

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021
(The figures have not been audited)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Individual Quarter		Cumulative Quarter	
		Current year quarter 30.06.2021 RM'000	Preceding year corresponding quarter 30.06.2020 RM'000	Current year to date 30.06.2021 RM'000	Preceding year corresponding period 30.06.2020 RM'000
Revenue		161,869	116,407	610,943	599,164
Cost of sales		(150,350)	(122,729)	(574,410)	(626,833)
Gross profit / (loss)		11,519	(6,322)	36,533	(27,669)
Other income		5,132	1,889	18,762	14,559
Administrative expenses		(7,046)	(7,957)	(25,754)	(29,895)
Operating Profit / (Loss)		9,605	(12,390)	29,541	(43,005)
Impairment loss on property, plant and equipment		-	(6,370)	-	(76,864)
Impairment loss on receivables		-	(10,534)	-	(12,356)
Loss on disposal of investment		-	(8,468)	-	(8,468)
Other operating cost		-	-	-	(3,748)
Finance Costs		(2,640)	(3,658)	(11,352)	(16,484)
Shares of profit of associates		62	153	305	248
Profit / (Loss) before tax		7,027	(41,267)	18,494	(160,677)
Tax (expense) / income	A12	(789)	1,105	(1,125)	847
Profit / (Loss) net of tax		6,238	(40,162)	17,369	(159,830)
Other comprehensive income / (loss):					
Foreign exchange translation	A16	-	(248)	-	1,219
Total comprehensive income / (loss) for the period		6,238	(40,410)	17,369	(158,611)
Profit / (loss) attributable to:					
Equity holders of the parent		6,164	(40,212)	16,616	(160,515)
Non controlling interests		74	50	753	685
		6,238	(40,162)	17,369	(159,830)
Total comprehensive income / (loss) attributable to:					
Equity holders of the parent		6,164	(40,435)	16,616	(159,417)
Non controlling interests		74	25	753	806
		6,238	(40,410)	17,369	(158,611)
Earnings per share attributable to the equity holders of the parent:					
Basic (sen)	B12	0.53	(3.44)	1.42	(13.71)
Diluted (sen)	B12	0.53	(3.44)	1.42	(13.71)

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 2020 and the accompanying explanatory notes attached to this report.*

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited AS AT 30.06.2021 RM'000	Audited AS AT 30.06.2020 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		1,008,739	1,036,530
Investment in associates		4,892	4,649
Investment securities		94	94
Deferred tax assets		51	51
Intangible asset		2,070	2,064
		1,015,846	1,043,388
Current assets			
Inventories		41,415	54,606
Derivative		-	130
Trade and other receivables		158,538	147,713
Other current assets		11,177	28,814
Tax recoverable		2,828	3,629
Cash and cash equivalents		153,823	121,498
		367,781	356,390
Non-current assets classified as held for sale		-	12,875
TOTAL ASSETS		1,383,627	1,412,653
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		1,216,972	1,216,972
Treasury share		(8,983)	(8,853)
Retained Earnings		17,626	1,010
Other reserve		(297,861)	(297,861)
		927,754	911,268
Non Controlling interests		6,455	5,822
Total equity		934,209	917,090
Non-current liabilities			
Borrowings	B9	53,480	71,849
Deferred tax liabilities		45,907	45,266
		99,387	117,115
Current liabilities			
Borrowings	B9	195,981	236,771
Trade and other payables		149,789	139,787
Other current liabilities		3,741	1,519
Tax payable		520	371
		350,031	378,448
Total liabilities		449,418	495,563
TOTAL EQUITY AND LIABILITIES		1,383,627	1,412,653
Net assets per shares (RM)		0.79	0.78

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 2020 and the accompanying explanatory notes attached to this report.*

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Parent						
	Equity, total RM'000	Non distributable			Distributable		Non- Controlling interests RM'000
Equity attributable to owners of the parents, total RM'000		Share capital RM'000	Treasury Shares RM'000	Other reserves RM'000	Retained earnings RM'000		
At 1 July 2019	1,075,841	1,067,337	1,216,972	(8,405)	(288,383)	147,153	8,504
Loss net of tax	(145,910)	(146,143)	-	-	-	(146,143)	233
Total comprehensive (loss)/ income	(145,910)	(146,143)	-	-	-	(146,143)	233
Transactions with Owners:							
Disposal of subsidiary	(11,893)	(9,478)	-	-	(9,478)	-	(2,415)
Purchase of treasury shares	(448)	(448)	-	(448)	-	-	-
Dividend paid to non-controlling interests	(500)	-	-	-	-	-	(500)
At 30 June 2020	917,090	911,268	1,216,972	(8,853)	(297,861)	1,010	5,822

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Parent						
	Equity, total RM'000	Non distributable			Distributable		Non- Controlling interests RM'000
Equity attributable to owners of the parents, total RM'000		Share capital RM'000	Treasury Shares RM'000	Other reserves RM'000	Retained earnings RM'000		
At 1 July 2020	917,090	911,268	1,216,972	(8,853)	(297,861)	1,010	5,822
Profit net of tax	17,369	16,616	-	-	-	16,616	753
Total comprehensive income	17,369	16,616	-	-	-	16,616	753
Transactions with Owners:							
Purchase of treasury shares	(130)	(130)	-	(130)	-	-	-
Dividend paid to non-controlling interests	(120)	-	-	-	-	-	(120)
At 30 June 2021	934,209	927,754	1,216,972	(8,983)	(297,861)	17,626	6,455

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 2020 and the accompanying explanatory notes attached to this report.*

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Current year to date 30.06.2021 RM'000	Preceding year 30.06.2020 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit /(Loss) before tax	18,494	(160,677)
Adjustment for:		
Depreciation	93,573	93,164
Loss on disposal of investment	-	8,468
Impairment loss on property, plant and equipment	-	76,864
Impairment loss on receivables	-	12,356
Dividend income	(42)	(3,490)
Gain on disposal of fixed assets	(10,865)	(3,343)
Loss / (gain) on foreign exchange	201	(47)
Interest expenses	11,352	16,484
Interest income	(2,329)	(1,983)
Property, plant and equipment written off	2	8
Reversal of Inventories written off	(277)	-
Share of results of associates	(305)	(248)
	109,804	37,556
Operating profit before changes in working capital		
<u>Working Capital Changes</u>		
Decrease in inventories	13,468	6,602
(Increase)/ decrease in receivables	(33,048)	72,628
Decrease in other current assets	17,312	7,091
Decrease in payables	(1,509)	(14,709)
Increase/ (Decrease) in other current liabilities	2,222	(29,423)
Net changes in amounts due from/to related companies	(10,936)	22,365
Total changes in working capital	(12,491)	64,554
Cash generated from operations	97,313	102,110
Interest received	2,329	1,983
Interest paid	(11,352)	(16,484)
Income tax paid	(1,351)	(1,838)
Income tax refund	130	-
Total interest and tax paid	(10,244)	(16,339)
Net cash generated from operating activities	87,069	85,771
CASH FLOW FROM INVESTING ACTIVITIES		
Dividend received	42	3,490
Capital expenditure	(37,885)	(21,772)
Proceeds from disposal of property, plant and equipment	39,485	31,077
Net cash generated from investing activities	1,642	12,795
NET CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(120)	(120)
Net movement in trade financing	(29,634)	(30,973)
Repayment of hire purchase	(5,440)	(3,946)
Proceeds from term loan	-	20,950
Repayment of term loans	(21,602)	(33,028)
Purchase of treasury share	(130)	(448)
Net cash flow used in financing activities	(56,926)	(47,565)
Net increase in cash and cash equivalents	31,785	51,001
Cash and cash equivalents at beginning of period	95,768	44,786
Disposal of subsidiaries	-	(6)
Acquisition of subsidiaries	6,501	-
Effects of exchange rate changes	-	1
Cash and cash equivalents at end of period	134,054	95,782



SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED CASH FLOW STATEMENT (CONT’)

	Current year to date 30.06.2021 RM’000	Preceding year 30.06.2020 RM’000
Cash and cash equivalents comprise the following:		
Cash and bank balances	45,323	41,126
Deposit with licensed banks	108,500	80,400
Bank overdrafts	(19,769)	(25,744)
Cash and bank balances	134,054	95,782

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 2020 and the accompanying explanatory notes attached to this report.*



INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021

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 Shipping Corporation Berhad (“SYSCorp” or “the Company”) and its subsidiaries (“the Group”) for the financial year ended 30 June 2020.

The accounting policies and methods of computation 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 2020.

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 8 December 2020, shareholders of the Company had approved and renewed their approval authority for the Company’s plan to repurchase its own ordinary shares. There were no share buy back during the current quarter. As at 30 June 2021, the Company had purchased and hold a cumulative total 32,026,300 of its issued ordinary shares repurchased from open market at an overall average price at RM0.2805 per share. These shares are being held as treasury shares in accordance with Section 127 of the Companies Act, 2016.

A7. Dividends

There were no dividend paid during the current interim quarter under review.

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021

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

A8. Segmental reporting

Segmental information in respect of the Group’s business segments comprising shipping, shipbuilding, ship repair & metal fabrication, service providers and investment holding are presented as follows:

	Shipping RM’000	Shipbuilding, Ship repair and Metal Fabrication RM’000	Service providers RM’000	Investment holding RM’000	Elimination RM’000	Total RM’000
For 12 months ended 30 June 2021						
Segment Revenue						
External revenue	518,914	76,255	14,884	890	-	610,943
Inter-segment revenue	7,747	38,154	3,508	3,445	(52,854)	-
Total	526,661	114,409	18,392	4,335	(52,854)	610,943
Profit from operations	12,775	11,656	4,954	156	-	29,541
Finance costs						(11,352)
Share of profit of associates						305
Profit before tax						18,494
Tax expense						(1,125)
Profit for the period						17,369

	Shipping RM’000	Shipbuilding, Ship repair and Metal Fabrication RM’000	Service providers RM’000	Investment holding RM’000	Elimination RM’000	Total RM’000
For 12 months ended 30 June 2020						
Segment Revenue						
External revenue	454,182	138,695	5,416	871	-	599,164
Inter-segment revenue	9,665	27,195	2,172	3,610	(42,642)	-
Total	463,847	165,890	7,588	4,481	(42,642)	599,164
(Loss)/Profit from operations	(33,416)	(13,092)	3,050	453	-	(43,005)
Impairment loss on property, plant and equipment						(76,864)
Impairment of receivables						(12,356)
Loss on disposal of investment						(8,468)
Other operating expense						(3,748)
Finance costs						(16,484)
Share of profit of associates						248
Loss before tax						(160,677)
Tax income						847
Loss for the period						(159,830)

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021

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

A8. Segmental reporting (Cont’)

Group

	FYE 2021 (RM’000)	FYE 2020 (RM’000)	Changes (%)
Revenue	610,943	599,164	2.0%
Profit / (Loss) before tax	18,494	(160,677)	111.5%

Revenue of the Group for the year ended 30 June 2021 increased by 2.0% to RM610.9million as compared to RM599.2 million in the previous corresponding year.

The increase in revenue was mainly due to the higher revenue generated from the domestic shipping segments in the current year.

The newly acquired subsidiary, Melinau Transport Sdn Bhd also contribute RM 9.2 million of revenue to the Group in the current year since its acquisition.

The profit before tax in the current year were mainly due to the increase of margin and shipment volume in shipping segments on bulk carriers and container sectors as well as the profit generated from Shipbuilding and ship repair segments.

	Shipping RM’000	Shipbuilding, Ship repair and Metal Fabrication RM’000	Service providers RM’000	Investment holding RM’000	Elimination RM’000	Total RM’000
For 3 months ended 30 June 2021						
Segment Revenue						
External revenue	138,423	12,708	10,483	255	-	161,869
Inter-segment revenue	1,997	14,216	1,629	1,401	(19,243)	-
Total	140,420	26,924	12,112	1,656	(19,243)	161,869
Profit / (loss) from operations	4,122	3,649	1,934	(100)	-	9,605
Finance costs						(2,640)
Share of profit of associates						62
Profit before tax						7,027
Tax expense						(789)
Profit for the period						6,238

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021

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

A8. Segmental reporting (Cont’)

	Shipping RM'000	Shipbuilding, Ship repair and Metal Fabrication RM'000	Service providers RM'000	Investment holding RM'000	Elimination RM'000	Total RM'000
For 3 months ended 30 June 2020						
Segment Revenue						
External revenue	94,038	21,007	987	375	-	116,407
Inter-segment revenue	1,700	8,281	450	1,253	(11,684)	-
Total	95,738	29,288	1,437	1,628	(11,684)	116,407
(Loss)/Profit from operations	(9,923)	(2,667)	178	22	-	(12,390)
Impairment loss on property, plant and equipment						(6,370)
Impairment of receivables						(10,534)
Finance costs						(3,658)
Loss on disposal of investment						(8,468)
Share of profit of associates						153
Loss before tax						(41,267)
Tax income						1,105
Loss for the period						(40,162)

Group

	4Q 2021 (RM'000)	4Q 2020 (RM'000)	Changes (%)
Revenue	161,869	116,407	39.1%
Profit / (Loss) before tax	7,027	(41,267)	117.0%

Revenue of the Group for the fourth quarter ended 30 June 2021 increased by 39.1% to RM161.9 million as compared to RM116.4 million in the previous corresponding quarter.

The increase in revenue was mainly due to the higher revenue generated from the domestic shipping segments in the current year.

The newly acquired subsidiary, Melinau Transport Sdn Bhd also contribute RM 9.2 million of revenue to the Group in the current year since its acquisition.

The profit before tax in the current year were mainly due to the increase of margin and shipment volume in shipping segments on bulk carriers and container sectors as well as the profit generated from Shipbuilding and ship repair segments.

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021

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

A8. Segmental reporting (Cont’)

Performance and prospects of each operating segment are discussed below:

Shipping

	4Q 2021 (RM'000)	4Q 2020 (RM'000)	Changes (%)
Revenue	138,423	94,038	47.2%
Profit / (Loss) before tax	3,539	(36,060)	109.8%

For the current quarter, the shipping segment’s revenue of RM138.4 million increased by 47.2% as compared to RM 94.0 million revenue recorded in the corresponding quarter.

The profit before tax in shipping segment were mainly due to the increase of margin and shipment volume in shipping segments on bulk carriers and container sectors.

Shipbuilding and Ship repair

	4Q 2021 (RM'000)	4Q 2020 (RM'000)	Changes (%)
Revenue	12,708	21,007	-39.5%
Profit /(Loss) before tax	1,742	(5,358)	132.5%

For the current quarter, revenue generated from shipbuilding and ship repair segments of RM12.7 million decreased by 39.5% as compared to RM21.0 million revenue recorded in the corresponding quarter. The decrease in revenue was mainly due to less vessel’s work in progress for external parties to be delivered in the current quarter.

The profit before tax in Shipbuilding and ship repair segment was mainly due to the increased in profit margin on shipbuilding’s work in progress during construction in Shipbuilding and ship repair segments.

Service providers

	4Q 2021 (RM'000)	4Q 2020 (RM'000)	Changes (%)
Revenue	10,483	987	962.1%
Profit before tax	1,977	332	495.5%

For the current quarter, the revenue from service providers segment increased by 962.1% compared to the preceding year’s corresponding quarter. The newly acquired subsidiary, Melinau Transport Sdn Bhd contributed RM 9.2 million of revenue to the Group in this segment in current quarter under review.

Melinau Transport Sdn Bhd contributed RM 1.6 million of profit before tax to the Group in this segment in current quarter under review.

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

A8. Segmental reporting (Cont’)

Investment Holding

	4Q 2021 (RM'000)	4Q 2020 (RM'000)	Changes (%)
Revenue	255	375	-32.0%
Loss before tax	(231)	(181)	-27.6%

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 except that:

As at 7 May 2021, Melinau Transport Sdn Bhd (“MTSB”) becomes the wholly owned subsidiary of Shin Yang Shipping Corporation Berhad.

MTSB is involved in the logistic sector with road freight carriage and its core business activity is bulk cargo transportation primarily servicing major ports in the southern, central and northern region of Sarawak, namely Kuching, Sibul, Bintulu and Miri. It commenced operations in 1995 with a total staff strength of 25 employees and, at the time, only offered road carriage for stone products with 10 units of dump truck between Miri and Long Lama in Sarawak. Over the years, MTSB expanded its land transportation and hiring services to include the transportation of, among others, wood and plantation products, construction materials, spare parts, heavy machineries, cargo containers as well as diesel and chemical tanker routes throughout Sarawak and Sabah. With the expansion of its operations, MTSB has expanded its asset base with its current fleet of 282 prime movers, 566 trailers, 463 dump/cargo trucks, 51 forklifts and 11 cranes as at 30 June 2021.

MTSB is currently categorized under service providers segment within the Group.



INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021

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

A12. Tax expense / (income)

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

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	30 Jun 2021	30 Jun 2020	30 Jun 2021	30 Jun 2020
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation				
Current year tax	(321)	60	484	968
Deferred tax	1,110	(1,165)	641	(1,815)
	<u>789</u>	<u>(1,105)</u>	<u>1,125</u>	<u>(847)</u>

A13. Contingent liabilities and contingent assets

The contingent liabilities of the Group as at 30 June 2021 are as follows:

	As at 30.06.2021 RM'000
Corporate guarantees given to financial institutions in consideration of credit facilities granted to our subsidiaries and associates	<u>174,347</u>

The Group does not have any contingent assets.

A14. Material commitments

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

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021

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

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.

	Current Quarter to date 30.06.2021 RM'000	Balance due from/(to) As at 30.06.2021 RM'000
(a) Transactions with related companies of Shin Yang Holding Sendirian Berhad		
Sales of goods and services	28,641	28,580
Purchase of goods and services	(6,683)	(18,921)
(b) Transactions with companies in which certain Directors of the Company have substantial interests		
Sales of goods and services	5,332	4,810
Purchase of goods and services	(860)	(5,902)

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

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 FOURTH QUARTER ENDED 30 JUNE 2021

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

	4Q 2021 (RM'000)	3Q 2021 (RM'000)	Changes (%)
Revenue	161,869	153,221	5.6%
Profit before tax	7,027	4,232	66.0%

As compared to the immediate preceding quarter, the Group's current quarter's revenue has increased by 5.6% to RM161.9 million from RM153.2 million recorded in the immediate preceding quarter.

The increase in revenue was mainly due to the revenue contribution of RM 9.2 million from the newly acquired wholly owned subsidiary, Melinau Transport Sdn Bhd to the Group in current quarter under review.

The increase in profit before tax is due to the increase of margin and shipment volume in shipping segments and service providers segment. Melinau Transport Sdn Bhd contributed RM 1.6 million of profit before tax to the Group in current quarter under review.

B3. Commentary on Prospects

The performance of the Group is largely dependent on the volatility of world fuel market price, quality of crews' standard, domestic & regional demand for transportation of dry bulk and general cargoes, movement of Ringgit Malaysia and world economic situations, especially the current covid-19 pandemic which has significantly disrupted many business operations around the world and Movement Control Order in Malaysia.

Vessel overcapacity and slow demand continues to put dry bulk cargo rates under pressure over the short term. The Group has prepared itself for the continuing uncertainties in global economic situations. The prospects for the shipping industry continue to remain challenging and yet positive with the recent stability in crude oil price. The Group is prepared to weather this challenge with sustainable and market driven routes for its fleet movements. The Group is confident in the stability of the domestic, coastal and container shipping operations, which will remain as the engine of growth of the sector. The continuous improvement in terms of operational costs management, fleet efficiency and routes enhancement would be an important priority in the next few quarters ahead.

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021

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

B3. Commentary on Prospects (Cont')

The other dependents for shipbuilding and ship repair operations include the corresponding price movement of the marine mild steel plates, other heavy equipments, machineries and global trend of demand for newly constructed vessels, especially from the niche markets in oil and gas industry. The emphasis is on taking steps to aggressively carry out repair and maintenance and fabrication works to meet the requirements of the niche markets from operating expenditures in the oil and gas industry and also to meet the potential requirements of the resource based sectors.

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

	Secured RM'000	unsecured RM'000	Total RM'000
1. Total borrowings			
Short-term borrowings	61,090	134,891	195,981
Long-term borrowings	53,452	28	53,480
	<u>114,542</u>	<u>134,919</u>	<u>249,461</u>



INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021

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 USD'000	unsecured USD'000	Total USD'000
2. Borrowings denominated in USD			
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 30 August 2021.

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 year quarter 30.06.2021	Current year to date 30.06.2021
Profit attributable to equity holders of the Company (RM'000)	6,164	16,616
Weighted average number of ordinary shares in issue (‘000)	1,167,974	1,168,201
Basic earnings per share (sen)	<u>0.53</u>	<u>1.42</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.

SHIN YANG SHIPPING CORPORATION BERHAD – 666062-A
(Incorporated in Malaysia)

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2021

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 / (loss) of the Group for the interim quarter is arrived at after (charging)/crediting:-

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	30Jun 2021	30 Jun 2020	30 Jun 2021	30 Jun 2020
	RM'000	RM'000	RM'000	RM'000
Interest income	(746)	(629)	(2,329)	(1,983)
Sundry income	(277)	(131)	(1,360)	(1,224)
Interest expenses	2,640	3,658	11,352	16,484
Depreciation	27,255	18,938	93,573	93,164
Impairment loss on property, plant and equipment	-	6,370	-	76,864
Impairment loss on receivables	-	10,534	-	12,356
Gain on disposal of property, plant and equipment	(2,164)	(789)	(10,865)	(3,343)
Property, plant and equipment written off	-	5	2	8
Reversal of inventory written off	(277)	-	(277)	-
Realised foreign exchange loss/ (gain)	592	(845)	(129)	(229)
Unrealised foreign exchange (gain)/loss	(236)	(25)	201	(47)

B14. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 30 June 2020 was not qualified.

Authorised for issue

The interim report for the fourth quarter ended 30 June 2021 was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 August 2021.

By order of the Board

Richard Ling Peng Liing
 Company Secretary
 30th August 2021