosed in Note 37.

(v) Companies not required to be audited under the laws of the country of incorporation.

(vi) Companies acquired as part of the Restructuring Exercise as disclosed in Note 27(d). Results, assets and liabilities of these companies were accounted for using the predecessor method of accounting as these are companies under common control.

(vii) The Group has concluded that it controls Yinson Operations & Production West Africa Limited, even though it holds 40% equity interest in this subsidiary. Based on an agreement signed between the shareholders, a subsidiary of the Company has majority representation on the Board of Directors, which are responsible for directing the relevant activities. All decisions of the Board of Directors only require a simple majority vote to be passed.

(viii) The Group has concluded that it controls Yinson Production West Africa Limited, even though it holds 49% equity interest in this subsidiary. Based on an agreement signed between the shareholders, a subsidiary of the Company has majority representation on the Board of Directors, which are responsible for directing the relevant activities. Matters presented to the Board shall be approved upon receiving affirmative vote of a simple majority of the Directors.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

16. Investment in subsidiaries (continued)

(b) Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI"), based on effective equity interest are follows:

(i) Yinson Production (West Africa) Pte. Ltd.

	Group	
	2024	2023
	USD million	USD million
Effective equity interest held by NCI	26%	26%
Carrying value of NCI	48	44
Profit for the financial year attributable to NCI	14	15
Dividend paid to NCI	10	15

The summarised financial information before intercompany eliminations are as follows:

	Group	
	2024	2023
	USD million	USD million
<u>As at 31 January</u>		
Non-current assets	721	764
Current assets	111	110
Non-current liabilities	(575)	(637)
Current liabilities	(72)	(66)
Net assets	185	171
<u>Financial year ended 31 January</u>		
Revenue	136	137
Profit for the financial year	55	57
Other comprehensive (loss)/income	(3)	56
Total comprehensive income	52	113
Cash flows generated from operating activities	117	110
Cash flows used in financing activities	(117)	(137)
Net increase/(decrease) in cash and cash equivalents	^	(27)

^ Below USD 1 million.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

16. Investment in subsidiaries (continued)

(b) Non-controlling interests in subsidiaries (continued)(ii) Yinson Boronia Consortium Pte. Ltd. and its subsidiaries

	Group	
	2024	2023
	USD million	USD million
Effective equity interest held by NCI	25%	25%
Carrying value of NCI	95	75
Profit/(loss) for the financial year attributable to NCI	20	(14)

The summarised financial information before intercompany eliminations are as follows:

	Group	
	2024	2023
	USD million	USD million
<u>As at 31 January</u>		
Non-current assets	1,354	1,241
Current assets	90	56
Non-current liabilities	(940)	(952)
Current liabilities	(126)	(47)
Net assets	378	298
<u>Financial year ended 31 January</u>		
Revenue	277	174
Profit/(loss) for the financial year	82	(56)
Other comprehensive (loss)/income	(2)	20
Total comprehensive income/(loss)	80	(36)
Cash flows generated from/(used in) operating activities	24	(288)
Cash flows used in investing activities	(^)	(4)
Cash flows (used in)/generated from financing activities	(1)	139
Net increase/(decrease) in cash and cash equivalents	23	(153)

^ Below USD 1 million.

The other subsidiaries of the Group which have non-controlling interests are individually not material.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

17. Investment in joint ventures

	Group	
	2024 USD million	2023 USD million
Unquoted shares in Singapore, at cost	45	45
Share of post-acquisition reserves	29	38
Share of profit/(loss) of joint ventures	4	(1)
Share of net assets of joint ventures	78	82

Details of joint ventures held are as follows:

Name of joint ventures	Countries of incorporation	Proportion (%) of ownership interest		Principal activities
		2024	2023	
Held through Yinson Production Capital Pte. Ltd.:				
PTSC Asia Pacific Pte. Ltd. ⁽ⁱ⁾	Singapore	49	49	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
PTSC South East Asia Pte. Ltd. ⁽ⁱ⁾	Singapore	49	49	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction

(i) Audited by PricewaterhouseCoopers LLP, Singapore.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

17. Investment in joint ventures (continued)

Summarised financial information of the material joint ventures, based on its SFRS(I) financial statements are set out below:

(i) PTSC Asia Pacific Pte. Ltd.

Summarised statement of financial position:

	Group	
	2024	2023
	USD million	USD million
Current assets [#]	68	60
Non-current assets	19	30
Current liabilities	(1)	([^])
Net assets	86	90
Proportion of the Group's ownership	49%	49%
Carrying amount of the investment	42	44

[#] Included in current assets is cash and bank balances of USD 63 million (2023: USD 52 million).

[^] Below USD 1 million.

Summarised statement of comprehensive income:

	Group	
	2024	2023
	USD million	USD million
Revenue	18	18
Cost of sales*	(13)	(16)
Gross profit	5	2
Interest income	1	[^]
Profit before tax/ Profit for the financial year and total comprehensive income	6	2
Group's share of profit for the financial year and total comprehensive income	3	1
Dividend received from joint venture	5	-

* Included in cost of sales is depreciation of USD 11 million (2023: USD 14 million).

[^] Below USD 1 million.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

17. Investment in joint ventures (continued)

(ii) PTSC South East Asia Pte. Ltd.

Summarised statement of financial position:

	Group	
	2024 USD million	2023 USD million
Current assets [#]	22	16
Non-current assets	51	62
Non-current liabilities	([^])	([^])
Net assets	73	78
Proportion of the Group's ownership	49%	49%
Carrying amount of the investment	36	38

[#] Included in current assets is cash and bank balances of USD 20 million (2023: USD 15 million).

[^] Below USD 1 million.

Summarised statement of comprehensive income:

	Group	
	2024 USD million	2023 USD million
Revenue	12	7
Cost of sales*	(11)	(11)
Profit/(Loss) before tax/Profit/(Loss) for the financial year and total comprehensive profit/(loss)	1	(4)
Group's share of profit/(loss) for the financial year and total comprehensive profit/(loss)	[^]	(2)
Dividend received from joint venture	3	-

* Included in cost of sales is depreciation of USD 11 million (2023: USD 11 million).

[^] Below USD 1 million.

18. Investment in associates

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Unquoted shares outside Singapore, at cost	3	[^]	3	-
Share of post-acquisition reserves	1	1	-	-
Share of loss of associates	([^])	-	-	-
	4	1	3	-

[^] Below USD 1 million.

Details of associates are as follows:

Name of associates	Country of incorporation	Proportion (%) of ownership interest		Principal activities
		2024	2023	
Held through the Company:				
Carbon Removal AS ⁽ⁱ⁾	Norway	39	-	Provision of development and execution of direct air capture projects

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

18. Investment in associates (continued)

Details of associates are as follows (continued):

Details of associates are as follows (continued).				
Name of associates	Country of incorporation	Proportion (%) of ownership interest		Principal activities
		2024	2023	
Held through the Company:				
Ionada PLC ⁽ⁱⁱ⁾	Republic of the Marshall Islands	7	-	Provision of development, manufacture, and market exhaust gas cleaning system
Held through Yinson Production AS:				
Floating Operations & Production West Africa Ltd (in liquidation)	Nigeria	40	40	Dormant

- (i) On 20 September 2023, the Company subscribed for 610,000 shares, each with a nominal value of NOK 0.10 in Carbon Removal AS ("CRAS"), representing 38.88% equity interest in CRAS for a total cash consideration of NOK 10,980,000 (USD 1,025,037).
- (ii) On 29 November 2023, the Company subscribed for 877,918 shares of Series A-3 preferred stock, each with a par value of USD 1 in Ionada PLC ("Ionada"), representing 6.83% shareholding interest in Ionada for a total cash consideration of USD 2,250,000. Although the Group holds less than 20% equity interest in Ionada, based on the agreement signed between the shareholders, the Group has significant influence over Ionada.

19. Trade and other receivables

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Current:				
Trade receivables (Note (a))				
Third parties (Note (a)(ii))	104	127	-	-
Subsidiaries	-	-	94	116
Related companies	6	7	-	-
	110	134	94	116
Other receivables				
Deposits (Note (b)(i))	3	16	1	1
Sundry receivables (Note (b)(ii))	37	36	2	3
Due from ultimate holding company (Note (b)(iii))	3	2	1	1
Due from immediate holding company (Note (b)(iii))	5	12	-	-
Due from subsidiaries (Note (b)(iii))	-	-	646	679
Due from related companies (Note (b)(iii))	-	22	-	-
	48	88	650	684
Accumulated impairment loss (Note (b)(iv))	(2)	(3)	-	-
	46	85	650	684
	156	219	744	800
Non-current:				
Other receivables				
Sundry receivables (Note (b)(ii))	17	17	-	-
Due from subsidiaries (Note (b)(iii))	-	-	291	291
	17	17	291	291
Total trade and other receivables	173	236	1,035	1,091

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

19. Trade and other receivables (continued)

Trade receivables are non-interest bearing and are generally on 30 to 60-day credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(a) Trade receivables

- (i) Trade receivables that are individually determined to be impaired at the reporting date related to debtors that are in significant financial difficulties and/or have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

There are no trade receivables allowance recorded as at the financial years ended.

- (ii) Included in trade receivables of USD 46 million as at 31 January 2023 relates to retention sum with a customer for an FPSO project.

- (iii) Trade receivables from contracts with customers

	Group			Company		
	31 January 2024	31 January 2023	1 February 2022	31 January 2024	31 January 2023	1 February 2022
	USD million	USD million	USD million	USD million	USD million	USD million
Current:						
Trade receivables from contract with customers	110	134	67	94	116	26

(b) Other receivables

- (i) Included in deposits of USD 13 million as at 31 January 2023 relates to an option agreement with a vendor to secure a vessel for an anticipated FPSO project. It lapsed during the current financial year and was recognised and offset against write-back of deposit received as disclosed in Note 8(b).

- (ii) Included in sundry receivables is an amount of USD 16 million (2023: USD 19 million) relating to a contractual settlement arrangement with a customer for receivables relating to an FPSO project, which is unsecured and repayable over a period of 4 (2023: 5) years. The amount receivable was adjusted to its fair value upon initial recognition, and is subsequently carried at amortised cost. As at the end of the financial year, the amounts classified as current and non-current were USD 4 million (2023: USD 3 million) and USD 12 million (2023: USD 16 million) respectively.

Included in the current sundry receivables is an amount of USD 4 million (2023: USD 7 million) held in escrow accounts by third parties for payments to suppliers.

- (iii) Amounts due from ultimate holding company, immediate holding company and related companies are unsecured, non-interest bearing and revolving on a daily basis.

Amounts due from subsidiaries are unsecured, non-interest bearing and revolving on a daily basis, except for amounts of USD 291 million (2023: USD 291 million) which were not expected to be recovered within the next 12 months.

- (iv) Movement for other receivables allowance for impairment accounts:

	Performing USD million	Under - performing USD million	Not performing USD million	Total USD million
Group				
At 1 February 2022, 31 January 2023 and 1 February 2023	-	-	3	3
Reversal of impairment loss	-	-	(1)	(1)
At 31 January 2024	-	-	2	2

Refer to Note 34(b)(ii) for the Group's definition on performing, under-performing and not performing.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

20. Other assets

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
Current:				
Prepayments (Note (a))	47	47	3	2
Construction cost assets (Note (b))	2	118	-	-
	49	165	3	2
Non-current:				
Prepayments	4	5	-	-
	53	170	3	2

- (a) Included in the Group's current prepayments is an amount of USD 16 million (2023: USD 24 million) relating to prepayments to vendors of EPCIC business activities and USD 10 million (2023: Nil) relating to purchase of capital spares.
- (b) As at 31 January 2024, the Group has recognised construction cost assets of USD 2 million (2023: USD 118 million) in relation to costs to fulfil a long-term charter contract, which was secured during the previous financial year end. The costs incurred primarily relates to the cost of an FPSO vessel and engineering and manpower costs that are directly attributable to the long-term charter contract, which generate resources that will be used in satisfying the future performance obligation and are expected to be recovered. The construction cost assets were reclassified from other assets to contract assets upon commencement of EPCIC business activities in the current financial year.

21. Leases

(a) Finance lease receivables as lessor

	Group	
	2024	2023
	USD million	USD million
Minimum lease receivables:		
Within 1 year	247	81
Between 1-2 years	246	81
Between 2-3 years	247	80
Between 3-4 years	244	78
Between 4-5 years	242	75
Later than 5 years	3,763	569
Total undiscounted lease payments	4,989	964
Less: Future finance income	(3,170)	(470)
Net investment in finance lease	1,819	494
Current	34	23
Non-current	1,785	471
	1,819	494

- (i) In the financial year ended 31 January 2024, the Group commenced a finance lease for the chartering of an FPSO (FPSO Anna Nery) to a third party for a lease term of 25 years until 2048. Finance income on the net investment in the lease during the financial year is USD 209 million (2023: Nil) (Note 6), of which USD 93 million related to gain on remeasurement of finance lease receivables arising from effect of charter day rate escalation determined at effective dates as stipulated in the charter contracts and USD 8 million (2023: Nil) relates to variable lease payments which is not included in the measurement of the net investment in the lease. The contract assets of USD 1,284 million (2023: Nil) was reclassified to finance lease receivables during the financial year.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

21. Leases (continued)

(a) Finance lease receivables as lessor (continued)

- (ii) In the financial year ended 31 January 2021, the Group commenced a finance lease for the chartering of an FPSO (FPSO Abigail Joseph) to a third party for a lease term of 12 years, comprising a firm charter period of 7 years and extension option periods of 5 years. Management assessed that it was reasonably certain for the charterer to exercise the extension options for 5 years out of the 8 years' extension options as set out in the charter agreement. Finance income on the net investment in the lease during the financial year is USD 42 million (2023: USD 44 million) (Note 6), of which USD 14 million (2023: USD 14 million) relates to variable lease payments which is not included in the measurement of the net investment in the lease.
- (iii) In the financial year ended 31 January 2020, the Group commenced a finance lease for the chartering of an FPSO (FPSO Helang) to a third party for a lease term of 18 years comprising of a firm charter period of 8 years and annual extension option periods of up to 10 years. Finance income on the net investment in the lease during the financial year is USD 37 million (2023: USD 38 million) (Note 6), of which USD 6 million (2023: USD 6 million) relates to variable lease payments which is not included in the measurement of the net investment in the lease.

(b) Lease liabilities as lessee

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Minimum lease commitments:				
Within 1 year	6	5	5	3
More than 1 year and less than 2 years	5	5	4	4
More than 2 years and less than 5 years	4	6	^	3
More than 5 years	5	4	-	-
Total minimum lease payments	20	20	9	10
Less: Amounts representing finance charges	(3)	(2)	(1)	(1)
Present value of minimum lease payments	17	18	8	9
Present value of payments:				
Within 1 year	5	4	4	3
More than 1 year and less than 2 years	5	5	4	4
More than 2 years and less than 5 years	3	5	^	2
More than 5 years	4	4	-	-
Present value of minimum lease payments	17	18	8	9
Less: Amount due within 12 months	(5)	(4)	(4)	(3)
Amount due after 12 months	12	14	4	6

^ Below USD 1 million.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

22. Deferred taxation

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 statements of financial position:

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
Deferred tax assets	4	2	1	-
Deferred tax liabilities	(124)	(76)	-	-
	(120)	(74)	1	-
At 1 February	(74)	(43)	-	-
Recognised in profit or loss (Note 12)	(46)	(31)	1	-
At 31 January	(120)	(74)	1	-

The components and movements of deferred taxes during the financial years are as follows:

	Tax losses	Contract assets	Others	Total
	USD million	USD million	USD million	USD million
Group				
At 1 February 2022	-	(43)	-	(43)
Recognised in profit or loss (Note 12)	1	(32)	-	(31)
At 1 February 2023 and 31 January 2023	1	(75)	-	(74)
Recognised in profit or loss (Note 12)	1	(48)	1	(46)
At 31 January 2024	2	(123)	1	(120)
Company				
At 1 February 2023 and 31 January 2023	-	-	-	-
Recognised in profit or loss (Note 12)	-	-	1	1
At 31 January 2024	-	-	1	1

As at the reporting date, the Group had unabsorbed tax losses of approximately USD 153 million (2023: USD 53 million) that are available to offset against future taxable profits of the respective subsidiaries in which these unabsorbed tax losses and other deductible temporary differences arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability.

The use of tax losses of subsidiaries in other countries are subject to the agreement of the tax authorities of those countries and compliance with certain provisions of the tax legislations of the countries in which the subsidiaries operate. The tax losses have no expiry date.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

23. Derivatives

	Group		
	2024 Assets USD million	2024 (Liabilities) USD million	2023 Assets USD million
Current			
Hedging derivatives:			
- Interest rate swaps (Note (a))	8	-	7
Non-current			
Hedging derivatives:			
- Interest rate swaps (Note (a))	73	(6)	80
Total	81	(6)	87

(a) Certain subsidiaries of the Group had entered into a series of USD interest swap contracts with banks. The interest rate swaps reflect the positive and negative change in fair value of those interest rate swaps which have been designated as cash flows hedge and are used to manage the exposure to the risk of changes in market interest rates arising from floating rate bank loans of the subsidiaries.

The fair values of the interest rate swaps are determined by using the prices quoted by the counterparty banks which are categorised as Level 2 of the fair value hierarchy. There are no transfers between Levels 1, 2 and 3 during the current financial year.

The effects of the interest rate swaps on the Group's financial position and performance are disclosed in Note 34(a)(i).

24. Inventories

	Group	
	2024 USD million	2023 USD million
Spare parts	16	6

25. Cash and bank balances

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Cash on hand and at banks	479	255	160	32
Deposits with licensed banks	97	20	-	-
Cash and bank balances	576	275	160	32

For the purpose of the statements of cash flows, cash and cash equivalents at the reporting dates comprise the following:

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Cash and bank balances	576	275	160	32
Less: Fixed deposits with maturity period over 3 months*	(22)	(20)	-	-
Cash and cash equivalents	554	255	160	32

* Deposit placed with the license bank that was restricted based on the requirements of a lender.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

25. Cash and bank balances (continued)

Cash at banks earns interest at floating rates based on daily bank deposit rates. Deposits with licensed banks are made for varying periods depending on the immediate cash requirements of the Group, and earn interest at the respective deposit rates.

Included in cash and bank balances are bank balances and deposits with licensed banks of the Group amounting to USD 209 million (2023: USD 116 million) and of the Company amounting to USD 43 million (2023: Nil) that were restricted based on the respective requirements of the lenders. These restricted amounts can only be used for purposes specified in the respective loan agreements, such as:

- Debt Service Reserve Accounts, where specified minimum amounts are required to be maintained to service loans;
- Operation and maintenance restricted accounts, where the amounts only be utilised for expenses related to the charter and operation and maintenance contracts relating to the specified FPSO; and
- FPSO restricted accounts, where the amounts can only be utilised for construction of an FPSO as disclosed in Note 28.

26. Share capital

	Number of shares million	Amount USD million
Group and Company		
Ordinary shares issued and fully paid:		
At 1 February 2022	845	845
Issued during the financial year	259	259
At 31 January 2023	1,104	1,104
Capital reduction during the financial year	(90)	(90)
At 31 January 2024	1,014	1,014

There is no par value for these ordinary shares.

On 22 September 2022, the Company issued 169,000,000 ordinary shares for a total consideration of USD 169,000,000 by way of capitalisation of the amount of USD 169,000,000 owing to the immediate holding company. The newly issued shares rank pari passu in all aspects with the previously issued shares.

On 29 September 2022, the Company issued 89,564,127 ordinary shares for a total consideration of USD 89,564,127 by way of capitalisation of the amount of USD 89,564,127 owing to the immediate holding company. The newly issued shares rank pari passu in all aspects with the previously issued shares.

On 19 January 2024, the issued and fully paid capital of the Company was reduced from 1,103,564,127 ordinary shares of USD 1,103,564,127 to 1,013,564,127 ordinary shares of USD 1,013,564,127 by cancelling a total of 90,000,000 ordinary shares held by the shareholders and the sum of USD 90,000,000 has been returned to the shareholder by way of cash.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

27. Reserves

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(b) Cash flows hedge reserve

The cash flow hedge reserve represents cumulative fair value gain or loss arising from derivatives recognised. The effective portion of cash flow hedges is recognised in reserve while the ineffective portion will be reclassified to profit or loss.

(c) Put option reserve

Put option reserve arising from the disposal of 26% equity interest in a subsidiary, where an option was granted to a non-controlling interest to sell its equity stake back to the Group at their original consideration less dividends and proceeds from capital reduction received by them upon occurrence of conditions set out in the shareholders agreement.

(d) Capital reserve

As part of YHB's structural realignment effort to consolidate all EPCIC and FPSO operations within the Offshore Production business ("Restructuring exercise"), the Group acquired certain entities from YHB in the financial years 2023 and 2022. The restructuring was accounted for under predecessor basis, wherein the difference between the purchase consideration and the assets and liabilities of the acquired entities was recognised as Capital reserves under equity.

28. Loans and borrowings

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
Current:				
Term loans – secured	185	117	46	-
Non-current:				
Term loans – secured	2,586	1,346	373	-
Term loan - unsecured	115	106	-	-
	2,701	1,452	373	-
Total loans and borrowings	2,886	1,569	419	-

- (a) The secured loans and borrowings of the Group are secured by certain assets of the Group as disclosed in Notes 14 and 25 and certain of the Group's vessels under finance lease arrangements.

The secured loans and borrowings of the Company are secured by the shares of certain subsidiaries held by the Company.

- (b) Certain term loans of USD 743 million (2023: USD 757 million) are guaranteed by both the ultimate holding company and an external party, whilst certain term loans of USD 485 million (2023: Nil) are fully guaranteed by the Company.
- (c) The term loans at floating interest rates bear interest at range of 7.81% to 13.88% (2023: 6.11% to 7.66%) per annum.
- (d) During the current financial year, 3-month USD LIBOR has ceased publication and accordingly, all LIBOR term loans have been transitioned to SOFR and there is no material effect on the amounts reported for the current and previous financial year.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial years ended 31 January 2024

28. Loans and borrowings (continued)

The remaining maturities of the loans and borrowings as at the reporting date are as follows:

Group	Interest rate terms	Denominated currency	Total carrying amount USD million	On demand or within one year USD million	More than 1 year and less than 2 years USD million	More than 2 years and less than 5 years USD million	5 years or more USD million
At 31 January 2024							
Secured							
Term loans	Floating rates vary based on Secured Overnight Financing Rate ("SOFR")*	USD	2,286	180	209	1,634	263
	Fixed rate at 12% per annum	USD	225	-	14	42	169
	Fixed rate at 13.88% per annum	USD	260	5	-	-	255
Unsecured							
Term loan	Floating rates vary based on Secured Overnight Financing Rate ("SOFR")	USD	115	-	-	115	-
			2,886	185	223	1,791	687
At 31 January 2023							
Secured							
Term loans	Floating rates vary based on London Interbank Offered Rate ("LIBOR")*	USD	1,463	117	123	889	334
Unsecured							
Term loan	Floating rates vary based on Secured Overnight Financing Rate ("SOFR")	USD	106	-	-	106	-
			1,569	117	123	995	334
Company							
At 31 January 2024							
Secured							
Term loan	Floating rates vary based on Secured Overnight Financing Rate ("SOFR")	USD	419	46	53	320	-

* Certain floating rate bank loans of the subsidiaries are hedged by a series of USD interest rate swap contracts with banks (Note 23(a)).

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

29. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
Current:				
Trade payables (Note (a))				
Third parties	116	104	1	1
Due to subsidiaries	-	-	-	1
	116	104	1	2
Other payables				
Due to ultimate holding company (Note (b)(i))	8	7	6	2
Due to subsidiaries (Note (b)(i))	-	-	70	60
Due to related companies (Note (b)(i))	1	-	-	-
Due to associate (Note (b)(i))	1	1	-	-
Sundry payables (Note (b)(ii))	25	8	2	1
Accruals (Note (b)(ii))	432	139	11	6
Deposits (Note (b)(iii))	5	19	-	-
	472	174	89	69
	588	278	90	71
Non-current:				
Other payables				
Due to immediate holding company (Note (b)(i))	47	86	47	86
Due to related companies (Note (b)(i))	-	141	-	141
Due to non-controlling interests (Note (b)(iv))	50	48	-	-
	97	275	47	227
Total trade and other payables	685	553	137	298

(a) Trade payables

Trade payables are non-interest bearing.

(b) Other payables

- (i) Amounts due to ultimate holding company, immediate holding company, subsidiaries and associate are unsecured, non-interest bearing and revolving on a daily basis, except for amounts of USD 47 million (2023: USD 86 million) to immediate holding company as at 31 January 2024 which will not be demanded for repayment by the immediate holding company within the period of at least 12 months from the financial year ended 31 January 2024.

Amounts due to related companies are unsecured, non-interest bearing and revolving on a daily basis, except for amounts of USD 141 million as at 31 January 2023 which will not be demanded for repayment by the related companies within the period of at least 12 months from the financial year ended 31 January 2023 with interest revolving on a daily basis at cost of funds+0.5%.

- (ii) Included in the Group's accruals are amounts relating to expenditures incurred for the construction of FPSOs amounting to USD 405 million (2023: USD 135 million).

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***29. Trade and other payables (continued)****(b) Other payables (continued)****(iii) Included in the Group's deposits are:**

- an amount of USD 5 million (2023: USD 5 million) relating to a deposit payment received by Yinson Acacia Ltd ("YAL"), a direct wholly owned subsidiary of the Group, for the proposed disposal of a minority equity interest in Yinson Boronia Consortium Pte. Ltd. ("YBC"), an indirect wholly owned subsidiary of the Group, to Kawasaki Kisen Kaisha, Ltd. ("K Line") for a total cash consideration of USD 49 million pursuant to a Share Sale and Purchase Agreement executed between YAL and "K Line" on 9 July 2020. The payment of the remaining balance of the consideration, being USD 44 million by "K Line", and transfer of the minority equity interest to "K Line" (or Japan Offshore Facility Investment 1 Pte. Ltd. ("JOFI") (a direct wholly owned subsidiary of Sumitomo Corporation), at "K Line's option), will be executed, after the final acceptance of the Marlim 2 FPSO by Petróleo Brasileiro S.A. and release of the financial guarantees under the associated project finance agreements which is expected to be in financial year ending 31 January 2025; and
- an amount of USD 13 million as at 31 January 2023 relating to a vessel exclusivity agreement with a customer to secure a vessel for an anticipated FPSO project until 30 June 2023. See Note 8(b) for details of the exclusivity agreement.

- (iv) On 11 May 2020, an indirect subsidiary of the Group issued a convertible loan of USD 52 million to its shareholders. USD 13 million of the issuance is to a minority shareholder (i.e. Japan Offshore Facility Investment 1 Pte. Ltd., a wholly owned subsidiary of Sumitomo Corporation), which is proportionate to its shareholdings in the subsidiary. In accordance with the terms and conditions (depending on the prevailing gearing once the finance agreements are executed) set out in the Convertible Loan Agreement, the loan may be jointly converted into ordinary shares of the subsidiary by the shareholders on a proportionate basis. Otherwise, the loan from the minority shareholder is due for repayment in equal quarterly repayments within 2 years from the date on which the conditions as set out in the Convertible Loan Agreement are met. The loan was adjusted to its fair value upon initial recognition with discounting effect being recognised as a capital contribution from non-controlling interest of USD 2 million in the financial year ended 31 January 2021, and was subsequently carried at amortised cost. As at 31 January 2024, the Group's carrying amount of this loan, which is unsecured and interest free, is USD 13 million (2023: USD 12 million).

On 24 August 2021, an indirect subsidiary of the Group received an interest-free loan from JOFI amounting to USD 41 million. The loan is unsecured, repayable at the borrower's discretion and has no fixed term of repayment. The Group expects the loan to be repaid 5 years from the date of drawdown. The loan was adjusted to its fair value upon initial recognition with the discounting effect being recognised as a capital contribution from non-controlling interest of USD 7 million in the financial year ended 31 January 2023, and the loan was subsequently carried at amortised cost. As at 31 January 2024, the Group's carrying amount of this loan is USD 37 million (2023: USD 36 million).

The deemed interest expense arising from the discounting effect on the fair value of the loans recognised for the financial year ended 31 January 2024 is USD 2 million (2023: USD 2 million) (Note 11).

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

30. Significant related party disclosures

For the purposes of these financial statements, parties are considered to be related to the Group if the Group 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 Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. Related companies comprise mainly companies which are controlled by the Group's ultimate holding company that are not part of the Group.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly. Key management personnel of the Group are made up of Directors of the Group and the Company.

(a) Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group		Company	
	2024 USD million	2023 USD million	2024 USD million	2023 USD million
Ultimate holding company:				
- management fee charged	(4)	(3)	(5)	-
- novation of intercompany amount owing from	-	219	-	-
- purchase consideration from acquisition of equity interest	-	(219)	-	-
Immediate holding company:				
- advance (made)/received	-	(73)	-	85
- capitalisation of amount owing to	-	(259)	-	(259)
- dividend paid to	(36)	(69)	(36)	(69)
- novation of intercompany amount owing to	-	(259)	-	(259)
- repayment of advance to	(39)	-	(39)	-
Subsidiaries:				
- management fee charged	-	-	(1)	-
- management fee income	-	-	69	65
- dividend income	-	-	52	94
- repayment of advance	-	-	72	-
- advance made	-	-	-	(195)
- novation of intercompany amount owing from	-	-	-	259

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

30. Significant related party disclosures (continued)

(a) Significant related party transactions (continued)

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
Related companies:				
- advance interest charged	(13)	(3)	(13)	(3)
- advance received	74	116	-	140
- novation of intercompany amount owing from	-	40	-	-
- repayment of advance to	(189)	(3)	(138)	(2)
- repayment of interest charged	(16)	-	(16)	-

(b) Related party balances

Related party balances have been disclosed in Notes 19 and 29 to the financial statements.

(c) Compensation to key management personnel

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
Salaries and other short-term employee benefits	2	2	2	2

31. Operating lease commitments as a lessor

The Group entered into leases for its FPSO. As at 31 January 2024, these non-cancellable leases have remaining lease terms of 9 years (2023: 10 years) and are subject to revision on the rental charge where contractually applicable.

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

	Group	
	2024	2023
	USD million	USD million
Within 1 year	129	129
More than 1 year and less than 5 years	517	517
More than 5 years	430	560
	1,076	1,206

Chartering fees from leasing of FPSO recognised in profit or loss during the financial year are disclosed in Note 6.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

32. Fair value measurement

(a) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

	Fair value measurement using			Total USD million
	Quoted prices in active market Level 1 USD million	Significant observable inputs Level 2 USD million	Significant unobservable inputs Level 3 USD million	
Group				
At 31 January 2024				
<i>Financial asset:</i>				
Interest rate swaps	-	81	-	81
<i>Financial liability:</i>				
Interest rate swaps	-	(6)	-	(6)
Fixed rate loans	-	-	(527)	(527)
	-	(6)	(527)	(533)
At 31 January 2023				
<i>Financial liability:</i>				
Interest rate swaps	-	87	-	87

The Group and the Company classify fair value measurement using the fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- 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; and
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There are no transfers between Levels 1, 2 and 3 during the current financial year.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group and the Company use a variety of methods and make assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. Other techniques, such as estimated discounted cash flows, are used to determine the fair value for the remaining financial instruments.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves. These derivative financial instruments are classified as Level 2 and comprises derivative financial instruments. In infrequent circumstances, where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

The fair value of fixed rate term loans is calculated based on discounted cash flow using a rate based on the current market rate of borrowing of the Company at the reporting date.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

32. Fair value measurement (continued)

(b) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of the Group's and the Company's financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	19
Floating rate loans	28
Trade and other payables	29

The carrying amounts of financial assets and financial liabilities are reasonable approximation of fair values, either due to their short-term nature or those floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amounts of non-current receivables and payables are reasonable approximations of fair values. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

The carrying amounts of the current portion of loans and borrowings are reasonable approximation of fair values due to the insignificant impact of discounting.

The carrying amounts of non-current loans and borrowings are reasonable approximation of fair values due to those floating rate instruments that are re-priced to market interest rates on or near the reporting date. The fair values of non-current loans and borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Financial guarantees

Fair value is determined based on probability weighted discounted cash flow method. The probability has been estimated and assigned for the following key assumptions:

- the likelihood of the guaranteed party defaulting within the guarantee period;
- the exposure on the portion that is not expected to be recovered due to guaranteed party's default; and
- the estimated loss exposure if the party guaranteed were to default.

The Company has assessed the financial guarantee contracts and concluded that the financial impact of the guarantees is not material as the probability of crystallisation is remote.

33. Financial instruments by category

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
<u>Financial assets</u>				
Financial assets designated as cash flow hedge				
- Interest rate swaps (Note 23)	81	87	-	-
Financial assets at amortised costs				
- Finance lease receivables (Note 21(a))	1,819	494	-	-
- Trade and other receivables	173	223	1,035	1,091
- Cash and bank balances (Note 25)	576	275	160	32
	<u>2,568</u>	<u>992</u>	<u>1,195</u>	<u>1,123</u>
Total	2,649	1,079	1,195	1,123

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

33. Financial instruments by category (continued)

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
<u>Financial liabilities</u>				
Financial liabilities designated as cash flow hedge				
- Interest rate swaps (Note 23)	6	-	-	-
Financial liabilities at amortised cost:				
- Trade and other payables	685	540	137	298
- Loans and borrowings (Note 28)	2,886	1,569	419	-
- Put option liability	5	15	-	-
- Lease liabilities (Note 21(b))	17	18	8	9
	3,593	2,142	564	307
Total	3,599	2,142	564	307

The Group's and the Company's exposure to various risks associated with the financial instruments are discussed in Note 34.

34. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives and put option liability, comprise loans and borrowings, lease liabilities, trade and other payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include finance lease receivables, trade and other receivables, cash and short-term deposits and contract assets that are derived directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by the corporate finance and treasury team that advises on financial risks and the appropriate financial risk governance framework for the Group. The corporate finance and treasury team assists the Group's senior management to ensure that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include loans and borrowings, short-term deposits and derivatives.

(i) 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's loans and borrowings with floating interest rates.

The Group enters into interest rate swaps, 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. For the financial year ended 31 January 2024 and 2023, the Group's borrowings at floating rates were denominated in USD.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

34. Financial risk management objectives and policies (continued)

(a) Market risk (continued)

(i) Interest rate risk (continued)

Included in the variable rate secured borrowings are 5 to 12 years (2023: 5 to 12 years) floating rate debt of USD 2,286 million (2023: USD 1,463 million) whose interest rate is based on 3-month USD SOFR (2023: 3-month USD LIBOR). To hedge the variability in cash flows of these loans, the Group has entered into 4 to 12 years (2023: 4 to 12 years) interest rate swaps with key terms (principal amount, payment dates, repricing dates, currency) that match those of the debt on which it pays a fixed rate and receives a variable rate.

Instruments used by the Group

Interest rate swaps used by the Group during the financial year cover approximately 74% (2023: 88%) of the Group's outstanding 3-month USD SOFR/LIBOR variable rate secured loans. These loans bear variable rates based on USD SOFR/LIBOR plus a certain margin, however the interest rates are fixed based on the fixed interest rates of the swaps ranging from 3.72% to 6.39% (2023: 3.89% to 6.39%).

The swap contracts require settlement of net interest receivable or payable every quarter. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

Effects of hedge accounting on the financial position and performance

The effects of the above-mentioned interest rate swaps on the Group's financial position and performance are as follows:

	<-----2024----->	<-----2023----->		
Group	SOFR/Total USD million	LIBOR USD million	SOFR USD million	Total USD million
<u>Interest rate swaps</u>				
Carrying amount (current and non-current)				
- Assets	81	66	21	87
- Liabilities	(6)	-	-	-
	<u>75</u>	<u>66</u>	<u>21</u>	<u>87</u>
Notional amount of interest rate swaps	1,682	816	469	1,285
Hedge ratio of secured loans	74%	100%	70%	88%
Change in fair value of outstanding hedging instruments since 1 February	(12)	72	21	93
Change in value of hedged item used to determine hedge effectiveness	12	(72)	(21)	(93)
Weighted average hedged rate for the year	3.72% to 6.39%	3.89% to 5.55%	6.39%	3.89% to 6.39%

The table above contains details of the LIBOR hedging instruments as at 31 January 2023 used in the Group's hedging strategies, which was not transitioned to SOFR.

As at reporting date, the Group's negotiated contracts for which SOFR replaced LIBOR as the benchmark rate resulted in an economically equivalent position with no profit or loss impact upon initial transition. There were no outstanding contracts in transition to SOFR as at reporting date.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

34. Financial risk management objectives and policies (continued)

(a) Market risk (continued)

(i) Interest rate risk (continued)

The maturity period of interest rate swaps ranges from August 2026 to December 2031 (2023: August 2026 to December 2031).

Interest rate sensitivity

An increase/decrease in interest rates by 10 (2023: 10) basis points would not result in a significant increase/decrease in interest expense for the unhedged variable rate loans of the Group, as such, the sensitivity analysis is not disclosed.

(ii) 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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities and the Group's net investments in foreign subsidiaries.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily USD, BRL, NOK and RM. The foreign currencies in which these transactions are denominated are mainly SGD, NOK, NGN and EUR.

The Group holds cash and cash equivalents denominated in foreign currencies for working capital purposes. The other financial instruments denominated in foreign currencies include trade and other receivables, trade and other payables and lease liabilities.

The currency profile of monetary financial assets and financial liabilities are as follows:

	Denominated in currencies other than functional currencies			Denominated in functional currencies	Total
	Malaysian Ringgit USD million	Singapore Dollar USD million	Others USD million	USD million	USD million
Group					
2024					
Receivables	2	4	4	1,982	1,992
Interest rate swaps	-	-	-	75	75
Cash and bank balances	-	4	5	567	576
Borrowings	-	-	-	(2,886)	(2,886)
Lease liabilities	-	(8)	(8)	(1)	(17)
Payables	(8)	(20)	(19)	(638)	(685)
Put option liability	-	-	-	(5)	(5)
	(6)	(20)	(18)	(906)	(950)
2023					
Receivables	-	3	4	710	717
Interest rate swaps	-	-	-	87	87
Cash and bank balances	4	1	4	266	275
Borrowings	-	-	-	(1,569)	(1,569)
Lease liabilities	-	(9)	(9)	-	(18)
Payables	(8)	(12)	(19)	(501)	(540)
Put option liability	-	-	-	(15)	(15)
	(4)	(17)	(20)	(1,022)	(1,063)

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

34. Financial risk management objectives and policies (continued)

(a) Market risk (continued)

(ii) Foreign currency risk (continued)

	Denominated in currencies other than functional currencies		Denominated in functional currencies	Total
	Singapore Dollar USD million	Others USD million	USD million	USD million
Company				
2024				
Receivables	15	1	1,019	1,035
Cash and bank balances	2	-	158	160
Lease liabilities	(8)	-	-	(8)
Borrowings	-	-	(419)	(419)
Payables	(6)	(6)	(125)	(137)
	3	(5)	633	631
2023				
Receivables	12	2	1,077	1,091
Cash and bank balances	1	-	31	32
Lease liabilities	(9)	-	-	(9)
Payables	(7)	(4)	(287)	(298)
	(3)	(2)	821	816

The effect of changes in exchange rate on the translation of the unhedged financial assets or liabilities is not material during the financial years ended 31 January 2024 and 2023.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amounts of each class of financial assets recognised in the statements of financial position.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit standings and financial strengths. Outstanding receivables are regularly monitored.

Credit risk from balances with banks and financial institutions is managed by the Group's Treasury department in accordance with the ultimate holding company's policy. Counterparty credit standings are reviewed by the Group's Senior Management on an annual basis and may be updated throughout the financial years. Limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

34. Financial risk management objectives and policies (continued)

(b) Credit risk (continued)

(i) Trade receivables and contract assets

ECL for trade receivables and contract assets are measured using the simplified approach. The expected loss rates are based on the payment profiles of sales over a period of 36 months before reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group and the Company have identified the gross domestic product ("GDP"), GDP growth, oil price and country rating in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

The reconciliation of allowance for impairment and maximum exposure to credit risk are disclosed in Note 19 and Note 6(b).

(ii) Other financial assets at amortised cost

Other financial assets at amortised cost comprises other receivables, finance lease receivables, interest rate swaps and cash and bank balances.

ECL for other financial assets at amortised cost are measured using the general 3-stage approach. The Group and the Company use three categories which reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions underpinning the Group's and the Company's ECL model is as follows:

Category	Group'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)

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.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

34. Financial risk management objectives and policies (continued)

(b) Credit risk (continued)

(ii) Other financial assets at amortised cost (continued)

In deriving the PD and LGD, the Group and the Company consider historical data by each debtor by category and adjusts for forward-looking macroeconomic data. The Group and the Company have 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.

The following table contains an analysis of the credit risk exposure for which an ECL allowance is recognised. The gross carrying amount disclosed below also represents the Group's and the Company's maximum exposure to credit risk on these assets:

	Performing USD million	Under- performing USD million	Not performing USD million	Total USD million
Group				
2024				
<u>Other receivables</u>				
Gross carrying amount	63	-	2	65
Accumulated impairment loss	-	-	(2)	(2)
Net carrying amount	63	-	-	63
<u>Cash and bank balances</u>				
Gross/net carrying amount	576	-	-	576
<u>Finance lease receivables</u>				
Gross/net carrying amount	1,819	-	-	1,819
<u>Interest rate swaps</u>				
Gross/net carrying amount	81	-	-	81
2023				
<u>Other receivables</u>				
Gross carrying amount	89	-	3	92
Accumulated impairment loss	-	-	(3)	(3)
Net carrying amount	89	-	-	89
<u>Cash and bank balances</u>				
Gross/net carrying amount	275	-	-	275
<u>Finance lease receivables</u>				
Gross/net carrying amount	494	-	-	494
<u>Interest rate swaps</u>				
Gross/net carrying amount	87	-	-	87
Company				
2024				
<u>Other receivables</u>				
Gross/net carrying amount	941	-	-	941
<u>Cash and bank balances</u>				
Gross/net carrying amount	160	-	-	160
2023				
<u>Other receivables</u>				
Gross/net carrying amount	975	-	-	975
<u>Cash and bank balances</u>				
Gross/net carrying amount	32	-	-	32

The reconciliation of allowance for impairment of other receivables is disclosed in Note 19(b)(iv).

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

34. Financial risk management objectives and policies (continued)

(b) Credit risk (continued)

(iii) Financial guarantee contracts

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The amounts disclosed below represents the Company's maximum exposure to credit risk on financial guarantee contracts.

	Company	
	2024	2023
	USD million	USD million
Financial guarantee contracts	485	-

The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations and does not expect significant credit losses arising from these guarantees.

As at 31 January 2024, the credit risk of the Group primarily relates to the Group's 4 (2023: 3) largest customers which accounted for 91% (2023: 95%) of the outstanding trade receivables at the end of the reporting period. The Group believes these counterparties' credit risk is low taking into consideration of their financial position, past collection experiences and other factors. Except for the impairment loss provided as disclosed in Note 19(a) to the financial statements, management does not expect any counterparty to fail to meet their obligations.

(c) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objectives are to maintain a balance between continuity of funding and flexibility through the use of bank loans.

The table below summarises the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted repayment obligations.

	On demand or within one year	Two to five years	Over five years	Total
	USD million	USD million	USD million	USD million
Group				
2024				
Trade and other payables	588	97	-	685
Loans and borrowings	442	2,878	777	4,097
Lease liabilities	6	9	5	20
Gross settled interest rate swaps				
- Receipts	(52)	(142)	(16)	(210)
- Payments	19	110	7	136
Put option liability	5	-	-	5
Total undiscounted financial liabilities	1,008	2,952	773	4,733
2023				
Trade and other payables	265	275	-	540
Loans and borrowings	230	1,439	386	2,055
Lease liabilities	5	11	4	20
Gross settled interest rate swaps				
- Receipts	(52)	(105)	(25)	(182)
- Payments	21	61	13	95
Put option liability	15	-	-	15
Total undiscounted financial liabilities	484	1,681	378	2,543

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

34. Financial risk management objectives and policies (continued)

(c) Liquidity risk (continued)

	On demand or within one year USD million	Two to five years USD million	Over five years USD million	Total USD million
Company				
2024				
Trade and other payables	90	47	-	137
Loans and borrowings	49	381	-	430
Lease liabilities	5	4	-	9
Financial guarantee [^]	485	-	-	485
Total undiscounted financial liabilities	629	432	-	1,061
2023				
Trade and other payables	71	227	-	298
Lease liabilities	3	7	-	10
Total undiscounted financial liabilities	74	234	-	308

[^] The maximum amount of the financial guarantees issued to the banks for subsidiaries' borrowings is limited to the amount utilised by the subsidiaries. The earliest period any of the financial guarantees can be called upon by banks is within the next 12 months. The Company believes that the liquidity risk in respect of the financial guarantees is minimal as it is unlikely that the subsidiaries will not make payment to the banks when due.

35. Capital management

For the purpose of the Group's and the Company's capital management, capital includes share capital and all other equity reserves attributable to owners of the Company. The objectives of the Group's and the Company's capital management are to maximise shareholders' value, to maintain optimal capital structure to reduce cost of capital and to sustain future developments of the Group.

In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, shares buy-back or issue new shares. The Group and the Company monitor capital using gross and net debt to equity ratio. Gross debt includes interest bearing loans and borrowings, while net debt includes interest bearing loans and borrowings, less cash and bank balances.

	Group		Company	
	2024	2023	2024	2023
	USD million	USD million	USD million	USD million
Gross debt	2,886	1,569	419	-
Less: Cash and bank balances (Note 25)	(576)	(275)	(160)	(32)
	2,310	1,294	259	(32)
Total equity	1,761	1,580	1,051	1,143
Gross debt to equity ratio	1.64	0.99	0.40	-
Net debt to equity ratio	1.31	0.82	0.25	-

The Group and the Company are required to comply with financial covenants such as Debt Service Coverage Ratio and minimum group liquidity, as defined in the respective facility agreements. For the financial years ended 31 January 2024 and 2023, the Group and the Company have complied with these requirements.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***36. Internal re-organisation of companies**

The Group undertakes the following transactions as part of its ongoing internal re-organisation of its subsidiaries. These are undertaken as follows:

2024

- (a) On 17 August 2023, Yinson Production Azalea Holdings (S) Pte. Ltd., an indirect wholly owned subsidiary of the Company, completed the acquisition of 100% equity interest in Yinson Azalea Production Pte. Ltd. from Yinson Production Azalea Consortium Pte. Ltd. (formerly known as Yinson Azalea Holdings Pte. Ltd.), an indirect wholly owned subsidiary of the Company, for a consideration of USD 44,894,037. As a result, Yinson Azalea Production Pte. Ltd. remains as an indirect wholly owned subsidiary of the Company.
- (b) On 18 October 2023, AFPS B.V., an indirect wholly owned subsidiary of the Company, completed the acquisition of 100% equity interest in Yinson Bouvardia Servicos De Operacao Ltda. from Yinson Bouvardia Production B.V., an indirect wholly owned subsidiary of the Company, for a consideration of USD 257,673. As a result, Yinson Bouvardia Servicos De Operacao Ltda. remains as an indirect wholly owned subsidiary of the Company.

There were no consequential financial effects to the Group upon the completion of the internal re-organisation of the companies above.

2023

There were no internal re-organisations during the previous financial year, other than those disclosed in Note 27(d).

37. Summary of effects of acquisition of companies

- (a) On 7 February 2023, the Company completed the acquisition of 100% equity interest in London Marine Group Limited, London Marine Consultants Limited and LMC Asia Pacific Pte. Ltd. (collectively "LMG Group") from Telemark Limited for a cash consideration of GBP 524,803. As a result, London Marine Group became a direct wholly owned subsidiary of the Company.

London Marine Group Limited is the holding company of London Marine Consultants Limited and LMC Asia Pacific Pte. Ltd.

- (b) On 24 January 2024, Yinson Acacia Ltd, an indirect wholly owned subsidiary of the Company, completed the acquisition of 100% equity interest in Yinson Production Iterum Holdings Pte. Ltd. (formerly known as Yinson Eden Pte. Ltd.) from Yinson Global Corporation (HK) Limited for a consideration of USD 1. As a result, Yinson Production Iterum Holdings Pte. Ltd. became an indirect wholly owned subsidiary of the Company.

The consequential financial effects of the acquisitions mentioned above are not material to the Group.

AUDITED FINANCIAL STATEMENTS OF YPOPL FOR THE FYE 31 JANUARY 2024 (Cont'd)

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 January 2024***38. Subsequent events**

- (a) On 11 March 2024, the Company has declared and paid an interim dividend of USD 30 million to its immediate holding company, Yinson Global Corporation (S) Pte. Ltd., in respect of the financial year ending 31 January 2025.
- (b) On 19 April 2024, a direct wholly owned subsidiary of the Company, Yinson Production Financial Services Pte. Ltd., successfully placed a USD 500 million five-year senior secured bond with a fixed coupon of 9.625% per annum. The proceeds were partially utilised to repay corporate loans amounting to USD 431.8 million and transaction fees.
- (c) On 30 April 2024, an indirect wholly owned subsidiary of the Company, Yinson Azalea Production Pte. Ltd., successfully secured a USD 1.3 billion multi-tranche term loan to finance an FPSO project, FPSO Agogo. The term loan matures up to 10 years post-delivery of the FPSO Agogo, and carries interest ranging from SOFR+3% to 5% per annum.
- (d) On 29 May 2024, an indirect owned subsidiary of the Company, Yinson Boronia Production B.V., successfully placed a USD 1,035 million bond with a fixed coupon of 8.974% per annum. The proceeds of the notes will be used for, among other uses, refinancing of the existing outstanding debt of FPSO Anna Nery maturing in 2026, unwinding related hedge arrangements, funding reserve accounts as applicable, and payment of transaction related fees and expenses.

39. Authorisation of financial statements for issue

The financial statements for the financial years ended 31 January 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 30 May 2024.

INFORMATION ON YPF SPL

1. HISTORY AND BUSINESS

YPF SPL is a private company limited by shares incorporated on 6 October 2023 in the Republic of Singapore under the Singapore Companies Act 1967.

The principal activity of YPF SPL is the provision of treasury management services.

2. SHARE CAPITAL

As at the LPD, the issued share capital of YPF SPL is USD1,500,001 (equivalent to RM6,641,254) comprising 1,500,001 ordinary shares.

3. SHAREHOLDERS

As at the LPD, the shareholder of YPF SPL is YPOPL, which in turn is a wholly-owned subsidiary of YGCS, and in turn, YGCS is a wholly-owned subsidiary of YHB.

4. DIRECTORS

As at the LPD, the directors of YPF SPL are as follows and none of them hold shares in YPF SPL:

Name	Nationality
Andrew Choy Wei Nung	Singaporean
Markus Wenker	German

5. SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

As at the LPD, YPF SPL does not have any subsidiary, associated company and joint ventures.

6. HISTORICAL FINANCIAL INFORMATION

YPF SPL was incorporated on 6 October 2023 and there are no audited financial statements for the FYE 31 January 2024. A summary of the financial information of YPF SPL based on its latest unaudited results for the 9M-FPE 31 October 2024 is as follows:

	Unaudited
	9M-FPE 31 October 2024
	USD'000
Revenue	26,741
Loss before tax	(589)
Loss after tax	(589)
Share capital	1,500
Accumulated losses	(612)
NA attributable to owners of YPF SPL	888
Total equity	888

INFORMATION ON YPFSPL (Cont'd)

	Unaudited
	9M-FPE 31 October 2024
	USD'000
Total loans and borrowings	481,738
Current assets	4,014
Current liabilities	172
Number of shares ('000)	1,500
Losses per share (USD) ⁽ⁱ⁾	(0.39)
NA per share (USD) ⁽ⁱⁱ⁾	0.59
Current ratio (times) ⁽ⁱⁱⁱ⁾	23.34
Gearing ratio (times) ^(iv)	542.50

The table below denotes amount equivalent to RM:

	Unaudited
	9M-FPE 31 October 2024
	*RM'000
Revenue	117,166
Loss before tax	(2,580)
Loss after tax	(2,580)
Share capital	6,572
Accumulated losses	(2,681)
NA attributable to owners of YPFSPL	3,891
Total equity	3,891
Total loans and borrowings	2,110,735
Current assets	17,587
Current liabilities	754
Number of shares ('000)	1,500
Losses per share (RM) ⁽ⁱ⁾	(1.72)
NA per share (RM) ⁽ⁱⁱ⁾	2.59
Current ratio (times) ⁽ⁱⁱⁱ⁾	23.34
Gearing ratio (times) ^(iv)	542.50

Notes:

* Converted based on the middle rate quoted by BNM as at 5.00 p.m. on 31 October 2024 of USD1.00 : RM4.3815.

(i) Computed based on PAT divided by number of shares in YPFSPL.

(ii) Computed based on NA attributable to owners of YPFSPL divided by number of shares in YPFSPL.

(iii) Computed based on current assets divided by current liabilities.

(iv) Computed based on total loans and borrowings divided by total equity. As part of its principal business, YPFSPL has undertaken financing to part finance the YPOPL Group's acquisition of or capital expenditure in relation to any FPSO/FSO.

INFORMATION ON YPFSPL (Cont'd)

7. MATERIAL LITIGATION

As at the LPD, YPFSPL is not involved in any material litigation, claims and/or arbitration, either as plaintiff or defendant, and the Board is not aware of any proceedings, pending or threatened, against YPFSPL or any facts likely to give rise to any proceedings which may materially and adversely affect the business or financial position of YPFSPL.

8. MATERIAL CONTRACTS

YPFSPL has not entered into any material contract (not being contracts entered into in the ordinary course of business) within the past 2 years immediately preceding the date of this Circular.

(The rest of this page has been intentionally left blank)

INFORMATION ON INVESTORS

1. PLATINUM LILY B 2024 RSC LIMITED (Platinum)**(i) History and business**

Platinum was established on 1 February 2024 as a restricted scope company under the laws of the ADGM. The principal activity of Platinum is investing into private equity assets. Platinum is ultimately owned by ADIA which is a globally diversified investment institution that prudently invests funds on behalf of the Government of Abu Dhabi through a strategy focused on long-term value creation.

(ii) Share capital

As at the LPD, Platinum has an issued share capital of USD3,132,583,710.24 (equivalent to RM13,869,514,380) comprising 2 ordinary shares.

(iii) Shareholder

As at the LPD, the shareholder of Platinum is Platinum International Investment Holdings RSC Limited, which is also an ADGM entity.

(iv) Directors

As at the LPD, the directors of Platinum are as follows and none of them hold any shares in Platinum:

Name	Nationality
Al Junaibi, Sultan Ahmed Abdulla Alawi	Emirati
AlAmeri, Mubarak Awad Qanazel Khniban	Emirati
AlDhaheiri, Hamad Shahwan Surour Shahwan	Emirati
AlMashghouni, Saif Surour Omair Maaded	Emirati
AlMazrouei, Mohamed Fahed Mohamed Abdulla	Emirati
AlMehairbi, Ahmed Masaoood Ahmed AlMasaoood	Emirati
AlNeyadi, Ahmed Salem Abdulla Melaih	Emirati
AlRumaithi, Rawdha Abdulrahman Abdulla Sultan	Emirati

INFORMATION ON INVESTORS (Cont'd)

1.1 ADIA**(i) History and business**

ADIA was established under the laws of the Emirate of Abu Dhabi in 1976 as an independent, globally diversified investment institution that invests funds on behalf of the Government of Abu Dhabi through a strategy focused on long-term value creation.

(ii) Shareholder

As at the LPD, ADIA is wholly-owned by the Government of the Emirate of Abu Dhabi.

(iii) Directors

ADIA's board of directors comprises a Chairman, Managing Director and Board Members who are appointed by a resolution issued by the Chairman of the Abu Dhabi Supreme Council for Financial and Economic Affairs. As at the LPD, the members of the board of directors of ADIA are as follows:

Name	Designation	Nationality
H.H. Sheikh Tahnoun bin Zayed Al Nahyan	Chairman	Emirati
H.H. Sheikh Khaled bin Mohamed bin Zayed Al Nahyan	Director	Emirati
H.H. Sheikh Mansour bin Zayed Al Nahyan	Director	Emirati
H.H. Sheikh Hamed bin Zayed Al Nahyan	Managing Director	Emirati
H.E. Khalil Mohammed Sharif Foulathi	Director	Emirati
H.E. Jassem Mohamed Bu Ataba Al Zaabi	Director	Emirati
H.E. Hamad Mohammed Al Hurr Al Suwaidi	Director	Emirati

(The rest of this page has been intentionally left blank)

INFORMATION ON INVESTORS (Cont'd)

2. IMCPE ARBUTUS INV LIMITED PARTNERSHIP (BCI PE)**(i) History and business**

BCI PE is a limited partnership that was formed under the laws of British Columbia, Canada on 28 December 2022 to hold investments on behalf of BCI. BCI manages a portfolio of diversified public and private market investments.

For information purposes, BCI will incorporate the New BCI LP to hold the investment in YPOHL that BCI PE would hold. BCI PE will assign all its rights and obligations under the Subscription Agreement to New BCI LP.

(ii) Share capital

As at the LPD, the general partner of BCI PE is IMCPE Arbutus GP Inc., a British Columbia, Canada company ("**IMCPE Arbutus GP**"). IMCPE Arbutus GP is authorised to issue an unlimited number of common shares without par value.

The general partner of the New BCI LP will be a newly incorporated British Columbia, Canada company ("**New IMCPE GP**"). The New IMCPE GP will be authorised to issue an unlimited number of common shares without par value.

(iii) Shareholder

As at the LPD, IMCPE Arbutus GP is wholly-owned by BCI.

New IMCPE GP will be wholly-owned by BCI.

(iv) Director

As at the LPD, the director of IMCPE Arbutus GP is as follows and he does not hold any shares in IMCPE Arbutus GP. The director of the New IMCPE GP upon incorporation will also be as follows, and he will not hold shares in the New IMCPE GP:

Name	Nationality
Gordon Blake Fizzard	Canadian

INFORMATION ON INVESTORS (Cont'd)

2.1 BCI**(i) History and business**

BCI was established in 1999 pursuant to the *Public Sector Pension Plans Act* (British Columbia (Canada)) ("**PSPPA**") to provide investment management services to its permitted clients. BCI offers investment options across a range of strategies and asset classes.

(ii) Shareholder

As at the LPD, pursuant to the PSPPA, BCI's sole share is issued to and registered in the name of the Minister of Finance of British Columbia on behalf of the Government of British Columbia.

(iii) Directors

BCI has a seven-member board of directors which is appointed pursuant to the PSPPA. As at the LPD, the particulars of the members of the board of directors of BCI are as follows:

Name	Designation	Nationality
Peter Milburn	Chair	Canadian
Reg Bawa	Director	Canadian
Weldon Cowan	Director	Canadian
Paul Finch	Director	Canadian
Gayle Gorrill	Director	Canadian
Donna Lommer	Director	Canadian
Tom Vincent	Director	Canadian

(The rest of this page has been intentionally left blank)

INFORMATION ON INVESTORS (Cont'd)

3. EOS INVESTMENT LIMITED PARTNERSHIP (BCI GPF)**(i) History and business**

BCI GPF is a limited partnership that was formed under the laws of British Columbia, Canada on 20 October 2022 to hold investments on behalf of BCI. BCI manages a portfolio of diversified public and private market investments.

(ii) Share capital

The general partner of BCI GPF is EOS Investment General Partnership Inc., a British Columbia, Canada company ("**EOS GP**"). EOS GP is authorised to issue an unlimited number of common shares without par value.

(iii) Shareholder

As at the LPD, EOS GP is wholly-owned by BCI. Please refer to **Section 2.1** of this **Appendix IX** for further information on BCI.

(iv) Director

As at the LPD, the director of EOS GP is as follows and he does not hold shares in EOS GP:

<u>Name</u>	<u>Nationality</u>
David Dobell	Canadian

(The rest of this page has been intentionally left blank)

INFORMATION ON INVESTORS (Cont'd)

4. GALANT ASSET HOLDING LTD (RRJ 1)**(i) History and business**

RRJ 1 was incorporated on 25 June 2024 as an exempt limited liability company under the laws of the Cayman Islands. The principal activity of RRJ 1 is investment holding.

(ii) Share capital

As at the LPD, RRJ 1 has an issued share capital of USD1.00 (equivalent to RM4.43) comprising 1 ordinary share.

(iii) Shareholder

As at the LPD, the shareholder of RRJ 1 is as follows:

<u>Shareholder</u>	<u>Country of incorporation</u>	<u>Direct</u>	
		<u>No. of RRJ 1 shares</u>	<u>%</u>
RRJ Capital Master Fund IV, Limited Partnership	Cayman Islands	1	100

(iv) Directors

As at the LPD, the directors of RRJ 1 are as follows and none of them hold any shares in RRJ 1:

<u>Name</u>	<u>Nationality</u>
Ong Tiong Sin	Malaysian
Ong Tiong Boon	Malaysian

4.1 RRJ Capital Master Fund IV, Limited Partnership**(i) History and business**

RRJ Capital Master Fund IV, Limited Partnership was incorporated as a limited partnership under the laws of the Cayman Islands on 18 October 2018. RRJ Capital Master Fund IV, Limited Partnership makes equity investments in companies operating in the energy, transportation, logistic, financial services, and healthcare industries.

(ii) Shareholder

As at the LPD, RRJ Capital IV Limited is the general partner of RRJ Capital Master Fund IV, Limited Partnership.

(iii) Director

As at the LPD, RRJ Capital Master Fund IV, L.P. does not have a board of directors. Instead it is managed by its general partner, RRJ Capital IV Limited, which in turn is managed by its board which consists of Richard Ong and Charles Ong.

INFORMATION ON INVESTORS (Cont'd)

5. HAMPTON ASSET HOLDING LTD (RRJ 2)**(i) History and business**

RRJ 2 was incorporated on 5 May 2009 as a limited liability company under the laws of the British Virgin Islands. The principal activity of RRJ 2 is investment holding.

(ii) Share capital

As at the LPD, RRJ 2 has an issued share capital of USD1.00 (equivalent to RM4.43) comprising 1 ordinary share.

(iii) Shareholder

As at the LPD, the shareholder of RRJ 2 is as follows:

<u>Shareholder</u>	<u>Nationality</u>	<u>Direct</u>	
		<u>No. of RRJ 2 shares</u>	<u>%</u>
Ong Tiong Sin	Malaysian	1	100

(iv) Director

As at the LPD, the director of RRJ 2 is as follows:

<u>Name</u>	<u>Nationality</u>
Ong Tiong Sin	Malaysian

(The rest of this page has been intentionally left blank)

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024



The Board of Directors
Yinson Holdings Berhad,
Level 16, Menara South Point,
Mid Valley City,
Medan Syed Putra Selatan,
59200 Kuala Lumpur, Malaysia

12 March 2025

PwC/REES/YHB/PH/WDY/AT/006VloooooInluiLAB

Dear Sirs,

Reasonable Assurance Report on the Compilation of Pro Forma Consolidated Statement of Financial Position of Yinson Holdings Berhad

- 1 We have completed our reasonable assurance engagement to report on the compilation of the Pro Forma Consolidated Statement of Financial Position of Yinson Holdings Berhad (the "YHB" or the "Company") as at 31 January 2024 (the "Pro Forma Consolidated Statement of Financial Position"). The Pro Forma Consolidated Statement of Financial Position which we have stamped for the purpose of identification, has been compiled by the directors of the Company (the "Directors") for purposes of inclusion in YHB's circular to shareholders (the "Circular to Shareholders") in connection with the proposed issuance by Yinson Production Offshore Holdings Ltd ("YPOHL"), an indirect wholly-owned subsidiary of YHB, of 1,000,000 Redeemable Convertible Preference Shares ("RCPS") at an aggregate subscription amount of USD1.00 billion, and 1,000,000 warrants on the basis of one warrant for every one RCPS issued. Additionally, subject to the agreement of YPOHL and the investors, YPOHL may upsize the issuance of RCPS to USD1.50 billion through the issuance of additional USD0.50 billion RCPS which have no entitlement to warrants (the "Proposal").
- 2 The applicable criteria on the basis of which the Directors have compiled the Pro Forma Consolidated Statement of Financial Position are described in the notes thereon to the Pro Forma Consolidated Statement of Financial Position.
- 3 The Pro Forma Consolidated Statement of Financial Position has been compiled by the Directors to illustrate the impact of the events or transactions as set out in the notes thereon to the Pro Forma Consolidated Statement of Financial Position on the Company's consolidated statement of financial position as at 31 January 2024 as if the events or transactions had taken place on that date. As part of this process, information about the Company's consolidated financial position has been extracted by the Directors from the Company's consolidated financial statements for the financial year ended 31 January 2024, on which an audit report dated 20 May 2024 has been published.

Directors' Responsibility for the Pro Forma Consolidated Statement of Financial Position

- 4 The Directors are responsible for compiling the Pro Forma Consolidated Statement of Financial Position on the basis set out in the notes thereon to the Pro Forma Consolidated Statement of Financial Position and in accordance with Malaysian Institute of Accountants' ("MIA") Guidance Note for Issuers of Pro Forma Financial Information.

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Level 10, Menara TH 1 Sentral, Jalan Rakyat,
Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)



**The Board of Directors
Yinson Holdings Berhad
PwC/REES/YHB/PH/WDY/AT/006VloooooInluiAB
12 March 2025**

Reasonable Assurance Report on the Compilation of Pro Forma Consolidated Statement of Financial Position of Yinson Holdings Berhad (continued)

Reporting Accountants' Responsibilities

- 5 Our responsibility is to express an opinion, about whether the Pro Forma Consolidated Statement of Financial Position has been compiled, in all material respects, by the Directors on the basis set out in the notes thereon to the Pro Forma Consolidated Statement of Financial Position and in accordance with MIA's Guidance Note for Issuers of Pro Forma Financial Information.
- 6 We conducted our engagement in accordance with International Standard on Assurance Engagements ("ISAE") 3420 *"Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus"*, issued by MIA. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Consolidated Statement of Financial Position on the basis set out in the notes thereon to the Pro Forma Consolidated Statement of Financial Position and in accordance with MIA's Guidance Note for Issuers of Pro Forma Financial Information.
- 7 For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Consolidated Statement of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statement of Financial Position. In providing this opinion, we do not accept any responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.
- 8 The purpose of the Pro Forma Consolidated Statement of Financial Position included in the Circular to Shareholders in connection with the Proposal is solely to illustrate the impact of a significant event or transaction on the unadjusted consolidated financial information of the Company as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at that date would have been as presented.
- 9 A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statement of Financial Position has been compiled, in all material respects, on the basis of the applicable criteria, involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Consolidated Statement of Financial Position provides a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:
 - The related pro forma adjustments give appropriate effect to those criteria; and
 - The Pro Forma Consolidated Statement of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)



**The Board of Directors
Yinson Holdings Berhad
PwC/REES/YHB/PH/WDY/AT/006Vl00000InluiAB
12 March 2025**

Reasonable Assurance Report on the Compilation of Pro Forma Consolidated Statement of Financial Position of Yinson Holdings Berhad (continued)

Reporting Accountants' Responsibilities (continued)

- 10 The procedures selected depend on our judgement, having regard to our understanding of the nature of the Company and its subsidiaries and the events or transactions in respect of which the Pro Forma Consolidated Statement of Financial Position has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Statement of Financial Position.
- 11 We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our Independence and Quality Management

- 12 We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the MIA and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.
- 13 Our firm applies International Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Opinion

- 14 In our opinion, the Pro Forma Consolidated Statement of Financial Position has been compiled, in all material respects, on the basis set out in the notes thereon to the Pro Forma Consolidated Statement of Financial Position and in accordance with MIA's Guidance Note for Issuers of Pro Forma Financial Information.

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)



**The Board of Directors
Yinson Holdings Berhad
PwC/REES/YHB/PH/WDY/AT/006V100000InluiAB
12 March 2025**

Reasonable Assurance Report on the Compilation of Pro Forma Consolidated Statement of Financial Position of Yinson Holdings Berhad (continued)

Restriction on distribution and use

- 15 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.

Yours faithfully,

PricewaterhouseCoopers PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)

APPENDIX

YINSON HOLDINGS BERHAD

**PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024 AND
ACCOMPANYING NOTES THEREON**
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024

The Pro Forma Consolidated Statement of Financial Position of Yinson Holdings Berhad ("Yinson", "YHB" or the "Company") as at 31 January 2024 below has been prepared solely for illustration purposes to show the effects of the Proposal (as set out in Note 3 below) on the audited consolidated statement of financial position of Yinson as at 31 January 2024 based on the assumption that the Proposal had been effected on 31 January 2024, and should be read in conjunction with the accompanying notes.

		Audited as at 31 January 2024 RM' million	Pro Forma After Proposed Issuance of RCPS and Warrants (as defined in Note 1) RM' million
	Notes		
ASSETS			
Non-current assets			
Property, plant and equipment		4,855	4,855
Investment properties		15	15
Intangible assets		229	229
Investments in joint ventures		472	472
Investments in associates		62	62
Trade and other receivables		116	116
Other assets		25	25
Derivatives		346	346
Finance lease receivables		8,439	8,439
Deferred tax assets		57	57
Contract assets		9,294	9,294
		23,910	23,910
Current assets			
Inventories		77	77
Finance lease receivables		159	159
Other assets		265	265
Trade and other receivables		759	759
Tax recoverable		6	6
Contract assets		341	341
Derivatives		38	38
Other investments		74	74
Cash and bank balances	4	3,063	7,423
		4,782	9,142
TOTAL ASSETS		28,692	33,052
EQUITY AND LIABILITIES			
Equity			
Share capital		2,241	2,241
Treasury shares		(369)	(369)
Reserves		1,117	1,117
Retained earnings		2,462	2,462
Equity attributable to owners of the Company		5,451	5,451
Perpetual securities		1,792	1,792
Non-controlling interests		734	734
Redeemable Convertible Preference Shares	5	-	4,328
TOTAL EQUITY		7,977	12,305



PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)
APPENDIX
YINSON HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024 AND ACCOMPANYING NOTES THEREON (CONTINUED)
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024 (continued)

The Pro Forma Consolidated Statement of Financial Position of Yinson Holdings Berhad ("Yinson", "YHB" or the "Company") as at 31 January 2024 below has been prepared solely for illustration purposes to show the effects of the Proposal (as set out in Note 3 below) on the audited consolidated statement of financial position of Yinson as at 31 January 2024 based on the assumption that the Proposal had been effected on 31 January 2024, and should be read in conjunction with the accompanying notes (continued).

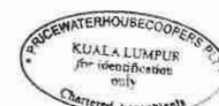
		Pro Forma After Proposed Issuance of RCPS and Warrants (as defined in Note 1)
	Audited as at 31 January 2024	RM' million
Notes	RM' million	RM' million
Non-current liabilities		
Loans and borrowings	14,938	14,938
Lease liabilities	71	71
Contract liabilities	255	255
Trade and other payables	246	246
Derivatives	28	60
Deferred tax liabilities	602	602
	16,140	16,172
Current liabilities		
Loans and borrowings	1,381	1,381
Lease liabilities	35	35
Contract liabilities	55	55
Trade and other payables	2,909	2,909
Derivatives	24	24
Put option liability	23	23
Tax payables	148	148
	4,575	4,575
TOTAL LIABILITIES	20,715	20,747
TOTAL EQUITY AND LIABILITIES	28,692	33,052
Supplementary information:		
Number of ordinary shares in issue ('000)	3,064,331	3,064,331
Treasury shares ('000) ⁽¹⁾	(157,333)	(157,333)
Net assets per share (RM/share) ⁽²⁾	1.88	1.88
Gearing ratio ⁽³⁾	2.05	1.33

Notes:

⁽¹⁾ Treasury shares held by Yinson Holdings Berhad as at 31 January 2024

⁽²⁾ Net assets per share is computed based on the total equity attributable to owners of the Company divided by the number of ordinary shares in issue net of treasury shares.

⁽³⁾ Gearing ratio is computed as total loans and borrowings divided by total equity.



PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)
APPENDIX
**YINSON HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024 AND
ACCOMPANYING NOTES THEREON (CONTINUED)**
1 INTRODUCTION

The Pro Forma Consolidated Statement of Financial Position ("Pro Forma SOFP") of Yinson as at 31 January 2024 and the accompanying notes thereon, have been prepared for inclusion in the Circular to Shareholders in connection with the proposed issuance by Yinson Production Offshore Holdings Ltd ("YPOHL"), an indirect wholly-owned subsidiary of YHB, of 1,000,000 Redeemable Convertible Preference Shares ("RCPS") at an aggregate subscription amount of USD1.00 billion, and 1,000,000 warrants on the basis of one warrant for every one RCPS issued. Additionally, subject to the agreement of YPOHL and the investors, YPOHL may upsize the issuance of RCPS to USD1.50 billion through the issuance of additional USD0.50 billion RCPS which have no entitlement to warrants (the "Proposal" or "Proposed Issuance of RCPS and Warrants").

YPOHL had on 14 January 2025, entered into a conditional subscription agreement ("Subscription Agreement") for the issuance to Platinum Lily B 2024 RSC Limited ("Platinum"), IMCPE Arbutus INV Limited Partnership ("BCI PE"), EOS Investment Limited Partnership ("BCI GPF"), Galant Asset Holding Ltd ("RRJ 1") and Hampton Asset Holding Ltd ("RRJ 2") (collectively, the "Investors") of the following:

- i. 1,000,000 new RCPS at a subscription price of USD1.00 billion (equivalent to RM4.43 billion) ("Subscription Price");
- ii. 1,000,000 new warrants for an aggregate consideration of USD1.00 (equivalent to RM4.43) to each Investor in each tranche; and
- iii. Subject to mutual agreement, up to a further 500,000 RCPS at a subscription price of USD0.50 billion (equivalent to RM2.21 billion) within 24 months from closing.

A condition precedent in the Subscription Agreement dated 14 January 2025 states that prior to the issuance of the RCPS and warrants, YHB will undertake an internal restructuring exercise which involves the transfer of its interest in Yinson Production Offshore Pte Ltd ("YPOPL") to YPOHL. Post the internal restructuring exercise, YPOPL would be a wholly-owned subsidiary of YPOHL. For purposes of the Pro Forma SOFP and the Illustrative Summarised Consolidated Financial Information, the internal restructuring is assumed to have taken place on 31 January 2024.

The Pro Forma SOFP for which the directors of the Company are solely responsible, has been prepared solely for illustration purposes only to show the effects of the Proposal as set out above on the audited consolidated statement of financial position of Yinson as at 31 January 2024 based on the assumption that the Proposal had been effected on 31 January 2024.

The Pro Forma SOFP, because of its hypothetical nature, does not give a true picture of the actual effects of the Proposal on the consolidated statement of financial position of Yinson as at 31 January 2024 had the Proposal been effected on that date. Further, the Pro Forma SOFP does not purport to predict the future financial position of the Company and its subsidiaries (collectively referred to as the "Group").

2 BASIS OF PREPARATION FOR THE PRO FORMA SOFP

The Pro Forma SOFP has been prepared in accordance with the Malaysian Institute of Accountants' ("MIA") Guidance Note for Issuers of Pro Forma Financial Information and is based on the Company's consolidated statement of financial position as at 31 January 2024 which has been prepared based on Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards and in a manner consistent with both the format of the audited consolidated financial statements and accounting policies adopted by the Company for the financial year ended 31 January 2024, except for the adoption of the following new accounting policy which will be adopted by the Company when the Proposal is undertaken.

RCPS

RCPS is classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity or to exchange financial assets or financial liabilities with another person or entity that are potentially unfavourable to the issuer. Incremental costs directly attributable to the issuance of new RCPS are shown as a reduction in equity, net of tax, from the proceeds. The proceeds received net of any directly attributable expenses are credited to RCPS in equity.

For the purposes of this Pro Forma SOFP, United States Dollars ("USD") amounts are converted to Ringgit Malaysia ("RM") at the conversion rate of USD1.0000 : RM4.4275 (assumed exchange rate as at the latest practicable date of 20 February 2025).

The Proposal is not conditional upon any other corporate exercises undertaken or to be undertaken by the Group.

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)

APPENDIX

**YINSON HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024 AND
ACCOMPANYING NOTES THEREON (CONTINUED)**
3 EFFECTS ON THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Pro Forma - After Proposed Issuance of RCPS and Warrants

The Pro Forma incorporates the effects of:

- (i) the proposed issuance of 1,000,000 RCPS at USD1,000 per share totalling USD1,000 million (equivalent to RM4,428 million) on 31 January 2024; and
- (ii) the proposed issuance of 1,000,000 warrants issued on 31 January 2024 with an assumed fair value of USD7.2 million (equivalent to RM32 million) as at 20 February 2025.

Total proceeds of RM4,428 million raised from the proposed issuance of RCPS is offset by directly attributable expenses relating to the RCPS issue of RM68 million. The directly attributable expenses are deducted against the RCPS in accordance with MFRS 132 Financial Instruments: Presentation and is assumed to be paid for purposes of the Pro Forma SOFP. The issuance cost for the warrants is immaterial and therefore not illustrated.

The net proceeds of RM4,360 million is allocated as follows:

- RM32 million to non-current derivatives liability representing the fair value of 1,000,000 warrants at the date of issuance; and
- the residual amount of RM4,328 million to RCPS.

The warrants are classified as non-current derivatives liability as they meet the definition of liability under MFRS 132 Financial Instruments: Presentation and have an exercise period of up to 6.5 years which is only exercisable upon consummation of an Initial Public Offering ("IPO"). It was determined that the Company is in control of the IPO initiation and therefore has the right to defer the settlement for more than 12 months from the reporting date.

The RCPS is classified as an equity instrument as it meets the definition of equity under MFRS 132 Financial Instruments: Presentation.

4 CASH AND BANK BALANCES

The movement of the Pro Forma cash and bank balances after incorporating the effects of the Proposal as disclosed in Note 3 is shown below:

	Cash and bank balances RM' million
Per audited balance of the Group as at 31 January 2024	3,063
Add: Proceeds from the RCPS Issue	4,428
Less: Payment for directly attributable expenses	(68)
Total adjustments	4,360
Pro Forma	7,423



PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)

APPENDIX

**YINSON HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024 AND
ACCOMPANYING NOTES THEREON (CONTINUED)**

5 RCPS

The movement of the Pro Forma RCPS after incorporating the effects of the Proposal as disclosed in Note 3 is shown below:

	RCPS
	RM' million
Per audited balance of the Group as at 31 January 2024	-
Add: Issuance of RCPS, net of directly attributable expenses	4,328
Pro Forma	4,328

6 DERIVATIVES (NON-CURRENT LIABILITIES)

The movements of the Pro Forma derivatives after incorporating the effects of the Proposal as disclosed in Note 3 is shown below:

	Derivatives
	RM' million
Per audited balance of the Group as at 31 January 2024	28
Add: Fair value of warrants issued	32
Pro Forma	60



PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)

APPENDIX

**YINSON HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024 AND
ACCOMPANYING NOTES THEREON (CONTINUED)**
**7 ILLUSTRATIVE SUMMARISED CONSOLIDATED FINANCIAL INFORMATION BASED ON
MANAGEMENT'S ASSUMPTIONS**

The illustrative summarised consolidated financial information set out in this note is prepared solely for illustrative purposes to show the effects of the applicable criteria on certain financial statement line items. These applicable criteria comprise management's assumptions as set out below, and it is assumed that these assumptions had been effected on 31 January 2024. The illustrative summarised consolidated financial information should be read in conjunction with the accompanying Note 7.1.

7.1 Basis of preparation

The illustrative summarised consolidated financial information as at 31 January 2024 and the accompanying notes thereon are based on the audited consolidated statement of financial position of the Company as at 31 January 2024.

The illustrative, as set out in Note 7.3 is to illustrate management's assumptions of the impact of the issuance of 1,500,000 RCPS and 1,000,000 warrants. The illustration is set out to reflect management's assumption, according to the Subscription Agreement, that the additional issuance of 500,000 RCPS at USD500.0 million has been approved by the Investors, hence 1,500,000 RCPS at USD1.5 billion will be issued immediately.

For the purposes of the illustrative summarised consolidated financial information, USD amounts are converted to RM at the conversion rate of USD1.0000 : RM4.4275 (assumed exchange rate as at the latest practicable date of 20 February 2025).

7.2 Effects on the Illustrative Summarised Consolidated Financial Information

The illustrative incorporates the effects of:

- a) the proposed issuance of 1,500,000 RCPS at USD1,000 per share totalling USD1,500 million (equivalent to RM6,641 million) on 31 January 2024; and
- b) the proposed issuance of 1,000,000 warrants issued on 31 January 2024 with an assumed fair value of USD6.5 million (equivalent to RM29 million) as at 20 February 2025,

to the audited selected consolidated financial information of the Company as at 31 January 2024. Total proceeds of RM6,641 million raised from the proposed issuance of RCPS is offset by directly attributable expenses relating to the RCPS issue of RM68 million. The directly attributable expenses are deducted against the RCPS in accordance with MFRS 132 Financial Instruments: Presentation and is assumed to be paid for purposes of the Illustrative Summarised Consolidated Financial Information. The issuance cost for the warrants is immaterial and therefore not illustrated.

The net proceeds of RM6,573 million is allocated as follows:

- RM29 million to non-current derivatives liability representing the fair value of 1,000,000 warrants at the date of issuance; and
- the residual amount of RM6,544 million to RCPS.

The warrants are classified as non-current derivatives liability as they meet the definition of liability under MFRS 132 Financial Instruments: Presentation and have an exercise period of up to 6.5 years which is only exercisable upon consummation of an IPO. It was determined that the Company is in control of the IPO initiation and therefore has the right to defer the settlement for more than 12 months from the reporting date.

The RCPS is classified as an equity instrument as it meets the definition of equity under MFRS 132 Financial Instruments: Presentation.



PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)

APPENDIX

**YINSON HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024 AND
ACCOMPANYING NOTES THEREON (CONTINUED)**

**7 ILLUSTRATIVE SUMMARISED CONSOLIDATED FINANCIAL INFORMATION BASED ON
MANAGEMENT'S ASSUMPTIONS (CONTINUED)**

7.3 Illustrative Summarised Consolidated Financial Information

		<u>Illustrative</u> <u>After Proposed Issuance of</u> <u>USD1.5 billion RCPS and</u> <u>Warrants</u>
	<u>Notes</u>	<u>RM' million</u>
ASSETS		
Non-current assets		23,910
Current assets		
Cash and bank balances	(a)	9,636
Other current assets		1,719
Total current assets		11,355
TOTAL ASSETS		35,265
EQUITY AND LIABILITIES		
Equity		
Share capital		2,241
Treasury shares		(369)
Reserves		1,117
Retained earnings		2,462
Equity attributable to owners of the Company		5,451
Perpetual securities issued by subsidiaries		1,792
Non-controlling interests		734
Redeemable Convertible Preference Shares	(b)	6,544
TOTAL EQUITY		14,521
LIABILITIES		
Non-current liabilities		
Loans and borrowings		14,938
Derivatives	(c)	57
Other non-current liabilities		1,174
Total non-current liabilities		16,169
Current liabilities		
Loans and borrowings		1,381
Other current liabilities		3,194
Total current liabilities		4,575
TOTAL LIABILITIES		20,744
TOTAL EQUITY AND LIABILITIES		35,265
<i>Number of ordinary shares in issue ('000)</i>		3,064,331
<i>Treasury shares ('000) ⁽¹⁾</i>		(157,333)
<i>Net assets per share (RM/share) ⁽²⁾</i>		1.88
<i>Gearing ratio ⁽³⁾</i>		1.12

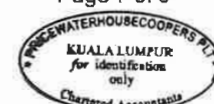
Notes:

⁽¹⁾ Treasury shares held by Yinson Holdings Berhad as at 31 January 2024

⁽²⁾ Net assets per share is computed based on the total equity attributable to owners of the Company divided by the number of ordinary shares in issue net of treasury shares.

⁽³⁾ Gearing ratio is computed as total loans and borrowings divided by total equity

Page 7 of 9



PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)

APPENDIX

**YINSON HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024 AND
ACCOMPANYING NOTES THEREON (CONTINUED)**
**7 ILLUSTRATIVE SUMMARISED CONSOLIDATED FINANCIAL INFORMATION BASED ON
MANAGEMENT'S ASSUMPTIONS (CONTINUED)**
7.3 Illustrative Summarised Consolidated Financial Information (continued)
7.3.1 Notes to the Illustrative Summarised Consolidated Financial Information

The movement of the respective balances incorporating the effects of management's assumption as set out in Note 7.2 are shown below:

(a) Cash and bank balances
**Illustrative
RM' million**
Per audited balance of the Group as at 31 January 2024

Add: Proceeds from the RCPS Issue

Less: Payment for directly attributable expenses

Total adjustments

Illustrative

3,063
6,641
(68)
6,573
9,636
(b) RCPS
**Illustrative
RM' million**
Per audited balance of the Group as at 31 January 2024

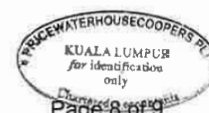
Add: Issuance of RCPS, net of directly attributable expenses

Illustrative

-
6,544
6,544
(c) Derivatives (Non-current liabilities)
**Illustrative
RM' million**
Per audited balance of the Group as at 31 January 2024

Add: Fair value of warrants issued

Illustrative

28
29
57


PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF YHB AS AT 31 JANUARY 2024 (Cont'd)

APPENDIX
**YINSON HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2024 AND
ACCOMPANYING NOTES THEREON (CONTINUED)**
APPROVAL BY BOARD OF DIRECTORS

Pursuant to the board resolution on 13 December 2024, the Board of Directors have approved amongst others that Chai Jia Jun to act and sign the Pro Forma SOFP of the Company as at 31 January 2024, and any amendments relating thereto. Accordingly, the Pro Forma SOFP of the Company as at 31 January 2024 was signed and executed on 12 March 2025.

DocuSigned by:

 93CE92D04C0C442...

CHAI JIA JUN
GROUP CHIEF FINANCIAL & STRATEGY OFFICER



FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and the Directors collectively and individually accept full responsibility for the completeness and accuracy of the information contained in this Circular and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements contained in this Circular or other facts, the omission of which would make any statement in this Circular false or misleading.

Information on and relating to the Investors has been extracted from information provided and confirmed by the Investors, and the Directors and/or management of the Investors or extracted from publicly available sources and records. Therefore, the responsibility of the Board is limited to ensuring that such information is accurately reproduced in this Circular.

2. CONSENT AND CONFLICT OF INTEREST**2.1 AmInvestment Bank**

AmInvestment Bank, being the Joint Principal Adviser for the Proposed YPOHL RCPS And Warrants Issue, has given and has not subsequently withdrawn its written consent for the inclusion in this Circular of their names, reports and/or letters (where applicable) and all references thereto in the form and context in which they appear in this Circular.

AmInvestment Bank, its related and associated companies, as well as its holding company, AMMB Holdings Berhad and the subsidiaries and associated companies of its holding company ("**AmBank Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction service businesses.

In the ordinary course of their businesses, any member of the AmBank Group may at any time extend services to any company as well as hold long or short positions, and trade or otherwise effect transactions, for its own account or the account of its other clients, in debt or equity securities or senior loans of any company. Accordingly, there may be situations where parts of the AmBank Group and/or its clients now have or in the future, may have interests or take actions that may conflict with the interests of the YHB Group.

As at the LPD, the AmBank Group has extended credit facilities amounting to approximately RM974.41 million to the YHB Group, of which approximately RM598.08 million is outstanding.

AmInvestment Bank is of the view that its role as Joint Principal Adviser for the Proposed YPOHL RCPS And Warrants Issue is not likely to result in a conflict of interest or potential conflict of interest situation for the following reasons:

- (i) AmInvestment Bank's role in the Proposed YPOHL RCPS And Warrants Issue is undertaken in the ordinary course of business; and
- (ii) AmInvestment Bank undertakes each of its roles on an arm's length basis and its conduct is regulated by Bank Negara Malaysia and the Securities Commission Malaysia and governed under, inter alia, the Financial Services Act 2013, the Capital Markets and Services Act 2007, and AmBank Group's Chinese Wall policy and internal controls and checks.

Premised on the above, AmInvestment Bank confirms that there is no conflict of interest which exists or is likely to exist in its capacity as the Joint Principal Adviser in respect of the Proposed YPOHL RCPS And Warrants Issue.

FURTHER INFORMATION *(Cont'd)*

2.2 Maybank IB

Maybank IB, being the Joint Principal Adviser for the Proposed YPOHL RCPS And Warrants Issue, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which it appears in this Circular.

Maybank IB and its related and associated businesses ("**Maybank Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and fund management and credit transaction services businesses. The Maybank Group has engaged and may in the future, engage in transactions with and perform services for the YHB Group and/or any of the affiliates, in addition to the role set out in this Circular. In addition, in the ordinary course of business, any member of the Maybank Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of the YHB Group, the shareholders, and/or the affiliates and/or any other entity or person, hold long or short positions in securities issued by the Company and/or the affiliates, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of any member of the YHB Group and/or the affiliates.

This is a result of the businesses of the Maybank Group generally acting independently of each other and accordingly, there may be situations where parts of the Maybank Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of the YHB Group. Nonetheless, the Maybank Group is required to comply with the applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, amongst others, segregation between dealing and advisory activities and Chinese wall between different business divisions.

As at the LPD, the Maybank Group has, in its ordinary course of business, extended credit facilities amounting to approximately RM1,376.95 million to the Group, of which RM977.52 million is outstanding. Notwithstanding, Maybank IB is of the view that the aforesaid lending relationship will not give rise to a conflict of interest situation in its capacity as the Joint Principal Adviser to the Company for the Proposed YPOHL RCPS And Warrants Issue as:

- (i) the extension of credit facilities arose in the ordinary course of business of the Maybank Group;
- (ii) the conduct of the Maybank Group in its banking business is strictly regulated by the Financial Services Act 2013, Islamic Financial Services Act 2013 and the Maybank Group's own internal controls and checks; and
- (iii) the total outstanding amount owed by the YHB Group to the Maybank Group is not material when compared to the audited NA of the Maybank Group as at 31 December 2024 of RM97.21 billion.

Save for the above, Maybank IB confirms that it is not aware of any circumstance that exists or is likely to exist which would give rise to a possible conflict of interest situation in its capacity as the Joint Principal Adviser to the Company for the Proposed YPOHL RCPS And Warrants Issue.

FURTHER INFORMATION (Cont'd)

2.3 PwC

PwC has given and have not subsequently withdrawn its written consent to the inclusion in this Circular of its name, report on the Pro Forma Consolidated Statement of Financial Position of YHB as at the 31 January 2024 and all references thereto in the form and context in which they appear in this Circular.

PwC confirms that it is not aware of any possible conflict of interest which exists or is likely to exist in its capacity as the Reporting Accountants for the Proposed YPOHL RCPS And Warrants Issue.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**Material commitments**

Save as disclosed below, as at the LPD, the Board is not aware of any material commitments incurred or known to be incurred which may have a material impact on the financial position or the business of the YHB Group:

Capital commitments

Capital expenditure	RM'000
Approved and contracted for:	
- Property, plant and equipment	161,713
- Investments	9,292
	171,005

Contingent liabilities

As at the LPD, the Board is not aware of any contingent liabilities which, upon becoming due or enforceable, may have a material impact on the YHB Group's financial position.

4. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents or copies of them are available for inspection during normal business hours at the registered office of the Company at Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur W.P. Kuala Lumpur, from Mondays to Fridays (except public holidays) from the date of this Circular up to the date of the EGM:

- (i) the Subscription Agreement containing the terms of the RCPS and Warrants;
- (ii) the Shareholders Agreement;
- (iii) the undertaking letters in relation to the Undertakings;
- (iv) the constitutions of the Company, YPOHL, YPOIL, YPOPL and YPFSPL;
- (v) the Group's audited consolidated financial statements for the past 2 financial years up to the FYE 31 January 2023 and the FYE 31 January 2024 and the latest unaudited consolidated financial statements for the 9M-FPE 31 October 2024;

FURTHER INFORMATION *(Cont'd)*

- (vi) the audited financial statements of YPOPL for the past 2 financial years up to the FYE 31 January 2023 and the FYE 31 January 2024 and the latest unaudited consolidated financial statements for the 9M-FPE 31 October 2024;
- (vii) the Pro Forma Consolidated Statement of Financial Position of YHB as at 31 January 2024; and
- (viii) the letters of consent and declaration of conflict of interest referred to in **Section 2** of this **Appendix XI**.

(The rest of this page has been intentionally left blank)



YINSON HOLDINGS BERHAD
Registration No. 199301004410 (259147-A)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting ("**EGM**") of Yinson Holdings Berhad ("**YHB**" or the "**Company**") will be held at The Gardens Ballroom, Level 5, The Gardens Hotel & Residences, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia ("**Main Venue**") and virtually by way of electronic means via the Boardroom Smart Investor Portal ("**BSIP**") at <https://investor.boardroomlimited.com> ("**Online Platform**") on Thursday, 27 March 2025 at 10.30 a.m. or any adjournment thereof, for the purpose of considering and if thought fit, passing the following resolution, with or without modifications:

ORDINARY RESOLUTION

PROPOSED ISSUANCE BY YINSON PRODUCTION OFFSHORE HOLDINGS LTD ("YPOHL"), AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF YHB, OF 1,000,000 REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS") AT AN AGGREGATE SUBSCRIPTION AMOUNT OF USD1.00 BILLION, AND 1,000,000 WARRANTS ON THE BASIS OF ONE (1) WARRANT FOR EVERY ONE (1) RCPS ISSUED. ADDITIONALLY, SUBJECT TO THE AGREEMENT OF YPOHL AND THE INVESTORS, YPOHL MAY UPSIZE THE ISSUANCE OF RCPS TO USD1.50 BILLION THROUGH THE ISSUANCE OF ADDITIONAL USD0.50 BILLION RCPS WHICH HAVE NO ENTITLEMENT TO WARRANTS ("PROPOSED YPOHL RCPS AND WARRANTS ISSUE")

"THAT, subject to and conditional upon the approvals of all relevant authorities and/or parties being obtained and the conditions precedent in the conditional subscription agreement dated 14 January 2025 entered into between YPOHL and Platinum Lily B 2024 RSC Limited, IMCPE Arbutus INV Limited Partnership, EOS Investment Limited Partnership, Galant Asset Holding Ltd and Hampton Asset Holding Ltd (collectively, the "**Investors**") pertaining to the Proposed YPOHL RCPS And Warrants Issue ("**Subscription Agreement**") being fulfilled or waived (as the case may be), approval be and is hereby given for (a) the issuance by YPOHL of 1,000,000 new RCPS at an aggregate subscription amount of USD1.00 billion (equivalent to RM4.43 billion), including the subsequent issuance of perpetual bonds arising from the conversion of the RCPS (if any/applicable), which will be made available for subscription by the Investors and/or any other third party investor(s) pursuant to the terms of the Subscription Agreement, and (b) the issuance of 1,000,000 new warrants for an aggregate consideration of USD1.00 (equivalent to RM4.43) to each Investor and/or any other third party investor(s) in each tranche, and (c) subject to mutual agreement between YPOHL and the Investors and/or any other third party investor(s), up to a further 500,000 RCPS at an additional subscription amount of USD0.50 billion (equivalent to RM2.21 billion), in accordance with the terms and conditions contained in the Subscription Agreement.

AND THAT the Board of Directors ("**Board**") be and is hereby empowered and authorised to sign and execute all documents, do all acts, deeds and things (including all applications and submissions to the relevant regulatory authorities and bodies) and take all such decisions as they may in their absolute discretion deem fit, necessary, expedient and/or appropriate in the best interest of the Company and to take all such steps and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements as may be necessary or expedient in order to implement, finalise, give effect and complete the Proposed YPOHL RCPS And Warrants Issue under the terms and conditions of the Subscription Agreement with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities including to enter into any supplemental agreement(s), if any, in connection with the Proposed YPOHL RCPS And Warrants Issue, and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner or as the Board may deem necessary or expedient in the best interest of the Company."

BY ORDER OF THE BOARD
YINSON HOLDINGS BERHAD

TAN BEE HWEI (MAICSA 7021024) (SSM PC NO. 202008001497)
CHERYL RINAI KALIP (LS0008258) (SSM PC NO. 201908001176)
Company Secretaries

Kuala Lumpur
12 March 2025

Notes:

1. IMPORTANT NOTICE

The EGM of the Company will be held on a **hybrid basis** whereby the member(s), proxy(ies), corporate representative(s) or attorney(s) will have an option, either:

- (i) to attend physically at the Main Venue ("**Physical Attendance**"); or
- (ii) to attend virtually using the Remote Participation and Electronic Voting ("**RPV**") facilities which are available on the BSIP at <https://investor.boardroomlimited.com> ("**Virtual Attendance**").

All member(s), proxy(ies), corporate representative(s) or attorney(s) attending physically or virtually, must register as a user with BSIP first and pre-register their attendance via the BSIP at <https://investor.boardroomlimited.com> from Wednesday, 12 March 2025 until Tuesday, 25 March 2025. This is to verify their eligibility to attend the EGM based on the Record of Depositors as at 20 March 2025 and to confirm their mode of attendance, either Physical Attendance or Virtual Attendance, and enable the Company to make the necessary preparations for the EGM, particularly at the Main Venue.

Please follow the procedures provided in the Administrative Details for the EGM, which are available on the Company's website at www.yinson.com for Physical Attendance or Virtual Attendance, and read the notes (2) to (9) below to participate in the EGM.

- 2. A member entitled to participate and vote at the EGM is entitled to appoint not more than two (2) proxies to participate and vote in his/her stead. A proxy may, but need not, be a member of the Company.
- 3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
- 4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- 5. Where an authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- 6. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- 7. The appointment of proxy(ies) may be made in a hardcopy form or by electronic means as follows:
 - (i) in hardcopy form

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially or certified copy of that power or authority shall be deposited at the office of the Company's appointed Share Registrar for the EGM, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
 - (ii) via electronic means

The instrument appointing a proxy can be electronically submitted to the appointed Share Registrar for the EGM via BSIP at <https://investor.boardroomlimited.com> before the cut-off time as mentioned above (Kindly refer to the Administrative Details for the EGM which is available on the Company's website at www.yinson.com).
- 8. Pursuant to Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the ordinary resolution set out in this Notice will be put to vote on a poll.
- 9. Depositors who appear in the Record of Depositors as at 20 March 2025 shall be regarded as members of the Company who are entitled to participate and vote at the EGM or appoint proxies to participate and vote on his/her behalf.

**YINSON HOLDINGS BERHAD**

Registration No. 199301004410 (259147-A)
(Incorporated in Malaysia)

FORM OF PROXY

No. of Shares Held	
CDS Account No.	

Tel No. _____
(During Office hours)

*I/We _____ NRIC/Passport/Registration No. _____
(Name in Full)
having Tel./Mobile No. _____ of _____

(Full Address)

being member(s) of YINSON HOLDINGS BERHAD ("YHB" or the "Company"), hereby appoint:

Proxy 1			
Full Name (in Block and as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Full Address	Tel./Mobile No.		
	Email Address		

*and/or

Proxy 2			
Full Name (in Block and as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Full Address	Tel./Mobile No.		
	Email Address		

or failing him/her, the Chairman of the Meeting as *my/our proxy/proxies to attend and vote for *me/us and on *my/our behalf at the Extraordinary General Meeting ("EGM") of the Company to be held at **The Gardens Ballroom, Level 5, The Gardens Hotel & Residences, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia ("Main Venue")** and virtually by way of electronic means via the Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com> ("Online Platform") on **Thursday, 27 March 2025 at 10.30 a.m.** or any adjournment thereof, and to vote as indicated below:

No	Ordinary Resolution	For	Against
1.	Proposed YPOHL RCPS And Warrants Issue		

Please indicate with an "X" in the space provided on how you wish your votes to be cast. If no specific direction as to voting is given, your proxy will vote or abstain from voting at his discretion.

Dated this _____ day of _____ 2025

* Signature/Common Seal of Shareholder

* Delete if not applicable



Notes:

1. **IMPORTANT NOTICE**

The EGM of the Company will be held on a **hybrid basis** whereby the member(s), proxy(ies), corporate representative(s) or attorney(s) will have an option, either:

- (i) to attend physically at the Main Venue ("**Physical Attendance**"); or
- (ii) to attend virtually using the Remote Participation and Electronic Voting ("**RPV**") facilities which are available on the BSIP at <https://investor.boardroomlimited.com> ("**Virtual Attendance**").

All member(s), proxy(ies), corporate representative(s) or attorney(s) attending physically or virtually, must register as a user with BSIP first and pre-register their attendance via the BSIP at <https://investor.boardroomlimited.com> from Wednesday, 12 March 2025 until Tuesday, 25 March 2025. This is to verify their eligibility to attend the EGM based on the Record of Depositors as at 20 March 2025 and to confirm their mode of attendance, either Physical Attendance or Virtual Attendance, and enable the Company to make the necessary preparations for the EGM, particularly at the Main Venue.

Please follow the procedures provided in the Administrative Details for the EGM, which are available on the Company's website at www.yinson.com for Physical Attendance or Virtual Attendance, and read the notes (2) to (9) below to participate in the EGM.

- 2. A member entitled to participate and vote at the EGM is entitled to appoint not more than two (2) proxies to participate and vote in his/her stead. A proxy may, but need not, be a member of the Company.
- 3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
- 4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- 5. Where an authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- 6. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- 7. The appointment of proxy(ies) may be made in a hardcopy form or by electronic means as follows:
 - (i) in hardcopy form

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially or certified copy of that power or authority shall be deposited at the office of the Company's appointed Share Registrar for the EGM, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
 - (ii) via electronic means

The instrument appointing a proxy can be electronically submitted to the appointed Share Registrar for the EGM via BSIP at <https://investor.boardroomlimited.com> before the cut-off time as mentioned above (Kindly refer to the Administrative Details for the EGM which is available on the Company's website at www.yinson.com).
- 8. Pursuant to Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the ordinary resolution set out in this Notice will be put to vote on a poll.
- 9. Depositors who appear in the Record of Depositors as at 20 March 2025 shall be regarded as members of the Company who are entitled to participate and vote at the EGM or appoint proxies to participate and vote on his/her behalf.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrar
YINSON HOLDINGS BERHAD
Registration No. 199301004410 (259147-A)
c/o **Boardroom Share Registrars Sdn Bhd**
11th Floor, Menara Symphony
No. 5 Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan

1st fold here

