

**SHIN YANG GROUP BERHAD**  
**(FORMERLY KNOWN AS SHIN YANG SHIPPING CORPORATION BERHAD)**  
**Registration No.: 200401027554 (666062-A) (Incorporated in Malaysia)**

**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**  
**(The figures have not been audited)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

|  | Note | INDIVIDUAL QUARTER<br>3 months ended<br>30 September |                      | CUMULATIVE QUARTER<br>3 months ended<br>30 September |                      |
|--|------|--|----------------------|--|----------------------|
|  |      | 2023<br>RM'000                                       | 2022<br>RM'000       | 2023<br>RM'000                                       | 2022<br>RM'000       |
| <b>Revenue</b>   |      | 222,410  | 247,301              | 222,410  | 247,301              |
| Cost of sales  |      | (193,429)  | (186,673)            | (193,429)  | (186,673)            |
| <b>Gross profit</b>  |      | <u>28,981</u>  | <u>60,628</u>        | <u>28,981</u>  | <u>60,628</u>        |
| Other income   |      | 7,513  | 2,384                | 7,513  | 2,384                |
| Finance income   |      | 2,994  | 1,275                | 2,994  | 1,275                |
| Administrative expenses  |      | (9,894)  | (10,748)             | (9,894)  | (10,748)             |
| Other operating expenses   |      | -  | (383)                | -  | (383)                |
| Reversal of Impairment on financial asset  |      | -  | 800                  | -  | 800                  |
| <b>Operating Profit</b>  |      | <u>29,594</u>  | <u>53,956</u>        | <u>29,594</u>  | <u>53,956</u>        |
| Finance Costs  |      | (1,814)  | (2,050)              | (1,814)  | (2,050)              |
| Shares of loss of equity accounted associates  |      | (445)  | (4)                  | (445)  | (4)                  |
| <b>Profit before taxation</b>  |      | <u>27,335</u>  | <u>51,902</u>        | <u>27,335</u>  | <u>51,902</u>        |
| Tax expense  | A12  | (557)  | (1,049)              | (557)  | (1,049)              |
| <b>Profit after taxation, representing total comprehensive income for the period</b> |      | <u><u>26,778</u></u>                                 | <u><u>50,853</u></u> | <u><u>26,778</u></u>                                 | <u><u>50,853</u></u> |
| <b>Profit after tax attributable to:</b>   |      |  |                      |  |                      |
| Owners of the Company  |      | 26,053   | 50,259               | 26,053   | 50,259               |
| Non controlling interests  |      | 725  | 594                  | 725  | 594                  |
|  |      | <u>26,778</u>  | <u>50,853</u>        | <u>26,778</u>  | <u>50,853</u>        |
| <b>Total comprehensive income attributable to:</b>                                   |      |  |                      |  |                      |
| Owners of the Company  |      | 26,053   | 50,259               | 26,053   | 50,259               |
| Non controlling interests  |      | 725  | 594                  | 725  | 594                  |
|  |      | <u>26,778</u>  | <u>50,853</u>        | <u>26,778</u>  | <u>50,853</u>        |
| <b>Earnings per share attributable to owners of the Company:</b>                     |      |  |                      |  |                      |
| Basic (sen)  | B12  | 2.30   | 4.38                 | 2.30   | 4.38                 |
| Diluted (sen)  | B12  | 2.30   | 4.38                 | 2.30   | 4.38                 |

**Notes:**

(a) *The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to this report.*

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**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

|   |      | <b>Unaudited<br/>AS AT<br/>30.09.2023<br/>RM'000</b> | <b>Audited<br/>AS AT<br/>30.06.2023<br/>RM'000</b> |
|---|------|--|--|
| <b>ASSETS</b>                                       |      |  |  |
| <b>NON-CURRENT ASSETS</b>                           |      |  |  |
|   | Note |  |  |
| Investment in associates                            |      | 3,368  | 3,401  |
| Property and equipment                              |      | 915,227  | 931,364  |
| Other receivables                                   |      | -  | 954  |
| Other investments                                   |      | 59   | 59   |
| Goodwill  |      | 2,064  | 2,064  |
| Deferred tax assets                                 |      | 836  | 836  |
|   |      | <b>921,554</b>                                       | <b>938,678</b>                                     |
| <b>CURRENT ASSETS</b>                               |      |  |  |
| Inventories   |      | 36,266   | 33,901   |
| Trade receivables                                   |      | 149,803  | 157,355  |
| Other receivables and deposits                      |      | 36,056   | 25,714   |
| Contract assets                                     |      | -  | 2,090  |
| Current tax assets                                  |      | 3,779  | 3,566  |
| Cash and bank balances                              |      | 385,927  | 398,904  |
|   |      | <b>611,831</b>                                       | <b>621,530</b>                                     |
| Non-Current assets classified as held for sale      |      | -  | <b>11,185</b>                                      |
|   |      | <b>1,533,385</b>                                     | <b>1,571,393</b>                                   |
| <b>EQUITY AND LIABILITIES</b>                       |      |  |  |
| <b>EQUITY</b>                                       |      |  |  |
| Share capital                                       |      | 1,216,972  | 1,216,972  |
| Treasury shares                                     |      | (26,262)   | (24,776)   |
| Retained profits                                    |      | 352,645  | 326,592  |
| Other reserves                                      |      | (297,861)  | (297,861)  |
| <b>Equity attributable to owners of the Company</b> |      | <b>1,245,494</b>                                     | <b>1,220,927</b>                                   |
| Non Controlling interests                           |      | 5,285  | 4,560  |
|   |      | <b>1,250,779</b>                                     | <b>1,225,487</b>                                   |
| <b>NON-CURRENT LIABILITIES</b>                      |      |  |  |
| Lease liabilities                                   | B9   | 6,623  | 111  |
| Bank Borrowings                                     | B9   | 26,162   | 36,450   |
| Deferred tax liabilities                            |      | 50,837   | 51,064   |
|   |      | <b>83,622</b>  | <b>87,625</b>                                      |
| <b>CURRENT LIABILITIES</b>                          |      |  |  |
| Trade payables                                      |      | 90,381   | 107,903  |
| Contract liabilities                                |      | 18,095   | 20,350   |
| Other payables and accruals                         |      | 11,194   | 24,734   |
| Lease liabilities                                   | B9   | 9,918  | 238  |
| Bank Borrowings                                     | B9   | 65,322   | 102,590  |
| Current tax liabilities                             |      | 4,074  | 2,094  |
| Derivative liabilities                              |      | -  | 372  |
|   |      | <b>198,984</b>                                       | <b>258,281</b>                                     |
| <b>Total liabilities</b>                            |      | <b>282,606</b>                                       | <b>345,906</b>                                     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 |      | <b>1,533,385</b>                                     | <b>1,571,393</b>                                   |
| Net assets per shares (RM)                          |      | 1.10   | 1.07   |

**Notes:**

(a) *The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to this report.*

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**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

|   | Share<br>Capital<br>RM'000 | Treasury<br>Shares<br>RM'000 | Other<br>Reserves<br>RM'000 | Retained<br>Profits<br>RM'000 | Attributable<br>To Owners<br>of the<br>Company<br>RM'000 | Non-<br>controlling<br>Interests<br>RM'000 | Total<br>Equity<br>RM'000 |
|---|----------------------------|------------------------------|-----------------------------|-------------------------------|--|--|---------------------------|
| <b>Balance at 1 July 2022</b>                                       | 1,216,972                  | (16,571)                     | (297,861)                   | 159,984                       | 1,062,524  | 4,378                                      | 1,066,902                 |
| Profit after taxation for the financial year                        | -                          | -                            | -                           | 180,923                       | 180,923  | 1,682                                      | 182,605                   |
|   | <u>1,216,972</u>           | <u>(16,571)</u>              | <u>(297,861)</u>            | <u>340,907</u>                | <u>1,243,447</u>   | <u>6,060</u>                               | <u>1,249,507</u>          |
| <b>Contributions by and distributions to owners of the Company:</b> |                            |                              |                             |                               |  |  |                           |
| - Purchase of treasury shares                                       | -                          | (8,205)                      | -                           | -                             | (8,205)  | -  | (8,205)                   |
| - Dividends   | -                          | -                            | -                           | (14,315)                      | (14,315)   | -  | (14,315)                  |
| -by subsidiaries to non-controlling interests                       | -                          | -                            | -                           | -                             | -  | (1,500)                                    | (1,500)                   |
|   | <u>-</u>                   | <u>(8,205)</u>               | <u>-</u>                    | <u>(14,315)</u>               | <u>(22,520)</u>  | <u>(1,500)</u>                             | <u>(24,020)</u>           |
| <b>Balance at 30 June 2023</b>                                      | <u><b>1,216,972</b></u>    | <u><b>(24,776)</b></u>       | <u><b>(297,861)</b></u>     | <u><b>326,592</b></u>         | <u><b>1,220,927</b></u>                                  | <u><b>4,560</b></u>                        | <u><b>1,225,487</b></u>   |

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**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

|   | Share<br>Capital<br>RM'000 | Treasury<br>Shares<br>RM'000 | Other<br>Reserves<br>RM'000 | Retained<br>Profits<br>RM'000 | Attributable<br>To Owners<br>of the<br>Company<br>RM'000 | Non-<br>controlling<br>Interests<br>RM'000 | Total<br>Equity<br>RM'000 |
|---|----------------------------|------------------------------|-----------------------------|-------------------------------|--|--|---------------------------|
| <b>Balance at 1 July 2023</b>                                       | 1,216,972                  | (24,776)                     | (297,861)                   | 326,592                       | 1,220,927  | 4,560                                      | 1,225,487                 |
| Profit after taxation for the financial period                      | -                          | -                            | -                           | 26,053                        | 26,053   | 725  | 26,778                    |
|   | <u>1,216,972</u>           | <u>(24,776)</u>              | <u>(297,861)</u>            | <u>352,645</u>                | <u>1,246,980</u>   | <u>5,285</u>                               | <u>1,252,265</u>          |
| <b>Contributions by and distributions to owners of the Company:</b> |                            |                              |                             |                               |  |  |                           |
| - Purchase of treasury shares                                       | -                          | (1,486)                      | -                           | -                             | (1,486)  | -  | (1,486)                   |
| Total transactions with owners                                      | -                          | (1,486)                      | -                           | -                             | (1,486)  | -  | (1,486)                   |
| <b>Balance at 30 September 2023</b>                                 | <u><b>1,216,972</b></u>    | <u><b>(26,262)</b></u>       | <u><b>(297,861)</b></u>     | <u><b>352,645</b></u>         | <u><b>1,245,494</b></u>                                  | <u><b>5,285</b></u>                        | <u><b>1,250,779</b></u>   |

**Notes:**

(a) *The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to this report.*

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**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

|   | Current<br>year to date<br>30.09.2023<br>RM'000 | Preceding<br>year<br>30.09.2022<br>RM'000 |
|---|---|---|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                          |   |   |
| Profit before taxation  | 27,335  | 51,902                                    |
| Adjustment for:   |   |   |
| Depreciation  | 22,857  | 22,946                                    |
| Fair value change on forward contracts                              | (372)   | (902)                                     |
| Net (gain)/ loss on disposal of property and equipment              | (5,734)   | 593                                       |
| Interest expenses   | 1,814   | 2,050                                     |
| Interest income   | (2,994)   | (1,275)                                   |
| Net changes in provision for onerous contract                       | -   | (470)                                     |
| Reversal of impairment loss on financial assets                     | -   | (800)                                     |
| Loss retained in associates   | 445   | 4   |
| Unrealised loss on foreign exchange                                 | 343   | 1,277                                     |
| <b>Operating profit before working capital changes</b>              | <b>43,694</b>                                   | <b>75,325</b>                             |
| <u>Working Capital Changes</u>                                      |   |   |
| Increase in inventories   | (2,365)   | (5,744)                                   |
| Decrease in trade and other receivables                             | 12,663  | 2,563                                     |
| Decrease in trade and other payables                                | (24,888)  | (15,019)                                  |
| Decrease in contract assets   | 2,090   | 939                                       |
| Decrease in contract liabilities                                    | (2,255)   | (1,829)                                   |
| Net changes in related companies balances                           | (20,059)  | 32,811                                    |
| Net changes in holding company balances                             | (170)   | (28)                                      |
| Total changes in working capital                                    | (34,984)  | 13,693                                    |
| <b>CASH FROM OPERATIONS</b>   | <b>8,710</b>                                    | <b>89,018</b>                             |
| Interest income received  | 2,994   | 1,275                                     |
| Interest expenses paid  | (1,814)   | (2,050)                                   |
| Income tax refund/ (paid)   | 958   | (848)                                     |
| <b>Total interest and tax received/ (paid)</b>                      | <b>2,138</b>                                    | <b>(1,623)</b>                            |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>                           | <b>10,848</b>                                   | <b>87,395</b>                             |
| <b>CASH FLOW FROM/ (FOR) INVESTING ACTIVITIES</b>                   |   |   |
| Acquisition of subsidiary   | -   | (20,032)                                  |
| Purchase of property and equipment                                  | (10,384)  | (28,521)                                  |
| Proceeds from disposal of property and equipment                    | 19,978  | 5,512                                     |
| <b>NET CASH FROM/ (FOR) INVESTING ACTIVITIES</b>                    | <b>9,594</b>                                    | <b>(43,041)</b>                           |
| <b>CASH FLOW FOR FINANCING ACTIVITIES</b>                           |   |   |
| Acquisition of treasury shares                                      | (1,486)   | (983)                                     |
| Proceeds from lease liabilities                                     | 345   | 286                                       |
| Repayment of principal portion of lease liabilities                 | (2,128)   | (2,439)                                   |
| Repayment of term loans   | (3,535)   | (4,306)                                   |
| Net movement in trade financing                                     | (29,847)  | (19,234)                                  |
| <b>NET CASH FOR FINANCING ACTIVITIES</b>                            | <b>(36,651)</b>                                 | <b>(26,676)</b>                           |
| <b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>        | <b>(16,209)</b>                                 | <b>17,678</b>                             |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b> | <b>393,118</b>                                  | <b>265,391</b>                            |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>       | <b>376,909</b>                                  | <b>283,069</b>                            |



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**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

|  | Current<br>year to date<br>30.06.2023<br>RM'000 | Preceding<br>year<br>30.06.2022<br>RM'000 |
|--|---|---|
| <b>Cash and cash equivalents comprise the following:</b> |   |   |
| Cash and bank balances                                   | 143,116   | 91,578                                    |
| Deposit with licensed banks                              | 242,811   | 204,400                                   |
| Bank overdrafts  | (9,018)   | (12,909)                                  |
| <b>Cash and cash equivalents</b>                         | <b>376,909</b>                                  | <b>283,069</b>                            |

**Notes:**

- (a) *The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to this report.*



**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

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**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”) 134: INTERIM FINANCIAL REPORTING**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“MFRS”) MFRS 134: “Interim Financial Reporting” and Chapter 9 Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the annual audited financial statements of Shin Yang Group Berhad (“SYGROUP” or “the Company”) (Formerly known as Shin Yang Shipping Corporation Berhad) and its subsidiaries (“the Group”) for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to the audited financial statements.

The accounting policies and methods of computations used in the preparation of the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2023.

**A2. Auditor’s report on preceding annual financial statements**

There was no qualification to the audited financial statements of the Company and of its subsidiaries on the preceding annual financial statements.

**A3. Seasonal or cyclical factors**

The Group’s operations were not significantly affected by seasonal or cyclical factors.

**A4. Unusual items**

There were no significant unusual items affecting assets, liabilities, equity, net income, or cash flows during the current interim quarter under review.

**A5. Material changes in estimates**

There were no changes in estimates of amounts that have had a material effect in the current interim quarter under review.

**A6. Debt and equity securities**

Repurchase of shares as Treasury Shares

On 24 November 2023, shareholders of the Company had approved and renewed their approval authority for the Company’s plan to repurchase its own ordinary shares. The Company has purchased 2,400,000 its own ordinary shares at average price of RM 0.61902 per share during the current quarter. As at 30 September 2023, the Company had purchased and hold a cumulative total 66,569,700 of its issued ordinary shares repurchased from open market at an overall average price at RM0.3945 per share. These shares are being held as treasury shares in accordance with Section 127 of the Companies Act, 2016.



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**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”) 134: INTERIM FINANCIAL REPORTING**

**A8. Segmental reporting (cont’)**

|   | Shipping<br>RM’000 | Shipbuilding,<br>Ship repair<br>and Metal<br>Fabrication<br>RM’000 | Service<br>providers<br>RM’000 | Gas<br>RM’000 | Investment<br>holding<br>RM’000 | Elimination<br>RM’000 | Total<br>RM’000 |
|---|--------------------|--|--------------------------------|---------------|---------------------------------|-----------------------|-----------------|
| <b>For 3 months ended 30 September 2023</b> |                    |  |                                |               |                                 |                       |                 |
| <b>Segment Revenue</b>                      |                    |  |                                |               |                                 |                       |                 |
| External revenue                            | 167,396            | 33,721   | 17,104                         | 3,972         | 217                             | -                     | 222,410         |
| Inter-segment revenue                       | 4,653              | 10,623   | 8,983                          | 790           | 1,187                           | (26,236)              | -               |
| Total                                       | <u>172,049</u>     | <u>44,344</u>  | <u>26,087</u>                  | <u>4,762</u>  | <u>1,404</u>                    | <u>(26,236)</u>       | <u>222,410</u>  |
| Profit from operations                      | 22,387             | 1,884  | 5,003                          | 490           | (170)                           | -                     | 29,594          |
| Finance costs                               |                    |  |                                |               |                                 |                       | (1,814)         |
| Share of loss of associates                 |                    |  |                                |               |                                 |                       | (445)           |
| Profit before taxation                      |                    |  |                                |               |                                 |                       | <u>27,335</u>   |
| Income tax expense                          |                    |  |                                |               |                                 |                       | (557)           |
| Profit for the period                       |                    |  |                                |               |                                 |                       | <u>26,778</u>   |





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**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”) 134: INTERIM FINANCIAL REPORTING**

**A8. Segmental reporting (cont’)**

|   | Shipping<br>RM’000 | Shipbuilding,<br>Ship repair<br>and Metal<br>Fabrication<br>RM’000 | Service<br>providers<br>RM’000 | Gas<br>RM’000 | Investment<br>holding<br>RM’000 | Elimination<br>RM’000 | Total<br>RM’000 |
|---|--------------------|--|--------------------------------|---------------|---------------------------------|-----------------------|-----------------|
| <b>For 3 months ended 30 September 2022</b> |                    |  |                                |               |                                 |                       |                 |
| <b>Segment Revenue</b>                      |                    |  |                                |               |                                 |                       |                 |
| External revenue                            | 220,003            | 7,736  | 15,573                         | 3,773         | 216                             | -                     | 247,301         |
| Inter-segment revenue                       | 1,238              | 17,747   | 8,849                          | 905           | 1,186                           | (29,925)              | -               |
| Total                                       | <u>221,241</u>     | <u>25,483</u>  | <u>24,422</u>                  | <u>4,678</u>  | <u>1,402</u>                    | <u>(29,925)</u>       | <u>247,301</u>  |
| Profit from operations                      | 48,654             | 602  | 3,614                          | 1,208         | (122)                           | -                     | 53,956          |
| Finance costs                               |                    |  |                                |               |                                 |                       | (2,050)         |
| Share of loss of associates                 |                    |  |                                |               |                                 |                       | (4)             |
| Profit before taxation                      |                    |  |                                |               |                                 |                       | <u>51,902</u>   |
| Income tax expense                          |                    |  |                                |               |                                 |                       | <u>(1,049)</u>  |
| Profit for the period                       |                    |  |                                |               |                                 |                       | <u>50,853</u>   |



**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”) 134: INTERIM FINANCIAL REPORTING**

**A8. Segmental reporting (Cont’)**

| <b>Group</b>      |                             |                             |                    |
|-------------------|-----------------------------|-----------------------------|--------------------|
|                   | <b>1Q 2024<br/>(RM'000)</b> | <b>1Q 2023<br/>(RM'000)</b> | <b>Changes (%)</b> |
| Revenue           | 222,410                     | 247,301                     | -10.1%             |
| Profit before tax | 27,335                      | 51,902                      | -47.3%             |

Revenue of the Group for the first quarter ended 30 September 2023 decreased by 10.1% to RM222.4 million as compared to RM247.3 million in the previous corresponding quarter.

The decrease in revenue was mainly due to the lower revenue generated from the shipping segments in the current quarter as compared to last preceding quarter.

The decrease in profit before tax in the current quarter were mainly due to the decrease of freight margin and shipment volume in shipping segments on bulk carriers and container sectors.

Performance and prospects of each operating segment are discussed below:

**Shipping**

|                   | <b>1Q 2024<br/>(RM'000)</b> | <b>1Q 2023<br/>(RM'000)</b> | <b>Changes (%)</b> |
|-------------------|-----------------------------|-----------------------------|--------------------|
| Revenue           | 167,396                     | 220,003                     | -23.9%             |
| Profit before tax | 21,375                      | 48,083                      | -55.5%             |

For the current quarter, the shipping segment’s revenue of RM167.4 million decreased by 23.9% as compared to RM 220.0 million revenue recorded in the corresponding quarter.

The decrease in revenue was mainly due to the lower fleet load factor in shipping segment. The decrease in profit before tax in shipping segment were mainly due to the decrease of freight margin and shipment volume in shipping segments on bulk carriers and container sectors.

**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”) 134: INTERIM FINANCIAL REPORTING**

**A8. Segmental reporting (Cont’)**

**Shipbuilding and Ship repair**

|                            | <b>1Q 2024<br/>(RM'000)</b> | <b>1Q 2023<br/>(RM'000)</b> | <b>Changes (%)</b> |
|----------------------------|-----------------------------|-----------------------------|--------------------|
| Revenue                    | 33,721                      | 7,736                       | 335.9%             |
| Profit / (Loss) before tax | 872                         | (651)                       | 233.9%             |

For the current quarter, revenue generated from shipbuilding and ship repair segments of RM33.7million, increased by 335.9% as compared to RM7.7 million revenue recorded in the corresponding quarter. The increase in revenue was mainly due more shipbuilding work for external parties in the current quarter.

The profit before tax in Shipbuilding and ship repair segment was mainly due to the increased in profit margin and number of vessels on ship repair and maintenance works in Shipbuilding and ship repair segments.

**Service providers**

|                   | <b>1Q 2024<br/>(RM'000)</b> | <b>1Q 2023<br/>(RM'000)</b> | <b>Changes (%)</b> |
|-------------------|-----------------------------|-----------------------------|--------------------|
| Revenue           | 17,104                      | 15,573                      | 9.8%               |
| Profit before tax | 4,877                       | 3,505                       | 39.1%              |

For the current quarter, the revenue from service providers segment increased by 9.8% compared to the preceding year’s corresponding quarter.

The increase in profit before tax in service providers segment were mainly due to the increase in profit margin and trip volumes in logistic and transportation sector.

**Gas**

|                   | <b>1Q 2024<br/>(RM'000)</b> | <b>1Q 2023<br/>(RM'000)</b> | <b>Changes (%)</b> |
|-------------------|-----------------------------|-----------------------------|--------------------|
| Revenue           | 3,972                       | 3,773                       | 5.3%               |
| Profit before tax | 490                         | 1,202                       | -59.2%             |

For the current quarter, the revenue from gas segment slightly increased by 5.3% compared to the preceding year’s corresponding quarter.

The decrease in profit before tax in service providers segment were mainly due to the decrease in profit margin in gas segment.



**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”) 134: INTERIM FINANCIAL REPORTING**

**A8. Segmental reporting (Cont’)**

**Investment Holding**

|                 | <b>1Q 2024<br/>(RM’000)</b> | <b>1Q 2023<br/>(RM’000)</b> | <b>Changes (%)</b> |
|-----------------|-----------------------------|-----------------------------|--------------------|
| Revenue         | 217                         | 216                         | 0.5%               |
| Loss before tax | (279)                       | (237)                       | -17.7%             |

The revenue from Investment Holding segment was derived from the rental income and interest income from the financial institutions. For the current quarter, the loss in investment holding segment was mainly resulted from the finance costs and administrative expenses incurred during the current quarter.

**A9. Valuation of property, plant and equipment**

There were no amendments in the valuations of property, plant and equipment brought forward from previous annual financial statements.

**A10. Material events subsequent to the end of the quarter period**

There were no significant material events have arisen during the interval between the end of the current interim quarter and the date of this announcement that have not been reflected in the current interim quarter.

**A11. Changes in the composition of the Group**

There were no changes in the composition of the Group for current interim quarter under review.

**A12. Income tax expense**

The taxation of the Group for the current interim quarter under review is as follows:-

|                           | <b>Individual Quarter</b>         |   | <b>Cumulative Quarter</b>         |  |
|---------------------------|-----------------------------------|---|-----------------------------------|--|
|                           | <b>Current year<br/>quarter</b>   | <b>Preceding year<br/>corresponding<br/>quarter</b> | <b>Current<br/>year to date</b>   | <b>Preceding year<br/>corresponding<br/>period</b> |
|                           | <b>30 Sep<br/>2023<br/>RM’000</b> | <b>30 Sep<br/>2022<br/>RM’000</b>                   | <b>30 Sep<br/>2023<br/>RM’000</b> | <b>30 Sep<br/>2022<br/>RM’000</b>                  |
| <b>Malaysian taxation</b> |                                   |   |                                   |  |
| Current year tax          | 784                               | 255   | 784                               | 255  |
| Deferred tax              | (227)                             | 794   | (227)                             | 794  |
|                           | <u>557</u>                        | <u>1,049</u>  | <u>557</u>                        | <u>1,049</u>                                       |



**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”) 134: INTERIM FINANCIAL REPORTING**

**A13. Contingent liabilities and contingent assets**

The contingent liabilities of the Group as at 30 September 2023 are as follows:

|  | <b>As at<br/>30.09.2023<br/>RM’000</b> |
|--|--|
| Corporate guarantees given to licensed banks<br>in consideration of credit facilities granted to subsidiaries and associates | <u>79,252</u>                          |

The Group does not have any contingent assets.

**A14. Material commitments**

There were no material commitments during the current interim quarter under review.

**A15. Significant related party transactions**

Related parties are those defined under FRS 124: Related Party Disclosures. The Directors are of the opinion that the related party transactions and balances described below were carried out in the ordinary course of business and on commercial terms that are no more favourable than those available to other third parties.

|  | <b>Current<br/>Quarter<br/>to date<br/>30.09.2023<br/>RM’000</b> | <b>Balance due<br/>from/(to)<br/>As at<br/>30.09.2023<br/>RM’000</b> |
|--|--|--|
| (a) Transactions with related companies of Shin Yang Holding Sendirian Berhad                        |  |  |
| Sales of goods and services  | 34,976   | 56,204   |
| Purchase of goods and services   | (5,783)  | (8,576)  |
| (b) Transactions with companies in which certain Directors of the Company have substantial interests |  |  |
| Sales of goods and services  | 5,296  | 840  |
| Purchase of goods and services   | (1,631)  | (8,867)  |

The related party transactions reflect transactions of all the subsidiaries with the respective group of companies.



**SHIN YANG GROUP BERHAD**  
**(FORMERLY KNOWN AS SHIN YANG SHIPPING CORPORATION BERHAD)**  
**Registration No.: 200401027554 (666062-A) (Incorporated in Malaysia)**

**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

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**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”) 134: INTERIM FINANCIAL REPORTING**

**A16. Other Comprehensive Income**

Foreign exchange translation gain/(loss) represents the surplus/(shortfall) arising from restating payables, receivables and bank balances denominated in foreign currency to Ringgit using foreign exchange rates prevailing at period end rate.

**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

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**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS**

**B1. Review of performance**

Explanatory comment on the performance of each of the Group's business activities is provided in Note A8

**B2. Material changes in the profit before tax for the current quarter as compared with the immediate preceding quarter**

|                   | <b>1Q 2024<br/>(RM'000)</b> | <b>4Q 2023<br/>(RM'000)</b> | <b>Changes (%)</b> |
|-------------------|-----------------------------|-----------------------------|--------------------|
| Revenue           | 222,410                     | 227,607                     | -2.3%              |
| Profit before tax | 27,335                      | 48,709                      | -43.9%             |

As compared to the immediate preceding quarter, the Group's current quarter's revenue has marginal decreased by 2.3% to RM222.4 million from RM227.6 million recorded in the immediate preceding quarter.

The decrease in profit before tax in current quarter as compared to the immediate preceding quarter were mainly due to the decrease of freight margin and shipment volume in shipping segments on bulk carriers and container sectors.

**B3. Commentary on Prospects**

The performance of the Group is largely dependent on the volatility of world fuel market price, standard of skills and experiences of ship crews, domestic and regional demand for transportation of dry bulk and general cargoes, movement of the Malaysian Ringgit and the world economic situation, all of which may significantly affect business operations and margins.

While the prospects for the shipping industry continue to remain challenging with the recent stabilisation in crude oil price and declining in the Baltic Dry Index. The Group is prepared to weather this challenge with selective market driven routes based on fleet load utilization. The Group is confident in the stability of the domestic, bulk carrier and container shipping operations given the stable lifting volume and market demands. The continuous improvement in operational costs management, fleet efficiency and routes enhancement would be an important priority in the next few quarters.



**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS**

**B3. Commentary on Prospects (Cont’)**

Other factors contributing to the prospects of the shipbuilding and ship repair operations include the price movements of marine mild steel plates, other heavy equipments, machineries and the global trend of demand for newly constructed vessels especially from the niche market segments in the oil and gas industry. In order to improve the performance and manage the operating expenditures of the shipbuilding sector, the Group is taking initiatives such as focusing on improving the Group's ship repair operations to meet the requirements of the niche market segments in the oil and gas industry. With the gradual recovery of charter rates in the offshore vessels (OSV) segment and the current gap in new building orders for different OSV over the past few years, and recycling of ageing OSV as well, we foresee a steady and healthy increase in orders for replenishment of OSV for next few years to come.

**B4. Statements by Directors**

The Group did not disclose or announce any profit forecast or projection in any public document in the current quarter or prior financial year.

**B5. Profit forecast or profit guarantee**

Not applicable as the Group did not publish any profit forecast or profit guarantee.

**B6. Sales of unquoted investments and/or properties**

There were no sales of unquoted investments and/or properties during the current interim quarter under review.

**B7. Quoted securities**

There were no purchase or disposal of quoted securities during the current interim quarter under review.

**B8. Corporate proposals**

There was no corporate proposal announced at the date of this quarterly report.

**B9. Borrowings and debt securities**

|                            | <b>Secured</b> | <b>unsecured</b> | <b>Total</b>   |
|----------------------------|----------------|------------------|----------------|
|                            | <b>RM'000</b>  | <b>RM'000</b>    | <b>RM'000</b>  |
| <b>1. Total borrowings</b> |                |                  |                |
| Short-term borrowings      | 57,446         | 17,794           | 75,240         |
| Long-term borrowings       | 32,761         | 24               | 32,785         |
|                            | <u>90,207</u>  | <u>17,818</u>    | <u>108,025</u> |





**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS**

**B9. Borrowings and debt securities (Cont’)**

Included in the total borrowings are borrowings denominated in USD as follows:

|   | Secured<br>USD’000 | unsecured<br>USD’000 | Total<br>USD’000 |
|---|--------------------|----------------------|------------------|
| <b>2. Borrowings denominated in USD</b> |                    |                      |                  |
| Short-term borrowings                   | 3,600              | -                    | 3,600            |
| Long-term borrowings                    | -                  | -                    | -                |
|   | <u>3,600</u>       | <u>-</u>             | <u>3,600</u>     |

**B10. Off balance sheet financial instruments**

There were no off balance sheet financial instruments as at 27 November 2023.

**B11. Changes in material litigation**

There were no material litigations during the current interim quarter up to the date of this interim report.

**B12. Earnings per share**

**(a) Basic**

The basic earnings per share for the current interim quarter and current financial year-to-date are computed as follows:

|  | Current<br>year<br>quarter<br>30.09.2023 | Current<br>year to<br>date<br>30.09.2023 |
|--|--|--|
| Profit attributable to equity holders of the Company<br>(RM’000) | 26,053                                   | 26,053                                   |
| Weighted average number of ordinary shares in issue<br>('000)    | 1,134,474                                | 1,134,474                                |
| Basic earnings per share (sen)                                   | <u>2.30</u>                              | <u>2.30</u>                              |

Earnings per share is computed based on the weighted average number of ordinary shares in issue (net of treasury shares).

**(b) Diluted**

The Group has no potential ordinary shares in issue as at the balance sheet date and therefore, diluted earnings per share is presented as equal to basic earnings per share.



**INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS**

**B13. Notes to the Condensed Consolidated Statement of Comprehensive Income**

The profit before tax of the Group for the interim quarter is arrived at after charging/(crediting):-

|  | Individual Quarter      |  | Cumulative Quarter      |   |
|--|-------------------------|--|-------------------------|---|
|  | Current year<br>quarter | Preceding year<br>corresponding<br>quarter | Current<br>year to date | Preceding year<br>corresponding<br>period |
|  | 30 Sep<br>2023          | 30 Sep<br>2022                             | 30 Sep<br>2023          | 30 Sep<br>2022                            |
|  | RM'000                  | RM'000                                     | RM'000                  | RM'000                                    |
| Interest income                                    | (2,994)                 | (1,275)                                    | (2,994)                 | (1,275)                                   |
| Sundry income                                      | (1,224)                 | (503)                                      | (1,224)                 | (503)                                     |
| Interest expenses                                  | 1,814                   | 2,050                                      | 1,814                   | 2,050                                     |
| Depreciation                                       | 22,857                  | 22,946                                     | 22,857                  | 22,946                                    |
| Fair value change in forward contract              | (372)                   | (902)                                      | (372)                   | (902)                                     |
| (Gain)/ Loss on disposal of property and equipment | (5,734)                 | 593  | (5,736)                 | 593                                       |
| Net change in provision for onerous contract       | -                       | (407)                                      | -                       | (407)                                     |
| Reversal of impairment loss on financial asset     | -                       | (800)                                      | -                       | (800)                                     |
| Realised foreign exchange gain                     | (124)                   | (334)                                      | (124)                   | (334)                                     |
| Unrealised foreign exchange loss/ (gain)           | 343                     | (1,277)                                    | 314                     | (1,277)                                   |

**B14. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 30 June 2023 was not qualified.

**Authorised for issue**

The interim report for the first quarter ended 30 September 2023 was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 November 2023.

By order of the Board

Richard Ling Peng Liing  
 Company Secretary  
 30<sup>th</sup> November 2023

