YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

(Incorporated in Singapore. Registration Number: 201429097M)

FINANCIAL STATEMENTS

For the financial year ended 31 January 2024

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES
(Incorporated in Singapore)

FINANCIAL STATEMENTS
For the financial year ended 31 January 2024

Contents

DIRECTORS' STATEMENT
For the financial year ended 31 January 2024

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

In the opinion of the Directors,

(a) the financial statements of the Group and the Company as set out on pages 6 to 86 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 January 2024 and the financial performance, changes in equity and cash flows of the Group and the Company for the financial year covered by the financial statements; and

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

Directors

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

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

Arrangements to enable Directors to acquire shares and debentures

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

Directors' interests in shares or debentures

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

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

Directors' interests in shares or debentures (continued)

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

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

Share options

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

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

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

Independent auditor

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

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

Jahn Atle Høgberg

Jahn Atle Høgberg
Director

Flemming Grønnegaard

Flemming Grønnegaard
Director

30 May 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF YINSON PRODUCTION OFFSHORE PTE LTD

Report on the Audit of the Financial Statements

Our Opinion

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

What we have audited

The financial statements of the Company and the Group comprise:

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

Basis for Opinion

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

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

Independence

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

Other Information

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

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

PricewaterhouseCoopers LLP

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

INCOME STATEMENTS
For the financial year ended 31 January 2024

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

^ Below USD 1 million.

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

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME
For the financial year ended 31 January 2024

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

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

STATEMENTS OF FINANCIAL POSITION
As at 31 January 2024

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

^ Below USD 1 million

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 January 2024

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

YINSON PRODUCTION OFFSHORE PTE LTD AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 January 2024

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 January 2024

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

STATEMENTS OF CASH FLOWS

For the financial year ended 31 January 2024

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

^ Below USD 1 million.

STATEMENTS OF CASH FLOWS

For the financial year ended 31 January 2024

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

^ Below USD 1 million.

STATEMENTS OF CASH FLOWS

For the financial year ended 31 January 2024

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

^ Below USD 1 million.

Non-cash transactions

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

Reconciliation of liabilities arising from financing activities

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

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

STATEMENTS OF CASH FLOWS

For the financial year ended 31 January 2024

Reconciliation of liabilities arising from financing activities (continued)

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

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

^ Below USD 1 million.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 January 2024

1. Corporate information

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

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

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

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

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

2. Material accounting policy information

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

2.1 Basis of preparation

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

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

The preparation of financial statements in conformity with SFRS(I)s and IFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and the Company’s accounting policies. Although these estimates and judgements are based on the Directors’ best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

2.2 Consolidation

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

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

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

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

2. Material accounting policy information (continued)

2.2 Consolidation (continued)

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

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

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

2.3 Business combinations and goodwill

Common control business combinations

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

Other business combinations

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

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

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

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

2. Material accounting policy information (continued)

2.3 Business combinations (continued)

Other business combinations (continued)

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

2.4 Investments in subsidiaries, associates and joint ventures

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

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

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

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

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

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

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

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

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

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

2. Material accounting policy information (continued)

2.5 Current versus non-current classification

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

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

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

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

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

2.6 Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) in the principal market for the asset or liability; or
(ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

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

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

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

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

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

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

2. Material accounting policy information (continued)

2.6 Fair value measurement (continued)

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

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

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

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

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

2.7 Revenue from contracts with customers

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

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

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

Step 1: Identify contracts with customers;
Step 2: Identify the separate performance obligations;
Step 3: Determine the transaction price of the contract;
Step 4: Allocate the transaction price to each of the separate performance obligations; and
Step 5: Recognise the revenue as each performance obligation is satisfied.

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

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

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

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

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

2. Material accounting policy information (continued)

2.7 Revenue from contracts with customers (continued)

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

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

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

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

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

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

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

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

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

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

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

2. Material accounting policy information (continued)

2.7 Revenue from contracts with customers (continued)

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

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

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

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

(ii) Offshore maintenance support and rendering of services

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

The Group recognises revenue from offshore maintenance support and rendering of services over time, using an input method, measuring the inputs put in relative to the total expected inputs needed to transfer the promised services to the customer. Revenue is recognised on a straight-line basis as the inputs are expended evenly throughout the period. Revenue is recognised as and when the performance obligations are satisfied by the Group. The credit terms to customers is generally for a period of 30 to 60 days.

(iii) Management fees

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

2.8 Revenue from other sources

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

(i) Chartering of FPSOs

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

(ii) Dividend income

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

2. Material accounting policy information (continued)

2.8 Revenue from other sources (continued)

(iii) Interest income

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

2.9 Taxes

(a) Current income tax

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

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

(b) Deferred tax

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

2.10 Foreign currencies

(a) Functional and presentation currency

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

(b) Transactions and balances

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

2. Material accounting policy information (continued)

2.10 Foreign currencies (continued)

(b) Transactions and balances (continued)

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

(c) Group companies

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

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

(ii) income and expenses for each statement of comprehensive income or separate income statement presented are translated at average exchange rates for the financial periods (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(iii) all resulting exchange differences are recognised as a separate component of OCI.

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

2.11 Cash dividend to owner of the Company

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

2.12 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Refer to Note 2.14 for the accounting policy on borrowing costs.

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

2. Material accounting policy information (continued)

2.12 Property, plant and equipment (continued)

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

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

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

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

At the end of the reporting period, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. Refer to Note 2.20 for the accounting policy on impairment of non-financial assets.

2.13 Leases

(a) Accounting by lessee

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

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

<u>Lease term</u>

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

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

<u>ROU assets</u>

ROU assets are initially measured at cost comprising the following:

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

2. Material accounting policy information (continued)

2.13 Leases (continued)

(a) Accounting by lessee (continued)

ROU assets (continued)

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

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

Lease liabilities

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

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

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

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

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

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

Reassessment of lease liabilities

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

Short-term leases and leases of low-value assets

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

2. Material accounting policy information (continued)

2.13 Leases (continued)

(b) Accounting by lessor

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

<u>Finance lease</u>

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

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

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

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

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

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

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

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

<u>Operating lease</u>

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

2. Material accounting policy information (continued)

2.13 Leases (continued)

(b) Accounting by lessor (continued)

Separating lease and non-lease components

If an arrangement contains lease and non-lease components, the Group allocates the consideration in the contract to the lease and non-lease components based on the stand-alone selling prices in accordance with the principles in SFRS(I) 15.

2.14 Borrowing costs

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

2.15 Intangible assets

(i) Computer software

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

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

(ii) Contract rights

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

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

2.16 Financial instruments

(i) Financial assets

(a) Classification, initial recognition and measurement

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

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

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

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

2. Material accounting policy information (continued)

2.16 Financial instruments

(i) Financial assets (continued)

(a) Classification, initial recognition and measurement (continued)

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

(b) Subsequent measurement

Debt instruments

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

(i) Financial assets at amortised cost

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

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

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

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

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

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

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

2. Material accounting policy information (continued)

2.16 Financial instruments (continued)

(ii) Impairment of financial assets

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

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

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

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

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

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

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

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

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

2. Material accounting policy information (continued)

2.16 Financial instruments (continued)

(ii) Impairment of financial assets (continued)

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

The following indicators are incorporated:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor; and
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status and changes in the operating results of the debtor.

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

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

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

(b) Simplified approach for trade receivables and contract assets

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

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

Quantitative criteria

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

Qualitative criteria

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

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

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

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

2. Material accounting policy information (continued)

2.16 Financial instruments (continued)

(iii) Financial liabilities

(a) Initial recognition and measurement

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

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

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

(b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

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

Loans and borrowings

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

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

(c) Derecognition

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

(iv) Offsetting of financial instruments

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

2. Material accounting policy information (continued)

2.17 Financial guarantees

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

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

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

2.18 Derivative financial instruments

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

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

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

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

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

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

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

IBOR reform

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

(a) Hedge designation: When the ‘Phase 1’ amendments cease to apply, the Group amends its hedge designation to reflect changes which are required by IBOR reform. These amendments to the hedge documentation do not require the Group to discontinue its hedge relationships;

(b) Amounts accumulated in the cash flow hedge reserve: When the interest rate benchmark on which the hedged future cash flows were based is changed as required by IBOR reform, the accumulated amount outstanding in the cash flow hedge reserve is deemed to be based on the alternative benchmark rate;

2. Material accounting policy information (continued)

2.18 Derivative financial instruments (continued)

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

2.19 Inventories

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

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

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

2.20 Impairment of non-financial assets

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

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

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

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

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

2.21 Cash and bank balances

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

2. Material accounting policy information (continued)

2.22 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the profit or loss net of any reimbursement.

2.23 Employee benefits

(a) Short term employee benefits

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

(b) Defined contribution plans

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

2.24 Share capital

(i) Classification

Ordinary shares are recorded at the proceeds received, net of directly attributable transaction costs. Ordinary shares are classified as equity.

(ii) Share issue costs

Incremental costs directly attributable to the issue of new shares or options are deducted against the share capital account. In other cases, they are charged to the profit or loss when incurred.

(iii) Dividend distribution

A liability is recognised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

Distributions to holders of an equity instrument is recognised directly in equity.

2. Material accounting policy information (continued)

2.25 Trade and other receivables

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

Details on the Group's impairment policies of trade and other receivables are provided in Note 2.16(ii).

2.26 Trade and other payables

Trade and other payables represent liabilities for services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are classified as current liabilities unless payment is not due within 12 months after the reporting period. If not, they are presented as non-current liabilities.

2.27 Contract assets

Contract assets as defined in SFRS(I) 15 represent the Group's construction work-in-progress. Construction work-in-progress is the Group's right to consideration in exchange for goods and services that the Group has transferred to the customer. The Group's contract assets are measured as accumulated revenue recognised over time based on progress of the project net of instalments invoiced to date. The invoiced instalments represent the contractually agreed unconditional milestone payments during the construction period and these amounts are classified as trade receivables until the amount is paid. The Group recognises any losses from onerous contracts under provisions in line with SFRS(I) 1-37.

2.28 Contract liabilities

The Group recognises a contract liability where instalments are invoiced or received in advance of satisfying the performance obligation towards the customer. Included in contract liabilities is also deferred income relating to charter income received in advance which are deferred and amortised on a straight-line basis over the contract period.

2.29 Put option liability

The Group recognises a liability for an option granted to a non-controlling interest to sell its equity stake back to the Group at their original consideration less dividends and proceeds from capital reduction received by then upon occurrence of conditions set out in the shareholders agreement. A corresponding amount is recognised directly in equity as put option reserve.

3. Standards, amendments to published standards and interpretations, which are applicable and adopted by the Group and the Company

The Group and the Company have applied the following standards and amendments for the first time for the financial year beginning on 1 February 2023:

(i) SFRS(I) 17 “Insurance Contracts” and its amendments
(ii) Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 "Disclosure of Accounting Policies"
(iii) Amendments to SFRS(I) 1-8 “Definition of Accounting Estimates”
(iv) Amendments to SFRS(I) 1-12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"
(v) Amendments to SFRS(I) 1-12 “International Tax Reform-Pillar Two Model Rules”

The adoption of the above amendments to published standards does not have any material impact to the Group and the Company for the financial year ended 31 January 2024, other than as disclosed below:

Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 "Disclosure of Accounting Policies"

These amendments provide guidance and examples to help entities applying materiality judgements to accounting policy disclosures. The amendments aim to help entities to provide accounting policy disclosures that are more useful, by replacing the requirement for entities to disclose their “significant” accounting policies with a requirement to disclose “material” accounting policies.

The amendments had a minor impact on the consolidated financial statements of the Group. The Group had performed a reassessment of its accounting policy disclosures against the amended guidance, which resulted in minor changes to the section on accounting policies.

Amendments to SFRS(I) 1-12 “International Tax Reform-Pillar Two Model Rules”

The Group has applied the temporary exception issued by Accounting Standards Committee under Accounting and Corporate Regulatory Authority (“ACRA”) and International Accounting Standards Board (“IASB”) in May 2023 from the accounting requirements for deferred taxes in SFRS(I) 1-12 "International Tax Reform – Pillar Two Model Rules". Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

As the Group may be impacted by Base Erosion and Profit Shifting (“BEPS”) rules, it continues to assess their potential financial impact. It should be noted that the impact can only be finally determined when legislation is enacted in the relevant jurisdictions. Once the final legislation is enacted in all jurisdictions in which the Group operates and a full assessment of the impact is completed, the Group will be able to conclude on the implications of BEPS rules.

4. Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective

(a) Financial year beginning on/after 1 February 2024

(i) Amendments to SFRS(I) 16 “Lease Liability in a Sale and Leaseback”

Amendments to SFRS(I) 16 “Lease Liability in a Sale and Leaseback” specify the measurement of the lease liability arises in a sale and leaseback transaction that satisfies the requirements in SFRS(I) 15 “Revenue from Contracts with Customers” to be accounted for as a sale. In accordance with the amendments, the seller-lessee shall determine the “lease payments” or “revised lease payments” in a way that it does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use it retains.

The amendments shall be applied retrospectively to sale and leaseback transactions entered after the date when the seller-lessee initially applied SFRS(I) 16.

4. Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective (continued)

(a) Financial year beginning on/after 1 February 2024 (continued)

(ii) Amendments to SFRS(I) 1-1 "Presentation of Financial Statements"

There are two amendments to SFRS(I) 1-1 "Presentation of Financial Statements". The first amendments, "Classification of liabilities as current or non-current" clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The second amendments, "Non-current Liabilities with Covenants" specify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification of a liability as current or non-current, even if the covenant is only assessed after the reporting date.

The amendments shall be applied retrospectively.

(iii) Amendments to SFRS(I) 1-7 and SFRS(I) 7 "Supplier Finance Arrangements"

Amendments to SFRS(I) 1-7 and SFRS(I) 7 "Supplier Finance Arrangements" require entities to disclose information about the supplier finance arrangements ('SFA') that enable the users to understand the effects of SFA on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments require the following information about SFA to be disclosed in the annual period in which the amendments are first applied:

(a) the terms and conditions of SFAs;
(b) the carrying amount of financial liabilities that are part of SFAs and the line items in which those liabilities are presented;
(c) the carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers;
(d) the range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements;
(e) the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of SFAs; and
(f) liquidity risk information (e.g. concentration of risks; access to SFA facilities for liquidity requirement).

4. Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective (continued)

(b) Financial year beginning on/after 1 February 2025

(i) Amendments to SFRS(I) 1-21 "Lack of Exchangeability"

Amendments to SFRS(I) 1-21 "Lack of Exchangeability" clarify that a currency is exchangeable when an entity is able to exchange it into another currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism that creates enforceable rights and obligations. If an entity can only obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, then the currency is not exchangeable. In such cases, the entity is required to estimate the spot exchange rate at the measurement date.

The Group and the Company are currently assessing the impact of the adoption and application of the above new/amended standards. Other standards and amendments are not relevant for the Group and the Company.

5. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Finance leases - Group as lessor

The Group has determined, based on the analysis of the terms and conditions of the contract on assessing whether the Group retains the significant risks and rewards of ownership of the FPSO subject of the lease contract. To identify whether risks and rewards are retained, the Group systematically considers, amongst others, the indicators listed by SFRS(I) 16 "Leases" on a contract-by-contract basis. The Group makes significant judgements to determine whether the arrangement results in a finance lease or an operating lease. This judgement can have a significant effect on the amounts recognised in the financial statements and its recognition of profits in the future.

The most important judgement areas assessed by the Group in respect of finance leases are as follows:

- Determination of fair value of the leased FPSOs

  For the Group's awarded lease contracts that were classified under SFRS(I) 16 as finance leases for accounting purposes, the fair value of the leased FPSO is recorded as an outright sale at the commencement of the lease.

  Significant judgements are used to estimate the charter rates and discount rates applied in computing the fair value of the leased FPSO. The discount rate used is based on the interest rate implicit to the lease. The interest rate implicit to the lease takes into account among others: time value of money, financing structure, country risk and risk profile of a client and project. Therefore, the discount rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

5. Critical accounting estimates and judgements (continued)

(a) Finance leases - Group as lessor (continued)

- Allocation of transaction price to performance obligations for lease contracts

  The Group provides design, supply, installation, operation, life extension and demobilisation of FPSO vessels. The vessels are constructed and leased to customers on a finance lease arrangement, and operated by the Group under a separate operating and maintenance agreement after the vessels are handed over to the customers. Therefore, the construction of the vessels, leasing and operations are each identified as a separate performance obligation. The transaction price is allocated to each performance obligation based on the relative stand-alone selling prices.

  The relative stand-alone selling prices are estimated based on the expected costs to be incurred and expected profit margin applicable to each performance obligation at the inception of the lease contract. Significant judgment is used to estimate the costs and profit margins applied in the allocation of the transaction price.

  Please refer to Notes 2.7(i) and Note 2.13(b) for the Group's accounting policies on revenue recognition for the construction of FPSO vessels and finance lease arrangements respectively.

- Determination of lease term

  The Group determines the lease term based on the period for which the Group has contracted to lease the asset together with any further terms for which the lessee has the option to continue to lease the asset.

  In determining the lease term, the Group considers all facts and circumstances that create an economic incentive for the lessor to exercise an extension option, including the indicators set out in paragraphs B37 to B40 of SFRS(I) 16 "Leases". Extension options are only included in the lease term if the lease is reasonably certain to be extended by the lessees. The evaluation of the term "reasonably certain" involves judgement.

  Extension options are included in certain leases of FPSOs across the Group in order to determine the net investment in these leases (Note 21(a)). The extension options are exercisable only by the respective lessees.

  The lease term is reassessed if an option is actually exercised (or not exercised). The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment.

(b) The measurement and recognition of revenues on EPCIC contracts based on the input method

The Group has ongoing EPCIC contracts to construct FPSO vessels for customers. For this contract, revenue is recognised over time by reference to the Group's progress towards completing the EPCIC of the FPSO. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method").

Management has to estimate the total contract costs to complete, which are used in the input method to determine the Group's recognition of contract revenue. When it is probable that the total unavoidable contract costs of meeting the obligation under the contract will exceed the total contract revenue, a provision for onerous contracts is recognised immediately.

5. Critical accounting estimates and judgements (continued)

(b) The measurement and recognition of revenues on EPCIC contracts based on the input method (continued)

Present obligations arising under onerous contracts are recognised and measured as provisions by accessing each contract. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The management has also applied judgement to assess whether facts and circumstances indicate that a group of contracts has become onerous as a whole at the Group. Intra-group transactions will be eliminated at consolidation.

Significant judgement is used to estimate the above-mentioned total contract costs to complete. In making these estimates, management has applied its past experience of completing similar projects, as well as quotations from and contracts with suppliers and sub-contractors. These estimations are also made with due consideration of the circumstances and relevant events that were known to management at the date of these financial statements. Total contract costs are subject to fluctuations not only due to uncertainties in contract execution, variations in scope of works, and acceptance of claims by customers, but also due to broader macroeconomic factors. These include post-COVID market conditions, high commodity prices, and political events globally which can significantly affect material costs and project timelines. Recent geopolitical tensions and persistent high inflation are such examples impacting our estimations. Material changes influenced by these factors are recognised in the financial statements of the year they occur, as per SFRS(I) guidelines, and disclosed as subsequent events if identified and can be reliably measured post-reporting period but pre-financial statement issuance.

For the financial year ended 31 January 2024, if there is an increase/decrease of 5% to the estimated total contract costs, revenue would decrease/increase by USD 131 million (2023: USD 100 million).

Costs and revenue (and the resulting gross margin) at completion reflect, at each reporting period, management's current best estimate of the probable future benefits and obligations associated with the contracts.

(c) Income taxes

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

<u>Uncertain tax positions</u>

In measuring the provision for taxation and deferred taxation at reporting date, the Group has applied judgements and estimates in relation to certain interpretation of tax legislation in arriving at the Group's tax position. Judgements and estimates are based on the current tax legislation and best available information as at the reporting date.

The Group completed a detailed review of uncertain tax positions of the Group and makes provisions based on the probability of the liability arising. The principal risks that arise for the Group are in respect of permanent establishments, cross border transactional taxes, transfer pricing and other similar international tax issues. The Group is continuously reassessing its judgements and estimates whenever there is a change in circumstances.

As a result of the above, the Group has recorded USD 6 million tax provisions in respect of ongoing tax audits following the Group's review of its uncertain tax positions.

6. Revenue

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Revenue from contracts with customers (Note (a))	**2,077**	1,113	**69**	65
Revenue from other sources:				
- Chartering of FPSOs	**141**	156	**-**	-
- Net finance lease income	**288**	82	**-**	-
Finance lease income (Note 21(a)(i)(ii) and (iii))	**195**	82	**-**	-
Remeasurement of finance lease receivables (Note (c) and Note 21(a)(iii))	**93**	-	**-**	-
- Dividend income	**-**	-	**52**	94
	2,506	1,351	**121**	159

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time as follows:

	EPCIC USD million	**FPSO Operations USD million**	**Total USD million**
Group			
2024			
EPCIC of FPSO vessel	**1,924**	**-**	**1,924**
FPSO support services fees	**-**	**152**	**152**
Others	**1**	**-**	**1**
	1,925	**152**	**2,077**
2023			
EPCIC of FPSO vessel	983	-	983
FPSO support services fees	-	130	130
	983	130	1,113

The Company derives its management fee income of USD 69 million (2023: USD 65 million) from contracts with customers over time in the period which the services are rendered.

Geographical information

The Group and the Company operate in the following main geographical as:

(i) Brazil and Angola - involved in design, supply, installation, operation, life extension and demobilisation of FPSOs
(ii) Ghana and Nigeria - mainly involved in the charter of FPSOs and ship management services
(iii) Malaysia - mainly involved in leasing and sub-leasing of FPSOs on bareboat or time charter basis
(iv) Singapore - mainly involved in investment holding and provision of management services

Revenue by location of the Group's and the Company's operations are analysed as follows:

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Brazil	**1,119**	983	**-**	-
Angola	**1,047**	-	**-**	-
Ghana	**206**	194	**-**	-
Nigeria	**69**	112	**-**	-
Malaysia	**62**	62	**-**	-
Singapore	**-**	-	**121**	159
Others	**3**	-	**-**	-
	2,506	1,351	**121**	159

6. Revenue (continued)

(b) Contract balances

The Group has recognised the following assets and liabilities related to contracts with customers:

	Group		
	31 January 2024 USD million	31 January 2023 USD million	1 February 2022 USD million
Contract assets (Note (b)(i))			
Current	**72**	30	-
Non-current	**1,965**	1,934	1,127
	2,037	1,964	1,127
Contract liabilities (Note (b)(ii))			
Current	**11**	218	7
Non-current	**52**	59	66
	63	277	73

(i) Contract assets

Contract assets primarily relate to the Group's right to consideration for work completed on ongoing EPCIC contracts but not yet billed as at reporting date. Bareboat charter payments received during the lease period will be allocated towards the settlement of the contract assets related to the EPCIC contracts.

Contract assets have increased in correlation with the progress of work performed for EPCIC business activities during the year.

(ii) Contract liabilities

Contract liabilities primarily comprises the following:

- Charter income received in advance of USD 59 million (31 January 2023: USD 66 million, 1 February 2022: USD 73 million) in relation to FPSO JAK, which is deferred and amortised on a straight-line basis over the contract period. As at 31 January 2024, the amount classified as current and non-current were USD 7 million and USD 52 million (31 January 2023: USD 7 million and USD 59 million, 1 February 2022: USD 7 million and USD 66 million) respectively. The Group recognised revenue of USD 7 million (2023: USD 7 million) during the year, which was included in the contract liabilities as at 31 January 2024.

- Included in current contract liabilities as at 31 January 2023 was an amount of USD 211 million relating to considerations received from customers received from EPCIC contracts, where progress billings were issued ahead of provision of services. The amounts have been set off against the contract assets coinciding with work performed for the EPCIC business activities during the current financial year.

(iii) On 31 July 2023, Yinson Bouvardia Holdings Pte. Ltd., an indirect wholly owned subsidiary of the Company, has completed the acquisition of 100% equity interest in AFPS B.V. ("AFPS") from Atlanta Field B.V. ("AFBV") by way of exercising the call option with a purchase cash consideration of USD 22 million.

The entire contractual arrangement with AFPS in respect of FPSO Atlanta is determined to be a construction service arrangement in accordance with SFRS(I) 15 "Revenue from Contracts with Customers".

6. Revenue (continued)

(b) Contract balances (continued)

(iii) Upon the exercise of the call option, the total transaction price for the contractual arrangement with AFPS was re-assessed and revised to reflect the future cash flows from the charter rates to be received over the 15-years charter period in accordance with the charter contract with Enauta Energia S.A. ("Enauta").

The amounts previously received by the Group from AFPS are, in substance, advances received from AFPS, to fund the construction of the FPSO. Upon exercise of the call option, these advances were converted into a loan to be repaid by the Group to Enauta over the charter period of 15 years at a fixed interest rate of 6%. Accordingly, the future principal and interest repayments under the loan are accounted for as a consideration payable to Enauta. The consideration payable to Enauta is offset against the contract asset arising from the fulfilment of the EPCI performance obligation.

The net contract asset balance in respect of FPSO Atlanta included within contract assets as at 31 January 2024 is determined as follows:

	Group
	2024
	USD million
Cumulative revenue recognised for EPCI performance obligation less progress billings to date	360
Less: Consideration payable to Enauta	(330)
Net balance included within contract assets	30

(iv) Unsatisfied long-term EPCIC contracts

The following table shows unsatisfied performance obligations resulting from long-term EPCIC contracts:

	Group	
	2024	2023
	USD million	USD million
Aggregate amount of the transaction price allocated to long-term EPCIC contracts that are partially or fully unsatisfied as at 31 January	**1,169**	1,164

Management expects 53% of the transaction price allocated to the unsatisfied performance obligations of USD 614 million as at end of the financial year may be recognised as revenue during the next reporting period as the Group continues to perform to complete the EPCIC of the FPSO vessels. The remaining 47% (USD 555 million) may be recognised in the financial year ending 31 January 2026. The Group will recognise the unsatisfied performance obligation over this period in line with the work performed.

(c) Remeasurement of finance lease receivables

Lease payments under applicable contracts are subject to indexation clauses (variable considerations). During the financial year ended 31 January 2024, there was a remeasurement of finance lease receivable to reflect adjustments in lease payments resulting from indexation movements. Accordingly, the Group has recognised a remeasurement of finance lease receivables amounting to USD 93 million (2023: Nil) upon the achievement of first oil of an FPSO project following a successful 72-hour testing.

7. Cost of sales

Included in cost of sales are:

	Group	
	2024 USD million	2023 USD million
Amortisation of intangible assets	**12**	12
Depreciation of property, plant and equipment	**42**	47
EPCIC construction costs	**1,691**	779
Employee benefits expenses (Note 10)	**34**	19
Vessel operating expenses	**76**	67

8. Other income

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Gain on disposal of property, plant and equipment	**-**	5	**-**	-
Government grant income (Note (a))	**^**	1	**^**	1
Net compensation income from termination of an anticipated FPSO project (Note (b))	**8**	-	**-**	-
Miscellaneous	**3**	3	**-**	-
	11	9	**^**	1

(a) Government grants income recognised is under Jobs Growth Incentives ("JGI"). The JGI is a temporary scheme to support employers to expand local hiring from September 2020 to March 2023. Under JGI, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

(b) Net compensation income of USD 8 million was recognised during the financial year ended 2024 arising from the lapse of the exclusive rights for FPSO Nganhurra by BP Exploration (Angola) Ltd ("BP"). The Group has paid USD 15 million for the exclusivity option to secure a vessel and in turn, has received USD 23 million as part of an exclusivity agreement with the customer to secure the said vessel.

9. Administrative expenses

Included in administrative expenses are:

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Amortisation of intangible assets	**1**	1	**^**	^
Depreciation of property, plant and equipment	**8**	5	**6**	3
Employee benefits expenses (Note 10)	**12**	14	**39**	35
Consultancy fee expenses	**2**	2	**5**	20
Management fee expenses	**5**	2	**6**	-
Impairment loss on investment in subsidiaries (Note 16)	**-**	-	**1**	28
Withholding tax expense	**7**	1	**-**	-
Net loss on foreign exchange	**4**	5	**-**	1

^ Below USD 1 million.

10. Employee benefits expenses

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Included in:				
- Cost of sales (Note 7)	**34**	19	**-**	-
- Administrative expense (Note 9)	**12**	14	**39**	35
	46	33	**39**	35
Analysed as follows:				
- Wages, salaries and bonuses	**33**	27	**35**	28
- Social security contributions	**4**	2	**-**	-
- Contributions to defined contribution plans	**1**	1	**2**	2
- Other benefits	**8**	3	**2**	5
	46	33	**39**	35

11. Finance costs

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Bank charges	**1**	1	**-**	-
Interest expenses:				
- Loans and borrowings	**197**	88	**6**	-
- Lease liabilities	**1**	1	**1**	-
- Loans from related companies	**13**	3	**13**	3
Unwinding of notional interest (Note 29(b)(iv))	**2**	2	**-**	-
Cash flow hedge reclassified to profit or loss	**(39)**	(2)	**-**	-
	175	93	**20**	3

12. Income tax expense/(credit)

<u>Major components of income tax expense/(credit)</u>

The major components of income tax expense/(credit) are:

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Income statements				
Current income tax				
- Singapore income tax				
Current year	**12**	4	**-**	1
Under provision in prior years	**^**	^	**^**	^
- Foreign tax				
Current year	**53**	28	**-**	-
Under/(over) provision in prior years	**3**	(^)	**-**	-
	68	32	**^**	1
Deferred tax (Note 22):				
- Relating to origination of temporary differences	**46**	31	**(1)**	-
	114	63	**(1)**	1

^ Below USD 1 million.

12. Income tax expense/(credit) (continued)

Reconciliation between tax expense/(credit) and accounting profit

The reconciliation between tax expense/(credit) and profit before tax multiplied by the applicable tax rates are as follows:

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Profit before tax	**433**	282	**33**	63
Tax at Singapore statutory tax rate of 17%	**74**	48	**6**	11
Expenses not deductible for tax purposes	**16**	18	**3**	6
Different tax rates of subsidiaries in various national jurisdictions	**24**	14	**-**	-
Share of results of joint ventures	**1**	^	**-**	-
Tax exempt income	**(21)**	(16)	**(9)**	(16)
Utilisation of previously unrecognised deferred tax assets	**-**	(1)	**-**	-
Changes in deferred tax assets not recognised	**17**	-	**-**	-
Group relief	**-**	-	**(1)**	-
Under provision in prior years	**3**	^	**^**	-
Income tax expense recognised in profit or loss	**114**	63	**(1)**	1

^ Below USD 1 million.

Domestic income tax is calculated at the Singapore statutory tax rate of 17% (2023: 17%) of the estimated assessable profit for the financial year.

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

13. Dividends

	Group and Company	
	USD cents per share	**USD million**
2024		
Interim dividends declared on:		
- 10 July 2023	**0.45**	**5**
- 18 July 2023	**0.18**	**2**
- 21 July 2023	**0.80**	**9**
- 20 October 2023	**0.45**	**5**
- 2 November 2023	**1.36**	**15**
		36
2023		
Interim dividends declared on:		
- 17 February 2022	5.26	20
- 28 April 2022	2.41	20
- 18 May 2022	1.18	10
- 28 June 2022	1.18	10
- 1 September 2022	1.01	9
		69

The Directors do not recommend any other dividend for the financial year ended 31 January 2024.

14. Property, plant and equipment

	Motor vehicles USD million	FPSOs USD million	Right-of-use assets USD million	Other assets* USD million	Construction-in-progress USD million	Total USD million
Group						
Cost						
At 1 February 2022	1	1,083	11	8	-	1,103
Additions	-	1	17	7	-	25
Disposals	-	(145)	-	(1)	-	(146)
At 31 January 2023 and 1 February 2023	**1**	**939**	**28**	**14**	**-**	**982**
Additions	**-**	**-**	**5**	**5**	**3**	**13**
At 31 January 2024	**1**	**939**	**33**	**19**	**3**	**995**
Accumulated depreciation						
At 1 February 2022	^	326	7	3	-	336
Charge for the financial year	^	47	4	1	-	52
Disposals	-	(135)	-	(^)	-	(135)
At 31 January 2023 and 1 February 2023	**^**	**238**	**11**	**4**	**-**	**253**
Charge for the financial year	**^**	**42**	**7**	**1**	**-**	**50**
At 31 January 2024	**^**	**280**	**18**	**5**	**-**	**303**
Net carrying amount						
At 31 January 2023	1	701	17	10	-	729
At 31 January 2024	**1**	**659**	**15**	**14**	**3**	**692**

^ Below USD 1 million.

14. Property, plant and equipment (continued)

	Motor vehicles USD million	Right-of-use assets USD million	Other assets* USD million	Total USD million
Company				
Cost				
At 1 February 2022	^	9	3	12
Additions	-	8	2	10
At 31 January 2023 and 1 February 2023	**^**	**17**	**5**	**22**
Additions	**-**	**4**	**3**	**7**
At 31 January 2024	**^**	**21**	**8**	**29**
Accumulated depreciation				
At 1 February 2022	^	6	2	8
Charge for the financial year	^	2	1	3
At 31 January 2023 and 1 February 2023	**^**	**8**	**3**	**11**
Charge for the financial year	**^**	**4**	**2**	**6**
At 31 January 2024	**^**	**12**	**5**	**17**
Net carrying amount				
At 31 January 2023	^	9	2	11
At 31 January 2024	**^**	**9**	**3**	**12**

* Other assets comprise office equipment, renovation, electrical installation, furniture and fittings and capital spares.
^ Below USD 1 million.

(a) Additions to property, plant and equipment which were acquired during the financial year were as follows:

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Cash payment	**8**	8	**3**	2
Additions to lease liabilities	**5**	17	**4**	8
	13	25	**7**	10

(b) The carrying amounts of property, plant and equipment pledged to financial institutions for banking facilities granted to the Group as disclosed in Note 28 at reporting date respectively were as follows:

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
FPSOs	**659**	701	**-**	-

(c) The FPSO contracts include options for the charterers to purchase the respective FPSO or to extend their charter periods beyond the initial firm lease period. The purchase option values are based on declining agreed prices, which are in excess of the current net book values of the FPSOs as at the reporting date.

14. Property, plant and equipment (continued)

(d) Additional information for right-of-use assets were as follows:

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Buildings				
Depreciation charge for the financial year	**7**	4	**4**	2
Carrying amounts at the end of financial year	**15**	17	**9**	9

(e) The carrying amount of property, plant and equipment subject to operating leases (Note 31), comprising FPSO John Agyekum Kufuor, as at end of reporting date was as follows:

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
FPSOs	**659**	701	**-**	-

15. Intangible assets

	Computer software USD million	**Contract rights* USD million**	**Total USD million**
Group			
Cost			
At 1 February 2022, 31 January 2023 and 1 February 2023	**8**	**93**	**101**
Addition	**1**	**-**	**1**
At 31 January 2024	**9**	**93**	**102**
Accumulated amortisation			
At 1 February 2022	5	28	33
Amortisation	1	12	13
At 31 January 2023 and 1 February 2023	**6**	**40**	**46**
Amortisation	**1**	**12**	**13**
At 31 January 2024	**7**	**52**	**59**
Net carrying amount			
At 31 January 2023	2	53	55
At 31 January 2024	**2**	**41**	**43**

* Contract rights recognised pursuant to the consideration paid for the novation of a charter contract involving provision of EPCIC and leasing of FPSO Helang.

15. Intangible assets (continued)

	Computer software USD million
Company	
Cost	
At 1 February 2022, 31 January 2023 and 1 February 2023	1
Addition	1
At 31 January 2024	2
Accumulated amortisation	
At 1 February 2022	1
Amortisation	^
As at 31 January 2023 and 1 February 2023	1
Amortisation	^
At 31 January 2024	1
Net carrying amount	
At 31 January 2023	^
At 31 January 2024	1

^ Below USD 1 million.

16. Investment in subsidiaries

	Company	
	2024 USD million	2023 USD million
Unquoted shares, at cost		
In Singapore	**217**	217
Outside Singapore	**251**	165
	468	382
Accumulated impairment loss	**(68)**	(67)
	400	315

On 29 September 2022, the Company increased its investment in Yinson Production Capital Pte. Ltd. for a total consideration of USD 89,564,127 and was satisfied via capitalisation of amount owing from a subsidiary.

On 23 December 2022, the Company incorporated Yinson Production (The Netherlands) B.V. (formerly known as Yinson the Netherlands B.V.) with an issued share capital of USD 770,000 comprising 770,000 ordinary shares.

On 7 February 2023, the Company acquired London Marine Group Limited for a total consideration of USD 633,280 (GBP 524,803) and was satisfied via cash.

On 13 February 2023, the Company incorporated Yinson Brasil Servicos Ltda. with an issued share capital of USD 764,513 (BRL 3,990,150) comprising of 3,990,150 ordinary shares.

On 11 September 2023, the Company increased its investment in Yinson Acacia Ltd for a total consideration of USD 85,000,000 and was satisfied via cash.

On 6 October 2023, the Company incorporated Yinson Production Financial Services Pte. Ltd. with an issued share capital of USD 1 comprising of 1 ordinary share.

16. Investment in subsidiaries (continued)

Movement in the allowance in impairment account is as follows:

	Company	
	2024 USD million	2023 USD million
At 1 February	**67**	39
Impairment charge (Note 9)	**1**	28
At 31 January	**68**	67

An impairment loss of USD 1 million (2023: USD 28 million), in relation to the Company's investment in London Marine Group Limited (2023: Yinson Production AS), was recognised during the current financial year as the estimated recoverable amount of the investment was lower than its carrying amount.

(a) Details of subsidiaries are as follows:

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest 2024	2023	Principal place of business	Principal activities
Held through the Company:					
Yinson Acacia Ltd[ii]	Republic of the Marshall Islands	**100**	100	Singapore	Investment holding
Yinson Production AS[ii]	Norway	**100**	100	Norway	Investment holding and provision of management services
Yinson Production Capital Pte. Ltd.[i]	Singapore	**100**	100	Singapore	Investment holding and provision of management consultancy services
London Marine Group Limited[iv]	United Kingdom	**100**	-	United Kingdom	Engineering design and provision of mooring systems for offshore installations
Yinson Production Financial Services Pte. Ltd.[iii]	Singapore	**100**	-	Singapore	Provision of treasury management services
Yinson Production EPC Pte. Ltd.[i]	Singapore	**100**	100	Singapore	Investment holding and provision of engineering procurement and construction for floating production system and management services
Yinson Production (The Netherlands) B.V. (formerly known as Yinson the Netherlands B.V.)[v]	Netherlands	**100**	100	Netherlands	Investment holding and provision of management services
Yinson Brasil Servicos Ltda[iii]	Brazil	**100**	-	Brazil	Provision of Intercompany services

16. Investment in subsidiaries (continued)

(a) Details of subsidiaries are as follows: (continued)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest		Principal place of business	Principal activities
		2024	2023		
Held through London Marine Group Limited					
London Marine Consultants Limited[(iv)]	United Kingdom	**100**	-	United Kingdom	Engineering related scientific and technical consulting activities
LMC Asia Pacific Pte.Ltd.[(iv)]	Singapore	**100**	-	Singapore	Installation of industrial machinery and equipment, mechanical engineering works
Held through Yinson Acacia Ltd:					
Yinson Bergenia Consortium Pte. Ltd.[(i)]	Singapore	**100**	100	Singapore	Investment holding
Yinson Boronia Consortium Pte. Ltd.[(i)]	Singapore	**75**	75	Singapore	Investment holding
Yinson Bouvardia Consortium Pte. Ltd.[(i)]	Singapore	**100**	100	Singapore	Investment holding
Yinson Production Azalea Consortium Pte.Ltd (formerly known as Yinson Azalea Holdings Pte.Ltd).[(i)]	Singapore	**100**	100	Singapore	Investment holding
Yinson Production Iterum Holdings Pte.Ltd. (f.k.a Yinson Eden Pte.Ltd)[(i)(iv)]	Singapore	**100**	-	Singapore	Provision of floating marine assets for chartering and engineering design and consultancy services
Held through Yinson Bergenia Consortium Pte. Ltd.:					
Yinson Bergenia Holdings Pte. Ltd.[(i)]	Singapore	**100**	100	Singapore	Investment holding
Held through Yinson Bergenia Holdings Pte. Ltd.:					
Yinson Bergenia Production B.V.[(ii)]	Netherlands	**100**	100	Netherlands	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Held through Yinson Bergenia Production B.V.:					
Yinson Bergenia Servicos De Operacao Ltda[(ii)]	Brazil	**100**	100	Brazil	Provision of operations and maintenance services of floating marine assets to the offshore oil and gas industry
Held through Yinson Boronia Consortium Pte. Ltd.:					
Yinson Boronia Holdings (S) Pte. Ltd.[(i)]	Singapore	**100**	100	Singapore	Investment holding

16. Investment in subsidiaries (continued)

(a) Details of subsidiaries are as follows: (continued)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest		Principal place of business	Principal activities
		2024	2023		
Held through Yinson Boronia Holdings (S) Pte. Ltd.:					
Yinson Boronia Production B.V.[(ii)]	Netherlands	**100**	100	Netherlands	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Held through Yinson Boronia Holdings (S) Pte. Ltd. And Yinson Boronia Production B.V.:					
Yinson Boronia Servicos De Operacao Ltda[(ii)]	Brazil	**100**	100	Brazil	Provision of operations and maintenance services of floating marine assets to the offshore oil and gas industry
Held through Yinson Production Azalea Consortium Pte.Ltd. (formerly known as Yinson Azalea Holdings Pte.Ltd.):					
Yinson Production Azalea Holdings (S) Pte.Ltd.[(i)(iii)]	Singapore	**100**	-	Singapore	Investment Holding
Yinson Azalea Operacoes Angola - Prestacao De Servicos (SU), Lda. [(ii)]	Angola	**100**	100	Angola	Provision of operations maintenance services of floating marine assets to the offshore oil and gas industry
Held through Yinson Production Azalea Holdings (S) Pte.Ltd. :					
Yinson Azalea Production Pte.Ltd. [(i)]	Singapore	**100**	100	Singapore	Provision of floating marine assets for chartering
Held through Yinson Bouvardia Consortium Pte. Ltd.:					
Yinson Bouvardia Holdings Pte. Ltd.[(i)]	Singapore	**100**	100	Singapore	Investment holding
Held through Yinson Bouvardia Holdings Pte. Ltd.:					
Yinson Bouvardia Production B.V.[(v)]	Netherlands	**100**	100	Netherlands	Provision of floating marine assets of chartering
Yinson Bouvardia Servicos De Operacao Ltda[(v)]	Brazil	**100**	100	Brazil	Provision of operations and maintenance services of floating marine assets to the offshore oil and gas industry

16. Investment in subsidiaries (continued)

(a) Details of subsidiaries are as follows: (continued)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest 2024	2023	Principal place of business	Principal activities
Held through Yinson Production EPC Pte. Ltd.:					
Yinson Production EPC Sdn. Bhd.(ii)	Malaysia	**100**	100	Malaysia	Provision of engineering, procurement and construction for floating production system and management services
Held through Yinson Production AS:					
Adoon AS(ii)	Norway	**100**	100	Norway	Investment holding
Allan AS(ii)	Norway	**100**	100	Norway	Investment holding
Yinson Operations & Production West Africa Limited(ii)(vii)	Nigeria	**40**	40	Nigeria	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry
Floating Operations and Production Pte. Ltd.(i)	Singapore	**100**	100	Singapore	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry
Held through Yinson Production AS and Floating Operations and Production Pte. Ltd.:					
Yinson Malva Operations S.A. DE C.V.(v) (In Dissolution and Liquidation)	Mexico	**100**	100	Mexico	Dormant
Held through Adoon AS:					
Adoon Pte. Ltd.(i)	Singapore	**100**	100	Singapore	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Held through Yinson Production Capital Pte. Ltd.:					
Yinson Trillium Limited(ii)	Labuan, Malaysia	**100**	100	Labuan, Malaysia	Investment holding
Yinson Production Pte. Ltd.(i)	Singapore	**100**	100	Singapore	Provision of engineering design and consultancy services relating to the offshore oil and gas industry

16. Investment in subsidiaries (continued)

(a) Details of subsidiaries are as follows: (continued)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest		Principal place of business	Principal activities
		2024	2023		
Yinson Nepeta Production Ltd[(ii)]	Republic of the Marshall Islands	**100**	100	Singapore	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Macacia Sdn. Bhd. [(ii)]	Malaysia	**100**	100	Malaysia	Investment holding
Held through Yinson Trillium Limited:					
Yinson Production (West Africa) Pte. Ltd.[(i)]	Singapore	**74**	74	Singapore	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Held through Yinson Production Pte. Ltd.:					
Yinson Production West Africa Limited[(ii)(viii)]	Ghana	**49**	49	Ghana	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry
Held through Yinson Macacia Sdn. Bhd.:					
Yinson Macacia Limited[(ii)(vi)]	Labuan, Malaysia	**100**	100	Labuan, Malaysia	Investment holding
Held through Yinson Macacia Limited:					
Yinson Lavender Limited[(ii)]	Labuan, Malaysia	**100**	100	Labuan, Malaysia	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
Yinson Lavender Operations Sdn. Bhd.[(ii)]	Malaysia	**100**	100	Malaysia	Provision of operations and maintenance of floating marine assets to the offshore oil and gas industry

(i) Audited by PricewaterhouseCoopers LLP, Singapore.
(ii) Audited by PricewaterhouseCoopers firms outside Singapore.
(iii) Subsidiaries newly incorporated during the financial year ended 31 January 2024.
(iv) Subsidiaries acquired during the financial year ended 31 January 2024 as disclosed in Note 37.
(v) Companies not required to be audited under the laws of the country of incorporation.
(vi) Companies acquired as part of the Restructuring Exercise as disclosed in Note 27(d). Results, assets and liabilities of these companies were accounted for using the predecessor method of accounting as these are companies under common control.
(vii) The Group has concluded that it controls Yinson Operations & Production West Africa Limited, even though it holds 40% equity interest in this subsidiary. Based on an agreement signed between the shareholders, a subsidiary of the Company has majority representation on the Board of Directors, which are responsible for directing the relevant activities. All decisions of the Board of Directors only require a simple majority vote to be passed.
(viii) The Group has concluded that it controls Yinson Production West Africa Limited, even though it holds 49% equity interest in this subsidiary. Based on an agreement signed between the shareholders, a subsidiary of the Company has majority representation on the Board of Directors, which are responsible for directing the relevant activities. Matters presented to the Board shall be approved upon receiving affirmative vote of a simple majority of the Directors.

16. Investment in subsidiaries (continued)

(b) Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI"), based on effective equity interest are follows:

(i) Yinson Production (West Africa) Pte. Ltd.

	Group	
	2024 USD million	2023 USD million
Effective equity interest held by NCI	**26%**	26%
Carrying value of NCI	**48**	44
Profit for the financial year attributable to NCI	**14**	15
Dividend paid to NCI	**10**	15

The summarised financial information before intercompany eliminations are as follows:

	Group	
	2024 USD million	2023 USD million
As at 31 January		
Non-current assets	**721**	764
Current assets	**111**	110
Non-current liabilities	**(575)**	(637)
Current liabilities	**(72)**	(66)
Net assets	**185**	171
Financial year ended 31 January		
Revenue	**136**	137
Profit for the financial year	**55**	57
Other comprehensive (loss)/income	**(3)**	56
Total comprehensive income	**52**	113
Cash flows generated from operating activities	**117**	110
Cash flows used in financing activities	**(117)**	(137)
Net increase/(decrease) in cash and cash equivalents	**^**	(27)

^ Below USD 1 million.

16. Investment in subsidiaries (continued)

(b) Non-controlling interests in subsidiaries (continued)

(ii) Yinson Boronia Consortium Pte. Ltd. and its subsidiaries

	Group	
	2024 **USD million**	2023 USD million
Effective equity interest held by NCI	**25%**	25%
Carrying value of NCI	**95**	75
Profit/(loss) for the financial year attributable to NCI	**20**	(14)

The summarised financial information before intercompany eliminations are as follows:

	Group	
	2024 **USD million**	2023 USD million
As at 31 January		
Non-current assets	**1,354**	1,241
Current assets	**90**	56
Non-current liabilities	**(940)**	(952)
Current liabilities	**(126)**	(47)
Net assets	**378**	298
Financial year ended 31 January		
Revenue	**277**	174
Profit/(loss) for the financial year	**82**	(56)
Other comprehensive (loss)/income	**(2)**	20
Total comprehensive income/(loss)	**80**	(36)
Cash flows generated from/(used in) operating activities	**24**	(288)
Cash flows used in investing activities	**(^)**	(4)
Cash flows (used in)/generated from financing activities	**(1)**	139
Net increase/(decrease) in cash and cash equivalents	**23**	(153)

^ Below USD 1 million.

The other subsidiaries of the Group which have non-controlling interests are individually not material.

17. Investment in joint ventures

	Group 2024 USD million	Group 2023 USD million
Unquoted shares in Singapore, at cost	**45**	45
Share of post-acquisition reserves	**29**	38
Share of profit/(loss) of joint ventures	**4**	(1)
Share of net assets of joint ventures	**78**	82

Details of joint ventures held are as follows:

Name of joint ventures	Countries of incorporation	Proportion (%) of ownership interest 2024	Proportion (%) of ownership interest 2023	Principal activities
Held through Yinson Production Capital Pte. Ltd.:				
PTSC Asia Pacific Pte. Ltd.[(i)]	Singapore	**49**	49	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction
PTSC South East Asia Pte. Ltd.[(i)]	Singapore	**49**	49	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction

(i) Audited by PricewaterhouseCoopers LLP, Singapore.

17. Investment in joint ventures (continued)

Summarised financial information of the material joint ventures, based on its SFRS(I) financial statements are set out below:

(i) PTSC Asia Pacific Pte. Ltd.

Summarised statement of financial position:

	Group	
	2024	2023
	USD million	USD million
Current assets#	**68**	60
Non-current assets	**19**	30
Current liabilities	**(1)**	(^)
Net assets	**86**	90
Proportion of the Group's ownership	**49%**	49%
Carrying amount of the investment	**42**	44

\# Included in current assets is cash and bank balances of USD 63 million (2023: USD 52 million).

^ Below USD 1 million.

Summarised statement of comprehensive income:

	Group	
	2024	2023
	USD million	USD million
Revenue	**18**	18
Cost of sales*	**(13)**	(16)
Gross profit	**5**	2
Interest income	**1**	^
Profit before tax/ Profit for the financial year and total comprehensive income	**6**	2
Group's share of profit for the financial year and total comprehensive income	**3**	1
Dividend received from joint venture	**5**	-

* Included in cost of sales is depreciation of USD 11 million (2023: USD 14 million).

^ Below USD 1 million.

17. Investment in joint ventures (continued)

(ii) PTSC South East Asia Pte. Ltd.

Summarised statement of financial position:

	Group	
	2024 **USD million**	2023 USD million
Current assets#	**22**	16
Non-current assets	**51**	62
Non-current liabilities	**(^)**	(^)
Net assets	**73**	78
Proportion of the Group's ownership	**49%**	49%
Carrying amount of the investment	**36**	38

\# Included in current assets is cash and bank balances of USD 20 million (2023: USD 15 million).
^ Below USD 1 million.

Summarised statement of comprehensive income:

	Group	
	2024 **USD million**	2023 USD million
Revenue	**12**	7
Cost of sales*	**(11)**	(11)
Profit/(Loss) before tax/Profit/(Loss) for the financial year and total comprehensive profit/(loss)	**1**	(4)
Group's share of profit/(loss) for the financial year and total comprehensive profit/(loss)	**^**	(2)
Dividend received from joint venture	**3**	-

* Included in cost of sales is depreciation of USD 11 million (2023: USD 11 million).
^ Below USD 1 million.

18. Investment in associates

	Group		Company	
	2024 **USD million**	2023 USD million	**2024** **USD million**	2023 USD million
Unquoted shares outside Singapore, at cost	**3**	^	**3**	-
Share of post-acquisition reserves	**1**	1	**-**	-
Share of loss of associates	**(^)**	-	**-**	-
	4	1	**3**	-

^ Below USD 1 million.

Details of associates are as follows:

Name of associates	**Country of incorporation**	**Proportion (%) of ownership interest**		**Principal activities**
		2024	2023	
Held through the Company:				
Carbon Removal AS(i)	Norway	**39**	-	Provision of development and execution of direct air capture projects

18. Investment in associates (continued)

Details of associates are as follows (continued):

Name of associates	Country of incorporation	Proportion (%) of ownership interest		Principal activities
		2024	2023	
Held through the Company:				
Ionada PLC[ii]	Republic of the Marshall Islands	**7**	-	Provision of development, manufacture, and market exhaust gas cleaning system
Held through Yinson Production AS:				
Floating Operations & Production West Africa Ltd (in liquidation)	Nigeria	**40**	40	Dormant

(i) On 20 September 2023, the Company subscribed for 610,000 shares, each with a nominal value of NOK 0.10 in Carbon Removal AS ("CRAS"), representing 38.88% equity interest in CRAS for a total cash consideration of NOK 10,980,000 (USD 1,025,037).

(ii) On 29 November 2023, the Company subscribed for 877,918 shares of Series A-3 preferred stock, each with a par value of USD 1 in Ionada PLC ("Ionada"), representing 6.83% shareholding interest in Ionada for a total cash consideration of USD 2,250,000. Although the Group holds less than 20% equity interest in Ionada, based on the agreement signed between the shareholders, the Group has significant influence over Ionada.

19. Trade and other receivables

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Current:				
Trade receivables (Note (a))				
Third parties (Note (a)(ii))	**104**	127	**-**	-
Subsidiaries	**-**	-	**94**	116
Related companies	**6**	7	**-**	-
	110	134	**94**	116
Other receivables				
Deposits (Note (b)(i))	**3**	16	**1**	1
Sundry receivables (Note (b)(ii))	**37**	36	**2**	3
Due from ultimate holding company (Note (b)(iii))	**3**	2	**1**	1
Due from immediate holding company (Note (b)(iii))	**5**	12	**-**	-
Due from subsidiaries (Note (b)(iii))	**-**	-	**646**	679
Due from related companies (Note (b)(iii))	**-**	22	**-**	-
	48	88	**650**	684
Accumulated impairment loss (Note (b)(iv))	**(2)**	(3)	**-**	-
	46	85	**650**	684
	156	219	**744**	800
Non-current:				
Other receivables				
Sundry receivables (Note (b)(ii))	**17**	17	**-**	-
Due from subsidiaries (Note (b)(iii))	**-**	-	**291**	291
	17	17	**291**	291
Total trade and other receivables	**173**	236	**1,035**	1,091

19. Trade and other receivables (continued)

Trade receivables are non-interest bearing and are generally on 30 to 60-day credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(a) Trade receivables

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

There are no trade receivables allowance recorded as at the financial years ended.

(ii) Included in trade receivables of USD 46 million as at 31 January 2023 relates to retention sum with a customer for an FPSO project.

(iii) Trade receivables from contracts with customers

	Group			Company		
	31 January 2024 USD million	31 January 2023 USD million	1 February 2022 USD million	**31 January 2024 USD million**	31 January 2023 USD million	1 February 2022 USD million
Current:						
Trade receivables from contract with customers	**110**	134	67	**94**	116	26

(b) Other receivables

(i) Included in deposits of USD 13 million as at 31 January 2023 relates to an option agreement with a vendor to secure a vessel for an anticipated FPSO project. It lapsed during the current financial year and was recognised and offset against write-back of deposit received as disclosed in Note 8(b).

(ii) Included in sundry receivables is an amount of USD 16 million (2023: USD 19 million) relating to a contractual settlement arrangement with a customer for receivables relating to an FPSO project, which is unsecured and repayable over a period of 4 (2023: 5) years. The amount receivable was adjusted to its fair value upon initial recognition, and is subsequently carried at amortised cost. As at the end of the financial year, the amounts classified as current and non-current were USD 4 million (2023: USD 3 million) and USD 12 million (2023: USD 16 million) respectively.

Included in the current sundry receivables is an amount of USD 4 million (2023: USD 7 million) held in escrow accounts by third parties for payments to suppliers.

(iii) Amounts due from ultimate holding company, immediate holding company and related companies are unsecured, non-interest bearing and revolving on a daily basis.

Amounts due from subsidiaries are unsecured, non-interest bearing and revolving on a daily basis, except for amounts of USD 291 million (2023: USD 291 million) which were not expected to be recovered within the next 12 months.

(iv) Movement for other receivables allowance for impairment accounts:

	Performing USD million	**Under - performing USD million**	**Not performing USD million**	**Total USD million**
Group				
At 1 February 2022, 31 January 2023 and 1 February 2023	-	-	3	3
Reversal of impairment loss	-	-	(1)	(1)
At 31 January 2024	-	-	2	2

Refer to Note 34(b)(ii) for the Group's definition on performing, under-performing and not performing.

20. Other assets

	Group		Company	
	2024	2023	**2024**	2023
	USD million	USD million	**USD million**	USD million
Current:				
Prepayments (Note (a))	**47**	47	**3**	2
Construction cost assets (Note (b))	**2**	118	**-**	-
	49	165	**3**	2
Non-current:				
Prepayments	**4**	5	**-**	-
	53	170	**3**	2

(a) Included in the Group's current prepayments is an amount of USD 16 million (2023: USD 24 million) relating to prepayments to vendors of EPCIC business activities and USD 10 million (2023: Nil) relating to purchase of capital spares.

(b) As at 31 January 2024, the Group has recognised construction cost assets of USD 2 million (2023: USD 118 million) in relation to costs to fulfil a long-term charter contract, which was secured during the previous financial year end. The costs incurred primarily relates to the cost of an FPSO vessel and engineering and manpower costs that are directly attributable to the long-term charter contract, which generate resources that will be used in satisfying the future performance obligation and are expected to be recovered. The construction cost assets were reclassified from other assets to contract assets upon commencement of EPCIC business activities in the current financial year.

21. Leases

(a) Finance lease receivables as lessor

	Group	
	2024	2023
	USD million	USD million
Minimum lease receivables:		
Within 1 year	**247**	81
Between 1-2 years	**246**	81
Between 2-3 years	**247**	80
Between 3-4 years	**244**	78
Between 4-5 years	**242**	75
Later than 5 years	**3,763**	569
Total undiscounted lease payments	**4,989**	964
Less: Future finance income	**(3,170)**	(470)
Net investment in finance lease	**1,819**	494
Current	**34**	23
Non-current	**1,785**	471
	1,819	494

(i) In the financial year ended 31 January 2024, the Group commenced a finance lease for the chartering of an FPSO (FPSO Anna Nery) to a third party for a lease term of 25 years until 2048. Finance income on the net investment in the lease during the financial year is USD 209 million (2023: Nil) (Note 6), of which USD 93 million related to gain on remeasurement of finance lease receivables arising from effect of charter day rate escalation determined at effective dates as stipulated in the charter contracts and USD 8 million (2023: Nil) relates to variable lease payments which is not included in the measurement of the net investment in the lease. The contract assets of USD 1,284 million (2023: Nil) was reclassified to finance lease receivables during the financial year.

21. Leases (continued)

(a) Finance lease receivables as lessor (continued)

(ii) In the financial year ended 31 January 2021, the Group commenced a finance lease for the chartering of an FPSO (FPSO Abigail Joseph) to a third party for a lease term of 12 years, comprising a firm charter period of 7 years and extension option periods of 5 years. Management assessed that it was reasonably certain for the charterer to exercise the extension options for 5 years out of the 8 years' extension options as set out in the charter agreement. Finance income on the net investment in the lease during the financial year is USD 42 million (2023: USD 44 million) (Note 6), of which USD 14 million (2023: USD 14 million) relates to variable lease payments which is not included in the measurement of the net investment in the lease.

(iii) In the financial year ended 31 January 2020, the Group commenced a finance lease for the chartering of an FPSO (FPSO Helang) to a third party for a lease term of 18 years comprising of a firm charter period of 8 years and annual extension option periods of up to 10 years. Finance income on the net investment in the lease during the financial year is USD 37 million (2023: USD 38 million) (Note 6), of which USD 6 million (2023: USD 6 million) relates to variable lease payments which is not included in the measurement of the net investment in the lease.

(b) Lease liabilities as lessee

	Group		**Company**	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Minimum lease commitments:				
Within 1 year	**6**	5	**5**	3
More than 1 year and less than 2 years	**5**	5	**4**	4
More than 2 years and less than 5 years	**4**	6	**^**	3
More than 5 years	**5**	4	**-**	-
Total minimum lease payments	**20**	20	**9**	10
Less: Amounts representing finance charges	**(3)**	(2)	**(1)**	(1)
Present value of minimum lease payments	**17**	18	**8**	9
Present value of payments:				
Within 1 year	**5**	4	**4**	3
More than 1 year and less than 2 years	**5**	5	**4**	4
More than 2 years and less than 5 years	**3**	5	**^**	2
More than 5 years	**4**	4	**-**	-
Present value of minimum lease payments	**17**	18	**8**	9
Less: Amount due within 12 months	**(5)**	(4)	**(4)**	(3)
Amount due after 12 months	**12**	14	**4**	6

^ Below USD 1 million.

22. Deferred taxation

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

The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Deferred tax assets	**4**	2	**1**	-
Deferred tax liabilities	**(124)**	(76)	**-**	-
	(120)	(74)	**1**	-
At 1 February	**(74)**	(43)	**-**	-
Recognised in profit or loss (Note 12)	**(46)**	(31)	**1**	-
At 31 January	**(120)**	(74)	**1**	-

The components and movements of deferred taxes during the financial years are as follows:

	Tax losses USD million	Contract assets USD million	Others USD million	Total USD million
Group				
At 1 February 2022	-	(43)	-	(43)
Recognised in profit or loss (Note 12)	1	(32)	-	(31)
At 1 February 2023 and 31 January 2023	**1**	**(75)**	**-**	**(74)**
Recognised in profit or loss (Note 12)	**1**	**(48)**	**1**	**(46)**
At 31 January 2024	**2**	**(123)**	**1**	**(120)**
Company				
At 1 February 2023 and 31 January 2023	**-**	**-**	**-**	**-**
Recognised in profit or loss (Note 12)	**-**	**-**	**1**	**1**
At 31 January 2024	**-**	**-**	**1**	**1**

As at the reporting date, the Group had unabsorbed tax losses of approximately USD 153 million (2023: USD 53 million) that are available to offset against future taxable profits of the respective subsidiaries in which these unabsorbed tax losses and other deductible temporary differences arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability.

The use of tax losses of subsidiaries in other countries are subject to the agreement of the tax authorities of those countries and compliance with certain provisions of the tax legislations of the countries in which the subsidiaries operate. The tax losses have no expiry date.

23. Derivatives

	Group		
	2024 Assets USD million	**2024 (Liabilities) USD million**	2023 Assets USD million
Current			
Hedging derivatives:			
- Interest rate swaps (Note (a))	**8**	**-**	7
Non-current			
Hedging derivatives:			
- Interest rate swaps (Note (a))	**73**	**(6)**	80
Total	**81**	**(6)**	87

(a) Certain subsidiaries of the Group had entered into a series of USD interest swap contracts with banks. The interest rate swaps reflect the positive and negative change in fair value of those interest rate swaps which have been designated as cash flows hedge and are used to manage the exposure to the risk of changes in market interest rates arising from floating rate bank loans of the subsidiaries.

The fair values of the interest rate swaps are determined by using the prices quoted by the counterparty banks which are categorised as Level 2 of the fair value hierarchy. There are no transfers between Levels 1, 2 and 3 during the current financial year.

The effects of the interest rate swaps on the Group's financial position and performance are disclosed in Note 34(a)(i).

24. Inventories

	Group	
	2024 USD million	2023 USD million
Spare parts	**16**	6

25. Cash and bank balances

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Cash on hand and at banks	**479**	255	**160**	32
Deposits with licensed banks	**97**	20	**-**	-
Cash and bank balances	**576**	275	**160**	32

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

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Cash and bank balances	**576**	275	**160**	32
Less: Fixed deposits with maturity period over 3 months*	**(22)**	(20)	-	-
Cash and cash equivalents	**554**	255	**160**	32

* Deposit placed with the license bank that was restricted based on the requirements of a lender.

25. Cash and bank balances (continued)

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

Included in cash and bank balances are bank balances and deposits with licensed banks of the Group amounting to USD 209 million (2023: USD 116 million) and of the Company amounting to USD 43 million (2023: Nil) that were restricted based on the respective requirements of the lenders. These restricted amounts can only be used for purposes specified in the respective loan agreements, such as:

- Debt Service Reserve Accounts, where specified minimum amounts are required to be maintained to service loans;
- Operation and maintenance restricted accounts, where the amounts only be utilised for expenses related to the charter and operation and maintenance contracts relating to the specified FPSO; and
- FPSO restricted accounts, where the amounts can only be utilised for construction of an FPSO as disclosed in Note 28.

26. Share capital

	Number of shares million	**Amount USD million**
Group and Company		
Ordinary shares issued and fully paid:		
At 1 February 2022	845	845
Issued during the financial year	259	259
At 31 January 2023	**1,104**	**1,104**
Capital reduction during the financial year	**(90)**	**(90)**
At 31 January 2024	**1,014**	**1,014**

There is no par value for these ordinary shares.

On 22 September 2022, the Company issued 169,000,000 ordinary shares for a total consideration of USD 169,000,000 by way of capitalisation of the amount of USD 169,000,000 owing to the immediate holding company. The newly issued shares rank pari passu in all aspects with the previously issued shares.

On 29 September 2022, the Company issued 89,564,127 ordinary shares for a total consideration of USD 89,564,127 by way of capitalisation of the amount of USD 89,564,127 owing to the immediate holding company. The newly issued shares rank pari passu in all aspects with the previously issued shares.

On 19 January 2024, the issued and fully paid capital of the Company was reduced from 1,103,564,127 ordinary shares of USD 1,103,564,127 to 1,013,564,127 ordinary shares of USD 1,013,564,127 by cancelling a total of 90,000,000 ordinary shares held by the shareholders and the sum of USD 90,000,000 has been returned to the shareholder by way of cash.

27. Reserves

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(b) Cash flows hedge reserve

The cash flow hedge reserve represents cumulative fair value gain or loss arising from derivatives recognised. The effective portion of cash flow hedges is recognised in reserve while the ineffective portion will be reclassified to profit or loss.

(c) Put option reserve

Put option reserve arising from the disposal of 26% equity interest in a subsidiary, where an option was granted to a non-controlling interest to sell its equity stake back to the Group at their original consideration less dividends and proceeds from capital reduction received by them upon occurrence of conditions set out in the shareholders agreement.

(d) Capital reserve

As part of YHB's structural realignment effort to consolidate all EPCIC and FPSO operations within the Offshore Production business ("Restructuring exercise"), the Group acquired certain entities from YHB in the financial years 2023 and 2022. The restructuring was accounted for under predecessor basis, wherein the difference between the purchase consideration and the assets and liabilities of the acquired entities was recognised as Capital reserves under equity.

28. Loans and borrowings

	Group		Company	
	2024	2023	**2024**	2023
	USD million	USD million	**USD million**	USD million
Current:				
Term loans – secured	**185**	117	**46**	-
Non-current:				
Term loans – secured	**2,586**	1,346	**373**	-
Term loan - unsecured	**115**	106	**-**	-
	2,701	1,452	**373**	-
Total loans and borrowings	**2,886**	1,569	**419**	-

(a) The secured loans and borrowings of the Group are secured by certain assets of the Group as disclosed in Notes 14 and 25 and certain of the Group's vessels under finance lease arrangements.

The secured loans and borrowings of the Company are secured by the shares of certain subsidiaries held by the Company.

(b) Certain term loans of USD 743 million (2023: USD 757 million) are guaranteed by both the ultimate holding company and an external party, whilst certain term loans of USD 485 million (2023: Nil) are fully guaranteed by the Company.

(c) The term loans at floating interest rates bear interest at range of 7.81% to 13.88% (2023: 6.11% to 7.66%) per annum.

(d) During the current financial year, 3-month USD LIBOR has ceased publication and accordingly, all LIBOR term loans have been transitioned to SOFR and there is no material effect on the amounts reported for the current and previous financial year.

28. Loans and borrowings (continued)

The remaining maturities of the loans and borrowings as at the reporting date are as follows:

	Interest rate terms	Denominated currency	Total carrying amount USD million	On demand or within one year USD million	More than 1 year and less than 2 years USD million	More than 2 years and less than 5 years USD million	5 years or more USD million
Group							
At 31 January 2024							
Secured							
Term loans	Floating rates vary based on Secured Overnight Financing Rate ("SOFR")*	USD	**2,286**	**180**	**209**	**1,634**	**263**
	Fixed rate at 12% per annum	USD	**225**	**-**	**14**	**42**	**169**
	Fixed rate at 13.88% per annum	USD	**260**	**5**	**-**	**-**	**255**
Unsecured							
Term loan	Floating rates vary based on Secured Overnight Financing Rate ("SOFR")	USD	**115**	**-**	**-**	**115**	**-**
			2,886	**185**	**223**	**1,791**	**687**
At 31 January 2023							
Secured							
Term loans	Floating rates vary based on London Interbank Offered Rate ("LIBOR")*	USD	1,463	117	123	889	334
Unsecured							
Term loan	Floating rates vary based on Secured Overnight Financing Rate ("SOFR")	USD	106	-	-	106	-
			1,569	117	123	995	334
Company							
At 31 January 2024							
Secured							
Term loan	Floating rates vary based on Secured Overnight Financing Rate ("SOFR")	USD	**419**	**46**	**53**	**320**	**-**

* Certain floating rate bank loans of the subsidiaries are hedged by a series of USD interest rate swap contracts with banks (Note 23(a)).

29. Trade and other payables

	Group		Company	
	2024	2023	**2024**	2023
	USD million	USD million	**USD million**	USD million
Current:				
Trade payables (Note (a))				
Third parties	**116**	104	**1**	1
Due to subsidiaries	**-**	-	**-**	1
	116	104	**1**	2
Other payables				
Due to ultimate holding company (Note (b)(i))	**8**	7	**6**	2
Due to subsidiaries (Note (b)(i))	**-**	-	**70**	60
Due to related companies (Note (b)(i))	**1**	-	**-**	-
Due to associate (Note (b)(i))	**1**	1	**-**	-
Sundry payables (Note (b)(ii))	**25**	8	**2**	1
Accruals (Note (b)(ii))	**432**	139	**11**	6
Deposits (Note (b)(iii))	**5**	19	**-**	-
	472	174	**89**	69
	588	278	**90**	71
Non-current:				
Other payables				
Due to immediate holding company (Note (b)(i))	**47**	86	**47**	86
Due to related companies (Note (b)(i))	**-**	141	**-**	141
Due to non-controlling interests (Note (b)(iv))	**50**	48	**-**	-
	97	275	**47**	227
Total trade and other payables	**685**	553	**137**	298

(a) Trade payables

Trade payables are non-interest bearing.

(b) Other payables

(i) Amounts due to ultimate holding company, immediate holding company, subsidiaries and associate are unsecured, non-interest bearing and revolving on a daily basis, except for amounts of USD 47 million (2023: USD 86 million) to immediate holding company as at 31 January 2024 which will not be demanded for repayment by the immediate holding company within the period of at least 12 months from the financial year ended 31 January 2024.

Amounts due to related companies are unsecured, non-interest bearing and revolving on a daily basis, except for amounts of USD 141 million as at 31 January 2023 which will not be demanded for repayment by the related companies within the period of at least 12 months from the financial year ended 31 January 2023 with interest revolving on a daily basis at cost of funds+0.5%.

(ii) Included in the Group's accruals are amounts relating to expenditures incurred for the construction of FPSOs amounting to USD 405 million (2023: USD 135 million).

29. Trade and other payables (continued)

(b) Other payables (continued)

(iii) Included in the Group's deposits are:

- an amount of USD 5 million (2023: USD 5 million) relating to a deposit payment received by Yinson Acacia Ltd ("YAL"), a direct wholly owned subsidiary of the Group, for the proposed disposal of a minority equity interest in Yinson Boronia Consortium Pte. Ltd. ("YBC"), an indirect wholly owned subsidiary of the Group, to Kawasaki Kisen Kaisha, Ltd. (""K" Line") for a total cash consideration of USD 49 million pursuant to a Share Sale and Purchase Agreement executed between YAL and "K" Line on 9 July 2020. The payment of the remaining balance of the consideration, being USD 44 million by "K" Line, and transfer of the minority equity interest to "K" Line (or Japan Offshore Facility Investment 1 Pte. Ltd. ("JOFI") (a direct wholly owned subsidiary of Sumitomo Corporation), at "K" Line's option), will be executed, after the final acceptance of the Marlim 2 FPSO by Petróleo Brasileiro S.A. and release of the financial guarantees under the associated project finance agreements which is expected to be in financial year ending 31 January 2025; and

- an amount of USD 13 million as at 31 January 2023 relating to a vessel exclusivity agreement with a customer to secure a vessel for an anticipated FPSO project until 30 June 2023. See Note 8(b) for details of the exclusivity agreement.

(iv) On 11 May 2020, an indirect subsidiary of the Group issued a convertible loan of USD 52 million to its shareholders. USD 13 million of the issuance is to a minority shareholder (i.e. Japan Offshore Facility Investment 1 Pte. Ltd., a wholly owned subsidiary of Sumitomo Corporation), which is proportionate to its shareholdings in the subsidiary. In accordance with the terms and conditions (depending on the prevailing gearing once the finance agreements are executed) set out in the Convertible Loan Agreement, the loan may be jointly converted into ordinary shares of the subsidiary by the shareholders on a proportionate basis. Otherwise, the loan from the minority shareholder is due for repayment in equal quarterly repayments within 2 years from the date on which the conditions as set out in the Convertible Loan Agreement are met. The loan was adjusted to its fair value upon initial recognition with discounting effect being recognised as a capital contribution from non-controlling interest of USD 2 million in the financial year ended 31 January 2021, and was subsequently carried at amortised cost. As at 31 January 2024, the Group's carrying amount of this loan, which is unsecured and interest free, is USD 13 million (2023: USD 12 million).

On 24 August 2021, an indirect subsidiary of the Group received an interest-free loan from JOFI amounting to USD 41 million. The loan is unsecured, repayable at the borrower's discretion and has no fixed term of repayment. The Group expects the loan to be repaid 5 years from the date of drawdown. The loan was adjusted to its fair value upon initial recognition with the discounting effect being recognised as a capital contribution from non-controlling interest of USD 7 million in the financial year ended 31 January 2023, and the loan was subsequently carried at amortised cost. As at 31 January 2024, the Group's carrying amount of this loan is USD 37 million (2023: USD 36 million).

The deemed interest expense arising from the discounting effect on the fair value of the loans recognised for the financial year ended 31 January 2024 is USD 2 million (2023: USD 2 million) (Note 11).

30. Significant related party disclosures

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. Related companies comprise mainly companies which are controlled by the Group's ultimate holding company that are not part of the Group.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly. Key management personnel of the Group are made up of Directors of the Group and the Company.

(a) Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Ultimate holding company:				
- management fee charged	**(4)**	(3)	**(5)**	-
- novation of intercompany amount owing from	**-**	219	**-**	-
- purchase consideration from acquisition of equity interest	**-**	(219)	**-**	-
Immediate holding company:				
- advance (made)/ received	**-**	(73)	**-**	85
- capitalisation of amount owing to	**-**	(259)	**-**	(259)
- dividend paid to	**(36)**	(69)	**(36)**	(69)
- novation of intercompany amount owing to	**-**	(259)	**-**	(259)
- repayment of advance to	**(39)**	-	**(39)**	-
Subsidiaries:				
- management fee charged	**-**	-	**(1)**	-
- management fee income	**-**	-	**69**	65
- dividend income	**-**	-	**52**	94
- repayment of advance	**-**	-	**72**	-
- advance made	**-**	-	**-**	(195)
- novation of intercompany amount owing from	**-**	-	**-**	259

30. Significant related party disclosures (continued)

(a) Significant related party transactions (continued)

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Related companies:				
- advance interest charged	**(13)**	(3)	**(13)**	(3)
- advance received	**74**	116	**-**	140
- novation of intercompany amount owing from	**-**	40	**-**	-
- repayment of advance to	**(189)**	(3)	**(138)**	(2)
- repayment of interest charged	**(16)**	-	**(16)**	-

(b) Related party balances

Related party balances have been disclosed in Notes 19 and 29 to the financial statements.

(c) Compensation to key management personnel

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Salaries and other short-term employee benefits	**2**	2	**2**	2

31. Operating lease commitments as a lessor

The Group entered into leases for its FPSO. As at 31 January 2024, these non-cancellable leases have remaining lease terms of 9 years (2023: 10 years) and are subject to revision on the rental charge where contractually applicable.

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

	Group	
	2024 USD million	2023 USD million
Within 1 year	**129**	129
More than 1 year and less than 5 years	**517**	517
More than 5 years	**430**	560
	1,076	1,206

Chartering fees from leasing of FPSO recognised in profit or loss during the financial year are disclosed in Note 6.

32. Fair value measurement

(a) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

	Fair value measurement using			
	Quoted prices in active market Level 1 USD million	Significant observable inputs Level 2 USD million	Significant unobservable inputs Level 3 USD million	Total USD million
Group				
At 31 January 2024				
Financial asset:				
Interest rate swaps	-	81	-	81
Financial liability:				
Interest rate swaps	-	(6)	-	(6)
Fixed rate loans	-	-	(527)	(527)
	-	(6)	(527)	(533)
At 31 January 2023				
Financial liability:				
Interest rate swaps	-	87	-	87

The Group and the Company classify fair value measurement using the fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There are no transfers between Levels 1, 2 and 3 during the current financial year.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group and the Company use a variety of methods and make assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. Other techniques, such as estimated discounted cash flows, are used to determine the fair value for the remaining financial instruments.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves. These derivative financial instruments are classified as Level 2 and comprises derivative financial instruments. In infrequent circumstances, where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

The fair value of fixed rate term loans is calculated based on discounted cash flow using a rate based on the current market rate of borrowing of the Company at the reporting date.

32. Fair value measurement (continued)

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

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

	Note
Trade and other receivables	19
Floating rate loans	28
Trade and other payables	29

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

The carrying amounts of non-current receivables and payables are reasonable approximations of fair values. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

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

The carrying amounts of non-current loans and borrowings are reasonable approximation of fair values due to those floating rate instruments that are re-priced to market interest rates on or near the reporting date. The fair values of non-current loans and borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

<u>Financial guarantees</u>

Fair value is determined based on probability weighted discounted cash flow method. The probability has been estimated and assigned for the following key assumptions:

- the likelihood of the guaranteed party defaulting within the guarantee period;
- the exposure on the portion that is not expected to be recovered due to guaranteed party's default; and
- the estimated loss exposure if the party guaranteed were to default.

The Company has assessed the financial guarantee contracts and concluded that the financial impact of the guarantees is not material as the probability of crystallisation is remote.

33. Financial instruments by category

	Group		**Company**	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
<u>Financial assets</u>				
Financial assets designated as cash flow hedge				
- Interest rate swaps (Note 23)	**81**	87	**-**	-
Financial assets at amortised costs				
- Finance lease receivables (Note 21(a))	**1,819**	494	**-**	-
- Trade and other receivables	**173**	223	**1,035**	1,091
- Cash and bank balances (Note 25)	**576**	275	**160**	32
	2,568	992	**1,195**	1,123
Total	**2,649**	1,079	**1,195**	1,123

33. Financial instruments by category (continued)

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Financial liabilities				
Financial liabilities designated as cash flow hedge				
- Interest rate swaps (Note 23)	**6**	-	**-**	-
Financial liabilities at amortised cost:				
- Trade and other payables	**685**	540	**137**	298
- Loans and borrowings (Note 28)	**2,886**	1,569	**419**	-
- Put option liability	**5**	15	**-**	-
- Lease liabilities (Note 21(b))	**17**	18	**8**	9
	3,593	2,142	**564**	307
Total	**3,599**	2,142	**564**	307

The Group's and the Company's exposure to various risks associated with the financial instruments are discussed in Note 34.

34. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives and put option liability, comprise loans and borrowings, lease liabilities, trade and other payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include finance lease receivables, trade and other receivables, cash and short-term deposits and contract assets that are derived directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by the corporate finance and treasury team that advises on financial risks and the appropriate financial risk governance framework for the Group. The corporate finance and treasury team assists the Group's senior management to ensure that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include loans and borrowings, short-term deposits and derivatives.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's loans and borrowings with floating interest rates.

The Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and floating interest rate amounts calculated by reference to an agreed-upon notional amount. For the financial year ended 31 January 2024 and 2023, the Group's borrowings at floating rates were denominated in USD.

34. Financial risk management objectives and policies (continued)

(a) Market risk (continued)

(i) Interest rate risk (continued)

Included in the variable rate secured borrowings are 5 to 12 years (2023: 5 to 12 years) floating rate debt of USD 2,286 million (2023: USD 1,463 million) whose interest rate is based on 3-month USD SOFR (2023: 3-month USD LIBOR). To hedge the variability in cash flows of these loans, the Group has entered into 4 to 12 years (2023: 4 to 12 years) interest rate swaps with key terms (principal amount, payment dates, repricing dates, currency) that match those of the debt on which it pays a fixed rate and receives a variable rate.

Instruments used by the Group

Interest rate swaps used by the Group during the financial year cover approximately 74% (2023: 88%) of the Group's outstanding 3-month USD SOFR/LIBOR variable rate secured loans. These loans bear variable rates based on USD SOFR/LIBOR plus a certain margin, however the interest rates are fixed based on the fixed interest rates of the swaps ranging from 3.72% to 6.39% (2023: 3.89% to 6.39%).

The swap contracts require settlement of net interest receivable or payable every quarter. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

Effects of hedge accounting on the financial position and performance

The effects of the above-mentioned interest rate swaps on the Group's financial position and performance are as follows:

	<-----2024----->	<---------------------------	2023	--------------------------->
Group	**SOFR/Total USD million**	LIBOR USD million	SOFR USD million	Total USD million
Interest rate swaps				
Carrying amount (current and non-current)				
- Assets	**81**	66	21	87
- Liabilities	**(6)**	-	-	-
	75	66	21	87
Notional amount of interest rate swaps	**1,682**	816	469	1,285
Hedge ratio of secured loans	**74%**	100%	70%	88%
Change in fair value of outstanding hedging instruments since 1 February	**(12)**	72	21	93
Change in value of hedged item used to determine hedge effectiveness	**12**	(72)	(21)	(93)
Weighted average hedged rate for the year	**3.72% to 6.39%**	3.89% to 5.55%	6.39%	3.89% to 6.39%

The table above contains details of the LIBOR hedging instruments as at 31 January 2023 used in the Group’s hedging strategies, which was not transitioned to SOFR.

As at reporting date, the Group's negotiated contracts for which SOFR replaced LIBOR as the benchmark rate resulted in an economically equivalent position with no profit or loss impact upon initial transition. There were no outstanding contracts in transition to SOFR as at reporting date.

34. Financial risk management objectives and policies (continued)

(a) Market risk (continued)

(i) Interest rate risk (continued)

The maturity period of interest rate swaps ranges from August 2026 to December 2031 (2023: August 2026 to December 2031).

Interest rate sensitivity

An increase/decrease in interest rates by 10 (2023: 10) basis points would not result in a significant increase/decrease in interest expense for the unhedged variable rate loans of the Group, as such, the sensitivity analysis is not disclosed.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities and the Group's net investments in foreign subsidiaries.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily USD, BRL, NOK and RM. The foreign currencies in which these transactions are denominated are mainly SGD, NOK, NGN and EUR.

The Group holds cash and cash equivalents denominated in foreign currencies for working capital purposes. The other financial instruments denominated in foreign currencies include trade and other receivables, trade and other payables and lease liabilities.

The currency profile of monetary financial assets and financial liabilities are as follows:

	Denominated in currencies other than functional currencies				
	Malaysian Ringgit USD million	**Singapore Dollar USD million**	**Others USD million**	**Denominated in functional currencies USD million**	**Total USD million**
Group					
2024					
Receivables	**2**	**4**	**4**	**1,982**	**1,992**
Interest rate swaps	**-**	**-**	**-**	**75**	**75**
Cash and bank balances	**-**	**4**	**5**	**567**	**576**
Borrowings	**-**	**-**	**-**	**(2,886)**	**(2,886)**
Lease liabilities	**-**	**(8)**	**(8)**	**(1)**	**(17)**
Payables	**(8)**	**(20)**	**(19)**	**(638)**	**(685)**
Put option liability	**-**	**-**	**-**	**(5)**	**(5)**
	(6)	**(20)**	**(18)**	**(906)**	**(950)**
2023					
Receivables	-	3	4	710	717
Interest rate swaps	-	-	-	87	87
Cash and bank balances	4	1	4	266	275
Borrowings	-	-	-	(1,569)	(1,569)
Lease liabilities	-	(9)	(9)	-	(18)
Payables	(8)	(12)	(19)	(501)	(540)
Put option liability	-	-	-	(15)	(15)
	(4)	(17)	(20)	(1,022)	(1,063)

34. Financial risk management objectives and policies (continued)

(a) Market risk (continued)

(ii) Foreign currency risk (continued)

	Denominated in currencies other than functional currencies			
	Singapore Dollar USD million	**Others USD million**	**Denominated in functional currencies USD million**	**Total USD million**
Company				
2024				
Receivables	15	1	1,019	1,035
Cash and bank balances	2	-	158	160
Lease liabilities	(8)	-	-	(8)
Borrowings	-	-	(419)	(419)
Payables	(6)	(6)	(125)	(137)
	3	(5)	633	631
2023				
Receivables	12	2	1,077	1,091
Cash and bank balances	1	-	31	32
Lease liabilities	(9)	-	-	(9)
Payables	(7)	(4)	(287)	(298)
	(3)	(2)	821	816

The effect of changes in exchange rate on the translation of the unhedged financial assets or liabilities is not material during the financial years ended 31 January 2024 and 2023.

(b) Credit risk

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

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit standings and financial strengths. Outstanding receivables are regularly monitored.

Credit risk from balances with banks and financial institutions is managed by the Group's Treasury department in accordance with the ultimate holding company's policy. Counterparty credit standings are reviewed by the Group's Senior Management on an annual basis and may be updated throughout the financial years. Limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments.

34. Financial risk management objectives and policies (continued)

(b) Credit risk (continued)

(i) Trade receivables and contract assets

ECL for trade receivables and contract assets are measured using the simplified approach. The expected loss rates are based on the payment profiles of sales over a period of 36 months before reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group and the Company have identified the gross domestic product ("GDP"), GDP growth, oil price and country rating in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

The reconciliation of allowance for impairment and maximum exposure to credit risk are disclosed in Note 19 and Note 6(b).

(ii) Other financial assets at amortised cost

Other financial assets at amortised cost comprises other receivables, finance lease receivables, interest rate swaps and cash and bank balances.

ECL for other financial assets at amortised cost are measured using the general 3-stage approach. The Group and the Company use three categories which reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions underpinning the Group’s and the Company’s ECL model is as follows:

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

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

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

34. Financial risk management objectives and policies (continued)

(b) Credit risk (continued)

(ii) Other financial assets at amortised cost (continued)

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

The following table contains an analysis of the credit risk exposure for which an ECL allowance is recognised. The gross carrying amount disclosed below also represents the Group's and the Company's maximum exposure to credit risk on these assets:

	Performing USD million	**Under-performing USD million**	**Not performing USD million**	**Total USD million**
Group				
2024				
Other receivables				
Gross carrying amount	**63**	**-**	**2**	**65**
Accumulated impairment loss	**-**	**-**	**(2)**	**(2)**
Net carrying amount	**63**	**-**	**-**	**63**
Cash and bank balances				
Gross/net carrying amount	**576**	**-**	**-**	**576**
Finance lease receivables				
Gross/net carrying amount	**1,819**	**-**	**-**	**1,819**
Interest rate swaps				
Gross/net carrying amount	**81**	**-**	**-**	**81**
2023				
Other receivables				
Gross carrying amount	89	-	3	92
Accumulated impairment loss	-	-	(3)	(3)
Net carrying amount	89	-	-	89
Cash and bank balances				
Gross/net carrying amount	275	-	-	275
Finance lease receivables				
Gross/net carrying amount	494	-	-	494
Interest rate swaps				
Gross/net carrying amount	87	-	-	87
Company				
2024				
Other receivables				
Gross/net carrying amount	**941**	**-**	**-**	**941**
Cash and bank balances				
Gross/net carrying amount	**160**	**-**	**-**	**160**
2023				
Other receivables				
Gross/net carrying amount	975	-	-	975
Cash and bank balances				
Gross/net carrying amount	32	-	-	32

The reconciliation of allowance for impairment of other receivables is disclosed in Note 19(b)(iv).

34. Financial risk management objectives and policies (continued)

(b) Credit risk (continued)

(iii) Financial guarantee contracts

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The amounts disclosed below represents the Company's maximum exposure to credit risk on financial guarantee contracts.

	Company	
	2024	**2023**
	USD million	**USD million**
Financial guarantee contracts	**485**	-

The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations and does not expect significant credit losses arising from these guarantees.

As at 31 January 2024, the credit risk of the Group primarily relates to the Group's 4 (2023: 3) largest customers which accounted for 91% (2023: 95%) of the outstanding trade receivables at the end of the reporting period. The Group believes these counterparties' credit risk is low taking into consideration of their financial position, past collection experiences and other factors. Except for the impairment loss provided as disclosed in Note 19(a) to the financial statements, management does not expect any counterparty to fail to meet their obligations.

(c) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objectives are to maintain a balance between continuity of funding and flexibility through the use of bank loans.

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

Group	**On demand or within one year USD million**	**Two to five years USD million**	**Over five years USD million**	**Total USD million**
2024				
Trade and other payables	588	97	-	685
Loans and borrowings	442	2,878	777	4,097
Lease liabilities	6	9	5	20
Gross settled interest rate swaps				
- Receipts	(52)	(142)	(16)	(210)
- Payments	19	110	7	136
Put option liability	5	-	-	5
Total undiscounted financial liabilities	1,008	2,952	773	4,733
2023				
Trade and other payables	265	275	-	540
Loans and borrowings	230	1,439	386	2,055
Lease liabilities	5	11	4	20
Gross settled interest rate swaps				
- Receipts	(52)	(105)	(25)	(182)
- Payments	21	61	13	95
Put option liability	15	-	-	15
Total undiscounted financial liabilities	484	1,681	378	2,543

34. Financial risk management objectives and policies (continued)

(c) Liquidity risk (continued)

	On demand or within one year USD million	Two to five years USD million	Over five years USD million	Total USD million
Company				
2024				
Trade and other payables	90	47	-	137
Loans and borrowings	49	381	-	430
Lease liabilities	5	4	-	9
Financial guarantee^	485	-	-	485
Total undiscounted financial liabilities	629	432	-	1,061
2023				
Trade and other payables	71	227	-	298
Lease liabilities	3	7	-	10
Total undiscounted financial liabilities	74	234	-	308

^ The maximum amount of the financial guarantees issued to the banks for subsidiaries' borrowings is limited to the amount utilised by the subsidiaries. The earliest period any of the financial guarantees can be called upon by banks is within the next 12 months. The Company believes that the liquidity risk in respect of the financial guarantees is minimal as it is unlikely that the subsidiaries will not make payment to the banks when due.

35. Capital management

For the purpose of the Group's and the Company's capital management, capital includes share capital and all other equity reserves attributable to owners of the Company. The objectives of the Group's and the Company's capital management are to maximise shareholders' value, to maintain optimal capital structure to reduce cost of capital and to sustain future developments of the Group.

In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, shares buy-back or issue new shares. The Group and the Company monitor capital using gross and net debt to equity ratio. Gross debt includes interest bearing loans and borrowings, while net debt includes interest bearing loans and borrowings, less cash and bank balances.

	Group		Company	
	2024 USD million	2023 USD million	**2024 USD million**	2023 USD million
Gross debt	**2,886**	1,569	**419**	-
Less: Cash and bank balances (Note 25)	**(576)**	(275)	**(160)**	(32)
	2,310	1,294	**259**	(32)
Total equity	**1,761**	1,580	**1,051**	1,143
Gross debt to equity ratio	**1.64**	0.99	**0.40**	-
Net debt to equity ratio	**1.31**	0.82	**0.25**	-

The Group and the Company are required to comply with financial covenants such as Debt Service Coverage Ratio and minimum group liquidity, as defined in the respective facility agreements. For the financial years ended 31 January 2024 and 2023, the Group and the Company have complied with these requirements.

36. Internal re-organisation of companies

The Group undertakes the following transactions as part of its ongoing internal re-organisation of its subsidiaries. These are undertaken as follows:

2024

(a) On 17 August 2023, Yinson Production Azalea Holdings (S) Pte. Ltd., an indirect wholly owned subsidiary of the Company, completed the acquisition of 100% equity interest in Yinson Azalea Production Pte. Ltd. from Yinson Production Azalea Consortium Pte. Ltd. (formerly known as Yinson Azalea Holdings Pte. Ltd.), an indirect wholly owned subsidiary of the Company, for a consideration of USD 44,894,037. As a result, Yinson Azalea Production Pte. Ltd. remains as an indirect wholly owned subsidiary of the Company.

(b) On 18 October 2023, AFPS B.V., an indirect wholly owned subsidiary of the Company, completed the acquisition of 100% equity interest in Yinson Bouvardia Servicos De Operacao Ltda. from Yinson Bouvardia Production B.V., an indirect wholly owned subsidiary of the Company, for a consideration of USD 257,673. As a result, Yinson Bouvardia Servicos De Operacao Ltda. remains as an indirect wholly owned subsidiary of the Company.

There were no consequential financial effects to the Group upon the completion of the internal re-organisation of the companies above.

2023

There were no internal re-organisations during the previous financial year, other than those disclosed in Note 27(d).

37. Summary of effects of acquisition of companies

(a) On 7 February 2023, the Company completed the acquisition of 100% equity interest in London Marine Group Limited, London Marine Consultants Limited and LMC Asia Pacific Pte. Ltd. (collectively “LMG Group”) from Telemark Limited for a cash consideration of GBP 524,803. As a result, London Marine Group became a direct wholly owned subsidiary of the Company.

London Marine Group Limited is the holding company of London Marine Consultants Limited and LMC Asia Pacific Pte. Ltd.

(b) On 24 January 2024, Yinson Acacia Ltd, an indirect wholly owned subsidiary of the Company, completed the acquisition of 100% equity interest in Yinson Production Iterum Holdings Pte. Ltd. (formerly known as Yinson Eden Pte. Ltd.) from Yinson Global Corporation (HK) Limited for a consideration of USD 1. As a result, Yinson Production Iterum Holdings Pte. Ltd. became an indirect wholly owned subsidiary of the Company.

The consequential financial effects of the acquisitions mentioned above are not material to the Group.

38. Subsequent events

(a) On 11 March 2024, the Company has declared and paid an interim dividend of USD 30 million to its immediate holding company, Yinson Global Corporation (S) Pte. Ltd., in respect of the financial year ending 31 January 2025.

(b) On 19 April 2024, a direct wholly owned subsidiary of the Company, Yinson Production Financial Services Pte. Ltd., successfully placed a USD 500 million five-year senior secured bond with a fixed coupon of 9.625% per annum. The proceeds were partially utilised to repay corporate loans amounting to USD 431.8 million and transaction fees.

(c) On 30 April 2024, an indirect wholly owned subsidiary of the Company, Yinson Azalea Production Pte. Ltd., successfully secured a USD 1.3 billion multi-tranche term loan to finance an FPSO project, FPSO Agogo. The term loan matures up to 10 years post-delivery of the FPSO Agogo, and carries interest ranging from SOFR+3% to 5% per annum.

(d) On 29 May 2024, an indirect owned subsidiary of the Company, Yinson Boronia Production B.V., successfully placed a USD 1,035 million bond with a fixed coupon of 8.974% per annum. The proceeds of the notes will be used for, among other uses, refinancing of the existing outstanding debt of FPSO Anna Nery maturing in 2026, unwinding related hedge arrangements, funding reserve accounts as applicable, and payment of transaction related fees and expenses.

39. Authorisation of financial statements for issue

The financial statements for the financial years ended 31 January 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 30 May 2024.