

PRESS RELEASE FOR IMMEDIATE RELEASE



YINSON TO STEP INTO THE LAYANG FPSO PROJECT

KUALA LUMPUR – 29 NOVEMBER 2017

Yinson Holdings Berhad (Yinson Holdings) today announced that its associate company, Yinson Energy Sdn Bhd (Yinson Energy), has affirmed affidavits and extended copies thereof to the High Court of Malaya at Kuala Lumpur in connection with an application made by TH Heavy Engineering Berhad (THHE) under Section 368(4) of the Companies Act 2016 for leave to enter into and complete a proposed novation of the EPCIC and leasing contract for a floating production storage and offloading facility (FPSO) between JX Nippon Oil & Gas Exploration (Malaysia) Limited (Nippon) and THHE, to Yinson Energy.

The contract is for the engineering, procurement, construction, installation and commission and leasing of a FPSO to be deployed at the Layang field in Block SK10, offshore Miri, Sarawak.

The proposed novation is to be made by THHE to Yinson Energy, acting on behalf of Yinson Holdings. The affidavits confirm that Yinson Energy has no objection to the application made by THHE to enter into and complete the proposed novation subject to finalisation of the terms of the novation by the parties thereto and/or required by any regulatory authority. The proposed novation will also be subjected to the satisfaction of conditions precedent, which includes a court order being obtained by THHE, and Yinson Energy is to have no liability or responsibility whatsoever to Nippon or THHE for any loss or liability arising in relation to matters prior to the complete satisfaction (or waiver) or all such conditions precedent.

The parties are currently in the midst of finalising the other terms of the proposed novation and the application has been fixed for case management.

Mr Lim Chern Yuan, executive director and group chief executive officer of the Yinson Group, is enthusiastic at what he sees as an opportunity which opens many doors for the group if it happens.

“This project would continue to enhance our footprint in Asia and particularly signals our entry into Malaysia, our home market. We are confident that this is the right project for Yinson which will further boost our orderbook and in line with our corporate strategy. We are also confident that we can deliver the FPSO safely, on time and on budget. Coming off from the disposal of a strategic stake in FPSO John Agyekum Kufuor to a consortium of Japanese companies, this prospect of working with Nippon will further enhance the Group’s standing amongst Japanese corporates. We believe our FPSO Four Rainbow is the right candidate for this project and Yinson has the financial and human capital to execute this project. At the same time, we must caution that the filing of the affidavit is just the start of the process and pending the court order, we remain in discussions with the other parties to fine tune the terms of the novation.”

About Yinson Holdings Berhad

Yinson is a premier Malaysian integrated offshore production and support services provider company listed on the Main Market of Bursa Malaysia Securities Berhad. Yinson Group of Companies was established in 1983 as a transport agency partnership business in Johor Bahru.

In 2011, the Group ventured into the offshore services industry through the provision of chartering services as well as vessel management. In 2014, Yinson achieved another milestone in marine services when it acquired Fred. Olsen Production ASA. With the acquisition, Yinson was complimented with a strong and experienced FPSO team to grow the business.

In 2016, the Group disposed all of its non-oil & gas business segments and streamlined its business to be a full-fledged oil & gas service company.

Currently, Yinson is the 6th largest FPSO Company in the global FPSO market having a wide geographical presence in Malaysia, Vietnam, Singapore, Norway, USA & Africa.

The Group's current market capitalisation stands at approximately RM4.20 billion as at 29 November 2017.
