YINSON HOLDINGS BERHAD

ANNUAL REPORT 2016

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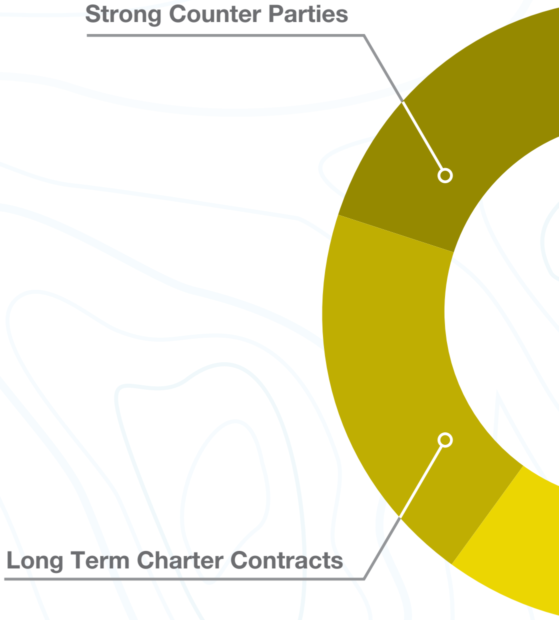
OUR VISION

To be a leading provider of Floating, Production, Storage and Offloading Service to the global oil and gas industry through developing unique partnerships with our clients and also cater to their logistics and supply requirements.

OUR MISSION

Through continuity in maintaining a modern fleet of FPSOs, FSOs, and OSVs, we shall develop and implement operational strategies which best serve our clients. Our customers will have our commitment that we shall continually seek new opportunities to serve and support their growth strategy together, as partners.

BUSINESS MODEL



CORPORATE INFORMATION

AUDITORS
Ernst & Young (Group & Subsidiaries)
PricewaterhouseCoopers (Subsidiaries)

COMPANY SECRETARY
Wong Wai Foong (F) (MAICSA 7001358)
Tan Hsiao Yuen (F) (MAICSA 7056952)

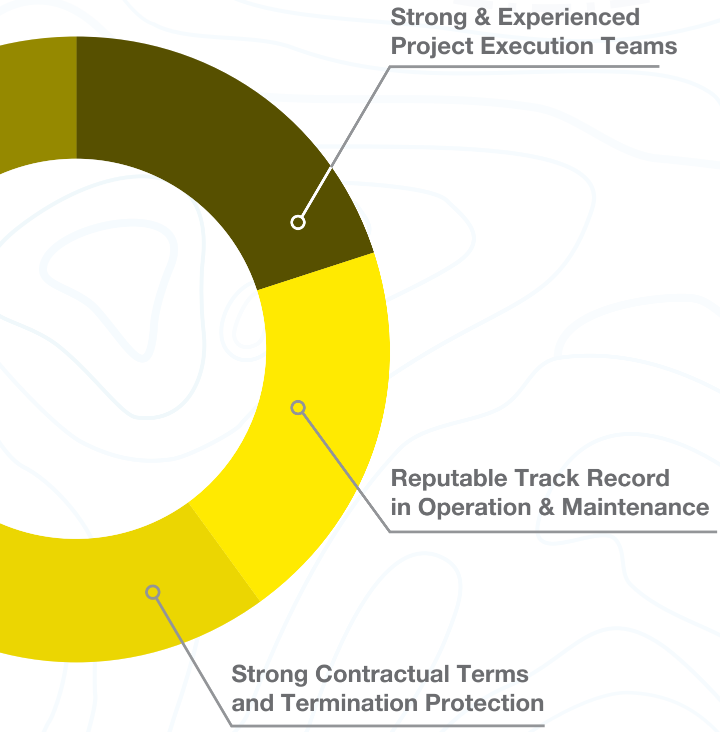
REGISTERED OFFICE
No. 25, Jalan Firma 2
Kawasan Perindustrian Tebrau IV
81100 Johor Bahru
Johor Darul Takzim
Tel : 07-355 2244
Fax : 07-355 2277

CORPORATE OFFICE
Suite 12.01, Level 12, Menara IGB
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel : 03-2282 8844
Fax : 07-2282 7389
E-mail : info@yinson.com.my
Website : www.yinson.com.my

REGISTRAR
Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2084 9000
Fax : 03-2094 9940

PRINCIPAL BANKERS AND FINANCIERS
AmBank (M) Berhad
Asian Finance Bank Berhad
Australia and New Zealand Banking Group Limited
Bangkok Bank Berhad
Bank Muamalat Malaysia Berhad
Bank of China (Malaysia) Berhad
CIMB Bank
Export - Import Bank of Malaysia Berhad
Hong Leong Bank Berhad
HSBC Bank
Intesa Sanpaolo S.p.A
Maybank
Oversea-Chinese Banking Corporation
Public Bank Berhad
Standard Chartered Bank
The Bank of East Asia, Limited
United Overseas Bank

OUR PRESENCE



BECOMING A LEADING PROVIDER
IN THE O&G INDUSTRY

THE FPSO JOURNEY

LOGICTICS SERVICES — ORIGIN

In 1984, Yinson started as a humble transport agency in Johor Bahru, with business ventures in logistics services and commodity trading. By 2007, Yinson was a leading transport company in Malaysia with 365 trucks in operation and thereafter, Yinson supplied a total of 565 trucks in its transportation services to its domestic customers.

In 2010, Yinson ventured into the marine transport business, by acquiring 5 tugboats to complement its transport and logistic services. In addition, the Group also commenced its port cargo handling services in Vietnam.

OIL & GAS SERVICES — TRANSFORMATION

In 2011, Yinson entered into a consortium agreement with PetroVietnam Technical Services Corporations (PTSC), and the joint venture was subsequently awarded a contract for the provision of a floating storage and offloading vessel ("FSO") i.e. FSO PTSC Bien Dong. In 2012 and via a partnership with PTSC again, Yinson was awarded a contract for the provision of a floating production storage and offloading vessel ("FPSO") i.e. FPSO PTSC Lam Son.

The breakthrough came in early 2014 when Yinson acquired Fred. Olsen Production ASA, an established company in the FPSO industry and listed in the Norwegian Stock Exchange (Oslo Bors). Post-acquisition, Yinson inherited not only 3 FPSOs and 1 mobile offshore production unit (MOPU) contract, but also a strong and experienced FPSO team to grow the business.

5 FPSO, 1 FSO, 1 MOPU, 1 PSV, 3 AHTS — PROGRESSION

Moving forward, the Group seeks to dispose all of its non-oil & gas business segments and streamline its business to be a full-fledged FPSO company.

Currently, Yinson is the 6th largest FPSO company in the global FPSO market, boasting a fleet of 5 FPSOs and 1 FSO whilst operating and managing a MOPU. Yinson has a wide geographical presence e.g. West Africa, Europe, South East Asia and the United States of America.

FPSO ALLAN - GABON

FPSO Name	: Allan
Charterer	: CNR
Field	: Olowi
Deadweight	: 145,242 tonnes
Storage Capacity	: 1.04 million barrels
Production Capacity	: Oil: 35,000 BOPD Liquid: 50,000 BLPD Gas Compression : 75 MMSCFD
Contract Commencement Date	: 1 May 2009
Remaining Contract Life As At May 2016	: Fixed: 3 years Optional extension: 10 years x 1 year Total: 13 Years
Ownership	: 100% Yinson
Uptime	: Above 99%

FPSO ADOON - NIGERIA

FPSO Name	: Adoon
Charterer	: Addax Petroleum
Field	: Block OML123
Deadweight	: 244,492 tonnes
Storage Capacity	: 1.7 million barrels
Production Capacity	: Oil: 60,000 BOPD Liquid: 140,000 BLPD Gas: 7 MMSCFD
Contract Commencement Date	: 17 October 2006
Remaining Contract Life As At May 2016	: Fixed: 2.5 years Optional extension: Up to 4 years Total: 6.5 years
Ownership	: 100% Yinson
Uptime	: Above 99%

FPSO PTSC LAM SON - VIETNAM

FPSO Name	: PTSC Lam Son
Charterer	: PTSC
Field	: Block 1-2/97
Storage Capacity	: 350,000 barrels
Production Capacity	: Oil: 18,000 BOPD Liquid: 28,000 BLPD Gas Compression: 47 MMSCFD
Contract Commencement Date	: 6 June 2014
Remaining Contract Life As At May 2016	: Fixed: 5.1 years Optional extension: 1 + 1 +1 years Total: 8.1 Years
Ownership	: 51%: PTSC; 49%: Yinson
Uptime	: Above 99%

FSO PTSC BIEN DONG 01- VIETNAM

FSO Name	: PTSC Bien Dong 01
Charterer	: PTSC
Field	: Block 05-2/05-3
Storage Capacity	: 350,000 barrels
Contract Commencement Date	: 7 August 2013
Remaining Contract Life As At May 2016	: Fixed: 7.3 years Optional extension: 5 + 2 + 2 + 1 years Total: 17.3 years
Ownership	: 51%: PTSC; 49%: Yinson
Uptime	: Above 99%

OUR FLEET

FPSO FOUR RAINBOW

FPSO Name	: Four Rainbow
Storage Capacity	: 600,000 barrels
Production Capacity	: Oil: 40,000 BOPD Liquid: 52,000 BLPD Gas Compression: 10 MMSCFD
Ownership	: 51% Yinson; 49% Premuda

Note: For redeployment opportunity

MOPU MARC LORENCEAU-NIGERIA

MOPU Name	: Marc Lorenceau
Client	: Addax Petroleum *management contract only
Production Capacity	: Oil: 58,000 BOPD Liquid: 70,000 BLPD Gas: 75 MMSCFD
Ownership	: 100% - Addax Petroleum
Uptime	: Above 99%

FPSO YINSON GENESIS - GHANA

FPSO Name	: Yinson Genesis (under conversion)
Charterer	: ENI
Field	: Offshore Cape Three Points (OCTP) Block Ghana
Storage Capacity	: 1.4 million barrels
Production Capacity	: Oil: 58,000 BOPD Liquid: 75,000 BLPD Gas Injection: 165 MMSCFD Gas Export: 210 MMSCFD
Contract Duration	: Fixed 15 years (2017 – 2032) Optional extension: 5 years
Ownership	: 100% Yinson

OUR GROWTH

2011
- JV with PTSC for FSO PTSC Bien Dong
- Contract size USD331.2m
- 3 for 2 Rights Issue

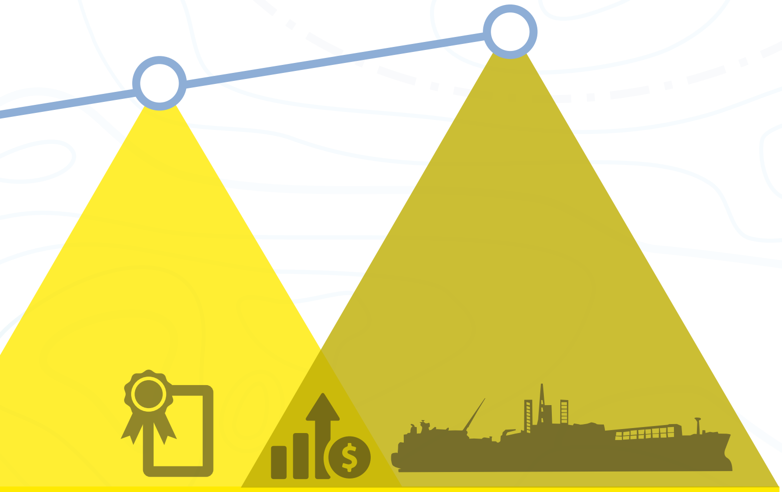
2012
- JV with PTSC for FPSO PTSC Lam Son
- Contract size USD737.3m

2013
- Commence acquisition of FOP ASA (currently known as Yinson Production AS)
- Primary placement to new strategic shareholders

2014
- Complete acquisition of FOP ASA (currently known as Yinson Production AS)
- 1 for 1 Rights Issue
- Expanded technical and operation team

STRONG ORDER BOOK

Client	Vessel/Year	2016 – 2028
	FPSO Adoon	Firm period until October 2018; Up to 4 year option
Canadian Natural	FPSO Allan	Firm period until April 2019; Up to 10 year option
	Marc Lorenceau	Automatically renewed on a monthly basis
PETROVIETNAM	PTSC Bien Dong 01	Firm period until August 2023
PETROVIETNAM	PTSC Lam Son	Firm period until June 2021; Up to 3 year option
eni	Yinson Genesis	Firm 15 year period until 2032



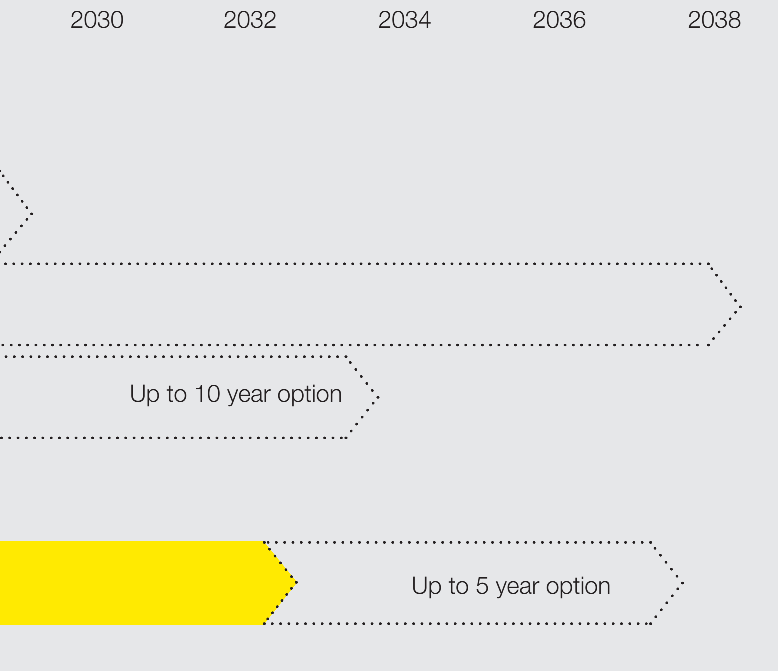
2015

- Awarded the ENI OCTP Ghana FPSO contract up to USD3.256bil
- Private Placement
- Issued USD100m hybrid perpetual bond to increase the equity base of the Group
- JV with Premuda for FPSO Four Rainbow
- 2nd extension of FPSO Adoon's Charter Contract for a further 3 years (17 Oct 2015 to 16 Oct 2018)

2016

- Ongoing divestment of non-oil and gas subsidiaries, transforming Yinson into a full-fledged oil & gas service provider

LONG-TERM CONTRACTS ARE THE BACKBONE OF OUR O&G BUSINESS



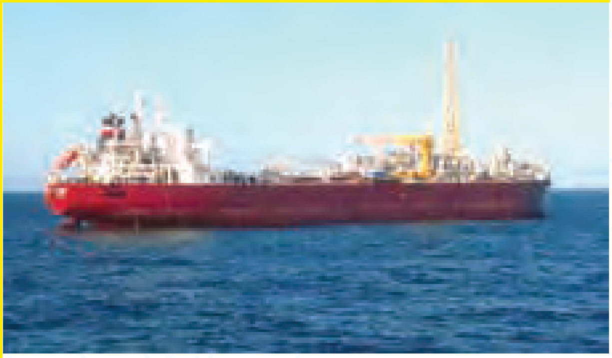
KEY EVENTS

2015

Awarded USD3.256 billion FPSO contract
by eni Ghana exploration and production ltd.

Private placement of 60 million shares – RM169.8 million

Joint venture with Four Vanguard Servicos E Navegacao Lda



Issued USD100 million hybrid perpetual bond

Announced divestment of non-oil and gas business

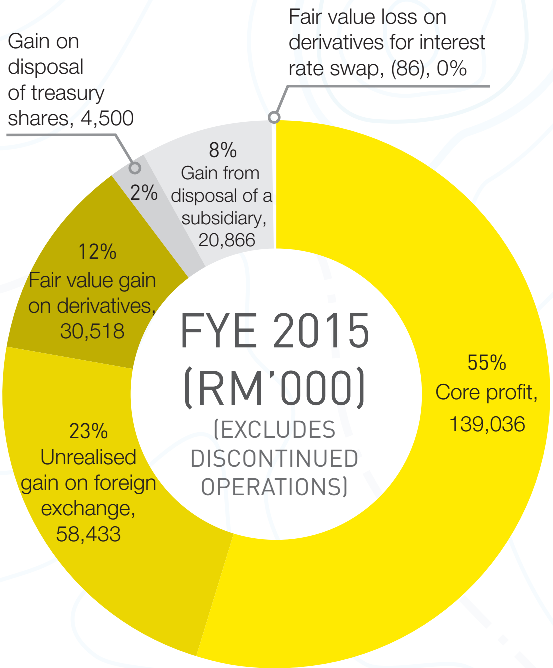
2016

Offshore Technology Conference Houston 2016

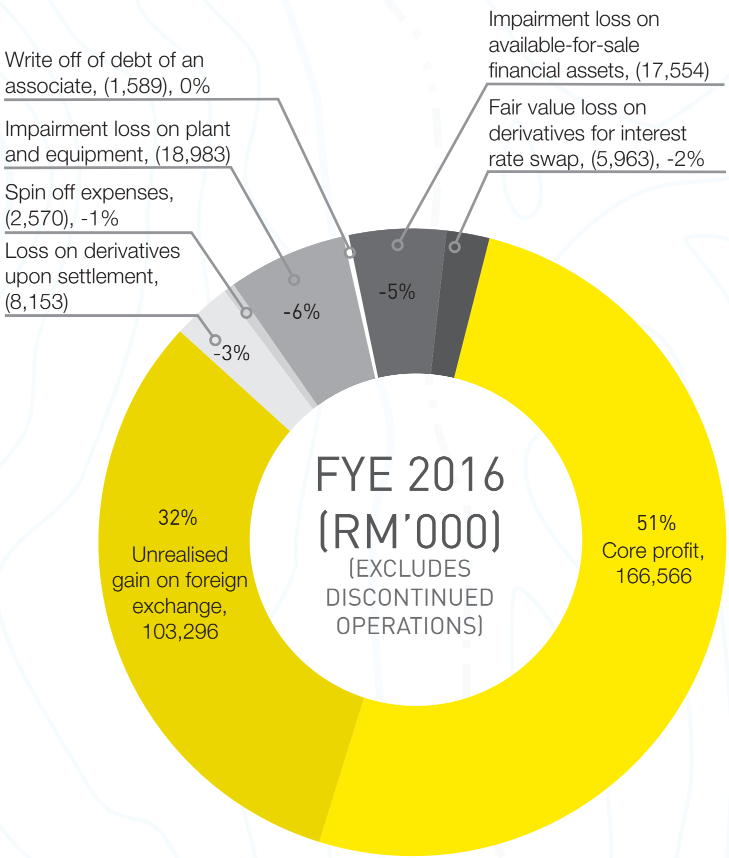
Financial year ended 31 January	2012 RM'000	2013 RM'000	2014 RM'000	2015 RM'000	2016 RM'000
Revenue+	715,824	865,221	941,861	395,440	424,398
Profit before tax*+	32,769	44,439	152,072	280,724	292,760
Profit after tax and minority interests*	26,569	33,884	139,751	247,677	224,663
Paid-up capital	75,347	200,355	258,200	516,399	546,399
Shareholders' equity#^*	157,702	281,232	608,449	1,450,510	1,814,074
Net assets#^*	157,378	283,788	614,368	1,459,509	2,253,384
Weighted number of ordinary shares in issue*	72,409	196,225	688,075	950,475	1,067,154
Total assets*	495,594	800,898	2,207,810	2,488,216	4,839,810
Total borrowings	251,942	448,541	1,290,133	823,177	1,654,151
Basic earnings per share (sen)*	36.7	17.3	20.3	26.1	21.1
Dividends per share (sen)	2.50	2.50	2.50	1.25	1.50
Net assets backing per share (RM)^*	2.09	1.42	2.38	1.41	2.06
Borrowings to equity (%)*+	160	158	210	56	73

^ - computed based on share capital as at financial years end
 # - amount restated for financial year ended 2012
*** - amount restated for financial year ended 2014**
+ - amount exclude discontinued operations for financial years ended 2015 and 2016

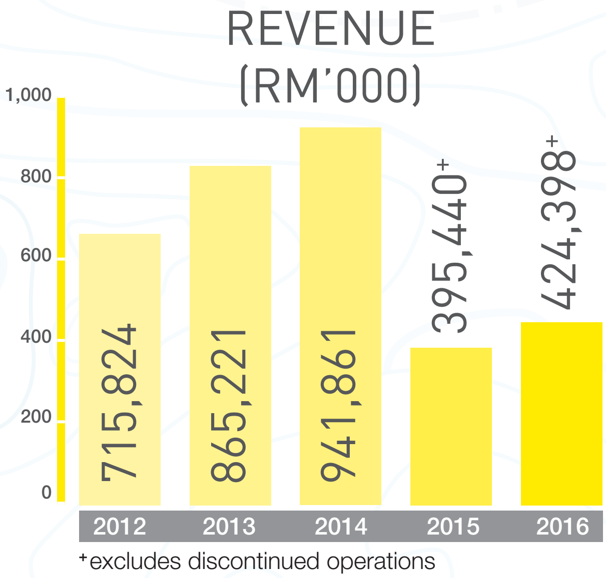
FYE2015 vs FYE2016 PROFIT AFTER TAX BEFORE MINORITY INTEREST

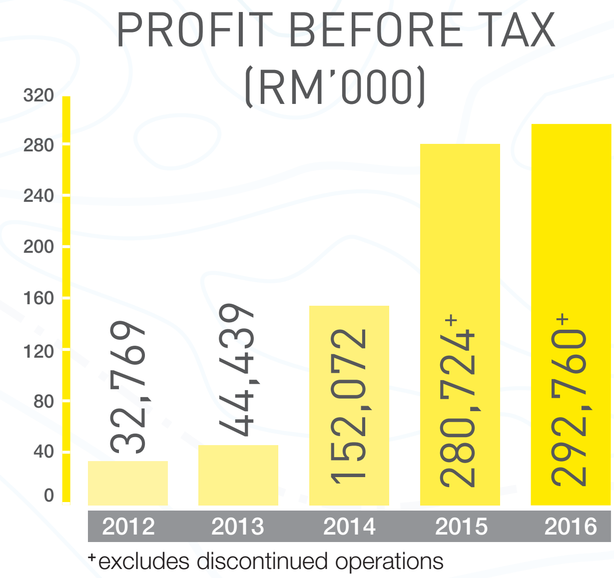


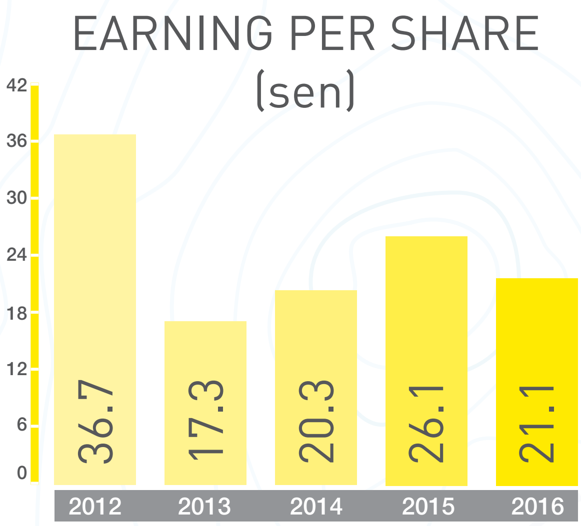
Reported PAT = RM253,267
Core PAT = RM139,036

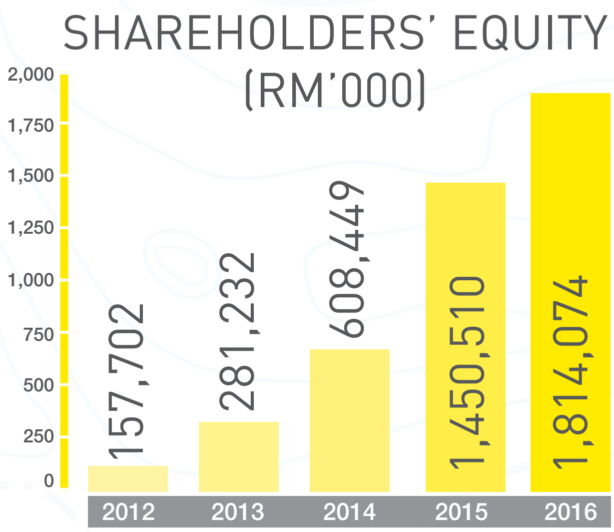


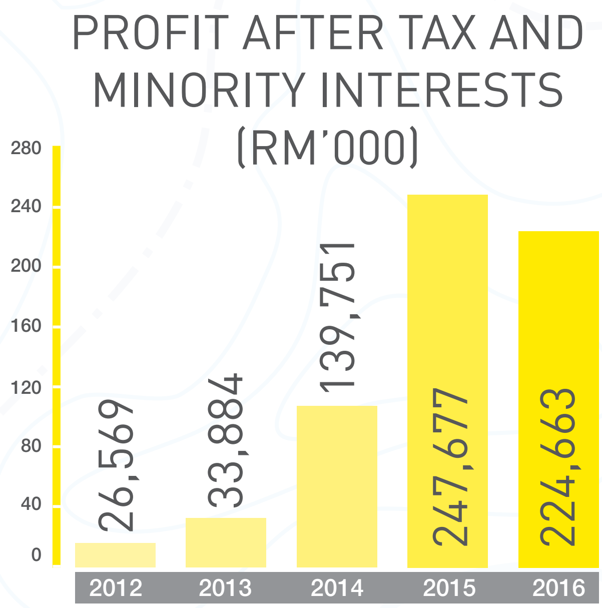
Reported PAT = RM215,050
Core PAT = RM166,566


REVENUE
(RM'000)
1,000
800
600
400
200
0
715,824
865,221
941,861
395,440+
424,398+
2012
2013
2014
2015
2016
+excludes discontinued operations


PROFIT BEFORE TAX
(RM'000)
320
280
240
200
160
120
80
40
0
32,769
44,439
152,072
280,724+
292,760+
2012
2013
2014
2015
2016
+excludes discontinued operations


EARNING PER SHARE
(sen)
42
36
30
24
18
12
6
0
36.7
17.3
20.3
26.1
21.1
2012
2013
2014
2015
2016


SHAREHOLDERS' EQUITY
(RM'000)
2,000
1,750
1,500
1,250
1,000
750
500
250
0
157,702
281,232
608,449
1,450,510
1,814,074
2012
2013
2014
2015
2016


PROFIT AFTER TAX AND
MINORITY INTERESTS
(RM'000)
280
240
200
160
120
80
40
0
26,569
33,884
139,751
247,677
224,663
2012
2013
2014
2015
2016

STEWARDSHIP

Mr Lim Han Weng
Group Executive Chairman

Mr Lim Han Weng, a Malaysian, aged 64, was appointed as the Managing Director of Yinson on 9 March 1993 and as the Chairman in 2009. He has been a director of Yinson Transport (M) Sdn Bhd since the date of incorporation on 5 April 1984 and was appointed as a director of Yinson Corporation Sdn Bhd on 1 March 1986. Armed with the experience gained while working with Lori Malaysia Bhd, a transport company, he embarked into the transport and trading business in 1984 under the partnership with his wife, Madam Bah Kim Lian. Mr Lim is the father of Mr Lim Chern Yuan, brother of Mr Lim Han Joeh and brother-in-law of Mr Bah Koon Chye.

Mr Lim is the main catalyst and driving force in the formulation and implementation of the overall corporate and business strategy of Yinson Group. He provides the strategic, business and financial guidance to the Board and to the overall Senior Management of Yinson Group and together with the Group Chief Executive Officer, hold key strategic roles in formulating the strategic planning of the organisation. On 3 January 2014, he was designated as Group Executive Chairman of Yinson Group.

Mr Lim Chern Yuan
Executive Director and
Group Chief Executive Officer

Mr Lim Chern Yuan, a Malaysian, aged 32, is the son of Mr Lim Han Weng and Madam Bah and was appointed as the Director of Yinson on 28 September 2009. He graduated with a Bachelor of Commerce from University of Melbourne, Australia in 2005. He started his career in Yinson as a Business Development Executive in 2005. In 2007, Mr Lim Chern Yuan was promoted to Senior General Manager, before attaining the current role as Yinson's Group Chief Executive Officer in 2014. Under his visionary leadership, Yinson has transformed into the 6th largest independent FPSO operator worldwide, with global footprints in South East Asia, Europe, and West Africa. He oversees the overall performance of Yinson together with the Group Executive Chairman and holds a key strategic role in formulating the strategic planning of the organisation. He is primarily responsible for the overall conception, communication, accomplishment and sustainability of Yinson's short to long term strategic initiatives.

Mr Lim Han Joeh
Executive Director

Mr Lim Han Joeh, a Malaysian, aged 57, was appointed as the Director of Yinson on 30 January 1996. He is a graduate with a Bachelor Degree in Civil Engineering from Monash University in Melbourne, Australia. Upon graduation in 1984, he took up the position of Operations Manager in Yinson Transport (M) Sdn Bhd before he assumed the position of Executive Director of Yinson Corporation Sdn Bhd ("YCSB") in 1986. He is primarily responsible for the overall management of the YCSB and is the brother of Mr Lim Han Weng.

Mdm Bah Kim Lian
Executive Director

Madam Bah Kim Lian, a Malaysian, aged 64, is the wife of Mr Lim Han Weng. She was appointed to the Board of Yinson on 9 March 1993. She assists Mr Lim Han Weng in the general administration of the Group's operations. Madam Bah is also responsible for the customer services of the Group, constantly maintaining close relationships with Yinson's customers. She is the mother of Mr Lim Chern Yuan and sister of Mr Bah Koon Chye.

Mr Bah Koon Chye
Executive Director

Mr Bah Koon Chye, a Malaysian, aged 52, was appointed to the Board of Yinson on 30 January 1996. He obtained his Diploma in Management (MIM) in 1997, and is also a member of the Chartered Institute of Logistics & Transport (MCILT). Subsequently, he obtained his Master in Business Administration (MBA) from the University of Strathclyde, United Kingdom in 2000 and Advance Diploma in Transport from the Chartered Institute of Transport, United Kingdom in 2001. He joined Yinson Transport (M) Sdn Bhd ("YTSB") in 1989 as the Operation Manager. He is in charge of the entire operations of Yinson covering mainly the planning of fleet maintenance, sales, marketing and customer service. Additionally, he also handles the drivers as well as assignment of Lorries and destinations. He was appointed as the Director of YTSB on 28 November 1991 and is the brother-in-law of Mr Lim Han Weng and brother of Madam Bah Kim Lian.

Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty
Independent Non-Executive Director

Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty, a Malaysian, aged 52, was appointed to the Board of Yinson on 30 January 1996. He is the Chairman of both the Audit Committee and Nomination and Remuneration Committee. He graduated with B. Eng (Hons) Civil Engineering from Brighton Polytechnic, United Kingdom and M.Sc Information Technology in Business from University of Lincolnshire & Humberside, United Kindom. He is a Professional Engineer registered with Board of Engineers Malaysia (B.E.M) and a Member of Institute Engineer Malaysia (M.I.E.M). Currently he is the Managing Director of SPC Engineering Sdn Bhd, a class A PKK and CIDB G7 company. Since 1987, he has been actively involved in the Construction Industry through various government agencies and consulting firm.

Mr Kam Chai Hong
Independent Non-Executive Director

Mr Kam Chai Hong, a Malaysian, aged 67, was appointed as the Director of Yinson on 30 January 1996. He is the member of both the Audit Committee and Nomination and Remuneration Committee. He is a fellow of the Chartered Association of Certified Accountants. In 1980, he was admitted as a Chartered Accountant by the Malaysian Institute of Accountants (MIA) and in 1985 admitted as a member of the Malaysian Institute of Certified Public Accountants. He is also currently a fellow of CPA Australia. In 1972, Mr Kam worked as an audit assistant with M/s Yeah Eng Chong & Co. He later joined M/s Hanafiah Raslan & Mohd in 1973 and left the firm in 1980 as a qualified accountant. Since 1981, Mr Kam has been practising as a Chartered Accountant under the name of Syarikat C.H. Kam. He has complied with the Continuing Professional Development (CPD) requirements of MIA.

Tuan Haji Hassan bin Ibrahim
Independent Non-Executive Director

Tuan Haji Hassan bin Ibrahim, a Malaysian, aged 66, was appointed as the Director of Yinson on 25 June 2001. He is the member of both the Audit Committee and Nomination and Remuneration Committee. He graduated with a Bachelor of Arts Degree, majoring in History (International Relations) from the University of Malaya in 1973. He later read law at Lincoln's Inn, London, United Kingdom and was subsequently called to the English Bar in 1977. He served in various positions in the Judicial and Legal Service and was called to the Malaysian Bar in 1981. Presently, he has his own legal practice under the name of Hassan Ibrahim & Co. He is currently the director of several private limited companies.

KEY MANAGEMENT

Mr Lim Chern Yuan
Executive Director and
Group Chief Executive Officer

Mr Lim Chern Yuan, a Malaysian, aged 32, is the son of Mr Lim Han Weng and Madam Bah and was appointed as the Director of Yinson on 28 September 2009. He graduated with a Bachelor of Commerce from University of Melbourne, Australia in 2005. He started his career in Yinson as a Business Development Executive in 2005. In 2007, Mr Lim Chern Yuan was promoted to Senior General Manager, before attaining the current role as Yinson's Group Chief Executive Officer in 2014. Under his visionary leadership, Yinson has transformed into the 6th largest independent FPSO operator worldwide, with global footprints in South East Asia, Europe, and West Africa. He oversees the overall performance of Yinson together with the Group Executive Chairman and holds a key strategic role in formulating the strategic planning of the organisation. He is primarily responsible for the overall conception, communication, accomplishment and sustainability of Yinson's short to long term strategic initiatives.

Mr Daniel Bong Ming Enn
Group Chief Strategy Officer,
Head of Board and Corporate
Advisory Office

Mr Daniel Bong Ming Enn, a Malaysian, aged 35, is a Chartered Accountant with the Malaysian Institute of Accountants (MIA) and the Institute of Singapore Chartered Accountants (ISCA). He is also a fellow member of the Association of Chartered Certified Accountants (FCCA). He obtained his Master of Science in Accounting and Financial Management in 2011. He started his career in international audit and advisory firms, covering engagements with a wide spectrum of industries. Thereafter he moved on to a local real estate investment fund, covering corporate finance and corporate planning. In 2011, he joined Yinson Group as General Manager in Corporate Finance and Strategy Development, and thereafter promoted to Group Chief Strategy Officer in 2014. His current responsibilities include overseeing the corporate finance, corporate legal, corporate secretary, treasury, taxation advisory, investor relations, strategic planning and development of Yinson Group. He has been instrumental to the growth of Yinson, transforming from the former logistic and trading company to the current offshore production and marine industries based company. He works closely with the Group Executive Chairman and Group Chief Executive Officer in creating, communicating, executing and sustaining short to long term strategic initiatives within the organisation.

Mr Eirik Barclay
Chief Executive Officer
Offshore Production

Mr Eirik Barclay, a Norwegian, aged 44, was appointed Chief Executive Officer (CEO) of Yinson Offshore Production Division in January 2014 following the acquisition of Fred. Olsen Production ASA, where Eirik had been the CEO since January 2012, by Yinson Group. Eirik has worked in the offshore oil industry since 1999, having previously held the positions of CEO of Songa Floating Production and VP, Business Development of BW Offshore.

Eirik started his career with Schlumberger Oilfield Services working as a Field Engineer before moving on to work for Aker Kvaerner Process Systems. Eirik holds a Master of Engineering degree from the Norwegian University of Science and Technology (NTNU) in Trondheim, Norway and a Master in Energy Management from ESCP/IFP in Paris and BI in Oslo.

Mr Flemming Grønnegaard
Chief Operating Officer
Offshore Production

Mr Flemming Grønnegaard, a Danish, aged 46, was appointed Chief Operations Officer of Yinson Offshore Production Division in April 2015. Flemming has worked in the offshore oil/shipping industry since 2001, having previously held the positions of Vice President, Operations at Teekay Petrojarl, and Group Technical Director at Svitzer (A.P.Moller Maersk). Flemming started his career with Maersk Ship Design working as a Project Engineer before moving on to work for APM Terminals as Director of Crane & Engineering Services.

Flemming holds a Master of Engineering degree from the Danish Technical University in Lyngby, Denmark.

Mr Andy Choy
Head of Legal
Offshore Production

Mr Andy Choy, a Singaporean, aged 52, is a member of the Honourable Society of Gray's Inn, London and was admitted as a Barrister-at-Law of England and Wales in 1989. He is also an Advocate & Solicitor of the Supreme Court of Singapore. He is a certified QMS (ISO 9001:2008), ISM (International Safety Management) and ISPS (International Ship and Port Facility Security) internal auditor. Andy is experienced in legal practice across the upstream Oil and Gas industry, with a firm grounding in commercial and corporate work generally. He is the author of The Singapore Corporate Director's Manual. Appointed as Head of Legal of Yinson Offshore Production Division since 2013, Andy is primarily responsible for providing advice and support to Yinson on all legal issues and documentation, and generally leading on any matters which require legal input or consideration.

Mr Tan Fang Fing
Group Chief Financial Officer

Mr Tan Fang Fing, a Malaysian, aged 59, is a Chartered Accountant with the Malaysian Institute of Accountants (MIA) and a fellow member of the Chartered Association of Certified Accountants (FCCA). He started his career as an audit assistant with Cooper & Lybrand from 1983 and left the firm in 1988 as a qualified accountant. He later joined Touche Ross & Tohmatsu in Singapore as an audit senior for a year. In 1990, he joined the subsidiary of a public listed company as an accountant and worked for one and a half year. Prior to joining Yinson in 1994, he obtained his Master in Business Administration in 1993 from the University of Dayton, the United States of America. He was the Group Accountant of Yinson from 1994 and is the Group Chief Financial Officer from 2014.

Dato' Mohamed Sabri bin Mohamed Zain
Chief Executive Officer
Yinson Energy

Dato' Mohamed Sabri bin Mohamed Zain, a Malaysian, aged 60, graduated with a Bachelor of Science in Petroleum Engineering from the University of Wyoming, USA. He has had long service with Petronas since 1978. He was Senior General Manager for International Operations before being transferred as President of White Nile Petroleum Operating Company in Sudan (WNPOC) in 2008. He joined MISC Berhad as Vice President of Offshore Business Unit in 2010 and GOM Resources Sdn. Bhd. as President in 2013. He joined Yinson in 2014 as Chief Executive Officer of Yinson Energy Sdn Bhd.

Mr Lim Chern Wooi
Chief Executive Officer
Marine

Mr Lim Chern Wooi, a Malaysian, aged 30, graduated with a Bachelor of Applied Science from RMIT University, Melborne, Australia in 2007. In 2008, he obtained his Master of Business Administration from RMIT University, Melborne, Australia. He started his career in Yinson as Business Development Executive in June 2008. He was then promoted to Chief Executive Officer for Yinson Marine Division. He holds several directorships in subsidiaries of the Marine Division.

He is a certified Quality Management System (ISO 9001:2008), Environmental Management System (ISO 14001:2004), Occupational Health and Safety Management System (OHSAS 18001: 2007), ISM (International Safety Management) and ISPS (International Ship and Port Facility Security) internal auditor.

Dear Shareholders,

Amid the lacklustre outlook on the Malaysian economy and oil and gas market throughout 2015, Yinson Holdings Berhad ("Yinson" or the "Group") remains resilient in such uncertain economic environment supported by many factors, mainly from Yinson's valuable shareholders and clients. With such unwavering support from our shareholders and clients, Yinson will be able to weather the storm for the next financial year as 2016 is forecasted to be another challenging year for the global economy.

RESILIENCE IN CHALLENGING TIMES

Throughout 2015, the Malaysian economy was suppressed by various global macro-economic factors, including the collapse of oil prices since mid-2014 and consequently caused a slowdown of the world economy, including the local economic scene with the depreciation of the Malaysian Ringgit. The year 2015 continued to beat down on the oil and gas scene, with the spotlight on production glut contributed, amongst other, by American shale production, Iranian production post-sanction lifting and vague counter measures by OPEC members to address the said issue. Further, the Federal Reserve's interest rate normalisation in favour of a tighter monetary policy is in the backdrop of world economies which is the opposite of Japan and Eurozone's preference for easy monetary policy. This divergence of monetary policy among major economies has influenced world capital flows in favour of the US. At the same time, the performance of emerging markets, particularly China, are weak and this has exacerbated the declining global economy in 2015.

Despite the challenges, Yinson continued to perform and sustain itself as one of the leading FPSO companies in the industry. The award of Yinson's largest FPSO contract to date by eni Ghana exploration & production ltd. ("Eni") in 2015 was a testament to Yinson's capability as a trusted global FPSO player. The FPSO contract secured is on long-term basis (i.e. a firm charter period of fifteen (15) years with five (5) yearly extensions) and the vessel will be working at Offshore Cape Three Point (OCTP), Ghana. With an aggregate contract value of approximately up to USD3.256 billion, the FPSO is expected to achieve its first oil by mid-2017.

FPSO Adoon, which is currently working on the Antan Field, Block OML 123 in Nigeria, was granted its second extension period for a further three (3) years by ADDAX Petroleum Development (Nigeria) Limited with a contract value at approximately USD129 million.

The morale of the team is further boosted by the fact that all of our chartered FPSOs are operating on a consistent uptime of above 99% and therefore, Yinson is committed to maintain the excellent track record for many years to come.

On the local capital markets scene, Yinson completed the issuance of USD100 million unrated perpetual senior hybrid bonds under a Reg S format on 25 September 2015. This is Yinson's inaugural capital markets offering and the success of this corporate exercise, especially in tough market conditions, is the capital markets attestation of Yinson's robust credit and market position as a strong and resilient global FPSO player. This bond is the first foreign currency denominated unrated perpetual bond issued by a Malaysian corporate.

FINANCIAL PERFORMANCE

During the financial year under review, transport segment, trading segment and other non-oil & gas business segments (i.e. provision of warehouses) have been segregated and separately presented under contribution from discontinued operations pursuant to the Group's announced transformation initiatives into a full-fledged oil and gas production and related support services provider during the financial year.

For our financial year ended 31 January 2016, Yinson's continued oil and gas operations delivered a revenue of RM424.4 million or 7.3% growth from the previous financial year reported revenue of RM 395.4 million. Whereas, profit before tax and profit after tax recorded at RM292.8 million and RM215.1 million respectively.

The Group's reported profit after tax would be RM215.8 million after taking into account of the net profit contributed from the discontinued operations of RM0.8 million.

STREAMLINING OUR BUSINESS

Yinson had on 28 September 2015 entered into a conditional share sale agreement ("SSA") to divest its entire equity interest of its non-oil and gas subsidiaries ("Disposal Companies") to Liannex Labuan Limited ("Liannex Labuan") for a total cash consideration of RM168.0 million and Liannex Labuan shall settle all inter-company loans owing to Yinson by the Disposal Companies as at the completion date of the SSA ("the Divestment"). The Divestment exercise, once completed, will transform Yinson into a pure FPSO company and this is in line with the Board and management's vision to streamline Yinson Group's business to focus in the oil and gas industry as envisaged when we acquired Yinson Production AS (formerly Fred. Olsen Production ASA) in 2013.

In addition to the Divestment, the Yinson's efforts to streamline and develop the oil and gas business was further confirmed when we entered into a joint venture via our subsidiary, Yinson Heather Ltd and Four Vanguard Servicos E Navegacao Lda ("FVSN"), an indirect wholly-owned subsidiary of Premuda S.p.a. with the objective of acquiring FPSO Four Rainbow, a FPSO owned by FVSN on 6 October 2015. FPSO Four Rainbow will be used for redeployment opportunities in bids for FPSO contracts.

With our resources centered in the oil and gas business via our streamlining exercise, we strive to serve our clients and stakeholders' better and to help them expand further in their respective business, together with Yinson as partners.

ENHANCING CORPORATE GOVERNANCE

The Board recognises that good corporate governance and practices are important foundations in building an organisation with integrity and responsibility as its core values. Therefore, Yinson is constantly working to enhance our corporate governance framework and to implement them in Yinson Group's business strategies and also in our day-to-day operations. The Board also acknowledges that there are unquestionably, more room for improvement in this respect and Yinson endeavours to upgrade the Group's corporate governance level at all times to meet the highest standards.

Yinson is also committed to build and empower the community, notably in areas where we have our business presence. Yinson is proud to have a team of employees who have dedicated a significant amount of time and resources in contributing to the Ghanaian community throughout 2015. Moving forward, we intend to expand our Corporate Social Responsibility ("CSR") activities more extensively and it is our desire to give back to the Malaysian community, where it all started.

Other than CSR activities, Yinson is also committed to ensure that the Group adheres to our Health, Safety and Environmental ("HSE") Quality standards in accordance with current international industry practices. We believe a safe workplace is for the welfare of the employees and indirectly influences the efficiency of the Group overall. In the oil and gas industry, we also acknowledge that it is Yinson's responsibility to ensure the environment in which we operate in is preserved at all times and to have continuous commitment in adhering to the best HSE practices.

THE TOUGH GETS GOING

We are expecting 2017 to be another challenging year in the oil and gas sector. Accordingly, the Group will continue to execute plans in rationalising and streamlining our core business to focus on our FPSO projects during this period. I am confident that our robust business model will continue to be our foundation to see us through tough market conditions.

Nevertheless, we will continue to engage with our clients to ensure a strong working relationship by understanding comprehensively of their needs in the business. As we go forth, we will continuously seek for new opportunities to ensure the sustainability of the Group. For Yinson, whilst we seek to negotiate and secure the best contracts, we also balance the interests of both Yinson and our clients as we strive for a win-win environment, namely when going gets tough for all parties in the oil and gas industry. Supported by our team of excellent management, technical experts and proven track record, I trust that Yinson is well positioned in the market to capitalise on demands for new FPSO projects worldwide on the long run.

APPRECIATING OUR SUPPORTERS

On behalf of the Board, I would like to express our sincere gratitude to the management and employees who through their hard work and dedication have contributed to the Group's growth throughout the year. Your continued persistence and commitment are always highly valued by the Board.

To our valued clients, associates, financiers, vendors and advisers, I would like to thank you for your continued support and trust in us. Finally, to our shareholders, your long-standing support and trust in Yinson is highly appreciated. We will continue to commit ourselves and strive to work hard towards sustainable growth and enhancing shareholders value.

GOVERNANCE

The Board of Yinson Holdings Berhad ("Yinson" or the "Company") recognises the importance of adopting high standards of corporate governance in the Company in order to safeguard stakeholders' interests as well as enhancing shareholders' value. As such, the Board strives to embed in the Group a culture that aims to balance conformance requirements with the need to deliver long-term strategic success through performance, without compromising on personal or corporate ethics and integrity.

This Statement on Corporate Governance ("Statement") sets out how the Company has applied the 8 Principles of the Malaysian Code on Corporate Governance 2012 ("MCCG 2012") and observed the 26 Recommendations supporting the Principles during the financial year following the release of the MCCG 2012 by the Securities Commission in late March 2012. Where a specific Recommendation of the MCCG 2012 has not been observed during the financial year under review, the non-observation, including the reasons thereof and, where appropriate, the alternative practice, if any, is mentioned in this Statement.

Principle 1 - Establish clear Roles and Responsibilities of the Board and Management

The Board recognises the key role it plays in charting the strategic direction of the Company and has assumed the following principal responsibilities in discharging its fiduciary and leadership functions:
- reviewing and adopting a strategic plan for the company, addressing the sustainability of the group's business;
- overseeing the conduct of the group's business and evaluating whether or not its businesses are being properly managed;
- identifying principal business risks faced by the group and ensuring the implementation of appropriate internal controls and mitigating measures to address such risks;
- ensuring that all candidates appointed to senior management positions are of sufficient calibre, including having in place a process to provide for the orderly succession of senior management personnel and members of the board;
- overseeing the development and implementation of a shareholder communications policy; and
- reviewing the adequacy and integrity of the group's internal control and management information systems.

The Board delegates specific responsibilities and functions to various committees namely, Audit Committee and Nomination and Remuneration Committee (collectively referred to as "Board Committees"). The function, roles and responsibilities of the Board Committees as well as, the authorities delegated by the Board are clearly defined in the respective terms of reference/ charter, which are reviewed and/or updated as and when necessary.

The Board receives regular status reports, updates and briefing pertaining to activities and recommendations from the Board Committees. The ultimate responsibility for decision making, however, lies with the Board.

The Board through the Risk Management Committee identify potential critical risks that could potentially impact the ability of Yinson Group to realise its objectives and evaluates the controls in place on an ongoing basis, to ensure the key risks of the Group are properly managed and mitigated.

The Board together with the Audit Committee, play a critical role in overseeing the enterprise-wide approach to risk management to protect the Group's assets. Through the risk oversight process, the Board understands the portfolio of inherent risks of Yinson Group, considered the risks against the risk appetite of the Management and monitored the execution of the risk action plan by the Management to manage the risks. The Board is alerted on a timely basis of any new risks that could lead to excessive risk taking.

Succession planning is in place to ensure orderly management transition for upward or lateral movement and strategic continuity for every critical position in the Group. Training and development programs have been planned and are being implemented towards developing potential successors for the identified senior management positions. The compensation and benefit policies of the Group are aimed to attract and retain high quality employees as potential successors.

(i) Board Charter

To enhance accountability, the Board has established clear functions reserved for the Board and those delegated to Management. There is a formal schedule of matters reserved to the Board for its deliberation and decision to ensure the direction and control of the Company are in its hands. Key matters reserved for the Board include, inter-alia, the approval of annual budgets, quarterly and annual financial statements for announcement, major investments, borrowings and expenditure as well as monitoring of the Group's financial and operating performance. Such delineation of roles is clearly set out in the Board Charter ("Charter"), which serves as a reference point for Board activities. The Charter provides guidance for Directors and Management regarding the responsibilities of the Board, its Committees and Management, the requirements of Directors in carrying out their stewardship role and in discharging their duties towards the Company as well as boardroom activities. The Board had uploaded the Charter on the Company's website at www.yinson.com.my in line with Recommendation 1.7 of the MCCG 2012.

(ii) Code of Ethics and Whistle Blowing Policy

The Directors' Code of Ethics, setting out the standards of conduct expected from Directors to advocate good corporate behaviour. To inculcate good ethical conduct, the Group has established a Code of Conduct for employees, encapsulated in Yinson's Employees Manual, which has been communicated to all levels of employees in the Group. The Board recognises the importance of adhering to the Code of Ethics and has taken measures to put in place a process to ensure its compliance.

The Board is committed to transparency, integrity and accountability in the conduct of its business and affairs. It expects wrongdoings such as fraud, corruption, serious financial impropriety and gross mismanagement to be reported and actions to be taken where appropriate. The Board will address the disclosure in an appropriate, timely manner and given fair treatment to both whistleblower and the alleged wrongdoer. The whistleblower's identity is protected unless otherwise required by law or for the purpose of proceedings. The whistleblower will be protected from reprisal as a direct consequence of making a disclosure and to safeguard such person's confidentiality.

(iii) Sustainability of Business

The Board is mindful of the importance of business sustainability and, in conducting the Group's business, the impact of the Group's business on the environmental, social and governance ("ESG") aspects is taken into consideration. Whilst the Group embraces sustainability in its operations and supply chain, the Board is the midst to formalise a Sustainability Policy, addressing the ESG aspects to be incorporated in the Group's strategy.

The Group continuously undertakes various social and environmental programs to enrich the lives of its communities. The Group's activities on corporate social responsibilities for the financial year under review are disclosed on page 37 to 39 of this Annual Report.

(iv) Access to Information and Advice

Directors are supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters for decisions to be made on an informed basis and effective discharge of the Board's responsibilities.

Adequate Board and Board Committee papers are disseminated to all Directors at least seven (7) days prior to the Board and Board Committee meetings to enable them to obtain further explanation, where necessary and to facilitate decision making by the Board and to deal with matters arising from such meetings. Senior Management of the Group and external advisers are invited to attend Board meetings to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda. Besides direct access to Management, Directors may obtain independent professional advice at the Company's expense, if considered necessary, in accordance with established procedures set out in the Charter in furtherance of their duties.

(v) Company Secretary

The Board is assisted by qualified and competent Company Secretary whose appointment or removal is determined by the Board. The Board is regularly updated and advised by the Company Secretary on statutory and regulatory requirements, and the resultant implications of any changes therein to the Company and Directors in relation to their duties and responsibilities.

The key roles of Company Secretary include issuing notice and agenda of meeting together with relevant papers, to the Board and Board Committees ahead of each meeting and also ensure that deliberations and discussion at meetings are accurately minuted and kept in the minutes books.

Principle 2 - Strengthen Composition of the Board

During the financial year under review, the Board consisted of eight (8) members, comprising five (5) Executive Directors and three (3) Independent Non-Executive Directors. This composition fulfils the requirements as set out under the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), which stipulate that at least two (2) Directors or one-third of the Board, whichever is higher, must be Independent. The profile of each Director is set out on pages 11 to 13 of this Annual Report. The Directors, with their diverse backgrounds and specialisations, collectively bring with them a wide range of experience and expertise in areas such as engineering, entrepreneurship, finance, taxation, accounting and audit, legal and economics.

Nomination and Remuneration Committee

The Board has merged the Nomination Committee and Remuneration Committee and renamed as the Nomination and Remuneration Committee ("NRC") effective 1 February 2015. The NRC comprises the following members, which comprises exclusively Independent Non-Executive Directors:

- Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty (Chairman of Committee and Independent Non-Executive Director);
- Mr Kam Chai Hong (Independent Non-Executive Director); and
- Tuan Haji Hassan bin Ibrahim (Independent Non-Executive Director).

The main duties and responsibilities of the NRC are as follows:

a) Review the structure, size and composition of the Board and make recommendations to the Board with regard to any changes as and when required;
b) Recommend to the Board, candidates for all directorships in the Company. In making its recommendations, the NRC shall evaluate the candidates based on the Company's selection procedure;
c) Develop, maintain and review the criteria to be used in the assessment of the Board as a whole, the Board Committees and individual Directors;
d) Ensure that all Directors undergo appropriate induction programmes, receive continuous training and the Directors are kept abreast of all regulatory changes and developments in the business environment;
e) Recommend to the Board, eligible candidates for re-election of directors by shareholders during the annual re-election provision of retirement;
f) Review and assess the independence of the Independent Directors;
g) Monitor and oversee the succession planning for the Board members and Senior Management;
h) Review the Group's policy and framework on all remuneration elements for determining the Executive Directors' and Senior Management's remuneration and any amendments to that policy and framework;
i) Consider and make recommendation to the Board on the Board and Senior Management's remuneration package based on the performance, level of responsibilities and contribution assessments;
j) Develop and maintain a remuneration policy for all Directors and Senior Management and ensure the remuneration policy remains supportive of the Company's corporate objectives, is aligned with the interest of the shareholders, being sufficient to attract, retain and motivate the personnel and reflective of their experience and level of responsibilities; and
k) Oversee any major changes in Senior Management's remuneration and benefit structures throughout the Group.

The main activities undertaken by the NRC were as follows:

a) Reviewed the structure of the remuneration package for each of the Executive Directors;
b) Reviewed the performance bonuses for each of the Executive Directors;
c) Reviewed the size, structure and composition of Board and Board Committees in terms of the mix of skills, experience, independence, diversity and other qualities of the Board;
d) Assessed the effectiveness and efficiency of the Board as a whole, the Board Committees and contribution of each Director;
e) Performed annual assessment of Independent Directors to confirm their state of independence and recommended the Board and shareholders at AGM, the retention of Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty, Mr Kam Chai Hong and Tuan Haji Hassan bin Ibrahim as Independent Directors on the Board even after they have served in that capacity for a cumulative term of over nine (9) years; and
f) Reviewed attendance of Directors at Board/Board Committees, to ensure compliance to minimum attendance requirement of Board meetings of not less than fifty percent (50%) of the total meetings held during the financial year.

Selection and Appointment of Directors

The NRC is responsible for making recommendations for any new appointment to the Board. In making these recommendations, the NRC considers the required mix of skills, experiences, core competencies, independence, time commitment and other qualities which the Directors shall bring to the Board. Any new nomination received will be assessed, deliberate and consider at the NRC meeting. The shortlisted candidates shall be invited by the NRC for an interview session prior to recommending to the Board for approval.

Assessment of Directors

The Board evaluation comprises Performance Evaluation of the Board and various Board Committees, Director's Self and Peer Evaluation and Independent Directors' Self-Assessment. The assessment of the Board is based on four (4) main areas relating to Board structure, Board operations, Board and Chairman's roles and responsibilities and Board Committees' role and responsibilities. For Director's Self and Peer Evaluation, the assessment criteria include abilities and competencies, contribution and performance, calibre and personality, technical knowledge, objectivity and the level of participation at Board and Committee meetings including his contribution to Board processes and the business strategies and performance of the Group. The criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the Group and his involvement in any significant transaction with the Group. The Board had conducted an internally facilitated Board assessment for the financial under review. Directors provide anonymous feedback on their peers' performance and individual performance contributions to the Board. The review supported the Board's decision to endorse all retiring Directors standing for re-election.

The Board are satisfied with the overall performance of individual Director, Board and Board Committees for the financial year under review.

Board Diversity

Where board diversity is concerned, the Board does not adopt any formal policy on diversity (for gender, age, ethnicity and nationality) in considering the board composition and does not have a specific policy on setting targets for female candidates. To enhance the Board's effectiveness, the Board shall ensure its members have the relevant skills, experience, expertise and time commitment. The Board believe that selection of directors should not be based on any gender discrimination or preferences, as it is equally important to have the right mix of skills at the Board in order to enable the Board and Board Committees to carry out their duties effectively.

Directors' Remuneration

The Group aims to set the levels of remuneration in such a way that it supports the strategies and long-term vision of the Group as well as provides adequate motivational incentive for Directors to pursue the long-term growth and success of the Group. The levels of remuneration should be sufficient to attract and retain the directors needed to run the Group successfully and in line with industry standards.

Remuneration packages for Executive Directors are structured so as to link rewards to corporate and individual performance. The remuneration of Executive Directors includes salary, bonus, allowance and benefits-in-kind.

The guidelines on bonuses in respect of the financial year ended 31 January 2016 and annual increment for financial year ending 31 January 2017 in respective of Executive Directors, including the Group Chief Executive Officer ("CEO") were recommended for the Board's approval. The quantum of the annual performance bonus is dependent on the operating results of the Group, taking into account the prevailing business conditions.

The remuneration of Non-Executive Directors is determined by the Board. The level of remuneration reflects the experience and level of responsibilities undertaken by them. Currently, the Non-Executive Directors are paid Directors' fees and attendance allowance for each Board/Committee meeting they attended. The Non-Executive Directors do not participate in discussion of their own remuneration.

Directors' remuneration during the financial year ended 31 January 2016 in aggregate, with categorisation into appropriate components, distinguishing between Executive and Non-Executive Directors, is as follows:

	Fees	**Salaries and Allowances**	**Bonuses**	**Total**
	RM	RM	RM	RM
Executive Directors	260,000	5,722,035	914,000	6,896,035
Non-executive Directors	270,000	27,200	-	297,200
Total	530,000	5,749,235	914,000	7,193,235

The number of Directors of the Company, whose remuneration band falls within the following successive bands of RM50,000 is as follows:

Range of remuneration	Executive	Non-Executive
RM50,001 to RM100,000	-	2
RM100,001 to RM150,000	-	1
RM350,001 to RM400,000	2	-
RM1,500,001 to RM1,550,000	1	-
RM2,100,001 to RM2,150,000	1	-
RM2,600,001 to RM2,650,000	1	-

Principle 3 – Reinforce Independence of the Board

The Board recognises that a strong independent element of the Board is essential to ensure a balance of power and authority. The roles and responsibilities of the Chairman and CEO are clearly segregated to further enhance and preserve a balance of authority and accountability. The Executive Chairman, Mr. Lim Han Weng provides overall leadership to the Board, without comprising the principle of collective responsibility for Board's decisions while the CEO, Mr. Lim Chern Yuan focuses primarily on formulation and implementation of Group's business strategies, oversees the implementation of policies and decision adopted by the Board as well as supervises the day-to-day management, operations and business development of the Group. The CEO is supported by fellow Executive Directors and an Executive Management team with requisite experience and skills.

The Board takes cognisance that the MCCG 2012 recommends a majority composition of Independent Directors where the Chairman of the Board is a Non-Independent Director to ensure a balance of power and authority. After due consideration, the Board has decided to depart from this recommendation. However, in doing so, the Board remains steadfast with regard to the importance of having the right composition of Board and strives to maintain the minimum one-third requirement of Independent Directors.

Despite our Chairman is an executive member of the Board, the Board has the presence of Independent Directors with distinguished records and credentials to ensure that there is independence of judgement. The Board was satisfied that notwithstanding the executive position, the Chairman has continued to discharge his duties effectively and has shown tremendous commitment and has played an integral role in the stewardship of Yinson Group. In addition, the Chairman has a significant financial interest in the Company and, accordingly, the Board is of the view that he is well placed to act on behalf of shareholders and in their best interest.

The Independent Non-Executive Directors bring to bear objective and independent views, advice and judgment on the interests, not only of the Group, but also of shareholders, employees, customers, suppliers and the communities in which the Group conducts its business. Independent Non-Executive Directors are essential for protecting the interests of shareholders and can make significant contributions to the Company's decision making by bringing in the quality of detached impartiality.

During the financial year under review, the Board assessed the independence of its Independent Non-Executive Directors based on criteria set out in the Listing Requirements. The Charter does not provide a limit of a cumulative term of nine (9) years on the tenure of an Independent Director.

The Board noted the recommendation of MCCG 2012 on the tenure of an independent director should not exceed a consecutive service of nine (9) years or a cumulative term of nine (9) years with intervals. In the event of any retention of Director as independent director, shareholders' approval shall be sought at every annual general meeting with strong justification.

Three (3) Independent Directors of the Company namely, Dato' Ir. Adi Azmari bin B.K. Koya Moideen Kutty, Mr. Kam Chai Hong and Tuan Haji Hassan bin Ibrahim have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years each and Shareholders' approvals have been obtained for their retention as Independent Directors until the forthcoming annual general meeting of the Company ("AGM") based on the following justification:

- they fulfil the criteria under the definition of Independent Director as stated in the Listing Requirements of Bursa and, therefore, are able to bring independent and objective judgment to the Board;
- their experience in the relevant industries enable them to provide the Board and Board Committees, as the case may be, with pertinent expertise, skills and competence; and
- they have been with the Company long and therefore understand the Company's business operations which enable them to contribute actively and effectively during deliberations or discussions at Board and Committee meetings.

Principle 4 – Foster commitment of Directors

The Board had met six (6) times during the financial year under review scheduled in advance to facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened when urgent and important decisions need to be made between scheduled meetings. Board and Board Committees papers, which are prepared by Management, provide the relevant facts and analysis for the convenience of Directors. The meeting agenda, the relevant reports and Board papers are furnished to Directors and Board Committees members at least seven (7) days before the meeting to allow the Directors sufficient time to study for effective discussion and decision making at the meetings. At the quarterly Board meetings, the Board reviews the business performance of the Group and discusses major operational and financial issues. All pertinent issues discussed at Board meetings in arriving at decisions and conclusions are properly recorded by the Company Secretary by way of minutes of meetings.

Interested Directors declared their interests and abstained from deliberations and decisions in matters in which they are interested and also abstained from voting on the related resolutions at Board meetings / general meetings of the Company.

During the financial year under review, the numbers of Board of Directors' meeting attended by each director are as follow:

Directors	Designation	Number of meetings Attended by Member	%
Mr Lim Han Weng	Group Executive Chairman	7/7	100.0
Mr Lim Chern Yuan	Executive Director / Group Chief Executive Officer	7/7	100.0
Mr Lim Han Joeh	Executive Director	7/7	100.0
Mdm Bah Kim Lian	Executive Director	6/7	85.7
Mr Bah Koon Chye	Executive Director	6/7	85.7
Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty	Independent Non-Executive Director	6/7	85.7
Mr Kam Chai Hong	Independent Non-Executive Director	7/7	100.0
Tuan Haji Hassan bin Ibrahim	Independent Non-Executive Director	7/7	100.0

All Directors complied with the minimum attendance requirement of more than 50% of the total Board meetings held during the financial year under review.

As stipulated in the Charter, the Directors are required to devote sufficient time and efforts to carry out their responsibilities. The Board obtains this commitment from Directors at the time of their appointment. Each Director is expected to commit time as and when required to discharge the relevant duties and responsibilities, besides attending meetings of the Board and Board Committees.

The Board also obtains commitment from Directors that they shall not sit on the boards of more than five (5) listed issuers and before accepting any new directorship, whether the directorship is on a listed or unlisted issuer, they shall notify the Chairman include an indication of time that will be spent on the new appointment.

Directors' Training – Continuing Education Programmes

The Board is mindful of the importance for its members to undergo continuous training to be apprised of changes to regulatory requirements and the impact such regulatory requirements have on the Group. During the financial year under review, the Board has undertaken an assessment of the training needs of each Director and Directors have attended various trainings includes briefings, seminars and conferences conducted by relevant regulatory authorities and professional bodies as well as internal officers. As the Group's business had grown, the Board is mindful of the need to attend training relating to the technical knowledge of the business, especially the Executive Directors.

In the event that a new director is appointed, apart from attending the Mandatory Accreditation Programme, the Board shall provide induction and education programs for newly appointed Director which include, among other things, the nature of the Group's business and its culture, corporate strategy, expectations of the Company concerning input from Directors, general responsibilities and compliance obligations of Directors.

The training attended by the Directors during the financial year ended 31 January 2016 comprises the following:

Name of Director	Details of Programme
Mr Lim Han Weng	• Corporate Disclosure Policy under the Listing Requirements
Mr Lim Han Joeh	• Corporate Disclosure Policy under the Listing Requirements
Madam Bah Kim Lian	• Corporate Disclosure Policy under the Listing Requirements

Name of Director	Details of Programme
Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty Mr Bah Koon Chye	• Corporate Disclosure Policy under the Listing Requirements • 5S Principles and Implementation • Introduction to OHSAS 18001 Occupational Health & Safety Management System • Lead & Succeed Enabling Solutions • Lean Concept – The Practical Way • Hazard Identification, Risk Assessment and Control
Mr Kam Chai Hong	• Corporate Disclosure Policy under the Listing Requirements • GST Training Course by Chartered Tax Institute of Malaysia
Tuan Haji Hassan bin Ibrahim	• Corporate Disclosure Policy under the Listing Requirements
Mr Lim Chern Yuan	• Corporate Disclosure Policy under the Listing Requirements • 16th FPSO World Congress 2015

The Company Secretary normally circulates the relevant statutory and regulatory requirements from time to time for the Board's reference and briefs the Board on the updates, where applicable. The Group Chief Financial Officer and External Auditors also brief the Board members on any changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements for the financial year under review.

Principle 5 – Uphold integrity in financial reporting by the Company

It is the Board's commitment to present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of each reporting period and financial year, primarily through the quarterly announcement of Group's results to Bursa, the annual financial statements of the Group and Company as well as the Chairman's statement and review of the Group's operations in the Annual Report, where relevant.

The Board is responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the reporting period and of their results and cash flows for the period then ended. A statement by the Directors of their responsibilities for the financial statements is incorporated within the Directors' Report and Statement by Directors.

In assisting the Board to discharge its duties on financial reporting, the Board established an Audit Committee on 5 March 1996, comprising wholly Independent Non-Executive Directors, with Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty as the Committee Chairman. The composition of the Audit Committee, including its roles and responsibilities, are set out in the Report on Audit Committee on pages 35 to 36 of this Annual Report. One of the key responsibilities of the Audit Committee in its specific terms of reference is to ensure that the financial statements of the Group and Company comply with the provisions of the Companies Act, 1965, Listing Requirements and applicable approved accounting standards in Malaysia. Such financial statements comprise the quarterly financial report announced to Bursa and the annual statutory financial statements.

During the financial year under review, the Audit Committee met with the external auditors three (3) times without the presence of the Executive Directors and Senior Management staff. This is to encourage free and honest exchange of view and opinion between both parties.

The Board recognise the importance of the independence and capability of external auditors to bear on the reliability and quality to the annual financial statements prepared for the stakeholders. The Group maintains a formal and transparent relationship with its external auditors, in seeking professional advice and ensuring compliance with the accounting standards of Malaysia.

The Audit Committee annually review the appointment/reappointment (resignation and dismissal, if any) of external auditors and the audit fee; and recommend the same to the Board for consideration and approval.

On annual basis and prior to the commencement of the audit engagement, external auditors present the Audit Planning Memorandum and provide written assurance to the Audit Committee on their independence in relation to the audit works to be performed and their commitment to communicate to the Audit Committee on their independence status throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.

Matters that require the Board's attention are highlighted by the external auditors to the Audit Committee and the Board, through the issuance of management papers and reports. The Audit Committee and external auditors exchange information and advice, for achieving mutual understanding regarding important audit issues, risk evaluations relating to internal control audits and other matters.

The roles of the Audit Committee in relation to the internal audit and external audit are set out in the Report of the Audit Committee of this annual report.

Principle 6 – Recognise and manage risks of the Group

The Board regards risk management and internal controls as an integral part of the overall management processes to safeguard shareholders' investment and the Group's assets. The following represent the key elements of the Group's risk management and internal control structure:

a) An organisational structure in the Group with formally defined lines of responsibility and delegation of authority;
b) Review and approval of annual business plan and budget of all major business units by the Board. This plan sets out the key business objectives of the respective business units, the major risks and opportunities in the operations and ensuing action plans;
c) Quarterly review of the Group's business performance by the Board, which also covers the assessment of the impact of changes in business and competitive environment;
d) Active participation and involvement by the Executive Chairman and Group Chief Executive Officer in the day-to-day running of the major businesses and regular discussions with the senior management of smaller business units on operational issues; and
e) Monthly financial reporting by the subsidiaries to the holding company.

Recognising the importance of having risk management processes and practices, the Board has formalised the Enterprise Risk Management framework to provide Management with structured policies and procedures to identify, evaluate, control, monitor and report to the Board the principal business risks faced by the Group on an ongoing basis, including remedial measures to be taken to address the risks vis-à-vis the risk parameters of the Group.

In establishing and reviewing the System of Risk Management and Internal Control, the Directors recognise that the System of Risk Management and Internal Control can only provide reasonable but not absolute assurance against the risk of material misstatement or loss or fraud.

The state of internal control within the Group is set out in the Statement on Risk Management and Internal Control on pages 33 to 34 of this Annual Report.

In line with the MCCG 2012 and Listing Requirements of Bursa Securities, the Company has in place an in-house Internal Audit ("IA") function, which reports directly to the Audit Committee on the adequacy and effectiveness of the Group's internal controls. The internal audit is guided by internal auditing standards promulgated by the Institute of Internal Auditors Inc, a globally recognised professional body for internal auditors.

The internal audit function is independent of the activities it audits and the scope of work it covered during the financial year under review is provided in the Report on Audit Committee set out on pages 35 to 36 of this Annual Report.

Principle 7 – Ensure timely and high quality disclosure

The Board is aware of the need to establish corporate disclosure policies and procedures to enable comprehensive, accurate and timely disclosures relating to the Company and its subsidiaries to be made to the regulators, shareholders and stakeholders. Accordingly, the Board will formalise pertinent corporate disclosure policies not only to comply with the disclosure requirements as stipulated in the Listing Requirements of Bursa Securities, but also setting out the persons authorised and responsible to approve and disclose material information to regulators, shareholders and stakeholders.

To augment the process of disclosure, the Board has earmarked a dedicated section for corporate governance on the Company's website, where information on the Company's announcements to the regulators, the Charter, rights of shareholders and the Company's Annual Report may be accessed.

Principle 8 – Strengthen relationship between the Company and its shareholders

Shareholder participation at general meeting

The AGM, which is the principal forum for shareholder dialogue, allows shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification.

The Notice of AGM is circulated to shareholders at least twenty-one (21) clear days before the date of the meeting to enable them to go through the Annual Report and papers supporting the resolutions proposed. At the AGM of the Company held on 23 July 2015, none of the shareholders propose poll voting although shareholders were informed by the Chairman of their right to demand a poll at the commencement of the general meetings. All the resolutions set out in the Notice of the last AGM were put to vote by a show of hands and duly passed. The outcome of the AGM was announced to Bursa on the same meeting day.

Communication and engagement with shareholders and prospective investors

The Board recognises the importance of being transparent and accountable to the Company's shareholders and prospective investors. The various channels of communications are through meetings with institutional shareholders and investment communities, quarterly announcements on financial results to Bursa, relevant announcements and circulars, when necessary, the Annual and Extraordinary General Meetings and through the Group's website at www.yinson.com.my where shareholders and prospective investors can access corporate information, annual reports, press releases, financial information, company announcements and share prices of the Company. To maintain a high level of transparency and to effectively address any issues or concerns, the Group has a dedicated electronic mail, i.e. info@yinson.com.my to which stakeholders can direct their queries or concerns.

However, any information that may be regarded as undisclosed material information about the Group will not be given to any single shareholder or shareholder group.

Investor Relations

The Company takes into consideration the shareholder's rights to access information relating to the Company and has thusly, taken measures to enable the Company to communicate effectively with its shareholders, prospective investors, stakeholders and public generally with the intention of giving them a clear picture of the Group's performance and operations.

ADDITIONAL INFORMATION ON THE BOARD OF DIRECTORS

Family Relationships With Any Directors and/or Major Shareholder

Save as disclosed under the Profile of Directors, none of the other directors has any other relationship with any directors and/or major shareholder of the Company.

Convictions for Offences (within the past 10 years other than traffic offences)

None of the directors have any convictions for offences other than traffic offences.

OTHER INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD

Share Buybacks

During the financial year under review, the Company did not enter into any share buyback transactions.

Options, Warrants or Convertible Securities

There were no options, warrants or convertible securities issued during the financial year under review.

Imposition of Sanctions and Penalties

There were no sanctions or penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies during the financial year under review.

Non-Audit Fees

The amount of non-audit fees paid to the external auditors by the Group for the financial year under review amounted to RM710,000.

Profit Estimate, Forecast or Projection

The Company did not make any public release on profit estimate, forecast or projection during the financial year under review.

Variation of Results

There were no variances of 10% or more between the results for the financial year ended 31 January 2016 and the unaudited results for the same period previously announced.

Profit Guarantee

During the financial year under review, there was no profit guarantee given by the Company.

Material Contracts Involving Directors' and Major Shareholders' Interests

Save as disclosed below, there were no material contracts (not being contracts entered into in the ordinary course of business), which have been entered into by the Company and/or its subsidiaries involving Directors' and major shareholders' interests during the financial year ended 31 January 2016.

a) On 28 September 2015, Yinson has entered into a conditional share sale agreement with Liannex Labuan Limited to divest its entire equity interest in Yinson Corporation Sdn Bhd, Yinson Transport (M) Sdn Bhd, Yinson Shipping Sdn Bhd, Yinson Power Marine Sdn Bhd and Yinson Overseas Limited ("Target Companies") to Liannex Labuan Limited for a total cash consideration of RM168,000,000 subject to adjustment pursuant to the share sale agreement and repay all the inter-company amount owing by the Target Companies to Yinson Group.

Status of Utilisation of Proceeds Raised from Corporate Proposals

As at 31 January 2016, the proceeds from the following corporate proposals have been fully ultilised:

Corporate Proposal	Total Proceed RM'000	Utilised RM'000	Unutilised RM'000
Rights Issue			
To repay bank borrowings and Director's advance, fund working capital and warehouse facilities and defray corporate exercise related expenses	568,000	568,000	-
Disposal of Subsidiary and Joint Venture			
To repay bank borrowings, fund working capital and defray disposal related expenses	187,390	187,390	-
Private Placement			
To repay bank borrowings, fund working capital and defray expenses in relation to the Private Placement	169,800	169,800	-

Recurrent Related Party Transactions of Revenue or Trading Nature

The details of the recurrent related party transactions of a revenue or trading nature for the financial year ended 31 January 2016 between the Company and/or its subsidiaries companies with related parties are disclosed in the Circular to Shareholders dated 31 May 2016.

This Statement was made in accordance with the resolution of the Board of Directors dated 5 May 2016.

The Board of Directors of the Company ("Board") is committed in maintaining a sound system of risk management and internal control and is pleased to provide the following statement which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 31 January 2016.

Board Responsibility
The Board acknowledges its responsibility for maintaining a sound system of risk management and internal control to safeguard shareholders' investments and Group's assets and for reviewing the adequacy and effectiveness of the risk management and internal control system. The system of risk management and internal control of the Group encompasses all types of controls including those of an operational, environmental and compliance nature, as well as internal financial controls for the purpose of managing the risk of the Group but does not eliminate the risk of failure to achieve the Group's corporate objectives. Accordingly, the system can only provide reasonable, but not absolute assurance against material misstatement, loss or fraud.

The Board has implemented an ongoing process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives and strategies throughout the period. The process is regularly reviewed by the Board and accords with the Statement on Risk Management & Internal Control: Guidelines for Directors of Public Listed Companies.

The Board does not have formal oversight over the risk management and internal control systems of its Joint Ventures, as the Board does not have any direct control over the Joint Ventures' operations. Nevertheless, the Group's interest is safeguarded through representations on the board of the Joint Ventures and monitoring controls. These representations and monitoring controls provide the Board with information to measure the performance of the Group's investments in the Joint Ventures.

Summarised below are the main features of the Group's risk management and internal control system:

1. **Risk Management Structure**

   During the financial year under review, the Board had enhanced and formalised the Enterprise Risk Management ("ERM") Policy and Framework for the Group. This is to provide Management with structured policies and procedures to identify, evaluate, control, monitor and report to the Board on the principal business risks faced by the Group on an ongoing basis, including remedial measures to be taken to address the risks vis-à-vis the risk parameters of the Group. Respective ERM follow up had been updated regularly and submitted to the Board.

   The Board regards risk management as an integral part of business operations. The Board explicitly assumes the responsibility of identifying principle risks and ensuring implementation of a risk management system, and reviewing the adequacy and integrity of the Company's internal control and management information system. The principle roles and responsibilities of the Board in risk management include:
   - Determine risk management policy;
   - Approve risk management framework;
   - Overall risk management oversight;
   - Communication with shareholders and other stakeholders; and
   - Review the risk profile of the Group.

   The Board approves the risk management strategies but delegates authority for day-to-day risk management decisions to Management and business unit heads. In fulfilling its oversight responsibility, the Board as a whole or through delegation to the Risk Management Committee ("RMC"), review adequacy, integrity and implementation of appropriate systems for risk management.

   The main process of the ERM Policy and Framework involves:
   - the identification of each business risk;
   - the measurement or evaluation of the identified business risk;
   - ensure the control or the way the risk is managed in line with the needs of the Group's policies and strategies; and
   - constant monitoring and communicating of risks associated with any activity, function or process in a way that enables the Group to minimise losses and optimise opportunities.

2. **Internal Control Structure**

   The key elements of the Group's internal control structure are described as below:

   - Documented Policies and Procedures
     Internal policies and procedures are established and documented in manuals, which are reviewed and revised periodically to meet changes in business, operational and mandatory requirements.

   - Line of Reporting and Responsibility
     The organisation structure includes defined lines of reporting and delegation of authority, responsibility and accountability to the Board Committees and the operating units. Besides the established Board Committees, the Board is supported operationally by the Management which consist of senior members of the organisation including the Group Chief Executive Officer, Group Chief Financial Officer and Group Chief Strategy Officer.

- Experienced Management Team
  The Board relies on the experience of the Executive Chairman, Chief Executive Officer, Chief Financial Officer, Chief Strategy Officer, Executive Directors of the Group and its respective management team to run and manage the operations and business of the Group in an effective and efficient manner.

- Review and Monitoring Process
  The Group's management teams conduct quarterly monitoring and review of the Group's operations and performance, including financial results and forecasts for all business operations within the Group.

- Monthly Management Accounts
  The Finance Department monitors the activities and performance of the subsidiaries through the monthly management accounts and ensures control accounts are reconciled with subsidiaries records.

- Operations Review and Monitoring
  Operations review of the Group are constantly monitored with up-to-date reports provided by Management. Regular management meetings are held to assess performance of respective business unit.

- Recurrent Related Party Transactions
  All recurrent related party transactions are dealt with in accordance with the Listing Requirements of Bursa Securities and reviewed by the Audit Committee and the Board at the respective meeting.

Board's Commentary on the System of Risk Management and Internal Control

The Board has received assurance from the Group Chief Executive Officer and Group Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

The Board is of the view that the risk management and internal control system in place for the year under review and up to the date of approval of this statement for inclusion in the annual report is adequate and effective to safeguard the shareholders' investment, the interest of customers, employees and other stakeholders, and the Group's assets.

Internal Audit Function

The Group has in place an independent in-house internal audit department, which provides the Board, through the Audit Committee, with assurance on the adequacy and effectiveness of the Group's system of internal control and management information system.

The internal audit function adopts a risk-based approach in executing the internal audit plan that focuses on various business units and functions within the Group. The internal audit function reports directly to the Audit Committee on the outcome of its appraisal of the risk management activities. The internal audit plan is reviewed and approved by the Audit Committee. The internal audit reports were submitted and presented to Audit Committee to review the audit findings and action plans taken by Management to address the audit findings and concerns raised in the internal audit reports. The internal audit department also follows up on the status of Management's action plans on internal audit findings.

Conclusion

The Board is of the view that there were no material losses incurred by the Group during the financial year ended 31 January 2016 as a result of weaknesses or lapses in internal controls. The Board continues to take measures to strengthen the risk management and internal control systems of the Group.

Review of the Statement by External Auditors

As required by paragraph 15.23 of the Listing Requirement of Bursa Securities, the external auditors have reviewed this Statement on Risk Management and Internal Control. The external auditors' limited assurance review was performed in accordance with Recommended Practice Guide 5 (Revised): Guidance for Auditors on Engagement to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants, which does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

This Statement on Risk Management and Internal Control was made in accordance with a resolution of the Board on 25 May 2016.

The Board of Directors of Yinson ("Board") is pleased to present the Report on Audit Committee for the financial year ended 31 January 2016 in accordance with Paragraph 15.15 of the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements.

COMPOSITION AND MEETINGS

The Audit Committee ("AC") was established by the Board on 5 March 1996.

The composition of the AC as at the date of this Report, and the attendance of each member at the AC meetings held during the financial year under review, are as follows:

Composition of AC	Designation	Number of meetings Attended by Member	%
Dato' Ir Adi Azmari bin BK Koya Moideen Kutty	Chairman, Independent Non-Executive Director	5/6	83.3
Mr Kam Chai Hong	Member, Independent Non-Executive Director	6/6	100.0
Tuan Haji Hassan bin Ibrahim	Member, Independent Non-Executive Director	6/6	100.0

The AC comprising wholly Independent Non-Executive Directors. All members of the AC have a working familiarity with basic finance and accounting practices, and one of its members, Mr Kam Chai Hong, is a member of the Malaysian Institute of Accountants.

The AC had met six (6) times during the financial year under review, scheduled in advance to facilitate the AC in planning their meeting schedule for the year. Additional meetings are convened when urgent and important decisions need to be made between scheduled meetings. AC papers, which are prepared by Management, provide the relevant facts and analysis for the convenience of AC.

The meeting agenda, the relevant reports and AC papers are furnished to AC members at least seven (7) days before the meeting to allow the AC members sufficient time to study, for effective discussion and decision making at the meetings. At the quarterly AC meetings, the AC reviews the risk management and internal control, financial reporting, internal and external audit functions within the Group. All pertinent issues discussed at AC meetings in arriving at decisions, conclusions or recommendations are properly recorded by the Company Secretary by way of minutes of meetings.

Interested AC declared their interests and abstained from deliberations and decisions in matters in which they are interested and also abstained from voting on the related resolutions at AC meetings/Board meetings/general meetings of the Company.

TERMS OF REFERENCE

The AC is formally constituted with written terms of reference. The terms of reference of the AC are set out in the AC Terms of Reference, available on the Group's website at www.yinson.com.my.

SUMMARY OF ACTIVITIES

During the financial year under review, the AC carried out its duties in accordance with its terms of reference and the activities are summarised as follows:

a) Risk Management & Internal Control
- Reviewed the adequacy and effectiveness of the risk management, Group's internal control system and management information system;
- Reviewed the extent of compliance with established internal policies, standards, plans, procedures, laws and regulations;
- Recommended to the Board steps to improve the system of internal control derived from the findings of the internal and external auditors;
- Discussed and reviewed risk profile;

b) Financial Reporting
- Reviewed the unaudited quarterly financial results of the Group, prior to be released to Bursa Securities;
- Reviewed the annual audited financial statements of the Group together with external auditors' management letter and management's response;

c) Internal Audit
- Reviewed and approved the internal audit plan;
- Discussed with the internal auditors on its scope of works, functions, adequacy and competency of resources and co-ordination with external auditors;
- Reviewed the reports prepared by the internal auditors on the state on internal control of the Group;
- Monitored the outcome of the audits and follow-up audits conducted to ascertain all action plans were adequately implemented to address the key risks;
- Reviewed and monitored the Recurrent Related Party Transactions;

d) External Audit
- Discussed with the external auditor the annual audit plan, nature and scope of audit as well as audit procedures, prior to the commencement of audit;
- Conducted three (3) private sessions with external auditors, without the presence of Executive Directors and/or Management;
- Reviewed the external auditors' audit findings for the financial year under review;
- Reviewed with the external auditors the Statement on Risk Management and Internal Control of the Group for inclusion in the Annual Report;
- Reviewed the overall performance of the external auditors, including assessment of their independence, technical competency, resources and reasonableness of their audit fees and non-audit fees;
- Considered and deliberated on the re-appointment of the external auditors;

e) Other Responsibilities
- Reviewed the following draft Circular to Shareholders and recommended the same to the Board for approvals:
  - Proposed divestment by Yinson Holdings Berhad of its non-oil and gas subsidiaries to Liannex Labuan Limited;
  - Proposed share buy-back of up to ten percent (10%) of the issued and paid-up share capital of Yinson Holdings Berhad;
  - Proposed establishment of an employees' share option scheme; and
  - Proposed renewal of the existing shareholders' mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and proposed new shareholders' mandate for additional Related Party Transactions of a Revenue or Trading Nature;
- Prepared report on AC to the Board which includes the composition of the AC, its summary terms of reference, number of meetings held, a summary of its activities and the existence of an internal audit function and a summary of the activities of internal audit function for inclusion in the annual report;
- Reviewed the Statement on Corporate Governance for inclusion in the Annual Report; and
- Reviewed and recommended the dividend pay-out.

INTERNAL AUDIT FUNCTION

The Internal Audit function is carried out by an in-house Internal Audit Department ("IAD") of Yinson Group. IAD assists the AC in discharging its duties and responsibilities, and is independent of the activities they audit. IAD reports directly to the AC on the adequacy and effectiveness of the Group's internal controls. The AC is aware of the fact that an independent and adequately resourced internal audit function is essential to assist in obtaining the assurance it requires regarding the effectiveness of the system of internal control.

During the year under review, IAD had carried out audits according to the internal audit plan which had been approved by the AC. Internal audits were carried out to provide assurance that internal controls are established and operating as intended to achieve effective and efficient operations and adherence to applicable policies, guidelines and procedures. IAD had conducted independent reviews and risk exposures evaluation relating to the operations, related party transactions and management information system. In performing such reviews, recommendations for improvements and enhancements to the existing internal control system and work processes are made.

Internal audit reports, incorporating audit recommendations and management's responses were issued to the AC and the management of the respective operations. The Management is responsible for ensuring that corrective actions are taken within the required timeframe. All findings identified by IAD are tracked and followed up on a quarterly basis and the status of the implementation is reported to the AC accordingly.

At the Board meetings, the AC Chairman highlights key audit issues and overall decisions and resolutions made during the AC meetings to the Board members.

The total cost incurred for maintaining the Internal Audit function for the year under review was approximately RM367,000.

This Report on AC was made in accordance with the approval of the Board on 5 May 2016.

Even as Yinson continues to grow and progress as a profitable organisation, we acknowledge that our stakeholders are more than just our shareholders, business partners and clients but it includes the community, albeit in Malaysia or around the world. Therefore, Yinson is committed to investing in our community through Corporate Social Responsibility ("CSR") activities and we aspire to create positive ripple effects in society, even though it may be one heartbeat at a time.

Serving the Community

Throughout 2015, Yinson's CSR endeavours were concentrated in Ghana and various partnerships with different organisations to reach out to the community in Ghana via our joint venture company, Yinson Production West Africa Limited ("YPWAL").

Ghana

A. Future Stars Football Academy

Football is one of the most popular sports in Ghana. We recognise that there is a significant number of underprivileged children who have big dreams and passions to represent their country as professional football players in the likes of Michael Essien and Kwadwo Asamoah.

To develop the Ghanaian children, we have forged a commitment alongside our academy partners, Ipswich Town Academy Association and Oil and Marine Agencies (Ghana) Limited in providing professional football training and support to the local children between the age of nine to eleven years old through selected schools, where they will receive training and guidance in realizing their potential as professional football athletes of Ghana.

B. School Rehabilitation

As part of Yinson's CSR efforts in Ghana, we also explored into activities involving development, rehabilitation and maintenance of infrastructure for targeted educational institutions, further providing them the required equipment to facilitate technical education. Yinson has identified, in total 11 schools in the Greater Accra and Western Region of Ghana i.e. 5 primary schools located in Tema, Greater Accra Region; 5 secondary schools and 1 primary school from the Western Region, which have been receiving support from Yinson.

i) Tema, Ghana

Yinson via YPWAL visited the respective schools in Tema during the year and realised the school buildings and facilities were in dire condition, which needed immediate attention. To rehabilitate the infrastructure of these schools, Yinson committed to contribute for the repair, hygiene and sanitary works, including re-fencing works around the said schools. The rehabilitation works has started and is scheduled to be completed by year 2017.

ii) Western Region, Ghana

Further across to the Western Region of Ghana, Takoradi Technical Institute is a second cycle technical institution, established by the Government of Ghana and the German Government Support for Technical Co-operation in 1982. It is an institution to provide skilled labour for the industrial development of the Western Region and Ghana at large. In 2015, Takoradi Technical Institute was offered a project sponsored by the World Bank for a set of equipment to be installed for practical technical training relating to the oil and gas industry. However, Takoradi Technical Institute did not possess the necessary workshop space to execute this project – hence Yinson invested USD345,000 for the construction of a workshop for the said Institute to house the project execution. Upon completion, the workshop will be formally named The Yinson Workshop.

Conditions of buildings before / after renovations - Republic School

iii) Kejabil, Ghana

About 15 kilometers away from YPWAL's operation base is a small village named Kejabil which has one small primary/junior high school to accommodate the small population of children in Kejabil. The YPWAL team paid a visit to the school as an effort to assess the condition of the school and identify the type of support required. During the visit, Yinson presented the school with various sporting items including table tennis bats, javelin, boards, balls, jerseys and etc. for their upcoming regional sporting competition.

C. Empowering Youths

Yinson has initiated and developed an internship or training programme with a key objective of developing and building local and young talents. We aim to equip our qualified interns/ trainees with the necessary skills and technical knowledge that will enable them to work at onshore and offshore facilities within the oil and gas industry in Ghana. To date, we have recruited 20 trainees, with 14 of them currently training at fabrication yards in Keppel, Singapore; Batam, Indonesia and Vietnam and a further 6 receiving training at the Regional Maritime University, Ghana.

South East Asia

Yinson through our joint venture company, PTSC South East Asia Pte Ltd had granted a sponsorship of VND1.2 billion to the Vietnam National University, Hanoi. This sponsorship is dedicated to young scientists aspiring to have their works published in international science journals. This financial support would help to motivate the young scientists with their research, cover expenses of publishing papers, joining international and domestic workshop, science conferences and etc.

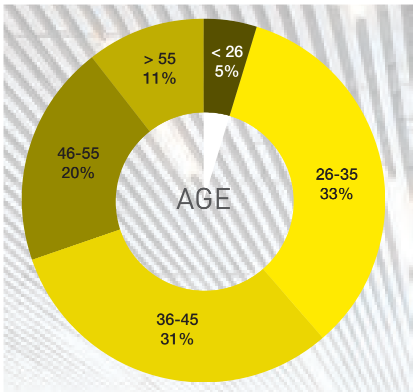
Yinson had also contributed to the AIA's CSR Programme - AIA Touching Lives. These contribution are channeled to help children born with heart related illnesses as well as children with cleft palate condition to go for corrective surgeries.

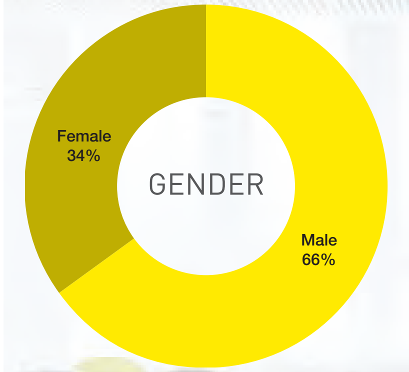
Enriching the Workplace

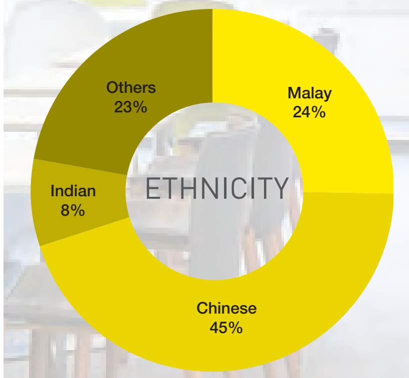
Yinson considers its employees as valuable assets and treats all staff with dignity, fairness and respect. We foster a conducive working environment to encourage development and provide career advancements for all employees. Employees are provided with various training to develop and upgrade their skills, knowledge and attitudes. During the year under review, trainings, festival feast, annual dinner and sports activities were carried out to build better rapport among employees and to connect our people at all levels within the Group.

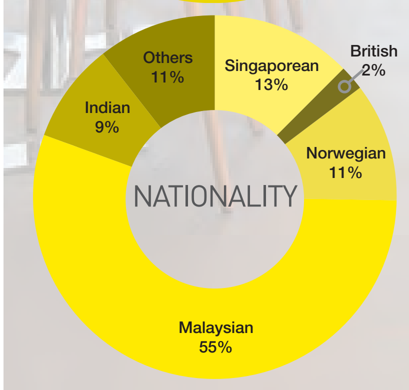
The Group also rewards its employees with yearly Long Service Awards for 10 years, 20 years and 30 years to show its appreciation to all its dedicated and loyal employees.

The Board acknowledges and embraces the benefits of having a diverse workforce not only in term of gender but also in terms of age, ethnicity and nationality. Projected herein is an overview of employees' demographics.









The Group strives to maintain a safe and healthy working environment for all our employees through adoption of good occupational safety and health practices. Yinson practises the Occupational Health & Safety Management System to enhance the safety and health practices amongst the employees from different operations and to take precautionary measures against potential hazardous sources which could arise from the daily operation of the business through the process of Hazard Identification, Risk Assessment and Control.

Other initiatives to improve employee working conditions include provision of medical treatment, medical insurance and subsidised meal allowance.

Preserving the Environment
Environmental protection is a key component of our values and principles, which is evident in our daily business practices. We are resolute in our commitment to prevent and minimise pollution, manage waste in a responsible manner, and consistently monitor and improve our environmental performance. Yinson disposes the discharge of effluents and waste from daily operations to recycling companies that treat and recycle the waste for further uses.

Health, Safety & Environment in Business
Yinson is committed to the highest standards with respect to Health, Safety and Environmental ("HSE") protection and with objective to achieve "ZERO" accidents throughout the operations. The HSE team will continue to keep abreast with latest industry development and regulation requirements. Our HSE team continuously monitor, evaluate and improve the systems and operation through the HSE Plan. Yinson also organises Safety Campaign Programs for its crew.

Yinson's relevant operating companies are accredited with the following codes and standards:

- ISO 9001:Quality Management Systems
- ISO 14001:Environmental Management Systems
- (BS)OHSAS 18001:Occupational Health & Safety Management Systems
- ISM Code – International Safety Management Code
- ISPS Code – International Ship and Port Facility Security Code
- MODU Code – Code for Construction & Equipment on Mobile Offshore Drilling Units
- Other legal regulations and Compliance standard code

The Management Systems also focus on client expectations, local conditions and requirements and our company standard will be set exceeding some of the requirements stated in the above mentioned Standards.

In Yinson, we believe that all accidents can be prevented, and that all employees have a common responsibility to care for each other and the environment.

Integrity in the Marketplace
Yinson is committed to the conduct of business based on practices of transparency, confidentiality and integrity in building long term relationship with our stakeholders.

The Group maintains an online platform via its website which provides information on the Group encompassing quarterly and annual financial results and updates on the Group's performance as well as formal announcements on developments in the Group with the objective of fostering and maintaining good relations with and providing timely information to various stakeholders of the Group. The Investor Relations team of Yinson have constant engagement with the shareholders through regular briefings with analyst, investors and media throughout the year.

STATEMENT ON DIRECTORS' RESPONSIBILITIES

The Directors are required to prepare the financial statements which give a true and fair view of the financial position of the Group and of the Company as at 31 January 2016, and of the results and cash flows of the Group and of the Company for the financial year then ended, in accordance with the requirements of Malaysia Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of Companies Act, 1965 ("Act").

In preparing the financial statements the Directors have,

- used appropriate accounting policies that are consistently applied;
- made judgments and estimates that are prudent and reasonable;
- ensured that all applicable MFRS and IFRS in Malaysia have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Act and applicable approved accounting standards in Malaysia.

The Directors are also responsible for safeguarding the assets of the Group and the Company by taking reasonable steps for preventing and detecting of fraud and other irregularities.

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The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 January 2016.

PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiaries are described in Note 21 to the financial statements.

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

RESULTS

	Group RM'000	Company RM'000
Profit from continuing operations, net of tax	215,050	59,887
Profit from discontinued operations, net of tax	771	-
Profit for the year	215,821	59,887
Attributable to:		
Owners of the parent	224,663	59,887
Non-controlling interests	(8,842)	-
	215,821	59,887

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

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

DIVIDEND

The amount of dividend paid by the Company since 31 January 2015 was as follows:

In respect of the financial year ended 31 January 2015:

	RM'000
First and final single-tier dividend of 1.5 sen per share, on 1,092,798,440 ordinary shares, declared on 23 July 2015 and paid on 15 September 2015	16,392

At the forthcoming Annual General Meeting, a final single tier dividend of 2.0 sen per share in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 January 2017.

DIRECTORS

The name of the directors of the Company in office since the date of the last report and at the date of this report are:

Lim Han Weng
Bah Kim Lian
Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty
Bah Koon Chye
Kam Chai Hong
Lim Han Joeh
Tuan Haji Hassan bin Ibrahim
Lim Chern Yuan

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 12 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 39 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company during the financial year were as follows:

	Number of ordinary shares of RM0.50 each			
Name of director	**1.2.2015**	**Acquired**	**Sold**	**31.1.2016**
The Company				
Direct interest:				
Lim Han Weng	227,601,000	-	-	227,601,000
Bah Kim Lian	91,077,600	-	-	91,077,600
Bah Koon Chye	280,000	-	-	280,000
Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty	220,000	-	-	220,000
Lim Han Joeh	41,310,376	-	-	41,310,376
Kam Chai Hong	264,600	-	-	264,600
Lim Chern Yuan	61,200	-	-	61,200
Indirect interest:				
Lim Han Weng	138,912,400	-	-	138,912,400
Bah Kim Lian	229,890,200	-	-	229,890,200

Lim Han Weng and Bah Kim Lian by virtue of their interests in shares in the Company are also deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

Other than as stated above, the other director in office at the end of the financial year did not have any interest in shares in the Company or its related corporations during the financial year.

ISSUE OF SHARE CAPITAL

On 7 July 2015, the Company increased its issued and paid-up ordinary share capital from RM516,399,220 to RM546,399,220 by way of the issuance of 60 million ordinary shares of RM0.50 each via private placement, at an issue price of RM2.83 each for which the proceeds were mainly utilised to repay bank borrowings.

The share premium of RM139,800,000 arising from the issuance of ordinary shares and the share issue costs of RM 3,900,000 have been included in the share premium account. The new ordinary shares rank pari passu in all respect with the existing ordinary shares of the Company.

TREASURY SHARES

At the Extraordinary General Meeting held on 29 January 2016, it was approved by the shareholders of the Company to purchase up to ten percent (10%) of its prevailing issued and paid-up share capital. As at 31 January 2016, no share was repurchased and held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

Subsequent to the financial year ended 31 January 2016 and up to the date of this report, the Company has purchased 1,842,600 of its issued ordinary shares from the open market at price ranging from RM2.63 to RM2.70 per share during the said period. The total consideration paid, including transaction cost of RM4,973,797 was financed by internally generated funds. As the date of this report, the number of outstanding ordinary shares of RM0.50 each after deducting the treasury shares held of 1,842,600 is 1,090,955,840 ordinary shares.

EMPLOYEE SHARE OPTION PLANS

On 17 March 2015, the Company proposed to establish and implement an employees' share scheme up to ten percent (10%) of the total issued and paid-up share capital of the Company (excluding treasury shares) at any point in time during the duration of the scheme for the eligible Directors (including non-executive directors) and employees of the Company and its subsidiaries ("Proposed ESS").

Bursa Malaysia Securities Berhad has vide its letter dated 25 May 2015, approved the listing of such number of additional new ordinary shares of RM0.50 each in the Company representing up to ten percent (10%) of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company to be issued pursuant to the Proposed ESS, which is subject to conditions set by Bursa Malaysia Securities Berhad as stated in the announcement dated 26 May 2015. On 23 July 2015, the proposed ESS was approved by the shareholders of the Company in the Extraordinary General Meeting. The Company obtained all required approvals and complied with the requirements pertaining to the ESS on 3 November 2015 (the effective date of the implementation of the ESS). As at 31 January 2016, no share had been granted under this ESS as yet.

OTHER STATUTORY INFORMATION

(a) Before the income statements, statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

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

  (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

  (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

  (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

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

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

(f) In the opinion of the directors:

  (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet its obligations when they fall due; and

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

SIGNIFICANT EVENTS

Significant events are disclosed in Notes 22, 29, 45 and 46 to the financial statements.

SUBSEQUENT EVENT

Details of subsequent event are disclosed in Note 47 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have indicated that they do not wish to seek re-appointment.

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 May 2016.

LIM HAN WENG **BAH KIM LIAN**

STATEMENT BY DIRECTORS

Pursuant to Section 169(15) of the Companies Act 1965

We, Lim Han Weng and Bah Kim Lian, being two of the directors of Yinson Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 49 to 131 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 January 2016 and of their financial performance and the cash flows for the year then ended.

The information set out in Note 49 to the financial statements on page 132 have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 May 2016.

LIM HAN WENG **BAH KIM LIAN**

STATUTORY DECLARATION

Pursuant to Section 169(16) of the Companies Act 1965

I, Tan Fang Fing, being the officer primarily responsible for the financial management of Yinson Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 49 to 132 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared)
by the abovenamed Tan Fang Fing)
at Johor Bahru in the State of Johor)
on 25 May 2016) **TAN FANG FING**

Before me,

HJ ZAMANI BIN HJ AHMAD
Commission for Oaths

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Yinson Holdings Berhad, which comprise statements of financial position as at 31 January 2016 of the Group and of the Company, and income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 49 to 131.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 January 2016 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 21 to the financial statements, being financial statements that have been included in the consolidated financial statements.

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

(d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 49 on page 132 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young
AF: 0039
Chartered Accountants

Wun Mow Sang
1821/12/16(J)
Chartered Accountant

Johor Bahru, Malaysia

Date: 25 May 2016

INCOME STATEMENTS

For the financial year ended 31 January 2016

	Note	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Continuing operations					
Revenue	7	424,398	395,440	28,007	109,919
Cost of sales	8	(261,519)	(260,968)	-	-
Gross profit		162,879	134,472	28,007	109,919
Other items of income					
Interest income		4,015	4,579	33,284	32,871
Dividend income		-	3,303	-	-
Other income	9	164,187	126,353	66,479	36,448
Other items of expenses					
Administrative expenses	10	(91,521)	(41,669)	(38,903)	(15,084)
Finance costs	13	(40,514)	(37,375)	(28,809)	(5,775)
Share of results of joint ventures		92,165	91,386	-	-
Share of results of associates		1,549	(325)	-	-
Profit before tax		292,760	280,724	60,058	158,379
Income tax expense	14	(77,710)	(27,457)	(171)	(1,312)
Profit for the year from continuing operations		215,050	253,267	59,887	157,067
Discontinued operations					
Profit/(Loss) for the year from discontinued operations	46	771	(1,855)	-	-
Profit for the year		215,821	251,412	59,887	157,067
Attributable to:					
Owners of the parent		224,663	247,677	59,887	157,067
Non-controlling interests		(8,842)	3,735	-	-
		215,821	251,412	59,887	157,067
Earnings per share (EPS) attributable to owners of the parent (sen per share)					
EPS of the Group					
Basic	15(a)	21.1	26.1		
Diluted	15(b)	N/A	N/A		
Continuing operations					
Basic EPS	15(a)	21.1	26.2		
Diluted EPS	15(b)	N/A	N/A		
Discontinued operations					
Basic EPS	15(a)	0.0	(0.1)		
Diluted EPS	15(b)	N/A	N/A		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 January 2016

	Group		Company	
	2016 RM'000	**2015 RM'000**	**2016 RM'000**	**2015 RM'000**
Profit for the year	215,821	251,412	59,887	157,067
Other comprehensive income				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
- Cash flows hedge reserve	(149,701)	-	-	-
- Exchange differences on translation of foreign operations	143,111	52,745	-	-
- Net loss on available-for-sale financial assets	(7,272)	(7,872)	-	-
- Reclassification of cumulative loss of AFS reserve recognised as impairment loss to profit or loss	18,622	-	-	-
Other comprehensive income for the year	4,760	44,873	-	-
Total comprehensive income for the year	220,581	296,285	59,887	157,067
Attributable to:				
Owners of the parent	227,823	292,550	59,887	157,067
Non-controlling interests	(7,242)	3,735	-	-
	220,581	296,285	59,887	157,067

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

	Note	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Assets					
Non-current assets					
Property, plant and equipment	17	2,997,573	1,158,000	1,652	2,026
Investment properties	18	-	29,598	-	-
Land use rights	19	-	4,228	-	-
Intangible assets	20	22,540	9,456	7,694	7
Investment in subsidiaries	21	-	-	793,390	353,212
Investment in joint ventures	22	598,263	356,676	200,445	200,445
Investment in associates	23	2,039	29,389	79	79
Other investment	24	-	9,686	-	-
Other receivables	26	9,417	-	504,627	-
Deferred tax assets	36	-	6,114	-	-
		3,629,832	1,603,147	1,507,887	555,769
Current assets					
Inventories	25	3,585	27,595	-	-
Trade and other receivables	26	223,010	427,380	124,396	596,089
Other current assets	27	13,438	27,988	903	683
Land use rights	19	-	96	-	-
Tax recoverable		3,486	849	313	-
Favourable contracts	35	-	6,255	-	-
Derivatives	38(a)	-	30,518	-	-
Other investment	24	76,916	10	-	-
Cash and bank balances	28	416,187	364,378	39,940	11,639
		736,622	885,069	165,552	608,411
Assets of disposal group classified as held for sale	46	473,356	-	154,182	-
		1,209,978	885,069	319,734	608,411
Total assets		4,839,810	2,488,216	1,827,621	1,164,180

As at 31 January 2016

	Note	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Equity and liabilities					
Equity					
Share capital	29	546,399	516,399	546,399	516,399
Share premium		553,063	417,163	553,063	417,163
Reserves	30	65,377	62,217	-	-
Retained earnings	31	649,235	454,731	190,560	147,065
Equity attributable to owners of the parent		1,814,074	1,450,510	1,290,022	1,080,627
Perpetual securities of a subsidiary	45	437,460	-	-	-
Non-controlling interests		1,850	8,999	-	-
Total equity		2,253,384	1,459,509	1,290,022	1,080,627
Non-current liabilities					
Loans and borrowings	32	1,444,630	474,593	22,853	29,060
Net employee defined benefit liabilities	34	-	3,233	-	-
Unfavourable contracts	35	44,860	56,596	-	-
Other payables	37	-	-	418,019	-
Derivatives	38(c)	149,701	-	-	-
Deferred tax liabilities	36	26,773	6,724	-	-
		1,667,964	541,146	440,872	29,060
Current liabilities					
Loans and borrowings	32	207,521	348,584	54,762	44,285
Unfavourable contracts	35	19,942	17,416	-	-
Trade and other payables	37	422,153	109,150	41,965	9,668
Derivatives	38(b)	6,177	214	-	-
Tax payables		34,170	12,197	-	540
		689,963	487,561	96,727	54,493
Liabilities directly associated with the disposal group classified as held for sale	46	228,499	-	-	-
		918,462	487,561	96,727	54,493
Total liabilities		2,586,426	1,028,707	537,599	83,553
Total equity and liabilities		4,839,810	2,488,216	1,827,621	1,164,180

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
For the financial year ended 31 January 2016

Group	Issued capital RM'000 (Note 29)	Share premium RM'000	Foreign currency translation reserve RM'000 (Note 30 (a))	Reserve classified as held for sale RM'000	Cash flows hedge reserve RM'000 (Note 30 (c))	Available-for-sale reserve RM'000 (Note 30 (b))	Retained earnings RM'000 (Note 31)	Total RM'000	Perpetual securities of a subsidiary RM'000 (Note 45)	Non-controlling interests RM'000	Total equity RM'000
	Attributable to owners of the parent										
	Non-Distributable						Distributable				
2016											
As at 1 February 2015	516,399	417,163	73,567	-	-	(11,350)	454,731	1,450,510	-	8,999	1,459,509
Discontinued operations	-	-	(7,125)	7,125	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	224,663	224,663	-	(8,842)	215,821
Other comprehensive income	-	-	141,511	-	(149,701)	11,350	-	3,160	-	1,600	4,760
Total comprehensive income	-	-	134,386	7,125	(149,701)	11,350	224,663	227,823	-	(7,242)	220,581
Transactions with owners											
Cash dividend (Note 16)	-	-	-	-	-	-	(16,392)	(16,392)	-	-	(16,392)
Acquisition of non-controlling interests	-	-	-	-	-	-	(3,517)	(3,517)	-	93	(3,424)
Issue of perpetual securities by a subsidiary	-	-	-	-	-	-	-	-	437,460	-	437,460
Accrued perpetual securities distribution by a subsidiary	-	-	-	-	-	-	(10,250)	(10,250)	-	-	(10,250)
Issue of share capital	30,000	139,800	-	-	-	-	-	169,800	-	-	169,800
Share issuance expenses	-	(3,900)	-	-	-	-	-	(3,900)	-	-	(3,900)
Total transactions with owners	30,000	135,900	-	-	-	-	(30,159)	135,741	437,460	93	573,294
At 31 January 2016	546,399	553,063	207,953	7,125	(149,701)	-	649,235	1,814,074	437,460	1,850	2,253,384

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 January 2016

	Attributable to owners of the parent										
	Non-Distributable						Distributable				
Group	Issued capital RM'000 (Note 29)	Share premium RM'000	Foreign currency translation reserve RM'000 (Note 30 (a))	Reserve classified as held for sale RM'000	Cash flows hedge reserve RM'000	Available-for-sale reserve RM'000 (Note 30 (b))	Retained earnings RM'000 (Note 31)	Total RM'000	Perpetual securities of a subsidiary RM'000	Controlling interests RM'000	Total equity RM'000
2015											
At 1 February 2014	258,200	112,941	20,822	-	-	(3,478)	219,964	608,449	-	5,919	614,368
Profit for the year	-	-	-	-	-	-	247,677	247,677	-	3,735	251,412
Other comprehensive income	-	-	52,745	-	-	(7,872)	-	44,873	-	-	44,873
Total comprehensive income	-	-	52,745	-	-	(7,872)	247,677	292,550	-	3,735	296,285
Transactions with owners											
Cash dividend (Note 16)	-	-	-	-	-	-	(12,910)	(12,910)	-	-	(12,910)
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	(655)	(655)
Issue of share capital	258,199	309,840	-	-	-	-	-	568,039	-	-	568,039
Share issuance expenses	-	(5,618)	-	-	-	-	-	(5,618)	-	-	(5,618)
Total transactions with owners	258,199	304,222	-	-	-	-	(12,910)	549,511	-	(655)	548,856
At 31 January 2015	516,399	417,163	73,567	-	-	(11,350)	454,731	1,450,510	-	8,999	1,459,509

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Company	Issued capital RM'000 (Note 29)	Non-Distributable Share premium RM'000	Distributable Retained earnings RM'000 (Note 31)	Total equity RM'000
2016				
As at 1 February 2015	516,399	417,163	147,065	1,080,627
Total comprehensive income	-	-	59,887	59,887
Transactions with owners				
Cash dividend (Note 16)	-	-	(16,392)	(16,392)
Issue of share capital	30,000	139,800	-	169,800
Share issuance expenses	-	(3,900)	-	(3,900)
Total transactions with owners	30,000	135,900	(16,392)	149,508
At 31 January 2016	546,399	553,063	190,560	1,290,022
2015				
As at 1 February 2014	258,200	112,941	2,908	374,049
Total comprehensive income	-	-	157,067	157,067
Transactions with owners				
Cash dividend (Note 16)	-	-	(12,910)	(12,910)
Issue of share capital	258,199	309,840	-	568,039
Share issuance expenses	-	(5,618)	-	(5,618)
Total transactions with owners	258,199	304,222	(12,910)	549,511
At 31 January 2015	516,399	417,163	147,065	1,080,627

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the financial year ended 31 January 2016

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Operating activities				
Profit before tax from continuing operations	292,760	280,724	60,058	158,379
Profit/(Loss) before tax from discontinued operations	3,266	(1,344)	-	-
Profit before tax	296,026	279,380	60,058	158,379
Adjustments for:				
Amortisation of land use rights and depreciation of property, plant and equipment	109,790	90,794	495	252
Amortisation of intangible assets	1,117	4	518	1
Amortisation of favourable contracts	6,841	5,981	-	-
Amortisation of unfavourable contracts	(19,047)	(22,480)	-	-
Impairment loss on investment in subsidiary	-	-	8,297	3,100
Impairment loss on:				
- trade receivables	6,950	14,022	-	-
- other receivables	321	27	-	-
Reversal of impairment loss on:				
- trade receivables	(6,194)	(5)	-	-
- other receivables	-	(2)	-	-
Impairment loss on plant and equipment	20,983	-	-	-
Impairment loss on available-for-sale financial assets	18,622	-	-	-
Write down of inventories	2,177	10,000	-	-
Inventory written off	5,843	-	-	-
Net unrealised gain on foreign exchange	(98,997)	(60,716)	(55,928)	(30,259)
Finance costs	46,919	51,524	28,809	5,775
Loss on derivatives upon settlement	8,153	-	-	-
Fair value loss/(gain) on:				
- investment properties	1,321	(405)	-	-
- marketable securities	(25)	3	-	-
- derivatives	5,963	(30,432)	-	-
Loss on disposal of property, plant and equipment	1,029	-	-	-
Plant and equipment written off	9	230	-	-
Write off of debt of an associate	1,589	-	1,589	-
Gain on disposal of a subsidiary	-	(20,866)	-	-
Share of results of joint ventures	(92,165)	(91,386)	-	-
Share of results of associates	(4,314)	133	-	-
Dividend income	-	(3,303)	-	(103,810)
Interest income	(4,111)	(4,591)	(33,284)	(32,871)
Operating cash flows before working capital changes	308,800	217,912	10,554	567
Receivables	(126,734)	(64,128)	65,061	1
Other current assets	(6,149)	(19,663)	(220)	392
Inventories	14,238	2,446	-	-
Payables	312,891	20,280	20,002	(203)
Cash flows from operations	503,046	156,847	95,397	757
Defined benefit paid	-	(3,991)	-	-
Interest received	4,111	4,591	33,284	2,251
Interest paid	(46,919)	(51,524)	(28,809)	(5,775)
Taxes paid	(40,738)	(34,474)	(1,024)	(491)
Net cash flows from/(used in) operating activities	419,500	71,449	98,848	(3,258)

	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Investing activities				
Dividend received	-	3,303	-	24,000
Advances from subsidiaries	-	-	388,597	24,147
Advances to joint ventures	-	-	(10,169)	(2,015)
Advances to associates	-	-	(997)	(926)
Investment in subsidiaries	-	-	(602,657)	(320,194)
Investment in joint ventures	(97,926)	(1,618)	-	(1,607)
Investment in associates	(7)	-	-	(49)
Proceeds from disposal of property, plant and equipment	833	70	-	-
Proceeds from disposal of a subsidiary	-	189,442	-	-
Placement of short term investment	(75,010)	(313)	(12)	(313)
Net cash (outflow)/inflow from disposal of a subsidiary	-	(391)	-	27
Purchase of intangible assets	(12,599)	(8,943)	(8,205)	(8)
Purchase of property, plant and equipment	(1,865,799)	(141,122)	(121)	(1,221)
Addition in investment property	(5,903)	(14,038)	-	-
Net cash flows (used in)/from investing activities	(2,056,411)	26,390	(233,564)	(278,159)
Financing activities				
Increase in borrowings	71,811	23,505	-	16,302
Advance from/(Repayment to) directors	19,340	(85,100)	19,340	(85,100)
Drawdown of term loans	1,397,333	7,920	-	10,367
Repayment of term loans	(493,396)	(457,754)	(5,749)	(203,785)
Dividend paid	(16,392)	(12,910)	(16,392)	(12,910)
Repayment of obligations under finance leases	(6,800)	(5,771)	(176)	(223)
Proceeds from issuance of shares	169,800	568,039	169,800	568,039
Share issuance expenses	(3,900)	(5,618)	(3,900)	(5,618)
Proceeds from issuance of perpetual securities	437,460	-	-	-
Acquisition of non-controlling interest	(3,424)	-	-	-
Proceed from settlement of derivatives	22,364	-	-	-
Withdrawal/(Placement) of fixed deposits for investment purposes	8,550	(8,550)	-	-
Placement of fixed deposits pledged as security	(141,858)	(9,518)	(323)	(3,815)
Net cash flows from financing activities	1,460,888	14,243	162,600	283,257
Net (decrease)/increase in cash and cash equivalents	(176,023)	112,082	27,884	1,840
Effects of foreign exchange rate changes	112,397	(22,471)	82	-
Cash and cash equivalents at beginning of year	274,595	184,984	7,511	5,671
Cash and cash equivalents at end of year (Note 28)	210,969	274,595	35,477	7,511

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Yinson Holdings Berhad (the "Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at No. 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor Darul Takzim.

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

The principal activities of the subsidiaries are described in Note 21 to the financial statements.

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

2.1 Basis of preparation

The consolidated financial statements of Yinson Holdings Berhad and its subsidiaries (the "Group") have been prepared in accordance with Malaysian Financial Reporting Standards (MFRS), International Financial Reporting Standards (IFRS) and the requirements of the Companies Act, 1965 in Malaysia.

The consolidated financial statements have been prepared on a historical cost basis, except as disclosed in the accounting policies below.

The consolidated financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000), except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 January 2016. 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:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- 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 of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

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 year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the parent of the Group 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.

2.2 Basis of consolidation (cont'd)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

3. Summary of significant accounting policies

3.1 Business combinations and goodwill

Business combinations involving entities under common control are accounted for by applying the pooling of interest method. 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 merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities have always been combined since the date the entities had come under common control.

In other case of 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.

When the Group acquires a business, it assesses the financial assets 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 is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

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 MFRS 139 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised either in either profit or loss or as a change to OCI. If the contingent consideration is not within the scope of MFRS 139, it is measured in accordance with the appropriate MFRS. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

3. Summary of significant accounting policies (cont'd)

3.1 Business combinations and goodwill (cont'd)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

3.2 Investment in subsidiaries, associates and joint ventures

(i) Subsidiaries

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

(ii) Associates and joint ventures

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 those 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 considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

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

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate 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 associate or joint venture. 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 associate or joint venture, 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 associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

3. Summary of significant accounting policies (cont'd)

3.2 Investment in subsidiaries, associates and joint ventures (cont'd)

(ii) Associates and joint ventures (cont'd)

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or 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.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group except for an associate as disclosed in Note 23. 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 as 'Share of profit of an associate and a joint venture' in the income statement.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

3.3 Current versus non-current classification

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

- Expected to be realised or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent 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:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- 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.

3. Summary of significant accounting policies (cont'd)

3.4 Fair value measurement

The Group measures financial instruments, such as, derivatives, and non-financial assets such as investment properties, at fair value at each statement of financial position 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:

- In the principal market for the asset or liability; or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible 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.

The Group's senior management determines the policies and procedures for both recurring fair value measurement, such as investment properties and unquoted AFS financial assets.

External valuers are involved for valuation of significant assets. Involvement of external valuers is decided upon annually by the senior management after discussion with and approval by the 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 each 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.

3. Summary of significant accounting policies (cont'd)

3.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements, has pricing latitude and is also exposed to inventory and credit risks.

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

(i) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

(ii) Rendering of services

Revenue from rendering services is recognised upon services rendered. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

(iii) Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iv) Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the income statement according to its operating nature.

(v) Vessel charter fees

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

3.6 Taxes

(i) 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 income statement. 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.

3. Summary of significant accounting policies (cont'd)

3.6 Taxes (cont'd)

(ii) Deferred tax

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

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

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

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

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

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the 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 income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the amount of GST incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

3. Summary of significant accounting policies (cont'd)

3.7 Foreign currencies

The Group's consolidated financial statements are presented in RM, which is also the parent company's functional currency. The Group determines the functional currency for each entity and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and has elected to recycle the gain or loss that arises from using this method.

(i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

(ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into RM at the rate of exchange prevailing at the reporting date and their income statement are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

3.8 Cash dividend and non-cash distribution to owners of the parent

The Company recognises a liability to make cash or non-cash distributions to owners of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the income statement.

3. Summary of significant accounting policies (cont'd)

3.9 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. 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. 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. 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.

Assets under construction are not depreciated as these assets not yet available for use. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land	50 to 60 years
Buildings	50 years
Electrical installation	5 years
Motor vehicles	10 years
Renovation, equipment, furniture and fittings	10 years
Tug boats, barges and boat equipment	10 years
Vessels	12 to 20 years

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

The 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.

3.10 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) Group as a lessee

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the Group, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the income statement.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.

(ii) Group as a lessor

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 the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3. Summary of significant accounting policies (cont'd)

3.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an 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. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.12 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the income statement in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

3.13 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement as the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

3. Summary of significant accounting policies (cont'd)

3.14 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

(a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

(b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in four categories:

- Financial assets at fair value through profit or loss;
- Loans and receivables;
- Held-to-maturity investments; and
- Available-for-sale financial assets.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by MFRS 139.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the income statement.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Re-assessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loan and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

3. Summary of significant accounting policies (cont'd)

3.14 Financial instruments – initial recognition and subsequent measurement (cont'd)

(i) Financial assets (cont'd)

(b) Subsequent measurement (cont'd)

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Group has the positive intention and ability to hold them to maturity. After initial measurement, held to maturity investments are measured at amortised cost using the EIR, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the income statement. The losses arising from impairment are recognised in the income statement as finance costs.

The Group did not have any held-to-maturity investments during the years ended 31 January 2016 and 2015.

Available-for-sale (AFS) financial assets

AFS financial investments include equity investments and debt securities. Equity investments classified as AFS are those that are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those that are intended to be held for an indefinite period of time and that may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, AFS financial assets are subsequently measured at fair value with unrealised gains or losses recognised in OCI and credited in the AFS 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, when the cumulative loss is reclassified from the AFS reserve to the income statement. Interest earned whilst holding AFS financial assets is reported as interest income using the EIR method.

The Group evaluates whether the ability and intention to sell its AFS financial assets in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if the management has the ability and intention to hold the assets for foreseeable future or until maturity.

For a financial asset reclassified from the AFS category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the income statement.

(c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

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

3. Summary of significant accounting policies (cont'd)

3.14 Financial instruments – initial recognition and subsequent measurement (cont'd)

(i) Financial assets (cont'd)

(c) Derecognition (cont'd)

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

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

(ii) Impairment of financial assets

The Group assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant.

If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in income statement. Interest income (recorded as finance income in the income statement) continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the income statement.

3. Summary of significant accounting policies (cont'd)

3.14 Financial instruments – initial recognition and subsequent measurement (cont'd)

(ii) Impairment of financial assets (cont'd)

Available-for-sale (AFS) financial assets

For AFS financial assets, the Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity investments classified as AFS, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

When there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement – is removed from OCI and recognised in the income statement. Impairment losses on equity investments are not reversed through profit or loss; increases in their fair value after impairment are recognised in OCI.

In the case of debt instruments classified as AFS, the impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement.

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss is reversed through the income statement.

(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 including bank overdrafts, financial guarantee contracts and derivative financial instruments.

3. Summary of significant accounting policies (cont'd)

3.14 Financial instruments – initial recognition and subsequent measurement (cont'd)

(iii) Financial liabilities (cont'd)

(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 financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by MFRS 139. 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 the income statement.

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 MFRS 139 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.

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

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

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

(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 income statement.

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement 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.

3. Summary of significant accounting policies (cont'd)

3.15 Derivative financial instruments

The Group uses derivative financial instruments, interest rate swaps and foreign currency forward contracts, to hedge its interest rate risks and foreign currency 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. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

3.16 Inventories

Inventories are valued at the lower of cost and net realisable value.

Purchase costs and other costs incurred in bringing the trading goods and consumables to its present location and condition are accounted for on a first in, first out 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.

3.17 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

Impairment losses of continuing operations, including impairment on inventories, are recognised in the income statement in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

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 income statement unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.18 Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts.

3. Summary of significant accounting policies (cont'd)

3.19 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 can be made of the amount of the obligation. 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 income statement net of any reimbursement.

3.20 Pensions and other post-employment benefits

The Group makes contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

The subsidiary of the Group, Yinson Production AS operates a defined benefit pension plan, which providing post-employment benefits upon retirement. The benefit to be received by employees depends on factors including length of service, retirement date and future salary increment.

The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The discount rate is the yield at the reporting date reflecting the maturity dates approximating to the terms of the Group's obligations. The calculation is performed by a qualified actuary.

Actuarial gains and losses will be recognized immediately in other comprehensive income correspondingly affecting the net benefit liability or asset in the statement of financial position.

3.21 Transactions with non-controlling interests

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in profit or loss of the Group and within equity in the consolidated statement of financial position, separately from parent shareholders' equity. Transactions with non-controlling interests are accounted for using the entity concept method, whereby, transactions with non-controlling interests are accounted for as transactions with owners. On acquisition of non-controlling interests, the difference between the consideration and carrying amount of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

3.22 Share capital and share issuance expenses

An equity investment is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity investments.

Ordinary shares are recorded at the proceeds received, net of directly attributable transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

3.23 Perpetual Securities

Perpetual securities are 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 perpetual securities are shown in equity as a reduction, net of tax, from the proceeds. The proceeds received net of any directly attributable transaction costs are credited to perpetual securities.

3.24 Discontinued operation

A component of the Group is classified as a "discontinued operation" when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations or is part of a single coordinated major line of business or geographical area of operations. A component is deemed to be held for sale if its carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Upon classification as held for sale, non-current assets and disposal groups are not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in profit or loss.

4. Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 February 2015, the Group and the Company adopted the following new and amended MFRS mandatory for annual financial periods beginning on or after 1 July 2014.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to MFRSs 2010 - 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 - 2013 Cycle	1 July 2014

The adoption of the above new and amended standards did not have any effect on the financial performance or position of the Group and the Company.

5. Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company have not completed their assessment of the financial effects and intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Annual Improvements to MFRSs 2012–2014 Cycle	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 101: Disclosure Initiatives	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS107: Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 9 Financial Instruments (IFRS issued by IASB in July 2014)	1 January 2018
MFRS 16 Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

Annual Improvements to MFRSs 2012–2014 Cycle

The Annual Improvements to MFRSs 2012-2014 Cycle include a number of amendments to various MFRSs, which are summarised below.

(i) MFRS 5 Non-current Assets Held for Sale and Discontinued Operations

The amendment to MFRS 5 clarifies that changing from one of these disposal methods to the other should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. There is therefore no interruption of the application of the requirements in MFRS 5.

The amendment also clarifies that changing the disposal method does not change the date of classification. This amendment is to be applied prospectively to changes in methods of disposal that occur in annual periods beginning on or after 1 January 2016, with earlier application permitted.

5. Standards issued but not yet effective (cont'd)

Annual Improvements to MFRSs 2012–2014 Cycle (cont'd)

(ii) MFRS 7 Financial Instruments: Disclosures

The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in MFRS 7 in order to assess whether the disclosures are required.

In addition, the amendment also clarifies that the disclosures in respect of offsetting of financial assets and financial liabilities are not required in the condensed interim financial report.

(iii) MFRS 119 Employee Benefits

The amendment to MFRS 119 clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.

(iv) MFRS 134 Interim Financial Reporting

MFRS 134 requires entities to disclose information in the notes to the interim financial statements 'if not disclosed elsewhere in the interim financial report'.

The amendment states that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report). The other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time.

Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through the use of an asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets.

The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact to the Group and the Company as the Group and the Company have not used a revenue-based method to depreciate its non-current assets.

Amendments to MFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations

The amendments to MFRS 11 require that a joint operator which acquires an interest in a joint operations which constitute a business to apply the relevant MFRS 3 Business Combinations principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to MFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

These amendments are to be applied prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted.

5. Standards issued but not yet effective (cont'd)

Amendments to MFRS 127: Equity Method in Separate Financial Statements

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associate in their separate financial statements. Entities already applying MFRS and electing to change to the equity method in its separate financial statements will have to apply this change retrospectively. For first-time adopters of MFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to MFRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted.

Amendments to MFRS 101: Disclosure Initiatives

The amendments to MFRS 101 include narrow-focus improvements in the following five areas:

- Materiality
- Disaggregation and subtotals
- Notes structure
- Disclosure of accounting policies
- Presentation of items of other comprehensive income arising from equity accounted investments

Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception

The amendments clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value. The amendments further clarify that only a subsidiary that is not an investment entity itself and provides support services to the investment entity is consolidated. In addition, the amendments also provides that if an entity that is not itself an investment entity has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries.

The amendments are to be applied retrospectively and are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted.

MFRS 14 Regulatory Deferral Accounts

MFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulations, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of MFRS. Entities that adopt MFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in the account balances as separate line items in the income statement and other comprehensive income. The standard requires disclosures on the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. Since the Group is an existing MFRS preparer, this standard would not apply.

MFRS 15 Revenue Contracts with Customers

MFRS 15 establishes a new five-step models that will apply to revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including MFR 118 Revenue, MFRS 111 Construction Contracts and the related interpretations when it becomes effective. The core principle of MFRS 15 is that an entity should recognise revenue which depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted.

5. Standards issued but not yet effective (cont'd)

MFRS 9 Financial Instruments

In November 2014, MASB issued the final version of MFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous versions of MFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of MFRS 9 will have an effect on the classification and measurement of the Group's and the Company's financial assets, but no impact on the classification and measurement of the Group's and the Company's financial liabilities.

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

The amendments clarify that:

- gains and losses resulting from transactions involving assets that do not constitute a business, between investor and its associate or joint venture are recognised in the entity's financial statements only to the extent of unrelated investors' interests in the associate or joint venture; and

- gains and losses resulting from transactions involving the sale or contribution to an associate of a joint venture of assets that constitute a business is recognised in full.

The amendments are to be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined by Malaysian Accounting Standards Board.

Amendments to MFRS 107: Disclosure Initiative

The Amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes. The disclosure requirement could be satisfied in various ways, and one method is by providing reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. The Amendments are effective for annual periods beginning on or after 1 January 2017. Earlier application is permitted.

Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses

The Amendments are issued to clarify whether deferred tax assets should be recognised for unrealised losses on fixed rate debt instrument measured at fair value.

The Amendments clarify that:

- Decreases in value of a debt instrument measured at fair value for which the tax base remains at its original cost give rise to a deductible temporary difference. The estimate of probable future taxable profits may include recovery of some of an entity's assets for more than their carrying amounts if sufficient evidence exists that it is probable the entity will achieve this.

- Deductible temporary differences should be compared with the entity's future taxable profits excluding tax deductions resulting from the reversal of those deductible temporary differences when an entity evaluates whether it has sufficient future taxable profits. In addition, when an entity assesses whether taxable profits will be available, it should consider tax law restrictions with regards to the utilisation of the deduction.

The Amendments are effective for annual periods beginning on or after 1 January 2017. Earlier application is permitted.

MFRS 16 Leases

On 15 April 2016, MASB has issued MFRS 16 Leases to replace the existing standard on Leases, MFRS 117. MFRS 16 is word-for-word IFRS 16 Leases as issued by the International Accounting Standards Board, and has the same effective date of 1 January 2019. Earlier application is permitted provided MFRS 15 Revenue from Contracts with Customers is also applied. Currently under MFRS 117, leases are classified either as finance leases or operating leases. A lessee recognises on its statement of financial position assets and liabilities arising from the former but not the latter. MFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its statement of financial position as recording certain leases as off-balance sheet leases will no longer be allowed except for some limited practical exemptions.

6. Significant accounting judgments, estimates and assumptions

The preparation of the Group's and of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(i) Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Group as lessor

The Group has entered into property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the property, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Chartering of vessels to customers are recognised as revenue based on whether the charter contracts are determined to be an operating lease or a finance lease in accordance with MFRS 117 Leases. The classifications of the charter contracts are assessed at the inception of the lease.

If the terms and conditions of the lease contracts change subsequently, the management will reassess whether the new arrangements would be classified as a new lease based on the prevailing market conditions.

Discontinued operations

The Company had on 28 September 2015 entered into a conditional share sale agreement ("SSA") to divest its entire equity interest in its non-oil and gas subsidiaries and, therefore classified these subsidiaries as disposal group held for sale. The Board of Directors considered these subsidiaries met the criteria to be classified as held for sales at the date for the following reasons:

- The subsidiaries are available for immediate sale in its current condition; and

- The Board had on 28 September 2015, entered into the abovementioned SSA for the divestment.

On 29 January 2016, shareholders of the Company had approved the proposed divestment during an Extraordinary General Meeting. For more details on the discontinued operations refer to Note 46.

Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivable at the reporting date is disclosed in Note 26.

Investment in Joint Venture

On 30 July 2015, Yinson Heather Ltd ("YHL"), a subsidiary of the Company, entered into a Joint Venture Deed ("JVD") with Four Vanguard Serviços E Navegaçao Lda ("Four Vanguard"), a company incorporated in Portugal, to form a Joint Venture Company ("JVC") known as Anteros Rainbow Offshore Pte Ltd ("ARO"); a limited liability company incorporated in Singapore.

YHL holds 51% shareholding in the JVC and the remaining 49% is held by Four Vanguard. Based on the contractual agreement, both YHL and Four Vanguard have joint control as decisions about relevant activities are made with unanimous consent of both parties. For more details on the investment in ARO refer to Note 22.

6. Significant accounting judgments, estimates and assumptions (cont'd)

(i) Judgments (cont'd)

Impairment on AFS financial assets

For AFS financial assets, the Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity investments classified as AFS, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. The determination of what is 'significant' or 'prolonged' requires judgment. In making this judgment, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

Recognition of accrued reimbursements income on additional taxes

Due to changes in foreign tax regulations effective year of assessment 2015, additional tax expenses totalling approximately RM44,514,000 was estimated and recognised by certain subsidiaries of the Group during the current financial year. The additional tax expenses estimated are reimbursable contractually. Accordingly, the Group has recognised an equivalent amount of RM44,514,000 as accrued reimbursements income during the current financial year with a corresponding other receivables of RM44,514,000 in the statement of financial position.

(ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

The Group and the Company assess whether there are any indicators of impairment for all non-financial assets at each reporting date.

The Group carried out the impairment test on plant and equipment based on the cash generating unit's ("CGU") fair value less cost to sell. The fair value is based on valuations performed by marine surveyors. For the financial year ended 31 January 2016, the amount of impairment loss recognised for plant and equipment was RM20,983,000 (2015: RM Nil).

Useful life and residual value of vessel

The depreciable amount of a vessel is determined after deducting its residual value and shall be allocated on a systematic basis over its useful life. The estimated useful lives are based on the management's best estimate and is normally equal to the design lives of the vessel.

Assumptions about residual value are based on prevailing market conditions and expected value to be obtained from the vessel at the end of its useful life. These assumptions by their nature may differ from actual outcome in the future. The residual value and the estimated useful life of a vessel will be reviewed at least at each financial year-end, and where appropriate, the management will adjust the residual value and useful life on individual vessel basis based on the particular conditions of the vessel.

Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the income statement. The Group engaged an independent valuation specialist to assess fair value as at 31 January 2016 for investment properties.

Deferred tax assets

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

Significant judgment is required to determine the amount of deferred tax assets to be recognised, based upon the likely timing and magnitude of future taxable profits together with future tax planning strategies.

6. Significant accounting judgments, estimates and assumptions (cont'd)

(ii) Estimates and assumptions (cont'd)

Income taxes

Judgement is involved in determining the Group's provision for income taxes as there are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. 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.

7. Revenue

	Group		Company	
	2016 RM'000	**2015 RM'000**	**2016 RM'000**	**2015 RM'000**
Vessel chartering and support services fees	424,268	395,428	-	-
Management fee income	117	12	28,007	6,109
Advance interest income	13	-	-	-
Dividend from subsidiaries	-	-	-	103,810
	424,398	395,440	28,007	109,919

8. Cost of sales

	Group	
	2016 RM'000	**2015 RM'000**
Included in cost of sales are:		
Vessel lease rental	-	12,502
Amortisation of favourable contracts (Note 35)	6,841	5,981
Amortisation of unfavourable contracts (Note 35)	(19,047)	(22,480)
Depreciation of property, plant and equipment	104,142	84,545
Employee benefits expenses (Note 11)	29	878

9. Other income

	Group		Company	
	2016 RM'000	**2015 RM'000**	**2016 RM'000**	**2015 RM'000**
Fair value gain on				
- derivatives	-	30,518	-	-
- marketable securities	23	-	-	-
Investment income	640	310	419	310
Gain on disposal of a subsidiary	-	20,866	-	-
Gain on foreign exchange				
- Realised	14,599	9,293	10,059	5,854
- Unrealised	103,296	58,433	55,928	30,259
Accrued reimbursements on additional taxes	44,514	-	-	-
Miscellaneous	1,115	6,933	73	25
	164,187	126,353	66,479	36,448

10. Administrative expenses

Included in administrative expenses for continuing operations are:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Auditors' remuneration:				
Statutory audit				
- Company's auditors	412	401	84	65
- Other auditors	974	853	-	-
Other services				
- Company's auditors	156	59	15	19
- Other auditors	510	295	-	-
Amortisation of intangible assets	1,114	1	518	1
Depreciation of property, plant and equipment	636	364	495	252
Impairment loss on investment in subsidiaries	-	-	8,297	3,100
Impairment loss on available-for-sale financial assets	17,554	-	-	-
Loss on derivatives upon settlement	8,153	-	-	-
Operating leases - Minimum lease payment for land and buildings	4,151	1,798	-	-
Write off of debt of an associate	1,589	-	1,589	-
Impairment loss on plant and equipment (Note 17)	18,983	-	-	-
Plant and equipment written off	-	230	-	-
Employee benefits expenses (Note 11)	27,709	29,889	13,669	4,273
Non-executive directors remuneration (Note 12)	307	212	307	212

11. Employee benefits expense

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Included in:				
Cost of sales (Note 8)	29	878	-	-
Administrative expenses (Note 10)	27,709	29,889	13,669	4,273
	27,738	30,767	13,669	4,273
Analysed as follows:				
Wages and salaries	24,458	25,586	11,942	3,373
Social security contributions	8	17	20	12
Contributions to defined contribution plan	2,011	2,638	1,117	483
Contributions to defined benefit plan	(3,840)	(4,144)	-	-
Other benefits	5,101	6,670	590	405
	27,738	30,767	13,669	4,273

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration as disclosed in Note 12.

12. Directors' remuneration

	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Executive directors' remuneration:				
- Fees	260	160	260	160
- Fees (related to prior financial year)	50	-	50	-
- Other emoluments	4,899	2,669	4,899	2,669
	5,209	2,829	5,209	2,829
Non-executive directors' remuneration:				
- Fees	250	190	250	190
- Fees (related to prior financial year)	30	-	30	-
- Other emoluments	27	22	27	22
	307	212	307	212
Total directors' remuneration from continuing operations	5,516	3,041	5,516	3,041
Executive directors' remuneration:				
- Other emoluments	1,737	1,471		
Non-executive directors' remuneration:				
- Fees	20	20		
Total directors' remuneration from discontinued operations (Note 46)	1,757	1,491		
Total directors' remuneration	7,273	4,532		

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of directors 2016	Number of directors 2015
Executive:		
RM250,001 - RM300,000	-	2
RM350,001 - RM400,000	2	-
RM1,000,001 - RM1,050,000	-	1
RM1,050,001 - RM1,100,000	-	1
RM1,500,001 - RM1,550,000	1	-
RM1,600,001 - RM1,650,000	-	1
RM2,100,001 - RM2,150,000	1	-
RM2,600,001 - RM2,650,000	1	-
Non-executive:		
RM50,001 - RM100,000	2	3
RM100,001 - RM150,000	1	-

13. Finance costs

	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Bank charges	1,901	851	5,126	173
Interest expenses	74,750	36,438	23,683	5,602
Fair value loss on derivatives for interest rate swap	5,963	86	-	-
	82,614	37,375	28,809	5,775
Less: Interest expenses capitalised in property, plant & equipment	(42,100)	-	-	-
	40,514	37,375	28,809	5,775

14. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 January 2016 and 2015 are:

	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Income Statements				
Current income tax - continuing operations (Note 36):				
- Malaysian income tax	226	1,620	140	1,313
- Foreign tax	52,256	25,923	-	-
- Under/(Over) provision in prior years	2,769	(62)	31	(1)
	55,251	27,481	171	1,312
Deferred tax - continuing operations (Note 36):				
- Relating to origination/reversal of temporary differences	22,459	(22)	-	-
- Over provision in prior years	-	(2)	-	-
	22,459	(24)	-	-
	77,710	27,457	171	1,312
Income tax expense attributable to:				
- Continuing operations	77,710	27,457	171	1,312
- Discontinued operations (Note 46)	2,495	511	-	-
Income tax expense recognised in profit or loss	80,205	27,968	171	1,312

<u>Reconciliation between tax expense and accounting profit:</u>

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 January 2016 and 2015 are as follows:

	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Profit before tax from continuing operations	292,760	280,724	60,058	158,379
Profit/(Loss) before tax from discontinued operations	3,266	(1,344)	-	-
Profit before tax	296,026	279,380	60,058	158,379

14. Income tax expense (cont'd)

Reconciliation between tax expense and accounting profit (cont'd):

	Group		Company	
	2016 RM'000	**2015 RM'000**	**2016 RM'000**	**2015 RM'000**
Tax at Malaysian statutory tax rate of 24% (2015: 25%)	71,046	69,845	14,414	39,595
Income not subject to tax	(17,500)	(16,255)	(30,525)	(42,192)
Expenses not deductible for tax purposes	1,917	4,901	16,251	3,910
Different tax rates of subsidiaries	44,559	(9,175)	-	-
Changes in deferred tax asset not recognised	432	1,488	-	-
Shared of results of joint ventures and associates	(23,155)	(22,814)	-	-
Under/(Over) provision of tax expense in prior years				
- Continuing operations	2,769	(62)	31	(1)
- Discontinued operations	(2,574)	(36)	-	-
Under/(Over) provision of deferred tax in prior years				
- Continuing operations	-	(2)	-	-
- Discontinued operations	2,711	78	-	-
Income tax expense recognised in profit or loss	80,205	27,968	171	1,312

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2015: 25%) of the estimated assessable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

15. Earnings per share

(a) Basic

Basic earnings per share amounts are calculated by dividing profit for the year, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2016 RM'000	**2015 RM'000**
Profit attributable to owners of the parent used in the computation of basic earnings per share (RM'000)		
- Continuing operations	224,839	249,277
- Discontinued operations	(176)	(1,600)
Total group	224,663	247,677
Weighted average number of ordinary shares for computation of basic earnings per share ('000)	1,067,154	950,475
Basic earnings per share (sen)		
- Continuing operations	21.1	26.2
- Discontinued operations	0.0	(0.1)
Total group	21.1	26.1

The weighted average number of shares takes into account the weighted average effect of changes in ordinary shares transactions during the year.

(b) Diluted

No diluted earnings per share have been presented as there is no dilutive potential ordinary shares outstanding as at 31 January 2016 and 31 January 2015.

16. Dividend

	In respect of the financial year ended		Recognised during the year	
	2015 RM'000	**2014 RM'000**	**2016 RM'000**	**2015 RM'000**
Dividend on ordinary shares: Final single tier dividend: 1.25 sen per share	-	12,910	-	12,910
Dividend on ordinary shares: Final single tier dividend: 1.50 sen per share	16,392	-	16,392	-
	16,392	12,910	16,392	12,910

At the forthcoming Annual General Meeting, a final single tier dividend of 2.0 sen per share in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 January 2017.

17. Property, plant and equipment

Group	Buildings RM'000	Motor vehicles RM'000	Vessels, tugboats, and barges RM'000	*Other assets RM'000	Total RM'000
Cost					
At 1 February 2014	6,108	53,986	1,025,446	4,986	1,090,526
Additions	30	9,384	131,902	8,612	149,928
Written off	-	(401)	-	(191)	(592)
Disposals	-	(189)	(19)	-	(208)
Disposal of a subsidiary	-	(381)	-	(37)	(418)
Exchange differences	-	463	148,216	691	149,370
At 31 January 2015 and 1 February 2015	6,138	62,862	1,305,545	14,061	1,388,606
Additions	6,782	3,601	1,850,670	7,118	1,868,171
Written off	-	(156)	-	(12)	(168)
Disposals	-	(5,262)	-	-	(5,262)
Attributable to discontinued operations (Note 46)	(6,328)	(58,256)	(9,950)	(9,959)	(84,493)
Exchange differences	-	884	282,347	2,055	285,286
At 31 January 2016	6,592	3,673	3,428,612	13,263	3,452,140
Accumulated depreciation and impairment loss					
At 1 February 2014	1,266	26,699	34,649	3,954	66,568
Charge for the year	122	5,019	84,266	1,291	90,698
Written off	-	(271)	-	(91)	(362)
Disposals	-	(133)	(5)	-	(138)
Disposal of a subsidiary	-	(35)	-	(4)	(39)
Exchange differences	-	259	73,494	126	73,879
At 31 January 2015 and 1 February 2015	1,388	31,538	192,404	5,276	230,606
Charge for the year	92	4,005	102,748	2,873	109,718
Written off	-	(147)	-	(12)	(159)
Disposals	-	(3,400)	-	-	(3,400)
Impairment (Note 10)	-	-	18,983	-	18,983
Attributable to discontinued operations (Note 46)	(1,480)	(30,611)	(4,235)	(4,322)	(40,648)
Exchange differences	-	502	138,533	432	139,467
At 31 January 2016	-	1,887	448,433	4,247	454,567

17. Property, plant and equipment (cont'd)

Group	Buildings RM'000	Motor vehicles RM'000	Vessels, tugboats, and barges RM'000	*Other assets RM'000	Total RM'000
Net carrying amount					
At 31 January 2015	4,750	31,324	1,113,141	8,785	1,158,000
At 31 January 2016	6,592	1,786	2,980,179	9,016	2,997,573

Company	Motor vehicles RM'000	*Other assets RM'000	Total RM'000
Cost			
At 1 February 2014	-	-	-
Additions	1,157	1,121	2,278
At 31 January 2015 and 1 February 2015	1,157	1,121	2,278
Additions	-	121	121
At 31 January 2016	1,157	1,242	2,399
Accumulated depreciation and impairment loss			
At 1 February 2014	-	-	-
Charge for the year	93	159	252
At 31 January 2015 and 1 February 2015	93	159	252
Charge for the year	115	380	495
At 31 January 2016	208	539	747
Net carrying amount			
At 31 January 2015	1,064	962	2,026
At 31 January 2016	949	703	1,652

* Other assets comprise office equipment, computers, signboard, renovation, electrical installation, plant and equipment and furniture and fittings.

17. Property, plant and equipment (cont'd)

(a) The carrying amounts of motor vehicles held under finance leases at the reporting date was approximately RM1,605,000 (2015: RM20,691,000).

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

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Cash payment	1,865,799	141,122	121	1,221
Finance leases	2,372	8,806	-	1,057
	1,868,171	149,928	121	2,278

(c) The carrying amounts of property, plant and equipment pledged to financial institutions for banking facilities granted to the Group and lease assets pledged to the related finance lease liabilities as disclosed in Note 32 and Note 33 at reporting date were as follows:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Land and buildings	-	4,750	-	-
Motor vehicles	1,605	20,691	949	1,064
Vessels and barges	2,934,619	976,962	-	-
	2,936,224	1,002,403	949	1,064

(d) Included in property, plant and equipment are motor vehicles with carrying amount of approximately RM Nil (2015: RM4,982,000) registered in the name of third parties, a director, Lim Han Weng and companies in which certain directors have interests.

(e) Included in vessels, tugboats and barges at the reporting date is a vessel under construction with carrying amount of approximately RM1,930,250,000 (2015: RM129,923,000).

(f) The Group's plant and equipment include borrowing costs arising from bank loans borrowed specifically for the purpose of the construction of a vessel. During the financial year, the borrowing costs capitalised at cost of plant and equipment amounted to RM42,100,000 (2015: Nil).

18. Investment properties

Valuation of investment properties

Investment properties are stated at fair value, which has been determined based on valuations at the reporting date. Valuation are performed by accredited independent valuers.

	Group 2016 RM'000	Group 2015 RM'000
At beginning of year	29,598	15,155
Additions	5,903	14,038
Net gain from fair value adjustments recognised in profit or loss	-	405
Exchange differences	1,842	-
Assets held for sale (Note 46)	(37,343)	-
At end of year	-	29,598

The carrying amount of investment properties under construction at reporting date was approximately Nil (2015: RM14,038,000).

The carrying amount of investment properties held under lease terms at reporting date was approximately RM Nil (2015: RM11,610,000).

The carrying amount of investment properties pledged to financial institutions for banking facilities granted to the Group as disclosed in Notes 32 at reporting date was approximately RM Nil (2015: RM8,720,000).

19. Land use rights

	Group 2016 RM'000	Group 2015 RM'000
Cost		
At beginning of year	5,763	5,763
Attributable to discontinued operations	(5,763)	-
At end of year	-	5,763
Accumulated amortisation		
At beginning of year	1,439	1,343
Amortisation for the year	72	96
Attributable to discontinued operations	(1,511)	-
At end of year	-	1,439
Net carrying amount	-	4,324
Amount to be amortised:		
- Not later than one year	-	96
- Later than one year but not later than five years	-	384
- Later than five years	-	3,844
	-	4,324

19. Land use rights (cont'd)

The land use rights as at 31 January 2015 were pledged to financial institutions for banking facilities granted to the Group as disclosed in Notes 32.

20. Intangible assets

Group	Computer software RM'000	Golf membership RM'000	Total RM'000
Cost			
At 1 February 2014	162	100	262
Additions	9,351	-	9,351
At 31 January 2015 and 1 February 2015	9,513	100	9,613
Additions	12,599	-	12,599
Exchange differences	1,714	-	1,714
Attributable to discontinued operations (Note 46)	(185)	(100)	(285)
At 31 January 2016	23,641	-	23,641
Accumulated amortisation			
At 1 February 2014	153	-	153
Amortisation (Note 10 and 46)	4	-	4
At 31 January 2015 and 1 February 2015	157	-	157
Amortisation (Note 10 and 46)	1,117	-	1,117
Exchange differences	(20)	-	(20)
Attributable to discontinued operations (Note 46)	(153)	-	(153)
At 31 January 2016	1,101	-	1,101
Net carrying amount			
At 31 January 2015	9,356	100	9,456
At 31 January 2016	22,540	-	22,540

20. Intangible assets (cont'd)

Company	Computer software RM'000	Total RM'000
Cost		
At 1 February 2014	-	-
Additions	8	8
At 31 January 2015 and 1 February 2015	8	8
Additions	8,205	8,205
At 31 January 2016	8,213	8,213
Accumulated amortisation		
At 1 February 2014	-	-
Amortisation (Note 10)	1	1
At 31 January 2015 and 1 February 2015	1	1
Amortisation (Note 10)	518	518
At 31 January 2016	519	519
Net carrying amount		
At 31 January 2015	7	7
At 31 January 2016	7,694	7,694

21. Investment in subsidiaries

	Company 2016 RM'000	2015 RM'000
Unquoted shares, at cost		
In Malaysia	793,390	356,311
Outside Malaysia	-	506
	793,390	356,817
Impairment losses	-	(3,605)
	793,390	353,212

21. Investment in subsidiaries (cont'd)

Details of the subsidiaries are as follows:

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest 2016	2015	Principal activities
Yinson Transport (M) Sdn. Bhd.(i)(v)	Malaysia	100	100	Provision of transport services, trading in construction materials and rental of properties
Yinson Corporation Sdn. Bhd.(i)(v)	Malaysia	100	100	Provision of transport services and trading in construction materials
Yinson Marine Services Sdn. Bhd.(ii)	Malaysia	100	100	Provision of sub-leasing of vessels and trading of lubricants
Yinson Shipping Sdn. Bhd.(ii)(v)	Malaysia	100	100	Provision of shipping and forwarding services (Ceased operations)
Yinson Power Marine Sdn. Bhd.(ii)(v)	Malaysia	100	65	Provision of marine transport services
Yinson Tulip Ltd.(ii)	Labuan	100	100	Leasing of vessels on bareboat basis
Yinson Offshore Limited (ii)	Labuan	100	100	Trading and leasing of vessel on time charter basis
Yinson Indah Limited(ii)	Labuan	100	60	Leasing of vessel on bareboat basis
OY Labuan Limited (ii)	Labuan	100	100	Sub-leasing of vessel on time charter basis
Yinson Production Limited (ii)	Labuan	100	100	Investment holding
Yinson Orchid Pte. Ltd.(ii)(iii)	Singapore	100	100	Vessel operator
Yinson TMC Sdn. Bhd.(ii)(iii)	Malaysia	100	100	Provision of treasury management services
OY Offshore Pte. Ltd.(ii)(iii)	Singapore	100	100	Vessel operator
Yinson Vietnam Company Limited (ii)(iii)(v)	Vietnam	100	100	Provision of civil construction services and construction management consultancy services
Yinson Engineering Solutions Pte. Ltd. (formerly known as Yinson Management Services Pte. Ltd.)(ii)(iii)	Singapore	100	100	Business and management consultancy services
Yinson Trillium Limited(ii)(iii)	Labuan	100	100	Investment holding
Yinson Mawar Sdn. Bhd.(ii)(iii)	Malaysia	100	100	Provision of marine services
Yinson Nereus Ltd (ii)	Republic of the Marshall Islands	100	100	Investment holding

21. Investment in subsidiaries (cont'd)

Details of the subsidiaries are as follows: (cont'd)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest 2016	2015	Principal activities
Yinson Acacia Ltd (ii)(iv)	Republic of the Marshall Islands	100	-	Investment holding
Yinson Overseas Limited (formerly known as Yinson Dadang Limited) (ii)(iv)(v)	Labuan	100	-	Investment holding
Held through Yinson Acacia Ltd:				
Yinson Clover Ltd (ii)(iv)	Republic of the Marshall Islands	100	-	Investment holding
Yinson Heather Ltd (ii)(iv)	Republic of the Marshall Islands	100	-	Investment holding
Held through Yinson Nereus Ltd:				
Yinson Camellia Limited(ii)(iii)(iv)	Labuan	100	-	Shipping operations and vessel chartering
Yinson Dynamic Ltd (ii)(iv)	Republic of the Marshall Islands	100	-	Investment holding
Held through Yinson Production Limited:				
Yinson Production AS (ii)(iii)	Norway	100	100	Investment holding
Yinson Production Pte. Ltd.(ii)(iii)	Singapore	100	100	Ship management services and service activities incidental to oil and gas extraction
Held through Yinson Trillium Limited and Yinson Production Pte. Ltd.:				
Yinson Production (West Africa) Pte. Ltd.(ii)(iii)	Singapore	100	100	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Held through Yinson Production AS:				
Fred. Olsen Production (Cyprus) Ltd.(ii)(iii)	Cyprus	-	100	Liquidated
Knock Taggart Pte. Ltd.(ii)(iii)	Singapore	100	100	Presently under liquidation

21. Investment in subsidiaries (cont'd)

Details of the subsidiaries are as follows: (cont'd)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest 2016	2015	Principal activities
Held through Yinson Production AS: (cont'd)				
Floating Operations And Production Pte. Ltd.[(ii)(iii)]	Singapore	100	100	Ship management services
Knock Borgen Pte. Ltd.[(ii)(iii)]	Singapore	100	100	Presently under liquidation
Taggart AS [(ii)(iii)]	Norway	100	100	Dormant
Dee AS [(ii)(iii)]	Norway	100	100	Dormant
Adoon AS [(ii)(iii)]	Norway	100	100	Investment holding
Nevis 1 AS [(ii)(iii)]	Norway	100	100	Dormant
Allan AS [(ii)(iii)]	Norway	100	100	Investment holding
Held through Allan AS:				
Knock Allan Pte. Ltd.[(ii)(iii)]	Singapore	100	100	Leasing of vessel and ship management services
Held through Adoon AS:				
Adoon Pte. Ltd.[(ii)(iii)]	Singapore	100	100	Leasing of vessel and ship management services
Held through Yinson Overseas Limited:				
Yinson Port Venture Pte. Ltd.[(ii)(iii)(v)]	Singapore	100	100	Investment holding
Held through Yinson Vietnam Company Limited:				
Yen Son Diversified Company Limited [(ii)(iii)(v)]	Vietnam	51	51	Provision of warehousing facilities

21. Investment in subsidiaries (cont'd)

Details of the subsidiaries are as follows: (cont'd)

(i) Subsidiaries consolidated using merger method of accounting
(ii) Subsidiaries consolidated using acquisition method of accounting
(iii) Audited by a firm other than Ernst & Young
(iv) Subsidiaries newly incorporated during the current financial year
(v) Classified as discontinued operations during the current financial year (Note 46)

Acquisition of non-controlling interests

(a) Yinson Power Marine Sdn. Bhd.

On 17 July 2015, the Group acquired the remaining 35% equity interest in Yinson Power Marine Sdn. Bhd. from its non-controlling interests for a total consideration of RM1. As a result of this acquisition, Yinson Power Marine Sdn. Bhd. became a wholly-owned subsidiary of the Group. On the date of acquisition, the carrying value of the additional interests acquired was RM1,622,349. The difference between the consideration and the book value of the interest acquired of RM1,622,350 was recognised to Equity.

(b) Yinson Indah Limited

On 22 January 2016, the Group acquired the remaining 40% equity interest in Yinson Indah Limited from its non-controlling interests for a total consideration of RM3,423,673. As a result of this acquisition, Yinson Indah Limited became a wholly-owned subsidiary of the Group. On the date of acquisition, the carrying value of the additional interest acquired was RM1,529,628. The difference between the consideration and the book value of the interest acquired of RM1,894,045 was recognised to Equity.

Increase in issued share capital of subsidiaries

During the financial year, other than the acquisition of non-controlling interest, the Company increased the issued share capital of Yinson Tulip Ltd., Yinson Production Limited, Yinson Trillium Limited and Yinson TMC Sdn. Bhd. by approximately RM30.27 million, RM0.71 million, RM522.78 million and RM17.90 million respectively and were settled by way of cash or capitalisation of amounts due from subsidiaries as investment cost.

22. Investment in joint ventures

	Group 2016 RM'000	Group 2015 RM'000
Unquoted shares at cost		
- Outside Malaysia	295,198	197,255
Advances to joint ventures	3,190	3,190
	298,388	200,445
Share of post acquisition reserves	299,875	156,231
Share of net assets of joint ventures	598,263	356,676

	Company 2016 RM'000	Company 2015 RM'000
Unquoted shares outside Malaysia, at cost:		
At beginning / At end of the year	197,255	197,255
Advances to joint ventures:		
At beginning of the year	3,190	1,583
Addition	-	1,607
At end of the year	3,190	3,190
	200,445	200,445

Advance to PTSC Asia Pacific Pte. Ltd. is non-interest bearing.

Details of joint ventures are as follows:

Name of joint ventures	Countries of incorporation	Proportion (%) of ownership interest 2016	2015	Principal activities
PTSC South East Asia Pte. Ltd.[(a)]	Singapore	49	49	Leasing of a floating, storage and offloading unit ("FSO")
PTSC Asia Pacific Pte. Ltd.[(a)]	Singapore	49	49	Leasing of a floating, production, storage and offloading unit ("FPSO")
Held through Yinson Production Pte. Ltd.:				
Yinson Production West Africa Limited [(a)]	Ghana	49	49	Leasing of a floating, production, storage and offloading unit ("FPSO")
Held through Yinson Nereus Ltd:				
OY Offshore Limited [(a)]	Ghana	49	49	Operate and manage offshore support and supply vessels

22. Investment in joint ventures (cont'd)

Name of joint ventures	Countries of incorporation	Proportion (%) of ownership interest 2016	2015	Principal activities
Held through Yinson Heather Ltd:				
Anteros Rainbow Offshore Pte. Ltd.[(a)]	Singapore	51	-	Leasing of a floating, production, storage and offloading unit ("FPSO")

(a) Audited by a firm other than Ernst & Young

Joint Venture between Yinson Heather Ltd ("YHL") and Four Vanguard Serviços E Navegaçao Lda ("Four Vanguard")

On 30 July 2015, YHL , a subsidiary of the Company, entered into a Joint Venture Deed ("JVD") with Four Vanguard Serviços E Navegaçao Lda ("Four Vanguard"), a company incorporated in Portugal, to form a Joint Venture Company ("JVC") known as Anteros Rainbow Offshore Pte. Ltd. ("ARO"). YHL holds 51% shareholding in the JVC and the remaining 49% is held by Four Vanguard. The joint venture is for the purposes of acquiring a vessel owned by Four Vanguard ("the Vessel"). The Vessel is used in bidding for Floating Production Storage and Offloading ("FPSO") projects and to be leased to potential charterers.

The Group's interest in PTSC South East Asia Pte. Ltd., PTSC Asia Pacific Pte. Ltd. and Anteros Rainbow Offshore Pte. Ltd. are accounted for using the equity method in the consolidated financial statements.

Summarised financial information of the joint ventures, based on its MFRS/IFRS financial statements are set out below:

(i) PTSC South East Asia Pte. Ltd.

	2016 RM'000	2015 RM'000
Summarised statement of financial position:		
Current assets	168,735	118,957
Non-current assets	541,278	495,320
Current liabilities	(77,604)	(59,832)
Non-current liabilities	(211,295)	(271,847)
Equity	421,114	282,598
Proportion of the Group's ownership	49%	49%
Carrying amount of the investment	206,346	138,473
Summarised statement of comprehensive income:		
Revenue	141,847	120,169
Cost of sales	(28,741)	(27,517)
Administrative expenses	(318)	(416)
Finance costs	(9,649)	(10,288)
Profit before tax	103,139	81,948
Income tax expense	(2,912)	(2,756)
Profit for the year	100,227	79,192
Group's share of profit for the year	49,111	38,804

22. Investment in joint ventures (cont'd)

(ii) PTSC Asia Pacific Pte. Ltd.

	2016 RM'000	2015 RM'000
Summarised statement of financial position:		
Current assets	240,682	237,147
Non-current assets	1,564,076	1,503,318
Current liabilities	(30,524)	(101,722)
Non-current liabilities	(1,170,046)	(1,193,451)
Equity	604,188	445,292
Proportion of the Group's ownership	49%	49%
Carrying amount of the investment	296,052	218,193
Summarised statement of comprehensive income:		
Revenue	291,320	192,074
Cost of sales	(156,381)	(86,555)
Administrative expenses	(225)	(351)
Finance costs	(44,010)	(26,843)
Profit before tax	90,704	78,325
Income tax expense	(66)	(2,353)
Profit for the year	90,638	75,972
Group's share of profit for the year	44,413	37,226

22. Investment in joint ventures (cont'd)

(iii) Anteros Rainbow Offshore Pte. Ltd.

	2016 RM'000	2015 RM'000
Summarised statement of financial position:		
Current assets	738	-
Non-current assets	271,614	-
Current liabilities	(92,710)	-
Equity	179,642	-
Proportion of the Group's ownership	51%	0%
Carrying amount of the investment	91,617	-
Summarised statement of comprehensive income:		
Administrative expenses	(1,484)	-
Loss before tax	(1,484)	-
Income tax expense	-	-
Loss for the year	(1,484)	-
Group's share of loss for the year	(757)	-

(iv) Investment in other joint ventures

The summarised financial information of investment in other joint ventures are not presented as these investments are individually immaterial to the Group.

23. Investment in associates

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Unquoted shares, at cost:				
- Outside Malaysia	148	29,607	-	-
- In Malaysia	79	79	79	79
	227	29,686	79	79
Share of post-acquisition reserves	1,812	(297)	-	-
	2,039	29,389	79	79

23. Investment in associates (cont'd)

Details of the associates are as follows:

Name of associates	Countries of incorporation	Proportion (%) of ownership interest 2016	2015	Principal activities
Yinson Energy Sdn. Bhd.	Malaysia	30	30	Provision of marine transport services
Regulus Offshore Sdn. Bhd.	Malaysia	49	49	Provision of vessel management services
Held through Yinson Port Venture Pte. Ltd.:				
PTSC Phu My Port Joint Stock Company [(a)(b)]	Vietnam	40	40	Manage and operating a port, including cargo handling and provision of related business and services
Held through Yinson Production AS:				
Floating Operations & Production West Africa Limited [(a)]	Nigeria	40	40	Provision of technical management and FPSO management services
Held through Yinson Dynamic Ltd:				
OY Genesis Ltd [(c)]	Republic of the Marshall Islands	49	-	Investment holding
OY Jasper Ltd [(c)]	Republic of the Marshall Islands	49	-	Investment holding
OY Topaz Ltd [(c)]	Republic of the Marshall Islands	49	-	Investment holding

(a) Audited by a firm other than Ernst & Young

(b) Classified as discontinued operations during the current financial year (Note 46)

(c) Associates newly incorporated during the current financial year

23. Investment in associates (cont'd)

(i) PTSC Phu My Port Joint Stock Company

The Group's interest in PTSC Phu My Port Joint Stock Company was accounted for using the equity method in the consolidated financial statements until it was classified as held for sale in current financial year. For more details on assets classified as held for sales refer to Note 46.

The following table illustrates the summarised financial information of the Group's investment in PTSC Phu My Port Joint Stock Company:

	2016 RM'000	**2015 RM'000**
Summarised statement of financial position:		
Current assets	29,091	15,867
Non-current assets	87,917	77,830
Current liabilities	(23,648)	(20,866)
Non-current liabilities	-	(698)
Equity	93,360	72,133
Proportion of the Group's ownership	40%	40%
Carrying amount of the investment (Note 46)	37,344	28,853
Summarised statement of comprehensive income:		
Revenue	57,334	26,334
Cost of sales	(40,182)	(20,371)
Expenses	(7,599)	(5,114)
Profit before tax	9,553	849
Income tax expense	(2,641)	(368)
Profit for the year	6,912	481
Group's share of profit for the year (Note 46)	2,765	192

(ii) Investment in other associates

The summarised financial information of investment in other associates are not presented as these investments are individually immaterial to the Group.

24. Other investment

	Group 2016 RM'000	Group 2015 RM'000
Available-for-sale financial assets		
Quoted equity shares:		
- In Malaysia	-	2,492
- Outside Malaysia	1,739	7,194
Total available-for-sale financial assets	1,739	9,686
Financial assets at fair value through profit or loss		
Quoted equity shares:		
- In Malaysia	-	10
- Outside Malaysia	179	-
	179	10
Investment fund:		
- In Malaysia	74,998	-
Total financial assets at fair value through profit or loss	75,177	10
Total investment	76,916	9,696
Non-current	-	9,686
Current	76,916	10
	76,916	9,696

Fair values of these quoted equity shares are determined by reference to published price quotations in an active market.

25. Inventories

	Group 2016 RM'000	Group 2015 RM'000
At cost:		
Consumables	3,585	629
At realisable value:		
Trading goods	-	26,966
	3,585	27,595

During the last financial year, the trading goods have been written down by RM10,000,000 to its net realisable value.

26. Trade and other receivables

	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Current:				
Trade receivables				
Third parties	86,429	331,890	-	-
Joint venture	2,395	-	-	-
Associate	90	-	-	-
Directors' related companies	-	2,317	-	-
	88,914	334,207	-	-
Allowance for impairment	-	(22,724)	-	-
	88,914	311,483	-	-
Other receivables				
Refundable deposits	24,960	12,034	290	-
Sundry receivables	54,399	48,618	239	-
Due from subsidiaries:				
- bearing interest of KLIBOR + 3% p.a.	-	-	3,609	435,939
- bearing interest of 5.15% p.a.	-	-	32,777	23,104
- non-interest bearing	-	-	33,045	39,052
- others	-	-	-	42,841
Due from joint ventures	53,200	53,818	54,303	53,564
Due from an associate	1,537	1,589	133	1,589
	134,096	116,059	124,396	596,089
Allowance for impairment	-	(162)	-	-
	134,096	115,897	124,396	596,089
	223,010	427,380	124,396	596,089

26. Trade and other receivables (cont'd)

	Group		Company	
	2016 RM'000	**2015 RM'000**	**2016 RM'000**	**2015 RM'000**
Non-current:				
Other receivables				
Loans to subsidiaries				
- bearing interest of KLIBOR + 3% p.a.	-	-	494,026	-
- non-interest bearing	-	-	1,184	-
Due from joint venture	9,417	-	9,417	-
	9,417	-	504,627	-
	232,427	427,380	629,023	596,089
Total trade and other receivables	232,427	427,380	629,023	596,089
Add: cash and bank balances (Note 28)	416,187	364,378	39,940	11,639
Total loans and receivables	648,614	791,758	668,963	607,728

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 120 (2015: 30 to 120) day terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2016 RM'000	**2015 RM'000**
Neither past due nor impaired	36,522	120,794
1 to 30 days past due not impaired	22,968	52,015
31 to 60 days past due not impaired	14,310	30,599
61 to 90 days past due not impaired	2,150	23,569
91 to 120 days past due not impaired	41	44,067
More than 121 days past due not impaired	12,923	40,439
	52,392	190,689
Impaired	-	22,724
	88,914	334,207

Receivables that are neither past due nor impaired

Receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's receivables that are neither past due nor impaired have been renegotiated during the financial year.

26. Trade and other receivables (cont'd)

(a) Trade receivables (cont'd)

Receivables that are past due but not impaired

The Group has trade receivables amounting to approximately RM52,392,000 (2015: RM190,689,000) that are past due at the reporting date but not impaired.

Receivables that are impaired

The Group's trade receivables are individually impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2016 RM'000	**2015 RM'000**
Trade receivable - nominal amount	-	22,724
Less: Allowance for impairment	-	(22,724)
	-	-

Movement for allowance accounts:

	Group	
	2016 RM'000	**2015 RM'000**
At beginning of year	22,724	8,779
Charge for the year	6,950	14,022
Reversal of impairment loss	(6,194)	(5)
Written off	(13,054)	(280)
Attributable to discontinued operations	(10,218)	-
Exchange differences	(208)	208
At end of year	-	22,724

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(b) Other receivables

- Amounts due from subsidiaries bearing interest of KLIBOR + 3% are denominated in USD and RM. The amounts are unsecured and repayable upon demand.

- Amounts due from subsidiaries bearing interest of KLIBOR + 5.15% are denominated in USD and RM. These amounts are unsecured and repayable upon demand.

- Amounts due from subsidiaries which are non interest bearing are denominated in USD and RM. These amounts are unsecured and repayable upon demand.

- Included in the above amounts are amounts due from subsidiaries held for sale of RM68,437,946 (31.1.2015: Nil), which shall be settled in accordance to the arrangement as mentioned in Note 46.

26. Trade and other receivables (cont'd)

(b) Other receivables (cont'd)

- The other amounts due from subsidiaries as at 31 January 2015 were also denominated in USD and RM. These amounts were unsecured and were settled by way of capitalisation as investment cost during current financial year.

Movement for other receivables allowance accounts:

	Group	
	2016 RM'000	2015 RM'000
At beginning of year	162	300
Charge for the year	321	27
Reversal of impairment loss	-	(2)
Written off	(55)	(163)
Discontinued operations	(428)	-
At end of year	-	162

27. Other current assets

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Prepayments	13,438	7,365	903	683
Advances to suppliers of raw materials	-	5,202	-	-
Advances to suppliers for purchase of vessels	-	15,421	-	-
	13,438	27,988	903	683

28. Cash and bank balances

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Cash on hand and at banks	189,413	260,600	35,477	5,711
Short term investment	325	313	325	313
Deposits with licensed banks	226,449	103,465	4,138	5,615
Cash and bank balances	416,187	364,378	39,940	11,639

28. Cash and bank balances (cont'd)

For the purpose of the statements of cash flows, cash and cash equivalents at the reporting dates comprise the following:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Cash and bank balances				
- Continuing operations	416,187	364,378	39,940	11,639
- Discontinued operations (Note 46)	21,523	-	-	-
Bank overdrafts				
- Continuing operations (Note 32)	(6,364)	(4,405)	-	-
- Discontinued operations	(1,679)	-	-	-
	429,667	359,973	39,940	11,639
(Less):				
Short term investment	(325)	(313)	(325)	(313)
Deposits with licensed bank for investment purposes	-	(8,550)	-	-
Deposits pledged to banks	(218,373)	(76,515)	(4,138)	(3,815)
Cash and cash equivalents	210,969	274,595	35,477	7,511

Cash at bank earns interest at floating rates based on daily bank deposit rates. Deposits with licensed banks are made for varying periods of between one to fifteen months, depending on the immediate cash requirements of the Group, and earn interest at the respective deposit rates.

Deposit with a licensed bank, denominated in USD, of approximately RM62,407,000 (2015: RM72,612,000), has been pledged to the bank for a performance guarantee issued in favour of a subsidiary's customer for a period of six years. The deposit is made for period of three months (2015: three months) and earns interest at 0.05% (2015: 0.06%) per annum.

Deposit with a licensed bank of approximately RM90,000 (2015: RM88,000) has been pledged to the bank for bank guarantee facilities granted to a subsidiary.

Deposits with licensed banks of approximately RM155,876,000 (2015: RM3,815,000) have been pledged to the banks for the banking facilities of the Company and the subsidiaries, as disclosed in Note 32.

29. Share capital

	Number of ordinary shares of RM0.50 / RM1.00* each		Amount	
	2016 '000	2015 '000	2016 RM'000	2015 RM'000
Authorised:				
At 1 February	2,000,000	500,000*	1,000,000	500,000
- Created during the year	-	500,000*	-	500,000
- Increase by way of share split	-	1,000,000	-	-
At 31 January	2,000,000	2,000,000	1,000,000	1,000,000
Issued and fully paid:				
At 1 February	1,032,798	258,200	516,399	258,200
Issued during the year:				
- Rights issue	-	258,199	-	258,199
- Share split	-	516,399	-	-
- Private placements	60,000	-	30,000	-
At 31 January	1,092,798	1,032,798	546,399	516,399

On 7 July 2015, the Company increased its issued and paid-up ordinary share capital from RM516,399,220 to RM546,399,220 by way of the issuance of 60 million ordinary shares of RM0.50 each via private placement, at an issue price of RM2.83 each for which the proceeds were mainly utilised to repay bank borrowings.

The share premium of RM139,800,000 arising from the issuance of ordinary shares and the share issue costs of RM 3,900,000 have been included in the share premium account. The new ordinary shares rank pari passu in all respect with the existing ordinary shares of the Company.

30. 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. It also included the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in currency different from that of the Group's presentation currency.

(b) Available-for-sale reserve

The available-for-sale reserve represents cumulative fair value gain or loss arising from available-for-sale financial assets recognised. This reserve will be reclassified to profit or loss when the investment is derecognised, or when the investment is determined to be impaired.

(c) 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.

31. Retained earnings

The Company may distribute dividends out of its entire retained earnings as at 31 January 2016 under the single tier system.

32. Loans and borrowings

		Group		Company	
	Maturity	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Current:					
Secured:					
Bank loans:					
- RM loan at BLR + 1.00%	2016	-	42	-	-
- RM loan at BLR + 0.20%	2016	-	2	-	-
- RM loan at BLR - 2.00% *	2017	-	31	-	-
- RM loan at BLR - 1.60% *	2017	-	1,446	-	-
- USD loan at COF + 2.50%	2017	5,461	4,750	-	-
- USD loan at COF + 2.80%	2017	10,973	9,561	-	-
- USD loan at SIBOR + 2.75%	2017	14,085	12,245	-	-
- USD loan at COF + 2.80%	2017	8,993	7,824	8,993	7,824
- USD loan at COF + 4.00%	2017	4,038	-	4,038	-
- USD loan at LIBOR + 4.50%	2017	58,195	50,281	-	-
- USD loan at LIBOR + 4.00%	2017	49,223	43,139	-	-
- USD loan at COF + 1.65%	2017	6,756	-	-	-
- RM loan at COF + 3.50%	2017	1,370	-	-	-
Obligations under finance leases (Note 33)	2017	295	6,296	186	177
		159,389	135,617	13,217	8,001
Unsecured:					
Bank overdrafts	On demand	6,364	4,405	-	-
Bankers' acceptances	2017	-	166,778	-	-
Revolving credits	2017	41,768	41,784	41,545	36,284
		48,132	212,967	41,545	36,284
		207,521	348,584	54,762	44,285

32. Loans and borrowings (cont'd)

	Maturity	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
Non-current:					
Secured:					
Bank loans:					
- RM loan at BLR - 2.00% *	2017	-	162	-	-
- RM loan at BLR - 1.60% *	2019	-	4,214	-	-
- USD loan at COF + 2.50%	2018	14,699	17,605	-	-
- USD loan at COF + 2.80%	2018	3,747	12,350	-	-
- USD loan at SIBOR + 2.75%	2018	27,512	36,330	-	-
- USD loan at COF + 2.80%	2019	11,757	17,506	11,757	17,506
- USD loan at COF + 4.00%	2019	10,624	10,897	10,624	10,897
- USD loan at LIBOR + 4.50%	2019	204,066	229,051	-	-
- USD loan at LIBOR + 4.00%	2019	111,944	140,683	-	-
- USD loan at LIBOR + 2.9%	2024	759,811	-	-	-
- USD loan at COF + 1.65%	2020	26,434	-	-	-
- RM loan at COF + 3.50%	2018	231,584	-	-	-
Obligations under finance leases (Note 33)	2019	797	5,795	472	657
		1,402,975	474,593	22,853	29,060
Unsecured:					
Revolving credits	2021	43,655	-	-	-
		1,446,630	474,593	22,853	29,060
		1,654,151	823,177	77,615	73,345
Total borrowings					
Bank overdrafts (Note 28)		6,364	4,405	-	-
Bankers' acceptances *		-	166,778	-	-
Revolving credits		85,423	41,784	41,545	36,284
Bank loans		1,561,272	598,119	35,412	36,227
		1,653,059	811,086	76,957	72,511
Obligations under finance leases (Note 33)		1,092	12,091	658	834
Total loans and borrowings		1,654,151	823,177	77,615	73,345

* Associated with the disposal group classified as held for sale during the current financial year (Note 46)

The remaining maturities of the loans and borrowings (excluding obligations under finance leases) as at the reporting date are as follows:

	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
On demand or within one year	207,226	342,288	54,576	44,108
More than 1 year and less than 2 years	405,479	131,250	12,345	9,590
More than 2 years and less than 5 years	432,671	318,199	10,036	18,813
5 years or more	607,683	19,349	-	-
	1,653,059	811,086	76,957	72,511

32. Loans and borrowings (cont'd)

(a) The secured loans and borrowings of the Group are secured by certain assets of the Group as disclosed in Notes 17, 18, 19, 28 and 46.

(b) A secured loan of the Company is guaranteed jointly and severally by two of the directors namely, Lim Han Weng and Lim Chern Yuan.

All unsecured loans and borrowings of the subsidiaries are guaranteed by the Company.

(c) The bank overdrafts, bankers' acceptances and revolving credits are for purchase of raw materials and working capital, denominated in USD and RM, and bear interests at range of BLR + 0.00% (2015: BLR + 0.00% to BLR + 1.50%), Nil (2015: 4.40% to 5.62%) and COF + 1.50% to COF + 3.00% (2015: COF + 1.25% to COF + 3.00%) respectively.

33. Obligations under finance leases

	Group	
	2016 RM'000	**2015 RM'000**
Minimum lease commitments:		
Not later than 1 year	338	6,819
Later than 1 year and not later than 2 years	338	4,302
Later than 2 years and not later than 5 years	506	1,749
Total minimum lease payments	1,182	12,870
Less: Amounts representing finance charges	(90)	(779)
Present value of minimum lease payments	1,092	12,091
Present value of payments:		
Not later than 1 year	295	6,296
Later than 1 year and not later than 2 years	309	4,134
Later than 2 years and not later than 5 years	488	1,661
Present value of minimum lease payments	1,092	12,091
Less: Amount due within 12 months (Note 32)	(295)	(6,296)
Amount due after 12 months (Note 32)	797	5,795

	Company	
	2016 RM'000	**2015 RM'000**
Minimum lease commitments:		
Not later than 1 year	211	211
Later than 1 year and not later than 2 years	287	212
Later than 2 years and not later than 5 years	212	498
Total minimum lease payments	710	921
Less: Amounts representing finance charges	(52)	(87)
Present value of minimum lease payments	658	834

33. Obligations under finance leases (cont'd)

	Company 2016 RM'000	Company 2015 RM'000
Present value of payments:		
Not later than 1 year	186	177
Later than 1 year and not later than 2 years	194	185
Later than 2 years and not later than 5 years	278	472
Present value of minimum lease payments	658	834
Less: Amount due within 12 months (Note 32)	(186)	(177)
Amount due after 12 months (Note 32)	472	657

The finance lease liabilities are secured by charges over the leased assets (Note 17) and secured by corporate guarantees from the Company. The discount rates implicit in the leases ranges from 4.14% to 4.74% (2015: 2.36% to 4.30%) per annum.

34. Net employee defined benefit liabilities

	Group 2016 RM'000	Group 2015 RM'000
At 1 February	3,233	7,669
Recognised in profit or loss	(3,840)	882
Settlement	-	(3,991)
Exchange differences	607	(1,327)
At 31 January	-	3,233

Employees in Yinson Production AS (YPAS) participated in a defined pension plan providing entitlement to 70% of the salary at the time of retirement (based on length of service) up to a maximum of 12G (approximately NOK1.06 million). In addition, YPAS had unfunded (unsecured) pension obligations covering senior executives equal to 66% of salary on retirement.

Until 31 December 2013, the pension plan was administered by Fred.Olsen & Co's Pensjonskasse. The administration of pension funds is subject to the Financial Supervisory Authority of Norway (Kredittilsynet) rules of capital management. The pension plan assets consisted primarily of bonds, certificates and shares in Norwegian stock listed companies.

The aforementioned pension plan qualified under the minimum requirements for mandatory service pension ("Obligatorisk Tjenestepensjon") in accordance with Norwegian law for Company Pensions ("Lov om Foretakspensjon").

Subsequent to the acquisition of Fred. Olsen Production ASA by Yinson Production Limited, YPAS ended its membership in Fred. Olsen & Co's Pensjonskasse and established a defined contribution pension plan effective 1 January 2014. All full-time employees in Norway now participate in the defined contribution pension plan and there were 33 members as at 31 January 2016. No other post-retirement benefits are provided by YPAS.

One employee was included in the defined benefit pension plan at 31 January 2015 and none are included as at 31 January 2016. The defined benefit pension scheme is now closed.

35. Favourable and unfavourable contracts

	Group	
	2016 RM'000	2015 RM'000
Favourable contract		
Cost		
At 1 February	12,510	11,536
Exchange differences	1,814	974
At 31 January	14,324	12,510
Accumulated amortisation		
At 1 February	6,255	-
Amortisation (Note 8)	6,841	5,981
Exchange differences	1,228	274
At 31 January	14,324	6,255
Net carrying amount	-	6,255
Amount to be amortised:		
- Current	-	6,255
	-	6,255
Unfavourable contracts		
Cost		
At 1 February	101,126	93,245
Exchange differences	13,467	7,881
At 31 January	114,593	101,126
Accumulated amortisation		
At 1 February	27,114	1,971
Amortisation (Note 8)	19,047	22,480
Exchange differences	3,630	2,663
At 31 January	49,791	27,114
Net carrying amount	64,802	74,012
Amount to be amortised:		
- Current	19,942	17,416
- Non-current	44,860	56,596
	64,802	74,012

The favourable and unfavourable contracts represent the fair value of the services contracts embedded in the time charter contracts, arising from the acquisition of subsidiaries and recognised as assets and liabilities respectively.

36. Deferred tax (assets)/liabilities

	Group	
	2016 RM'000	2015 RM'000
At 1 February	610	10,098
Recognised in profit or loss (Note 14)	22,459	(24)
Recognised in profit or loss (discontinued operations)	4,358	(5,015)
Exchange differences	(168)	-
Disposal of subsidiaries	-	(4,449)
Attributable to discontinued operations	(486)	-
At 31 January	26,773	610
Presented after appropriate offsetting as follows:		
Deferred tax assets	-	(6,114)
Deferred tax liabilities	26,773	6,724
	26,773	610

The components and movements of deferred tax assets and liabilities during the financial year are as follows:

	Deferred tax liabilities	Deferred tax assets		
	Accelerated capital allowances and others RM	Unutilised tax losses and unabsorbed capital allowances RM	Provision RM	Total RM
At 1 February 2014	14,540	(3,260)	(1,182)	10,098
Recognised in profit or loss	(3,050)	3,260	(5,249)	(5,039)
Acquisition of subsidiaries	(4,449)	-	-	(4,449)
At 31 January 2015 and 1 February 2015	7,041	-	(6,431)	610
Recognised in profit or loss	22,808	(935)	4,944	26,817
Exchange differences	(168)	-	-	(168)
Attributable to discontinued operations	(2,908)	935	1,487	(486)
At 31 January 2016	26,773	-	-	26,773

As at the reporting date, the Group had unutilised tax losses and unabsorbed capital allowances of approximately RM Nil (2015: RM 10,700,000) that are available to offset against future taxable profits of the respective subsidiaries in which these unutilised tax losses and unabsorbed capital allowances arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability.

The availability of unutilised tax losses to offset against future taxable profits of the respective subsidiaries in Malaysia are subject to no substantial changes in shareholdings of those subsidiaries under the Income Tax Act, 1967 and guidelines issued by the tax authority. The use of tax losses of subsidiaries in other countries are subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislations of the countries in which the subsidiaries operate.

37. Trade and other payables

	Group		Company	
	2016	2015	2016	2015
Current:	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Trade payables				
Third parties	11,695	39,472	-	-
Directors' related companies	-	46	-	-
Due to an associate	1,110	438	-	-
	12,805	39,956	-	-
Other payables				
Due to directors	19,690	350	19,690	350
Due to subsidiaries	-	-	1,111	6,912
Due to joint ventures	397	-	-	-
Due to an associate	201	660	201	660
Directors' related companies	-	755	-	-
Corporate shareholder of a subsidiary	-	7,932	-	-
Sundry payables	308,354	18,768	3,465	509
Accruals	63,906	40,729	698	1,237
Deposit	16,800	-	16,800	-
	409,348	69,194	41,965	9,668
	422,153	109,150	41,965	9,668
Non-current:				
Other payable				
Due to subsidiaries	-	-	418,019	-
Total trade and other payables	422,153	109,150	459,984	9,668
Total trade and other payables	422,153	109,150	459,984	9,668
Add: loans and borrowings (Note 32)	1,654,151	823,177	77,615	73,345
Total financial liabilities carried at amortised cost	2,076,304	932,327	537,599	83,013

(a) Trade payables

Trade payables are non-interest bearing and the credit terms granted to the Group range from 30 to 120 (2015: 30 to 120) days.

(b) Other payables-current

All other payables are unsecured, non-interest bearing and are repayable on demand.

Deposit relates to 10% of total cash consideration received from a directors' related company in accordance to the share sale agreement ("SSA") for the proposed divestment as disclosed in Note 46.

(c) Other payable-non-current

Amount due to subsidiaries is unsecured and not expected to be paid within the next twelve months. Included in the amount due to subsidiaries is an interest-bearing loan of approximately RM414 million, which bears interest of 6.10% to 7.54%.

38. Derivatives

	Group 2016 RM'000	Group 2015 RM'000
Non-hedging derivatives:		
Current		
(a) Financial assets at fair value through profit or loss		
- Currency forward contracts	-	30,518
(b) Financial liabilities at fair value through profit or loss		
- Interest rate swaps	(6,177)	(214)

The foreign exchange forward contracts reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationship, but are intended to reduce the level of foreign currency risk for expected loans and borrowings.

The interest rate swaps reflect the negative change in fair value of those interest rate swaps that are not designated in hedge relationship, but are used to manage the exposure to the risk of changes in market interest rates arising from certain floating rate bank loans of the Group.

	Group 2016 RM'000	Group 2015 RM'000
Hedging derivatives:		
Non-current		
(c) Financial liabilities designated as cash flow hedge		
- Interest rate swaps	(149,701)	-

During the financial year, a subsidiary of the Company had entered into a series of USD interest swap contracts with banks. The interest rate swaps reflect the 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 subsidiary.

The fair values of the foreign exchange forward contracts and 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 is no transfer from Level 1 and Level 2 or out of Level 3 during the financial year.

39. Significant related party transactions

(a) Sales and purchases of goods and services

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	
	2016 RM'000	**2015 RM'000**	**2016 RM'000**	**2015 RM'000**
Directors' interested companies:				
- rental income	60	60	-	-
- transport income	2,680	5,021	-	-
- lease of barges	2,267	3,430	-	-
- sales of goods	271	8	-	-
- purchases of goods	3,130	3,553	-	-
Associates:				
- management and administration charges	854	634	-	-
- management fee charges	2,559	-	-	-
- chartering charges	5,039	-	-	-
- management fee income	117	-	117	-
- purchases of goods	2,461	585	-	-
- rental income	250	185	-	-
Joint ventures:				
- interest income	1,917	1,535	1,917	1,535
Subsidiaries:				
- dividend income	-	-	-	103,810
- management fee income	-	-	27,890	6,109
- interest income	-	-	31,367	29,312

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that have been mutually agreed.

(b) Compensation to key management personnel

Key management personnel of the Group and of the Company are also executive directors of the Company. Information of compensation to executive directors is disclosed in Note 12.

40. Commitments

	Group 2016 RM'000	Group 2015 RM'000	Company 2016 RM'000	Company 2015 RM'000
(a) Capital commitments				
Approved and contracted for:				
Property, plant and equipment	826,542	75,325	1,790	-
Approved but not contracted for:				
Property, plant and equipment	1,440,917	41,210	-	-
	2,267,459	116,535	1,790	-

(b) Operating lease commitments – Group as lessee

In addition to the land use rights as disclosed in Note 19, the Group has entered into leases for the use of premises, vessels and equipment. These leases have tenures ranging between 6 months to 2 years with options to extend for the lease periods mutually agreed between the lessees and lessors. The Group is restricted from leasing the leased premises to third parties.

Minimum lease payments, including amortisation of land use rights recognised in profit or loss for the financial years ended 31 January 2016 and 31 January 2015, amounted to approximately RM4,151,000 and RM1,798,000 respectively.

Future minimum rentals payable under non-cancellable operating leases (excluding land use rights) at the reporting date are as follows:

	Group 2016 RM'000	Group 2015 RM'000
Not later than 1 year	2,380	694
Later than 1 year and not later than 5 years	1,358	989
	3,738	1,683

(c) Operating lease commitments – Group as lessor

The Group has entered into leases on its investment properties and vessels. These non-cancellable leases have remaining lease terms of between one to fifteen years. All leases include a clause to enable upward revision of the rental charge on renewal basis based on prevailing market conditions.

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

	Group 2016 RM'000	Group 2015 RM'000
Not later than 1 year	365,854	271,692
Later than 1 year and not later than 5 years	3,404,565	2,605,228
Later than 5 years	7,453,208	6,509,380
	11,223,627	9,386,300

Rental income from leasing of investment properties and chartering fees from leasing of vessels recognised in profit or loss during the financial year are disclosed in Note 7.

41. 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			
	Quoted prices in active market Level 1 RM'000	Significant observable inputs Level 2 RM'000	Significant unobservable inputs Level 3 RM'000	Total RM'000
Continuing operations				
At 31 January 2016				
Financial assets:				
Available-for-sale	1,739	-	-	1,739
At fair value through profit or loss	179	74,998	-	75,177
Financial liability:				
Interest rate swaps	-	155,878	-	155,878
Unfavourable contracts	-	-	64,802	64,802
At 31 January 2015				
Non-financial asset:				
Investment properties	-	-	29,598	29,598
Financial assets:				
Available-for-sale	9,686	-	-	9,686
At fair value through profit or loss	10	-	-	10
Foreign currency forward contracts	-	30,518	-	30,518
Favourable contracts	-	-	6,255	6,255
Financial liability:				
Interest rate swaps	-	214	-	214
Unfavourable contracts	-	-	74,012	74,012
Discontinued operations				
At 31 January 2016				
Non-financial asset:				
Investment properties	-	-	36,022	36,022
Plant and equipment	-	-	3,492	3,492
Financial assets:				
Available-for-sale	1,424	-	-	1,424
At fair value through profit or loss	12	-	-	12

41. Fair value measurement (cont'd)

(a) Fair value hierarchy (cont'd)

The Group classifies 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 have been no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 31 January 2016 and 31 January 2015.

(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 financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables (current)	26
Trade and other payables	37
Loans and borrowings (current), excluding obligations under finance leases	32
Loans and borrowings (non-current), excluding obligations under finance leases and certain bank loans	32

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amounts of the current portion of loans and borrowings excluding obligations under finance leases are reasonable approximation of fair values due to the insignificant impact of discounting.

The fair values of non-current loans and borrowings excluding obligations under finance leases 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 the 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.

41. Fair value measurement (cont'd)

(c) Fair values of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

	Group	
Financial liabilities:	**2016 RM'000**	**2015 RM'000**
Carrying amount:		
- Obligations under finance leases (current and non-current)	1,092	12,091
- USD bank loans (non-current)	1,075,821	369,734
	1,076,913	381,825
Fair value:		
- Obligations under finance leases (current and non-current)	1,092	12,095
- USD bank loans (non-current)	1,128,824	352,379
	1,129,916	364,474

42. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets, other than derivatives, include loans, trade and other receivables, and cash and short-term deposits that are derived directly from its operations. The Group also holds available-for-sale financial assets.

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 a corporate finance team that advises on financial risks and the appropriate financial risk governance framework for the Group. The corporate finance team provides assurance to the Group's senior management 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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, short-term deposits, available-for-sale financial assets and derivatives.

The sensitivity analysis in the following sections relate to the positions as at 31 January 2016 and 2015.

(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 manages its interest rate risk by having a balanced portfolio of fixed and floating rate loans and borrowings. The Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and floating rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Interest rate sensitivity

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group's profit before tax would have been approximately RM1,568,000 (2015: RM603,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

42. Financial risk management objectives and policies (cont'd)

(a) Market risk (cont'd)

(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 (when revenue or expense is denominated in a different currency from the Group's presentation currency) 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 RM, USD and Vietnamese Dong ("VND"). The foreign currency in which these transactions are denominated is mainly USD.

The Group holds cash and cash equivalents denominated in foreign currencies for working capital purposes. The other financial instruments denominated in foreign currencies includes available-for-sale financial assets, trade and other receivables, trade and other payables and loans and borrowings.

The Group is also exposed to currency translation risk arising from its net investment in foreign operations in Vietnam, Labuan, Singapore and Norway. The Group's investments in its foreign subsidiaries, joint ventures and associates are not hedged as the currency position in these investments are considered to be long-term in nature.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rate, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

		Group	
		2016	**2015**
		RM'000	**RM'000**
USD/RM	- Strengthened 5%	(4,582)	26,879
	- Weakened 5%	4,582	(26,879)
EURO/RM	- Strengthened 5%	(848)	-
	- Weakened 5%	848	-

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

(i) Trade receivables

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 an individual credit limits are defined in accordance with this assessment. Outstanding receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in statement of financial position. The Group does not hold collateral as security. As at last reporting date, approximately 57% of the Group's trade receivables are due from companies of a common group.

42. Financial risk management objectives and policies (cont'd)

(b) Credit risk (cont'd)

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's finance department in accordance with the Group's policy. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in statement of financial position except for trade receivables as disclosed above.

(c) Liquidity risk

Liquidity risk is the risk that the Group or 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 objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases contracts.

The table below summarises the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted repayment obligations.

Group	**On demand or within one year RM'000**	**One to five years RM'000**	**Over five years RM'000**	**Total RM'000**
31 January 2016				
Trade and other payables	422,153	-	-	422,153
Loans and borrowings	489,802	926,241	740,974	2,157,017
Derivatives	6,177	149,701	-	155,878
Total undiscounted financial liabilities	918,132	1,075,942	740,974	2,735,048
31 January 2015				
Trade and other payables	109,150	-	-	109,150
Loans and borrowings	355,353	476,858	19,342	851,553
Derivatives	214	-	-	214
Total undiscounted financial liabilities	464,717	476,858	19,342	960,917
Company				
31 January 2016				
Trade and other payables	41,965	418,019	-	459,984
Loans and borrowings	60,276	34,698	-	94,974
Total undiscounted financial liabilities	102,241	452,717	-	554,958
31 January 2015				
Trade and other payables	9,668	-	-	9,668
Loans and borrowings	45,198	41,102	-	86,300
Total undiscounted financial liabilities	54,866	41,102	-	95,968

43. Segment information

For management purposes, the Group is organised into business units based on their products and services, and has the following reportable operating segments as follows:

(i) Marine - This segment comprises provision of vessel and marine related services.

(ii) Other operations - This segment comprises of investment, management services and treasury services.

(iii) Discontinued operations - It comprises of the following segments :

(a) The transport segment consists of the provision of trucking services.

(b) The trading segment consists of trading activities mainly in the construction related materials.

(c) Other discontinued operations consist of provision of warehouses and rental from investment properties.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

	Marine RM'000	Other operations RM'000	Discontinued operations RM'000	Elimination RM'000	Consolidated RM'000
31 January 2016					
Revenue:					
Gross revenue	460,721	33,674	551,973	(621,970)[A]	424,398
Inter-segment	(36,452)	(33,543)	(836)	70,831 [B]	-
	424,269	131	551,137	(551,139)	424,398
Results:					
Segment results	159,866	79,694	12,955	(12,955)[A]	239,560
Finance costs					(40,514)
Share of results of joint ventures					92,165
Share of results of associates					1,549
Income tax expense					(77,710)
Profit for the year					215,050
Amortisation and depreciation	92,669	1,017	5,015	(5,015)[A]	93,686
Fair value gain/(loss):					
- investment properties	-	-	(1,321)	1,321 [A]	-
- marketable securities	-	23	2	(2)[A]	23
Other non-cash income/(expenses)	(26,282)	84,887	(9,481)	9,481 [A]	58,605
Assets and liabilities					
Segment assets	4,117,460	248,994	473,356	-	4,839,810
Segment liabilities	1,946,393	411,534	228,499	-	2,586,426
Addition to non-current assets	1,859,213	128	8,830	-	1,868,171

43. Segment information (cont'd)

	Marine RM'000	Other operations RM'000	Discontinued operations RM'000	Elimination RM'000	Consolidated RM'000
31 January 2015					
Revenue:					
Gross revenue	428,648	19,264	694,870	(747,342)[A]	395,440
Inter-segment	(33,220)	(19,252)	(6,886)	59,358 [B]	-
	395,428	12	687,984	(687,984)	395,440
Results:					
Segment results	113,023	114,015	12,613	(12,613)[A]	227,038
Finance costs					(37,375)
Share of results of joint ventures					91,386
Share of results of an associate					(325)
Income tax expense					(27,457)
Profit for the year					253,267
Amortisation and depreciation	84,657	253	5,888	(5,888)[A]	84,910
Fair value gain/(loss):					
- investment properties	-	-	405	(405)[A]	-
- marketable securities	-	-	(3)	3 [A]	-
- Derivatives	-	30,518	-	-	30,518
Other non-cash income/(expenses)	4,795	52,570	(10,893)	10,893 [A]	57,365
Assets and liabilities					
Segment assets	1,953,622	534,594	-	-	2,488,216
Segment liabilities	786,425	242,282	-	-	1,028,707
Addition to non-current assets	139,655	10,273	-	-	149,928

Geographical information

The geographical information is not disclosed as this does not form part of the management reporting.

Notes

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:

A The amounts relating to the discontinued operations have been excluded to arrive at amount shown in the consolidated statement of comprehensive income as they are presented separately in the income statement within one item, "profit/(loss) from the year from discontinued operations"

B Inter-segment revenues are eliminated on consolidation.

44. Capital management

For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to owners of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a debt-to-capital ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

	Group		Company	
	2016 RM'000	**2015 RM'000**	**2016 RM'000**	**2015 RM'000**
Loans and borrowings	1,654,151	823,177	77,615	73,345
Trade and other payables	422,153	109,150	459,984	9,668
Less: Cash and bank balances	(416,187)	(364,378)	(39,940)	(11,639)
Financial liabilities, attributable to discontinued operations, net of cash and bank balances	204,015	-	-	-
Net debt	1,864,132	567,949	497,659	71,374
Equity attributable to owners of the parent, total capital	1,814,074	1,450,510	1,290,022	1,080,627
Capital and net debt	3,678,206	2,018,459	1,787,681	1,152,001
Debt-to-capital ratio	51%	28%	28%	6%

45. Perpetual securities of a subsidiary

On 25 September 2015, Yinson TMC Sdn Bhd, a wholly owned subsidiary of the Company issued perpetual securities of USD 100 million. The perpetual securities are:

a) unconditionally and irrevocably guaranteed by the Company;

b) direct, unsecured, unconditional and unsubordinated obligations of the subsidiary;

c) rank at least pari passu with all other present and future unconditional, unsubordinated and unsecured obligations of the subsidiary at all times, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The Perpetual Securities are unrated and will not be listed on Bursa Malaysia Securities Berhad or on any other stock exchange and will carry an initial periodic distribution rate of 7% per annum. The Perpetual Securities have no fixed maturity date but are callable 5 years from date of issuance at their principal amount. The Perpetual Securities may also be redeemed upon the occurrence of certain events as more particularly detailed in the terms and conditions of the Perpetual Securities.

46. Discontinued operations and disposal group classified as held for sale

On 28 September 2015, the Company entered into a share sale agreement ("SSA") to divest its entire equity interest in its non-oil and gas subsidiaries ("Target Subsidiaries") to Liannex Labuan Limited ("Liannex Labuan") for a total cash consideration of RM168.0 million, subject to adjustments in accordance with the SSA. In addition, Liannex Labuan shall settle all inter-company loans owing to the Company by the Target Subsidiaries as at the completion date of the divestment. The divestment decision is consistent with the Group's strategy to focus on its oil and gas business. The proposed divestment was approved by the non-interested shareholders of the Company by way of poll at the Extraordinary General Meeting held on 29 January 2016. Subsequently, the Board of Directors had on 16 May 2016 announced that all conditions precedent pursuant to the SSA were fulfilled and/or waived and the proposed divestment had on the same date, becomes unconditional.

Target Subsidiaries under divestment:

i) 100% equity interest in Yinson Corporation Sdn Bhd;
ii) 100% equity interest in Yinson Transport Sdn Bhd;
iii) 100% equity interest in Yinson Shipping Sdn Bhd;
iv) 100% equity interest in Yinson Power Marine Sdn Bhd;
v) 100% equity interest in Yinson Overseas Limited ("YOL"). The Company undertook an internal restructuring whereby YOL acquired the entire equity interest of Yinson Port Ventures Pte Ltd* on 19 October 2015 and subsequent to the current financial year, acquired the entire equity interest of Yinson Vietnam Company Limited**.

* Yinson Port Ventures Pte Ltd, in turn owns 40% equity interest in PTSC Phu My Port Joint Stock Company
** Yinson Vietnam Company Limited, in turn owns 51% equity interest in Yen Son Diversified Company Limited.

As at 31 January 2016, given its impending disposal, the assets and liabilities of the Target Subsidiaries have been classified as a disposal group held for sale. In accordance with the requirements of MFRS 5, the results of the Target Subsidiaries are excluded from the results of continuing operations and are presented as a single amount as profit/(loss) for the year from discontinued operations in the income statement (including the comparative period). The impact on the income statement for the comparative period is as follows:

	2015 RM'000 Originally stated	RM'000 Adjustments	2015 RM'000 Restated
Revenue	1,083,424	(687,984)	395,440
Cost of sales	(912,303)	651,335	(260,968)
Profit before tax	279,380	1,344	280,724
Income tax expense	(27,968)	511	(27,457)
Profit for the year from continuing operations	251,412	1,855	253,267
Loss for the year from discontinued operations	-	(1,855)	(1,855)

Results of the discontinued operations

At 31 January 2016, the Target Subsidiaries were classified as a disposal group held for sale and as discontinued operations. The results of the disposal group for the year are presented below.

		Group	
	Note	2016 RM'000	2015 RM'000
Revenue		551,137	687,984
Expenses		(538,268)	(675,371)
Finance costs		(12,368)	(14,149)
Share of results of associate	23	2,765	192
Profit/(Loss) before tax from discontinued operations*		3,266	(1,344)
Income tax expense (Note 14)		(2,495)	(511)
Profit/(Loss) for the year from discontinued operations		771	(1,855)

46. Discontinued operations and disposal group classified as held for sale (cont'd)

Results of the discontinued operations (cont'd)

* The following items have been charged/(credited) in arriving profit/(loss) before tax from discontinued operation:

	Note	Group 2016 RM'000	2015 RM'000
Bad debts recovered		(1,230)	(73)
Impairment loss on:			
- trade receivables		6,950	14,022
- other receivables		321	27
Reversal of impairment loss on:			
- trade receivables		(6,194)	(5)
- other receivables		-	(2)
Impairment loss on plant and equipment	(a)	2,000	-
Impairment loss on available-for-sale financial assets		1,068	-
Write down of inventories		2,177	10,000
Inventory written off		5,843	-
Unrealised loss/(gain) on foreign exchange		4,299	(2,283)
Fair value (gain)/loss on:			
- investment properties	(b)	1,321	(405)
- marketable securities		(2)	3
Loss on disposal of property, plant and equipment		1,029	-
Plant and equipment written off		9	-
Operating leases - Minimum lease payment for land and buildings		432	198
Waiver of amount due from a former shareholder of a subsidiary		(716)	-
Auditors' remuneration:			
Statutory audit			
- Company's auditors		98	90
- Other auditors		31	23
Other services			
- Company's auditors		44	43
- Other auditors		-	3
Interest income		(96)	(12)
Amortisation of intangible assets		3	3
Amortisation of land use rights		72	96
Depreciation of property, plant and equipment		4,940	5,789
Employee benefits expenses		11,550	9,828

Included in employee benefits expense are directors' remuneration as disclosed in Note 12 amounting to RM1,757,000 (2015: RM1,491,000).

46. Discontinued operations and disposal group classified as held for sale (cont'd)

Assets of disposal group classified as held for sale

The major classes of assets and liabilities of the disposal group classified as held for sale as at 31 January 2016 are as follows:

	Note	Group 2016 RM'000
Assets		
Property, plant and equipment	(a)	41,845
Investment properties	(b)	36,022
Intangible assets		132
Land use rights	(c)	4,252
Investment in associate	23	37,344
Available-for-sale financial assets		1,424
Deferred tax assets		2,376
Inventories		1,751
Trade and other receivables		278,053
Other current assets		43,314
Tax recoverable		5,308
Marketable securities		12
Cash and bank balances		21,523
		473,356

During the current financial year, the inventories have been written down by RM2,177,455 to its net realisable value.

Included in other receivables is an amount of RM4,000,000 (2015:Nil) advanced to a director for a business venture on behalf of a subsidiary as refundable deposit. The full amount was refunded in February 2016.

	Note	Group 2016 RM'000
Liabilities		
Loans and borrowings	(d)	(207,569)
Trade and other payables		(17,969)
Tax payables		(99)
Deferred tax liabilities		(2,862)
Liabilities directly associated with disposal group classified as held for sale		(228,499)
Net assets directly associated with disposal group classified as held for sale		244,857

46. Discontinued operations and disposal group classified as held for sale (cont'd)

Non-current asset classified as held for sale

The non-current asset of the disposal group classified as held for sale on the Company's statement of financial position as at 31 January 2016 is, as follows:

	Company RM'000
Assets	
Investment in subsidiaries	154,182

(a) Subsequent to classification as assets held for sale, Yinson Power Marine Sdn Bhd had carry out a review of the recoverable amount of its tug boats and barges because of persistent losses. An impairment loss of RM 2,000,000 (2015: Nil), representing the fair value less disposal cost of the tug boats and barges was recognised in profit for the year from discontinued operations in Income Statement for the financial year ended 31 January 2016. The recoverable amount of tug boats and barges are based on the valuations performed by a marine surveyor. Fair value measurement disclosures are provided in Note 41.

(b) Investment properties classified as assets held for sale are stated at fair value , which has been determined based on valuations at the reporting date. A fair value loss of RM1,321,000 (2015: fair value gain of RM 405,000) was recognised in profit for the year from discontinued operations in Income Statement for the financial year ended 31 January 2016. The valuations are performed by accredited independent valuers. Fair value measurement disclosures are provided in Note 41.

The carrying amount of investment properties pledged to financial institutions for banking facilities granted to the Group as disclosed in Note 32 at reporting date was approximately RM13.124 million.

(c) The land use rights are pledged to financial institutions for banking facilities granted to the Group as disclosed in Notes 32.

(d) Included in loans and borrowings are bank overdrafts, banker's acceptance and revolving credits, for purchase of raw materials and working capital, denominated in RM, and bear interests at range of BLR+0.0% to BLR+2.5%, 3.96% to 6.10% and COF+1.25% to COF+2% respectively.

Cash flows attributable to the discontinued operations

The net cash flows incurred by the disposal group are, as follows:

	Group	
	2016 RM'000	2015 RM'000
Operating	12,847	(59,156)
Investing	(15,151)	(40,460)
Financing	32,962	104,992
Net cash inflow	30,658	5,376

47. Subsequent event

On 12 May 2016, Yinson Mawar Sdn. Bhd., a subsidiary of the Group has entered into sale and purchase agreements with Lion Courts Sdn. Bhd. for the purchase of 5 residential units at total consideration of RM 25,606,100. The purchase consideration will be settled in cash.

48. Authorisation of financial statements for issue

The financial statements for the year ended 31 January 2016 were authorised for issue in accordance with a resolution of the directors on 25 May 2016.

49. Supplementary information – breakdown of retained earnings into realised and unrealised

The breakdown of the retained earnings of the Group and of the Company as at 31 January 2016 and 2015 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		**Company**	
	2016 RM'000	**2015 RM'000**	**2016 RM'000**	**2015 RM'000**
Group				
Total retained earnings				
- Realised	331,072	262,416	134,632	116,806
- Unrealised	81,903	87,634	55,928	30,259
	412,975	350,050	190,560	147,065
Total retained earnings/ (accumulated losses) from:				
Joint ventures:				
- Realised	201,946	109,781	-	-
Associates:				
- Realised	3,061	(1,269)	-	-
	617,982	458,562	190,560	147,065
Less: Consolidation adjustments	31,253	(3,831)	-	-
Retained earnings as per financial statements	649,235	454,731	190,560	147,065

Authorised Share Capital	: RM1,000,000,000 of 2,000,000,000 ordinary shares of RM0.50 each
Issued and Fully Paid-up Capital	: RM546,399,220 of 1,092,798,440 ordinary shares of RM0.50 each
No of Treasury Shares held	: 930,300
Voting Rights	: One vote per share

ANALYSIS OF SHAREHOLDINGS (According to the Record of Depositors as at 5 May 2016)

Range	No. of Holders	% of Holders	No. of Shares	% of Shares
Less than 100	273	10.00	4,925	0.00
100 to 1,000	361	13.22	269,532	0.02
1,001 to 10,000	1,279	46.85	6,302,826	0.58
10,001 to 100,000	586	21.47	18,714,126	1.72
100,001 to 54,639,921 (*)	226	8.28	708,726,431	64.85
54,639,922 and above (**)	5	0.18	358,780,600	32.83
	2,730	100.00	1,092,798,440	100.00

Remark: * - Less than 5% of issued shares
** - 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS (According to the Company's Register of Substantial Shareholders as at 5 May 2016)

		Direct Interest		Indirect Interest	
	Name	No. of Shares	%	No. of Shares	%
1	Lim Han Weng	227,601,000	20.85	138,912,400	12.72
2	Kencana Capital Sdn Bhd	151,597,000	13.88	40,000,000	3.66
3	Employees Provident Fund Board	112,257,900	10.28	-	-
4	Bah Kim Lian	91,077,600	8.34	229,890,200	21.05
5	AIA Berhad	75,214,500	6.89	1,158,800	0.11

Lim Han Weng and Bah Kim Lian by virtue of their interests in the shares of the Company are also deemed interested in shares of all the Company's subsidiaries to the extent that the Company has an interest.

DIRECTORS' SHAREHOLDINGS (As per Register of Director's Shareholdings as at 5 May 2016)

	Direct Interest		Indirect Interest	
Name	No. of Shares	%	No. of Shares	%
Lim Han Weng	227,601,000	20.85	138,912,400	12.72
Bah Kim Lian	91,077,600	8.34	229,890,200	21.05
Lim Han Joeh	41,310,376	3.78	-	-
Bah Koon Chye	280,000	0.03	-	-
Dato' Ir Adi Azmari bin Koya Moideen Kutty	220,000	0.02	-	-
Kam Chai Hong	264,600	0.02	-	-
Lim Chern Yuan	61,200	0.01	-	-

30 LARGEST SHAREHOLDERS (According to the Record of Depositors as at 5 May 2016, net of treasury shares)

	Name	No. of Shares	%
1	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	91,891,900	8.41
2	Citigroup Nominees (Tempatan) Sdn Bhd *Exempt AN for AIA Bhd.*	74,396,500	6.81
3	CIMSEC Nominees (Tempatan) Sdn Bhd *CIMB Bank for Kencana Capital Sdn Bhd (PBCL-0G0042)*	67,597,000	6.19
4	CIMSEC Nominees (Tempatan) Sdn Bhd *CIMB for Kencana Capital Sdn Bhd (PB)*	64,000,000	5.86
5	Affin Hwang Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	60,895,200	5.58
6	Lim Han Weng	49,302,400	4.51
7	Affin Hwang Nominees (Asing) Sdn Bhd *Pledged securities account for Liannex Corporation (S) Pte Ltd*	44,104,800	4.04
8	CIMSEC Nominees (Tempatan) Sdn Bhd *CIMB for Yeow Chien Ming (PB)*	41,310,000	3.78
9	AmSec Nominees (Tempatan) Sdn Bhd *Pledged securities account - Ambank (M) Berhad for Lim Han Weng*	40,000,000	3.66
10	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	40,000,000	3.66
11	Maybank Nominees (Tempatan) Sdn Bhd *Pledged securities account for Kencana Capital Assets Sdn Bhd*	40,000,000	3.66
12	Maybank Investment Bank Berhad *IVT (10)*	29,473,240	2.70
13	RHB Nominees (Tempatan) Sdn Bhd *Bank of China (Malaysia) Berhad pledged securities account for Lim Han Joeh*	29,400,000	2.69
14	CIMSEC Nominees (Tempatan) Sdn Bhd *CIMB for Bah Kim Lian (PB)*	28,000,000	2.56
15	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged securities account for Bah Kim Lian (LHWRC)*	27,596,600	2.53
16	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged securities account for Bah Kim Lian*	25,000,000	2.29
17	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad *Exempt AN for Deutsche Bank AG Singapore (Maybank SG PWM)*	20,000,000	1.83
18	Maybank Nominees (Tempatan) Sdn Bhd *Exempt AN for Areca Capital Sdn Bhd*	15,695,040	1.44
19	AllianceGroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	15,000,000	1.37
20	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	12,403,400	1.14
21	Malaysia Nominees (Tempatan) Sendirian Berhad *Great Eastern Life Assurance (Malaysia) Berhad (LSF)*	11,809,200	1.08
22	Malaysia Nominees (Tempatan) Sendirian Berhad *Great Eastern Life Assurance (Malaysia) Berhad (LPF)*	11,668,800	1.07
23	Cartaban Nominees (Asing) Sdn Bhd *Exempt AN for Standard Chartered Bank Singapore Branch (SG PVB CL AC)*	8,800,000	0.81
24	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (Nomura)*	7,700,000	0.71
25	AllianceGroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Joeh*	7,210,376	0.66
26	DB (Malaysia) Nominee (Asing) Sdn Bhd *Exempt AN for Deutsche Bank AG Singapore (Maybank SG PWM)*	6,843,600	0.63
27	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (Amundi)*	6,244,900	0.57
28	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (Affin-Hwg)*	6,166,000	0.56
29	HSBC Nominees (Asing) Sdn Bhd *Exempt AN for Credit Suisse (SG-BR-TST-Asing)*	5,908,700	0.54
30	Beh Eng Par	5,633,500	0.52
		894,051,156	81.87

Details of the properties owned by the Group and the Company as at 31 January 2016 are set out as follows:-

Location	Description of Existing Use	Tenure (expiry date/year)	Age of Building (years)	Land Area (sq.m)/ Gross Built up Area (sq m)	Fair Value/ Net Book Value (RM'000)	Last Date of Revaluation (R)/ Acquisition (A)
PROPERTIES						
PLO 248 Mukim of Tebrau Kawasan Perindustrian Tebrau IV Johor Bahru Johor Darul Takzim	Office building and warehouse	Leasehold land expiring 31.1.2060	14	23,310/ 5,440	9,044	A: 24.11.1997
Kejabil Industrial Area Ahanta West District Republic of Ghana	Land	Leasehold land expiring 2.6.2050	-	13,152	1,380	A: 4.6.2015
Kejabil Industrial Area Ahanta West District Republic of Ghana	Building under construction	Leasehold land expiring 2.6.2050	-	n/a	5,138	Under construction
INVESTMENT PROPERTIES						
PLO 729 Jalan Keluli Pasir Gudang Industrial Estate 81700 Pasir Gudang Johor Darul Takzim	Yard and office building	Leasehold land expiring 17.2.2068	8	6,070/ 329	1,550	R: 31.1.2016
PLO 734 Jalan Keluli Pasir Gudang Industrial Estate 81700 Pasir Gudang Johor Darul Takzim	Land	Leasehold land expiring 17.2.2068	-	6,669	1,200	R: 31.1.2016
Lot P.T3968 H.S(D) 5638 Mukim 1 Daerah Seberang Perai Tengah Pulau Pinang	Yard and building	Leasehold land expiring 6.3.2058	8	10,630/ 566	3,500	R: 31.1.2016
PTD 64022 Jalan Angkasamas Satu Mukim of Tebrau Johor Bahru Johor Darul Takzim	Office building and warehouse	Leasehold land expiring 14.3.2053	21	11,048/ 4752	4,900	R: 31.1.2016
MLO 2754 Mukim of Plentong Johor Bahru Johor Darul Takzim	Vacant land	Freehold	-	4,097	450	R: 31.1.2016
PTD 66206 Taman Putri Wangsa Johor Bahru Johor Darul Takzim	Double storey terrace house	Freehold	18	184/ 133	240	R: 31.1.2016
G-3-1 Taman Pelangi Apartment H.S. (D) No.30874, P.T. No.6110 Mukim Bukit Katil Daerah Melaka Tengah, Melaka	Apartment	Freehold	16	124	90	R: 31.1.2016

Location	Description of Existing Use	Tenure (expiry date/year)	Age of Building (years)	Land Area (sq.m)/ Gross Built up Area (sq m)	Fair Value/ Net Book Value (RM'000)	Last Date of Revaluation (R)/ Acquisition (A)
H-3-1 Taman Pelangi Apartment H.S. (D) No.30874, P.T. No.6110 Mukim Bukit Katil Daerah Melaka Tengah, Melaka	Apartment	Freehold	16	124	90	R: 31.1.2016
PTD No. 37796, H.S. (D) 127433 Mukim of Pulai District of Johor Bahru Johor Darul Takzim	1 1/2 storey light industrial building	Freehold	16	326/326	560	R: 31.1.2016
Parcel No 03-25, Melur Mewangi H.S. (D) 3503, P.T. No 1929 (Block 6), Mukim of Ijuk Kuala Selangor, Selangor Darul Ehsan	Apartment	Freehold	11	71	80	R: 31.1.2016
Unit No.145 Level 5 Block M1-B Lot No.144 Section 44 City of Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Office unit	Freehold	9	432	1,980	R: 31.1.2016
Lot No.D99 (Room 1641/1642 Vila Mayfair, Summerset Colonial Hotel and Villa) Summerset of Rompin 26800 Kuala Rompin Pahang Darul Makmul	Vacation resort villa	Leasehold building expiring 15.1.2094	20	608/ 135	25	R: 31.1.2016
PTD No.8325, HSM 5011 Mukim Semenyih Daerah Hulu Langat Negeri Selangor Darul Ehsan	Vacant land	Leasehold land expiring 5.11.2094	-	1,581	440	R: 31.1.2016
PTD No.127063, H.S. (D) 251022 No.12, Jalan Gunung 4, Bandar Seri Alam, 81750 Masai Johor Darul Takzim	Four storey shopoffice	Freehold	20	178	550	R: 31.1.2016
Lot No.1-09, PN 51197, Lot No.20011 Seksyen 90 City of Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Retail shop unit	Leasehold expiring 11.12.2105	2	187	1,102	R: 31.1.2016
Phu My 1 Industrial Zone, Phu My Town, Tan Thanh District, Ba Ria Vung Tau Province, Viet Nam	Warehouse	Leasehold expiring 4.3.2029	1	10,800	18,635	R: 31.1.2016

YINSON HOLDINGS BERHAD
(Company No: 259147-A)

NOTICE IS HEREBY GIVEN that the TWENTY-THIRD ANNUAL GENERAL MEETING of YINSON HOLDINGS BERHAD will be held at Diamond 5, Level 10, Holiday Villa Johor Bahru City Centre, No. 260, Jalan Dato' Sulaiman, Taman Abad, 80250 Johor Bahru, Johor Darul Takzim, on Wednesday, 29 June 2016 at 11.00 a.m. to transact the following purposes:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 January 2016 and the Reports of the Directors and Auditors thereon. **Please refer to explanatory note below**

2. To approve the Final Single Tier Dividend of 2 sen per share for the financial year ended 31 January 2016. **Resolution 1**

3. To approve the payment of Directors' Fees of RM510,000.00 for the financial year ended 31 January 2016. **Resolution 2**

4. To re-elect the following Directors who retire in accordance with Article 107 of the Company's Articles of Association and being eligible have offered themselves for re-election:
   (i) Mr Lim Han Weng **Resolution 3**
   (ii) Mr Bah Koon Chye **Resolution 4**

5. To appoint Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **Resolution 5**

   Notice of Nomination of Auditors from a shareholder pursuant to Section 172(11) of the Companies Act, 1965, a copy of which is annexed hereto and marked "Annexure A" has been received by the Company for the nomination of Messrs PricewaterhouseCoopers who have given their consent to act, for the appointment as Auditors of the Company and of the intention to propose the following resolution:

   "THAT Messrs PricewaterhouseCoopers be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs Ernst & Young, to hold office until the conclusion of the next Annual General Meeting and authority be and is hereby given to the Directors to fix their remuneration."

6. To transact any other business of which due notice shall be given.

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following Ordinary Resolutions with or without modifications:

7. **Retention of Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty as Independent Non-Executive Director in accordance with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012** **Resolution 6**

   "THAT authority be and is hereby given to Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years since 30 January 1996, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."

8. **Retention of Mr Kam Chai Hong as Independent Non-Executive Director in accordance with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012** **Resolution 7**

   "THAT authority be and is hereby given to Mr Kam Chai Hong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years since 30 January 1996, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."

9. Retention of Tuan Haji Hassan bin Ibrahim as Independent Non-Executive Director in accordance with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 **Resolution 8**

"THAT authority be and is hereby given to Tuan Haji Hassan bin Ibrahim who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years since 21 June 2001, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."

10. Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965 ("the Act") **Resolution 9**

"THAT subject always to the Act, the Articles of Association of the Company and the approvals of the relevant regulatory authorities, the Directors be and are hereby empowered pursuant to Section 132D of the Act, to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate nominal value of shares to be issued during the preceding 12 months does not exceed ten per cent (10%) of the nominal value of the issued capital (excluding treasury shares) of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad; and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

11. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") and Proposed New Shareholders' Mandate for New RRPT as set out under Section 3.2 of the Circular to Shareholders dated 31 May 2016 ("Circular") **Resolution 10**

"THAT subject to the Companies Act 1965 ("the Act"), the Articles of Association of the Company and the approvals from Bursa Malaysia Securities Berhad and other relevant government/regulatory authorities, where such approval is necessary, it is hereby mandated that approval be given to the Company and its subsidiary companies to enter into recurrent transactions of a revenue or trading nature with related parties which are necessary for the day-to-day operations and not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company as set out in Section 3.2 of the Circular;

THAT the authority conferred by this resolution shall commence immediately upon the passing of this resolution and shall continue to be in force until:

a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such mandate is approved, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed;
b) the expiration of the period within which the next AGM of the Company after the date is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier;

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to such mandate."

12. Proposed Renewal of Authority for Share Buy-Back of up to 10% of the Issued and Paid-up Share Capital of the Company ("Proposed Renewal of Share Buy-Back Authority") **Resolution 11**

"THAT subject to the Companies Act 1965 ("the Act"), the Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, the Directors of the Company be and is hereby authorised to purchase such number of ordinary shares of RM0.50 each in the Company's issued and paid up share capital as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that:

i) the aggregate number of ordinary shares purchased and/or held by the Company as treasury shares shall not exceed ten per cent (10%) of the issued and paid-up capital of the Company at any point in time; and
ii) the maximum funds allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained profits and share premium account of the Company.

THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner:

i) cancel all the shares so purchased; and/or
ii) retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; and/or
iii) retain part thereof as treasury shares and cancel the remainder; or

in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.

THAT such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:

i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in general meeting,

whichever occurs first.

AND THAT the Directors of the Company be authorised to give effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any modifications and/or amendments as may be required by the relevant Authorities."

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of shareholders at the Twenty-Third Annual General Meeting of the Company to be held on Wednesday, 29 June 2016, the Final Single Tier Dividend of 2 sen per share in respect of the financial year ended 31 January 2016 will be paid on 29 August 2016 to the shareholders of the Company whose names appear in the Record of Depositors at the close of business on 4 August 2016.

A Depositor shall qualify for entitlement to the dividend only in respect of:

a) Shares transferred into the Depositor's securities account before 4.00 p.m. on 4 August 2016 in respect of ordinary transfers; and
b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD
YINSON HOLDINGS BERHAD

WONG WAI FOONG (MAICSA 7001358)
TAN HSIAO YUEN (MAICSA 7056952)
Company Secretaries

Kuala Lumpur
31 May 2016

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act,1965 shall not apply.

2. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.

3. 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.

4. Where an authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.

6. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the Company's Registered Office at No. 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor Darul Takzim not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

7. Depositors who appear in the Record of Depositors as at 23 June 2016 shall be regarded as member of the Company entitled to attend the Annual General Meeting or appoint a proxy to attend and vote on his behalf.

EXPLANATORY NOTE ON AGENDA 1

This agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item is not put forward to the shareholders for voting.

EXPLANATORY NOTES ON SPECIAL BUSINESSES:

1. **Ordinary Resolution 6**

   Retention of Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty as Independent Non-Executive Director pursuant to the Malaysian Code on Corporate Governance 2012

   The Nomination and Remuneration Committee has assessed the independence of Dato' Ir Adi Azmari bin B. K. Koya Moideen Kutty who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:

   a) he fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Securities and thus, he would be able to function as a check and balance, bring an element of objectivity to the Board;
   b) he has been with the Company for more than 9 years and is familiar with the Group's business operations.

2. **Ordinary Resolution 7**

   Retention of Mr Kam Chai Hong as Independent Non-Executive Director pursuant to the Malaysian Code on Corporate Governance 2012

   The Nomination and Remuneration Committee has assessed the independence of Mr Kam Chai Hong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:

   a) he fulfilled the criteria of an Independent Director pursuant to the Main Market Listing Requirements of Bursa Securities and his vast experience in the accounting and finance industry would enable him to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group;
   b) he has exercised due care during his tenure as an Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and shareholders.

3. **Ordinary Resolution 8**

   Retention of Tuan Haji Hassan bin Ibrahim as Independent Non-Executive Director pursuant to the Malaysian Code on Corporate Governance 2012

   The Nomination and Remuneration Committee has assessed the independence of Tuan Haji Hassan bin Ibrahim who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:

   a) he fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Securities and his vast experience of more than 30 years in the legal background would enable him to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group;
   b) he has devoted sufficient time and attention to the professional obligations for informed and balanced decision making.

4. **Ordinary Resolution 9**
   Authority to Issue Shares Pursuant to Section 132D of the Act

   The proposed Ordinary Resolution 9 is a renewal of the general mandate in relation to authority to issue shares ("General Mandate") and if passed by the shareholders at the forthcoming Annual General Meeting, will provide flexibility to the Company to issue new securities without the need to convene a separate general meeting to obtain its shareholders' approval so as to avoid any delay and cost involved in convening a general meeting. This authority unless revoked or varied at a general meeting will expire at the next Annual General Meeting of the Company. The Directors would utilise the proceeds raised from this mandate for possible fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.

   The Company had received Bursa Malaysia Securities Berhad ("Bursa Securities") approval on 30 June 2015 for the listing of and quotation for up to 103,279,844 new ordinary shares of RM0.50 each in the Company ("Placement Shares") in relation to the Proposed Private Placement subject to the terms and conditions stated in the letter approval of Bursa Securities.

   As at the date of this Notice, the Company has placed out 60,000,000 Placement Shares at an issue price of RM2.83 each, which raised a total of RM169,800,000 and which shares were all listed on the Main Market of Bursa Securities on 8 July 2015 ("Private Placement"). Details and status of the utilisation of proceeds from the Private Placement are set out in "Other Information" in page 32 of the 2016 Annual Report

   The Adviser of the Company, AmInvestment Bank Berhad, had on 14 December 2015 announced that Bursa Securities, had vide its letter dated 14 December 2015, granted the Company an extension of time of six (6) months from 30 December 2015 up till 29 June 2016 to complete the Proposed Private Placement.

5. **Ordinary Resolution 10**
   Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") and Proposed New Shareholders' Mandate for New RRPT

   Further information on Proposed Ordinary Resolution 10, please refer to Circular to Shareholders dated 31 May 2016 accompanying the Company's 2016 Annual Report.

6. **Ordinary Resolution 11**
   Proposed Renewal of Authority for Share Buy-Back of up to 10% of the Issued and Paid-up Share Capital of the Company ("Proposed Renewal of Share Buy-Back Authority")

   The proposed Ordinary Resolution 11, if passed, will give the Directors of the Company the authority to purchase the Company's own shares up to an amount not exceeding in total 10% of its issued and paid-up share capital (excluding treasury shares) at any point in time upon such terms and conditions as the Directors may deem fit in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company.

   Further information on the Proposed Share Buy-Back, please refer to Statement to Shareholders in relation to the Proposed Renewal of Share Buy-Back Authority dated 31 May 2016 accompanying the Company's 2016 Annual Report.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING
(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

There is no Director standing for election as Director of the Company at the Twenty-Third Annual General Meeting.

Annexure A

LIM HAN WENG
#22-03, BLOK 2, APT. MOLEK PINES
JALAN MOLEK 1/27, TAMAN MOLEK
81100 JOHOR BAHRU
JOHOR

Date: 20 May 2016

THE BOARD OF DIRECTORS
YINSON HOLDINGS BERHAD
NO. 25, JALAN FIRMA 2
KAWASAN PERINDUSTRIAN TEBRAU IV
81100 JOHOR BAHRU
JOHOR

Dear Sirs,

NOTICE OF NOMINATION OF AUDITORS

Pursuant to Section 172(11) of the Companies Act, 1965, I, Lim Han Weng, being a shareholder of Yinson Holdings Berhad ("Company"), hereby give notice of my intention to nominate Messrs. PricewaterhouseCoopers for appointment as Auditors of the Company in place of the retiring Auditors, Messrs. Ernst & Young and to propose the following ordinary resolution to be tabled for consideration of the Member of the Company at the forthcoming Annual General Meeting of the Company:

> "That Messrs. PricewaterhouseCoopers be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs. Ernst & Young, to hold office until the conclusion of the next Annual General Meeting and authority be and is hereby given to the Directors to fix their remuneration."

Thank you.

Yours faithfully,

LIM HAN WENG

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FORM OF PROXY

YINSON HOLDINGS BERHAD
(Company No. 259147-A)
(Incorporated in Malaysia under the Companies Act, 1965)

I / We ____
(Name in full)

NRIC No. / Passport No. / Company No. ____________________ CDS Account No. ____________________
(NRIC No./Passport No. /Company No.)

of ____
(Address)

being a member / members of YINSON HOLDINGS BERHAD hereby appoint ____________________
(Name in full)

____________________ NRIC No. /Passport No. ____________________ of
(Name in full) *(NRIC No./Passport No.)*

____
(Address)

or failing him ____________________ NRIC No. /Passport No. ____________________ of
(Name in full) *(NRIC No./Passport No.)*

of ____
(Address)

or failing him / her, the Chairman of the meeting as *my / our proxy to vote for *me / us on *my / our behalf, at the Twenty-Third Annual General Meeting of the Company to be held at Diamond 5, Level 10, Holiday Villa Johor Bahru City Centre, No. 260, Jalan Dato' Sulaiman, Taman Abad, 80250 Johor Bahru, Johor Darul Takzim on Wednesday, 29 June 2016 at 11.00 a.m. or at any adjournment thereof.

The proportions of my/our shareholding to be represented by my/our proxy(ies) are as follows:

	No. of shares	Percentage
Total shares held		100%
Proxy 1		%
Proxy 2		%

This proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate spaces. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	Payment of the Final Single Tier Dividend		
2.	Payment of Directors' Fees		
3.	Re-election of Mr Lim Han Weng as Director of the Company		
4.	Re-election of Mr Bah Koon Chye as Director of the Company		
5.	Appointment of Messrs PricewaterhouseCoopers as Auditors of the Company and Authorise the Directors to fix their remuneration		
6.	Retention of Dato' Ir Adi Azmari bin B.K. Koya Moideen Kutty as Independent Non-Executive Director of the Company		
7.	Retention of Mr Kam Chai Hong as Independent Non-Executive Director of the Company		
8.	Retention of Tuan Haji Hassan bin Ibrahim as Independent Non-Executive Director of the Company		
9.	Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965		
10.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") and Proposed New Shareholders' Mandate for New RRPT		
11.	Proposed Renewal of Share Buy-Back Authority		

As witness my/our hand this ____________ day of ____________ 2016

No. of Shares held	
CDS Account No.	

____
Signature / Common Seal of Shareholder(s)

** Delete if not applicable*

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act,1965 shall not apply.
2. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
3. 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.
4. Where an authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the Company's Registered Office at No. 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor Darul Takzim not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
7. Depositors who appear in the Record of Depositors as at 23 June 2016 shall be regarded as member of the Company entitled to attend the Annual General Meeting or appoint a proxy to attend and vote on his behalf.

Please fold here to seal

Affix
Postage
Stamp

YINSON HOLDINGS BERHAD (259147-A)
No. 25, Jalan Firma 2,
Kawasan Perindustrian Tebrau IV,
81100 Johor Bahru,
Johor Darul Takzim

Please fold here to seal

YINSON HOLDINGS BERHAD
(259147-A)
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