Yinson Production Financial Services Pte. Ltd.
(Incorporated in Singapore. Registration Number: 202340079Z)

Annual report for the financial period 6 October 2023 (date of incorporation) to 31 January 2025

Contents of the Annual Report

BOARD OF DIRECTORS' REPORT

Company overview

Yinson Production Financial Services Pte. Ltd. (the "Company") is incorporated in Singapore. The principal activities is provision of treasury services to its immediate holding corporation, Yinson Production Offshore Pte Ltd, incorporated in Singapore.

Highlights for the financial period from 6 October 2023 (date of incorporation) to 31 January 2025 ("FY2025")

The Company has also been awarded a Finance and Treasury Centre ("FTC") Incentive effective from 1 April 2024 for 5 years, under which income from qualifying activities is taxed at legislated, concessionary tax rate of 8%. This is subject to the Company meeting the terms and conditions of the FTC incentive, which includes ongoing substance and economic activity-based obligations.

On 3 May 2024, the Company successfully issued a US$ 500 million senior secured bond with a fixed coupon of 9.625% per annum, maturing on 3 May 2029. On 20 November 2025, the Company announced the successful execution of a tap issue, issuing an additional US$100 million senior secured bond, with the drawdown completed on 27 November 2025. The bonds were successfully listed on the Oslo Stock Exchange on 31 January 2025. The bonds are traded on the Oslo Stock Exchange under the ISIN Code "NO0013215509".

As a treasury entity, the Company has used the bond proceeds to generate revenue via interest income from high yield fixed deposits, treasury services and loans to its immediate holding corporation, Yinson Production Offshore Pte Ltd.

Financial performance

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") and IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The directors wish to affirm the special purpose consolidated financial statements have met the requirements of International Accounting Standard 1 – Presentation of Financial Statements.

As this is the first year of incorporation, there will be no comparative periods to refer to.

Statement of Comprehensive Income

Revenue for FY2025 was US$ 42.2 million which mainly related to interest income and management fees.

Administrative expenses for FY2025 were US$ 1.3 million mainly related to employee compensation and professional services.

Finance costs for FY2025 was US$ 40.8 million mainly related to the interest expense on the issued bonds coupled with the amortisation of the deferred financing costs.

Balance sheet

Total assets amounted to US$ 601.3 million mainly comprising of cash and bank balances and trade and other receivables due from immediate holding corporation.

Total liabilities amounted to US$ 599.7 million mainly comprising of accruals and amounts owing to bondholders.

Total equity amounted to US$ 1.5 million comprising of share capital and retained earnings.

Statement of Cash flows

As at 31 January 2025, the Company had cash of US $2.3 million after accounting for pledged cash at banks amounting to USD $14.6 million.

Net cash flows used in operating activities amounted to US$ 1.2 million arising from cash used in operations of US$ 2.4 million before interest receipts from bank deposits of US$ 1.2 million.

Net cash flows used in investing activities amounted to US$ 541.9 million arising from loan to immediate holding corporation of US$ 581.7 million before interest receipts from immediate holding corporation of US$ 39.8 million.

Net cash flows generated in financing activities amounted to US$ 545.4 million arising from issuance of share capital and bonds of US$ 1.5 million and US$ 582.5 million respectively, before payments of finance costs and cash pledged for the repayment of bond interest of US$ 24.0 million and US$ 14.6 million respectively.

Subsequent events

On 23 April 2025, the Company, has successfully structured and arranged a stand-by letter of credit and three-year guarantee facility of US$ 100 million. The facility will be used to increase the financial flexibility and streamline cash management.

Going concern

The Company is in compliance with all financial covenants as of 31 January 2025 and the assumption for the Company's ability continues to be appropriate.

Risk Factors

The Company believes that the factors described below represent the principal risks inherent to its bondholders, but the risk is that Company may be unable to pay interest, principal or other amounts on or in connection with bonds for other reasons may not be considered significant risks by the Company based on information currently available to it or which it may not currently be able to anticipate. It applies for all risk factors that, if materialized, and depending on the circumstances, may have an adverse effect on the Company which may reduce anticipated revenue and profitability, ultimately resulting in a potential insolvency situation.

Risks related to the Company and the industry in which it operates and strategy to manage the risks associated with

The Company provides loans to its immediate holding corporation, Yinson Production Offshore Pte Ltd. As Yinson Production Offshore Pte Ltd holds many subsidiaries and derives dividend income from its fleet of Floating Production, Storage and Offloading ("**FPSO**") and Floating Storage and Offloading ("**FSO**") units, we have listed down the risks that may hinder the ability of the Yinson Production Group of companies ("YPOPL Group") to repay its debts to the Company. In essence, this is the main risk to the Company.

Dependency on a limited number of FPSO and FSO units

The YPOPL Group’s production operations are currently limited to eight units, namely FSO PTSC Bien Dong 01, FPSO PTSC Lam Son, FPSO John Agyekum Kufuor, FPSO Helang, FPSO Abigail-Joseph, FPSO Anna Nery, FPSO Maria Quitéria and FPSO Atlanta, as well as one unit under development, Agogo FPSO, which is currently under conversion and has arrived in the waters of Angola. Any downtime, damage, or unforeseen interruption in the production, or delay in delivery, of the abovementioned units, including if any of the units do not achieve timely acceptance in accordance with the contract requirements, this can materially affect the YPOPL Group’s operational and financial performance, including but not limited to its ability to service its ongoing obligations, develop new assets and realise its business plan, which could have a material effect on the YPOPL Group’s prospects, financial condition, and results of operations.

Dependency on the global offshore oil and gas markets

Future demand for the YPOPL Group’s FPSO units and FSO services can be negatively affected by a number of factors outside of the YPOPL Group's control including, but not limited to, changes in oil and gas prices, fluctuations in investments in offshore oil and gas developments, regulatory and fiscal changes, and exploration results. Oil and gas commodity prices are volatile and affected by numerous factors beyond the YPOPL Group's control, including, but not limited to, worldwide production of and demand for oil and gas, the worldwide political and military environment including uncertainty or instability resulting from an escalation or additional outbreak of armed hostilities, international sanctions, widespread adoption of electrified transportation and worldwide economic and financial problems. The YPOPL Group may be unable to secure new construction, conversion and/or newbuild projects at acceptable rates of return if demand for oil and gas decreases, thereby impacting the demand for these new or converted production units. Lower demand for FPSO and FSO units and/or the YPOPL Group’s services will impact the YPOPL Group’s ability to contract new FPSO projects. In low oil price environments, E&P companies have historically reduced their exploration and investment budgets, resulting in fewer opportunities for the YPOPL Group to win new business. Furthermore, low prices typically challenge project economics of new developments. For contracts approaching the end of their fixed term, continued low prices or reduced demand for hydrocarbons may result in the YPOPL Group’s clients not seeking to renew their contracts or attempting to negotiate lower rates as a condition for renewal, which could have a material effect on the YPOPL Group’s prospects, financial condition, and results of operations.

The industry in which the YPOPL Group operates is highly competitive

The FPSO industry in which the YPOPL Group operates is highly competitive and requires a balance between project risk and reward. There are over 200 FSPOs and FSOs globally, owned and operated by a wide variety of entities, and under various contractual structures. Many competitors are offering alternatives to the lease and operate contract model with which the YPOPL Group competes, such as pure EPC and/or BOT (Build Operate Transfer) which may appear to be more attractive to potential clients. Whilst the YPOPL Group has a well-established position in the geographies in which it operates, some of its competitors have been building FPSOs since the 1980s. Other industry participants have specialised in building brand new hulls and vessels, instead of conversion of existing vessels, which may be more appealing to potential clients under certain conditions.

Competitive pressure and other factors may result in significant price competition, particularly during industry downturns, which could have an adverse effect on the YPOPL Group's ability to obtain new FPSO projects.

The principal competitive factors in the markets that the YPOPL Group’s offshore production business serves include price, quality of service, ability to deliver projects on time, safety track record, reputation of vessel operators and crews and the quality and availability of the type of vessels required by the customers. Some of the YPOPL Group’s competitors have more diverse fleets or fleets with generally higher specifications, greater resources, brand recognition and geographical reach, and/or lower capital costs than the YPOPL Group. This may allow competitors to better withstand industry downturns, compete based on price, and relocate, build, and/or acquire additional assets, resulting in increased competitive pressure and significant price competition. Any failure to compete effectively or secure contracts on favourable terms could have a material adverse impact on the YPOPL Group's business, results of operations, financial condition, and prospects.

Construction risk

In constructing an FPSO or FSO unit for a project, the YPOPL Group may from time to time use an existing vessel (e.g. oil tanker) as the conversion candidate or an existing FPSO or FSO unit as the redeployment candidate. During the conversion of a tanker, or redeployment of an existing FPSO or FSO unit, the YPOPL Group is exposed to several construction related risks.

The YPOPL Group is dependent upon the ability of its subcontractors to provide key materials, components, finished products and services, often custom-made, which meet the specifications, quality standards and delivery schedules. Any failure by the YPOPL Group's subcontractors to deliver may result in increased costs or delays on the units, which could have a material adverse effect on the YPOPL Group's business, financial condition, and prospects.

Both conversion of a tanker and redeployment of an existing FPSO or FSO unit are based on proven methods and technology, but that technology may not function as expected, or the underlying vessel may have other issues, which may result in additional modifications and increased costs or delays on the units, which could have a material adverse effect on the YPOPL Group's business, financial condition, and prospects.

Further, the YPOPL Group must identify technical limits to ensure long-term asset integrity and performance of its units. Possible technical issues, particularly for ageing assets, can result in long-term shutdown or decreased production, which could have a material adverse impact on the YPOPL Group's business, results of operations, financial condition, and prospects.

In pricing contracts with clients, the YPOPL Group relies on cost quotes from its suppliers and sub-contractors and must also make assumptions and estimates. If third-party quotes, or the YPOPL Group’s own assumptions or estimates of the overall risks, revenue, capital requirements, operating costs, or other costs of any project or contract prove inaccurate, or if circumstances change such that those quotes, assumptions or estimates prove inaccurate, lower than anticipated profit may be achieved, or a loss may be incurred on such project. The YPOPL Group could become liable for delays or deficiencies by its subcontractors and might not be able to reclaim full coverage from the subcontractor e.g. due to the adverse effect or if the subcontractor becomes insolvent.

In connection with the conversion of Agogo FPSO the YPOPL Group is highly dependent on delivery from suppliers and sub-contractors and there is a risk the delivery being delayed due to factors both within and outside of the YPOPL Group's control. There is also a risk of the actual costs exceeding the YPOPL Group's budgeted costs, and persistent cost inflation have already impacted the construction, commissioning, and installation phases. Any delay in project timelines or any cost overruns may result in the YPOPL Group requiring additional funding, and the YPOPL Group may not be able to obtain such financing on satisfactory terms or at all, constraining the YPOPL Group's ability to complete the construction process, which could have a material adverse effect on the YPOPL Group's business, financial condition, and prospects. Furthermore, this could result in delay remedies, including but not limited to, penalties, loss of revenues, claims for liquidated damages, trigger purchase options, loss of customer satisfaction, termination of contracts and/or be damaging to the YPOPL Group's reputation towards potential clients or financial partners. If any of these risks materialise, it could have an adverse impact on the financial position of the YPOPL Group as well as the YPOPL Group 's business and prospects.

The construction risks also apply to future project vessels. The YPOPL Group recently signed a contract with Murphy Oil Corporation in Vietnam for an FSO through an existing joint venture between Yinson Production (49%) and with PetroVietnam Technical Services Corporates ("PTSC", 51%) that will also be subject to similar construction risks.

Counterparty risk
Prolonged periods of lower oil and gas prices may lead to a reduction in revenues for the YPOPL Group's clients and may impact client's ability to fulfil contractual obligations. The YPOPL Group may therefore be exposed to contractual defaults from its clients, suppliers and/or subcontractors. Clients, suppliers and/or subcontractors of the YPOPL Group may also try to renegotiate previously agreed contract terms, and any material changes may lead to a reduction in revenues to cover operating costs which in turn could have a material adverse impact on the YPOPL Group's business, results of operations, financial condition, and prospects.

Health, safety, security, and environmental risks
The YPOPL Group is exposed to all risks inherent in the industry, including risks and potential hazards involved when owning, operating, and managing its fleet of units worldwide, and is subject to operating risks, including health, safety, security, and environment incidents.

Hazards inherent in the offshore industry include blowouts, reservoir damage, loss of production, equipment defects, fires, explosions and pollution, the occurrence of which could result in the suspension of production operations, substantial damage to or destruction of equipment and injury or death of personnel on board the YPOPL Group's units. The discharge of oil, natural gas or other pollutants into the air or water may give rise to liabilities to foreign governments and third parties and may require the YPOPL Group to incur costs to remedy such discharge. If a pollution accident were to take place, the YPOPL Group may also suffer reputational damage. Furthermore, some environmental laws provide for joint and several strict liabilities for remediation of releases of hazardous substances, which could result in liability for environmental damage without regard to negligence or fault.

The YPOPL Group's operations are also subject to hazards inherent in marine operations on site, such as capsizing, sinking, grounding, and collision.

Major incidents resulting in injury or death of the YPOPL Group's personnel, damage to the YPOPL Group's assets, and major disruption to its operations could occur in the future. If they occur, these incidents may, as well as causing reputational damage, subject the YPOPL Group to significant liabilities under environmental and safety laws, and have serious consequences for the YPOPL Group's financial position due to loss of income, repair costs, claims and damages and indirect loss relating to customer satisfaction.

Lack of compliance to safety-critical management system standards and/or insufficient measures to mitigate incidents may lead to the YPOPL Group not being an approved FPSO or FSO operator by oil companies, which in turn could result in reduced operating income or cashflow for the YPOPL Group which may have a material adverse effect on the YPOPL Group's business, financial condition, results of operations, cash flow and/or prospects.

The YPOPL Group endeavours to mitigate operational risks through operational measures that include systems and practises aligned with local, national, and international standards such as the International Convention for the Prevention of Pollution from Ships (MARPOL), International Safety Management (ISM), and ISO Standards pertaining to Occupational Health and Safety, Environmental Management Systems, and Quality Management Systems. These measures are externally audited annually. Additionally, the YPOPL Group seeks to mitigate operational risks through strategic risk allocation within its leasing contracts. However, this strategy will not completely eliminate exposure to health, safety, security, and environmental incidents. Consequently, any major incidents could have a significant impact on the YPOPL Group's profitability and reputation.

Operational risk
Operational risk for the YPOPL Group includes vessel performance in accordance with statutory requirements and additional customer requirements for health and safety, security, quality, and environmental issues. The YPOPL Group's units may suffer design defaults, unexpected malfunctions, failures or potentially dependent on repairs or spare parts if reparable, which may not be available in the short term. This may significantly affect the operational efficiency and performance of the unit, which could entail the payment of penalties to the YPOPL Group's customers or induce environmental damages or damages to third parties, which in turn could have a material adverse impact on the YPOPL Group's business, results of operations, financial condition, and prospects.

Risk of acts of piracy
The YPOPL Group is exposed to acts of piracy on units which could adversely affect the YPOPL Group's business and may result in increasing costs of operations. Acts of piracy have historically occurred in jurisdictions where the YPOPL Group operates and plan to operate, such as in West Africa, and there is a risk that acts of piracy may continue to occur in this area, as well as other regions. Detention or hijacking because of an act of piracy against the unit, or an increase in cost or unavailability of insurance for the YPOPL Group's units could have significant impact on the YPOPL Group's profitability and reputation.

Dependency on key management
The YPOPL Group believes that its continued success and future performance largely depends upon the skills, abilities, experience, competency, and continuous efforts of its key management and on the YPOPL Group's ability to hire and retain qualified and competent personnel. The experience, knowledge and expertise of key management are pivotal to the YPOPL Group's success. For instance, The YPOPL Group's business units are dependent on the application of highly advanced technology and knowledge. The number of people with the required expertise and experience is small whilst competition to acquire their services is usually intense in the offshore oil and gas industry.

While the YPOPL Group has made efforts to nurture and maintain good relationships with its key management, any loss of the services of certain key management members and operational personnel, without suitable and timely replacement, may affect the operating results and prospects of the YPOPL Group.

Geopolitical and Compliance risks
The YPOPL Group does not operate in countries that are currently partaking in a war. However, the YPOPL Group does operate across a wide variety of other national jurisdictions, which exposes the YPOPL Group to risks inherent in operating internationally and in politically unstable regions.

Changes in the legislative, political, regulatory, and economic framework in the regions in which the YPOPL Group carries out business could have a material impact on exploration, production and development activity or adversely affect the YPOPL Group's operations directly or indirectly, which in turn could increase complexity and the administrative burden, and result in increasing costs of operation. The YPOPL Group may be required to procure a local partner or otherwise restructure its operations to comply with such regulations or may be required to cease operations in these areas. For risks relating to existing partnership arrangements, refer to "*The YPOPL Group conducts a portion of its operations through joint ventures, exposing it to risks and uncertainties, many of which are outside its control*".

Changes in political regimes or political instability may negatively affect the YPOPL Group's operations in foreign countries, as well as risk of war, other armed conflicts, and terrorist attacks. A government could seize one or more of the YPOPL Group's assets for title or hire. Requisition for title occurs when a government takes control of an asset and becomes its owner. Requisition for hire occurs when a government takes control of an asset and effectively becomes its charterer at dictated charter rates. Generally, requisitions occur during periods of war or emergency. The YPOPL Group has purchased insurance coverage to mitigate such risks.

The YPOPL Group operates and plan to operate in developing countries with political, economic, and social uncertainties, for example Angola and Nigeria. Risks may therefore arise in respect of fraud or non-compliance with laws and regulations, improper activities by any of the YPOPL Group's employees, agents, or partners, which could have an adverse effect on the YPOPL Group's business and reputation, reduce its revenue and profit, and subject it to administrative, criminal, and civil enforcement actions. Further, the YPOPL Group operates and owns assets in countries which have a low score on Transparency International's Corruption Perception Index, which implies that these countries are perceived as jurisdictions where there is a higher risk of corruption. The YPOPL Group may engage agents, consultants, and representatives in these jurisdictions. Although the YPOPL Group believes and requires that agents, consultants, and representatives conduct their business in accordance with applicable laws, there is a risk that agents, consultants, and other persons acting on behalf of the YPOPL Group may engage in corrupt activities, misconduct, fraud, or non-compliance with applicable government laws and or contractual obligations, or other improper activities without the knowledge of the YPOPL Group. Failure by agents, consultants, and representatives to comply with applicable laws, regulations and contractual obligations or acts of misconduct could subject the YPOPL Group to fines, penalties and/or administrative, criminal, or civil enforcement actions, which could materially and adversely affect the YPOPL Group's financial results, revenues, and reputation.

Should any of these events or other similar events occur in the future, it may have a material impact on the YPOPL Group's operations and, consequently, materially and adversely affect its financial condition and results.

Arrest by maritime claimants

Generally, crew members, suppliers of goods and services to a vessel, shippers of cargo and other parties may be entitled to a maritime lien against that vessel (and, in some jurisdictions, any associated vessel owned or controlled by the same owner) for unsatisfied debts, claims or damages. In many jurisdictions, a maritime lienholder may enforce its lien by arresting a vessel through foreclosure proceedings. This would apply even if vessels in the YPOPL Group's chartering fleet are chartered out (whether on a bareboat charter basis or otherwise). As the YPOPL Group's customers are in possession of and have control over its vessels which have been chartered to them, any action taken against its customers may expose its vessels to arrest or other impounding actions. Unless the YPOPL Group takes timely actions to intervene in these proceedings, any arrest or attachment of one or more of the YPOPL Group's vessels could, among others result in the YPOPL Group paying large amounts of money to have the arrest lifted, which would adversely affect the business, financial condition, results of operations and prospects of the YPOPL Group.

Inadequate insurance coverage

The operation of the YPOPL Group’s assets involves inherent risk of major losses and liabilities, death or injury of persons, oil spills, damage to and loss of vessels and cargo sustained in collisions, property loss and interruptions to operations caused by adverse weather and environmental conditions, mechanical failures, crew negligence, navigation errors, and other circumstances or events.

The occurrence of any of these events may result in damage to or loss of the YPOPL Group’s assets and its cargo or other property and injury to passengers and personnel on board. Such occurrences may also result in a significant increase in operating costs or liabilities to third parties.

The YPOPL Group considers that its assets are sufficiently covered by its insurances, which is in line with industry practice and requirements under its financing arrangements and client contracts. Further, the YPOPL Group has not made any material insurance claims in the past. However, all risks may not be adequately insured at all times against all potential liabilities and losses or that any insured sum will be paid. In the event of an accident such as an oil spill where the damage or losses are in excess of the insurance coverage taken up, the YPOPL Group may be required to make material compensation payments. In such event, the YPOPL Group’s financial condition and results of operations may be materially and adversely affected. In certain situations, the YPOPL Group’s customers may become subject to penalties, fines or insurance claims and may attempt to pass on part or all of these costs to the YPOPL Group which may not be covered by the YPOPL Group’s insurance or may exceed the YPOPL Group’s insurance coverage. Any such events may likewise materially and adversely affect the YPOPL Group’s financial condition and results of operations. Furthermore, events such as wars, piracy or terrorist attacks may result in substantial increases in the YPOPL Group’s insurance premiums, thereby affecting its financial performance. There is also the possibility that the YPOPL Group may be unable to procure similar adequate insurance coverage in the future at the terms and conditions equal to those it currently has at favourable terms or at all.

The YPOPL Group conducts a portion of its operations through joint ventures, exposing it to risks and uncertainties, many of which are outside its control

The YPOPL Group conducts some of its operations through joint ventures with PetroVietnam Technical Services Corporates, Sumitomo Corp., Kawasaki Kisen Kaisha Ltd., JGC Corp and Development Bank of Japan, and Japan Offshore facility Investment 1 Pte. Ltd. The terms of co-operation and shareholding in the joint ventures are governed by the joint shareholding agreements between the shareholders. These entities are otherwise unrelated to the YPOPL Group, and differences in views with these joint shareholders may result in delayed decisions, failures to agree on major issues and/or a need to liquidate the joint venture on unfavourable terms.

The YPOPL Group's obligations in respect of, and the YPOPL Group's ability to receive any dividends from, its jointly owned ventures depend on the terms and conditions of the joint shareholding agreements and relationship with its joint shareholders. The YPOPL Group may not continue its relationship with its joint shareholders and its joint shareholders may want to pursue other strategies than the YPOPL Group.

The YPOPL Group cannot control the actions of its joint shareholders, including any non-performance, default or bankruptcy of such shareholder. The joint shareholding agreements governing the joint ventures may restrict the YPOPL Group's ability to exit the joint ventures at reasonable prices or at all. Further, if any of the YPOPL Group's joint shareholders do not meet their contractual obligations, the joint ventures may be unable to adequately perform and deliver their contracted services. Such factors could have a material adverse effect on the business operations of the joint ventures and, in turn, the YPOPL Group's business, results of operations, cash flows, financial condition and/or prospects.

Financial risks

Capital structure and equity
The FPSO and FSO lease business is highly capital-intensive, making access to funding crucial for growth, project execution, and timely completion. The costs associated with construction of a newbuilt FPSO or FSO, conversion of a FPSO or FSO, or refurbishment of an existing FPSO or FSO may exceed the YPOPL Group's budgeted estimates. This could, among other things, result in the need for additional capital to cover unforeseen expenses. The YPOPL Group is currently in the process of converting Agogo FPSO, and any unexpected cost overruns or delays in this project could further amplify the YPOPL Group's capital needs. Access to funding is subject to market conditions, which can fluctuate over time. Furthermore, as ESG considerations gain increasing importance among market participants, some investors may choose to exclude FPSO and FSO projects from their portfolios. As a result, the YPOPL Group could face challenges in securing financing on favourable terms or at all. This could materially restrict the YPOPL Group’s ability to bid for, and construct, new vessels, thereby adversely impacting its business, financial condition, and prospects.

Credit risk
Substantially all of the YPOPL Group's FPSO and FSO units are currently on long-term contracts. Based on EPC contracts awarded between 2018 and 2023, the average length of the YPOPL Group’s contracts is 17.4 years. As of 31 January 2025, the YPOPL Group's revenue backlog, after deducting non-controlling interest is USD 19.4 billion, extending until 2048. As a result, substantially all of the YPOPL Group’s revenue is generated through these long-term contracts. Outside of these units and contracts, the YPOPL Group has no other material source of revenue or cashflow. As a result, any credit issue with a major customer may result in their inability to satisfy the contract, and consequently the YPOPL Group’s ability to service its financial liabilities. Should the financial position of any of the YPOPL Group’s major customers materially change during the contracted period, given the limited number of major customers of the YPOPL Group and the significant portion they represent of the YPOPL Group's income, the potential inability of one or more of them to make full payment on any of the YPOPL Group’s contracted units may have a significant adverse impact on the financial position of the YPOPL Group.

Interest rate fluctuations could affect the YPOPL Group's cash flow and financial condition
The YPOPL Group faces interest rate risk from interest-bearing debt with a floating rate. The YPOPL Group has entered into certain hedging arrangements designed to fix or limit risk on a portion of these rates but the Company may not enter into such arrangements in the future and such arrangements may not be available on commercially reasonable terms. If interest rates were to rise significantly, the YPOPL Group's interest expense would correspondingly increase, thus reducing free cash flow and in the worst case, result in breaches of loan covenants. Accordingly, fluctuations in interest rates could negatively affect the YPOPL Group's business, results of operations, financial position and future prospects. For a full list of the debt covenants that is residing in the YPOPL Group, please refer to the YPOPL audited financial statements in our corporate website, https://www.yinson-production.com/investors/.

Regulatory risks

Permits and licenses
Significant parts of the YPOPL Group's activities require licenses and permits from authorities in the countries in which it operates. The YPOPL Group may not be able to obtain all necessary licenses and permits required to carry out its operations in the future. If the present permits and licenses are terminated or withdrawn, or if the YPOPL Group is unable to obtain the same, such event could have a negative effect on the YPOPL Group’s operations and reputation.

The YPOPL Group also relies on several permits and certificates granted by classification societies and the flag state for its vessels, and in the event that these cannot be maintained, or are terminated or withdrawn, the YPOPL Group may not be able to operate its vessels and may need to cease operations, which could adversely affect the YPOPL Group’s financial results, revenues and reputation.

Additionally, the YPOPL Group's operations are contingent upon its contracting parties obtaining and maintaining requisite approvals, permits, concessions and/or licences for their projects. Any failure or delay in obtaining or any subsequent failure to maintain these approvals, permits, concessions and/or licences may have an adverse impact the YPOPL Group’s business, operations and financial condition.

Tax risks
Any changes in the current tax regime and/or laws, rules and regulations pertaining to the taxation of companies or the interpretation thereof, whether in Singapore or in any other jurisdictions in which the YPOPL Group operates, which have a retrospective, current and/or prospective effect, will affect the tax paid or payable by the YPOPL Group arising from a tax reassessment on its financial results. Any incorrect application or changes in tax regulations or customs duties, could adversely affect the YPOPL Group's business, financial condition, results of operations, and prospects.

In the event that the Company is obligated to withhold any tax from payments in respect of bonds issued by the Company, the payment amount will be adjusted to ensure that each individual holder of the bonds (a "**Bondholder**") receives a net sum equivalent to what would have been received without any withholding. Consequently, any withholding will result in an increase in payments from the Company regarding the Bonds, potentially impacting the YPOPL Group's financial results adversely.

Risks related to laws and regulations
The production, storage and offloading of oil and gas at sea is subject to inherent risks such as personal injuries, loss of life, oil spills or gas releases caused by equipment failure, system failure or human errors. Although the YPOPL Group spends considerable resources to identify such risks and implement mitigating actions, there will always be residual risk. The offshore oil and gas industry is subject to regulations which aim to limit and control these risks and to govern the removal and clean-up of pollutants that may harm the environment.

The YPOPL Group’s presence in, amongst others, Malaysia, Singapore, Norway, Nigeria, Ghana, Netherlands, Vietnam, Angola and Brazil are subject to the laws, regulations, and policies of the various jurisdictions, including routine and special audits by the local tax authorities. Some of these jurisdictions have laws and regulations which the YPOPL Group's vessels are required to comply with and may require the YPOPL Group to apply for licences or operate under laws and regulations that may impose onerous conditions on the conduct of its operations. If the YPOPL Group is unable to comply with the relevant laws and regulations, its vessels may not be allowed to operate, and its business would be adversely affected. The need to comply with new laws and regulations introduced by the jurisdictions in which the vessels are registered may increase its cost of operations. This will have an adverse effect on the YPOPL Group’s business, financial performance, and financial condition.

The laws and regulations applicable to the offshore oil and gas industry, including the YPOPL Group, have generally become more stringent and penalties and potential liability have increased and may increase further in the future. Any additional regulations could increase the cost of the YPOPL Group's operations or those of its customers and reduce the area of operations for the offshore oil and gas industry. This could, in turn, materially and adversely affect the YPOPL Group’s business, financial condition, results of operation and prospects by reducing demand for its services.

Risk relating to Environmental, Social and Governance ("ESG") requirements
The YPOPL Group operates in several jurisdictions, each subject to international, national, and local regulation concerning environmental issues, emissions, human capital, anti-bribery, and anti-corruption. This exposes the YPOPL Group to risks and evolving regulatory landscape, including ESG requirements under the Corporate Sustainability Reporting Directive (CRSD), the Corporate Sustainability Due Diligence Directive (CSDDD), and the Norwegian Transparency Act. These regulations illustrate how the regulatory landscape is evolving towards stricter standards and enforcement, which can necessitate significant expenditures. Breaches of these regulations may result in fines and/or penalties, some of which may be material. The trend towards stricter standards and enforcement, increased fines and liability and potentially increased capital expenditures and operating costs.

Updated and changing regulatory and societal environment requirements could impact the YPOPL Group's financial condition and results of operations, and any liability for the YPOPL Group pursuant to the aforementioned would adversely affect the YPOPL Group’s financial results, revenues and reputation.

Shareholder risk

Put option event
In the event of a ‘Delisting Event’ or any change of control event is triggered, such as ‘Loss of Decisive Influence’ (as defined in our bond terms) by our ultimate holding company, Yinson Holdings Berhad, the bondholders have the right to require the mandatory repurchase by the Company, exercisable within 15 business days at price of 101% of the nominal amount together with any accrued interest.

Andrew Choy Wei Nung Director	Markus Wenker Director

29 May 2025

DECLARATION BY THE BOARD OF DIRECTORS

The directors have today considered and approved the annual report and financial statements for the Company for the period ended 31 January 2025. The directors have based this declaration on reports and statements from the management, as well as other information that is essential to assess the Company's position which has been provided to the directors.

To the best of our knowledge:

- The financial statements for the Company have been prepared in accordance with all applicable accounting standards.

- The information provided in the financial statements gives a true and fair portrayal of the Company's assets, liabilities, profit and overall financial position as of 31 January 2025.

- The annual report provides a true and fair overview of the development, profit and financial position of the Company, as well as the most significant risks and uncertainties facing the Company.

Andrew Choy Wei Nung Director	Markus Wenker Director

29 May 2025

CORPORATE GOVERNANCE OVERVIEW PRINCIPLES

The Board of Directors consists of two (2) members namely:

Name	Nationality
Markus Wenker	German
Andrew Choy Wei Nung	Singaporean

The Board of Directors of the Company actively adheres to good corporate governance standards, as outlined in the Company's Constitution and Singapore Companies Act 1967.

Pursuant to Article 81 of the Constitution of the Company, the directors shall have the power to appoint any person to be a director either to fill a casual vacancy or as an addition to the existing directors. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election.

Subject to the Act, Article 16 of the Company's Constitution authorizes the Company to purchase or acquire its issued shares. Any shares acquired by the Company may be held in treasury or cancelled immediately upon purchase or acquisition. In addition, the Company's ultimate holding corporation is Yinson Holdings Berhad ("YHB"), a public limited liability company, incorporated and domiciled in Malaysia, and is listed and quoted on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The registered office and principal place of business of YHB is located at Level 16, Menara South Point, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur, Malaysia.

YHB's governance framework aligns with the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"), the listing requirements of Bursa Securities, and the Malaysian Companies Act 2016 ("Governance Framework"). As an indirect wholly owned subsidiary of YHB, the Company also adheres to this Governance Framework. For a comprehensive understanding of YHB corporate governance approach, please refer to YHB Integrated Annual Report 2025 which is available on its corporate website at www.yinson.com.

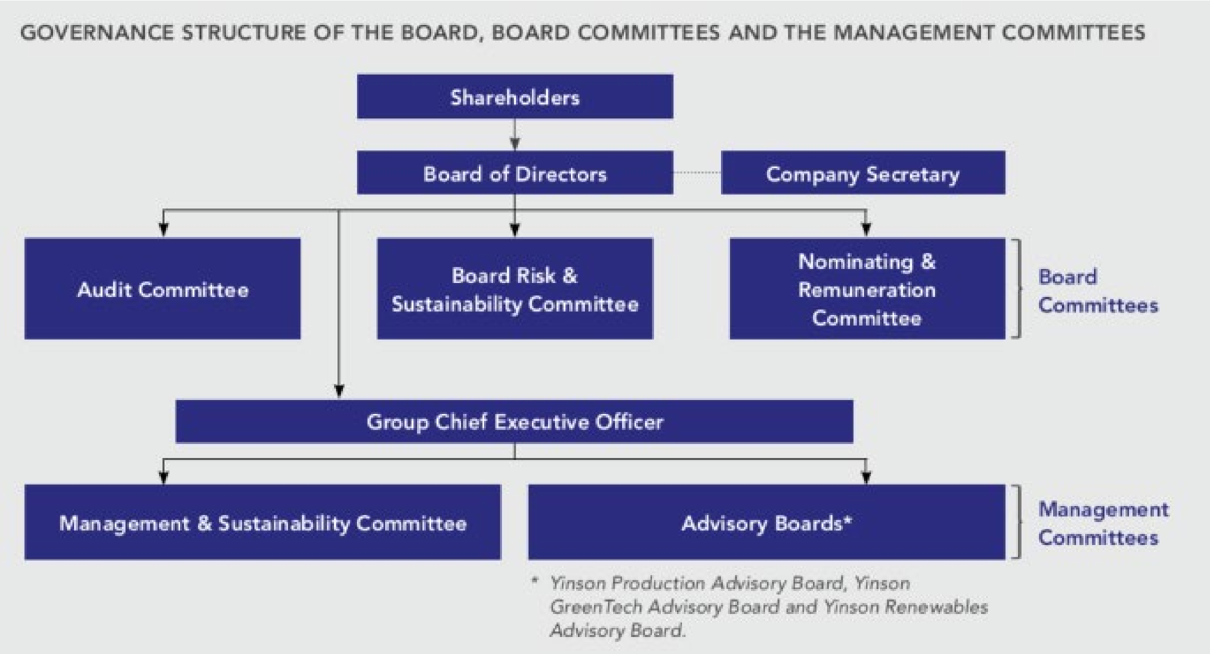
The Governance Framework shares several common principles with the Norwegian Code of Practice for Corporate Governance dated 14 October 2021 (the "Code of Practice"), the regulations set out in the Rulebook II of Euronext Oslo Børs (the stock exchange in Oslo) and the relevant Norwegian background law such as the Norwegian Accounting Act and the Norwegian Public Limited Liability Companies Act. The Code of Practice may be found at www.nues.no and the Euronext Oslo Børs Rulebook II may be found at www.euronext.com. Norwegian laws and regulations are available at www.lovdata.no.

For a comprehensive understanding of YHB's corporate governance approach, please refer to YHB Integrated Annual Report 2025 available on YHB's corporate website at www.yinson.com.

The summary of YHB's governance framework and approach is as follows:

Role of the Board

YHB Board defines the YHB Group's purpose, values, and strategy, playing a central role in guiding its operations and shaping its vision. The detailed roles and responsibilities, and matters reserved for the Board's decision, are outlined in YHB's Board Charter, available at its corporate website. The governance structure, illustrated in the diagram below, ensures that the YHB Group remains focused on its strategic priorities.



Committee	Roles & Responsibilities
Audit Committee ("AC")	• Assess integrity of YHB Group financial and regulatory reporting and disclosures. • Oversee effectiveness of YHB Group financial controls. • Review activities and performance of Internal Audit ("IA") Department and External Auditors.
Board Risk & Sustainability Committee ("BRSC")	• Review and monitor effectiveness of YHB Group risk management and internal controls. • Review effectiveness of systems and controls for prevention of bribery and fraud. • Review and recommend sustainability strategies and initiatives to align with global best practices and Environmental, Social and Governance ("ESG") considerations.
Nominating & Remuneration Committee ("NRC")	• Review YHB Board and its committees' composition. • Recommend and lead appointment process for YHB Board and Senior Management. • Review and recommend succession planning for YHB Board and Senior Management appointments towards ensuring an orderly and diverse succession pipeline. • Oversee YHB's annual Board Performance Review. • Review and recommend YHB Group remuneration strategy and policy.

Committee	Roles & Responsibilities
	• Review remuneration of YHB's Executive Directors and Senior Management, including alignment with performance such as long-term incentive schemes.
Management & Sustainability Committee ("MSC")	• Oversee YHB Group performance in alignment with the Board-established strategy, objectives, and targets. • Identify and manage principal business risks, implement internal controls and mitigation measures. • Cultivate a culture that prioritises sustainability, open discussion, and the integration of ESG management into company processes and goals.
Advisory Boards	• Oversee business strategies and operations, to ensure implementation and alignment within the Board-approved framework. • Serve as a forum for strategic and policy deliberations.

Board Committees

The YHB Board is supported by its Committees - the AC, BRSC and NRC - each with its own Terms of Reference ("TOR") outlining responsibility and decision-making powers. These Committees report to the Board on deliberated matters, decisions, and recommendations for Board approval when necessary. Minutes from Committee meetings are presented at the Board sessions, with Committee chairs providing updates on respective activities. This structure enables YHB Board to focus a significant proportion of time on the YHB Group's strategy.

Management Committees

YHB's governance framework is further strengthened by Management-Level Committees, ensuring effective oversight, decision-making, and accountability. These committees are structured into two key groups:

- **MSC** – Responsible for implementing the YHB Group's strategic priorities, while embedding ESG considerations into business strategies, facilitating discussions among Senior Management to address business needs and pertinent issues. The MSC ensures that sustainability-related risks and opportunities are effectively managed. The MSC, chaired by the Group Chief Executive Officer ("Group CEO"), convenes monthly and consists of Senior Management members. Minutes are presented at the relevant Board Committee sessions, for their notation.
- **Advisory Boards for Business Units** – Each business unit has an Advisory Board providing specialised guidance, industry insights, and strategic recommendations. Advisory Boards enhance risk management and governance practices, which emphasises the importance of a well-structured governance framework beyond the Board-level. Advisory Boards are chaired by the Group CEO and participated by key management from respective business units. Each Advisory Board convenes every quarter to ensure alignment with shareholder mandates and Board decisions and policies.

The governance structure reflects YHB's commitment to upholding good corporate governance, transparency, and accountability, as advocated by the MCCG 2021 and Bursa Malaysia's Corporate Governance Guidelines. By integrating structured oversight at both Board and management-levels, YHB ensures sound decision-making processes that drive sustainable long-term value creation. TORs for the Board, its Committees and Management Committees, are available on YHB's corporate website.

Board-Level Roles

The roles of the Group Chairman and the Group CEO are separate and clearly defined in YHB's Board Charter, summarised as follows:

Designation	Roles
Chairman	• Lead the Board and its overall effectiveness in directing the Company. • Promote a culture of openness and inclusion, and facilitating and encouraging open constructive challenge and debate between Directors.
Senior Independent Non-Executive Director	• Serve as a sounding board for the Chairman and a trusted intermediary for other Directors and shareholders when necessary. • Act as an alternate contact person for shareholders or other stakeholders for matters that cannot be resolved via normal channels of contact with either the Chairman or Group CEO.
Independent Non-Executive Director	• Provide objective and independent views and advice to safeguard the interests of YHB and minority shareholders. • Provide a broader view, independent assessments and opinions on Management proposals and strategies.
Non-Independent Non-Executive Director	• Monitor the performance of the YHB Group by overseeing Management's performance. • Leverage their vast experience to constructively challenge and contribute to the development of YHB's strategies.
Group CEO	• Formulate and implement the YHB Group's business strategies. • Oversee implementation of policies and decisions adopted by the Board. • Supervise day-to-day management, operations and business development of the YHB Group.

Governance Resources

The YHB Board periodically reviews the YHB Group's internal policies and frameworks to enhance governance and oversight. These include the Code of Conduct and Business Ethics Policy and Procedure ("COBE"), Anti-Bribery and Anti-Corruption Policy & Procedure, and Whistleblowing Policy & Procedure, which are available on the corporate website.

During FY2025, YHB enhanced its Conflict of Interest Procedure to improve governance practices and align with regulatory expectations. This bolstered stakeholder confidence and assured compliance with Bursa Listing Requirements, which emphasise transparency and accountability in addressing conflicts of interest. The revised Conflict of Interest Policy & Procedure provides a structured framework for effective identification, disclosure, and management of conflicts of interest at all levels within Yinson Group.

The YHB Group's policies serve as guiding principles, ensuring ethical conduct, transparency, and accountability across the organisation's activities worldwide.

Sustainability Governance

The YHB Group's commitment to driving the sustainability agenda from the top is reaffirmed through the role of the BRSC. The BRCS's primary purpose is to ensure the YHB Group's strategic plans support long-term value creation and sustainability goals through the incorporation sustainability considerations.

The MSC's TOR outlines its responsibilities in overseeing the implementation of YHB Group's ESG framework, strategy, priorities, targets and policies, ensuring alignment between sustainability initiatives with its commitment to sustainability.

YHB Board Composition and Independence

The YHB Board consists of eleven (11) members, with three (3) Executive Directors, one (1) Non-Independent Non-Executive Directors and seven (7) Independent Non-Executive Directors ("INED"). To ensure a clear division of responsibilities, the Chairman and Group CEO have well-defined roles and responsibilities outlined in the Board Charter, which can be found on YHB corporate website. As at 31 January 2025, 63.64% of YHB's Board comprised of INEDs, which met the requirement of having a majority of independent directors.

In determining independence, Independent Directors must be able to provide objective challenges to the Management and be willing to defend their perspectives for the good of the YHB Group. Additionally, there should be no business or other relationships likely to affect, or which could appear to affect their judgment.

Following YHB's annual Board Effectiveness Evaluation ("BEE"), all INEDs were declared independent and free from any business or other relationship which could interfere with their ability to exercise independent judgment or act in the best interests of the YHB Group. As of 1 May 2025, all INEDs have a tenure not exceeding nine (9) years.

The Board recognises that an appropriate balance and mix of skills, knowledge, experiences, backgrounds, and gender are essential for its effectiveness. YHB Board profiles are available on its corporate website.

Board diversity

The Board and Senior Management of YHB are dedicated to creating an inclusive work environment that encourages members from diverse backgrounds, perspectives and skills to work together towards a common objective. The Diversity, Equality & Inclusion Policy & Procedure is available on YHB corporate website.

YHB firmly believes that diversity is essential for business success. As of now, YHB has achieved 36% female representation on its Board. The YHB Group remain dedicated to advancing in this area, including increasing female representation on YHB's Senior Management.

NOMINATING AND REMUNERATION ("NRC")

The NRC, composed of all INEDs, holds the primary responsibility for overseeing the appointment process of YHB Board and Senior Management, ensuring the implementation of orderly succession plans. The NRC also reviews remuneration policies for the Board, its Committees, and Senior Management to maintain competitiveness, appropriateness, and alignment with market practices.

Board succession planning and appointments

The NRC regularly reviews the balance of skills, knowledge, experience, and length of service of Board members in accordance with recommendations of MCCG 2021 and the Corporate Governance Guide (4th Edition) of Bursa Malaysia Securities Berhad.

Please refer to the YHB Integrated Annual Report 2025 for details on the appointment of new board members for FY2025, available on YHB's corporate website.

Board effectiveness

YHB Board, through NRC, annually evaluates the effectiveness of the Board as a whole, the performance of the Chairman, and individual Directors, including INEDs, identifying areas for improvement. Every three (3) years, the NRC obtains an independent perspective on the Board's effectiveness, comparing its performance against peer boards and best practices.

Remuneration of directors

The NRC reviews the remuneration policy for its Directors to ensure competitive and appropriate compensation for Board members and committees. This effort is driven by the dynamic regulatory landscape and the YHB Group's expanding global and operational complexities. For FY2025, the structure of fees and meeting allowances payable to the Directors of YHB remains unchanged.

Remuneration of Senior Management

In consideration of the competitive landscape, the YHB Board made a strategic decision to disclose the remuneration of the Senior Management on a YHB Group basis for FY2025. While acknowledging the recommended practice outlined in the MCCG 2021, the Board believes that full individual disclosure could potentially disadvantage the YHB Group in the fiercely competitive market.

Diversity, Equality and Inclusion Policy

YHB has a Diversity, Equality and Inclusion Policy to address how the YHB Group intend to set out an approach to achieve equity, diversity and inclusion across the business, communities and with all stakeholders.

The NRC shall review and assess candidates for Board and Senior Management positions from time to time based on the range of diversity perspectives, including but not limited to the age, colour, disability, ethnicity, family or marital status, gender, language, national origin, physical and/or mental ability, race, religion, status, and other characteristics that make our people unique. The ultimate decision will be based on merit, contribution and potential that the selected candidates will bring to the Board and its workforce.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Financial Reporting

The Board of YHB is responsible for effective risk management for the YHB Group including determining its risk appetite, identifying key strategic and emerging risks, and reviewing the risk management and internal control framework. The AC and BRSC support YHB Board by assessing the effectiveness of these processes, relying on Company-specific internal control mechanisms to prepare this Integrated Annual Report and Accounts. YHB Board and Committees receive regular management reports, including analysis of results, forecasts and comparisons with last year's results, and assurance from the external auditor.

The AC is kept fully informed of all new legislation, IFRS advice and best practices, MCCG 2021 disclosure requirements and transparency rules. Before the full-year results, the AC and YHB Board receive periodic Management reports on the effectiveness of internal control over financial reporting.

The AC ensures accurate, timely financial results and effective implementation of accounting standards and judgements, including ongoing concerns and viability. The financial processes include a range of system, transactional and management oversight controls. Detailed business monthly management reports include results analyses, budgets, forecasts and comparisons to previous years.

Risk Management and Internal Controls

YHB Board is responsible for maintaining and reviewing the effectiveness of the YHB Group's risk management activities from strategic, financial, and operational perspectives.

The YHB Group's risk management process identifies, assesses, responds to, reports on and monitors risks that threaten the ability to achieve the strategy and objectives within the YHB Group's risk appetite.

The process for identifying, evaluating and managing the principal and emerging risks was in place for FY2025. The BRSC considers emerging risks as part of its regular risk management update.

The YHB Group follows the Three Lines of Defence approach to risk management. Risks are owned and managed within the business and reviewed at least quarterly. YHB's Governance team reviews risks and controls, including those relating to information security, compliance and business continuity. IA assesses the risks and controls independently and objectively, feeding results into the reporting cycle through risk management governance structures.

Risk management is essential in the global, innovation-driven business. It creates long-term shareholder value and protects the YHB Group's business, people, assets, capital and reputation. It operates at all levels throughout the organisation, across regions, business activities and operational support functions.

The YHB Group's approach encourages clear decisions about which risks we take and how we manage them, based on their potential impact on customers, financials, regulations, consumers, legal matters and reputational. As risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, they can provide reasonable but not absolute assurance against material financial misstatement or loss.

Please refer to the YHB Integrated Annual Report 2025 for the Statement on Risk Management and Internal Controls and Report on Audit Committee, available on YHB's corporate website.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Engagement with stakeholders

The YHB Board recognises its responsibility to understand the interests and concerns of each stakeholder group and endeavours to engage with empathy and openness to identify shared objectives in the decision-making process. Management teams routinely engage with their stakeholders at business level, escalating critical issues to the YHB Board, utilising structured reporting channels to provide feedback and outcomes which are incorporated into the decision-making of YHB Board and its Committees.

The YHB Board acknowledges it cannot meet every stakeholder's preference but strives to balance their competing interests in a manner aligned with the Group's values and purpose, business conduct and the sustained long-term success of the business. The YHB Board proactively incorporates external perspectives, through guest speakers, dedicated training sessions and organisational deep dives, to enrich its deliberations and reinforce governance best practices throughout the year. This process helps to identify our key stakeholder groups.

Annual General Meeting ("AGM")

The AGM is the main communication platform between YHB and its shareholders. The 31st AGM of YHB, held on 16 July 2024, was conducted in a hybrid format to enhance accessibility and engagement. Shareholders had the option to participate either in person at the main venue ("physical attendance") or virtually via Remote Participation and Electronic Voting facilities ("virtual attendance").

The notice of the 31st AGM was issued to shareholders at least 28 days prior to the meeting, in accordance with the Board Charter and YHB's Constitution. The notes to the AGM notice provided detailed explanations for each resolution proposed as special business, enabling shareholders to make informed decisions when exercising their voting rights.

The Chairs of YHB's Board Committees were also in attendance to respond to any questions addressed to them. Additionally, the Group Chief Financial Officer and the External Auditors of YHB attended the AGM to answer any queries from shareholders.

Equal Treatment of shareholders and Shares

YHB has only one class of shares. Each share in YHB carries one vote and shall shares carry equal rights, including right to participate in general meetings.

At the YHB AGM on 16 July 2024, YHB was mandated to purchase and/or hold up to 10% of its total issued shares in accordance with the Companies Act 2016, YHB's Constitution, and Listing Requirements.

Similarly, at the same AGM, YHB sought shareholders' approval for the renewal of the mandate granted to the Directors for the issuance of shares pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act") and for the waiver of pre-emptive rights pursuant to the Act.

Please refer to the Minutes of the AGM held on 16 July 2024 for the aforementioned approvals, available on YHB's corporate website.

The directors present their statement to the shareholder together with the audited financial statements for the financial period 6 October 2023 to 31 January 2025.

In the opinion of the directors,

(a) the financial statements as set out on pages 28 to 45 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 January 2025 and the financial performance, changes in equity and cash flows of the Company for the financial period covered by the financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Andrew Choy Wei Nung	(appointed 6 October 2023)
Markus Wenker	(appointed 14 November 2023)

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial period had any interest in the shares or debentures of the Company or its related corporations.

(b) According to the register of directors' shareholdings, certain directors holding office at the end of the financial period had interest in restricted share units of the Company or its related corporations as set out below.

	No. of Restricted Share Units	
	At 31.1.2025	At date of incorporation or date of appointment, if later
Ultimate Holding Corporation - Yinson Holdings Berhad		
(Restricted Share Units)		
Andrew Choy Wei Nung	501,257	-
Markus Wenker	132,593	-

Share options

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

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

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

Independent auditor

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

Andrew Choy Wei Nung Director	Markus Wenker Director

29 May 2025

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF YINSON PRODUCTION FINANCIAL SERVICES PTE. LTD.

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying financial statements of Yinson Production Financial Services Pte. Ltd. (the "Company") are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)s") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRSs") so as to give a true and fair view of the financial position of the Company as at 31 January 2025 and of the financial performance, changes in equity and cash flows of the Company for the financial period 6 October 2023 (date of incorporation) to 31 January 2025.

Our opinion is consistent with our additional report to the directors.

What we have audited

The financial statements of the Company comprise:

- the statement of comprehensive income for the financial period 6 October 2023 (date of incorporation) to 31 January 2025;
- the balance sheet as at 31 January 2025;
- the statement of changes in equity for the financial period 6 October 2023 (date of incorporation) to 31 January 2025;
- the statement of cash flows for the financial period 6 October 2023 (date of incorporation) to 31 January 2025; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

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

Independence

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

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulations (537/2014) of the European Parliament and of the Council Article 5.1 have been provided.

We have been the auditor of the Company for one year from the election by the directors on 23 October 2023 for the accounting year 2025.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
YINSON PRODUCTION FINANCIAL SERVICES PTE. LTD. (continued)

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there are evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Board of Directors (management) are responsible for the information in the Board of Directors' Report and the other information accompanying the financial statements. The other information comprises information in the annual report and the "Directors' Statement", but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the information in the Board of Directors' Report nor the other information accompanying the financial statements and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements identified above and, in doing so, consider whether the Board of Directors' Report and the other information accompanying the financial statements are materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of the Board of Directors' Report and the other information accompanying the financial statements, we are required to report the fact. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' Report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' Report applies correspondingly to the Corporate Governance Statement.

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Report on Other Legal and Regulatory Requirements (continued)

Report on Compliance with Requirement on European Single Electronic Format ("ESEF")

Opinion

As part of the audit of the financial statements of Yinson Production Financial Services Pte. Ltd., we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name YPFSPLARv290525, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format ("ESEF Regulation") and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements ("ISAE") 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 29 May 2025

YINSON PRODUCTION FINANCIAL SERVICES PTE. LTD.

STATEMENT OF COMPREHENSIVE INCOME
For the financial period 6 October 2023 (date of incorporation) to 31 January 2025

	Note	US$
Revenue	4	**1,250,484**
Interest income	5	**40,951,784**
Other gains – net		**8,611**
Expenses		
- Administrative expenses	6	**(1,301,300)**
- Finance costs	8	**(40,870,980)**
Profit before income tax		**38,599**
Income tax expense	9	**-**
Profit after income tax and total comprehensive income		**38,599**

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

YINSON PRODUCTION FINANCIAL SERVICES PTE. LTD.

BALANCE SHEET
As at 31 January 2025

	Note	2025 US$
ASSETS		
Current assets		
Cash and bank balances	10	**16,939,733**
Trade and other receivables	11	**1,825,684**
Other assets	12	**162,652**
		18,928,069
Non-current asset		
Other assets	12	**676,492**
Loan receivable due from immediate holding company	13	**581,664,657**
		582,341,149
Total assets		**601,269,218**
LIABILITIES		
Current liabilities		
Other payables	14	**541,287**
Borrowings	15	**14,116,667**
		14,657,954
Non-current liability		
Borrowings	15	**585,072,664**
Total liabilities		**599,730,618**
NET ASSETS		**1,538,600**
Equity		
Share capital	16	**1,500,001**
Retained earnings		**38,599**
Total equity		**1,538,600**

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

YINSON PRODUCTION FINANCIAL SERVICES PTE. LTD.

STATEMENT OF CHANGES IN EQUITY
For the financial period 6 October 2023 (date of incorporation) to 31 January 2025

	Note	Share capital US$	Retained earnings US$	Total equity US$
2025				
At 6 October 2023 (date of incorporation)	16	1	-	1
Total comprehensive income		-	38,599	38,599
Total transactions with owners, recognised directly in equity				
- Issuance of new shares	16	1,500,000	-	1,500,000
At 31 January 2025		**1,500,001**	**38,599**	**1,538,600**

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

YINSON PRODUCTION FINANCIAL SERVICES PTE. LTD.

STATEMENT OF CASH FLOWS
For the financial period 6 October 2023 (date of incorporation) to 31 January 2025

	Note	US$
Cash flows from operating activities		
Profit before tax		**38,599**
Adjustments for:		
Finance costs	8	**40,870,980**
Interest income	5	**(40,951,784)**
		(42,205)
Changes in working capital:		
Trade and other receivables		**(1,809,210)**
Other assets		**(839,144)**
Other payables		**307,472**
Cash flows used in operations		**(2,383,087)**
Bank charges paid		**(1,532)**
Interest received		**1,146,661**
Net cash flows used in operating activities		**(1,237,958)**
Cash flows from investing activities		
Loan to immediate holding company		**(581,664,657)**
Loan interest received from immediate holding company		**39,788,649**
Net cash flows used in investing activities		**(541,876,008)**
Cash flows from financing activities		
Proceeds from issuance of share capital		**1,500,001**
Proceeds from issuance of bond, net of transaction costs		**582,616,198**
Bond interest paid		**(24,062,500)**
Cash pledged for repayment of bond	10	**(14,636,047)**
Net cash flows generated from financing activities		**545,417,652**
Net increase in cash and cash equivalents		**2,303,686**
Cash and cash equivalents		
Beginning of financial period		**-**
End of the financial period	10	**2,303,686**

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

YINSON PRODUCTION FINANCIAL SERVICES PTE. LTD.

STATEMENT OF CASH FLOWS
For the financial period 6 October 2023 (date of incorporation) to 31 January 2025

Reconciliation of liabilities arising from financing activities:

				Non-cash changes			
	6 October 2023 (date of incorporation) US$	Advances/ Drawdown US$	Interest repayment US$	Interest expenses (Note 8) US$	Deferred financing costs amortisation (Note 8) US$	Accrued bond transaction costs (Note 14) US$	31 January 2025 US$
Borrowings	-	582,616,198	(24,062,500)	37,546,290	3,323,158	(233,815)	599,189,331

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

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

The Company is incorporated and domiciled in Singapore. The address of its registered office is 3 Church Street, #18-01 Samsung Hub, Singapore 049483.

The Company is listed on the Euronext Oslo Børs. The principal activity of the Company is provision of treasury services.

No comparatives are presented as the Company was incorporated in Singapore on 6 October 2023.

2. Material accounting policy information

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") and IFRS Accounting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB"). The directors wish to affirm the financial statements have met the requirements of International Accounting Standard 1 – Presentation of Financial Statements.

2.2 Basis of preparation

All references to SFRS(I)s and IFRSs are referred collectively as SFRS(I)s in these financial statements, unless specified otherwise.

These financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with SFRS(I)s and IFRSs require management to exercise judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.3 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity.

2. Material accounting policy information (continued)

2.4 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.5 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair values (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.6 Financial assets

The Company classifies its financial assets as amortised cost.

The classification of debt instruments depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(i) At initial recognition

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

(ii) At subsequent measurement

Debt instruments of the Company mainly comprise of cash and bank balances, trade and other receivables and loan receivable due from immediate holding company.

There are three prescribed subsequent measurement categories, depending on the Company's business model in managing the assets and the cash flow characteristic of the assets. The Company managed these group of financial assets by collecting the contractual cash flow and these cash flows represents solely payment of principal and interest. Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

The Company assesses on forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

2. Material accounting policy information (continued)

2.6 Financial assets (continued)

(ii) At subsequent measurement (continued)

For trade receivables, the Company applied the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For cash and bank balances and other receivables, the general 3-stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

2.7 Other payables

Other payables represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.8 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include deposits with financial institutions which is subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.9 Currency translation

The financial statements are presented in United States Dollar ("US$"), which is the functional currency of the Company.

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Foreign exchange gains and losses impacting profit or loss are presented in the income statement within 'Other gains – net'.

2.10 Employee benefits

(a) Short term employee benefits

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

2. Material accounting policy information (continued)

2.10 Employee benefits (continued)

(b) Defined contribution plans

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

2.11 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.12 Interest income

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

2.13 Management fee income

The Company provides treasury management services to its immediate holding company. Management service income is recognised in the accounting period in which the services are rendered, based on fixed mark-up on actual costs incurred in providing the services.

3. Critical accounting estimates, assumptions and judgements

Expected credit Losses ("ECL") on receivables

When measuring expected credit loss, the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The carrying amount of trade and other receivables and loan receivable are disclosed in Note 11 and Note 13 to the financial statements respectively. Refer to Note 18(b) for credit risk management with regards to these receivables.

4. Revenue

	US$
Management fee income	**1,250,484**

5. Interest income

	US$
Bank deposits	**1,146,661**
Immediate holding company	**39,805,123**
	40,951,784

6. Administrative expenses

	US$
Auditors' remuneration	
- auditors of the Company	**54,548**
Employee compensation (Note 7)	**891,774**
Professional services	**82,277**
Insurance	**74,828**
Others	**197,873**
	1,301,300

During the financial period, there were no other non-assurance services conducted by PricewaterhouseCoopers LLP or any overseas practice members.

7. Employee compensation

	US$
Wages, salaries and bonuses	**804,291**
Contributions to defined contribution plans	**53,379**
Other benefits	**34,104**
	891,774

8. Finance costs

	US$
Bank charges	**1,532**
Deferred financing costs	**3,323,158**
Interest expenses	**37,546,290**
	40,870,980

9. Income tax expense

	US$
Tax expense attributable to profit is made up of:	
- Current income tax	**-**

The tax on profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	US$
Profit before tax	**38,599**
Tax calculated at tax rate 17%	**6,562**
Effects of:	
- Group relief	**(19,824)**
- Finance and Treasury Centre ("FTC") incentive	**(3,474)**
- Tax exempt income	**(8,421)**
- Expenses not deductible for tax purposes	**25,157**
	-

The Company has been awarded a FTC Incentive effective from 1 April 2024 for 5 years, under which income from qualifying activities is taxed at legislated, concessionary tax rate of 8%. This is subject to the Company meeting the terms and conditions of the FTC incentive award.

Organisation for Economic Co-operation and Development ("OECD") Pillar Two model rules

The Company's ultimate holding company, Yinson Holdings Berhad ("the Group") is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Malaysia, the jurisdiction in which the Group is incorporated, and will come into effect from 1 January 2025. Since Pillar Two legislation was not effective at the reporting date, the Group has no related current tax exposure. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Under the legislation, the Group is liable to pay a top-up tax for the difference between the GloBE effective tax rate for each jurisdiction and the 15% minimum rate. For the financial year ended 31 January 2025, the average effective tax rate (calculated in accordance with paragraph 86 of SFRS(I) 1-12) of the entities operating in Singapore jurisdiction could be effectively less than 15%.

The Group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. The Group's exposure to paying Pillar Two income taxes might not be the full difference in tax rates in relation to Singapore jurisdiction. This is due to the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with SFRS(I) 1-12.

As management is still currently processing the potential impact, it is not practicable to provide a reasonable estimate of the financial effect until the management completes the review.

In addition, based on the current assessment, there is no material impact from exposure to Pillar Two legislation on the going concern of the Company, or on any asset impairment.

10. Cash and bank balances

	US$
Cash at banks	**16,939,733**

Cash and cash equivalents
For the purpose of the statement of cash flows, the cash and cash equivalents comprise the following

	US$
Cash and bank balances (as per above)	**16,939,733**
Less: Pledged cash at banks	**(14,636,047)**
Cash and cash equivalents per statement of cash flows	**2,303,686**

As at 31 January 2025, the Company has pledged cash placed with a bank amounting to US$ 14,636,047. These pledged cash can only be used for purposes specified in the bond agreement, such as repayment of the principal and interest of the bond.

11. Trade and other receivables

	US$
Current:	
Trade receivables	
Immediate holding company	**1,250,484**
Interest receivables due from immediate holding company	**16,474**
Other receivables	
Immediate holding company – non-trade	**558,726**
	1,825,684

Trade receivables due from immediate holding company are non-interest bearing and are generally on 30-day credit terms. They are recognised at their original invoiced amounts, which represent their fair values on initial recognition.

Other receivables due from immediate holding company are unsecured, interest-free and repayable on demand.

12. Other assets

	US$
Current:	
Prepayments	**162,652**
Non-current:	
Prepayments	**676,492**
Total Prepayments	**839,144**

13. Loan receivable due from immediate holding company

	US$
Loan receivable due from immediate holding company	**581,664,657**

The loan receivable due from immediate holding company is unsecured and bears interest of 0.45% plus cost of funds per annum. The loan has a maturity date on 3 May 2029. There will be three principal repayments which consist of two repayments of US$ 100 million in year three and four respectively and the remaining amount in in year five.

14. Other payables

	US$
Immediate holding company – non-trade	**51,560**
Other accruals for operating expenses	**255,912**
Other accruals for bond transaction costs	**233,815**
	541,287

Other payables due to immediate holding company was unsecured, interest-free and repayable on demand.

15. Borrowings

	US$
Current:	
Secured bond	**14,116,667**
Non-current:	
Secured bond	**585,072,664**
Total borrowings	**599,189,331**

On 3 May 2024 and 27 November 2024, the Company issued bonds of US$ 500 million and US$ 100 million respectively with a fixed coupon of 9.625% per annum, maturing on 3 May 2029. The interest is repayable every six months from the date of drawdown. There will be three principal repayments which consist of two repayments of US$ 100 million in year three and four respectively and one repayment of US$ 400 million in year five. The bonds are secured by a bank account of the Company as disclosed in Note 10 and guaranteed by its immediate holding company, Yinson Production Offshore Pte. Ltd. and its related companies, Yinson Production Capital Pte. Ltd. and Yinson Acacia Ltd.

16. Share capital

	No. of ordinary shares	Amount US$
At 6 October 2023 (date of incorporation)	**1**	**1**
Issuance of ordinary shares	**1,500,000**	**1,500,000**
At 31 January 2025	**1,500,001**	**1,500,001**

On 6 October 2023, the Company issued 1 ordinary share for the purpose of incorporation. On 19 February 2024, the Company increased its issued and paid-up share capital by way of issuance of 1,500,000 new ordinary shares amounting to cash consideration US$ 1,500,000 for working capital purposes.

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. The newly issued shares rank pari passu in all aspects with the previously issued shares.

17. Related party transactions

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

(a) Transactions with related parties

	US$
Immediate holding company:	
- Management fee	**1,250,484**
- Interest income	**39,805,123**
- Payment on behalf	**558,726**

(b) Key management personnel compensation

No fees or other emoluments were paid or payable directly to the key management of the Company nor allocated via a recharge from its related corporations for the current financial period.

18. Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risk: market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company. The management team then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies. Financial risk management is carried out by treasury personnel.

The finance personnel measure actual exposures against the limits set and prepare regular reports for the review of the management team and the Board of Directors. The information presented below is based on information received by the management team.

18. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk

(i) Currency risk

The Company's business operations are not exposed to significant foreign currency risks as it has no significant transactions denominated in foreign currencies.

(ii) Interest rate risk

The Company is not exposed to significant risk of changes in market interest rates as the borrowings and loan receivable due from immediate holding company are entered with a fixed interest rate.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. At the reporting date, the Company's maximum exposure to credit risk is represented by the carrying amounts of each class of financial assets recognised in the statements of financial position.

The Company has applied the simplified approach to measure lifetime expected credit losses for trade receivables and loan receivable due from immediate holding company. To measure the expected credit losses, the Company considers reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. The Company uses the 3-stage general approach to measure the expected credit loss for other receivables.

Receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Company held cash and bank balances of US$ 16,939,733 with banks which are rated A-1+ based on Standard & Poor and are considered to have low credit risk. The cash balances are measured on 12-months expected credit losses and subject to immaterial credit loss.

Other receivables and loan receivable due from immediate holding company are subject to immaterial credit loss. The Company assessed that the immediate holding company has the financial capability to meet the contractual cash flow obligations.

18. Financial risk management (continued)

Financial risk factors (continued)

(c) Liquidity risk

The Company monitors its liquidity risks and maintains sufficient cash and bank balances and availability of funding through continuing financial support from its ultimate holding corporation to meet its liquidity requirements and to mitigate the effects of fluctuations in cash flows.

The table below analyses the Company's non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year US$	Between 1 to 2 years US$	Between 2 to 5 years US$	Total US$
Other payables	**541,287**	**-**	**-**	**541,287**
Borrowings	**57,750,000**	**57,750,000**	**715,500,000**	**831,000,000**
	58,291,287	**57,750,000**	**715,500,000**	**831,541,287**

(d) Capital management

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

The Board of Director monitors its capital based on net debt and total capital. Net debt is calculated as sum of borrowings less cash and bank balances.

	US$
Net debt	**582,249,598**
Total equity	**1,538,600**
Total capital	**583,788,198**

(e) Financial instruments by category

The carrying amounts of the different categories of financial instruments are as follows:

	US$
Financial assets	
Financial assets at amortised costs	
- Trade and other receivables	**1,825,684**
- Loan receivable due from immediate holding company	**581,664,657**
- Cash and bank balances	**16,939,733**
Total	**600,430,074**
Financial liabilities	
Financial liabilities at amortised cost:	
- Other payables	**541,287**
- Borrowings	**599,189,331**
Total	**599,730,618**

18. Financial risk management (continued)

Financial risk factors (continued)

(f) Fair value measurements

Fair value hierarchy

The Company 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 are no transfers between Levels 1, 2 and 3 during the current financial period.

The following table provides the fair value measurement hierarchy of the Company's liabilities.

	Fair value measurement using			
	Quoted prices in active market Level 1 US$	**Significant observable inputs Level 2 US$**	**Significant unobservable inputs Level 3 US$**	**Total US$**
Asset:				
Loan receivable due from immediate holding company	-	-	**584,090,189**	**584,090,189**
Liability:				
Fixed rate bond	**624,366,000**	**-**	**-**	**624,366,000**

On 3 May 2024 and 27 November 2024, the Company issued bonds of US$ 500 million and US$ 100 million respectively with a fixed coupon of 9.625% per annum, maturing on 3 May 2029. The bonds were successfully listed on Euronext Oslo Børs, Norway effective 31 January 2025.

The fair value of the bond traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Company is the current bid price.

18. Financial risk management (continued)

Financial risk factors (continued)

(f) Fair value measurements (continued)

The fair value of the loan receivable due from immediate holding company is classified as Level 3 fair values in the fair value hierarchy due to the judgement used to determine the discount rate in deriving the fair value of the loan receivable:

Description	**Fair value at 2025 US$**	**Unobservable inputs**	**Range of unobservable inputs**	**Relationship of unobservable inputs to fair value**
Loan receivable due from immediate holding company	584,090,189	Risk adjusted discount rate	9.249%	The higher the discount rate, the lower the fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of the Company's financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	**11**
Other payables	**14**

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

19. Immediate and ultimate holding corporation

The Company's immediate holding corporation is Yinson Production Offshore Pte. Ltd., incorporated in Singapore. The ultimate holding corporation is Yinson Holdings Berhad, incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

20. New or revised accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 January 2025 reporting period and have not been early adopted by the Company. These standards are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

21. Subsequent events

On 23 April 2025, the Company has successfully structured and arrange a stand-by letter of credit and three-year guarantee facility of US$ 100 million. The facility will be used to increase the financial flexibility and streamline the cash management.

22. Authorisation of financial statements

The financial statements for the financial period from 6 October 2023 to 31 January 2025 were authorised for issue in accordance with a resolution of the Board of Directors of Yinson Production Financial Services Pte. Ltd on 29 May 2025.