STRATEGY REVIEW

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2023 was no ordinary year. Changing macroeconomic conditions disrupted markets, tested our resilience and challenged our assumptions. Yet, it was precisely during these uncertain times that our strategy proved its mettle. We adapted our pace and processes in alignment with changing market factors, while continuing to adhere to our business strategies. We kept focused on our purpose and made decisions in alignment with our Core Values.

KEEPING A CLEAR FOCUS ON THE ENERGY SPACE

The growth of our businesses throughout 2023 reaffirmed that our strategic direction of focusing on the energy space, specifically energy infrastructure, is sound.

Infrastructure has always been an attractive asset class, as they usually have contracted revenue streams from companies with high credit ratings, providing stable and consistent long-term returns. Lately, global structural shifts towards a low-carbon economy, coupled with urgent pushes from governments for self-sufficiency and energy security, is causing infrastructure investments – especially sustainable infrastructure investments – to be even more in vogue. I echo the observation Larry Fink made when BlackRock acquired Global Infrastructure Partners in early 2024, i.e. "Policymakers are only just beginning to implement once-in-a-generation financial incentives for new infrastructure technologies and projects."

All our key businesses contribute to building energy infrastructure that empowers communities, drives economic growth, and protects the environment for current and future generations. While our businesses are united by this clear, shared purpose, each business has its own unique growth strategy, shaped by differing market factors, business models, and business maturity.

TRANSITION FOCUSED, WITH VARYING SPEEDS ADAPTED TO MARKET CHANGES

We continue to be transition-focused as a Group. With that as our overarching strategy, we consciously adjust various levers to balance the speed of our transition with global market factors such as inflation and supply chain constraints, as well as the high capital costs that our businesses require to grow.

Our Core Values have been key to how we have successfully navigated the current volatile environment. Investing into building an open, conducive working environment, supported by technology and digitalisation, has helped us to attract the best people and allow them to do their best work. Latest market information, coupled with robust stakeholder management, allows swift analysis and decision-making by our diverse global team.

The Business Reviews in this Report provide more details on the market contexts which influenced our decisions and outcomes in 2023, as well as the outlook for the years ahead.

Business Reviews, pg 68 - 91.

POSITIONING OF YINSON'S BUSINESSES IN THE ENERGY INFRASTRUCTURE VALUE CHAIN

YP — YINSON Production

Conventional energy infrastructure

- Mature business model.
- Strong market outlook, with stable cash flows.
- Derived from finite resource.
- Limited competition.

YR — YINSON Renewables

Renewable energy infrastructure

- Proven technology and business model.
- Solid pipeline maturing towards construction and operations.
- Derived from infinite resource, ESG-positive.
- Higher competition.

YGT — YINSON GreenTech

Infrastructure, innovation and solutions for the electrification of mobility

- Building industries of the future in a region that has significant opportunities.
- New and developing business model.
- ESG-positive.

FO — FAROSSON **Mobilising capital in the sustainable infrastructure space**

Empower communities | Drive economic growth | Protect the environment

STEADY PROGRESS AGAINST OUR STRATEGIC GOALS

In last year's Report, we shared that we had implemented greater decision-making autonomy in our businesses. The strengthening of functions, manpower, and expertise that was enacted as part of this exercise has enabled our businesses to respond with much greater agility to risks and opportunities throughout 2023.

Tangible positive outcomes of the decentralisation exercise were apparent across all our businesses.

In our most mature business, Yinson Production, we invested during the financial year to build FPSOs that are more efficient, technologically advanced, and low-carbon. This, together with our excellent safety and operations track record and over USD 22 billion in contracted cash flows over the next three decades, has helped us to greatly strengthen our platform value. We are in a stronger position than ever now to capitalise and build stronger strategic partnerships with parties that see the value of our platform. We believe this will unlock Yinson's greatest value yet and allow us to construct the right capital structure to maximise this growth.

During the year in review, Yinson GreenTech tenaciously developed its five businesses that form an integrated ecosystem that drives the electrification of land and sea transport. When our solutions hit the market, they were met with an explosion of interest from local governments and top corporations in the region eager who are eager to decarbonise. Many partnerships were forged, and many commitments delivered, positioning Yinson GreenTech as a preferred solution provider in the transport electrification space regionally.

Yinson Renewables now has 585 MW in construction, and 463 MW in operation – marking a strong progression of our pipeline. This progress bodes well with the evolving macroeconomics of the renewables scene. Shifting of the valuation focus may open up different opportunities in the segment. Our sound fundamentals have allowed our renewables business to adapt well to the present realities of high interest rates, and supply chain and infrastructure constraints. Despite the constraints, we see good pockets of opportunities in the renewables market.

UNWAVERING COMMITMENT TO AREAS THAT ARE CARDINAL TO OUR STRATEGY

STRATEGIC FOCUS AREAS

Staying true to our purpose: ESG and transition	Delivering value to our shareholders	Building our 'war chest'	Keeping our covenants	Safeguarding our credit ratings

Even as our businesses adapt their strategies in response to changing market risks and opportunities, we diligently make sure that they continue to align to areas that are cardinal to our Group strategies.

#1 Staying true to our purpose: ESG and transition

Every strategic decision we make leads us back to the fulfilment of our purpose: We operate in the energy infrastructure space. We are in the energy transition business. We are future-focused. We aim to bring positive impacts to the community, environment, and economy. Our foundations are built with a clear sustainability purpose.

Inclusive energy transition, pg 96 - 97.

#2 Delivering value to our shareholders

Over the years, Yinson has continued to provide steady returns to our shareholders while growing the company, as demonstrated in the graph below. Delivering such value, and increasing it, continues to be a priority for us moving forward. In the nearer term, this means investing in the growth of our FPSO business, without compromising on our commitment to devote at least 30% of equity Group-wide to non oil-based FPSO activities by 2030.

Yinson's share price has demonstrated a consistent upwards trajectory over the past five years which outpaced KLCI index, from a low of RM1.77 to a high of RM3.15 and averaging around RM2.42. This attests our proven business model, sound financial management as well as our continuous commitment towards delivering long-term value to our shareholders.

KLCI VS YINSON SHARE PRICE (5 YEARS)

In line with this focus area, we continue to step up our engagement activities with our shareholders as buildling a better understanding of our business is key to the creation of a strong and supportive shareholder base. In January 2024, we invited our major shareholders for an in-person dialogue with our Board and Senior Management. Here, we discussed key shareholder concerns, including dividend yield, capital allocation plans, updates on our new businesses, new risks and opportunities, and strategic targets.

#3 Building our 'war chest'

In recent years, Yinson has gone through a phase of intensive, high CAPEX expansion. With the CAPEX into growth assets in the FPSO business, as well as the introduction of Yinson Renewables, Yinson GreenTech and Farosson into our fold, we acknowledge the need to build a different kind of war chest and capital structure. The strengthened tax, treasury and finance functions for various businesses have worked hard in the period under review to build strong liquidity management strategies that serve to fuel continued growth, buffer against uncertainty, safeguard the company, maintain market confidence and allow greater strategic manoeuvring.

In 2023 and to date, the Group has embarked on several initiatives that have allowed us to strategically reprofile our debt repayments. Some notable initiatives include:

- August 2023: Yinson Production secured a USD 230 million term loan facility in relation to FPSO Maria Quitéria with Global Infrastructure Partners.
- December 2023: Yinson Production closed a corporate loan facility of up to USD 500 million.
- March 2024: The Group completed a private placement that raised RM283.2 million to fund our energy transition businesses.
- April 2024: Yinson Production placed a USD 500 million senior secured bond issue in the Nordic bond market, which marked our debut in the international capital markets.
- April 2024: Yinson Production secured a USD 1.3 billion project financing for FPSO Agogo, a multi-tranche financing with a maturity of up to 10 years post-delivery of the asset.

We also completed several other financial exercises that support our transition journey. Our success in this area has allowed us to further free up our free cash flows to bolster growth. These tactical financial strategies increase the attractiveness of our investor proposition as we continue to explore strategic partnerships to further unlock the value of our businesses.

Cash flows and liquidity, pg 41 - 42; Business Management & Performance, pg 120 - 122.

#4 Keeping our covenants

Yinson's financing activities, primarily through the drawdown of loans and borrowings, are used to fund our ongoing and new FPSO projects, finance our growth, and strengthen our cash position. Keeping our covenants are absolute requirements when planning and deploying our capital strategies and market activities. This is both a risk management measure and a way to ensure that we are building our businesses on the right capital structure.

#5 Safeguarding our credit ratings

Our strong credit ratings are an important assurance of our reliability and trustworthiness. Over the years, our strong ratings have instilled investor confidence, opened access to capital at more favourable terms, and provided access to more investment opportunities.

Yinson has A1/stable and A+/stable ratings from RAM Ratings and MARC respectively. Both agencies acknowledged Yinson's strong business profile, underpinned by recurrent sizeable long-term FPSO contracts which are unaffected by crude oil prices. RAM and MARC also noted Yinson's strong track record of FPSO deliveries and operations.

Further expanding and improving our investor ratings to reflect our constantly evolving business outlook and global presence is one of our strategic workstreams.

SEIZING OPPORTUNITIES WITHIN KEY MACROECONOMIC TRENDS

In response to mounting inflationary pressures and economic recovery, central banks worldwide embarked on a series of interest rate increases to balance growth and price stability. These actions had significant implications on capital availability and valuations and returns on assets, affecting borrowing costs, investment decisions, and overall economic dynamics globally. Here, Yinson's excellent track record of delivery and operations, prudent financial management and long-standing financial partnerships allowed us to continue securing the capital needed to execute our growth plans and manage our debt profile well.

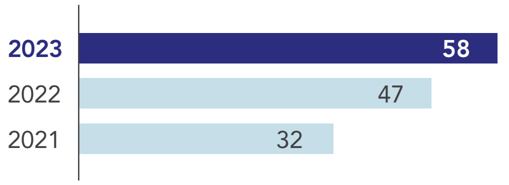
Ongoing geopolitical tensions, triggered by the Russia-Ukraine conflict, have led to sanctions, soaring energy prices and recession risks. These contribute to the most complex and severe energy crisis the world has ever seen, with conversations about energy security dominating the world stage. This has led to strong opportunities for the FPSO industry. Yinson's position as one of the top FPSO providers globally puts us in a favourable position to secure balanced contracts that suit our capabilities and climate commitments. Our activities in renewables, green technologies, and sustainable asset management have also seen an increase in opportunities as the world seeks to diversify its energy sources and build critical infrastructure for clean energy distribution.

The energy industry continues to be subjected to mounting pressure from all directions, including from intergovernmental organisations, governments, the financial community, and the ESG movement. This has resulted in increased regulatory requirements that aim to balance the multilayered and complex interests of all parties. The rising costs of compliance and new regulations, such as Global Minimum Tax, could pose challenges for companies which have inadequate cash buffers and regulatory experience. In this respect, the investment that Yinson has made over the years to build strong corporate functions and practices allows us to respond ahead of our peers.

2023 brought about a seismic change in the ESG and climate landscape, with the world upping the ante on everything from greenwashing to stricter climate target disclosures, alongside increased politicising of ESG investing. Investor scrutiny and expectations on ESG performance is higher than ever before, greatly affecting access to capital. We believe that these conditions favour players with a strong transition story and track record. Yinson has mapped out a clear transition plan and are committed to disclosing our progress against those plans. With this, we have built a track record that demonstrates our capabilities of meeting our ESG targets, opening up opportunities to access capital and execute our growth plans.

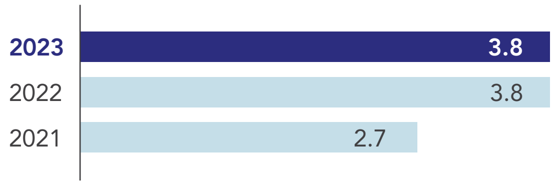
WE MAINTAIN OUR POSITION AS A TOP-RATED ESG COMPANY, MARKING STEADY IMPROVEMENTS Y-O-Y

S&P CSA
(OIE Energy Equipment & Services)



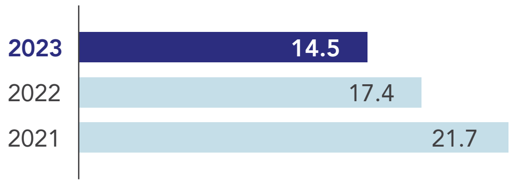
ESG Score: 58
(Without modeling. Modelling score contribution: +4)
Y-o-Y improvement: 23.4%

FTSE4GOOD
(Oil Equipment & Services)



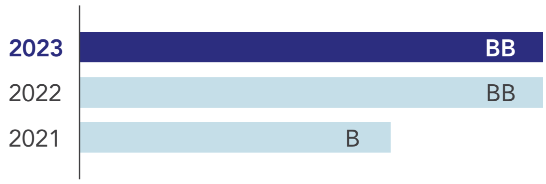
ESG Rating: 3.8
Y-o-Y improvement: Maintained

SUSTAINALYTICS
(Oil & Gas Equipment)



ESG Risk Rating: 14.5 (Low Risk)
Y-o-Y improvement: 16.7%

MSCI
(Energy Equipment & Services)



ESG Ratings: BB
Y-o-Y improvement: Maintained

CLOSING REMARKS

Risks and opportunities are always evolving, and Yinson continues to adapt our strategies in tandem. Throughout, we always keep our goal of providing energy security to countries and communities in sight. This has led us to take a careful, yet bold approach to our growth, where we balance innovation and disruption with sound governance and data-based decisions.

We are confident that our strategic decisions allow us to manage our key risks moving forward, while providing a clearer direction on the opportunities we should consider. We thank you for partnering with us on our journey towards a sustainable, equitable, and energy-secure future for all.