

Building Legacy and Beyond



YINSON HOLDINGS BERHAD



2015

Annual Report

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NOTICE OF ANNUAL GENERAL MEETING

YINSON HOLDINGS BERHAD (Company No: 259147-A)

NOTICE IS HEREBY GIVEN that the TWENTY-SECOND ANNUAL GENERAL MEETING of YINSON HOLDINGS BERHAD will be held at Level 6, Orchid Room, Berjaya Waterfront Hotel Johor Bahru (formerly known as The Zon Regency Hotel By The Sea), 88, Jalan Ibrahim Sultan, Stulang Laut, 80300 Johor Bahru, Johor Darul Takzim, on Thursday, 23 July 2015 at 12.00 noon to transact the following purposes:

AGENDA

AS ORDINARY BUSINESS

- | | |
|---|--|
| 1. To receive the Audited Financial Statements of the Company for the financial year ended 31 January 2015 and the Reports of the Directors and Auditors thereon. | Please refer to explanatory note below Resolution 1 |
| 2. To approve the Final Single Tier Dividend of 1.5 sen per share for the financial year ended 31 January 2015. | |
| 3. To approve the payment of Directors' Fees of RM430,000.00 for the financial year ended 31 January 2015. | Resolution 2 |
| 4. To re-elect the following Directors who retire in accordance with Article 107 of the Company's Articles of Association and being eligible have offered themselves for re-election: | |
| (i) Mr Lim Han Joeh | Resolution 3 |
| (ii) Mr Kam Chai Hong | Resolution 4 |
| (iii) Mdm Bah Kim Lian | Resolution 5 |
| (iv) Dato' Adi Azmari Bin B.K. Koya Moideen Kutty | Resolution 6 |
| 5. To re-appoint Messrs. Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration. | Resolution 7 |
| 6. To transact any other business of which due notice shall be given. | |

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following Resolutions with or without modifications:-

- | | |
|--|----------------------|
| 7. Ordinary Resolution
Retention of Dato' Adi Azmari Bin B.K. Koya Moideen Kutty as Independent Non-Executive Director in accordance with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 | Resolution 8 |
| <p>"THAT authority be and is hereby given to Dato' Adi Azmari Bin B.K. Koya Moideen Kutty who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years since 30 January 1996, to continue to act as an Independent Non-Executive Director of the Company."</p> | |
| 8. Ordinary Resolution
Retention of Mr Kam Chai Hong as Independent Non-Executive Director in accordance with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 | Resolution 9 |
| <p>"THAT authority be and is hereby given to Mr Kam Chai Hong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years since 30 January 1996, to continue to act as an Independent Non-Executive Director of the Company."</p> | |
| 9. Ordinary Resolution
Retention of Tuan Haji Hassan bin Ibrahim as Independent Non-Executive Director in accordance with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 | Resolution 10 |
| <p>"THAT authority be and is hereby given to Tuan Haji Hassan bin Ibrahim who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years since 21 June 2001, to continue to act as an Independent Non-Executive Director of the Company."</p> | |

Notice Of Annual General Meeting (cont'd)

10. **Ordinary Resolution**

Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965 ("the Act")

Resolution 11

"THAT subject always to the Act, the Articles of Association of the Company and the approvals of the regulatory authorities, the Directors be and are hereby empowered pursuant to Section 132D of the Act, to issue Shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate nominal value of shares to be issued during the preceding 12 months does not exceed 10% of the nominal value of the issued capital (excluding treasury shares) of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

11. **Ordinary Resolution**

Proposed Renewal of the Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") and Proposed New Shareholders' Mandate for Additional RRPT as set out under Section 3.2 of the Circular to shareholders dated 30 June 2015 ("Circular")

Resolution 12

"THAT subject to the Companies Act 1965 ("the Act"), the Articles of Association of the Company and the approvals from Bursa Malaysia Securities Berhad and other relevant government/regulatory authorities, where such approval is necessary, it is hereby mandated that approval be given to the Company and its subsidiary companies to enter into recurrent transactions of a revenue or trading nature with related parties which are necessary for the day to day operations and not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company as set out in Section 3.2 of the Circular and that authority be conferred by this resolution shall commence immediately upon the passing of this resolution;

THAT the authority conferred by such mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such mandate is approved, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after the date is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is earlier;

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to such mandate."

Notice Of Annual General Meeting (cont'd)

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of shareholders at the Twenty-Second Annual General Meeting of the Company to be held on Thursday, 23 July 2015, the Final Single Tier Dividend of 1.5 sen per share in respect of the financial year ended 31 January 2015 will be paid on 15 September 2015 to the shareholders of the Company whose names appear in the Record of Depositors on 18 August 2015. The entitlement date for the dividend payment is on 18 August 2015.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

- (a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 18 August 2015 in respect of ordinary transfer; and
- (b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD YINSON HOLDINGS BERHAD

WONG WAI FOONG (MAICSA 7001358)
NG BEE LIAN (MAICSA 7041392)
TAN HSIAO YUEN (MAICSA 7056952)
Company Secretaries

Kuala Lumpur
30 June 2015

Notes :-

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.
2. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. Where an authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the Company's Registered Office at No. 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor Darul Takzim not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
7. Depositors who appear in the Record of Depositors as at 16 July 2015 shall be regarded as member of the Company entitled to attend the Annual General Meeting or appoint a proxy to attend and vote on his behalf.

Notice Of Annual General Meeting (cont'd)

EXPLANATORY NOTE ON ITEM 1

This agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item is not put forward to the shareholders for voting.

EXPLANATORY NOTES ON SPECIAL BUSINESSES:

1. Ordinary Resolution 8
Retention of Dato' Adi Azmari Bin B.K. Koya Moideen Kutty as Independent Non-Executive Director pursuant to the Malaysian Code on Corporate Governance 2012

The Nomination and Remuneration Committee has assessed the independence of Dato' Adi Azmari bin B. K. Koya Moideen Kutty who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:

- (a) he fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Securities and thus, he would be able to function as a check and balance, bring an element of objectivity to the Board;
- (b) he has been with the Company for more than 9 years and is familiar with the Group's business operations.

2. Ordinary Resolution 9
Retention of Mr Kam Chai Hong as Independent Non-Executive Director pursuant to the Malaysian Code on Corporate Governance 2012

The Nomination and Remuneration Committee has assessed the independence of Mr Kam Chai Hong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:-

- (a) he fulfilled the criteria of an Independent Director pursuant to the Main Market Listing Requirements of Bursa Securities and his vast experience in the accounting and finance industry would enable him to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group;
- (b) he has exercised due care during his tenure as an Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and shareholders.

3. Ordinary Resolution 10
Retention of Tuan Haji Hassan bin Ibrahim as Independent Non-Executive Director pursuant to the Malaysian Code on Corporate Governance 2012

The Nomination and Remuneration Committee has assessed the independence of Tuan Haji Hassan bin Ibrahim who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:

- (a) he fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Securities and his vast experience of more than 30 years in the legal background would enable him to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group;
- (b) he has devoted sufficient time and attention to the professional obligations for informed and balanced decision making.

Notice Of Annual General Meeting (cont'd)

4. Ordinary Resolution 11
Authority to Issue Shares Pursuant to Section 132D of the Act

The proposed Ordinary Resolution No. 11 is a renewal of the general mandate in relation to authority to issue shares ("General Mandate") and if passed by the shareholders at the forthcoming Annual General Meeting, will provide flexibility to the Company to issue new securities without the need to convene a separate general meeting to obtain its shareholders' approval so as to avoid any delay and cost involved in convening a general meeting. This authority unless revoked or varied at a general meeting will expire at the next Annual General Meeting of the Company. The Directors would utilise the proceeds raised from this mandate for possible fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.

As at the date of this Notice, the Company did not issue any shares pursuant to the mandate granted to the Directors at the Twenty-First Annual General Meeting. The Company did not issue any shares pursuant to the mandate granted because there were no investment(s), acquisition(s) or working capital that required fund raising activity.

5. Ordinary Resolution 12
Proposed Renewal of the Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") and Proposed New Shareholders' Mandate for Additional RRPT.

For further information on Proposed Ordinary Resolution 12, please refer to Circular to Shareholders dated 30 June 2015 accompanying the Company's 2015 Annual Report.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

There is no Director standing for election as Director of the Company at the Twenty-Second Annual General Meeting.



CORPORATE INFORMATION

AUDITORS

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

COMPANY SECRETARIES

Wong Wai Foong (F) (MAICSA NO. 7001358)
Tan Hsiao Yuen (F) (MAICSA NO. 7056952)
Ng Bee Lian (F) (MAICSA 7041392)

REGISTERED OFFICE

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

CORPORATE OFFICE

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

REGISTRAR

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

PRINCIPAL BANKERS AND FINANCIERS

AmBank (M) Berhad
Asian Finance Bank Berhad
Bangkok Bank Berhad
Bank of China (Malaysia) Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad
HSBC Amanah Malaysia Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Oversea-Chinese Banking Corporation Limited
Standard Chartered Bank (Singapore) Limited
The Bank of East Asia, Limited
United Overseas Bank (Malaysia) Bhd
United Overseas Bank Limited

OUR ASSETS



FPSO Name FPSO Allan
Final Charterer CNR International (Olowi) Ltd
Deadweight 145,242 tonnes
Storage Capacity 1.04 mln barrels
Production Capacity Oil: 25,000 BOPD
 Total Liquid: 35,000 BLPD
 Gas Handling: 85 MMSCFPD

Uptime 100%
Ownership 100% YINSON



FPSO Name PTSC Bien Dong 01
Final Charterer Bien Dong POC
Bareboat Charter PTSC
Field Delivery Block 05-2/05-3
Storage Capacity 350,000 bbls

Uptime 100%
Ownership 51% PTSC, 49% YINSON



FPSO Name FPSO Adoon
Final Charterer Addax Petroleum Development (Nigeria) Ltd
Deadweight 244,492 tonnes
Storage Capacity 1.7 mln barrels
Production Capacity Oil: 60,000 BOPD
 Total Liquid: 140,000 BLPD
 Gas Handling: 7 MMSCFPD

Uptime 100%
Ownership 100% YINSON



Mopu Name Marc Lorenceau
Final Charterer Addax Petroleum Development (Nigeria) Ltd *management contract only
Gross Tonnage 4,949 tonnes
Mooring System Jack-up
Production Capacity Oil: 60,000 BOPD
 Total Liquid: 70,000 BLPD
 Gas Handling: 70 MMSCFPD

Ownership 100% - Addax Petroleum Development (Nigeria) Ltd



FPSO Name PTSC Lam Son
Final Charterer Lam Son JOC
Bareboat Charter PTSC
Field Delivery Block 1-2/97
Production Capacity Oil: 18,000 BOPD
 Total Liquid: 27,000 BLPD
 Gas Handling: 8 MMSCFPD

Uptime 99.88%
Ownership 51% PTSC, 49% YINSON

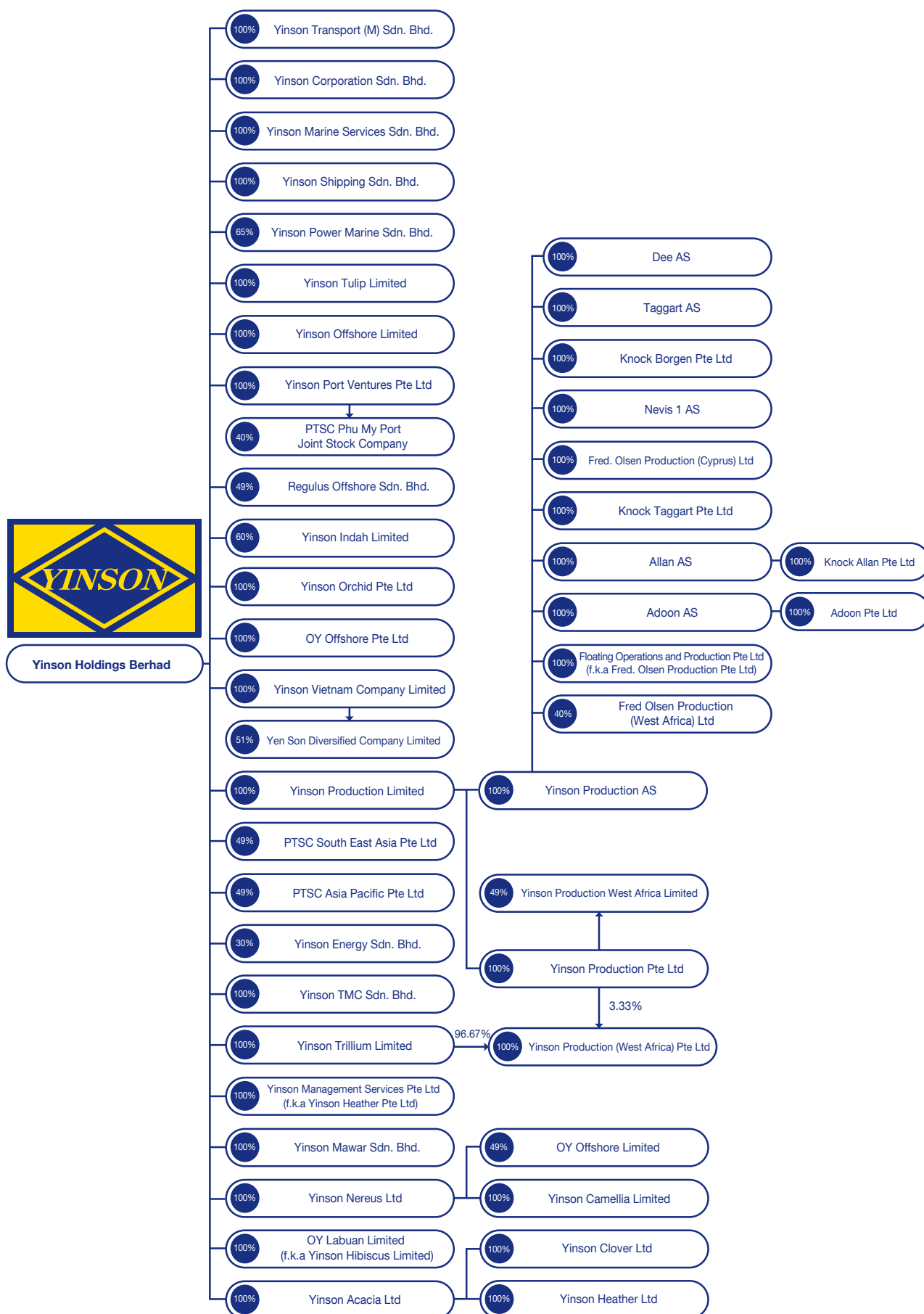


FPSO Conversion Project Yinson Genesis
Final Charterer Eni Ghana Exploration and Production Limited
Production Capacity Oil: 58,000 BOPD
 Total Liquid 75,000 BLPD
 Gas Handling: 190 MMSCF

Ownership 100% YINSON



GROUP CORPORATE STRUCTURE AS AT 4 JUNE 2015



FY 2015 KEY EVENTS

08 Mar 2014 **PTSC Lamson**
Naming Ceremony, Keppel Singapore



06 Jun 2014

PTSC Lamson
First Oil



13 Jun 2014 **Right Issue**

Issuance Of 258,199,610 New Ordinary Shares Of RM1.00 Each In YHB ("Rights Shares") On The Basis Of One (1) Rights Share For Every One (1) Existing Rights Share Held By Entitled Shareholders At An Issue Price Of RM2.20 Per Rights Share

01 Jul 2014 **Share Split**

Involving The Subdivision Of Every One (1) YHB Share Held By Entitled Shareholders Of YHB Upon Completion Of The Rights Issue Into Two (2) Ordinary Shares Of RM0.50 Each.

22 Aug 2014

Acquired
Ulriken Tanker



08 Oct 2014

Disposal of 50% Stake in
FPSO Petroleo Nautipa



20 Oct 2014

FPSO Adoon
Contract Extension



12 Nov 2014

Licenses Awarded by
Petronas



26 Mar 2015



Presenting Sponsor of Petronas Malaysia
Grand Prix Gala 2015

27 Jan 2015

**Award of ENI OCTP
Ghana Charter Contract**



12 Mar 2015

**Signing Ceremony
for ENI OCTP Ghana
Term Loan Facility
Mandate**



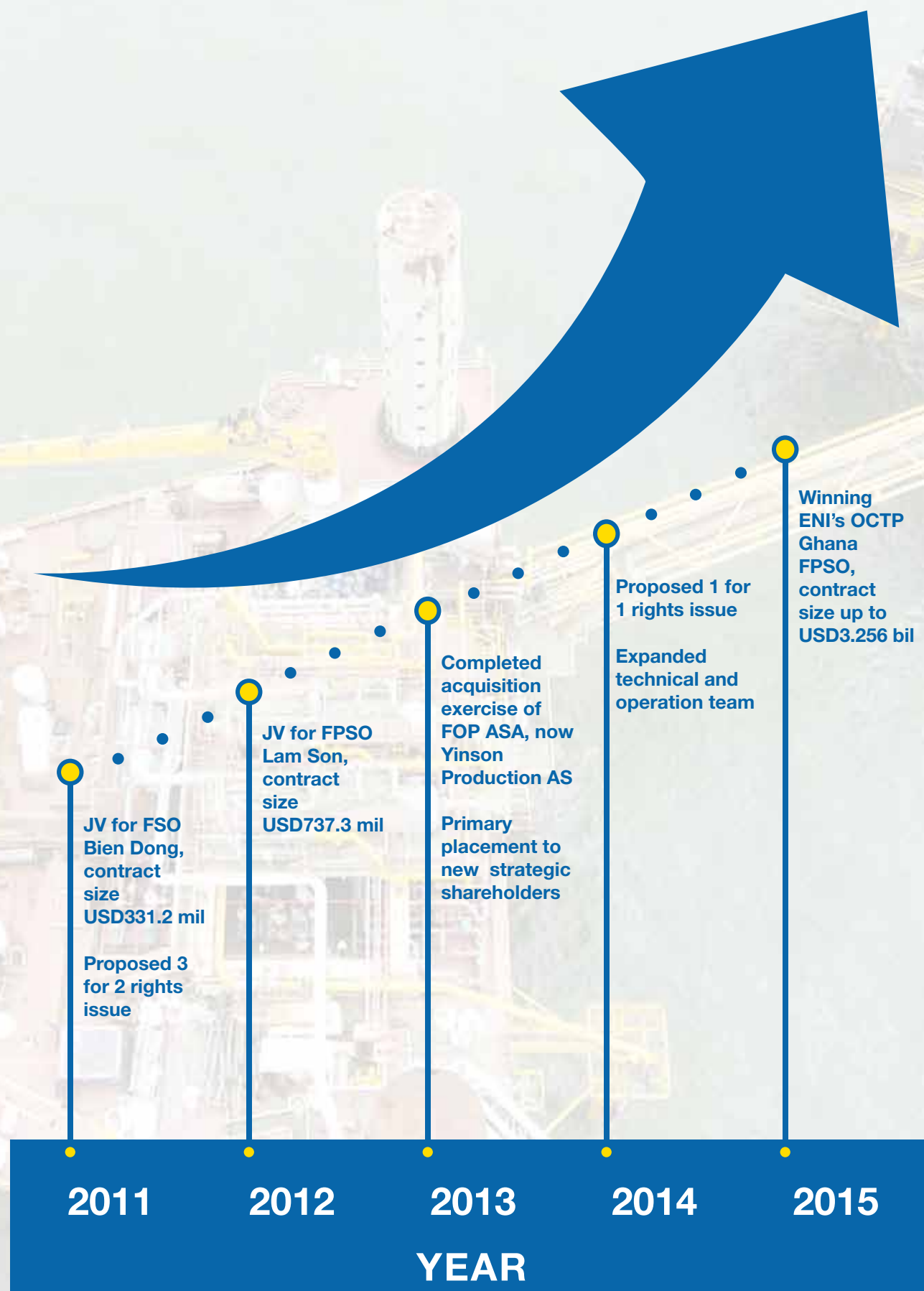


11 Aug
2014

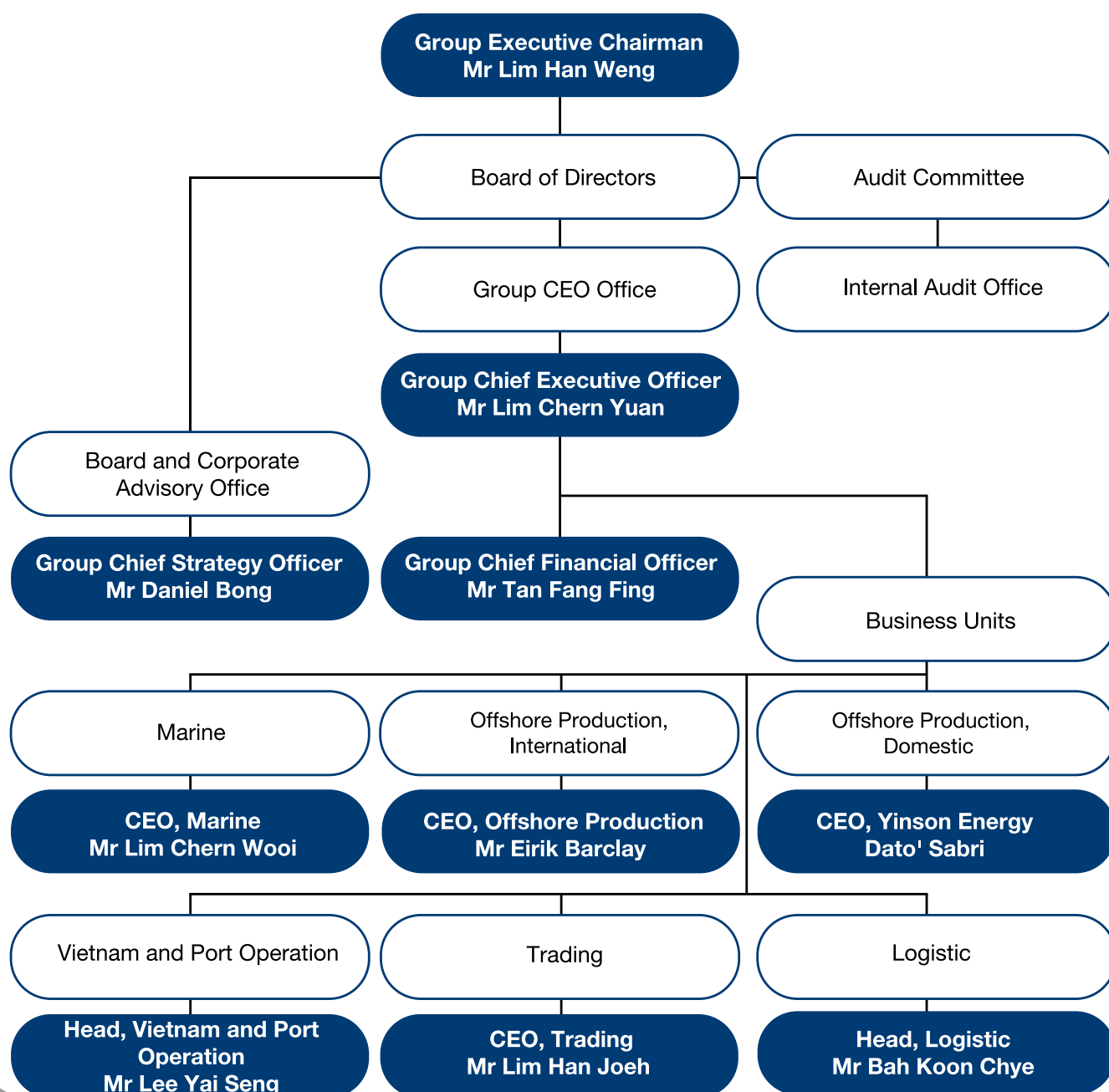


**Won the Award for
Best Performing Stock
(Highest Returns to
Shareholders Over Three Years)
at The Edge Billion Ringgit Club
Awards 2014**

STORY OF CONSISTENT GROWTH



GROUP ORGANISATION CHART



PROFILE OF BOARD OF DIRECTORS



Mr Lim Han Weng
Group Executive
Chairman

Mr Lim Han Weng, a Malaysian, aged 63, was appointed as the Managing Director of Yinson on 9 March 1993 and as the Chairman in 2009. He has been a director of Yinson Transport (M) Sdn Bhd since the date of incorporation on 5 April 1984 and was appointed as a director of Yinson Corporation Sdn Bhd on 1 March 1986. Armed with the experience gained while working with Lori Malaysia Bhd, a transport company, he embarked into the transport and trading business in 1984 under the partnership with his wife, Madam Bah Kim Lian. Mr Lim is a father of Mr Lim Chern Yuan, brother of Mr Lim Han Joeeh and brother-in-law of Mr Bah Koon Chye.

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



Mr Lim Chern Yuan
Executive Director
and Group Chief
Executive Officer

Mr Lim Chern Yuan, a Malaysian, aged 31, is the son of Mr Lim and Madam Bah and was appointed as a Director of Yinson Holdings Berhad on 28 September 2009. He graduated with a Bachelor of Commerce from University of Melbourne, Australia in 2005. He started his career in Yinson as a Business Development Executive in 2005. In 2007, Mr Lim Chern Yuan was promoted to Senior General Manager, before attaining the current role as Yinson's Group Chief Executive Officer in 2014. Under his visionary leadership, Yinson has transformed into the 6th largest independent FPSO operator worldwide, with global footprints in South East Asia, Europe, and West Africa. He oversees the overall performance of Yinson together with the Group Executive Chairman and holds a key strategic role in formulating the strategic planning of the organisation. He is primarily responsible for the overall conception, communication, accomplishment and sustainability of Yinson's short to long term strategic initiatives.

Profile Of Board Of Directors (cont'd)



Mr Lim Han Joeh
Executive Director

Mr Lim Han Joeh, a Malaysian, aged 56, was appointed as a director on 30 January 1996. He is a graduate with a Bachelor Degree in Civil Engineering from Monash University in Melbourne, Australia. Upon graduation in 1984, he took up the position of Operations Manager in Yinson Transport (M) Sdn Bhd before he assumed the position of Executive Director of Yinson Corporation Sdn Bhd ("YCSB") in 1986. He is primarily responsible for the overall management of the YCSB and is the brother of Mr Lim Han Weng.



Madam Bah Kim Lian
Executive Director

Madam Bah Kim Lian, a Malaysian, aged 63, is the wife of Mr Lim Han Weng. She was appointed to the Board of Yinson on 9 March 1993. She assists Mr Lim Han Weng in the general administration of the Group's operations. Madam Bah is also responsible for the customer services of the Group, constantly maintaining close relationships with Yinson's customers. She is the mother of Mr Lim Chern Yuan and the sister of Mr Bah Koon Chye.



**Dato' IR. Adi Azmari
Bin B.K. Koya
Moideen Kutty**
Independent Non-
Executive Director

Dato' IR. Adi Azmari Bin B.K. Koya Moideen Kutty, Malaysian, aged 51, was appointed to the Board of Yinson on 30 January 1996. He is the Chairman of both the Audit Committee and the Nomination and Remuneration Committee. He graduated with B. Eng (Hons) Civil Engineering from Brighton Polytechnic, United Kingdom and M.Sc Information Technology in Business from University of Lincolnshire & Humberside, United Kindom. He is a Professional Engineer registered with Board of Engineers Malaysia (B.E.M) and a Member of Institute Engineer Malaysia (M.I.E.M). Currently he is the Managing Director of SPC Engineering Sdn Bhd, a class A PKK and CIDB G7. Since 1987, he has been actively involved in the Construction Industry through various government agencies and consulting firm.

Profile Of Board Of Directors (cont'd)



Mr Bah Koon Chye
Executive Director

Mr Bah Koon Chye, a Malaysian, aged 51, was appointed to the Board of Yinson on 30 January 1996. He obtained his Diploma in Management (MIM) in 1997, and is also a member of the Chartered Institute of Logistics & Transport (MCILT). Subsequently, he obtained his Master in Business Administration (MBA) from the University of Strathclyde, United Kingdom in 2000 and Advance Diploma in Transport from the Chartered Institute of Transport, United Kingdom in 2001. He joined Yinson Transport (M) Sdn Bhd ("YTSB") in 1989 as the Operation Manager. He is in charge of the entire operations of Yinson covering mainly the planning of fleet maintenance, sales, marketing and customer service. Additionally, he also handles the drivers as well as assignment of Lorries and destinations. He was appointed a Director of YTSB on 28 November 1991 and is the brother-in-law of Mr Lim Han Weng and brother of Madam Bah Kim Lian.



Mr Kam Chai Hong
Independent Non-Executive Director

Mr Kam Chai Hong, a Malaysian, aged 66, was appointed as a Director of Yinson on 30 January 1996. He is the member of both the Audit Committee and the Nomination and Remuneration Committee. He is a fellow of the Chartered Association of Certified Accountants. In 1980, he was admitted as a Chartered Accountant by the Malaysian Institute of Accountants (MIA) and in 1985 admitted as a member of the Malaysian Institute of Certified Public Accountants. He is also currently a fellow of CPA Australia. In 1972, Mr Kam worked as an audit assistant with M/s Yeah Eng Chong & Co. He later joined M/s Hanafiah Raslan & Mohd in 1973 and left the firm in 1980 as a qualified accountant. Since 1981, Mr Kam has been practising as a Chartered Accountant under the name of Syarikat C.H. Kam. He has complied with the Continuing Professional Development (CPD) requirements of MIA.



**Tuan Haji Hassan
Bin Ibrahim**
Independent Non-Executive Director

Tuan Haji Hassan Bin Ibrahim, a Malaysian, aged 65, was appointed as a Director of Yinson on 25 June 2001. He is the member of both the Audit Committee and the Nomination and Remuneration Committee. He graduated with a Bachelor of Arts Degree, majoring in History (International Relations) from the University of Malaya in 1973. He later read law at Lincoln's Inn, London, United Kingdom and was subsequently called to the English Bar in 1977. He served in various positions in the Judicial and Legal Service and was called to the Malaysian Bar in 1981. Presently, he has his own legal practice under the name of Hassan Ibrahim & Co. He is currently the director of several private limited companies.

Save as disclosed, none of the other directors have any family relationship with any directors and/or major shareholders of Yinson. The directors have no conflict of interest with Yinson and have not been convicted of any offence within the past 10 years.

PROFILE OF GROUP MANAGEMENT



Mr Lim Chern Yuan
Executive Director
and Group Chief
Executive Officer

Mr Lim Chern Yuan, a Malaysian, aged 31, is the son of Mr Lim and Madam Bah and was appointed as a Director of Yinson Holdings Berhad in 2009. He graduated with a Bachelor of Commerce from University of Melbourne, Australia in 2005. He started his career in Yinson as a Business Development Executive in 2005. In 2007, Mr Lim Chern Yuan was promoted to Senior General Manager, before attaining the current role as Yinson's Group Chief Executive Officer in 2014. Under his visionary leadership, Yinson has transformed into the 6th largest independent FPSO operator worldwide, with global footprints in South East Asia, Europe, and West Africa. He oversees the overall performance of Yinson together with the Group Executive Chairman and holds a key strategic role in formulating the strategic planning of the organisation. He is primarily responsible for the overall conception, communication, accomplishment and sustainability of Yinson's short to long term strategic initiatives.



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

Mr Daniel Bong Ming Enn, a Malaysian, aged 34, is a Chartered Accountant with the Malaysian Institute of Accountants (MIA) and the Institute of Singapore Chartered Accountants (ISCA). He is also a fellow member of the Association of Chartered Certified Accountants (FCCA). He obtained his Master of Science in Accounting and Financial Management in 2011. He started his career in international audit and advisory firms, covering engagements with a wide spectrum of industries. Thereafter he moved on to a local real estate investment fund, covering corporate finance and corporate planning. In 2011, he joined Yinson Group as General Manager in Corporate Finance and Strategy Development, and thereafter promoted to Group Chief Strategy Officer in 2014. His current responsibilities include overseeing the corporate finance, corporate legal, company secretary, treasury, taxation advisory, investor relations, strategic planning and development of Yinson Group. He has been instrumental to the growth of Yinson, transforming from the former logistic and trading company to the current offshore production and marine industries based company. He works closely with the Group Executive Chairman and Group Chief Executive Officer in creating, communicating, executing and sustaining short to long term strategic initiatives within the organisation.

Profile Of Group Management (cont'd)



Mr Tan Fang Fing
Group Chief Financial
Officer

Mr Tan Fang Fing, a Malaysian, aged 58, is a Chartered Accountant with the Malaysian Institute of Accountants (MIA) and a fellow member of the Chartered Association of Certified Accountants (FCCA). He started his career as an audit assistant with Cooper & Lybrand from 1983 and left the firm in 1988 as a qualified accountant. He later joined Touche Ross & Tohmatsu in Singapore as an audit senior for a year. In 1990, he joined the subsidiary of a public listed company as an accountant and worked for one and a half year. Prior to joining Yinson in 1994, he obtained his Master in Business Administration in 1993 from the University of Dayton, the United States of America. He was the Group Accountant of Yinson from 1994 and is the Group Chief Financial Officer from 2014.

PROFILE OF MANAGEMENT, INTERNATIONAL OFFSHORE PRODUCTION



Mr Eirik Barclay
Chief Executive Officer
International Offshore
Production

Mr Eirik Barclay, a Norwegian, aged 43, was appointed Chief Executive Officer of Yinson Production in January 2014 following the acquisition of Fred. Olsen Production ASA, where Eirik had been the CEO since January 2012, by Yinson Group. Eirik has worked in the offshore oil industry since 1999, having previously held the positions of CEO of Songa Floating Production and VP, Business Development of BW Offshore.

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



Mr Jeffrey Sim
Chief Technical Officer
International Offshore
Production

Mr Jeffrey Sim, a Canadian, aged 58, was appointed Chief Technical Officer of Yinson Production shortly after the acquisition of Fred. Olsen Production ASA in 2014. Jeff has worked in the offshore oil industry since 1981, coming to Yinson from BW Offshore where he held the positions of Senior Vice President Tenders Development, responsible for worldwide tenders; and Senior Vice President Technology, responsible for all engineering and projects in Singapore. Prior to that he was Director of Engineering with Prosafe Production where he was responsible for all engineering and projects. Jeff started his career with specialist engineering companies designing offshore and onshore drilling and production facilities for America, Africa, and the Arctic before moving to Transocean Drilling in Norway where he headed the engineering and construction division.

Jeff holds an Honours Bachelor of Applied Science degree in Civil Engineering from the University of Waterloo, Canada. He has been a guest lecturer for some years at the National University of Singapore as well as a frequent speaker and chairman for offshore conferences.

Profile Of Management, International Offshore Production (cont'd)



**Mr Flemming
Grønnegaard**
Chief Operating Officer
International Offshore
Production

Mr Flemming Grønnegaard, a Danish, aged 45, was appointed Chief Operations Officer of Yinson Production in April 2015. Flemming has worked in the offshore oil/shipping industry since 2001, having previously held the positions of Vice President, Operations at Teekay Petrojarl, and Group Technical Director at Svitser (A.P.Moller Maersk). Flemming started his career with Maersk Ship Design working as a Project Engineer before moving on to work for APM Terminals as Director of Crane & Engineering Services.

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



Mr Frode Rødøy
Director, HSEQ
International Offshore
Production

Mr Frode Rødøy, a Norwegian, aged 50, was appointed HSEQ Director of Yinson Production in March 2015. Frode has 24 years of experience from the oil and gas industry and has been HSEQ Director and Head of HSE in Trelleborg Offshore, Golar Wilhelmsen and Høegh Fleet Services. He started his career as Field Engineer with Read Well Services before moving on to Senior Field Engineer with Maritime Well Services and Saga Petroleum. Frode has also been Technical Manager, Top Sides in the FPSO company Brøvig ASA.

Frode holds a Master of Science degree in Petroleum Engineering from the Norwegian Institute of Technology (NTH) in Trondheim, Norway. He also holds a MBA degree from HEC-Paris University in Edinburgh, Scotland.



Mr Lars Gunnar Vogt
Senior Vice President
Technical
International Offshore
Production

Mr Lars Gunnar Vogt, Norwegian, aged 47, was appointed Senior Vice President, Technical of Yinson Production in February 2014, following the acquisition of Fred. Olsen Production ASA by Yinson Group. Lars Gunnar has worked in the offshore oil and gas industry since 1995, having previously held the position of Senior Vice President, Concepts and Technology of BW Offshore. Lars Gunnar started his career with Trosvik Engineering working as a Marine Engineer, before moving on to work for BW Offshore in 2000.

Lars Gunnar holds a Master of Science degree in Marine technology from the Norwegian University of Science and Technology (NTNU) in Trondheim, Norway.

Profile Of Management, International Offshore Production (cont'd)



Mr Andy Choy
Head
Commercial Legal
International Offshore
Production

Mr Andy Choy, a Singaporean, aged 51, is a member of the Honourable Society of Gray's Inn, London and was admitted as a Barrister-at-Law of England and Wales in 1989. He is also an Advocate & Solicitor of the Supreme Court of Singapore. He is a certified QMS (ISO 9001:2008), ISM (International Safety Management) and ISPS (International Ship and Port Facility Security) internal auditor. Andy is experienced in legal practice across the upstream Oil and Gas industry, with a firm grounding in commercial and corporate work generally. He is the author of The Singapore Corporate Director's Manual. Appointed as Head of Legal of Yinson Production since 2013, Andy is primarily responsible for providing advice and support to Yinson on all legal issues and documentation, and generally leading on any matters which require legal input or consideration.

PROFILE OF MANAGEMENT, CORPORATE DOMESTIC OFFSHORE PRODUCTION AND MARINE



**Dato' Mohamed Sabri
Bin Mohamed Zain**
Chief Executive Officer
Domestic Offshore
Production

Dato' Mohamed Sabri Bin Mohamed Zain, a Malaysian, aged 59, graduated with a Bachelor of Science in Petroleum Engineering from the University of Wyoming, USA. He has had long service with Petronas since 1978. He was Senior General Manager for International Operations before being transferred as President of White Nile Petroleum Operating Company in Sudan (WNPOC) in 2008. He joined MISC Berhad as Vice President of Offshore Business Unit in 2010 and GOM Resources Sdn. Bhd. as President in 2013. He joined Yinson in 2014 as Chief Executive Officer of Yinson Energy Sdn Bhd.



Mr Lim Chern Wooi
Chief Executive Officer
Marine

Mr Lim Chern Wooi, a Malaysian, aged 29, graduated with a Bachelor of Applied Science from RMIT University, Melbourne, Australia in 2007. In 2008, he obtained his Master of Business Administration from RMIT University, Melbourne, Australia. He started his career in Yinson as Business Development Executive in June 2008. He was then promoted to Chief Executive Officer for Yinson Marine Division. He holds several directorships in subsidiaries of the Marine Division.

Profile Of Management, Corporate Domestic Offshore Production And Marine (cont'd)



Ms Chong Chooi Yuet
General Manager
Corporate Finance
& Planning
Board and Corporate
Advisory Office

Ms Chong Chooi Yuet, a Malaysian, aged 34, joined Yinson in October 2014 as General Manager, Corporate Finance and Planning at Board and Corporate Advisory Office. Prior to joining Yinson, she had worked in two global banks based out of Singapore, covering, Malaysia, Singapore, Philippines, and Indonesia. Her banking experience consists a wide range of financial products including, syndications, leveraged finance, project finance, debt advisory and other structured products. Prior to this, she gained her domestic and global corporate finance experience from a renowned local investment bank and private investment house where she was exposed to mergers & acquisitions, divestment, privatisation, strategic and equity investments and public offerings in Malaysia, Singapore, South Asia and Europe. She graduated from the RMIT University with a Bachelor of Business (Economics & Finance) in Australia and was awarded with the RMIT Dean's award and a scholarship in 2002 and the Golden Key International Honor in 2004.



Ms Veronica Wong
General Manager
Taxation
Structure & Treasury
Board and Corporate
Advisory Office

Ms Veronica Wong, a Malaysian, aged 40, joined Yinson in October 2014 as a General Manager, Taxation, Structure and Treasury at Board and Corporate Advisory Office. She is a Member of CPA Australia and has an extensive 15 years of experience in corporate tax compliance and tax advisory with 8 years specialising in cross border and international tax planning in the oil and gas industry. Prior to joining Yinson, she led the Bumi Armada group by overseeing tax related matters which operates across a number of continents including Asia, Australia, Africa, Europe and South America. Veronica was involved in major bids and tenders submissions, advising on tax efficient structures and mitigating tax exposure for the group. She commenced her career in one of the Big 4 tax advisory firms for 6 years. Her experience covers tax compliance and advisory matters across a wide spectrum of industries where she was involved in engagements relating to various aspects of corporate tax matters, including advising on tax structures for inbound investments, corporate restructuring schemes and maximising tax incentives. She graduated with a Bachelor of Commerce (Accounting & Finance) in Monash University, Australia.



Mr Lim Choo Heang
General Manager
Operation, Marine

Mr Lim Choo Heang, a Malaysian, aged 40, joined Yinson in March 2015 as General Manager, Operations under Marine division. He graduated with MSc Maritime Studies from Nanyang Technological University, Singapore. He obtained his Class One Certificate of Competency (Motor) from Singapore Maritime Department in year 2002. He was a Marine Engineer onboard various type of merchant ships. After years of shipboard experience, he worked as surveyor for the Classification Society, American Bureau of Shipping (ABS). His previous assignment was as the General Manager (New Building) for Miclyn Express Offshore Ltd.

Profile Of Management, Corporate Domestic Offshore Production And Marine (cont'd)



**Ms Haslinda Binti
Abu Bakar
General Manager
Commercial Legal
Domestic Offshore
Production and Marine**

Ms Haslinda Abu Bakar, a Malaysian, aged 36, graduated from the International Islamic University of Malaysia with a Bachelor of Laws with Honors (LLB.Hons) and called to the BAR by the High Court of Malaya in the year 2002. She had served as the legal advisor and contract specialist to several oil and gas service providers like M3nergy Berhad, Tanjung Offshore Berhad and GOM Resources Sdn Bhd. She was the Head of Legal & Contract in Tanjung Offshore Berhad in 2007 and the Head of Legal in GOM Resources in 2012 prior to joining Yinson Energy Sdn Bhd in 2014, as the General Manager, Commercial Legal in Domestic Offshore Production and Marine divisions.



**Captain Vincent Louis
Manager
HSEQ, Marine**

Capt Vincent Louis, a Malaysian, aged 40, is a certified Master Mariner (Deck Certificate of Competency 1) and a Singapore Polytechnic diploma graduate (Nautical Diploma). He started his merchant navy sailing years in 1994 under the NOL group (Singapore) and thereafter served in the American Eagle Tankers fleet. He then ventured into the O&G upstream division with Trenergy FPSO Sdn. Bhd. as an Offshore Marine Head in 2006. He was re-assigned as an onshore Marine Superintendent, under M3nergy FPSO Perintis Sdn.Bhd. In 2010, he joined Xi-Prologistics Sdn.Bhd. as Marine Co-ordinator (contractor for Murphy Oil Sabah & Sarawak Ltd). He joined Regulus Offshore Sdn. Bhd. in May 2015.

PROFILE OF MANAGEMENT, LOGISTIC AND TRANSPORT



Mr Lim Han Joeh
Chief Executive Officer
Trading

Mr Lim Han Joeh, a Malaysian, aged 56, was appointed as a director on 30 January 1996. He is a graduate with a Bachelor Degree in Civil Engineering from Monash University in Melbourne, Australia. Upon graduation in 1984, he took up the position of Operations Manager in YTSB before he assumed the position of Executive Director of YCSB in 1986. He is primarily responsible for the overall management of the YCSB and is the brother of Mr Lim Han Weng.



Mr Bah Koon Chye
Head, Logistic

Mr Bah Koon Chye, a Malaysian, aged 51, was appointed to the Board of Yinson on 30 January 1996. He obtained his Diploma in Management (MIM) in 1997, and is also a member of the Chartered Institute of Logistics & Transport (MCILT). Subsequently, he obtained his Master in Business Administration (MBA) from the University of Strathclyde, United Kingdom in 2000 and Advance Diploma in Transport from the Chartered Institute of Transport, United Kingdom in 2001. He joined YTSB in 1989 as the Operation Manager. He is in charge of the entire operations of Yinson covering mainly the planning of fleet maintenance, sales, marketing and customer service. Additionally, he also handles the drivers as well as assignment of Lorries and destinations. He was appointed a Director of YTSB on 28 November 1991 and is the brother-in-law of Mr Lim Han Weng and brother of Madam Bah Kim Lian.

Profile Of Management, Logistic And Transport (cont'd)



Mr Lee Yai Seng
Head
Vietnam and
Port Operation

Mr Lee Yai Seng, a Malaysian, aged 32, has over 10 years of experience in the field of logistics and port operations. He joined Yinson Transport Sdn Bhd in August 2004 as Operation and was later reassigned to Yinson Haulage Sdn Bhd as Operation Manager in January 2006. Subsequently he was appointed as General Manager of Yinson Marine Sdn Bhd and at same time holding the position of Regional Manager of Vietnam in charge of the entire operations of Yinson group in Vietnam covering logistics, marine and port management.

He has been a Board member of PTSC Phu My Port Joint Stock Company since 2012 which is 40% owned by Yinson Port Ventures Pte Ltd, a wholly owned subsidiary of Yinson Holdings Berhad. He has recently been appointed as Director of Yinson Vietnam Company Limited with effect from May 2015.

CHAIRMAN'S STATEMENT



On behalf of the Board of Directors of Yinson Holdings Berhad (“Yinson” or the “Group”), it gives me great pleasure to present to you the Annual Report and Audited Financial Statements of the Group for the financial year ended 31 January 2015. (“FY2015”)

A YEAR OF GROWTH AND INTEGRATION

2014 was a whirlwind of a year for the local economy, which was affected by various macroeconomic factors locally and on a global scale, especially the oil and gas industry. Many in the oil and gas industry were hindered by the pressing oil prices, which caused multiple diversions. Despite a disruptive economy, Yinson has threaded through its financial year as it continued to execute its growth and integration strategies and maintained a strong positive year. In June 2014, our newly-built floating, production, storage and off-loading vessel (“FPSO”), PTSC Lam Son, jointly owned with PetroVietnam Technical Services Corporation was deployed to Vietnam waters serving the Thang Long-Dong Do Field.

Further enhancing our platform and focused strategies, Yinson is proud to be awarded the Floating Offshore Facility License, Mobile Offshore Facility License and the Navel Architecture and Marine Engineering License by Petronas. Equipped with these licenses, Yinson is qualified to tender and participate in the respective project works by Petronas and other oil companies and/or operators in Malaysia, expanding Yinson's field of project opportunities moving forward.

Since the successful acquisition of our Norwegian subsidiary Yinson Production AS (“YPAS”) (formerly known as Fred. Olsen Production AS), we have streamlined and integrated the business operations and management within our Group, which has resulted in strong project expansions and profit contributions to our Group's earnings for FY2015.

The Group wrapped up its financial year on a high by securing a USD3.26 billion FPSO contract from Eni Ghana Exploration & Production Limited to serve the Sankofa oil field located approximately 60km off the coast of Ghana. This contract is the largest FPSO contract that the Group has secured to date and is scheduled to commence commercial operations by the year 2017. This project has elevated our value position as a leading FPSO player in the industry on a global scale.

FINANCIAL PERFORMANCE

For the financial year ended 31 January 2015, the Group crossed a digital mark by delivering a revenue of RM1.08 billion representing a 15% increase as compared to Group's financial year ended 31 January 2014. (“FY2014”)

The Group's performance for FY2015 delivered a profit after tax (“PAT”) increase of 75% with RM251.41 million as compared to RM143.11 million reported for FY2014. The increase in profits was mainly due to the increase in contribution from its newly acquired subsidiaries and a joint venture that came on-stream during the current financial year.

Chairman's Statement (cont'd)



CORPORATE DEVELOPMENTS

Throughout FY2015, there were a number of corporate developments that were exercised to optimize the operations and value of the Group.

On 13 June 2014, a Rights Issue was completed with the listing of 258,199,610 Rights Shares being listed on the Main Market of Bursa Malaysia, raising gross proceeds of RM568 million. The proceeds from this exercise is being utilized to reduce the Group's financial gearing and to strengthen our core capital.

On the 1 July 2014, a Share Split involving the sub-division of every one (1) Yinson share held by entitled shareholders of Yinson was undertaken upon the completion of the abovementioned Rights Issue into two (2) ordinary shares of RM0.50 each.

On 12 September 2014, a Final Single-Tier Dividend of 1.25 sen per share in respect of the financial year ended 31 January 2014 was paid out to our shareholders. The management of Yinson is extremely pleased to be in a position to share our success with all our shareholders. We are truly thankful to all for your continued understanding, support and trust throughout our journey of growth. Your trust in Yinson is an important fuel to drive our passion towards escalating growth for the Group.



CORPORATE GOVERNANCE

The Board and the Management of the Group are always committed to carrying out the best practices of corporate governance throughout the Group's activities and operations. We believe that this is a fundamental part of fulfilling the Group's responsibilities to protect our shareholders' interest and value and to enhance the business prosperity of the Group.

The Board believes in maintaining at all times, high standards of transparency, accountability and integrity in its activities, business practices, operation effectiveness, efficiency and competitiveness. We are confident that this will ensure sustainable growth and long-term shareholder value.

These effective measures are further specified in the Corporate Governance Statement within this Annual Report.

FUTURE PROSPECTS AND INDUSTRY OUTLOOK

For the near term the overall FPSO market is and will be experiencing uncertainties and the level of demand is slightly difficult to predict due to various pressing economic issues. Acknowledging the challenges ahead, oil companies are more frugal and are directing their business model towards secondhand FPSO's and leasing. Petrobras in South America has been a significant driver for the leasing of FPSO demand. Despite the issues in Brazil, South America is still holding steady and will continue to be the major driver for FPSO demand. For 2015, it is forecasted that some six FPSO's will be awarded out of which two have already been awarded.

(Source: Fearnley Offshore: Floating Production Market Review)

Moving forward and into the years ahead, the global economy and growth is expected to be more challenging than the past. As briefly highlighted earlier, the steep fall of the oil price to USD57/per barrel, the market is seeing mixed consensus over its future price path and the impacts it will have on the industry. Amid a challenging landscape ahead, Yinson is confident that the Group will continue to deliver satisfactory results for the coming financial years backed by a sturdy order book of USD5.88 billion. During FY2015, we had successfully secured our first FPSO contract outside of Vietnam with ENI Production in Ghana and we are optimistic that these projects will open further opportunities for Yinson in the West Africa region.

Yinson's window of project tendering opportunities has also widened with our Petronas licenses secured during FY2015, which will enable us to capitalise on the various upcoming projects in Malaysia.

Chairman's Statement (cont'd)

APPRECIATION

On behalf of the Board, I wish to express our sincere thanks and appreciation to the management and employees who through their hard work and dedication have helped the Group to navigate through a successful year of delivering growth. Your persistent endeavour and commitment are always highly valued by the Board.

To our esteemed Shareholders, the Board and I would like to thank you for your support, confidence and trust in the Group. We will endeavor to strive and work towards our best with continuous efforts of creating shareholder value in Yinson.

Last but not least, I would like to take this opportunity to express our heartfelt appreciation to all our valued customers, financiers, suppliers and business partners for their continued support, cooperation and relentless trust.



YINSON HOLDINGS BERHAD

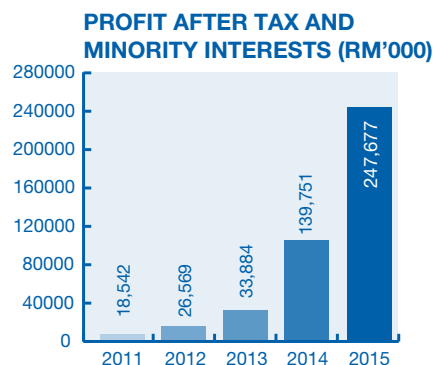
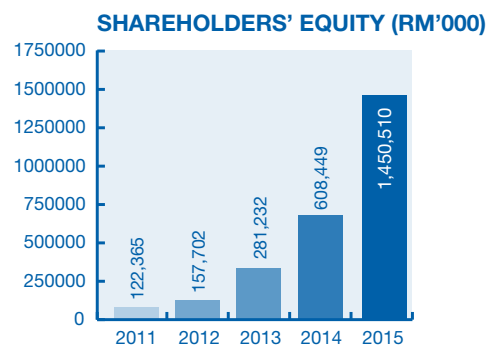
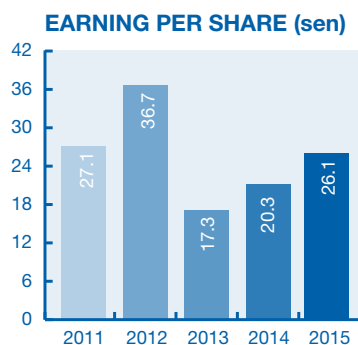
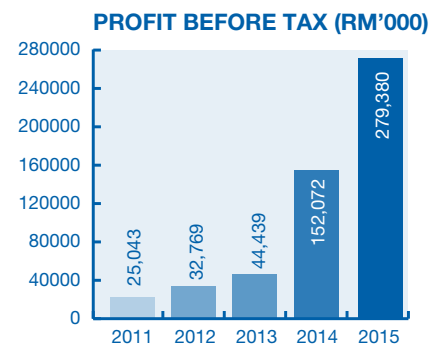
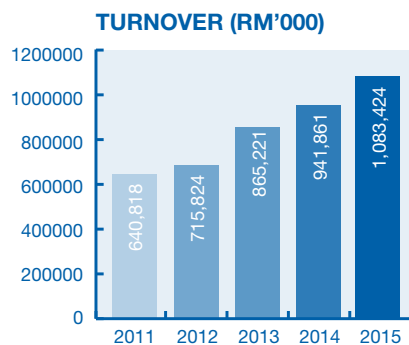
GROUP FINANCIAL HIGHLIGHTS

Financial year ended 31 January	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000	2015 RM'000
Revenue	640,818	715,824	865,221	941,861	1,083,424
Profit before tax *	25,043	32,769	44,439	152,072	279,380
Profit after tax and minority interests *	18,542	26,569	33,884	139,751	247,677
Paid-up capital	68,498	75,347	200,355	258,200	516,399
Shareholders' equity #^*	122,365	157,702	281,232	608,449	1,450,510
Net assets #^*	122,380	157,378	283,788	614,368	1,459,509
Weighted number of ordinary shares in issue *	68,498	72,409	196,225	688,075	950,475
Total assets *	385,131	495,594	800,898	2,207,810	2,488,216
Total borrowings	189,956	251,942	448,541	1,290,133	823,177
Basic earnings per share (sen) *	27.1	36.7	17.3	20.3	26.1
Dividends rate (%)	2.50	2.50	2.50	2.50	1.25
Net assets backing per share (RM) ^*	1.79	2.09	1.42	2.38	1.41
Borrowings to equity (%) *	156	160	158	210	56

^ - computed based on share capital as at year end

- amount restated for year end 2011 & 2012

* - amount restated for year end 2014



CORPORATE GOVERNANCE STATEMENT

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

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

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

The Board recognises the key role it plays in charting the strategic direction of the Company and has assumed the following principal responsibilities in discharging its fiduciary and leadership functions:

- reviewing and adopting a strategic plan for the company, addressing the sustainability of the group’s business;
- overseeing the conduct of the group’s business and evaluating whether or not its businesses are being properly managed;
- identifying principal business risks faced by the group and ensuring the implementation of appropriate internal controls and mitigating measures to address such risks;
- ensuring that all candidates appointed to senior management positions are of sufficient calibre, including having in place a process to provide for the orderly succession of senior management personnel and members of the board;
- overseeing the development and implementation of a shareholder communications policy; and
- reviewing the adequacy and integrity of the group’s internal control and management information systems.

To assist in the discharge of its stewardship role, the Board has established Board Committees, namely the Audit Committee, Nomination and Remuneration Committee, to examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations. The ultimate responsibility for decision making, however, lies with the Board.

(i) Board Manual

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

(ii) Code of Ethics and Whistle Blowing Policy

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

The Board has also formalised a Whistle-blowing Policy, with the aim to provide an avenue for raising concerns related to possible breach of business conduct, non-compliance of laws and regulatory requirements as well as other malpractices.

Corporate Governance Statement (cont'd)

Principle 1 - Establish clear Roles and Responsibilities of the Board and Management (cont'd)

(iii) Sustainability of Business

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

The Group's activities on corporate social responsibilities for the financial year under review are disclosed on page 40 to 42 of this Annual Report.

(iv) Access to Information and Advice

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

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

Directors have unrestricted access to the advice and services of the Company Secretary, Internal Audit Function and External Auditors to enable them to discharge their duties effectively. The Board is regularly updated and advised by the Company Secretary who is qualified, experienced and competent on statutory and regulatory requirements, and the resultant implications of any changes therein to the Company and Directors in relation to their duties and responsibilities. The Company Secretary attends all Board and Board Committee meetings to ensure that meetings are properly convened, the adherence of the meeting proceedings and the resolutions passed are recorded accordingly.

Principle 2 - Strengthen Composition of the Board

During the financial year, the Board consisted of eight (8) members, comprising five (5) Executive Directors and three (3) Independent Non-Executive Directors. This composition fulfills the requirements as set out under the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa"), which stipulate that at least two (2) Directors or one-third of the Board, whichever is higher, must be Independent. The profile of each Director is set out on pages 14 to 16 of this Annual Report. The Directors, with their diverse backgrounds and specialisations, collectively bring with them a wide range of experience and expertise in areas such as engineering, entrepreneurship, finance, taxation, accounting and audit, legal and economics.

Nomination and Remuneration Committee

The Nomination Committee and Remuneration Committee, both comprises exclusively Independent Non-Executive Directors. The Board has resolved to merge the Nomination Committee and Remuneration Committee during the financial year and had renamed as the Nomination and Remuneration Committee ("NRC") to be effect on 1 February 2015. The NRC comprises the following members, which comprises exclusively Independent Non-Executive Directors:

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

Corporate Governance Statement (cont'd)

Principle 2 - Strengthen Composition of the Board (cont'd)

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

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

The main activities undertaken by the NRC were as follows:

- a) Reviewed the structure of the remuneration package for each of the Executive Directors;
- b) Reviewed the size, structure and composition of Board and Board Committees in terms of the mix of skills, experience, independence, diversity and other qualities of the Board;
- c) Reviewed the effectiveness and efficiency of the Board as a whole, the Board Committees and contribution of each Director; and
- d) Assessed the independence of Independent Directors.

Selection and Assessment of Directors

The Board conducts an assessment on the performance of the Board, as a whole, the Audit, Nomination and Remuneration Committees and individual Directors, based on a self and peer assessment approach. From the results of the assessment, including the mix of skills and experience possessed by Directors, the Board considers and approves recommendations by the Nomination Committee on the re-election and re-appointment of Directors at the Company's forthcoming Annual General Meeting. As the Board recognises the importance of the role the Committee plays not only in the selection and assessment of Directors but also in other aspects of corporate governance which the NRC can assist the Board to discharge its fiduciary and leadership functions.

The Board currently has a female director and acknowledges the concern of having gender diversity in Yinson Board. The Board emphasises that it will not establish any specific policy which discourages gender diversity i.e. participation of women in Yinson Board. The Board values and appreciates the contribution and skill sets of potential candidates which can further strengthen the Board in the long run. Hence, the Board is committed to providing fair and equal treatment and opportunities regardless of gender, race and belief within the Board.

Directors' Remuneration

In essence, the key principles and procedures in remunerating executive employees below Board level are also applicable to the Executive Directors. The remuneration policy of the Group seeks to attract and retain as well as to motivate employees of all levels to contribute positively to the Group's performance.

The guidelines on bonuses in respect of the financial year ended 31 January 2015 and annual increment for 2016 in respect of executive employees of the Group were recommended for the Board's approval. The quantum of the annual performance bonus is dependent on the operating results of the Group, taking into account the prevailing business conditions. The same guidelines are also applied to the Group Chief Executive Officer in instances where there are no provisions of the same in his service contract with the Company.

Corporate Governance Statement (cont'd)

Principle 2 - Strengthen Composition of the Board (cont'd)

Directors' Remuneration (cont'd)

The remuneration of Non-Executive Directors is determined by the Board. The Non-Executive Directors do not participate in discussion of their remuneration.

Directors' remuneration during the financial year ended 31 January 2015 in aggregate, with categorisation into appropriate components, distinguishing between Executive and Non-Executive Directors, is as follows:

	Fees RM	Salaries and allowances RM	Bonuses RM	Total RM
Executive Directors	160,000	3,673,469	466,500	4,299,969
Non-Executive Directors	210,000	22,200	-	232,200

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

Range of remuneration	Executive	Non-Executive
RM50,001 to RM100,000	-	3
RM250,001 to RM300,000	2	-
RM1,000,001 to RM1,050,000	1	-
RM1,050,001 to RM1,100,000	1	-
RM1,600,001 to RM1,650,000	1	-

Principle 3 - Reinforce Independence of the Board

The positions of Chairman and Chief Executive Officer of the Company are held by the different person. The Board is of the view that the composition of Independent Non-Executive Directors, which fulfils the Listing Requirements of Bursa, coupled with the use of Board Manual that formally sets out the schedule of matters reserved solely to the Board for decision making, provides for the relevant checks and balance. In addition, the Chairman has a significant financial interest in the Company and, accordingly, the Board is of the view that he is well placed to act on behalf of shareholders and in their best interest.

The Chairman is responsible for ensuring the adequacy and effectiveness of the Board's governance process and acts as a facilitator at Board meetings to ensure that contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates discussion. As the Group Chief Executive Officer, supported by fellow Executive Directors and an Executive Management team, he implements the Group's strategies, policies and decision adopted by the Board and oversees the operations and business development of the Group.

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

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

Corporate Governance Statement (cont'd)

Principle 3 – Reinforce Independence of the Board (cont'd)

Recommendation 3.2 stipulates that an Independent Director may continue to serve on the Board upon reaching the 9-year limit subject to the Independent Director's re-designation as a Non-Independent Non-Executive Director. In the event the Board intends to retain the Director as Independent after the latter has served a cumulative term of nine (9) years, the Board must justify the decision and seek shareholders' approval at a general meeting, normally the Annual General Meeting of the Company. In justifying the decision, the Board is required to assess the candidate's suitability to continue as an Independent Non-Executive Director based on the criteria of independence as adopted by the Board.

Following an assessment by the Board, Dato' Adi Azmari Bin B.K. Koya Moideen Kutty, Mr. Kam Chai Hong and Tuan Haji Hassan bin Ibrahim, who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years each as at the end of the financial year under review, have been recommended by the Board to continue to act as Independent Non-Executive Directors, subject to shareholders' approval at the forthcoming Annual General Meeting of the Company. The key justifications for their recommended continuance as Independent Non-Executive Directors are as follows:

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

Principle 4 – Foster commitment of Directors

The Board ordinarily meets at least five (5) times a year, scheduled well in advance before the end of the preceding financial year to facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened when urgent and important decisions need to be made between scheduled meetings. Board and Board Committees papers, which are prepared by Management, provide the relevant facts and analysis for the convenience of Directors. The meeting agenda, the relevant reports and Board papers are furnished to Directors and Board Committees members at least seven (7) days before the meeting to allow the Directors sufficient time to study for effective discussion and decision making at the meetings. At the quarterly Board meetings, the Board reviews the business performance of the Group and discusses major operational and financial issues. All pertinent issues discussed at Board meetings in arriving at decisions and conclusions are properly recorded by the Company Secretary by way of minutes of meetings. During the financial year under review, the number of Board of Directors' meeting attended by each director are as follow:

Directors	Designation	Number of meetings Attended by Member	%
Lim Han Weng	Group Executive Chairman	5/5	100
Lim Han Joeh	Executive Director	5/5	100
Bah Kim Lian	Executive Director	5/5	100
Bah Koon Chye	Executive Director	5/5	100
Dato' Adi Azmari bin B.K. Koya Moideen Kutty	Independent Non-Executive Director	5/5	100
Kam Chai Hong	Independent Non-Executive Director	5/5	100
Hassan bin Ibrahim	Independent Non-Executive Director	5/5	100
Lim Chern Yuan	Executive Director/ Group Chief Executive Officer	4/5	80

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

Corporate Governance Statement (cont'd)

Principle 4 – Foster commitment of Directors (cont'd)

Directors' Training – Continuing Education Programmes

The Board is mindful of the importance for its members to undergo continuous training to be appraised of changes to regulatory requirements and the impact such regulatory requirements have on the Group. During the financial year under review, the training attended by Directors includes briefings, seminars and conferences conducted by relevant regulatory authorities and professional bodies as well as internal officers.

The training attended by the Directors during the financial year ended 31 January 2015 comprises the following:

Name of Director	Details of Programme
Mr. Lim Han Weng	• Risk Awareness Training • Enterprise Risk Management Workshop • The Training on Preparing for Goods and Services Tax in Malaysia
Mr. Lim Han Joeh	• Risk Awareness Training
Madam Bah Kim Lian	• Risk Awareness Training • Enterprise Risk Management Workshop
Dato' Adi Azmari Bin B.K. Koya Moideen Kutty	• Risk Awareness Training • Authorised Entrant & Standby Person for Confined Space Course
Mr. Bah Koon Chye	• Risk Awareness Training • Enterprise Risk Management Workshop • Understanding Lean & Six Sigma • The Training on Preparing for Goods and Services Tax in Malaysia • Impact of Goods and Services Tax on Logistics and Forwarding Industry
Mr. Kam Chai Hong	• Risk Awareness Training • Enterprise Risk Management Workshop • National Tax Seminar 2014
Tuan Haji Hassin Bin Ibrahim	• Risk Awareness Training
Mr. Lim Chern Yuan	• Risk Awareness Training • FPSO World Congress 2014

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

Principle 5 – Uphold integrity in financial reporting by the Company

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

Corporate Governance Statement (cont'd)

Principle 5 – Uphold integrity in financial reporting by the Company (cont'd)

The Board is responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the reporting period and of their results and cash flows for the period then ended.

In assisting the Board to discharge its duties on financial reporting, the Board established an Audit Committee on 5 March 1996, comprising wholly Independent Non-Executive Directors, with Dato' Ir. Adi Azmari Bin B.K. Koya Moideen Kutty as the Committee Chairman. The composition of the Audit Committee, including its roles and responsibilities, are set out in the Report on Audit Committee on pages 45 to 48 of this Annual Report. One of the key responsibilities of the Audit Committee in its specific terms of reference is to ensure that the financial statements of the Group and Company comply with applicable financial reporting standards in Malaysia and provisions of the Companies Act, 1965. Such financial statements comprise the quarterly financial report announced to Bursa and the annual statutory financial statements.

The Board understands its role in upholding the integrity of financial reporting by the Company. Accordingly, the Audit Committee, which assists the Board in overseeing the financial reporting process of the Company, will formalise and adopt a policy for the types of non-audit services permitted to be provided by the external auditors, including the need for the Audit Committee's approval in writing before such services can be provided by the external auditors. To address the "self review" threat faced by the external audit firm, the procedures to be included in the policy require the engagement team conducting the non-audit services to be different from the external audit team.

In assessing the independence of external auditors, the Audit Committee requires written assurance by the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.

Principle 6 – Recognize and manage risks of the Group

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

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

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

In line with the MCCG 2012 and the Listing Requirements of Bursa, the Company has in place an in-house Internal Audit ("IA") function, which reports directly to the Audit Committee on the adequacy and effectiveness of the Group's internal controls. The internal audit is guided by internal auditing standards promulgated by the Institute of Internal Auditors Inc, a globally recognised professional body for internal auditors. The internal audit function is independent of the activities it audits and the scope of work it covered during the financial year under review is provided in the Report on Audit Committee set out on pages 45 to 48 of this Annual Report.

Corporate Governance Statement (cont'd)

Principle 7 – Ensure timely and high quality disclosure

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

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

Principle 8 – Strengthen relationship between the Company and its shareholders

(i) Shareholder participation at general meeting

The Annual General Meeting ("AGM"), which is the principal forum for shareholder dialogue, allows shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification. At the AGM, shareholders participate in deliberating resolutions being proposed or on the Group's operations in general. At the last AGM, a question & answer session was held where the Chairman of the meeting invited shareholders to raise questions with responses from the Board and Senior Management.

The Notice of AGM is circulated to shareholders at least twenty-one (21) days before the date of the meeting to enable them to go through the Annual Report and papers supporting the resolutions proposed. All the resolutions set out in the Notice of the last AGM were put to vote by a show of hands and duly passed. The outcome of the AGM was announced to Bursa on the same meeting day.

(ii) Communication and engagement with shareholders and prospective investors

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

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

(iii) Investor Relations

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

ADDITIONAL INFORMATION ON THE BOARD OF DIRECTORS

Family Relationships With Any Directors and/or Major Shareholder

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

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

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

Corporate Governance Statement (cont'd)

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

Share Buybacks

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

Options or Convertible Securities

There were no options or convertible securities issued during the financial year.

Imposition of Sanctions and Penalties

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

Non-Audit Fees

The amount of non-audit fees paid to the external auditors by the Group for the financial year amounted to RM503,000.

Profit Estimate, Forecast or Projection

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

Variation of Results

There were no variances of 10% or more between the results for the financial year ended 31 January 2015 and the unaudited results for the same period previously announced.

Profit Guarantee

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

Material Contracts Involving Directors' and Major Shareholders' Interests

No material contracts involving the directors and major shareholders were entered into since the end of the previous financial year.

Status of Utilisation of Proceeds Raised from Corporate Proposals

As at 31 January 2015, below are the status of utilisation of the proceeds from the following corporate proposals:-

Shares Issue	Total Proceed RM'000	Utilised RM'000	Unutilised RM'000
Rights Issue To repay bank borrowings and Director's advance, fund working capital and warehouse facilities and defray corporate exercise related expenses	568,000	516,787	51,213
Disposal of Subsidiary and Joint Venture To repay bank borrowings, fund working capital and defray disposal related expenses	187,390	159,131	28,259

Recurrent Related Party Transactions of Revenue or Trading Nature

The details of the recurrent related party transactions of a revenue or trading nature during the financial year ended 31 January 2015 between the Company and/or its subsidiaries companies with related parties are disclosed in the Circular to Shareholder dated 30 June 2015.

Statement made in accordance with the resolution of the Board of Directors dated 17 June 2015.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT

The Group recognises the importance of being a good corporate citizen in the conduct of its business as well as fulfilling its corporate social responsibility ("CSR"). Yinson is progressively integrating CSR as part of its business activities and undertakes responsible practices that impact our society and environment in a positive manner and to inculcate a culture of responsibility in all aspect of our business.

Yinson has always believed in participating and contributing back to the surrounding society in which it operates and the management ensures that it is practiced wherever the location.

Since the Group established its business presence in South Africa, Yinson has registered itself to become one of the two academy partners in Ghana of Ipswich Town Academy Association. Yinson along with its other Ghana academy partner OMA Group has set up a football development centre in Tema, Ghana with the objective to provide professional training and support to the local children. The project named Futurestars, is a programme where soccer talents between the age of nine to eleven years will be identified from five selected schools and guiding them to a possible future as a professional athlete. To fully support the Futurestars project, two full time coaches have been employed to train and scout for future soccer talents from the selected schools. The two coaches are also providing physical education for these schools on a daily basis.



Recently, Yinson Transport (M) Sdn Bhd, a subsidiary of Yinson, had been awarded a silver recognition level on Corporate Social Responsibility ("CSR") rating by EcoVadis, an independent external platform that enables companies to assess and benchmark their environmental and social performance on a global basis. EcoVadis evaluates company's policies, implemented procedures and published reports with regards to environmental, labour practices and human rights, fair business practices and sustainable procurement issues. The assessment is conducted by CSR experts of EcoVadis covering 150 industries and the EcoVadis methodology covers 21 CSR criteria based on international sustainable development standards. The rating is based on supporting documentation, public and stakeholder (NGOs, trade unions, press) information. The achievement of silver CSR rating places Yinson Transport (M) Sdn Bhd among the top 30% performers evaluated by EcoVadis.



Corporate Social Responsibility Statement (cont'd)

Earlier this year on 26 March 2015, Yinson was one of the main sponsors for the Petronas Malaysia Grand Prix Gala 2015. This Gala was held to aid BIDARA (Bekas Wakil Rakyat Dan Wakil Rakyat Barisan Nasional Negeri Kedah), a non-profit charitable organisation. This exclusive Gala event accompanied with a Jackson Brothers Charity Concert was held with the objective to help the underprivileged and those affected by the East Coast Floods in Kedah. BIDARA is a charitable organisation, which provides aid and assistance in various forms primarily but not exclusively to Kedahans in need. BIDARA's focus is on single mothers, orphans and the poor.



The Work Place

Yinson considers its employees as valuable assets and treats all staff with dignity, fairness and respect. We foster a conducive working environment to encourage development of all employees. Employees are given training to develop and upgrade their skills, knowledge and attitudes. During the year under review, trainings, festival feast, annual dinner and some sports activities have been carried out to build better rapport among employees. Yinson workforce is consisted of 83% Malaysians and 17% Foreigners whilst our male to female employee ratio is 66:34.



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

Other initiatives to improve employee working conditions include the provision of medical treatment and medical insurance.

Corporate Social Responsibility Statement (cont'd)

The Environment and Community

Yinson disposes the discharge of effluents and waste from daily operations to recycling companies that treat and recycle the waste for further uses.

The Marketplace

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



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Paragraph 15.26 (b) of the Listing Requirements of Bursa Malaysia Securities Berhad requires the Board of a listed issuer to include in its Annual Report a statement on the state of internal control of the listed issuer as a Group. Accordingly, the Board of Directors is pleased to provide the following statement which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 31 January 2015.

Board Responsibility

The Board acknowledges its responsibility for maintaining a sound system of risk management and internal control to safeguard shareholders' investments and Group's assets and for reviewing the adequacy and effectiveness of the risk management and internal control system. The system of risk management and internal control of the Group covers all aspects of its business.

In view of the limitations inherent in any system of risk management and internal control, the Board is aware that the system is designed to manage, rather than to eliminate, the risk of failure to achieve the Group's corporate objectives. Accordingly, the system can only provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management and Internal Control Structure

Risk management and internal controls are regarded as an integral part of the Group's overall management processes.

The following represent the key elements of the Group's risk management and internal control structure:

- (i) An organisational structure in the Group with formally defined lines of responsibility and delegation of authority;
- (ii) Review the business plan for any potential acquisitions by the Board. This plan sets out the key business objectives, the major risks and opportunities in the operations.
- (iii) Quarterly review of the performance of Group's business by the Board which also covers assessment of the impact of changes in business and competitive environment;
- (iv) Active participation and involvement by the Executive Chairman and Group Chief Executive Officer, assisted by other Executive Directors, in the day-to-day running of the major businesses and regular discussions with the Senior Management of the respective business units on operational issues; and
- (v) Monthly financial reporting by the subsidiaries to the holding company.

The internal controls of the Group are further supported by formalised limits of authority for various management representatives. Support functions like Finance, Internal Audit and Board And Corporate Advisory also play a vital role in the overall control and risk management processes of the Group. Matters beyond the formalised limits of authority for Management are referred upward to the Board for approval.

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

The Board has received assurance from the Group Chief Executive Officer (CEO) and the Group Chief Financial Officer (CFO) that the Group's Risk Management and internal control system is operating adequately and effectively, in all material aspects.

Statement On Risk Management And Internal control (cont'd)

Internal Audit Function

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

The internal audit function adopts an approach that focuses on major business units and functions in the Group for the purpose of identifying areas to be audited on a prioritised basis, vis-à-vis the business risks inherent in the business units concerned. The Group's internal audit plan is tabled annually and approved by the Audit Committee.

Action plans are taken by Management to address the findings and concerns raised in the internal audit reports. The internal audit department also follows up on the status of Management's action plans on internal audit findings.

Conclusion

The Board is of the view that there were no material losses incurred by the Group during the financial year ended 31 January 2015 as a result of weaknesses or lapses in internal controls. The Board continues to take measures to strengthen the risk management and internal control systems of the Group.

This statement was made in accordance with a resolution of the Board of directors passed on 17 June 2015.

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

REPORT ON AUDIT COMMITTEE

The Audit Committee of the Company was established by the Board of Directors on 5 March 1996.

Chairman

Dato' Ir. Adi Azmari Bin BK Koya Moideen Kutty

Chairman, Independent Non-Executive Director

Members

Mr. Kam Chai Hong

Independent Non-Executive Director

Tuan Haji Hassan bin Ibrahim

Independent Non-Executive Director

The Audit Committee is formally constituted with written terms of reference. All members of the Committee have a working familiarity with basic finance and accounting practices, and one of its member i.e. Kam Chai Hong, is a member of the Malaysian Institute of Accountants.

TERMS OF REFERENCE

Composition

The Audit Committee shall be appointed by the Board from amongst the directors and shall consist no fewer than 3 members, all of them must be non-executive directors, with a majority of them being independent directors. The member of the Audit Committee shall elect a chairman from among their members who shall be an independent Director. An alternate Director must not be appointed as a member of the Audit Committee.

At least one member of the Audit Committee :

- Must be a member of the Malaysian Institute of Accountants; or
- If he is not a member of the Malaysian Institute of Accountants, he must have at least three years' working experience and;
 - He must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1976; or
 - He must be a member of one of the association of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1976.

If a member of the Committee resigns, dies, or for any reason ceases to be a member with the results that the number of members is reduced to less than three, the Board of Directors shall, within three months of that event, appoint such number of members as may be required to make up the minimum number of three members.

The Company Secretary shall be the Secretary of the Committee.

Meetings

The Committee shall hold at least four regular meetings per year or such additional meetings as the Chairman shall decide in order to fulfil its duties and if requested to do so by any committee member. As part of its duty to foster open communication, senior management members and the representative of the internal audit are normally invited to attend the meetings. The representatives from the external auditors also attend for part or whole of each meeting and have direct access to the chairman of the committee without the presence of the executive directors for independent discussions. Other Board members may attend meetings upon invitation of the Committee.

Report On Audit Committee (cont'd)

TERMS OF REFERENCE (cont'd)

Powers

In carrying out its duties and responsibilities, the Audit Committee will have the following rights :

- Have explicit authority to investigate any matter within its terms of reference;
- Have the resources which are required to perform its duties;
- Have full, free and unrestricted access to information, records, properties and personnel of the Company and of any other companies within the Group;
- Have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);
- Be able to obtain independent professional or other advice through the assistance of the Company Secretary, to invite outsiders with relevant experience to attend the committee's meetings (if required) and to brief the committee thereof;
- The attendance of any particular Audit Committee meeting by other directors and employees of the Company shall be at the committee's invitation and discretion and must be specific to the relevant meeting; and
- Be able to convene meetings with external auditors, excluding the attendance of the executive members of the committee, whenever deemed necessary.

Duties and Responsibilities

- The following are the main duties and responsibilities of the Audit Committee collectively. These are not exhaustive and can be augmented if necessary by the overall board approval :
 - Recommends to the board, the annual appointment of a suitable accounting firm to act as external auditor, negotiate on the annual audit fee and/or additional fee, consider any letter of resignation or dismissal and evaluate the basis of billings, if requested. Amongst the factors to be considered for the appointment are the adequacy of the experience and resources of the firm; the persons assigned to the audit; and the recommended audit fee payable thereof;
 - Discusses with the external auditor before the audit commences, the nature and scope of the audit, the annual audit plan and ensure co-ordination where more than one audit firm is involved;
- Reviews the quarterly interim results and annual financial statements of the Company, before recommending to the board for deliberation, focusing particularly on :
 - Any changes in accounting policies and practices;
 - Significant adjustments arising from the audit;
 - The going concern assumption;
 - Compliance with accounting standards and other legal requirements.
- Discusses problems and reservations arising from the interim and final audits and any matter the auditor may wish to discuss in the absence of the management where necessary;
- Reviews the external auditor's management letter, management's response and Audit Report;
- Reviews the assistance and co-operation given by the Company and its Group's officers to the external and internal auditors;
- Reviews with the internal and external auditors their evaluations of the systems and standards of internal control and any comments they may have with respect to improving control;
- Considers the major findings of internal investigations and management's response;

Report On Audit Committee (cont'd)

Duties and Responsibilities (cont'd)

- Reviews any related party transaction and conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- Avail to the external and internal auditors a private, confidential audience at any time they desire and requested it through the Committee Chairman, with or without the prior knowledge of the management;
- Oversees the internal audit function by :
 - Reviewing the internal audit plan;
 - Reviewing the adequacy of the scope, functions, competency and the resources of the internal audit function and that it has the necessary authority to carry out its work;
 - Reviewing the internal audit programme, processes, the results of the internal audit programme, processes or investigations undertaken whether or not appropriate action is taken on the recommendations of the internal audit function;
 - Reviewing appraisal or assessing the performance of members of the internal audit function;
 - Approving any appointment or termination of senior members of the internal audit; and
 - Informing itself of resignations of internal audit staff members and providing the resigning staff member an opportunity to submit his/her reason for resigning;
- Additional Duties and Responsibilities :
 - Reviews the Company's business ethics code, the method of monitoring compliance with the code and the disposition of reported exceptions.
 - Reports to the Board of Directors if there is any breach of the Listing Requirements and recommends corrective measures.
 - Reports to the Bursa Malaysia Securities Berhad if there is any breach of the Listing Requirements, which the Company has failed to satisfactorily correct after due notice.
- Considers other issues as defined by the board.

INTERNAL AUDIT FUNCTION

The Audit Committee is supported by an independent and adequately resourced internal audit function by in-house internal audit department. The Committee is aware of the fact that an independent and adequately resourced internal audit function is essential to assist in obtaining the assurance it requires regarding the effectiveness of the system of internal control.

The cost for maintaining the Internal Audit function for the year under review was approximately RM243,000.00 and the activities carried out by IA during the year are to carry out independent assessments of the adequacy, efficiency and effectiveness of the Group's internal control systems in anticipation of any potential risk areas within key business processes of the Group.

The findings are set out in the Internal Audit reports and forwarded to the Management team for their attention and for the necessary remedial actions as recommended.

SUMMARY OF ACTIVITIES

The Committee met five times during the current financial year for the following purposes :

- Reviewed the unaudited quarterly financial statements of the Group before the announcements to Bursa Securities.
- Reviewed the year-end financial statements together with external auditors' management letter and management's response.
- Discussed with the external auditors the audit plan and scope for the year as well as the audit procedures to be utilised.

Report On Audit Committee (cont'd)

SUMMARY OF ACTIVITIES (cont'd)

- Discussed with the internal auditors on its scope of work, adequacy of resources and co-ordination with external auditors.
- Reviewed the reports prepared by the internal auditors on the state on internal control of the Group.
- Discussed and reviewed risk profile.
- Reviewed and discussed on corporate proposal matters.
- Reviewed the internal audit plan.
- Reviewed related party transactions for compliance with Bursa Securities's Listing Requirements.

The number of Audit Committee's meetings held during the members' tenure in office in the current financial year and the number of meetings attended by each member are as follows :

		Number of meetings attended
Dato' Ir Adi Azmari Bin BK Koya Moideen Kutty	Chairman	5/5
Mr. Kam Chai Hong	Member	5/5
Tuan Haji Hassan bin Ibrahim	Member	5/5

STATEMENT ON SHARE ISSUANCE SCHEME BY AUDIT COMMITTEE

There was no Share Issuance Scheme in place during the financial year ended 31 January 2015.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required to prepare the financial statements which give a true and fair view of the financial position of the Group and of the Company as at 31 January 2015, and of the results and cash flows of the Group and of the Company for the financial year then ended, in accordance with the requirements of Malaysia Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of Companies Act, 1965 (the "Act").

In preparing the financial statements the Directors have,

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

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

The Directors are also responsible for safeguarding the assets of the Group and the Company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 January 2015.

PRINCIPAL ACTIVITIES

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

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

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

RESULTS

	Group RM'000	Company RM'000
Profit for the year	251,412	157,067
Attributable to:		
Owners of the parent	247,677	157,067
Non-controlling interests	3,735	-
	251,412	157,067

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

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than the retrospective adjustments that have been made on the fair values of the vessels and service contracts attached to the vessels which were determined on a provisional basis in prior year, following the finalisation of the purchase price allocation. As a result, the gain on a bargain purchase recognised in prior year have also been increased by approximately RM73.322 million to RM121.336 million.

DIVIDEND

The amount of dividend paid by the Company since 31 January 2014 was as follows:

In respect of the financial year ended 31 January 2014:

	RM'000
First and final single-tier dividend of 1.25%, on 1,032,798,440 ordinary shares, declared on 31 July 2014 and paid on 12 September 2014	12,910

At the forthcoming Annual General Meeting, a final single tier dividend of 1.5 sen per ordinary shares in respect of the financial year ended 31 January 2015, amounting to approximately RM15.492 million, will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 January 2016.

Directors' Report (cont'd)

DIRECTORS

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

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

DIRECTORS' BENEFITS

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

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

DIRECTORS' INTERESTS

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

Name of director	Number of ordinary shares of RM1 each			
	1.2.2014	Acquired	Sold	30.6.2014
The Company				
Direct interest:				
Lim Han Weng	67,068,042	46,732,458	-	113,800,500
Bah Kim Lian	22,715,650	22,823,150	-	45,538,800
Bah Koon Chye	70,000	70,000	-	140,000
Dato' Adi Azmari bin B.K. Koya Moideen Kutty	68,700	41,300	-	110,000
Lim Han Joeh	10,327,594	10,327,594	-	20,655,188
Kam Chai Hong	66,000	66,300	-	132,300
Lim Chern Yuan	15,300	15,300	-	30,600
Indirect interest:				
Lim Han Weng	34,647,350	34,808,850	-	69,456,200
Bah Kim Lian	67,640,342	47,304,758	-	114,945,100
Lim Chern Yuan	89,783,692	69,555,608	-	159,339,300

Directors' Report (cont'd)

Name of director	Number of ordinary shares of RM0.50 each			
	1.7.2014	Acquired	Sold	31.1.2015
The Company				
Direct interest:				
Lim Han Weng	227,601,000	-	-	227,601,000
Bah Kim Lian	91,077,600	-	-	91,077,600
Bah Koon Chye	280,000	-	-	280,000
Dato' Adi Azmari bin B.K. Koya Moideen Kutty	220,000	-	-	220,000
Lim Han Joeh	41,310,376	-	-	41,310,376
Kam Chai Hong	264,600	-	-	264,600
Lim Chern Yuan	61,200	-	-	61,200
Indirect interest:				
Lim Han Weng	138,912,400	-	-	138,912,400
Bah Kim Lian	229,890,200	-	-	229,890,200
Lim Chern Yuan	318,678,600	-	-	318,678,600

* Share Split was completed at 1 July 2014, involving subdivision of every existing one (1) of the Company's ordinary share of RM1.00 each into two (2) subdivided ordinary shares of RM0.50 each.

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

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

ISSUE OF SHARE CAPITAL

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM258,199,610 to RM516,399,220 by way of the issuance of 258,199,610 ordinary shares of RM1 each via Right Issue of 258,199,610 new ordinary shares of RM1.00 each, at an issue price of RM2.20 each.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

OTHER STATUTORY INFORMATION

- (a) Before the income statements, statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
 - (i) it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.

Directors' Report (cont'd)

- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
 - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

In addition to the significant events disclosed elsewhere in this report, other significant events are disclosed in Note 21 to the financial statements.

SUBSEQUENT EVENTS

Details of subsequent events are disclosed in Note 45 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 29 May 2015.

LIM HAN WENG

BAH KIM LIAN

STATEMENT BY DIRECTORS

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

We, Lim Han Weng and Bah Kim Lian, being two of the directors of Yinson Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 57 to 137 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 January 2015 and of their financial performance and the cash flows for the year then ended.

The information set out in Note 47 to the financial statements on page 138 have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 29 May 2015.

LIM HAN WENG

BAH KIM LIAN

STATUTORY DECLARATION

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

I, Tan Fang Fing, being the officer primarily responsible for the financial management of Yinson Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 57 to 138 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared)
by the abovenamed Tan Fang Fing)
at Johor Bahru in the State of Johor)
on 29 May 2015)

TAN FANG FING

Before me,

MOHDZAR BIN KHALID
Commission for Oaths

INDEPENDENT AUDITORS' REPORT

to the members of Yinson Holdings Berhad (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Yinson Holdings Berhad, which comprise statements of financial position as at 31 January 2015 of the Group and of the Company, and income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 57 to 137.

Directors' responsibility for the financial statements

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

Auditors' responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 January 2015 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 21 to the financial statements, being financial statements that have been included in the consolidated financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Independent Auditors' Report (cont'd)

to the members of Yinson Holdings Berhad (Incorporated in Malaysia)

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 47 on page 138 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

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

Ernst & Young
AF: 0039
Chartered Accountants

Lee Ah Too
2187/09/15(J)
Chartered Accountant

Melaka, Malaysia
Date: 29 May 2015

STATEMENTS OF PROFIT OR LOSS

for the financial year ended 31 January 2015

		Group		Company	
	Note	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000
Revenue	7	1,083,424	941,861	109,919	7,949
Cost of sales	8	(912,303)	(865,371)	-	-
Gross profit		171,121	76,490	109,919	7,949
Other items of income					
Interest income		4,591	3,694	32,871	4,096
Dividend income		3,303	1	-	-
Rental income		-	381	-	-
Other income	9	129,234	129,848	36,448	7,045
Other items of expenses					
Administrative expenses	10	(68,599)	(63,741)	(15,084)	(3,048)
Finance costs	13	(51,524)	(28,971)	(5,775)	(10,277)
Share of results of joint ventures		91,386	35,686	-	-
Share of results of associates		(132)	(1,316)	-	-
Profit before tax		279,380	152,072	158,379	5,765
Income tax expense	14	(27,968)	(8,958)	(1,312)	(66)
Profit for the year		251,412	143,114	157,067	5,699
Attributable to:					
Owners of the parent		247,677	139,751	157,067	5,699
Non-controlling interests		3,735	3,363	-	-
		251,412	143,114	157,067	5,699
Earnings per share attributable to owners of the parent (sen per share)					
Basic	15(a)	26.1	20.3		
Diluted	15(b)	N/A	N/A		

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

STATEMENTS OF COMPREHENSIVE INCOME

for the financial year ended 31 January 2015

	Group		Company	
	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000
Profit for the year	251,412	143,114	157,067	5,699
Other comprehensive income				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
- Exchange differences on translation of foreign operations	52,745	22,043	-	-
- Net loss on available-for-sale financial assets	(7,872)	(12,378)	-	-
- Reclassification of cumulative loss of AFS reserve recognised as impairment loss to profit or loss	-	19,223	-	-
Other comprehensive income for the year	44,873	28,888	-	-
Total comprehensive income for the year	296,285	172,002	157,067	5,699
Attributable to:				
Owners of the parent	292,550	168,639	157,067	5,699
Non-controlling interests	3,735	3,363	-	-
	296,285	172,002	157,067	5,699

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

STATEMENTS OF FINANCIAL POSITION

as at 31 January 2015

		Group		Company	
	Note	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000
Assets					
Non-current assets					
Property, plant and equipment	17	1,158,000	1,023,958	2,026	-
Investment properties	18	29,598	15,155	-	-
Land use rights	19	4,324	4,420	-	-
Intangible assets	20	9,456	109	7	-
Investment in subsidiaries	21	-	-	353,212	36,145
Investment in joint ventures	22	356,676	410,965	200,445	198,838
Investment in associates	23	29,389	29,211	79	30
Other receivables	26	-	1,981	-	37,934
Available-for-sale financial assets	24	9,686	15,733	-	-
Favourable contracts	35	-	5,768	-	-
Deferred tax assets	36	6,114	1,148	-	-
		1,603,243	1,508,448	555,769	272,947
Current assets					
Inventories	25	27,595	40,041	-	-
Trade and other receivables	26	427,380	376,623	596,089	436,497
Other current assets	27	27,988	9,420	683	1,075
Tax recoverable		849	420	-	281
Favourable contracts	35	6,255	5,768	-	-
Derivatives	38	30,518	-	-	-
Marketable securities		10	13	-	-
Cash and bank balances	28	364,378	267,077	11,639	5,671
		884,973	699,362	608,411	443,524
Total assets		2,488,216	2,207,810	1,164,180	716,471

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

Statements Of Financial Position (cont'd)

as at 31 January 2015

		Group		Company	
	Note	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000
Equity and liabilities					
Equity					
Issued capital	29	516,399	258,200	516,399	258,200
Share premium		417,163	112,941	417,163	112,941
Reserves	30	62,217	17,344	-	-
Retained earnings	31	454,731	219,964	147,065	2,908
Equity attributable to owners of the parent		1,450,510	608,449	1,080,627	374,049
Non-controlling interests		8,999	5,919	-	-
Total equity		1,459,509	614,368	1,080,627	374,049
Non-current liabilities					
Loans and borrowings	32	474,593	668,394	29,060	22,789
Net employee defined benefit liabilities	34	3,233	7,669	-	-
Unfavourable contracts	35	56,596	66,697	-	-
Deferred tax liabilities	36	6,724	11,246	-	-
		541,146	754,006	29,060	22,789
Current liabilities					
Loans and borrowings	32	348,584	621,739	44,285	221,218
Trade and other payables	37	109,150	180,795	9,668	98,415
Unfavourable contracts	35	17,416	24,577	-	-
Derivatives	38	214	127	-	-
Tax payables		12,197	12,198	540	-
		487,561	839,436	54,493	319,633
Total liabilities		1,028,707	1,593,442	83,553	342,422
Total equity and liabilities		2,488,216	2,207,810	1,164,180	716,471

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

STATEMENTS OF CHANGES IN EQUITY

for the financial year ended 31 January 2015

Group	Issued capital RM'000 (Note 29)	Share premium RM'000	Attributable to owners of the parent			Total RM'000	Non- controlling interests RM'000	Total equity RM'000
			Foreign currency translation reserve RM'000 (Note 30 (a))	Available-for- sale reserve RM'000 (Note 30 (b))	Retained earnings RM'000 (Note 31)			
2015								
As at 31 January 2014 (as previously stated)	258,200	112,941	20,822	(3,478)	146,642	535,127	5,919	541,046
Effect of purchase price allocation adjustment (Note 21)	-	-	-	-	73,322	73,322	-	73,322
As at 31 January 2014 (restated)/1 February 2014	258,200	112,941	20,822	(3,478)	219,964	608,449	5,919	614,368
Disposal of a subsidiary	-	-	-	-	-	-	(655)	(655)
Profit for the year	-	-	-	-	247,677	247,677	3,735	251,412
Other comprehensive income	-	-	52,745	(7,872)	-	44,873	-	44,873
Total comprehensive income	258,200	112,941	73,567	(11,350)	467,641	900,999	8,999	909,998
Transactions with owners								
Cash dividend (Note 16)	-	-	-	-	(12,910)	(12,910)	-	(12,910)
Issue of share capital	258,199	309,840	-	-	-	568,039	-	568,039
Share issuance expenses	-	(5,618)	-	-	-	(5,618)	-	(5,618)
At 31 January 2015	258,199	304,222	-	-	(12,910)	549,511	-	549,511
At 31 January 2015	516,399	417,163	73,567	(11,350)	454,731	1,450,510	8,999	1,459,509

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

Statements Of Changes In Equity (cont'd) for the financial year ended 31 January 2015

YINSON HOLDINGS BERHAD

Group	Issued capital RM'000 (Note 29)	Share premium RM'000	Attributable to owners of the parent			Retained earnings RM'000 (Note 31)	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
			Non-Distributable Foreign currency translation reserve RM'000 (Note 30 (a))	Available-for-sale reserve RM'000 (Note 30 (b))	Distributable				
2014									
As at 1 February 2013	200,355	8,076	(1,221)	(10,323)		84,345	281,232	2,556	283,788
Profit for the year (as previously stated)	-	-	-	-		66,429	66,429	3,363	69,792
Effect of purchase price allocation adjustment (Note 21)	-	-	-	-		73,322	73,322	-	73,322
Profit for the year (restated)	-	-	-	-		139,751	139,751	3,363	143,114
Other comprehensive income	-	-	22,043	6,845		-	28,888	-	28,888
Total comprehensive income	200,355	8,076	20,822	(3,478)		224,096	449,871	5,919	455,790
Transactions with owners									
Cash dividend (Note 16)	-	-	-	-		(4,132)	(4,132)	-	(4,132)
Issue of share capital	57,845	105,277	-	-		-	163,122	-	163,122
Share issuance expenses	-	(412)	-	-		-	(412)	-	(412)
	57,845	104,865	-	-		(4,132)	158,578	-	158,578
At 31 January 2014 (restated)	258,200	112,941	20,822	(3,478)		219,964	608,449	5,919	614,368

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

Statements Of Changes In Equity (cont'd) for the financial year ended 31 January 2015

Company	Issued capital RM'000 (Note 29)	Non- Distributable Share premium RM'000	Distributable Retained earnings RM'000 (Note 31)	Total equity RM'000
2015				
As at 1 February 2014	258,200	112,941	2,908	374,049
Total comprehensive income	-	-	157,067	157,067
Transactions with owners				
Cash dividend (Note 16)	-	-	(12,910)	(12,910)
Issue of share capital	258,199	309,840	-	568,039
Share issuance expenses	-	(5,618)	-	(5,618)
	258,199	304,222	(12,910)	549,511
At 31 January 2015	516,399	417,163	147,065	1,080,627
2014				
As at 1 February 2013	200,355	8,076	1,341	209,772
Total comprehensive income	-	-	5,699	5,699
Transactions with owners				
Cash dividend (Note 16)	-	-	(4,132)	(4,132)
Issue of share capital	57,845	105,277	-	163,122
Share issuance expenses	-	(412)	-	(412)
	57,845	104,865	(4,132)	158,578
At 31 January 2014	258,200	112,941	2,908	374,049

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

STATEMENTS OF CASH FLOWS

for the financial year ended 31 January 2015

	Group		Company	
	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000
Operating activities				
Profit before tax	279,380	152,072	158,379	5,765
Adjustments for :				
Amortisation and depreciation	90,798	22,825	252	-
Amortisation of favourable contracts	5,981	-	-	-
Amortisation of intangible assets	-	-	1	-
Amortisation of unfavourable contracts	(22,480)	(2,111)	-	-
Impairment loss on investment in subsidiary	-	-	3,100	-
Impairment loss on:				
- trade receivables	14,022	5,831	-	-
- other receivables	27	11	-	-
Reversal of impairment loss on:				
- trade receivables	(5)	(8)	-	-
- other receivables	(2)	(6)	-	-
Impairment loss on available-for-sale financial assets	-	19,223	-	-
Write down of inventories	10,000	-	-	-
Unrealised gain on foreign exchange	(60,716)	(4,263)	(30,259)	(4,025)
Finance costs	51,524	28,971	5,775	10,277
Fair value (gain)/loss on:				
- investment properties	(405)	20	-	-
- marketable securities	3	(2)	-	-
- derivatives	(30,431)	7	-	-
Gain on a bargain purchase on acquisition of subsidiaries	-	(121,336)	-	-
Gain on disposal of property, plant and equipment	-	(558)	-	-
Gain on disposal of a subsidiary	(20,866)	-	-	-
Plant and equipment written off	230	350	-	-
Share of results of joint ventures	(91,386)	(35,686)	-	-
Share of results of associates	132	1,316	-	-
Dividend income	(3,303)	(1)	(103,810)	(7,949)
Interest income	(4,591)	(3,694)	(32,871)	(4,096)
Operating cash flows before working capital changes	217,912	62,961	567	(28)
Receivables	(64,128)	(78,465)	1	997
Other current assets	(19,663)	32,611	392	38,337
Inventories	2,446	(36,946)	-	-
Payables	20,280	10,960	(203)	(2,882)
Cash flows from/(used in) operation:	156,847	(8,879)	757	36,424
Defined benefit paid	(3,991)	-	-	-
Interest received	4,591	3,694	(5,775)	4,096
Interest paid	(51,524)	(26,502)	2,251	(8,430)
Taxes paid	(34,474)	(11,543)	(491)	(9)
Net cash flows from/(used in) operating activities	71,449	(43,230)	(3,258)	32,081

Statements Of Cash Flows (cont'd) for the financial year ended 31 January 2015

	Group		Company	
	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000
Investing activities				
Dividend received	3,303	1	24,000	7,949
Repayment from/(loans to) subsidiaries	-	-	24,147	(286,541)
Loans to joint ventures	-	-	(2,015)	-
Loans to associates	-	-	(926)	-
Net cash flow on acquisition of subsidiaries	-	(358,320)	-	(6)
Subscription of new ordinary shares of subsidiaries	-	-	(320,175)	-
Incorporation of new subsidiaries	-	-	(19)	-
Investment in joint ventures	(1,618)	(44,105)	(1,607)	(49,406)
Investment in associates	-	(193)	(49)	(30)
Proceeds from disposal of property, plant and equipment	70	4,324	-	-
Proceeds from disposal of a subsidiary	189,442	-	-	-
Placement of short term investment	(313)	-	(313)	-
Net cash (outflow)/inflow from disposal of a subsidiary	(391)	-	27	-
Purchase of intangible assets	(8,943)	(3)	(8)	-
Purchase of property, plant and equipment	(141,122)	(3,118)	(1,221)	-
Addition in investment property	(14,038)	-	-	-
Net cash flows from/(used in) investing activities	26,390	(401,414)	(278,159)	(328,034)
Financing activities				
Increase in short-term borrowings	23,505	62,899	16,302	16,728
(Repayment to)/advances from directors	(85,100)	84,572	(85,100)	84,592
Drawdown of term loans	7,920	404,647	10,367	48,402
Repayment of term loans	(457,754)	(32,502)	(203,785)	(6,887)
Dividend paid	(12,910)	(4,132)	(12,910)	(4,132)
Repayment of obligations under finance leases	(5,771)	(3,826)	(223)	-
Proceeds from issuance of shares	568,039	163,122	568,039	163,122
Share issuance expenses	(5,618)	(412)	(5,618)	(412)
Placement of fixed deposits for investment purposes	(8,550)	-	-	-
Placement of fixed deposits pledged as security	(9,518)	(66,914)	(3,815)	-
Net cash flows from financing activities	14,243	607,454	283,257	301,413
Net increase in cash and cash equivalents	112,082	162,810	1,840	5,460
Effects of foreign exchange rate changes	(22,471)	11,110	-	-
Cash and cash equivalents at beginning of year	184,984	11,064	5,671	211
Cash and cash equivalents at end of year (Note 28)	274,595	184,984	7,511	5,671

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

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 January 2015

1. Corporate information

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

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

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

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

2.1 Basis of preparation

The consolidated financial statements of Yinson Holdings Berhad and its subsidiaries (the “Group”) have been prepared in accordance with Malaysian Financial Reporting Standards (MFRS), International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies Act, 1965 in Malaysia.

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

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

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 January 2015. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

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

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

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

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into 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.

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

2.2 Basis of consolidation (cont'd)

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

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

3. Summary of significant accounting policies

3.1 Business combinations and goodwill

Business combinations involving entities under common control are accounted for by applying the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital of the "acquired" entity is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities have always been combined since the date the entities had come under common control.

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

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

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

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 139 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised either in either profit or loss or as a change to OCI. If the contingent consideration is not within the scope of MFRS 139, it is measured in accordance with the appropriate MFRS. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

3.1 Business combinations and goodwill (cont'd)

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

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

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

3.2 Investment in subsidiaries, associates and joint ventures

(i) Subsidiaries

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

(ii) Associates and joint ventures

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

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

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

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

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

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

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

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

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

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

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

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group except for an associate as disclosed in Note 23. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

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

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

3.3 Current versus non-current classification

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

- Expected to be realised or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

3.4 Fair value measurement

The Group measures financial instruments, such as, derivatives, and non-financial assets such as investment properties, at fair value at each statement of financial position date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 41.

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

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

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

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

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

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

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

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

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

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

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

At each reporting date, the senior management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per 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.

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

3.4 Fair value measurement (cont'd)

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

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

3.5 Revenue recognition

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

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

(i) Sale of goods

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

(ii) Rendering of services

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

(iii) Dividends

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

(iv) Rental income

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

(v) Vessel charter fees

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

3.6 Taxes

(i) Current income tax

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

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of 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.

(ii) Deferred tax

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

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

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

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

3.6 Taxes (cont'd)

(iii) Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of sales tax included.

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

3.7 Foreign currencies

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

(i) Transactions and balances

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

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

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

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

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

(ii) Group companies

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

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

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

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

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

3.9 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

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

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

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

3.10 Leases

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

(i) Group as a lessee

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

3.10 Leases (cont'd)

(i) Group as a lessee (cont'd)

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

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

(ii) Group as a lessor

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

3.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.12 Investment properties

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

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

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

3.13 Intangible assets

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

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

3.13 Intangible assets (cont'd)

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

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

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

3.14 Financial instruments – initial recognition and subsequent measurement

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

(i) Financial assets

(a) Initial recognition and measurement

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

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

(b) Subsequent measurement

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

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

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

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

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

(i) Financial assets (cont'd)

(b) Subsequent measurement (cont'd)

Financial assets at fair value through profit or loss

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

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

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

Loans and receivables

This category is the most relevant to the Group. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

Held-to-maturity investments

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

The Group did not have any held-to-maturity investments during the years ended 31 January 2015 and 2014.

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

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

(i) Financial assets (cont'd)

(b) Subsequent measurement (cont'd)

Available-for-sale (AFS) financial assets

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

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

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

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

(c) Derecognition

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

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

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

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

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

(ii) Impairment of financial assets

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

Financial assets carried at amortised cost

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

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

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

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

Available-for-sale (AFS) financial assets

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

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

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

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

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

Available-for-sale (AFS) financial assets (cont'd)

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

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

(iii) Financial liabilities

(a) Initial recognition and measurement

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

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

Gains or losses on liabilities held for trading are recognised in the statement of 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 MFRS 139 are satisfied.

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

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

(iii) Financial liabilities (cont'd)

(b) Subsequent measurement (cont'd)

Loans and borrowings

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

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

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

Financial guarantee contracts

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

(c) Derecognition

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

(iv) Offsetting of financial instruments

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

3.15 Derivative financial instruments

The Group uses derivative financial instruments, interest rate swaps and foreign currency forward contracts, to hedge its interest rate risks and foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

3.16 Inventories

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

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

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

3.17 Impairment of non-financial assets

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

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

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

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

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

3.18 Cash and short-term deposits

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

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

3.19 Provisions

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

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

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

3.20 Pensions and other post-employment benefits

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

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

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

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

3.21 Transactions with non-controlling interests

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

3.22 Share capital and share issuance expenses

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

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

4. Changes in accounting policies

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

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

4. Changes in accounting policies (cont'd)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014

The nature and impact of the new and amended MFRSs and IC Interpretation are described below:

Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities

The amendments clarify the meaning of “currently has a legally enforceable right to set-off” and “simultaneous realisation and settlement”. These amendments are to be applied retrospectively. These amendments have no impact on the Group, since none of the entities in the Group has any offsetting arrangements.

Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities

These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under MFRS 10 Consolidated Financial Statements and must be applied retrospectively, subject to certain transition relief. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. These amendments have no impact on the Group, since none of the entities in the Group qualifies to be an investment entity under MFRS 10.

Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets

The amendments to MFRS 136 remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives has been allocated when there has been no impairment or reversal of impairment of the related CGU. In addition, the amendments introduce additional disclosure requirements when the recoverable amount is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure required by MFRS 13 Fair Value Measurements.

The application of these amendments has had no material impact on the disclosures in the Group's and the Company's financial statements.

Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting

These amendments provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measure of hedge effectiveness. Retrospective application is required.

These amendments have no impact on the Group as the Group does not have any derivatives that are subject to novation.

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

5. Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to MFRS 119: Defined Benefit Plans:	
Employee Contributions	1 July 2014
Annual Improvements to MFRSs 2010 - 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 - 2013 Cycle	1 July 2014
Annual Improvements to MFRSs 2012 - 2014 Cycle	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 101: Disclosure Initiatives	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128:	
Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016
MFRS 9 Financial Instruments	1 January 2018

Amendments to MFRS 119 Defined Benefit Plans: Employee Contributions

The amendments to MFRS 119 clarify how an entity should account for contributions made by employees or third parties to defined benefit plans, based on whether those contributions are dependent on the number of years of service provided by the employee. For contributions that are independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. For contributions that are dependent on the number of years of service, the entity is required to attribute them to the employees' periods of service.

The directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Group's and the Company's financial statements.

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

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

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

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

The amendments clarify that:

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

The amendments are to be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after 1 January 2016. Earlier application is permitted.

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

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

These amendments are to be applied prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. The Directors of the Company do not anticipate that the application of these amendments will have a material impact on the Group's consolidated financial statements.

Amendments to MFRS 127: Equity Method in Separate Financial Statements

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associate in their separate financial statements. Entities already applying MFRS and electing to change to the equity method in its separate financial statements will have to apply this change retrospectively. For first-time adopters of MFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to MFRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments will not have any impact on the Group's and the Company's financial statements.

Amendments to MFRS 101: Disclosure Initiatives

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

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

The Directors of the Company do not anticipate that the application of these amendments will have a material impact on the Group's and the Company's financial statements.

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

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

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

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

The amendments are to be applied retrospectively and are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments will not have any impact on the Group's and the Company's financial statements.

MFRS 14 Regulatory Deferral Accounts

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

MFRS 9 Financial Instruments

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

Annual Improvements to MFRSs 2010–2012 Cycle

The Annual Improvements to MFRSs 2010–2012 Cycle include a number of amendments to various MFRSs, which are summarised below. The Directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Group's and the Company's financial statements.

(i) MFRS 3 Business Combinations

The amendments to MFRS 3 clarifies that contingent consideration classified as liabilities (or assets) should be measured at fair value through profit or loss at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of MFRS 9 or MFRS 139. The amendments are effective for business combinations for which the acquisition date is on or after 1 July 2014.

(ii) MFRS 8 Operating Segments

The amendments are to be applied retrospectively and clarify that:

- an entity must disclose the judgements made by management in applying the aggregation criteria in MFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics used to assess whether the segments are similar; and
- the reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker.

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

Annual Improvements to MFRSs 2010–2012 Cycle (cont'd)

(iii) MFRS 116 Property, Plant and Equipment and MFRS 138 Intangible Assets

The amendments remove inconsistencies in the accounting for accumulated depreciation or amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amendments clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

(iv) MFRS 124 Related Party Disclosures

The amendments clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. The reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services.

Annual Improvements to MFRSs 2011–2013 Cycle

The Annual Improvements to MFRSs 2011–2013 Cycle include a number of amendments to various MFRSs, which are summarised below. The Directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Group's and the Company's financial statements.

(i) MFRS 3 Business Combinations

The amendments to MFRS 3 clarify that the standard does not apply to the accounting for formation of all types of joint arrangement in the financial statements of the joint arrangement itself. This amendment is to be applied prospectively.

(ii) MFRS 13 Fair Value Measurement

The amendments to MFRS 13 clarify that the portfolio exception in MFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of MFRS 9 (or MFRS 139 as applicable).

(iii) MFRS 140 Investment Property

The amendments to MFRS 140 clarify that an entity acquiring investment property must determine whether:

- the property meets the definition of investment property in terms of MFRS 140; and
- the transaction meets the definition of a business combination under MFRS 3,

to determine if the transaction is a purchase of an asset or is a business combination.

Annual Improvements to MFRSs 2012–2014 Cycle

The Annual Improvements to MFRSs 2012–2014 Cycle include a number of amendments to various MFRSs, which are summarised below. The Directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Group's and the Company's financial statements.

(i) MFRS 7 Financial Instruments: Disclosures

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

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

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

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

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

(ii) MFRS 119 Employee Benefits

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

(iii) MFRS 134 Interim Financial Reporting

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

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

6. Significant accounting judgments, estimates and assumptions

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

(i) **Judgments**

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

Operating lease commitments – Group as lessor

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

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

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

(ii) **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

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

(ii) Estimates and assumptions (cont'd)

Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the statement of profit or loss. The Group engaged an independent valuation specialist to assess fair value as at 31 January 2015 for investment properties.

Impairment of non-financial assets

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

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Useful life and residual value of vessel

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

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

Deferred tax assets

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

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

7. Revenue

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Transport services	93,409	105,360	-	-
Vessel chartering and support services fees	399,109	127,065	-	-
Trading in construction materials	589,824	708,378	-	-
Rental of properties	1,070	1,058	-	-
Management fee income	12	-	6,109	-
Dividend from subsidiaries	-	-	103,810	7,949
	1,083,424	941,861	109,919	7,949

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

8. Cost of sales

	Group	
	2015 RM'000	2014 RM'000
Cost of trading goods sold	566,126	679,812
Cost of services rendered	346,055	185,435
Other direct expenses	122	124
	912,303	865,371
Included in cost of sales are:		
Vessel lease rental	12,502	33,760
Amortisation of favourable contracts (Note 35)	5,981	-
Amortisation of unfavourable contracts (Note 35)	(22,480)	(1,971)
Depreciation	89,818	22,041
Direct operating expenses of investment properties:		
- revenue generating during the year	122	124
Employee benefits expenses (Note 11)	2,889	4,951
Write down of inventories	10,000	-
Transport agents' charges	45,102	55,058

9. Other income

	Group		Company	
	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000
Bad debts recovered	73	209	-	-
Fair value gain on				
- derivatives	30,518	-	-	-
- investment properties (Note 18)	405	-	-	-
- marketable securities	-	2	-	-
Investment income	310	-	310	-
Gain on a bargain purchase (Note 21)	-	121,336	-	-
Gain on disposal of				
- property, plant and equipment	-	558	-	-
- a subsidiary	20,866	-	-	-
Gain on foreign exchange				
- Realised	9,298	261	5,854	1,087
- Unrealised	60,716	4,263	30,259	4,025
Reversal of impairment loss				
- Trade (Note 26 (a))	5	8	-	-
- Others (Note 26 (b))	2	6	-	-
Miscellaneous	7,041	3,205	25	1,933
	129,234	129,848	36,448	7,045

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

10. Administrative expenses

Included in administrative expenses are:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Auditors' remuneration:				
Statutory audit				
- Company's auditors	491	305	65	60
- Other auditors	876	243	-	-
Other services	503	241	19	77
Amortisation of intangible assets	4	8	-	-
Amortisation of land use rights (Note 19)	96	96	-	-
Depreciation	880	680	252	-
Fair value loss on marketable securities	3	-	-	-
Fair value loss on investment properties (Note 18)	-	20	-	-
Impairment loss on investment in subsidiaries	-	-	3,100	-
Impairment loss on receivables:				
- Trade (Note 26 (a))	14,022	5,831	-	-
- Others (Note 26 (b))	27	11	-	-
Impairment loss on available-for-sale financial assets	-	19,223	-	-
Operating leases - Minimum lease payment for land and buildings	1,996	624	-	-
Plant and equipment written off	230	350	-	-
Employee benefits expenses (Note 11)	37,706	11,108	4,273	1,394
Non-executive directors remuneration (Note 12)	232	235	212	215

11. Employee benefits expenses

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Included in:				
Cost of sales (Note 8)	2,889	4,951	-	-
Administrative expenses (Note 10)	37,706	11,108	4,273	1,394
	40,595	16,059	4,273	1,394
Analysed as follows:				
Wages and salaries	34,307	14,002	3,373	1,075
Social security contributions	87	237	12	3
Contributions to defined contribution plan	3,608	1,465	483	129
Contributions to defined benefit plan	(4,144)	-	-	-
Other benefits	6,737	355	405	187
	40,595	16,059	4,273	1,394

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

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

12. Directors' remuneration

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Executive directors' remuneration:				
- Fees	160	160	160	160
- Other emoluments	4,140	2,978	2,669	28
	4,300	3,138	2,829	188
Non-executive directors' remuneration:				
- Fees	210	210	190	190
- Other emoluments	22	25	22	25
	232	235	212	215
Total directors' remuneration	4,532	3,373	3,041	403

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

	2015	2014
Executive:		
RM200,001 - RM250,000	-	1
RM250,001 - RM300,000	2	1
RM400,001 - RM450,000	-	1
RM1,000,001 - RM1,050,000	1	-
RM1,050,001 - RM1,100,000	1	1
RM1,100,001 - RM1,150,000	-	1
RM1,600,001 - RM1,650,000	1	-
Non-executive:		
RM50,001 - RM100,000	3	3

13. Finance costs

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Bank charges	964	2,469	173	1,847
Interest expenses	50,560	26,502	5,602	8,430
	51,524	28,971	5,775	10,277

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

14. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 January 2015 and 2014 are:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Statement of profit or loss				
Current income tax:				
- Malaysian income tax	7,182	7,637	1,313	63
- Foreign tax	25,923	2,377	-	-
- (Over)/under provision in prior years	(98)	519	(1)	3
	33,007	10,533	1,312	66
Deferred tax (Note 36):				
- Relating to origination/reversal of temporary differences	(5,115)	(1,134)	-	-
- Under/(over) provision in prior years	76	(441)	-	-
	(5,039)	(1,575)	-	-
	27,968	8,958	1,312	66

Reconciliation between tax expense and accounting profit:

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 January 2015 and 2014 are as follows:

	Group		Company	
	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000
Profit before tax	279,380	152,072	158,379	5,765
Tax at Malaysian statutory tax rate of 25% (2014: 25%)	69,845	38,018	39,595	1,441
Income not subject to tax	(16,255)	(20,946)	(42,192)	(1,378)
Expenses not deductible for tax purposes	4,901	10,978	3,910	-
Different tax rates of subsidiaries	(9,175)	(11,141)	-	-
Shared of profits of joint ventures and associates	(22,814)	(8,593)	-	-
Changes in deferred tax asset not recognised	1,488	564	-	-
(Over)/under provision of tax expense in prior years	(98)	519	(1)	3
Under/(over) provision of deferred tax in prior years	76	(441)	-	-
Income tax expense recognised in profit or loss	27,968	8,958	1,312	66

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

14. Income tax expense (cont'd)

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2014: 25%) of the estimated assessable profit for the year.

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

The Malaysian corporate statutory tax rate is expected to reduce from 25% to 24% with effect from year of assessment 2016 as announced in the 2014 Budget. The reduction in the corporate statutory tax rate has no significant impact to the Group and the Company.

15. Earnings per share

(a) Basic

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

	Group 2015	2014
Profit attributable to owners of the parent used in the computation of basic earnings per share (RM'000)	247,677	139,751
Weighted average number of ordinary shares for computation of basic earnings per share ('000)	950,475	688,075
Basic earnings per share (sen)	26.1	20.3

Comparative adjusted for rights issue and share split of RM1 each into two 50 sen shares

(b) Diluted

Diluted earnings per share is the same as basic earnings per share as there is no dilutive potential ordinary shares outstanding throughout the financial years ended 31 January 2015 and 31 January 2014.

16. Dividend

	In respect of the financial year ended		Recognised during the year	
	2014 RM'000	2013 RM'000	2015 RM'000	2014 RM'000
Dividend on ordinary shares: Final single tier dividend 1.25%: 1.25 sen per share	12,910	-	12,910	-
Dividend on ordinary shares: Final dividend 2.5% less 25% taxation: 1.875 sen per share	-	4,132	-	4,132
	12,910	4,132	12,910	4,132

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

16. Dividend (cont'd)

At the forthcoming Annual General Meeting, a final single tier dividend of 1.5 sen per ordinary shares in respect of the financial year ended 31 January 2015, amounting to approximately RM15.492 million, will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 January 2016.

17. Property, plant and equipment

Group	Buildings RM'000	Motor vehicles RM'000	Vessels, tugboats, and barges RM'000	*Other assets RM'000	Total RM'000
Cost:					
At 1 February 2013	6,118	49,328	220,333	4,535	280,314
Acquisition of subsidiaries	-	-	777,298	-	777,298
Additions	42	10,542	82	427	11,093
Written off	(52)	(801)	-	(14)	(867)
Disposals	-	(5,446)	(3,741)	(2)	(9,189)
Exchange differences	-	363	31,474	40	31,877
At 31 January 2014 and 1 February 2014	6,108	53,986	1,025,446	4,986	1,090,526
Additions	30	9,384	131,902	8,612	149,928
Written off	-	(401)	-	(191)	(592)
Disposals	-	(189)	(19)	-	(208)
Disposal of a subsidiary	-	(381)	-	(37)	(418)
Exchange differences	-	463	148,216	691	149,370
At 31 January 2015	6,138	62,862	1,305,545	14,061	1,388,606
Accumulated depreciation and impairment loss:					
At 1 February 2013	1,144	25,919	17,197	3,741	48,001
Charge for the year	122	4,334	18,057	208	22,721
Written off	-	(506)	-	(11)	(517)
Disposals	-	(3,202)	(2,221)	-	(5,423)
Exchange differences	-	154	1,616	16	1,786
At 31 January 2014 and 1 February 2014	1,266	26,699	34,649	3,954	66,568
Charge for the year	122	5,019	84,266	1,291	90,698
Written off	-	(271)	-	(91)	(362)
Disposals	-	(133)	(5)	-	(138)
Disposal of a subsidiary	-	(35)	-	(4)	(39)
Exchange differences	-	259	73,494	126	73,879
At 31 January 2015	1,388	31,538	192,404	5,276	230,606

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

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

Group	Buildings RM'000	Motor vehicles RM'000	Vessels, tugboats, and barges RM'000	*Other assets RM'000	Total RM'000
Net carrying amount:					
At 31 January 2014	4,842	27,287	990,797	1,032	1,023,958
At 31 January 2015	4,750	31,324	1,113,141	8,785	1,158,000

Company	Motor vehicles RM'000	*Other assets RM'000	Total RM'000
Cost			
At 1 February 2014	-	-	-
Additions	1,157	1,121	2,278
At 31 January 2015	1,157	1,121	2,278
Accumulated depreciation and impairment loss			
At 1 February 2014	-	-	-
Charge for the year	93	159	252
At 31 January 2015	93	159	252
Net carrying amount			
At 31 January 2015	1,064	962	2,026

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

(a) The carrying amounts of motor vehicles held under finance leases at the reporting date was approximately RM20,691,000 (2014: RM14,652,000).

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

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Cash payment	141,122	3,118	1,221	-
Finance leases	8,806	7,975	1,057	-
	149,928	11,093	2,278	-

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

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

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Land and buildings	4,750	4,842	-	-
Motor vehicles	20,691	14,652	1,064	-
Vessels and barges	976,962	990,799	-	-
	1,002,403	1,010,293	1,064	-

- (d) Included in property, plant and equipment are motor vehicles with carrying amount of approximately RM4,982,000 (2014: RM4,661,000) registered in the name of third parties, a director, Lim Han Weng and companies in which certain directors have interests.
- (e) Included in vessels, tugboats and barges at the reporting date is a vessel under construction with carrying amount of approximately RM129,923,000 (2014: Nil).

18. Investment Properties

	Group	
	2015 RM'000	2014 RM'000
At 1 February	15,155	15,175
Addition	14,038	-
Net gain/(loss) from fair value adjustments recognised in profit or loss	405	(20)
At 31 January	29,598	15,155

The carrying amount of investment properties under construction at reporting date was approximately RM14,038,000.

The carrying amount of investment properties held under lease terms at reporting date was approximately RM11,610,000 (2014: RM11,490,000).

The carrying amount of investment properties pledged to financial institutions for banking facilities granted to the Group as disclosed in Notes 32 at reporting date was approximately RM8,720,000 (2014: RM8,470,000)

Valuation of investment properties

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

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

19. Land use rights

	Group 2015 RM'000	2014 RM'000
Cost:		
At 1 February/31 January	5,763	5,763
Accumulated amortisation:		
At 1 February	1,343	1,247
Amortisation for the year (Note 10)	96	96
31 January	1,439	1,343
Net carrying amount	4,324	4,420
<i>Amount to be amortised:</i>		
- Not later than one year	96	96
- Later than one year but not later than five years	384	384
- Later than five years	3,844	3,940
	4,324	4,420

The land use rights are pledged to financial institutions for banking facilities granted to the Group as disclosed in Notes 32.

20. Intangible assets

Group	Computer software RM'000	Golf membership RM'000	Total RM'000
Cost:			
At 1 February 2013	159	100	259
Additions	3	-	3
At 31 January 2014 and 1 February 2014	162	100	262
Additions	9,351	-	9,351
At 31 January 2015	9,513	100	9,613
Accumulated amortisation:			
At 1 February 2013	145	-	145
Amortisation (Note 10)	8	-	8
At 31 January 2014 and 1 February 2014	153	-	153
Amortisation (Note 10)	4	-	4
At 31 January 2015	157	-	157

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

20. Intangible assets (cont'd)

Group	Computer software RM'000	Golf membership RM'000	Total RM'000
Net carrying amount			
At 31 January 2014	9	100	109
At 31 January 2015	9,356	100	9,456

Company	Computer software RM'000	Total RM'000
Cost		
At 1 February 2014	-	-
Additions	8	8
At 31 January 2015	8	8
Accumulated amortisation		
At 1 February 2014	-	-
Amortisation	1	1
At 31 January 2015	1	1
Net carrying amount		
At 31 January 2015	7	7

21. Investment in subsidiaries

	Company	
	2015 RM'000	2014 RM'000
Shares, at cost		
In Malaysia	356,311	36,470
Outside Malaysia	506	180
	356,817	36,650
Impairment losses	(3,605)	(505)
	353,212	36,145

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

21. Investment In Subsidiaries (cont'd)

Details of the subsidiaries are as follows:

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest		Principal activities
		2015	2014	
Yinson Transport (M) Sdn. Bhd. ⁽ⁱ⁾	Malaysia	100	100	Provision of transport services, trading in construction materials and rental of properties.
Yinson Corporation Sdn. Bhd. ⁽ⁱ⁾	Malaysia	100	100	Provision of transport services and trading in construction materials.
Yinson Marine Services Sdn. Bhd. ⁽ⁱⁱ⁾	Malaysia	100	100	Provision of sub-leasing of vessels and trading of lubricants.
Yinson Shipping Sdn. Bhd. ⁽ⁱⁱ⁾	Malaysia	100	100	Provision of shipping and forwarding services. Temporary ceased operations.
Yinson Power Marine Sdn. Bhd. ⁽ⁱⁱ⁾	Malaysia	65	65	Provision of marine transport services.
Regulus Offshore Sdn. Bhd. ⁽ⁱⁱ⁾	Malaysia	-	51	Provision of vessel management services.
Yinson Tulip Ltd. ⁽ⁱⁱ⁾	Labuan	100	100	Leasing of vessels on bareboat basis.
Yinson Offshore Limited. ⁽ⁱⁱ⁾	Labuan	100	100	Trading and leasing of vessel on time charter basis.
Yinson Indah Ltd. ⁽ⁱⁱ⁾	Labuan	60	60	Leasing of vessel on bareboat basis.
OY Labuan Limited (formerly known as Yinson Hibiscus Limited) ⁽ⁱⁱ⁾	Labuan	100	100	Sub-leasing of vessel on time charter basis.
Yinson Production Limited ⁽ⁱⁱ⁾	Labuan	100	100	Investment holding.
Yinson Port Venture Pte. Ltd. ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Singapore	100	100	Investment holding.
Yinson Orchid Pte. Ltd. ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Singapore	100	100	Vessel operator.
Yinson Vietnam Company Limited ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Vietnam	100	100	Provision of construction work, consulting construction and project management.

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

21. Investment In Subsidiaries (cont'd)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest		Principal activities
		2015	2014	
Yinson TMC Sdn. Bhd. ^{(ii)(iii)(iv)}	Malaysia	100	-	Provision of treasury management services.
OY Offshore Pte. Ltd. ^{(ii)(iv)}	Singapore	100	-	Vessel operator.
Yinson Management Services Pte. Ltd. (formerly known as Yinson Heather Pte. Ltd.) ^{(ii)(iv)}	Singapore	100	-	Business and management consultancy services
Yinson Trillium Limited. ^{(ii)(iv)}	Labuan	100	-	Investment holding.
Yinson Mawar Sdn. Bhd. ^{(ii)(iv)}	Malaysia	100	-	Provision of marine services.
Yinson Nereus Ltd. ^{(ii)(iv)}	Republic of the Marshall Islands	100	-	Investment holding.
Held through Yinson Production Limited:				
Yinson Production AS ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Norway	100	100	Investment holding.
Yinson Production Pte. Ltd. ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Singapore	100	100	Ship management services and service activities incidental to oil and gas extraction.
Held through Yinson Production Pte. Ltd.:				
Yinson Production (West Africa) Pte. Ltd. ^{(ii)(iii)(iv)}	Singapore	100	-	Provision of floating marine assets for chartering and service activities incidental to oil and gas extraction.
Held through Yinson Production AS:				
Fred. Olsen Production (Cyprus) Ltd. ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Cyprus	100	100	Presently under liquidation.
Knock Taggart Pte. Ltd. ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Singapore	100	100	Dormant

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

21. Investment In Subsidiaries (cont'd)

Name of subsidiaries	Countries of incorporation	Proportion (%) of ownership interest		Principal activities
		2015	2014	
Held through Yinson Production AS:				
Floating Operations And Production Pte. Ltd. (formerly known as Fred. Olsen Production Pte. Ltd. ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾)	Singapore	100	100	Ship management services.
Knock Borgen Pte. Ltd. ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Singapore	100	100	Dormant
Nautipa AS ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Norway	-	100	Investment holding.
Taggart AS ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Norway	100	100	Dormant
Dee AS ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Norway	100	100	Dormant
Adoon AS ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Norway	100	100	Investment holding.
Nevis 1 AS ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Norway	100	100	Dormant
Allan AS ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Norway	100	100	Investment holding.
Held through Allan AS:				
Knock Allan Pte. Ltd. ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Singapore	100	100	Leasing of vessel and ship management services.
Held through Adoon AS:				
Adoon Pte. Ltd. ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Singapore	100	100	Leasing of vessel and ship management services.
Held through Yinson Vietnam Company Limited:				
Yen Son Diversified Company Limited ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	Vietnam	51	51	Provision of warehousing facilities.

- (i) Subsidiaries consolidated using merger method of accounting.
- (ii) Subsidiaries consolidated using acquisition method of accounting.
- (iii) Audited by a firm other than Ernst & Young.
- (iv) Subsidiaries newly incorporated during the financial year.

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

21. Investment In Subsidiaries (cont'd)

Increase in issued share capital of subsidiaries

During the financial year, the Company increased the issued share capital of Yinson Corporation Sdn. Bhd., Yinson Transport (M) Sdn. Bhd., Yinson Shipping Sdn. Bhd., Yinson Vietnam Company Limited, Yinson Production Limited, and Yinson TMC Sdn. Bhd. by approximately RM63.00 million, RM36.00 million, RM3.00 million, RM0.33 million, RM19.89 million and RM198.00 million respectively.

Completion of accounting of acquisition

As disclosed in the previous year's financial statements, the Group has engaged an independent valuer to determine the fair values of the vessels and service contracts attached to the vessels arising from the acquisition of Yinson Production AS. As at 31 January 2014, the fair values of the vessels and net unfavourable contracts amounting to approximately RM777 million and RM100 million respectively were determined on a provisional basis as the independent valuation had not been completed by the date the financial statements for the financial year ended 31 January 2014 were authorised for issue.

Upon completion of the valuation by the independent valuer, retrospective adjustments have been made on the fair values of the following assets and liabilities:

	As at 31 January 2014 (As previously stated) RM'000	Adjustments RM'000	As at 31 January 2014 (Restated) RM'000
Investment in joint ventures	357,965	53,000	410,965
Favourable contract (Non-current)	-	5,768	5,768
Favourable contract (Current)	-	5,768	5,768
Unfavourable contract (Non-current)	(75,483)	8,786	(66,697)
Other net identifiable assets	320,405	-	320,405
	602,887	73,322	676,209
Gain on a bargain purchase (Note 9)	(48,014)	(73,322)	(121,336)
Cost of business combination	554,873	-	554,873

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

21. Investment In Subsidiaries (cont'd)

Disposal of subsidiaries

(a) Regulus Offshore Sdn. Bhd.

The Group disposed of its 2% equity interest in Regulus Offshore Sdn. Bhd. on 3 February 2014 for a total consideration of RM27,000 comprising of cash. The disposal resulted in the Group losing control of the subsidiary and had the following effects on the financial position of the Group as at the end of the financial year

	RM'000
Plant and equipment	378
Trade and other receivables	1,524
Prepayment	1,095
Cash and bank balances	391
Trade and other payables	(1,744)
Tax payable	(23)
Borrowings	(274)
Deferred tax liabilities	(10)
	1,337
Non-controlling interest	(655)
Net assets disposed	682
Total disposal proceeds	(27)
	655
Investment retained in the former subsidiary as an associate	655
Gain or loss on disposal of the Group	-

Cash outflow arising on disposal:

	RM'000
Cash consideration	27
Cash and bank balances of subsidiary disposed	(391)
Net cash outflow on disposal	364

(b) Nautipa AS

The Group disposed off its 100% equity interest in Nautipa AS on 8 October 2014 for a total consideration of USD57,096,914 (equivalent to RM189,763,176). The disposal had the following effects on the financial position of the Group as at the end of the financial year:

	RM'000
Investment in a joint venture	172,988
Deferred tax liabilities	(4,439)
Net assets disposed	168,549
Total disposal proceeds, net of directly attributable disposal expenses	(189,415)
Gain on disposal of the Group	20,866

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

22. Investment in joint ventures

	Group	
	2015 RM'000	2014 RM'000 (Restated)
Share of net assets of joint ventures	356,676	410,965

	Company	
	2015 RM'000	2014 RM'000
<i>Unquoted shares outside Malaysia, at cost:</i>		
At beginning of the year	197,255	54,822
Addition	-	32,796
Capitalisation of advances to joint ventures	-	109,637
At end of the year	197,255	197,255
<i>Advances to joint ventures:</i>		
At beginning of the year	1,583	98,309
Addition	1,607	12,911
Capitalisation of advances to joint ventures	-	(109,637)
At end of the year	3,190	1,583
	200,445	198,838

Advance to PTSC South East Asia Pte. Ltd. is secured and bears interest at LIBOR+ 2.5% (2014: LIBOR + 2.5%) per annum.

Advance to PTSC Asia Pacific Pte. Ltd. is unsecured and bears interest at 4.5% (2014: 4.5%) per annum.

Details of joint ventures are as follows:

Name of Joint Ventures	Countries of incorporation	Proportion (%) of ownership interest		Principal activities
		2015	2014	
PTSC South East Asia Pte. Ltd. ⁽ⁱ⁾	Singapore	49	49	Leasing of a floating, storage and offloading unit ("FSO").
PTSC Asia Pacific Pte. Ltd. ⁽ⁱ⁾	Singapore	49	49	Leasing of a floating, production storage and offloading unit ("FPSO").

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

22. Investment in joint ventures (cont'd)

Name of Joint Ventures	Countries of incorporation	Proportion (%) of ownership interest		Principal activities
		2015	2014	
Held through Yinson Production Pte. Ltd.:				
Yinson Production West Africa Limited (i)	Ghana	49	-	Leasing of a floating, production, storage and offloading unit (“FPSO”).
OY Offshore Limited (i)	Ghana	49	-	Operate and manage offshore support and supply vessels.
Held through Nautipa AS:				
Tinworth Pte. Ltd. ⁽ⁱⁱ⁾	Singapore	-	50	Leasing of a floating, production storage and offloading unit (“FPSO”) on time charter basis.

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

(ii) Audited by a member firm of Ernst & Young Global in Singapore.

The Group's commitments in respect of its interest in the joint ventures are disclosed in Note 40.

The Group's interest in PTSC South East Asia Pte. Ltd., PTSC Asia Pacific Pte. Ltd. and Tinworth Pte. Ltd. (up to the date of disposal) are accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint ventures, based on its MFRS/IFRS financial statements are set out below:

(i) PTSC South East Asia Pte. Ltd.

	2015 RM'000	2014 RM'000
Summarised statement of financial position:		
Current assets	118,957	81,978
Non-current assets	495,320	473,479
Current liabilities	(59,832)	(133,593)
Non-current liabilities	(271,847)	(247,829)
Equity	282,598	174,035
Proportion of the Group's ownership	49%	49%
Carrying amount of the investment	138,473	85,277

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

22. Investment in joint ventures (cont'd)

(i) PTSC South East Asia Pte. Ltd.(cont'd)

	2015 RM'000	2014 RM'000
Summarised statement of comprehensive income:		
Revenue	120,169	93,405
Cost of sales	(27,517)	(14,771)
Administrative expenses	(416)	(910)
Finance costs	(10,288)	(6,227)
Profit before tax	81,948	71,497
Income tax expense	(2,756)	(1,444)
Profit for the year	79,192	70,053
Group's share of profit for the year	38,804	34,326

(ii) PTSC Asia Pacific Pte. Ltd.

	2015 RM'000	2014 RM'000
Summarised statement of financial position:		
Current assets	237,147	49,344
Non-current assets	1,503,318	1,170,244
Current liabilities	(101,722)	(153,443)
Non-current liabilities	(1,193,451)	(732,656)
Equity	445,292	333,489
Proportion of the Group's ownership	49%	49%
Carrying amount of the investment	218,193	163,410
Summarised statement of comprehensive income:		
Revenue	192,074	-
Cost of sales	(86,555)	-
Administrative expenses	(351)	(584)
Finance costs	(26,843)	-
Profit/(loss) before tax	78,325	(584)
Income tax expense	(2,353)	-
Profit/(loss) for the year	75,972	(584)
Group's share of profit/(loss) for the year	37,226	(286)

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

22. Investment in joint ventures (cont'd)

(iii) Yinson Production West Africa Limited

	2015 RM'000	2014 RM'000
Summarised statement of financial position:		
Current assets	10	-
Equity	10	-
Proportion of the Group's ownership	49%	0%
Carrying amount of the investment	5	-
Group's share of profit/(loss) for the year	-	-

(iv) OY Offshore Limited

	2015 RM'000	2014 RM'000
Summarised statement of financial position:		
Current assets	10	-
Equity	10	-
Proportion of the Group's ownership	49%	0%
Carrying amount of the investment	5	-
Group's share of profit/(loss) for the year	-	-

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

22. Investment in joint ventures (cont'd)

(v) Tinworth Pte. Ltd.

	2015 RM'000	2014 RM'000 (Restated)
Summarised statement of financial position:		
Current assets	-	126,169
Non-current assets	-	247,479
Current liabilities	-	(49,092)
Equity	-	324,556
Proportion of the Group's ownership	0%	50%
Carrying amount of the investment	-	162,278
	1.2.2014 to 30.9.2014 RM'000	1.1.2014 to 31.1.2014 RM'000
Summarised statement of comprehensive income:		
Revenue	86,209	8,040
Cost of sales	(47,880)	(6,058)
Other income	8	2,739
Administrative expenses	(2,479)	(481)
Profit before tax	35,858	4,240
Income tax expense	(5,146)	(948)
Profit for the period	30,712	3,292
Group's share of profit for the year	15,356	1,646

During the financial year, the Group disposed off its 50% equity interest in Tinworth Pte. Ltd. held through a subsidiary, Nautipa AS. The details are disclosed in Note 21.

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

23. Investment in associates

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Unquoted shares, at cost:				
- Outside Malaysia	29,607	29,607	-	-
- In Malaysia	79	30	79	30
	29,686	29,637	79	30
Share of post-acquisition reserves	(297)	(426)	-	-
	29,389	29,211	79	30

Details of the associates are as follows:

Name of associates	Countries of incorporation	Proportion (%) of ownership interest		Principal activities
		2015	2014	
Yinson Energy Sdn. Bhd.	Malaysia	30	30	Provision of marine transport services. The Company has not commenced operations.
Regulus Offshore Sdn. Bhd.	Malaysia	49	-	Provision of vessel management services.
Held through Yinson Port Venture Pte. Ltd.:				
PTSC Phu My Port Joint Stock Company ⁽ⁱ⁾	Vietnam	40	40	Manage and operating a port, including cargo handling and provision of related business and services.
Held through YPAS:				
Fred. Olsen Production (West Africa) Ltd. ⁽ⁱ⁾	Nigeria	40	40	Provision of technical management and FPSO management services.

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

(i) PTSC Phu My Port Joint Stock Company

The Group's interest in PTSC Phu My Port Joint Stock Company is accounted for using the equity method in the consolidated financial statements. The financial statements of PTSC Phu My Port Joint Stock Company for the year ended 31 December 2014 have been used in applying the equity method of accounting as allowed by Paragraph 34 of MFRS 128 Investments in Associates and Joint Ventures. There is no significant transaction or event that occurred between 31 December 2014 and the reporting date and hence no adjustment has been made for the current and previous financial years.

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

23. Investment in associates (cont'd)

(i) PTSC Phu My Port Joint Stock Company (cont'd)

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

	2015 RM'000	2014 RM'000
Summarised statement of financial position:		
Current assets	15,867	12,341
Non-current assets	77,830	80,299
Current liabilities	(20,866)	(17,116)
Non-current liabilities	(698)	(2,010)
Equity	72,133	73,514
Proportion of the Group's ownership	40%	40%
Carrying amount of the investment	28,853	29,405

	2015 RM'000	2014 RM'000
Summarised statement of comprehensive income:		
Revenue	26,334	14,817
Cost of sales	(20,371)	(15,369)
Expenses	(3,444)	(2,437)
Profit/(loss) before tax	2,519	(2,989)
Income tax expense	(368)	(166)
Profit/(loss) for the year	2,151	(3,155)
Bonus and welfare funds	-	(132)
	2,151	(3,287)
Group's share of profit/(loss) for the year	860	(1,315)

(ii) Investment in other associates

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

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

24. Available-for-sale financial assets

	Group 2015 RM'000	2014 RM'000
Quoted equity shares:		
- In Malaysia	2,492	2,492
- Outside Malaysia	7,194	13,241
	9,686	15,733

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

Impairment on AFS financial assets

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

The Group had identified an impairment of approximately RM19.223 million on AFS quoted equity securities and recognised the impairment loss in the consolidated statement of profit or loss in the previous financial year.

25. Inventories

	Group 2015 RM'000	2014 RM'000
At cost:		
Consumables	629	2,936
Trading goods	-	37,105
	629	40,041
At realisable value:		
Trading goods	26,966	-
	27,595	40,041

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

26. Trade and other receivables

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Current:				
Trade receivables				
Third parties	331,890	315,501	-	-
Joint venture	-	810	-	-
Directors' related companies	2,317	1,955	-	-
	334,207	318,266	-	-
Allowance for impairment	(22,724)	(8,779)	-	-
	311,483	309,487	-	-
Other receivables				
Refundable deposits	12,034	588	-	1
Sundry receivables	48,618	21,130	-	-
Due from subsidiaries:				
- bearing interest of KLIBOR + 3% p.a.	-	-	435,939	-
- bearing interest of 5.15% p.a.	-	-	23,104	-
- non-interest bearing	-	-	39,052	390,778
- others	-	-	42,841	-
Due from joint ventures	53,818	45,715	53,564	45,715
Due from an associate	1,589	3	1,589	3
	116,059	67,436	596,089	436,497
Allowance for impairment	(162)	(300)	-	-
	115,897	67,136	596,089	436,497
	427,380	376,623	596,089	436,497
Non-current:				
Other receivables				
Loans to subsidiaries				
- non-interest bearing	-	-	-	28,658
- bearing interest of 5.15% p.a.	-	-	-	9,276
Third parties	-	1,981	-	-
	-	1,981	-	37,934
	427,380	378,604	596,089	474,431
Total trade and other receivables	427,380	378,604	596,089	474,431
Add: cash and bank balances (Note 28)	364,378	267,077	11,639	5,671
Total loans and receivables	791,758	645,681	607,728	480,102

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

26. Trade and other receivables (cont'd)

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 120 (2014: 30 to 120) day terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

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

	Group	
	2015 RM'000	2014 RM'000
Neither past due nor impaired	120,794	119,073
1 to 30 days past due not impaired	52,015	105,383
31 to 60 days past due not impaired	30,599	58,250
61 to 90 days past due not impaired	23,569	6,526
91 to 120 days past due not impaired	44,067	3,755
More than 121 days past due not impaired	40,439	16,500
	190,689	190,414
Impaired	22,724	8,779
	334,207	318,266

Receivables that are neither past due nor impaired

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

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

Receivables that are past due but not impaired

The Group has trade receivables amounting to approximately RM190,689,000 (2014: RM190,414,000) that are past due at the reporting date but not impaired.

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

26. Trade and other receivables (cont'd)

(a) Trade receivables (cont'd)

Receivables that are impaired

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

	Group	
	2015 RM'000	2014 RM'000
Trade receivable - nominal amount	22,724	8,779
Less: Allowance for impairment	(22,724)	(8,779)
	-	-

Movement for allowance accounts:

	Group	
	2015 RM'000	2014 RM'000
At beginning of year	8,779	3,154
Charge for the year (Note 10)	14,022	5,831
Reversal of impairment loss (Note 9)	(5)	(8)
Written off	(280)	(198)
Exchange differences	208	-
At end of year	22,724	8,779

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

(b) Other receivables

- Amounts due from subsidiaries bearing interest of KLIBOR + 3% are denominated in USD and RM. These amounts are unsecured and repayable upon demand.
- Amounts due from subsidiaries with interest-free are denominated in USD and RM. These amounts are unsecured and repayable upon demand.
- The amounts due from subsidiaries other than the above are denominated in USD and RM. These amounts are unsecured and will be settled by way of capitalisation as investment cost in the next financial year.

Movement for other receivables allowance accounts:

	Group	
	2015 RM'000	2014 RM'000
At beginning of year	300	375
Charge for the year (Note 10)	27	11
Reversal of impairment loss (Note 9)	(2)	(6)
Written off	(163)	(80)
At end of year	162	300

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

27. Other current assets

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Prepayments	7,365	9,420	683	1,075
Advances to suppliers of raw materials	5,202	-	-	-
Advances to suppliers for purchase of vessels	15,421	-	-	-
	27,988	9,420	683	1,075

28. Cash and bank balances

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Cash on hand and at banks	260,600	200,080	5,711	5,671
Short term investment	313	-	313	-
Deposits with licensed banks	103,465	66,997	5,615	-
Cash and bank balances	364,378	267,077	11,639	5,671

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

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Cash and bank balances	364,378	267,077	11,639	5,671
Bank overdrafts (Note 32)	(4,405)	(15,096)	-	-
	359,973	251,981	11,639	5,671
(Less):				
Short term investment	(313)	-	(313)	-
Deposits with licensed bank for Investment purposes	(8,550)	-	-	-
Deposits pledged to banks	(76,515)	(66,997)	(3,815)	-
Cash and cash equivalents	274,595	184,984	7,511	5,671

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

28. Cash and bank balances (cont'd)

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

Deposit with a licensed bank, denominated in USD, of approximately RM72,612,000 (2014: RM66,912,000), has been pledged to the bank for a performance guarantee issued in favour of a subsidiary's customer for a period of six years. The deposit is made for period of three months (2014: three months) and earns interest at 0.06% (2014: 0.06%) per annum.

Deposit with a licensed bank of approximately RM88,000 (2014: RM85,000) has been pledged to the bank for bank guarantee facilities granted to a subsidiary.

Deposits with licensed banks of approximately RM3,815,000 have been pledged to the banks for the banking facilities of the Company.

29. Issued capital

	Number of ordinary shares of RM0.50*/RM1 each		Amount	
	2015 000	2014 000	2015 RM'000	2014 RM'000
Authorised:				
At 1 February	500,000	500,000	500,000	500,000
- Created during the year	500,000	-	500,000	-
- Increase by way of share split	1,000,000 *	-	-	-
At 31 January	2,000,000 *	500,000	1,000,000	500,000
Issued and fully paid:				
At 1 February	258,200	200,355	258,200	200,355
Issued during the year:				
- Rights issue	258,199	-	258,199	-
- Share split	516,399	-	-	-
- Private placements	-	20,036	-	20,036
- Share issuance	-	37,809	-	37,809
At 31 January	1,032,798	258,200	516,399	258,200

During the financial year, the Company increased its authorised share capital from RM500 million comprising 500 million ordinary shares of RM1.00 each to RM1 billion comprising 1 billion ordinary shares of RM1.00 each.

The proposed Rights Issue has been completed on 13 June 2014. 258,199,610 ordinary shares of RM1.00 each have been issued at RM2.20, with gross proceeds of RM568,039,142 being raised.

On 2 April 2014, Bursa Malaysia Securities Berhad approved the proposed share split involving the subdivision of one ordinary share into two ordinary shares of RM0.50 each. On 1 July 2014, 516,399,200 ordinary shares of RM1 each in the Company were subdivided into 1,032,798,440 ordinary shares of RM0.50 each in the Company.

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

30. Reserves

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It also included the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in currency different from that of the Group's presentation currency.

(b) Available-for-sale reserve

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

31. Retained earnings

The Company may distribute dividends out of its entire retained earnings as at 31 January 2015 under the single tier system.

32. Loans and borrowings

	Maturity	Group		Company	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Current:					
Secured:					
Bank loans:					
- RM loan at BLR + 1.00%	2016	42	197	-	-
- RM loan at BLR + 0.20%	2016	2	82	-	-
- RM loan at BLR - 2.00%	2016	31	28	-	-
- RM loan at BLR + 0.50%		-	625	-	-
- RM loan at BLR - 1.60%	2016	1,446	1,376	-	-
- USD loan at COF + 2.50%	2016	4,750	4,366	-	-
- USD loan at COF + 2.80%	2016	9,561	8,724	-	-
- USD loan at LIBOR + 2.75%	2016	12,245	11,245	-	-
- USD loan at COF + 2.80%	2016	7,824	6,621	7,824	6,621
- USD loan at LIBOR + 4.50%	2016	50,281	116,288	-	-
- USD loan at LIBOR + 4.00%	2016	43,139	69,923	-	-
Obligations under finance leases (Note 33)	2016	6,296	4,242	177	-
		135,617	223,717	8,001	6,621
Unsecured:					
Bank overdrafts	On demand	4,405	15,096	-	-
Bank loans					
- RM loan at COF + 2.50%		-	50,000	-	50,000
- USD loan at COF + 2.50%		-	97,685	-	97,685
- USD loan at COF + 3.50%		-	50,184	-	50,184
Bankers' acceptances	2016	166,778	162,829	-	-
Revolving credits	2016	41,784	22,228	36,284	16,728
		212,967	398,022	36,284	214,597
		348,584	621,739	44,285	221,218

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

32. Loans and borrowings (cont'd)

		Group		Company	
	Maturity	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Non-current:					
<i>Secured:</i>					
Bank loans:					
- RM loan at BLR + 1.00%		-	40	-	-
- RM loan at BLR + 0.20%		-	2	-	-
- RM loan at BLR - 2.00%	2017	162	195	-	-
- RM loan at BLR - 1.60%	2019	4,214	5,660	-	-
- USD loan at COF + 2.50%	2018	17,605	20,614	-	-
- USD loan at COF + 2.80%	2017	12,350	19,796	-	-
- USD loan at LIBOR + 2.75%	2017	36,330	44,789	-	-
- USD loan at COF + 2.80%	2019	17,506	22,789	17,506	22,789
- USD loan at COF + 4.00%	2019	10,897	-	10,897	-
- USD loan at LIBOR + 4.50%	2019	229,051	251,329	-	-
- USD loan at LIBOR + 4.00%	2019	140,683	298,093	-	-
Obligations under finance leases (Note 33)	2019	5,795	5,087	657	-
		474,593	668,394	29,060	22,789
		823,177	1,290,133	73,345	244,007
Total borrowings					
Bank overdrafts (Note 28)		4,405	15,096	-	-
Bankers' acceptances		166,778	162,829	-	-
Revolving credits		41,784	22,228	36,284	16,728
Bank loans		598,119	1,080,651	36,227	227,279
		811,086	1,280,804	72,511	244,007
Obligations under finance leases (Note 33)		12,091	9,329	834	-
Total loans and borrowings		823,177	1,290,133	73,345	244,007

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

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
On demand or within one year	342,288	617,497	44,108	221,218
More than 1 year and less than 2 years	131,250	126,221	9,590	6,647
More than 2 years and less than 5 years	318,199	395,198	18,813	16,142
5 years or more	19,349	141,888	-	-
	811,086	1,280,804	72,511	244,007

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

32. Loans and borrowings (cont'd)

- (a) The secured loans and borrowings of the Group are secured by certain assets of the Group as disclosed in Notes 17, 18 and 19.
- (b) Certain unsecured loans and borrowings of the Company are guaranteed jointly and severally by two of the directors namely, Lim Han Weng and Lim Han Joeh.

All unsecured loans and borrowings of the subsidiaries are guaranteed by the Company and certain unsecured loans and borrowings of the subsidiaries are guaranteed jointly and severally by two of the directors namely, Lim Han Weng and Lim Han Joeh.

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

33. Obligations under finance leases

	Group	
	2015 RM'000	2014 RM'000
Minimum lease commitments:		
Not later than 1 year	6,819	4,677
Later than 1 year and not later than 2 years	4,302	3,855
Later than 2 years and not later than 5 years	1,749	1,233
Total minimum lease payments	12,870	9,765
Less: Amounts representing finance charges	(779)	(436)
Present value of minimum lease payments	12,091	9,329
Present value of payments:		
Not later than 1 year	6,296	4,242
Later than 1 year and not later than 2 years	4,134	3,699
Later than 2 years and not later than 5 years	1,661	1,388
Present value of minimum lease payments	12,091	9,329
Less: Amount due within 12 months (Note 32)	(6,296)	(4,242)
Amount due after 12 months (Note 32)	5,795	5,087

	Company	
	2015 RM'000	2014 RM'000
Minimum lease commitments:		
Not later than 1 year	211	-
Later than 1 year and not later than 2 years	212	-
Later than 2 years and not later than 5 years	498	-
Total minimum lease payments	921	-
Less: Amounts representing finance charges	(87)	-
Present value of minimum lease payments	834	-

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

33. Obligations under finance leases (cont'd)

	Company	
	2015 RM'000	2014 RM'000
Present value of payments:		
Not later than 1 year	177	-
Later than 1 year and not later than 2 years	185	-
Later than 2 years and not later than 5 years	472	-
Present value of minimum lease payments	834	-
Less: Amount due within 12 months (Note 32)	(177)	-
Amount due after 12 months (Note 32)	657	-

The finance lease liabilities are secured by charges over the leased assets (Note 17) and secured by corporate guarantees from the Company. The discount rates implicit in the leases ranges from 2.36% to 4.30% (2014: 2.36% to 4.30%) per annum.

34. Net employee defined benefit liabilities

	Group	
	2015 RM'000	2014 RM'000
At 1 February	7,669	-
Assumed from acquisition of subsidiaries (Note 21)	-	7,522
Recognised in profit or loss	882	-
Settlement	(3,991)	-
Exchange differences	(1,327)	147
At 31 January	3,233	7,669

Employees in Yinson Production AS (YPAS) participated in a defined pension plan providing entitlement to 70% of the salary at the time of retirement (based on length of service) up to a maximum of 12G. In addition, YPAS had unfunded (unsecured) pension obligations covering senior executives equal to 66% of salary on retirement. The general retirement age under the pension plan is 67 years except for four senior managers who have the right to pension upon reaching 65 years of age.

Prior to 31 December 2013, the pension plan was administered by Fred. Olsen & Co's Pensjonskasse. The administration of pension funds is subject to the Financial Supervisory Authority of Norway (Kredittilsynet) rules of capital management. The pension plan assets consist primarily of bonds, certificates and shares in Norwegian stock listed companies. 14 employees were included in the pension plan at 31 December 2013.

The aforementioned pension plan qualifies under the minimum requirements for mandatory service pension ("Obligatorisk Tjenstepensjon") under the Norwegian law for Company Pensions ("Lov om Foretakspensjon").

Subsequent to the acquisition, the YPAS ended its membership in Fred. Olsen & Co's Pensjonskasse and established a defined benefit pension plan with effect from 1 January 2014.

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

35. Favourable and unfavourable contracts

	Group 2015 RM'000 (Restated)	2014 RM'000
<u>Favourable contract</u>		
Cost		
At 1 February	11,536	-
Recognised from acquisition of subsidiaries	-	11,536
Exchange differences	974	-
At 31 January	12,510	11,536
Accumulated amortisation		
At 1 February	-	-
Amortisation (Note 8)	5,981	-
Exchange differences	274	-
At 31 January	6,255	-
Net carrying amount	6,255	11,536
Amount to be amortised:		
- Current	6,255	5,768
- Non-current	-	5,768
	6,255	11,536
<u>Unfavourable contracts</u>		
Cost		
At 1 February	93,245	-
Assumed from acquisition of subsidiaries	-	91,300
Exchange differences	7,881	1,945
At 31 January	101,126	93,245
Accumulated amortisation		
At 1 February	1,971	-
Amortisation (Note 8)	22,480	1,971
Exchange differences	2,663	-
At 31 January	27,114	1,971
Net carrying amount	74,012	91,274
Amount to be amortised:		
- Current	17,416	24,577
- Non-current	56,596	66,697
	74,012	91,274

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

36. Deferred tax liabilities

	Group	
	2015 RM'000	2014 RM'000
At 1 February	10,098	2,796
Recognised in profit or loss (Note 14)	(5,039)	(1,575)
Disposal of subsidiaries	(4,449)	-
Acquisition of subsidiaries	-	8,877
At 31 January	610	10,098
Presented after appropriate offsetting as follows:		
Deferred tax assets	(6,114)	(1,148)
Deferred tax liabilities	6,724	11,246
	610	10,098

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

	Deferred tax liabilities Accelerated capital allowances and others RM	Deferred tax assets Unutilised tax losses and unabsorbed capital allowances RM	Provision RM	Total RM
At 1 February 2013	5,763	(2,952)	(15)	2,796
Recognised in profit or loss	(100)	(308)	(1,167)	(1,575)
Acquisition of subsidiaries	8,877	-	-	8,877
At 31 January 2014 and 1 February 2014	14,540	(3,260)	(1,182)	10,098
Recognised in profit or loss	(3,050)	3,260	(5,249)	(5,039)
Disposal of subsidiaries	(4,449)	-	-	(4,449)
At 31 January 2015	7,041	-	(6,431)	610

As at the reporting date, the Group had unutilised tax losses and unabsorbed capital allowances of approximately RM10,700,000 (2014: RM 4,749,000) that are available to offset against future taxable profits of the respective subsidiaries in which these unutilised tax losses and unabsorbed capital allowances arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability.

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

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

37. Trade and other payables

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Trade payables				
Third parties	39,472	43,885	-	-
Directors' related companies	46	5,102	-	-
Due to an associate	438	-	-	-
	39,956	48,987	-	-
Other payables				
Due to directors	350	85,450	350	85,450
Due to subsidiaries	-	-	6,912	11,016
Due to an associate	660	-	660	-
Directors' related companies	755	1,175	-	-
Corporate shareholders of subsidiaries	7,932	8,057	-	-
Sundry payables	18,768	32,400	509	90
Accruals	40,729	4,726	1,237	1,859
	69,194	131,808	9,668	98,415
Total trade and other payables	109,150	180,795	9,668	98,415
Total trade and other payables	109,150	180,795	9,668	98,415
Add: loans and borrowings (Note 32)	823,177	1,290,133	73,345	244,007
Total financial liabilities carried at amortised cost	932,327	1,470,928	83,013	342,422

(a) Trade payables

Trade payables are non-interest bearing and the credit terms granted to the Group range from 30 to 120 (2014: 30 to 120) days.

(b) Other payables

Amounts due to directors, directors' related companies, a corporate shareholder of subsidiaries and subsidiaries are unsecured, non-interest bearing and are repayable on demand.

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

38. Derivatives

	Group	
	2015 RM'000	2014 RM'000
Financial assets at fair value through profit or loss		
Derivatives not designated as hedge		
- Currency forward contracts	30,518	-
Financial liabilities at fair value through profit or loss		
Derivatives not designated as hedges		
- Interest rate swaps	(214)	(127)

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

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

The fair values of the foreign exchange forward contracts and interest rate swaps are determined by using the prices quoted by the counterparty banks which are categorised as Level 2 of the fair value hierarchy. There is no transfer from Level 1 and Level 2 or out of Level 3 during the financial year.

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

39. Significant related party transactions

(a) Sales and purchases of goods and services

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

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Directors' interest companies:				
- rental income	60	60	-	-
- transport income	5,021	7,171	-	-
- lease of barges	3,430	3,262	-	-
- sales of goods	8	584	-	-
- purchases of goods	3,553	3,396	-	-
- interest income	-	31	-	-
Associate:				
- management and administration charges	634	-	-	-
- purchases of goods	585	-	-	-
- rental income	185	-	-	-
Joint ventures:				
- sales of goods	-	755	-	-
- interest income	1,536	3,320	1,535	3,320
Subsidiaries:				
- dividend income	-	-	103,810	7,949
- management fee income	-	-	6,109	-
- interest income	-	-	29,312	441

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

(b) Compensation to key management personnel

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

40. Commitments

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
(a) Capital commitments				
Approved and contracted for: Property, plant and equipment	75,325	15,049	-	-
Share of joint ventures' capital commitments in relation to property, plant and equipment	-	64,250	-	-
Approved but not contracted for: Property, plant and equipment	41,210	15,813	-	-
Share of joint ventures' capital commitments in relation to property, plant and equipment	-	35,043	-	-
	116,535	130,155	-	-

(b) Operating lease commitments – Group as lessee

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

Minimum lease payments, including amortisation of land use rights recognised in profit or loss for the financial years ended 31 January 2015 and 31 January 2014, amounted to approximately RM2,105,000 and RM720,000 respectively.

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

	Group	
	2015 RM'000	2014 RM'000
Not later than 1 year	694	1,692
Later than 1 year and not later than 5 years	989	-
	1,683	1,692

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

40. Commitments (cont'd)

(c) Operating lease commitments – Group as lessor

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

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

	Group	
	2015 RM'000	2014 RM'000
Not later than 1 year	271,692	265,634
Later than 1 year and not later than 5 years	2,605,228	756,877
Later than 5 years	6,509,380	-
	9,386,300	1,022,511

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

41. Fair value of financial instruments

(a) Fair value hierarchy

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

	Fair value measurement using			
	Quoted prices in active market Level 1 RM'000	Significant observable inputs Level 2 RM'000	Significant unobservable inputs Level 3 RM'000	Total RM'000
At 31 January 2015				
<i>Non-financial asset:</i>				
Investment properties	-	-	29,598	29,598
<i>Financial assets:</i>				
Available-for-sale financial assets	9,686	-	-	9,686
Marketable securities	10	-	-	10
Foreign currency forward contracts	-	30,518	-	30,518
<i>Financial liability:</i>				
Interest rate swaps	-	214	-	214

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

41. Fair value of financial instruments (cont'd)

(a) Fair value hierarchy (cont'd)

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

	Fair value measurement using			
	Quoted prices in active market Level 1 RM'000	Significant observable inputs Level 2 RM'000	Significant unobservable inputs Level 3 RM'000	Total RM'000
At 31 January 2014				
Non-financial asset:				
Investment properties	-	-	15,155	15,155
Financial assets:				
Available-for-sale financial assets	15,733	-	-	15,733
Marketable securities	13	-	-	13
Financial liability:				
Interest rate swaps	-	127	-	127

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

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

There have been no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 31 January 2015 and 31 January 2014.

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

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

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

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

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

41. Fair value of financial instruments (cont'd)

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

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

The fair values of non-current loans and borrowings excluding obligations under finance leases are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Financial guarantees

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

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

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

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

	Group	
	2015 RM'000	2014 RM'000
Financial liabilities:		
<i>Carrying amount:</i>		
- Obligations under finance leases (current and non-current)	12,091	9,329
- USD bank loans (non-current)	369,734	549,422
	381,825	558,751
<i>Fair value:</i>		
- Obligations under finance leases (current and non-current)	12,095	9,222
- USD bank loans (non-current)	352,379	366,675
	364,474	375,897

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

42. Financial risk management objectives and policies

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

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

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, short-term deposits, available-for-sale financial assets and derivatives.

The sensitivity analysis in the following sections relate to the positions as at 31 January 2015 and 2014.

(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 non-current loans and borrowings with floating interest rates.

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

Interest rate sensitivity

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group's profit before tax would have been approximately RM603,000 (2014: RM1,096,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

(ii) Foreign currency risk

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

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily RM, USD and Vietnamese Dong ("VND"). The foreign currency in which these transactions are denominated is mainly USD.

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

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

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

(a) Market risk (cont'd)

(ii) Foreign currency risk (cont'd)

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

Foreign currency sensitivity

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

		Group	
		2015	2014
		RM'000	RM'000
USD/RM	- Strengthened 5%	26,879	4,989
	- Weakened 5%	(26,879)	(4,989)

(b) Credit risk

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

(i) Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits are defined in accordance with this assessment. Outstanding receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in statement of financial position. The Group does not hold collateral as security. As at reporting date, approximately 57% (2014: 57%) of the Group's trade receivables are due from companies of a common group.

(ii) Financial instruments and cash deposits

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

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

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

(c) Liquidity risk

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

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

Group	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
31 January 2015				
Trade and other payables	109,150	-	-	109,150
Loans and borrowings	353,002	460,752	22,155	835,909
Derivatives	214	-	-	214
Total undiscounted financial liabilities	462,366	460,752	22,155	945,273
31 January 2014				
Trade and other payables	180,795	-	-	180,795
Loans and borrowings	660,188	610,395	147,633	1,418,216
Derivatives	127	-	-	127
Total undiscounted financial liabilities	841,110	610,395	147,633	1,599,138
Company				
31 January 2015				
Trade and other payables	9,668	-	-	9,668
Loans and borrowings	44,370	29,130	-	73,500
Total undiscounted financial liabilities	54,038	29,130	-	83,168
31 January 2014				
Trade and other payables	98,415	-	-	98,415
Loans and borrowings	222,380	24,549	-	246,929
Total undiscounted financial liabilities	320,795	24,549	-	345,344

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

43. Segment information

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

- (i) Transport - This segment includes the provision of commercial land transportation, haulage and shipping services.
- (ii) Marine - This segment comprises provision of vessel, barge and marine related services.
- (iii) Trading - This segment comprises the trading activities mainly in the construction related materials
- (iv) Other business segments include rental, insurance and investment income.

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

	Transport RM'000	Marine RM'000	Trading RM'000	Other operations RM'000	Consolidated RM'000
31 January 2015					
Revenue:					
Gross revenue	94,188	432,329	595,929	20,336	1,142,782
Elimination					(59,358)
					<u>1,083,424</u>
Results:					
Segment results	4,991	112,644	7,473	114,542	239,650
Finance costs					(51,524)
Share of results of joint ventures					91,386
Share of results of associates					(132)
Income tax expense					(27,968)
Profit for the year					<u>251,412</u>
Amortisation and depreciation	5,066	85,353	124	255	90,798
Fair value gain/(loss):					
- investment properties	-	-	-	405	405
- marketable securities	-	-	-	(3)	(3)
- Derivatives	-	-	-	30,518	30,518
Other non-cash income	427	(5,215)	10,886	(52,570)	(46,472)
Assets and liabilities					
Segment assets	79,700	1,959,963	269,173	179,380	2,488,216
Segment liabilities	24,520	796,314	191,816	16,057	1,028,707
Addition to non-current assets	7,980	139,655	-	2,293	149,928

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

43. Segment information (cont'd)

	Transport RM'000	Marine RM'000	Trading RM'000	Other operations RM'000	Consolidated RM'000
31 January 2014 (Restated)					
Revenue:					
Gross revenue	106,046	162,085	714,048	9,031	991,210
Elimination					(49,349)
					941,861
Results:					
Segment results	7,880	27,360	20,043	91,390	146,673
Finance costs					(28,971)
Share of results of joint ventures					35,686
Share of results of an associate					(1,316)
Income tax expense					(8,958)
Profit for the year					143,114
Amortisation and depreciation	4,490	18,211	124	-	22,825
Fair value gain/(loss):					
- investment properties	-	-	-	(20)	(20)
- marketable securities	-	-	-	2	2
Other non-cash expenses	2,554	(279)	3,000	(4,025)	1,250
Assets and liabilities					
Segment assets	374,620	1,496,827	265,759	70,604	2,207,810
Segment liabilities	30,957	1,371,906	187,755	2,824	1,593,442
Addition to non-current assets	10,305	782	-	5	11,092

Geographical information

The geographical information is not disclosed as the necessary information is not available and the cost to develop it would be excessive.

44. Capital management

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

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

Notes to the Financial Statements (cont'd) for the financial year ended 31 January 2015

44. Capital management (cont'd)

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

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
		(Restated)		
Loans and borrowings	823,177	1,290,133	73,345	244,007
Trade and other payables	109,150	180,795	9,668	98,415
Less: Cash and bank balances	(364,378)	(267,077)	(11,639)	(5,671)
Net debt	567,949	1,203,851	71,374	336,751
Equity attributable to owners of the parent, total capital	1,450,510	608,449	1,080,627	374,049
Capital and net debt	2,018,459	1,812,300	1,152,001	710,800
Gearing ratio	28%	66%	6%	47%

45. Subsequent events

(i) Incorporation of subsidiaries

Subsequent to the financial year end, Yinson Holdings Berhad ("YHB") incorporated the following wholly-owned subsidiaries:-

- a) Yinson Acacia Ltd ("YAL"), a company incorporated in the Republic of the Marshall Islands.
- b) YAL incorporated two wholly-owned subsidiaries, Yinson Clover Ltd ("YCL") and Yinson Heather Ltd ("YHL"), in the Republic of the Marshall Islands.

The principal activities of YAL, YCL and YHL are investment holding company.

Yinson Nereus Ltd, a wholly-owned subsidiary within the Group incorporated a wholly-owned subsidiary, namely Yinson Camellia Limited ("Camellia"), a company incorporated in Federal Territory of Labuan, Malaysia. The principal activities of Camellia is to carry on shipping operations and vessel chartering.

(ii) Proposed Employees' Share Scheme (ESS)

In relation to the proposed ESS announced on 17 March 2015, an application in relation to the listing and quotation for up to ten percent (10%) of the total issued and paid-up share capital of YHB (excluding treasury shares, if any) at any point in time pursuant to the Proposed ESS had been submitted to Bursa Malaysia Securities Berhad on 15 May 2015.

46. Authorisation of financial statements for issue

The financial statements for the year ended 31 January 2015 were authorised for issue in accordance with a resolution of the directors on 29 May 2015.

Notes to the Financial Statements (cont'd)

for the financial year ended 31 January 2015

47. Supplementary information – breakdown of retained earnings into realised and unrealised

The breakdown of the retained earnings of the Group and of the Company as at 31 January 2015 and 2014 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000
Group				
Total retained earnings				
- Realised	262,416	183,247	116,806	(1,117)
- Unrealised	87,634	4,776	30,259	4,025
	350,050	188,023	147,065	2,908
Total retained earnings from:				
Joint ventures:				
- Realised	109,781	35,396	-	-
Associates:				
- Realised	(1,269)	(1,743)	-	-
	458,562	221,676	147,065	2,908
Less: Consolidation adjustments	(3,831)	(1,712)	-	-
Retained earnings as per financial statements	454,731	219,964	147,065	2,908

ANALYSIS OF SHAREHOLDINGS

AS AT 4 JUNE 2015

Authorised Share Capital	: RM1,000,000,000 ordinary shares of RM0.50 each
Issued and Fully Paid-up Capital	: RM516,399,220 ordinary shares of RM0.50 each
Voting Rights	: One vote per share

ANALYSIS OF SHAREHOLDINGS (According to the record of Depositors as at 4 June 2015)

Range	No. of Holders	% of Holders	No. of Shares	% of Shares
Less than 100	270	9.20	5,014	0.00
100 to 1,000	328	11.18	246,464	0.02
1,001 to 10,000	1,421	48.43	7,102,326	0.69
10,001 to 100,000	679	23.14	22,098,800	2.14
100,001 to 51,639,921 (*)	232	7.91	666,932,336	64.58
51,639,922 and above (**)	4	0.14	336,413,500	32.57
	2,934	100.00	1,032,798,440	100.00

Remark: * - Less than 5% of issued shares
 ** - 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS (According to the Company's Register of Substantial Shareholders as at 4 June 2015)

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
1 Lim Han Weng	227,601,000	22.04	138,912,400	13.45
2 Kencana Capital Sdn Bhd	151,597,000	14.68	40,000,000	3.87
3 Bah Kim Lian	91,077,600	8.82	229,890,200	22.26
4 AIA Bhd	62,554,500	6.06	104,800	0.01
5 Employees Provident Fund Board	59,295,100	5.74	-	-

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

DIRECTORS SHAREHOLDINGS (As per Register of Director's Shareholdings as at 4 June 2015)

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Lim Han Weng	227,601,000	22.04	138,912,400	13.45
Bah Kim Lian	91,077,600	8.82	229,890,200	22.26
Lim Han Joeh	41,310,376	4.00	-	-
Bah Koon Chye	280,000	0.03	-	-
Adi Azmari bin Koya Moideen Kutty	220,000	0.02	-	-
Kam Chai Hong	264,600	0.03	-	-
Lim Chern Yuan	61,200	0.01	318,678,600	30.86

Analysis Of Shareholdings

As At 4 June 2015 (cont'd)

30 LARGEST SHAREHOLDERS (According to the Record of Depositors as at 4 June 2015)

	Name	No. of Shares	%
1	Cimsec Nominees (Tempatan) Sdn Bhd <i>CIMB for Kencana Capital Sdn Bhd (PB)</i>	100,000,000	9.68
2	Affin Hwang Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Lim Han Weng</i>	91,818,400	8.89
3	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Bah Kim Lian</i>	82,596,600	8.00
4	Citigroup Nominees (Tempatan) Sdn Bhd <i>Exempt AN for AIA Bhd.</i>	61,998,500	6.00
5	Cimsec Nominees (Tempatan) Sdn Bhd <i>CIMB for Kencana Capital Sdn Bhd (PBCL-OG0042)</i>	51,597,000	5.00
6	Amsec Nominees (Tempatan) Sdn Bhd <i>Pledged securities account - Ambank (M) Berhad for Lim Han Weng</i>	44,694,800	4.33
7	Affin Hwang Nominees (Asing) Sdn Bhd <i>Pledged securities account for Liannex Corporation (S) Pte. Ltd.</i>	44,104,800	4.27
8	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Yeow Chien Ming</i>	41,310,000	4.00
9	AllianceGroup Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Lim Han Weng (8081862)</i>	40,188,000	3.89
10	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Kencana Capital Assets Sdn Bhd</i>	40,000,000	3.87
11	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Lim Han Weng</i>	39,590,000	3.83
12	Citigroup Nominees (Tempatan) Sdn Bhd <i>Employees Provident Fund Board</i>	37,485,900	3.63
13	RHB Nominees (Tempatan) Sdn Bhd <i>Bank of China (Malaysia) Berhad pledged securities account for Lim Han Joeah</i>	29,400,000	2.85
14	Maybank Investment Bank Berhad <i>IVT (14)</i>	20,360,000	1.97
15	Maybank Nominees (Tempatan) Sdn Bhd <i>Exempt AN for Areca Capital Sdn Bhd</i>	15,695,040	1.52
16	Malaysia Nominees (Tempatan) Sendirian Berhad <i>Great Eastern Life Assurance (Malaysia) Berhad (LSF)</i>	11,809,200	1.14
17	Citigroup Nominees (Tempatan) Sdn Bhd <i>Employees Provident Fund Board (Affin-Hwg)</i>	11,709,200	1.13
18	Citigroup Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Lim Han Weng (473800)</i>	11,045,800	1.07
19	Malaysia Nominees (Tempatan) Sendirian Berhad <i>Great Eastern Life Assurance (Malaysia) Berhad (LPF)</i>	9,668,800	0.94
20	Cartaban Nominees (Asing) Sdn Bhd <i>Exempt AN for Standard Chartered Bank Singapore Branch (SG PVB CL AC)</i>	8,800,000	0.85
21	Citigroup Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Bah Kim Lian (473819)</i>	7,838,000	0.76
22	AllianceGroup Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Lim Han Joeah (8085254)</i>	7,210,376	0.70
23	Beh Eng Par	7,100,000	0.69
24	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad <i>Deutsche Bank AG Singapore for Joy Lead Consultants Limited (Maybank SG)</i>	6,843,600	0.66
25	AllianceGroup Nominees (Tempatan) Sdn Bhd <i>Pledged securities account for Lim Kooi Eng (8112574)</i>	6,426,240	0.62
26	Citigroup Nominees (Tempatan) Sdn Bhd <i>Employees Provident Fund Board (Nomura)</i>	6,100,000	0.59
27	HSBC Nominees (Asing) Sdn Bhd <i>Exempt AN for Credit Suisse (SG BR-TST-Asing)</i>	5,983,700	0.58
28	Hong Leong Assurance Berhad <i>As beneficial owner (Unitlinked BCF)</i>	5,620,000	0.54
29	Malaysia Nominees (Tempatan) Sendirian Berhad <i>Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)</i>	5,000,000	0.48
30	UOBM Nominees (Tempatan) Sdn Bhd <i>Exempt AN for Areca Capital Sdn Bhd (Client A/C 1)</i>	4,861,000	0.47
		856,854,956	82.95

List of Properties

Details of all the landed properties owned by the Group and the Company as at 31 January 2015 are set out as follows:-

Location	Description of Existing Use	Tenure (expiry date/year)	Age of Building (years)	Land Area (sq.m)/ Gross Built up Area (sq m)	Fair Value/ Net Book Value (RM'000)	Last Date of Revaluation (R)/ Acquisition (A)
PROPERTIES						
PLO 248 Mukim of Tebrau Kawasan Perindustrian Tebrau IV Johor Bahru	Office building and warehouse	Leasehold land expiring 31.1.2060	13	23,310/ 5,440	9,074	A: 24.11.1997
INVESTMENT PROPERTIES						
PLO 729 Jalan Keluli Pasir Gudang Industrial Estate 81700 Pasir Gudang, Johor	Yard and office building	Leasehold land expiring 17.2.2068	7	6,070/ 329	1,550	R: 31.1.2015
PLO 734 Jalan Keluli Pasir Gudang Industrial Estate 81700 Pasir Gudang, Johor	Land	Leasehold land expiring 17.2.2068	-	6,669	1,200	R: 31.1.2015
Lot P.T3968 H.S(D) 5638 Mukim 1 Daerah Seberang Perai Tengah Pulau Pinang	Yard and Building	Leasehold land expiring 6.3.2058	7	10,630/ 566	3,500	R: 31.1.2015
PTD 64022 Jalan Angkasamas Satu Mukim of Tebrau Johor Bahru	Office building and warehouse	Leasehold land expiring 14.3.2053	20	11,048/ 4752	4,900	R: 31.1.2015
MLO 2754 Mukim of Plentong Johor Bahru	Vacant land	Freehold	-	4,097	450	R: 31.1.2015
PTD 66206 Taman Putri Wangsa Johor Bahru	Double storey terrace house	Freehold	17	184/ 133	230	R: 31.1.2015
G-3-1 Taman Pelangi Apartment H.S. (D) No.30874, P.T. No.6110 Mukim Bukit Katil Daerah Melaka Tengah, Melaka	Apartment	Freehold	15	142	90	R: 31.1.2015
H-3-1 Taman Pelangi Apartment H.S. (D) No.30874, P.T. No.6110, Mukim Bukit Katil Daerah Melaka Tengah, Melaka	Apartment	Freehold	15	142	90	R: 31.1.2015

List of Properties (cont'd)

Location	Description of Existing Use	Tenure (expiry date/year)	Age of Building (years)	Land Area (sq.m)/ Gross Built up Area (sq m)	Fair Value/ Net Book Value (RM'000)	Last Date of Revaluation (R) / Acquisition (A)
PTD No. 37796, H.S. (D) 127433 Mukim of Pulau District of Johor Bahru Johor Darul Ta'zim	1 1/2 storey light industrial building	Freehold	15	326/326	550	R: 31.1.2015
Parcel No 03-25, Melur Mewangi H.S. (D) 3503, P.T. No 1929 (Block 6), Mukim of Ijuk Kuala Selangor, Selangor	Apartment	Freehold	10	71	70	R: 31.1.2015
Unit No.145 Level 5 Block M1-B Lot No.144 Section 44 City of Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Office Unit	Freehold	8	432	1,950	R: 31.1.2015
Lot No.D99 (Room 1641/1642 Vila Mayfair, Summerset Colonial Hotel and Villa) Summerset of Rompin, 26800 Kuala Rompin Pahang Darul Makmul	Vacation Resort Villa	Leasehold Building expiring 15.1.2094	19	608/135	40	R: 31.1.2015
PTD No.8325, HSM 5011 Mukim Semenyih Daerah Hulu Langat Negeri Selangor	Vacant Land	Leasehold land expiring 05.11.2094	-	1,581	420	R: 31.1.2015
PTD No.127063, H.S. (D) 251022, No.12, Jalan Gunung 4 Bandar Seri Alam, 81750 Masai Johor Darul Takzim	Four storey shopoffice	Freehold	19	178	520	R: 31.1.2015

Proxy Form

YINSON HOLDINGS BERHAD

Company No: 259147-A (Incorporated in Malaysia)

(Incorporated in Malaysia under the Companies Act, 1955)

I / We _____
(Name in full)NRIC No. / Passport No. / Company No. _____ CDS Account No. _____
(NRIC No./Passport No. /Company No.)of _____
(Address)being a member / members of YINSON HOLDINGS BERHAD hereby appoint _____
(Name in full)_____ NRIC No. /Passport No. _____ of
(Name in full) (NRIC No./Passport No.)

_____ (Address)

or failing him _____ NRIC No. /Passport No. _____ of
(Name in full) (NRIC No./Passport No.)of _____
(Address)

or failing him / her, the Chairman of the meeting as *my / our proxy to vote for *me / us on *my / our behalf, at the Twenty-Second Annual General Meeting of the Company to be held at Level 6, Orchid Room, Berjaya Waterfront Hotel Johor Bahru (formerly known as The Zon Regency Hotel By The Sea), 88, Jalan Ibrahim Sultan, Stulang Laut, 80720 Johor Bahru, Johor Darul Takzim, on Thursday, 23 July 2015 at 12.00 noon or at any adjournment thereof.

The proportions of my/our shareholding to be represented by my/our proxy(ies) are as follows:

First named Proxy.....%
Second named Proxy.....%
100%

This proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate spaces. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	Payment of the Final Single Tier Dividend		
2.	Payment of Directors' Fees		
3.	Re-election of Mr Lim Han Joeh as Director of the Company		
4.	Re-election of Mr Kam Chai Hong as Director of the Company		
5.	Re-election of Mdm Bah Kim Lian as Director of the Company		
6.	Re-election of Dato' Adi Azmari Bin B.K. Koya Moideen Kutty as Director of the Company		
7.	Re-appointment of Messrs Ernst & Young as Auditors		
8.	Retention of Dato' Adi Azmari Bin B.K. Koya Moideen Kutty as Independent Non-Executive Director of the Company		
9.	Retention of Mr Kam Chai Hong as Independent Non-Executive Director of the Company		
10.	Retention of Tuan Haji Hassan bin Ibrahim as Independent Non-Executive Director of the Company		
11.	Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965		
12.	Proposed Renewal of the Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") and Proposed New Shareholders' Mandate for Additional RRPT		

As witness my/our hand this _____ day of _____ 2015

No. of Share Held	:	
CDS Account No	:	

Signature / Common Seal of Shareholder (s)
* Delete if not applicable

Notes:

- (1) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.
- (2) Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
- (3) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (4) Where an authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (5) The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.
- (6) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the Company's Registered Office at No. 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor Darul Takzim not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
- (7) Depositors who appear in the Record of Depositors as at 16 July 2015 shall be regarded as member of the Company entitled to attend the Annual General Meeting or appoint a proxy to attend and vote on his behalf.



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**AFFIX
STAMP**

YINSON HOLDINGS BERHAD
(259147-A) (Incorporated in Malaysia)
No. 25, Jalan Firma 2
Kawasan Perindustrian Tebrau IV
81100 Johor Bahru
Johor, Malaysia.

