

FINANCIAL

**MANUFACTURED**

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NATURAL



## MANUFACTURED CAPITAL

Our Manufactured Capital consists of the resources that go into the building, and acquisitions of, our key assets.

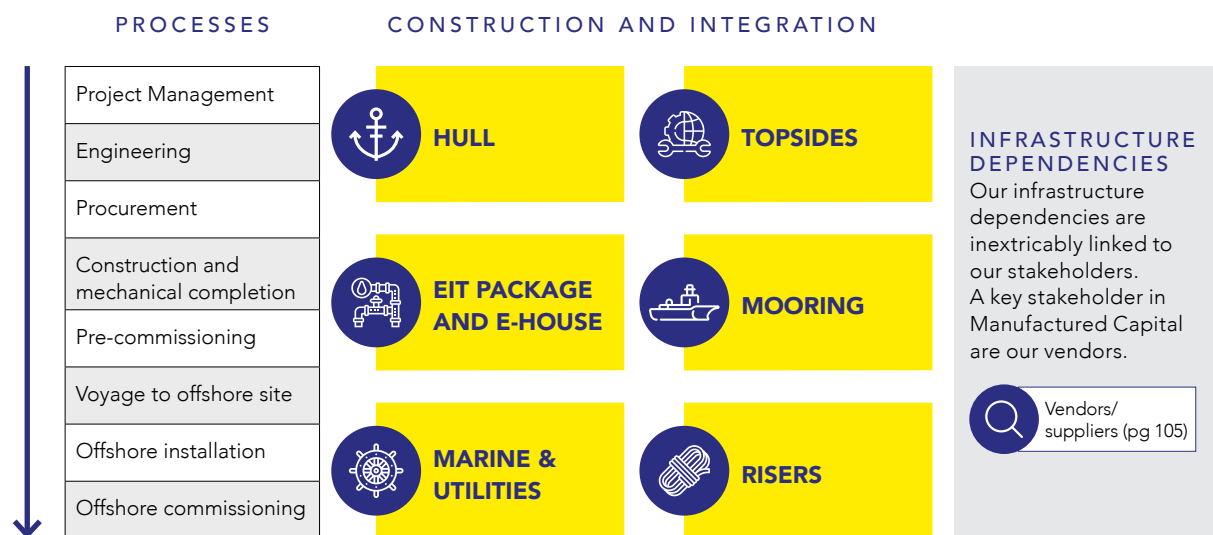
We also consider major infrastructure (including those provided by third parties) used in the building or acquisition of our assets as Manufactured Capital.

The management of this capital is a key business imperative and is considered an essential to fulfilling stakeholder expectations. All three business divisions (Offshore Production and Renewables, with support from Offshore Marine) receive inputs under this capital, with stewardship falling primarily under the Business Development, Projects and Operations core pillars.

### Key phases of FPSO conversion project

**BUSINESS DEVELOPMENT TEAM SECURES THE PROJECT**

**PROJECTS TEAM EXECUTES THE PROJECT**



**OPERATIONS TEAM TAKES OVER THE DAILY OPERATIONS AND MAINTENANCE OF THE ASSET**

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**BUSINESS DEVELOPMENT**

GOALS SET FOR FYE 2020	PROGRESS	GOALS SET FOR FYE 2021
Enter into the Brazil market	<ul style="list-style-type: none"> <li>• Successful entry into Brazil market with the award of the FPSO Anna Nery project</li> <li>• Acquisition of donor vessel Front Falcon for use in the FPSO Anna Nery project</li> <li>• Awaiting outcomes of the Parque das Baleias project bid</li> <li>• Acquisition of donor vessel Ridgebury Eagle for use in the Parque das Baleias project bid</li> </ul>	<ul style="list-style-type: none"> <li>• Secure the contract for the Parque das Baleias project in Brazil</li> <li>• Build up a solid base of project targets for the years to come</li> </ul>
Build our presence in countries where bidding and acquisition activities are taking place	<ul style="list-style-type: none"> <li>• Set up of Brazil and Netherlands Operations offices for the FPSO Anna Nery project</li> <li>• Set up of satellite office in London for renewables activities</li> </ul>	<ul style="list-style-type: none"> <li>• Continue building and staffing Brazil and Netherlands operations offices for the FPSO Anna Nery project</li> </ul>

In October 2019, Yinson successfully entered the Brazil market with the signing of two LOIs with Petrobras for the charter, operations and maintenance of an FPSO for the Marlim revitalisation project, Brazil. The LOIs were converted to definitive contracts on 23 March 2020. Sumitomo is participating in the project with an effective interest of 25%. Preparations and groundwork had begun prior to the contract award, including the purchase of donor vessel MT Front Falcon and

the setting up and staffing of the Brazil and Netherlands operations offices.

We are currently awaiting the outcome of our bid for the Parque das Baleias FPSO project, located in the Campos Basin. In the meantime, we have continued to build our presence in Brazil to be ready in the event of a successful project award. The vessel MT Ridgebury Eagle was acquired as the intended donor vessel for this project.

Yinson’s strategy for Business Development is to find and engage early in the right projects for Yinson and build a strong foundation for future long-term growth.

In parallel, general marketing will be continued, including participating in exhibitions and conferences that are good platforms for sharing our value proposition with our stakeholders in the industry.



External environment (pg 36), Industry (pg 109), MD&A (pg 128)

## PROJECTS

GOALS SET FOR FYE 2020	PROGRESS	GOALS SET FOR FYE 2021
Delivery of projects safely and on time	<ul style="list-style-type: none"> <li>FPSO Helang on charter 6 December 2019</li> <li>FPSO Abigail-Joseph on track for delivery in Q2 2021</li> <li>Conversion works for FPSO Anna Nery underway as per project schedule</li> </ul>	<ul style="list-style-type: none"> <li>Delivery of FPSO Abigail-Joseph in Q2 2021</li> <li>Progress with conversion works for FPSO Anna Nery as per project schedule</li> </ul>

Our active projects during the financial year were FPSO Helang, FPSO Abigail-Joseph and FPSO Anna Nery. The key activities for these three vessels during the period under review are listed in this section.

## FPSO Helang

We achieved timely delivery of all materials within the project schedule, with a 100% completion of Project Procurement scope.

Activity	Date
Contract award	30 Apr 2018
Vessel arrival at shipyard	24 Feb 2018
Installation of electrical house	31 Oct 2018
Installation of first batch of process modules, turret, power generation and oil metering skid	28 Jan 2019
Installation of gas turbine combined cycle power plants	15 Mar 2019
Installation of second batch of process modules	15 Apr 2019
Completion of mooring installation	15 Jun 2019
Receipt of Mechanical Completion Certificate and FPSO Sail away Certificate	17 Aug 2019
Moored at Layang Field	15 Sep 2019
Receipt of Ready for Commissioning Certificate	6 Nov 2019
Ready for Start-up Certificate	8 Nov 2019
FPSO Helang on charter	6 Dec 2019

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## FPSO Abigail-Joseph

The contract for FPSO Abigail-Joseph was secured in 2019, with the refurbishment, life extension works and installation of new structures including the helideck and riser balcony as well as the installation and integration of topsides modules taking place in Singapore. The project achieved a milestone as one of the world's fastest brownfield FPSO vessel modification and upgrading projects.

Activity	Date
Contract award	28 Feb 2019
First delivery of steel and pipe materials	9 Jul 2019
Vessel arrival at shipyard	28 Jul 2019
Completion of demolition scope	15 Sep 2019
Installation of metering skid and steel integration	27 Oct 2019
Completion of dry dock	4 Dec 2019
Accommodation ready for habitation	18 Dec 2019
Completion of tanks and hull coating	15 Jan 2020
Flash Gas/HP compressors skids installation and integration	15 Jan 2020
Completion of riser balcony structural work	20 Jan 2020
Departure to field	26 Feb 2020


## FPSO Anna Nery

With FPSO Anna Nery, we have commenced placement of critical path and long lead items, as well as Early Works Engineering Contracts, as per project schedule.

Activity	Date
Contract award/LOI issued (effective date)	11 Oct 2019
Issued purchase order for gas turbine generators	7 Jan 2020
Issued purchase order for water injection module	24 Jan 2020
Vessel arrival at shipyard	16 Mar 2020
Entered into definitive contract	23 Mar 2020

OPERATIONS

7

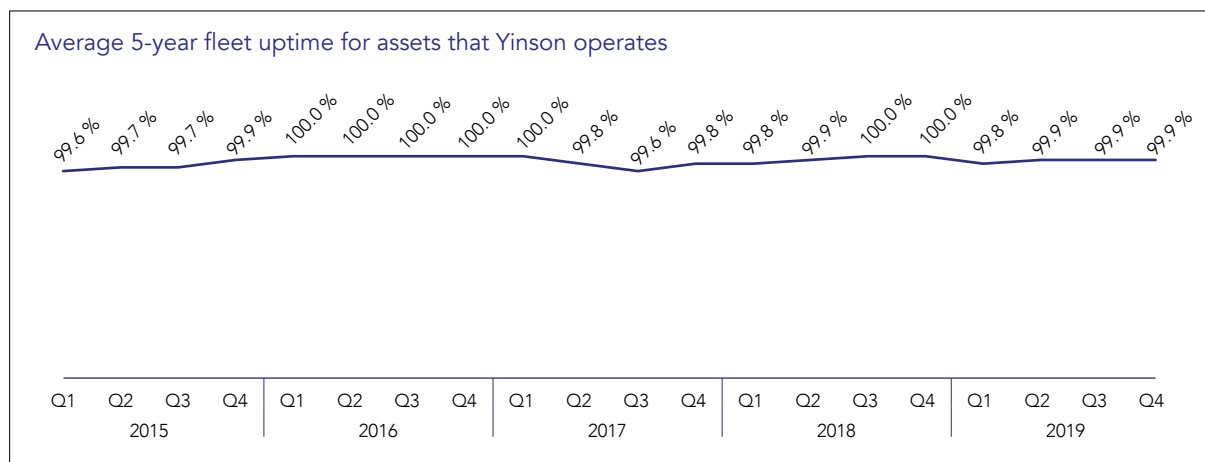
GOALS SET FOR FYE 2020	PROGRESS	GOALS SET FOR FYE 2021
Maintain excellent fleet uptime and safety records for all FPSOs in operation	<ul style="list-style-type: none"> <li>99.9% fleet average fleet uptime achieved in 2020 for FPSOs Yinson operates. This is a 99.8% five-year average</li> <li>LTI frequency of 0.71 and Total Recordable Incident ("TRI") frequency of 1.42</li> </ul> <p> Health and safety (pg 95)</p>	<ul style="list-style-type: none"> <li>Maintain excellent fleet uptime records for all FPSOs in operation</li> <li>Improve and maintain safety records for all FPSOs in operation</li> </ul>
Maintain high fleet utilisation rate for OSVs	<ul style="list-style-type: none"> <li>Fleet was 100% utilised upon contract award. Utilisation rate over the financial year was 92.69%</li> </ul>	<ul style="list-style-type: none"> <li>Improve and maintain fleet utilisation rates for all OSVs</li> </ul>

Yinson's FPSO operations are headquartered in Oslo, with base offices in the country where the vessel is in operation. Maintaining excellent fleet uptime and safety records is a priority during the operations phase.

An average fleet uptime of 99.9% was achieved for our four FPSOs that were in operation throughout FYE 2020.

FPSOs	Annual average uptime
FPSO PTSC Lam Son	99.7%
FPSO PTSC Bien Dong 01	100%
FPSO Adoon	100%
FPSO JAK	99.8%

Yinson's fleet uptimes since 2015 for the assets that we operate is 99.8%. This includes Marc Lorenceau (until Q1 2017), FPSO Allan (until Q4 2018), FPSO Adoon and FPSO JAK (from Q2 2017). These statistics are recorded by calendar year.



Yinson's OSV fleet achieved a high utilisation rate of 92.69% in FYE 2020, with 100% utilisation for Yinson Perwira and PTSC Lam Kinh. Our other OSVs experienced the following on-hire periods:

OSVs	On-hire periods
Yinson Hermes	Feb 2019 to Jul 2019
	Sep 2019 to Jan 2020
PTSC Huong Giang	6 Apr 2019 to 6 Dec 2019
	16 Jan 2020 to 31 Jan 2020

**RENEWABLES**

GOALS SET FOR FYE 2020	PROGRESS	GOALS SET FOR FYE 2021
Assess opportunities to expand and diversify into other forms of energy infrastructure assets	<ul style="list-style-type: none"> <li>Establishment of Renewables Division in October 2019</li> <li>Part-acquisition of two solar farms in Rajasthan, India, in March 2020</li> <li>Recruitment of renewables core team</li> </ul>	<ul style="list-style-type: none"> <li>Continue building lean and focused team</li> <li>Initiate greenfield development activity</li> <li>Establish growth platform</li> <li>Position renewables to secure opportunities in energy transition</li> </ul>

Yinson reached a significant milestone in our long-term strategy for diversification with the establishment of our Renewables Division in October 2019. The renewables team is focussing on Asian and European markets, with asset acquisition activity already kickstarted in FYE 2020.

On 31 March 2020, Yinson successfully completed our first foray into renewables with the acquisition of a 37.5% equity interest in Rising Sun Energy Private Limited ("RSE"), an India-incorporated company with two operational solar plants in the Bhadla Solar Park, Rajasthan, India. The two adjoining solar plants have a combined generation capacity of 140MW (AC rated), and achieved their scheduled commissioning dates in 2017. 25-year Power Purchase Agreements, expiring in 2042, have been signed with NTPC Limited, India's largest power utility, majority owned by the Government of India.

We aim to initiate greenfield development activity in FYE 2021, where we develop, build, own and operate renewable assets. With the establishment of a platform comprising both brownfield and greenfield assets, Yinson will be positioned to meet our goal for growth in this market and to secure other opportunities in energy transition.



Renewables assets (pg 21), Group strategy (pg 30), Looking to the future (pg 139)