

Registration No: 200401027554 (666062 – A)

SHIN YANG GROUP BERHAD
(Incorporated in Malaysia)

FINANCIAL REPORT
for the financial period from 1 July 2025
to 31 December 2025

Registration No: 200401027554 (666062 – A)

SHIN YANG GROUP BERHAD

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DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial period ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and property holding. The principal activities of the subsidiaries are set out in Note 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial period.

CHANGE OF FINANCIAL YEAR END

During the current financial period, the Company has changed its financial year end from 30 June to 31 December to align the group's reporting cycle more effectively with its operational planning and strategic requirements.

RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial period	100,652,510	53,940,413
Attributable to:-		
Owners of the Company	82,459,514	53,940,413
Non-controlling interests	18,192,996	-
	<u>100,652,510</u>	<u>53,940,413</u>

DIVIDENDS

The Company paid a final dividend of 5.00 sen per ordinary share amounting to RM58,828,600 for the financial year ended 30 June 2025 on 17 December 2025.

The directors do not recommend the payment of any further dividends for the financial period.

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DIRECTORS' REPORT (CONT'D)

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial period other than those disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial period:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

TREASURY SHARES

During the financial period, the Company purchased 683,000 of its issued ordinary shares from the open market at an average price of RM0.82 per share. The total consideration paid for the purchase was RM559,310 including transaction costs. The shares purchased are being held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 and are presented as a deduction from equity.

The Company re-issued 55,000,000 treasury shares during the financial period at the exercise price of RM0.85 each. The cost of the treasury shares re-issued amounted to RM25,154,014. The total consideration for the treasury shares issued is RM46,827,000. Accordingly, a gain on re-issue of treasury shares of RM21,672,986 is recognised in the capital reserve. The details of the treasury shares are disclosed in Note 19 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial period, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

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DIRECTORS' REPORT (CONT'D)

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial period which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial period.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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DIRECTORS' REPORT (CONT'D)

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial period were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made.

DIRECTORS

The names of directors of the Company who served during the financial period and up to the date of this report are as follows:-

Tan Sri Datuk Ling Chiong Ho **
Ling Chiong Sing **
Ling Chiong Pin **
Ling Siu Chuo
Datuk Ling Lu Kiong **
Jack Willien @ William Anak Jinep **
Yong Nyet Yun **
Dr. Lai Yew Hock
Izan Nadiawati Binti Mohamad Tabib

** These Directors are also Directors of the Company's subsidiaries.

The names of directors of the Company's subsidiaries who served during the financial period and up to the date of this report, not including those directors mentioned above, are as follows:-

Dennis Ling Lu Jing
Ling Lu Kuang (Resigned on 11.9.2025)
Vincent Ling Lu Yew
Tan Yeow Cheok
Tang Tiong Ing
Hou Siu Kee
Gary Tan Yow Hoo
Ting Hien Liong
Hou Su Ee (Alternate Director to Hou Siu Kee)
Hong Kwang Meng
Lau Sie Ping
Ngu Chee Sing
Loretta Jane Lau Mei Nah
Lawrence Bin Ara
Azman Bin Sulaiman

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DIRECTORS' REPORT (CONT'D)

DIRECTORS (CONT'D)

The names of directors of the Company's subsidiaries who served during the financial period and up to the date of this report, not including those directors mentioned above, are as follows:- (Cont'd)

Lim Miang Chiang
K Purushothaman A/L Kunjamboo
Lim Fern Yong
Richard Ling Peng Liing
Ling Lu Siong
Yew Poh Aik
Yew Poh Chong

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial period in shares of the Company and its related corporations during the financial period are as follows:-

	Number of Ordinary Shares			At 31.12.2025
	At 1.7.2025	Bought	Sold	
Ordinary Shares in the Holding Company, Shin Yang Holding Sendirian Berhad				
<i>Direct Interests</i>				
Tan Sri Datuk Ling Chiong Ho	6,250,000	-	-	6,250,000
Ling Chiong Sing	6,250,000	-	-	6,250,000
Ling Chiong Pin	6,250,000	-	-	6,250,000
Ordinary Shares in the Company				
<i>Direct Interests</i>				
Tan Sri Datuk Ling Chiong Ho	35,192,669	-	-	35,192,669
Ling Chiong Sing	34,802,669	-	-	34,802,669
Ling Chiong Pin	34,802,668	-	-	34,802,668
Ling Siu Chuo	36,000,009	-	-	36,000,009
Datuk Ling Lu Kiong	100,000	-	-	100,000
Yong Nyet Yun	100,000	-	-	100,000
Jack Willien @ William Anak Jinep	87,000	-	-	87,000
Dr. Lai Yew Hock	128,000	-	-	128,000
Deemed interest through Holding Company				
Tan Sri Datuk Ling Chiong Ho	660,412,796	-	-	660,412,796
Ling Chiong Sing	660,412,796	-	-	660,412,796
Ling Chiong Pin	660,412,796	-	-	660,412,796

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DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS (CONT'D)

	Number of Ordinary Shares			
	At 1.7.2025	Bought	Sold	At 31.12.2025
Ordinary Shares in the related companies:				
<i>Direct Interests</i>				
Boulevard Enterprise (Kuching) Sdn. Bhd.				
Tan Sri Datuk Ling Chiong Ho	1	-	-	1
Ling Chiong Pin	1	-	-	1
Ling Chiong Sing	1	-	-	1
Boulevard Enterprise (Miri) Sdn. Bhd.				
Ling Chiong Sing	1	-	-	1
Executive Travel Agencies Sdn. Bhd.				
Tan Sri Datuk Ling Chiong Ho	78,000	-	-	78,000
Ling Chiong Sing	49,400	-	-	49,400
Lutong Land Sdn. Bhd.				
Tan Sri Datuk Ling Chiong Ho	4,800	-	-	4,800
Miri City Bus Sdn. Bhd.				
Ling Chiong Sing	84,890	-	-	84,890
Piasau Industries Sdn. Bhd.				
Ling Chiong Sing	49,999	-	-	49,999
Selangau Plantation Sdn. Bhd.				
Tan Sri Datuk Ling Chiong Ho	800	-	-	800
Shin Yang Engineering Sdn. Bhd.				
Tan Sri Datuk Ling Chiong Ho	1	-	-	1
Ling Chiong Pin	1	-	-	1
Ling Chiong Sing	1	-	-	1
Shin Yang Forestry Sdn. Bhd.				
Tan Sri Datuk Ling Chiong Ho	1,500,000	-	-	1,500,000
Ling Chiong Pin	1,500,000	-	-	1,500,000
Ling Chiong Sing	1,500,000	-	-	1,500,000
Shin Yang Building Product Sdn. Bhd. (Formerly known as Shin Yang Laminated Board Sdn. Bhd.)				
Tan Sri Datuk Ling Chiong Ho	300,125	-	-	300,125
Ling Chiong Pin	300,125	-	-	300,125
Ling Chiong Sing	300,125	-	-	300,125

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DIRECTORS' INTERESTS (CONT'D)

	Number of Ordinary Shares			At 31.12.2025
	At 1.7.2025	Bought	Sold	
Ordinary Shares in the related companies (cont'd):				
<i>Direct Interests</i>				
Shin Yang Sawmill Sdn. Bhd.				
Tan Sri Datuk Ling Chiong Ho	2,600,000	-	-	2,600,000
Ling Chiong Pin	2,600,000	-	-	2,600,000
Ling Chiong Sing	2,600,000	-	-	2,600,000
Shin Yang Trading Sdn. Bhd.				
Tan Sri Datuk Ling Chiong Ho	775,000	-	-	775,000
Ling Chiong Pin	750,000	-	-	750,000
Ling Chiong Sing	750,000	-	-	750,000
Shin Yang Wood System Sdn. Bhd.				
Tan Sri Datuk Ling Chiong Ho	1	-	-	1
Ling Chiong Sing	1	-	-	1
Woodville Development Sdn. Bhd.				
Tan Sri Datuk Ling Chiong Ho	2	-	-	2
Ling Chiong Sing	2	-	-	2

By virtue of their shareholdings in the holding company and the Company, Tan Sri Datuk Ling Chiong Ho, Ling Chiong Sing and Ling Chiong Pin are deemed to have interests in shares in its related corporations during the financial period to the extent the holding company and the Company have interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial period had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial period.

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DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 38(b) to the financial statements.

Neither during nor at the end of the financial period was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial period are as follows:-

	The Group RM	The Company RM
Fees	204,000	204,000
Salaries, bonuses and other benefits	4,176,866	3,571,589
Defined contribution benefits	136,926	115,200
	<u>4,517,792</u>	<u>3,890,789</u>

INDEMNITY AND INSURANCE COST

No indemnities were given to, nor insurance effected for, the directors, officers or auditors of the Company.

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DIRECTORS' REPORT (CONT'D)

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 7 to the financial statements.

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

The significant events occurring after the financial period are disclosed in Note 44 to the financial statements.

HOLDING COMPANY

The immediate and ultimate holding company is Shin Yang Holding Sendirian Berhad, a company incorporated in Malaysia.

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DIRECTORS' REPORT (CONT'D)

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial period are as follows :-

	The Group RM	The Company RM
Audit fees	432,900	100,000

Signed in accordance with a resolution of the directors dated 30 April 2026

Yong Nyet Yun
Director

Ling Siu Chuo
Director

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**STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016**

We, Yong Nyet Yun and Ling Siu Chuo, being two of the directors of Shin Yang Group Berhad, state that, in the opinion of the directors, the financial statements set out on pages 19 to 119 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial period ended on that date.

Signed in accordance with a resolution of the directors dated 30 April 2026

Yong Nyet Yun
Director

Ling Siu Chuo
Director

**STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016**

I, Wong Jee Haw, MIA Membership Number: 54013, being the officer primarily responsible for the financial management of Shin Yang Group Berhad, do solemnly and sincerely declare that the financial statements set out on pages 19 to 119 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the above mentioned
Wong Jee Haw
at Miri in the State of Sarawak
on 30 April 2026

Wong Jee Haw

Before me
Jagjeet Kaur
Commissioner For Oaths (No. Q050)
Lot 1155-1154, 1st Floor,
Miri Waterfront Commercial Centre, Jalan Bendahara,
98000 Miri, Sarawak.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHIN YANG GROUP BERHAD

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REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Shin Yang Group Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period from 1 July 2025 to 31 December 2025, and notes to the financial statements, including material accounting policy information, as set out on pages 19 to 119.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial period from 1 July 2025 to 31 December 2025 in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
OF SHIN YANG GROUP BERHAD (CONT'D)**

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Key Audit Matters

Revenue Recognition Refer to Note 29 in the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>(a) Revenue from freight, lighterage, charterage, hiring charges and transportation charges</p> <p>The Group's revenue from freight, lighterage, charterage, hiring charges and transportation charges is derived from a large volume of transactions. During the financial period, the Group recognised revenue of RM408 million from freight, lighterage, charterage, hiring charges and transportation charges, representing 35.9% of the Group's revenue.</p> <p>We identified revenue recognition of freight, lighterage, charterage, hiring charges and transportation charges as a key audit matter because of the significance of revenue in the financial statements in amount.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> ▪ Checked the effectiveness of internal control by performing walkthrough tests and test of controls on revenue cycle with samples documented on identified key controls. ▪ Tested samples of revenue and verified them to underlying supporting documents to ascertain whether revenue has been appropriately recognised. ▪ Assessed whether revenue transactions either side of the balance sheet date are recognised in the correct period. ▪ Assessed to material credit notes issued to the customers subsequent to reporting date.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
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Key Audit Matters (Cont'd)

Impairment on Trade Receivables Refer to Note 15 in the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>As at 31 December 2025, the Group's trade receivables were recorded at a gross amount of RM294.1 million with an impairment allowance of RM25.8 million.</p> <p>The management has assessed the recoverability of trade receivables by reviewing customers' ageing profile, credit history and trends, including status of subsequent settlement, and determine whether an impairment allowance is required.</p> <p>We identified impairment on trade receivables as a key audit matter because of the significance of trade receivables in the financial statements both in amount and nature, and the significant judgement required for assessing the recoverability of trade receivables.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> ▪ Reviewed the ageing analysis of receivables and testing the reliability thereof. ▪ Assessed the reasonableness of historical loss rate applied and understand and discussed the forward looking information gathered by the management in relation to the provision matrix and the application thereof. ▪ Reviewed subsequent cash collections for major receivables and overdue amounts. ▪ Reviewed collections and sales trend during the financial period for major receivables. ▪ Evaluated the reasonableness and adequacy of the allowance for impairment recognised. ▪ Assessed the completeness, accuracy and relevance of disclosure.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
OF SHIN YANG GROUP BERHAD (CONT'D)**

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Key Audit Matters (Cont'd)

Impairment Assessment on Investment in Subsidiaries (Separate financial statement of the Company) Refer to Note 7 in the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>As at 31 December 2025, the carrying amount of the Company's investment in subsidiaries amounted to RM1,163.2 million, being 92.8% of the Company's total assets. With its significance in value, the management is required to perform impairment assessment of its investment in subsidiaries whenever there is an indication that the investments may be impaired.</p> <p>The management determined the recoverable amounts of investments using the higher of value in use ("VIU") and fair value less costs to sell ("FV") for the relevant investment. The fair value less costs to sell was determined by management based on adjusted net tangible assets of the subsidiary.</p> <p>Given the significant risks and complexity involved in estimating the recoverable amounts of the investments, we have identified the above requiring audit consideration.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> ▪ Evaluated the assessment of the indication of impairment loss. ▪ Evaluated the appropriateness of the impairment assessment methodology. ▪ Evaluated the assumptions applied in the impairment assessment. ▪ Assessed the objectivity, independence, reputation, experience and expertise of the internal expert. ▪ Checked the mathematical accuracy of management's computation of the fair value less costs of disposal.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHIN YANG GROUP BERHAD (CONT'D)

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Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHIN YANG GROUP BERHAD (CONT'D)

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Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHIN YANG GROUP BERHAD (CONT'D)

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Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Wong Chie Bin
00950/01/2028 J
Chartered Accountant

Miri, Sarawak

30 April 2026

SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	The Group		The Company	
		31.12.2025	30.6.2025	31.12.2025	30.6.2025
		RM	RM	RM	RM
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	7	-	-	1,163,193,748	1,163,193,748
Investment in associates	8	2,971,975	2,944,697	682,500	682,500
Property, plant and equipment	9	1,022,660,840	1,043,691,183	59,695,332	59,972,057
Other investments	11	58,800	58,800	-	-
Intangible assets	12	8,742,551	8,750,348	-	-
Other receivables	16	35,187,523	-	-	-
Deferred tax assets	13	1,106,087	1,158,497	-	-
		<u>1,070,727,776</u>	<u>1,056,603,525</u>	<u>1,223,571,580</u>	<u>1,223,848,305</u>
CURRENT ASSETS					
Inventories	14	84,164,682	84,694,838	-	-
Amount owing by subsidiaries	10	-	-	1,356,398	1,732,881
Trade receivables	15	268,248,607	264,946,469	-	-
Other receivables	16	109,379,154	58,991,467	283,334	162,263
Contract assets	17	27,271,650	20,207,947	-	-
Current tax assets		224,491	669,653	-	-
Cash and bank balances	36	517,435,531	521,170,728	28,060,424	32,195,547
		<u>1,006,724,115</u>	<u>950,681,102</u>	<u>29,700,156</u>	<u>34,090,691</u>
TOTAL ASSETS		<u>2,077,451,891</u>	<u>2,007,284,627</u>	<u>1,253,271,736</u>	<u>1,257,938,996</u>

SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)

	Note	The Group		The Company	
		31.12.2025	30.6.2025	31.12.2025	30.6.2025
		RM	RM	RM	RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	18	1,216,972,062	1,216,972,062	1,216,972,062	1,216,972,062
Treasury shares	19	(10,935,452)	(35,530,156)	(10,935,452)	(35,530,156)
Retained profits		557,743,761	534,112,847	19,291,630	24,179,817
Other reserves	20	(276,188,083)	(297,861,069)	21,672,986	-
Equity attributable to owners of the Company		1,487,592,288	1,417,693,684	1,247,001,226	1,205,621,723
Non-controlling interests		103,180,236	91,542,240	-	-
TOTAL EQUITY		1,590,772,524	1,509,235,924	1,247,001,226	1,205,621,723
NON-CURRENT LIABILITIES					
Lease liabilities	21	1,391,084	1,772,854	-	-
Bank borrowings	22	40,512,737	47,319,324	129,127	904,129
Deferred tax liabilities	13	63,589,929	63,402,800	-	-
		105,493,750	112,494,978	129,127	904,129
CURRENT LIABILITIES					
Trade payables	27	186,459,334	171,046,855	-	-
Contract liabilities	17	28,657,880	18,320,998	-	-
Other payables	28	62,214,903	93,697,780	3,948,773	49,329,058
Amount owing to a subsidiary	10	-	-	147,783	318,492
Lease liabilities	21	2,584,543	2,162,491	-	-
Bank borrowings	22	90,553,887	90,174,471	1,550,004	1,566,804
Current tax liabilities		10,715,070	10,151,130	494,823	198,790
		381,185,617	385,553,725	6,141,383	51,413,144
TOTAL LIABILITIES		486,679,367	498,048,703	6,270,510	52,317,273
TOTAL EQUITY AND LIABILITIES		2,077,451,891	2,007,284,627	1,253,271,736	1,257,938,996

SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025**

	Note	The Group		The Company	
		1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
REVENUE	29	1,137,203,821	1,887,518,691	62,390,256	63,810,224
COST OF SALES		(962,286,463)	(1,631,790,841)	(802,472)	(1,648,473)
GROSS PROFIT		174,917,358	255,727,850	61,587,784	62,161,751
OTHER INCOME		13,895,922	36,993,658	18,100	120,831
FINANCE INCOME		6,645,750	14,446,817	539,295	1,243,440
ADMINISTRATIVE EXPENSES		(72,515,712)	(94,739,053)	(7,450,846)	(12,086,527)
NET IMPAIRMENT GAIN ON FINANCIAL ASSETS	30	2,031,165	8,936,441	-	-
FINANCE COSTS		(3,497,491)	(6,526,385)	(57,185)	(184,857)
SHARE OF RESULTS OF EQUITY ACCOUNTED ASSOCIATES		227,778	274,431	-	-
PROFIT BEFORE TAXATION	31	121,704,770	215,113,759	54,637,148	51,254,638
INCOME TAX EXPENSE	32	(21,052,260)	(30,827,107)	(696,735)	(1,213,273)
PROFIT AFTER TAXATION, RE-PRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD/YEAR		100,652,510	184,286,652	53,940,413	50,041,365

SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025**

	Note	The Group		The Company	
		1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		82,459,514	164,129,728	53,940,413	50,041,365
Non-controlling interests		18,192,996	20,156,924	-	-
		<u>100,652,510</u>	<u>184,286,652</u>	<u>53,940,413</u>	<u>50,041,365</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		82,459,514	164,129,728	53,940,413	50,041,365
Non-controlling interests		18,192,996	20,156,924	-	-
		<u>100,652,510</u>	<u>184,286,652</u>	<u>53,940,413</u>	<u>50,041,365</u>
EARNINGS PER SHARE (SEN)					
Basic	33	<u>7.12</u>	<u>14.59</u>		

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SHIN YANG GROUP BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025**

	Note	Share Capital RM	Treasury Shares RM	Other Reserves RM	Retained Profits RM	Attributable to Owners of the Company RM	Non- controlling Interests RM	Total Equity RM
The Group								
Balance at 1.7.2024		1,216,972,062	(29,131,922)	(297,861,069)	403,766,428	1,293,745,499	7,880,317	1,301,625,816
Profit after taxation for the financial year		-	-	-	164,129,728	164,129,728	20,156,924	184,286,652
		1,216,972,062	(29,131,922)	(297,861,069)	567,896,156	1,457,875,227	28,037,241	1,485,912,468
Contributions by and distributions to owners of the Company:								
- Purchase of treasury shares	19	-	(6,398,234)	-	-	(6,398,234)	-	(6,398,234)
- Dividends:								
- by the Company	35	-	-	-	(33,783,309)	(33,783,309)	-	(33,783,309)
- by subsidiaries to non- controlling interests		-	-	-	-	-	(5,600,000)	(5,600,000)

The annexed notes form an integral part of these financial statements.

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SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY (CONT'D) FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025

	Share Capital RM	Treasury Shares RM	Other Reserves RM	Retained Profits RM	Attributable to Owners of the Company RM	Non- controlling Interests RM	Total Equity RM
The Group							
Total transactions with owners	-	(6,398,234)	-	(33,783,309)	(40,181,543)	(5,600,000)	(45,781,543)
Acquisition of subsidiaries	-	-	-	-	-	68,859,999	68,859,999
Arising from increase in equity interest in a subsidiary	-	-	-	-	-	245,000	245,000
Balance at 30.6.2025	1,216,972,062	(35,530,156)	(297,861,069)	534,112,847	1,417,693,684	91,542,240	1,509,235,924

The annexed notes form an integral part of these financial statements.

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SHIN YANG GROUP BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY (CONT'D)
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025

	Note	Share Capital RM	Treasury Shares RM	Other Reserves RM	Retained Profits RM	Attributable to Owners of the Company RM	Non- controlling Interests RM	Total Equity RM
The Group								
Balance at 1.7.2025		1,216,972,062	(35,530,156)	(297,861,069)	534,112,847	1,417,693,684	91,542,240	1,509,235,924
Profit after taxation for the financial period		-	-	-	82,459,514	82,459,514	18,192,996	100,652,510
		1,216,972,062	(35,530,156)	(297,861,069)	616,572,361	1,500,153,198	109,735,236	1,609,888,434
Contributions by and distributions to owners of the Company:								
- Purchase of treasury shares	19	-	(559,310)	-	-	(559,310)	-	(559,310)
- Treasury shares re-issued	19	-	25,154,014	21,672,986	-	46,827,000	-	46,827,000
- Dividends:								
- by the Company	35	-	-	-	(58,828,600)	(58,828,600)	-	(58,828,600)
- by subsidiaries to non- controlling interests		-	-	-	-	-	(6,800,000)	(6,800,000)

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SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY (CONT'D) FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025

	Share Capital RM	Treasury Shares RM	Other Reserves RM	Retained Profits RM	Attributable to Owners of the Company RM	Non- controlling Interests RM	Total Equity RM
The Group							
Total transactions with owners Arising from increase in equity interest in a subsidiary	-	24,594,704	21,672,986	(58,828,600)	(12,560,910)	(6,800,000)	(19,360,910)
	-	-	-	-	-	245,000	245,000
Balance at 31.12.2025	1,216,972,062	(10,935,452)	(276,188,083)	557,743,761	1,487,592,288	103,180,236	1,590,772,524

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SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY (CONT'D) FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025

	Note	Share Capital RM	Treasury Shares RM	Retained Profits RM	Total Equity RM
The Company					
Balance at 1.7.2024		1,216,972,062	(29,131,922)	7,921,761	1,195,761,901
Profit after taxation for the financial year		-	-	50,041,365	50,041,365
Transactions with owners					
Purchase of treasury shares	19	-	(6,398,234)	-	(6,398,234)
Dividend on ordinary shares	35	-	-	(33,783,309)	(33,783,309)
Total transaction with owners		-	(6,398,234)	(33,783,309)	(40,181,543)
Balance at 30.6.2025		1,216,972,062	(35,530,156)	24,179,817	1,205,621,723

The annexed notes form an integral part of these financial statements.

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SHIN YANG GROUP BERHAD
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STATEMENTS OF CHANGES IN EQUITY (CONT'D)
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025

	Note	Share Capital RM	Treasury Shares RM	Capital Reserves RM	Retained Profits RM	Total Equity RM
The Company						
Balance at 1.7.2025		1,216,972,062	(35,530,156)	-	24,179,817	1,205,621,723
Profit after taxation for the financial period		-	-	-	53,940,413	53,940,413
Transactions with owners						
Purchase of treasury shares	19	-	(559,310)	-	-	(559,310)
Treasury shares re-issued	19	-	25,154,014	21,672,986	-	46,827,000
Dividend on ordinary shares	35	-	-	-	(58,828,600)	(58,828,600)
Total transaction with owners		-	24,594,704	21,672,986	(58,828,600)	(12,560,910)
Balance at 31.12.2025		1,216,972,062	(10,935,452)	21,672,986	19,291,630	1,247,001,226

The annexed notes form an integral part of these financial statements.

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SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025**

	Note	The Group		The Company	
		1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES					
Profit before taxation		121,704,770	215,113,759	54,637,148	51,254,638
Adjustments for:-					
Bad debt written off		-	26,889	-	-
Amortisation of intangible assets	12	7,797	15,595	-	-
Depreciation:					
- property, plant and equipment	9	47,596,954	92,956,456	506,123	1,002,831
- right-of-use assets	9	3,556,781	4,921,102	-	-
Dividend income		-	(1,800)	(59,178,000)	(57,575,000)
Net gain on disposal of property, plant and equipment		(11,519,755)	(21,751,060)	-	(9,488)
Impairment loss:					
- trade and other receivables		279,724	1,475,576	-	-
Interest expenses		3,497,491	6,526,385	57,185	184,857
Interest income		(6,645,750)	(14,446,817)	(539,295)	(1,243,440)
Gain on bargain purchase		-	(6,642,514)	-	-
Gain on lease modification		(36,031)	-	-	-
Property, plant and equipment written off		290	9,341	-	2
Reversal of impairment loss on trade and other receivables		(2,310,889)	(10,412,017)	-	-
Profit retained in associates		(227,778)	(274,431)	-	-
Unrealised loss on foreign exchange		2,294,219	1,679,425	-	-
Operating profit/(loss) before working capital changes		158,197,823	269,195,889	(4,516,839)	(6,385,600)

SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025**

	Note	The Group		The Company	
		1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Decrease in inventories		530,156	8,352,866	-	-
(Increase)/decrease in trade and other receivables		(51,768,627)	24,303,127	(121,071)	392,175
Increase/(decrease) in trade and other payables		30,756,602	(38,242,494)	1,446,715	392,787
(Increase)/decrease in contract assets		(7,063,703)	1,684,692	-	-
Increase/(decrease) in contract liabilities		10,336,882	(25,855,501)	-	-
Decrease/(increase) in amount owing by subsidiaries		-	-	376,483	(757,133)
(Decrease)/increase in amount owing to a subsidiary		-	-	(170,709)	318,492
CASH FROM/(FOR) OPERATIONS		140,989,133	239,438,579	(2,985,421)	(6,039,279)
Interest income received		6,645,750	14,446,817	539,295	1,243,440
Interest expenses paid		(3,497,491)	(6,526,385)	(57,185)	(184,857)
Income tax paid		(19,803,619)	(21,902,364)	(400,702)	(1,409,591)
NET CASH FROM/(FOR) OPERATING ACTIVITIES		124,333,773	225,456,647	(2,904,013)	(6,390,287)

SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025**

	Note	The Group		The Company	
		1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Acquisition of subsidiaries	34	-	(18,262,369)	-	(97,376,000)
Additional investment in an existing subsidiary		-	-	-	-
Dividend received from subsidiaries		-	-	59,100,000	152,185,000
Dividend received from associates		200,500	390,000	78,000	390,000
Dividend received from others		-	1,800	-	-
Decrease/(Increase) in fixed deposit pledged to licensed banks		30,000	(30,000)	-	-
Net movement in short term deposits with tenure more than 3 months		(69,988,676)	27,618,495	4,500,000	8,200,000
Purchase of property, plant and equipment	36	(26,013,915)	(90,569,419)	(229,398)	(13,799,063)
Deposits paid for purchase of property, plant and equipment		(35,187,523)	-	-	-
Proceeds from disposal of property, plant and equipment		17,891,936	35,326,095	-	14,787
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(113,067,678)	(45,525,398)	63,448,602	49,614,724

SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025**

	Note	The Group		The Company	
		1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
CASH FLOWS FOR FINANCING ACTIVITIES					
Acquisition of treasury shares		(559,310)	(6,398,234)	(559,310)	(6,398,234)
Dividend paid on ordinary shares		(58,828,600)	(33,783,309)	(58,828,600)	(33,783,309)
Dividend paid to non-controlling interests in subsidiaries		(6,800,000)	(5,600,000)	-	-
Net proceeds of floor stocks	36	300,095	2,258,237	-	-
Repayment of principal portion of hire purchase	36	(5,646,538)	(11,664,786)	(16,800)	(98,707)
Repayment of principal portion of lease liabilities	21	(1,831,643)	(1,868,918)	-	-
Net (repayments)/proceeds of revolving credits	36	(8,000,000)	5,000,000	-	-
Proceeds from term loan	36	-	1,990,000	-	-
Proceeds from obligation under hire purchase	36	-	2,594,100	-	-
Proceeds from issuance of ordinary shares to non-controlling interest		245,000	245,000	-	-
Repayment of term loans	36	(9,080,485)	(18,425,068)	(775,002)	(1,550,004)
Net proceeds/(repayments) of flexi financing	36	10,011,493	(5,381,947)	-	-
Net (repayments)/proceeds of banker acceptance	36	(4,027,000)	448,000	-	-
NET CASH FOR FINANCING ACTIVITIES		(84,216,988)	(70,586,925)	(60,179,712)	(41,830,254)

SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025**

	Note	The Group		The Company	
		1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(72,950,893)	109,344,324	364,877	1,394,183
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		(2,184,252)	(1,484,054)	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD/YEAR		233,938,475	126,078,205	2,395,547	1,001,364
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD/YEAR	36	158,803,330	233,938,475	2,760,424	2,395,547

SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office which is also the principal place of business is Sublot 153 (Parent Lot 70), Jalan Kuala Baram, Kuala Baram 98100 Miri, Sarawak, Malaysia.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Group and of the Company are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 30 April 2026.

2. HOLDING COMPANY

The immediate and ultimate holding company is Shin Yang Holding Sendirian Berhad, a company incorporated in Malaysia.

3. CHANGE OF FINANCIAL YEAR END

During the current financial period, the Company has changed its financial year end from 30 June to 31 December to align the group's reporting cycle more effectively with its operational planning and strategic requirements.

4. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and property holding. The principal activities of the subsidiaries are set out in Note 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial period.

SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025

5. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

- 5.1 During the current financial period, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

- 5.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

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5. BASIS OF PREPARATION (CONT'D)

- 5.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period (Cont'd):-

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

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6. MATERIAL ACCOUNTING POLICY INFORMATION

6.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 9 to the financial statements.

(b) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at the reporting date is disclosed in Note 12 to the financial statements.

(c) Revenue Recognition for Construction Contracts

The Group recognises construction revenue by reference to the construction progress using the input method, determined based on the proportion of construction costs incurred for work performed to date over the estimated total construction costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, management relies on past experience and the work of specialists. The carrying amounts of contract assets and contract liabilities as at the reporting date are disclosed in Note 17 to the financial statements.

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6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(d) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 15 and 17 to the financial statements respectively.

(e) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amounts owing by subsidiaries as at the reporting date are disclosed in Notes 16 and 10 to the financial statements respectively.

(f) Impairment of Property, Plant and Equipment and Investment in Subsidiaries

The Group and the Company determine whether an item of its property, plant and equipment and investment in subsidiaries are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of property, plant and equipment and investment in subsidiaries as at the reporting date are disclosed in Notes 9 and 7 to the financial statements respectively.

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**NOTES TO THE FINANCIAL STATEMENTS
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6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(g) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 14 to the financial statements.

(h) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

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6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

6.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

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6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.2 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

Treasury Shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

6.3 BASIS OF CONSOLIDATION

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the consolidated financial statements at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflects the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

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6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.3 BASIS OF CONSOLIDATION (CONT'D)

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger reserve or merger deficit, as appropriate. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statutes do not prohibit the use of such reserves.

6.4 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

6.5 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

6.6 INVESTMENTS IN ASSOCIATES

Investments in associates are accounted for using the equity method in the consolidated financial statements.

6.7 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Dry docking expenses	5 years
Buildings, jetty, wharfs and slipways	20 – 50 years
Motor vehicles	5 – 10 years
Office equipment, furniture and fittings	20 years
Plant and machinery	6.7 – 10 years
Shipping equipment and machinery	3 – 20 years
Vessels	8 – 20 years

Capital work-in-progress represent production machinery under installation and properties under construction. They are not depreciated until such time when the asset is available for use.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.8 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities’ incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

6.9 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out, weighted average and specific identification methods and comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition. The cost of finished goods and work-in-progress comprise cost of raw materials, direct labour, other direct costs and appropriate proportions of manufacturing overheads based on the normal operating capacity.

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6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.10 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:-

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

(a) Construction Services - Shipbuilding

Revenue from construction services is recognised over time in the period in which the services are rendered using the input method, determined based the proportion of construction costs incurred for work performed to date over the estimated total construction costs. Transaction price is computed based on the price specified in the contract and adjusted for any variable consideration such as incentives and penalties. Past experience is used to estimate and provide for the variable consideration, using expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the construction services are rendered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. If the construction services rendered exceed the payment received, a contract asset is recognised. If the payments exceed the construction services rendered, a contract liability is recognised.

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6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.10 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONT'D)

(b) Revenue from freight and lighterage services – sea and land transport

Freight services for sea and land transport are recognised over time in the period the freight services are rendered. The customer is able to benefit from the Group's performance as it occurs and the other entity would not need to substantially reperform the Group's performance (e.g. distance travelled) to date. The Group has selected the output measure (days travelled) which can most appropriately depicts the transfer of control of the service to the customer.

(c) Revenue from freight forwarding services

These revenues comprise mainly agency commission, custom clearance, import and export documentation, port related services and etc. These services are considered to represent one single performance obligation satisfied at a point in time.

(d) Ship repairs, repairs works, metal fabrication and barrage maintenance fee

Revenue from ship repair, repair works, metal fabrication and barrage maintenance fee is recognised over time in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

(e) Sales of goods and services and motor vehicles

Revenue from sale of goods and services is recognised at the point in time when control of the assets is transferred to the customers, generally on delivery of the goods and services.

6.11 REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME

(a) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

(b) Rental Income

Rental income from investment properties is accounted for on a straight-line method over the lease term.

(c) Vessel charter fee

Vessel charter fee arising from operating leases is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature.

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7. INVESTMENT IN SUBSIDIARIES

	The Company	
	31.12.2025	30.6.2025
	RM	RM
Unquoted share, at cost	1,276,775,878	1,276,775,878
Less: Impairment loss	(113,582,130)	(113,582,130)
	<u>1,163,193,748</u>	<u>1,163,193,748</u>

The details of the subsidiaries are as follows:-

Name Of Subsidiaries	Principal Place of Business/ Country of Incorporation	Proportion of Ownership Interest		Principal Activities
		31.12.2025 %	30.6.2025 %	
Danum Shipping Sdn. Bhd.	Malaysia	100%	100%	International shipping operations for liquid chemical products
Piasau Slipways Sdn. Bhd.	Malaysia	100%	100%	Shipbuilding and ship repairing, and fabrication of metal structures
Shinline Sdn. Bhd.	Malaysia	100%	100%	International shipping operations
Shin Yang Shipping Sdn. Bhd.	Malaysia	100%	100%	Domestic and regional shipping operations
Shin Yang Shipyard Sdn. Bhd.	Malaysia	100%	100%	Shipbuilding and ship repairing, and fabrication of metal structures

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7. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name Of Subsidiaries	Principal Place of Business/ Country of Incorporation	Proportion of Ownership Interest		Principal Activities
		31.12.2025 %	30.6.2025 %	
Thailine Sdn. Bhd.	Malaysia	100%	100%	International shipping operations
Hock Leong Shipping Sdn. Bhd.	Malaysia	70%	70%	Shipping and forwarding agency
Dynasys Technology & Engineering Sdn. Bhd.	Malaysia	100%	100%	Engineering consultation, trading
Melinau Transport Sdn. Bhd.	Malaysia	100%	100%	Transportation and hiring services
Melinau Container Services Sdn. Bhd.	Malaysia	50.50%	50.50%	Transportation and hiring services
Kuching Barrage Management Sdn. Bhd.	Malaysia	100%	100%	Operations and maintenance of a barrage
Piasau Gas Sdn. Bhd.	Malaysia	100%	100%	Manufacturing, distribution and marketing of industrial gases, provision of services and maintenance and trading in welding equipment and machinery

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7. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name Of Subsidiaries	Principal Place of Business/ Country of Incorporation	Proportion of Ownership Interest		Principal Activities
		31.12.2025 %	30.6.2025 %	
Mewah Exim Sdn. Bhd.	Malaysia	60%	60%	Freight and forwarding agent
Boulevard Jaya Sdn. Bhd.	Malaysia	100%	100%	Car dealership, sales of spare parts, repairing and servicing of motor vehicles
Boulevard Motor Sdn. Bhd.	Malaysia	60%	60%	Car dealership, sales of spare parts, repairing and servicing of motor vehicles
Boulevard Motor (Sabah) Sdn. Bhd.	Malaysia	60%	60%	Car dealership, sales of spare parts, repairing and servicing of motor vehicles
Boulevard Motor (Labuan) Sdn. Bhd.	Malaysia	60%	60%	Car dealership, sales of spare parts, repairing and servicing of motor vehicles
Subsidiary of Danum Shipping Sdn. Bhd.				
Sinar Asiamas Sdn. Bhd.	Malaysia	100%	100%	International shipping operations
Subsidiary of Shin Yang Shipping Sdn. Bhd.				
Melinau Armada Logistics Sdn. Bhd.	Malaysia	51%	51%	Provision of freight forwarding and freight transportation and management

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7. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name Of Subsidiaries	Principal Place of Business/ Country of Incorporation	Proportion of Ownership Interest		Principal Activities
		31.12.2025 %	30.6.2025 %	
Subsidiaries of Mewah Exim Sdn. Bhd.				
Mewahtrans Logistic Sdn. Bhd.	Malaysia	100%	100%	Transportation and related services
Seatrade Agency Services Sdn. Bhd.	Malaysia	100%	100%	Shipping and forwarding
Mewah Autoworks Sdn. Bhd.	Malaysia	100%	100%	Maintenance and repair of motor vehicles, wholesale and retail sale of all kinds of parts, components, supplies, tools and accessories for motor vehicles

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7. INVESTMENT IN SUBSIDIARIES (CONT'D)

- (a) In the previous financial year, the Company acquired 100% equity interests in Boulevard Jaya Sdn. Bhd. and 60% equity interests in Boulevard Motor Sdn. Bhd., Boulevard Motor (Sabah) Sdn. Bhd. and Boulevard Motor (Labuan) Sdn. Bhd. respectively. The details of the acquisitions are disclosed in Note 34 to the financial statements.
- (b) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	31.12.2025	30.6.2025	31.12.2025	30.6.2025
	%	%	RM	RM
Boulevard Motor Sdn. Bhd.	40	40	54,538,523	49,006,284
Boulevard Motor (Labuan) Sdn. Bhd.	40	40	5,796,420	5,396,354
Boulevard Motor (Sabah) Sdn. Bhd.	40	40	33,978,053	29,409,741
Other individually immaterial subsidiaries	-	-	8,867,240	7,729,861
			<u>103,180,236</u>	<u>91,542,240</u>

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7. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that are material to the Group is as follows:-

	Boulevard Motor Sdn. Bhd. 31.12.2025 RM	Boulevard Motor (Labuan) Sdn. Bhd. 31.12.2025 RM	Boulevard Motor (Sabah) Sdn. Bhd. 31.12.2025 RM	Total 31.12.2025 RM
<u>At 31 December</u>				
Non-current assets	31,045,501	8,757,546	65,230,484	105,033,531
Current assets	163,732,970	15,041,914	67,046,913	245,821,797
Non-current liabilities	(2,713,413)	(936,127)	(10,360,323)	(14,009,863)
Current liabilities	(55,718,751)	(8,372,282)	(36,971,940)	(101,062,973)
Net assets	<u>136,346,307</u>	<u>14,491,051</u>	<u>84,945,134</u>	<u>235,782,492</u>
<u>Financial Period Ended 31 December</u>				
Revenue	324,609,887	26,726,529	202,544,132	553,880,548
Profit for the financial period	23,830,596	1,500,165	15,420,780	40,751,541
Total comprehensive income	<u>23,830,596</u>	<u>1,500,165</u>	<u>15,420,780</u>	<u>40,751,541</u>
Total comprehensive income attributable to non-controlling interests	9,532,239	600,066	6,168,312	16,300,617
Dividends paid to non-controlling interests	<u>(4,000,000)</u>	<u>(200,000)</u>	<u>(1,600,000)</u>	<u>(5,800,000)</u>

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7. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that are material to the Group is as follows (Cont'd):-

	Boulevard Motor Sdn. Bhd. 31.12.2025 RM	Boulevard Motor (Labuan) Sdn. Bhd. 31.12.2025 RM	Boulevard Motor (Sabah) Sdn. Bhd. 31.12.2025 RM	Total 31.12.2025 RM
<u>Financial Period Ended 31 December</u>				
Net cash flows (for)/from operating activities	(12,283,808)	260,564	21,668	(12,001,576)
Net cash flows for investing activities	(34,435,950)	(22,217)	(466,518)	(34,924,685)
Net cash flows for financing activities	<u>(13,362,374)</u>	<u>(1,885,236)</u>	<u>(11,028,588)</u>	<u>(26,276,198)</u>

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7. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that are material to the Group is as follows (Cont'd):-

	Boulevard Motor Sdn. Bhd. 30.6.2025 RM	Boulevard Motor (Labuan) Sdn. Bhd. 30.6.2025 RM	Boulevard Motor (Sabah) Sdn. Bhd. 30.6.2025 RM	Total 30.6.2025 RM
<u>At 30 June</u>				
Non-current assets	31,941,667	9,070,247	65,588,336	106,600,250
Current assets	155,688,516	15,184,117	61,350,223	232,222,856
Non-current liabilities	(3,920,468)	(1,313,569)	(12,393,170)	(17,627,207)
Current liabilities	(61,194,005)	(9,449,909)	(41,021,036)	(111,664,950)
Net assets	<u>122,515,710</u>	<u>13,490,886</u>	<u>73,524,353</u>	<u>209,530,949</u>
<u>Financial Year Ended 30 June</u>				
Revenue	451,335,565	39,570,573	268,720,803	759,626,941
Profit for the financial year	25,364,812	2,199,598	14,816,536	42,380,946
Total comprehensive income	<u>25,364,812</u>	<u>2,199,598</u>	<u>14,816,536</u>	<u>42,380,946</u>
Total comprehensive income attributable to non-controlling interests	10,145,925	879,839	5,926,614	16,952,378
Dividends paid to non-controlling interests	<u>(2,000,000)</u>	<u>-</u>	<u>-</u>	<u>(2,000,000)</u>

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7. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that are material to the Group is as follows (Cont'd):-

	Boulevard Motor Sdn. Bhd. 30.6.2025 RM	Boulevard Motor (Labuan) Sdn. Bhd. 30.6.2025 RM	Boulevard Motor (Sabah) Sdn. Bhd. 30.6.2025 RM	Total 30.6.2025 RM
<u>Financial Year Ended 30 June</u>				
Net cash flows from operating activities	34,644,143	6,749,877	17,017,732	58,411,752
Net cash flows for investing activities	(489,027)	(114,060)	(7,882,548)	(8,485,635)
Net cash flows (for)/from financing activities	<u>(6,870,275)</u>	<u>(556,429)</u>	<u>1,916,931</u>	<u>(5,509,773)</u>

8. INVESTMENT IN ASSOCIATES

	The Group		The Company	
	31.12.2025 RM	30.6.2025 RM	31.12.2025 RM	30.6.2025 RM
Unquoted share, at cost	4,068,946	4,068,946	682,500	682,500
Share of post-acquisition reserves	(1,096,971)	(1,124,249)	-	-
	<u>2,971,975</u>	<u>2,944,697</u>	<u>682,500</u>	<u>682,500</u>

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8. INVESTMENT IN ASSOCIATES (CONT'D)

(a) The details of the associates are as follows:-

Name Of Associates	Principal Place of Business/ Country of Incorporation	Proportion of Ownership Interest		Principal Activities
		31.12.2025 %	30.6.2025 %	
Melinau Shipping Sdn. Bhd.*	Malaysia	39%	39%	Shipping and forwarding agency
Associate of Shin Yang Shipping Sdn. Bhd.				
PT Shinline*	Indonesia	49%	49%	Investment holding
Shin Yang FZC*	United Arab Emirates	49%	49%	Investment holding
Associate of PT Shinline				
PT Baruna Adiprasetya*	Indonesia	49%	49%	Inactive
Associate of Shin Yang FZC				
Deena Shipping L.L.C.*	United Arab Emirates	49%	49%	Offshore and marine related shipping business, cargo services and chartering
Associate of Mewah Exim Sdn. Bhd.				
Mewah Logistik Sdn. Bhd.	Malaysia	49%	49%	Freight and Forwarding agent

* These associates were audited by other firms of chartered accountants.

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8. INVESTMENT IN ASSOCIATES (CONT'D)

The Group has not recognised losses relating to PT Shinline, PT Baruna Adiprasetya, Shin Yang FZC and Deena Shipping L.L.C. where its share of losses exceeds the Group's interest in these associates. The Group has no obligation in respect of these losses.

- (b) Summarised financial information in respect of the Group's material associates is set out below. The summarised financial information represents the amount in the MFRS financial statements of the associates and not the Group's share of those amounts.

	Melinau Shipping Sdn. Bhd.	
	31.12.2025	30.6.2025
	RM	RM
Non-current assets	365,525	355,529
Current assets	15,218,738	13,869,240
Non-current liabilities	(18,435)	(22,659)
Current liabilities	(2,488,243)	(1,352,096)
	13,077,585	12,850,014
Revenue	3,343,284	5,477,631
Profit for the financial period/year	427,571	271,578
Group's share of profit for the financial period/year	166,753	105,915
Dividend received	78,000	390,000
	166,753	105,915
	78,000	390,000
	78,000	390,000
<u>Reconciliation of Net Assets to Carrying Amount</u>		
Group's share of net assets	2,643,305	2,554,552
Carrying amount of the Group's interests in this associate	2,643,305	2,554,552

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9. PROPERTY, PLANT AND EQUIPMENT

The Group	At 1.7.2025 RM	Additions RM	Disposals/ De- recognition RM	Transfer RM	Reassessment of lease liabilities RM	Reclassification RM	Depreciation Charges (Note 31) RM	At 31.12.2025 RM
<i>Carrying amount</i>								
<u>Owned assets</u>								
Dry docking expenses	7,052,786	2,154,650	-	-	-	-	(1,275,867)	7,931,569
Buildings, jetty, wharfs and slipways	259,531,896	2,761,816	-	-	-	1,912,033	(5,311,899)	258,893,846
Motor vehicles	16,940,158	4,943,139	(2,322,258)	-	-	-	(2,184,604)	17,376,435
Office equipment, furniture and fittings	6,760,861	1,353,332	(4,014)	-	-	-	(901,274)	7,208,905
Plant and machinery	84,218,167	8,319,844	(12)	-	-	17,590	(5,677,018)	86,878,571
Shipping equipment and machinery	53,484,312	1,421,411	(58,908)	7,218,163	-	-	(4,632,666)	57,432,312
Vessels	354,260,958	-	(3,987,279)	-	-	-	(27,613,626)	322,660,053

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9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At 1.7.2025 RM	Additions RM	Disposals/ De- recognition RM	Transfer RM	Reassessment of lease liabilities RM	Reclassification RM	Depreciation Charges (Note 31) RM	At 31.12.2025 RM
31.12.2025								
<i>Carrying amount (Cont'd)</i>								
<u>Owned assets</u>								
Capital work-in-progress	73,981,344	13,633,715	-	(7,218,163)	-	(1,929,623)	-	78,467,273
	856,230,482	34,587,907	(6,372,471)	-	-	-	(47,596,954)	836,848,964
<u>Right-of-use assets</u>								
Leasehold land and buildings	187,460,701	1,709,043	(607,957)	-	806,870	-	(3,556,781)	185,811,876
	187,460,701	1,709,043	(607,957)	-	806,870	-	(3,556,781)	185,811,876
	1,043,691,183	36,296,950	(6,980,428)	-	806,870	-	(51,153,735)	1,022,660,840

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9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At 1.7.2024 RM	Additions RM	Acquisition of Subsidiaries RM	Disposals/ De- recognition RM	Transfer RM	Reassessment of lease liabilities RM	Depreciation Charges (Note 31) RM	At 30.6.2025 RM
30.6.2025								
<i>Carrying amount</i>								
<u>Owned assets</u>								
Dry docking expenses	4,850,541	4,473,390	-	-	-	-	(2,271,145)	7,052,786
Buildings, jetty, wharfs and slipways	203,211,804	4,078,924	57,104,623	-	5,080,990	-	(9,944,445)	259,531,896
Motor vehicles	4,631,896	6,103,127	12,144,442	(2,456,655)	-	-	(3,482,652)	16,940,158
Office equipment, furniture and fittings	3,744,411	2,915,147	1,499,637	(13,993)	-	-	(1,384,341)	6,760,861
Plant and machinery	78,796,752	15,380,386	609,055	(397)	27,631	-	(10,595,260)	84,218,167
Shipping equipment and machinery	48,621,225	5,178,951	-	(65,114)	7,990,429	-	(8,241,179)	53,484,312
Vessels	414,146,609	8,200,000	-	(11,048,217)	-	-	(57,037,434)	354,260,958

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9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At 1.7.2024 RM	Additions RM	Acquisition of Subsidiaries RM	Disposals/ De- recognition RM	Transfer RM	Reassessment of lease liabilities RM	Depreciation Charges (Note 31) RM	At 30.6.2025 RM
The Group								
30.6.2025								
<i>Carrying amount (Cont'd)</i>								
<u>Owned assets</u>								
Capital work-in-progress	24,394,044	48,915,747	13,770,603	-	(13,099,050)	-	-	73,981,344
	782,397,282	95,245,672	85,128,360	(13,584,376)	-	-	(92,956,456)	856,230,482
<u>Right-of-use assets</u>								
Leasehold land and buildings	94,689,288	12,390,075	85,049,365	-	-	253,075	(4,921,102)	187,460,701
	94,689,288	12,390,075	85,049,365	-	-	253,075	(4,921,102)	187,460,701
	877,086,570	107,635,747	170,177,725	(13,584,376)	-	253,075	(97,877,558)	1,043,691,183

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9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At 1.7.2025 RM	Additions RM	Depreciation Charges (Note 31) RM	At 31.12.2025 RM
The Company				
31.12.2025				
<i>Carrying amount</i>				
<u>Owned assets</u>				
Buildings	45,392,203	-	(440,126)	44,952,077
Office equipment, furniture and fittings	222,443	116,404	(34,197)	304,650
Motor vehicles	143,102	112,994	(31,800)	224,296
	45,757,748	229,398	(506,123)	45,481,023
<u>Right-of-use assets</u>				
Leasehold land and buildings	14,214,309	-	-	14,214,309
	14,214,309	-	-	14,214,309
	59,972,057	229,398	(506,123)	59,695,332

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9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Company	At 1.7.2024 RM	Additions RM	Disposals RM	Written off RM	Depreciation Charges (Note 31) RM	At 30.6.2025 RM
30.6.2025						
<i>Carrying amount</i>						
<u>Owned assets</u>						
Buildings	44,536,442	1,710,358	-	-	(854,597)	45,392,203
Office equipment, furniture and fittings	273,673	38,705	(5,299)	(2)	(84,634)	222,443
Motor vehicles	206,702	-	-	-	(63,600)	143,102
	45,016,817	1,749,063	(5,299)	(2)	(1,002,831)	45,757,748
<u>Right-of-use assets</u>						
Leasehold land and buildings	2,164,309	12,050,000	-	-	-	14,214,309
	2,164,309	12,050,000	-	-	-	14,214,309
	47,181,126	13,799,063	(5,299)	(2)	(1,002,831)	59,972,057

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9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
31.12.2025			
<u>Owned assets</u>			
Dry docking expenses	24,174,446	(16,242,877)	7,931,569
Buildings, jetty, wharfs and slipways	409,028,096	(150,134,250)	258,893,846
Motor vehicles	41,453,023	(24,076,588)	17,376,435
Office equipment, furniture and fittings	33,577,651	(26,368,746)	7,208,905
Plant and machinery	428,089,329	(341,210,758)	86,878,571
Shipping equipment and machinery	218,329,149	(160,896,837)	57,432,312
Vessels	1,117,692,753	(795,032,700)	322,660,053
Capital work-in-progress	78,467,273	-	78,467,273
	<u>2,350,811,720</u>	<u>(1,513,962,756)</u>	<u>836,848,964</u>
<u>Right-of-use assets</u>			
Land and buildings	214,720,573	(28,908,697)	185,811,876
	<u>2,565,532,293</u>	<u>(1,542,871,453)</u>	<u>1,022,660,840</u>

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9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
30.6.2025			
<u>Owned assets</u>			
Dry docking expenses	22,019,796	(14,967,010)	7,052,786
Buildings, jetty, wharfs and slipways	404,354,247	(144,822,351)	259,531,896
Motor vehicles	39,879,870	(22,939,712)	16,940,158
Office equipment, furniture and fittings	32,405,383	(25,644,522)	6,760,861
Plant and machinery	420,431,613	(336,213,446)	84,218,167
Shipping equipment and machinery	209,995,607	(156,511,295)	53,484,312
Vessels	1,146,497,933	(792,236,975)	354,260,958
Capital work-in-progress	73,981,344	-	73,981,344
	<u>2,349,565,793</u>	<u>(1,493,335,311)</u>	<u>856,230,482</u>
<u>Right-of-use assets</u>			
Land and buildings	214,062,793	(26,602,092)	187,460,701
	<u>2,563,628,586</u>	<u>(1,519,937,403)</u>	<u>1,043,691,183</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025****9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

The Company	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
31.12.2025			
<u>Owned assets</u>			
Buildings	53,978,669	(9,026,592)	44,952,077
Office equipment, furniture and fittings	6,028,648	(5,723,998)	304,650
Motor vehicles	713,005	(488,709)	224,296
	60,720,322	(15,239,299)	45,481,023
<u>Right-of-use assets</u>			
Leasehold land and buildings	14,214,309	-	14,214,309
	74,934,631	(15,239,299)	59,695,332
30.6.2025			
<u>Owned assets</u>			
Buildings	53,978,669	(8,586,466)	45,392,203
Office equipment, furniture and fittings	5,912,244	(5,689,801)	222,443
Motor vehicles	600,011	(456,909)	143,102
	60,490,924	(14,733,176)	45,757,748
<u>Right-of-use assets</u>			
Leasehold land and buildings	14,214,309	-	14,214,309
	74,705,233	(14,733,176)	59,972,057

(a) Included in the property, plant and equipment of the Group and of the Company were plant and machinery with a total carrying amount of RM32,450,488 (30.6.2025 – RM32,288,924) and RM Nil (30.6.2025 – RM143,100) held under hire purchase arrangements. These assets have been pledged as security for the hire purchase payables of the Group and of the Company as disclosed in Note 22 to the financial statements.

(b) Titles of the certain leasehold land of the Group and of the Company with the carrying value of RM22,399,821 (30.6.2025 – RM22,454,172) and RM12,050,000 (30.6.2025 – RM12,050,000) have yet to be issued by the authority.

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9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Asset pledged as security

The net carrying amount of property, plant and equipment pledged for borrowing as referred in Notes 23 to 26 are as follows:

	The Group		The Company	
	31.12.2025 RM	30.6.2025 RM	31.12.2025 RM	30.6.2025 RM
Land and buildings	217,522,113	214,796,445	33,816,276	34,081,520
Plant and machinery	30,444,000	31,902,000	-	-
Vessels	8,458,997	29,107,573	-	-
	<u>256,425,110</u>	<u>275,806,018</u>	<u>33,816,276</u>	<u>34,081,520</u>

Right-of-use assets

The Group has lease contracts for land and buildings used in its operations.

There are several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extensions and termination options are reasonably certain to be exercised.

10. AMOUNTS OWING BY/(TO) SUBSIDIARIES

The amounts owing by/(to) subsidiaries represent non-trade transactions which are unsecured, interest-free and repayable on demand.

11. OTHER INVESTMENTS

	The Group	
	31.12.2025 RM	30.6.2025 RM
Equity instruments (quoted in Malaysia), at fair value	<u>58,800</u>	<u>58,800</u>
Market value of quoted shares in Malaysia	<u>58,800</u>	<u>58,800</u>

The fair value of equity investments were directly measured using their unadjusted closing prices in active markets (i.e. Level 1).

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12. INTANGIBLE ASSETS

	Goodwill RM	Customer Relationships RM	Total RM
The Group			
Cost/Carrying amount:			
At 1 July 2024	8,609,993	155,950	8,765,943
Amortisation	-	(15,595)	(15,595)
At 30 June 2025 / 1 July 2025	8,609,993	140,355	8,750,348
Amortisation	-	(7,797)	(7,797)
At 31 December 2025	8,609,993	132,558	8,742,551

Goodwill

Carrying amount of goodwill on business acquisition is related to the acquisitions of shipping agency in prior years. The Group performed its annual impairment test in December 2025 and June 2025.

The recoverable amounts of the CGUs have been determined based on value in use calculations using cash flow projections approved by management. The pre-tax discount rate applied to the cash flow projections is 11.71% (30.6.2025 – 12.50%).

Management determined budgeted profit margin based on past performance and its expectations of the market conditions. The pre-tax discount rates used reflected specific risks relating to the shipping industry. The forecasted growth rates were based on management's estimate which did not exceed the long term average growth rate for the industry.

Customer relationships

The cost of customer relationships acquired in a business combination is measured at their fair value at the date of acquisition. Following the initial recognition, the customer relationships are carried at cost less accumulated amortisation and any accumulated impairment losses. The customer relationships with finite lives are amortised on a straight-line basis over their useful economic lives and assessed for impairment whenever there is an indication that the customer relationships may be impaired.

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13. DEFERRED TAX ASSETS/(LIABILITIES)

The Group	As 1.7.2025 RM	Acquisition of Subsidiaries RM	Recognised in Profit or Loss (Note 32) RM	At 31.12.2025 RM
31.12.2025				
<i>Deferred Tax Liabilities</i>				
Property, plant and equipment	(79,376,348)	-	432,029	(78,944,319)
<i>Deferred Tax Assets</i>				
Unabsorbed capital allowances	6,086,189	-	(772,263)	5,313,926
Others	5,612,062	-	2,003,787	7,615,849
Unused tax losses	5,433,794	-	(1,903,092)	3,530,702
	17,132,045	-	(671,568)	16,460,477
	(62,244,303)	-	(239,539)	(62,483,842)

The Group	As 1.7.2024 RM	Acquisition of Subsidiaries RM	Recognised in Profit or Loss (Note 32) RM	At 30.6.2025 RM
30.6.2025				
<i>Deferred Tax Liabilities</i>				
Property, plant and equipment	(76,806,362)	(7,566,432)	4,996,446	(79,376,348)
<i>Deferred Tax Assets</i>				
Unabsorbed capital allowances	9,293,327	-	(3,207,138)	6,086,189
Others	4,157,048	1,099,051	355,963	5,612,062
Unused tax losses	3,282,975	-	2,150,819	5,433,794
Unutilised reinvestment allowances	8,405,042	-	(8,405,042)	-
	25,138,392	1,099,051	(9,105,398)	17,132,045
	(51,667,970)	(6,467,381)	(4,108,952)	(62,244,303)

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13. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

	The Group		The Company	
	31.12.2025 RM	30.6.2025 RM	31.12.2025 RM	30.6.2025 RM
Analysed as:-				
Deferred tax assets	1,106,087	1,158,497	-	-
Deferred tax liabilities	(63,589,929)	(63,402,800)	-	-
	<u>(62,483,842)</u>	<u>(62,244,303)</u>	<u>-</u>	<u>-</u>
Deferred tax assets have not been recognised in respect of the following items:-				
Unabsorbed capital allowances	5,420,462	4,915,766	3,201,856	3,201,856
Unutilised tax losses	1,274,580	1,200,138	1,035,413	1,035,413
Other deductible temporary differences	2,457,010	2,457,010	-	-
	<u>9,152,052</u>	<u>8,572,914</u>	<u>4,237,269</u>	<u>4,237,269</u>

At the end of the reporting period, the Group and the Company have unutilised tax losses and unabsorbed capital allowances available for offset against future taxable profits in which the losses arose, as follows:

	The Group		The Company	
	31.12.2025 RM	30.6.2025 RM	31.12.2025 RM	30.6.2025 RM
Unutilised tax losses	11,109,631	29,968,399	1,035,413	1,035,413
Unabsorbed capital allowances	21,299,290	31,960,069	3,201,856	3,201,856
	<u>32,408,921</u>	<u>61,928,468</u>	<u>4,237,269</u>	<u>4,237,269</u>

Based on the current legislation, the unutilised tax losses are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment while the unabsorbed capital allowances are allowed to be carried forward indefinitely.

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	The Group	
	31.12.2025	30.6.2025
	RM	RM
Consumables	42,012,339	31,863,467
Petrol, oil and lubricants on board	3,789,506	4,315,999
Motor vehicles	32,340,802	42,102,782
Spare parts and related goods	5,798,421	4,928,378
Work-in-progress	223,614	1,484,212
	84,164,682	84,694,838

15. TRADE RECEIVABLES

	The Group		The Company	
	31.12.2025	30.6.2025	31.12.2025	30.6.2025
	RM	RM	RM	RM
Third parties	252,126,439	220,091,573	-	-
Related companies	41,176,231	67,014,821	-	-
Associates	819,602	685,197	-	-
Holding company	-	5,059,708	-	-
	294,122,272	292,851,299	-	-
Allowance for impairment losses:-				
- third parties	(21,937,795)	(22,455,111)	-	-
- related companies	(3,935,870)	(5,449,719)	-	-
	268,248,607	264,946,469	-	-
Allowance for impairment losses:-				
At 1 July 2025 / 1 July 2024	27,904,830	32,270,592	-	-
Acquisition of subsidiaries during the financial year	-	4,579,379	-	-
Additions during the financial period/year	279,724	1,475,576	-	-
Reversal during the financial period/year	(2,310,889)	(10,412,017)	-	-
Written off during the financial year	-	(8,700)	-	-
	25,873,665	27,904,830	-	-
At 31 December 2025 / 30 June 2025	25,873,665	27,904,830	-	-

Related companies are companies within Shin Yang Holding Sendirian Berhad Group.

- (a) The Group's normal trade credit terms range from 7 to 90 (30.6.2025 - 7 to 90) days.
- (b) Included in trade receivables of the Group is an amount of RM7,730,958 (30.6.2025 – RM8,238,900) owing by companies in which certain directors have substantial financial interests.

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	The Group		The Company	
	31.12.2025 RM	30.6.2025 RM	31.12.2025 RM	30.6.2025 RM
<u>Current:</u>				
Other receivables:-				
Third parties	14,453,006	16,589,943	15,300	5,550
Related companies	1,350	5,426	1,350	2,786
Holding company	248,297	-	-	-
Associates	5,031,298	5,030,531	62,164	61,397
Rebate and incentive receivables	63,900,566	18,614,200	-	-
	83,634,517	40,240,100	78,814	69,733
Allowance for impairment losses:-				
- third parties	(10,587,477)	(10,587,477)	-	-
- associates	(4,941,504)	(4,941,504)	-	-
	68,105,536	24,711,119	78,814	69,733
Deposits	26,418,017	12,766,270	92,530	92,530
Prepayments	14,855,601	21,514,078	111,990	-
	109,379,154	58,991,467	283,334	162,263
<u>Non-Current:</u>				
Deposits				
- third parties	8,587,523	-	-	-
- related companies	26,600,000	-	-	-
(a)	35,187,523	-	-	-
	144,566,677	58,991,467	283,334	162,263
Allowance for impairment losses:-				
At 1 July 2025 / 1 July 2024	15,528,981	15,528,981	-	-
Reversal during the financial period/year	-	-	-	-
Written off during the financial period/year	-	-	-	-
At 31 December 2025 / 30 June 2025	15,528,981	15,528,981	-	-

(a) Being deposit paid to purchase of property, plant and equipment.

(b) Related companies are companies within Shin Yang Holding Sendirian Berhad Group.

(c) The amounts owing by related companies and associates are unsecured, interest-free and repayable on demand.

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17. CONTRACT ASSETS/(LIABILITIES)

	The Group	
	31.12.2025	30.6.2025
	RM	RM
Contract Assets		
Contract assets relating to service contracts	27,271,650	20,207,947
Contract Liabilities		
Contract liabilities relating to service contracts	(28,657,880)	(18,320,998)

- (a) The contract assets primarily relate to the Group's rights to consideration for work performed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.
- (b) The contract liabilities primarily relate to the advance consideration received from customers for freight services, shipbuilding and ship repair contracts, for which revenue is recognised over time.
- (c) The changes to contract assets and contract liabilities balances during the financial period/year are summarised below:-

	The Group	
	31.12.2025	30.6.2025
	RM	RM
At 1 July 2025 / 1 July 2024	1,886,949	(22,283,860)
Revenue recognised in profit or loss during the financial period/year	113,794,667	130,336,190
Billings to customers during the financial period/year	(117,067,846)	(106,165,381)
At 31 December 2025 / 30 June 2025	(1,386,230)	1,886,949
Analysed as follows:		
Contract assets	27,271,650	20,207,947
Contract liabilities	(28,657,880)	(18,320,998)
	(1,386,230)	1,886,949

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17. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(d) The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied or partially unsatisfied at the reporting date.

	The Group	
	31.12.2025	30.6.2025
	RM	RM
Within one year		
- Freight and lightering charges	5,775,924	6,021,713
- Shipbuilding	109,535,641	67,228,185
- Ship repairs	3,270,651	4,342,080
	118,582,216	77,591,978

18. SHARE CAPITAL

	The Group and The Company			
	31.12.2025	30.6.2025	31.12.2025	30.6.2025
	Number of Shares		RM	RM
Issued and Fully Paid-Up				
Ordinary Shares				
At 1 July 2024, 30 June 2025, 1 July 2025 and 31 December 2025	1,200,000,000	1,200,000,000	1,216,972,062	1,216,972,062

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

19. TREASURY SHARES

During the financial period, the Company has purchased 683,000 (30.6.2025 – 7,655,300) of its issued ordinary shares from the open market at an average price of RM0.82 (30.6.2025 - RM0.84) per share. The total consideration paid for the purchase was RM559,310 (30.6.2025 – RM6,398,234) including transaction costs. The ordinary shares purchased are held as treasury shares in accordance with Section 127(6) of the Companies Act 2016.

Of the total 1,200,000,000 (30.6.2025 - 1,200,000,000) issued and fully paid-up ordinary shares at the end of the reporting period, 23,593,000 (30.6.2025 – 77,910,000) ordinary shares are held as treasury shares by the Company.

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19. TREASURY SHARES (CONT'D)

The Company re-issued 55,000,000 (30.6.2025: Nil) treasury shares during the financial period at the exercise price of RM0.85 each. The cost of the treasury shares re-issued amounted to RM25,154,014. The total consideration for the treasury shares issued is RM46,827,000. Accordingly, a gain on re-issue of treasury shares of RM21,672,986 is recognised in the capital reserve (Note 20).

Treasury shares have no rights to voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

20. OTHER RESERVES

	The Group		The Company	
	31.12.2025	30.6.2025	31.12.2025	30.6.2025
	RM	RM	RM	RM
<u>Capital reserve</u>				
At 1 July 2024, 30 June 2025 and 1 July 2025	-	-	-	-
Gain on re-issue of treasury shares (Note 19)	21,672,986	-	21,672,986	-
At 31 December 2025	21,672,986	-	21,672,986	-
<u>Merger deficits</u>				
At 1 July 2024, 30 June 2025, 1 July 2025 and 31 December 2025	(297,861,069)	(297,861,069)	-	-
	(276,188,083)	(297,861,069)	21,672,986	-

Merger deficits

The merger deficits reserve represents the difference between cost of acquisition and the share capital and reserves of the two “acquired” entities, Shin Yang Shipping Sdn. Bhd. and Danum Shipping Sdn. Bhd. as a consequent of applying the pooling of interest method.

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21. LEASE LIABILITIES

	The Group	
	31.12.2025	30.6.2025
	RM	RM
At 1 July 2025 / 1 July 2024	3,935,345	1,178,756
Acquisition of subsidiaries	-	4,072,357
Additions	1,709,043	300,075
Interest expense recognised in profit or loss	161,383	201,763
Changes due to reassessment of lease term	806,870	253,075
Derecognition due to lease modification	(643,988)	-
Repayment of principal	(1,831,643)	(1,868,918)
Repayment of interest expenses	(161,383)	(201,763)
At 31 December 2025 / 30 June 2025	3,975,627	3,935,345
Analysed by:-		
Current liabilities	2,584,543	2,162,491
Non-current liabilities	1,391,084	1,772,854
	3,975,627	3,935,345

The effective interest rates as at reporting date range from 5.00% to 6.70% (30.6.2025 – 5.00 % to 6.70%) per annum.

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	The Group		The Company	
	31.12.2025	30.6.2025	31.12.2025	30.6.2025
	RM	RM	RM	RM
<u>Non-current</u>				
Secured:				
Term loans (Note 23)	27,066,562	34,792,702	129,127	904,129
Hire purchase payables	13,446,175	12,526,622	-	-
	40,512,737	47,319,324	129,127	904,129
<u>Current</u>				
Unsecured:				
Bank overdrafts (Note 24)	16,105,868	14,174,922	-	-
Bankers acceptances (Note 25)	1,368,000	4,995,000	-	-
Revolving credits (Note 26)	500,000	500,000	-	-
Term loan (Note 23)	90,639	199,321	-	-
Flexi financing trade loan (Note 25)	15,595,171	5,583,678	-	-
	33,659,678	25,452,921	-	-
Secured:				
Bank overdrafts (Note 24)	7,396,496	7,886,170	-	-
Bankers acceptances (Note 25)	600,000	1,000,000	-	-
Revolving credits (Note 26)	17,000,000	25,000,000	-	-
Floor stocking facilities (Note 25)	3,548,257	3,248,162	-	-
Term loans (Note 23)	17,438,854	18,684,517	1,550,004	1,550,004
Hire purchase payables	10,910,602	8,902,701	-	16,800
	56,894,209	64,721,550	1,550,004	1,566,804
	90,553,887	90,174,471	1,550,004	1,566,804
	131,066,624	137,493,795	1,679,131	2,470,933

The ranges of interest rates for bank borrowings are as follow:

	The Group		The Company	
	31.12.2025	30.6.2025	31.12.2025	30.6.2025
	%	%	%	%
Bank overdrafts	7.18 – 7.93	7.43 – 7.93	-	-
Floating rates - loans	4.05 – 5.81	5.57 – 5.93	5.04	5.67
Revolving credits	4.39 – 5.64	4.66 – 5.64	-	-
Bankers acceptances/ Flexi financing trade loan	3.81 – 4.79	3.81 – 4.09	-	-
Hire purchase payables	4.31 – 6.30	4.47 – 5.30	-	4.06
Floor stocking facilities	6.00 – 6.60	6.30 – 6.75	-	-

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23. TERM LOANS (SECURED)

	The Group		The Company	
	31.12.2025 RM	30.6.2025 RM	31.12.2025 RM	30.6.2025 RM
Current liabilities	17,529,493	18,883,838	1,550,004	1,550,004
Non-current liabilities	27,066,562	34,792,702	129,127	904,129
	<u>44,596,055</u>	<u>53,676,540</u>	<u>1,679,131</u>	<u>2,454,133</u>

- (a) The term loans are secured by a first party legal charge over the Group's and the Company's property, plant and equipment, and jointly and severally guaranteed by certain Directors of the Company.
- (b) The fair values of long-term loans were measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2). The fair values measured were considered to be reasonably close to the carrying amounts reported as the observable current market interest rates also approximated to the effective interest rates of term loans.

24. BANK OVERDRAFTS

Bank overdrafts are secured by charges over leasehold land and buildings of the Group, and jointly and severally guaranteed by certain Directors of the Company.

25. BANKERS ACCEPTANCES/FLEXI FINANCING TRADE LOAN/FLOOR STOCKING FACILITIES

Bankers' acceptances are secured by charges over leasehold land and buildings of the Group, and jointly and severally guaranteed by certain directors of the Company.

The flexi financing trade loan is jointly and severally guaranteed by certain directors of the Group and a third party.

The floor stocking facilities is secured by specific debenture over the vehicles financed, and jointly and severally guaranteed by certain directors of the Company and corporate guaranteed by the holding company.

26. REVOLVING CREDITS

Revolving credits are secured by charges over leasehold land and buildings of the Group, and jointly and severally guaranteed by certain Directors of the Company.

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27. TRADE PAYABLES

	The Group	
	31.12.2025 RM	30.6.2025 RM
Third parties	153,969,086	156,724,157
Related companies	26,057,501	10,479,566
Associates	6,432,747	3,843,132
	<u>186,459,334</u>	<u>171,046,855</u>

Related companies are companies within Shin Yang Holding Sendirian Berhad Group.

- (a) The normal trade credit terms granted to the Group range from 30 to 180 (30.6.2025 - 30 to 180) days.
- (b) Included in trade payables of the Group is an amount of RM5,785,589 (30.6.2025 – RM5,937,163) owing to the companies in which certain directors have substantial financial interests.

28. OTHER PAYABLES

	The Group		The Company	
	31.12.2025 RM	30.6.2025 RM	31.12.2025 RM	30.6.2025 RM
Other payables:-				
Third parties	11,073,589	10,726,588	610,139	445,572
SST payable	3,462,507	2,390,866	-	-
Related companies	4,047,420	1,639,594	487,551	757,065
Holding company	187,847	147,968	144,408	102,759
Balance of consideration payable to vendor of new subsidiaries	-	47,124,000	-	47,124,000
	<u>18,771,363</u>	<u>62,029,016</u>	<u>1,242,098</u>	<u>48,429,396</u>
Accruals	27,818,413	19,499,061	2,058,181	277,322
Deposits:-				
- Third parties	15,361,579	11,981,290	134,340	134,340
- Related companies	232,548	157,413	-	-
- Subsidiaries	-	-	483,154	457,000
- Associates	31,000	31,000	31,000	31,000
	<u>62,214,903</u>	<u>93,697,780</u>	<u>3,948,773</u>	<u>49,329,058</u>

The amounts owing to related companies and holding company are unsecured, interest-free and repayable on demand.

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29. REVENUE

REVENUE FROM CONTRACTS WITH CUSTOMERS

	The Group		The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Revenue from Contracts with Customers				
<u>Recognised over time</u>				
Freight and lighterage charge	336,347,478	686,386,753	-	-
Land transportation	29,654,073	47,778,148	-	-
Shipbuilding	41,769,907	60,620,144	-	-
Ship repairs and metal fabrication	22,723,475	96,758,426	-	-
Repair services	16,581,898	23,574,047	-	-
	447,076,831	915,117,518	-	-
<u>Recognised at a point in time</u>				
Freight forwarding charges	4,852,543	8,364,571	-	-
Sales of goods and services	6,710,481	23,387,732	-	-
Sales of motor vehicles	592,795,863	802,807,615	-	-
Sales of spare parts and related goods	42,516,077	60,151,712	-	-
Commission income and others	5,912,573	8,430,694	-	-
	652,787,537	903,142,324	-	-
	1,099,864,368	1,818,259,842	-	-

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29. REVENUE (CONT'D)

REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME

	The Group		The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Revenue from Other Sources				
Vessel charter fee	37,127,053	68,261,649	-	-
Dividend income from:				
- subsidiaries	-	-	59,100,000	57,185,000
- associates	-	-	78,000	390,000
Rental income	212,400	997,200	3,212,256	6,236,224
	<u>37,339,453</u>	<u>69,258,849</u>	<u>62,390,256</u>	<u>63,810,224</u>
	<u>1,137,203,821</u>	<u>1,887,518,691</u>	<u>62,390,256</u>	<u>63,810,224</u>

30. NET IMPAIRMENT GAIN ON FINANCIAL ASSETS

	The Group		The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Impairment losses:				
- trade receivables	279,724	1,475,576	-	-
Reversal of impairment losses:				
- trade receivables	(2,310,889)	(10,412,017)	-	-
	<u>(2,031,165)</u>	<u>(8,936,441)</u>	<u>-</u>	<u>-</u>

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31. PROFIT BEFORE TAXATION

	The Group		The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- current financial period/year	432,900	423,000	100,000	95,000
- underprovision in previous financial years	41,434	4,000	5,000	-
Amortisation of intangible assets (Note 12)	7,797	15,595	-	-
Bad debt written off	-	26,889	-	-
Depreciation:				
- property, plant and equipment (Note 9)	47,596,954	92,956,456	506,123	1,002,831
- right-of-use assets (Note 9)	3,556,781	4,921,102	-	-
Directors' fees (Note 37(a))	204,000	272,000	204,000	272,000
Directors' non-fee emoluments (Note 37(a))				
- salaries, bonus and allowances	6,969,120	10,369,572	3,571,589	4,983,045
- defined contribution benefits	564,475	951,835	115,200	244,800

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	The Group		The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Profit before taxation is arrived at after charging/(crediting):- (cont'd)				
Interest expenses on financial liabilities that are not fair value through profit or loss:				
- bank overdrafts	604,157	1,231,297	1,260	2,519
- bankers acceptances	79,475	140,728	-	-
- floorstocking facilities	8,519	6,059	-	-
- term loans	1,257,632	2,862,027	55,843	179,537
- revolving credits	502,239	893,935	-	-
- flexi loans	281,251	351,219	-	-
- hire purchase payables	581,407	780,696	82	2,801
- other	21,428	58,661	-	-
Lease interest (Note 21)	161,383	201,763	-	-
Lease expenses:				
- short-term leases	152,278	101,550	-	4,400
- low-value assets	57,459	116,858	-	-
Loss on foreign exchange:				
- realised	626,451	1,231,605	-	-
- unrealised	2,294,219	1,679,425	-	-
Property, plant and equipment written off	290	9,341	-	2
Staff costs (including other key management personnel): (Note 37(b))				
- short-term employee benefits	104,023,060	171,016,234	2,088,119	3,122,575
- defined contribution benefits	6,762,693	12,398,215	86,584	277,402
Interest income on financial assets that are not fair value through profit or loss:				
- short term deposits	(5,181,362)	(10,026,542)	(512,035)	(1,043,610)
- current account	(1,464,388)	(4,420,275)	(27,260)	(199,830)
Net gain on disposal of property, plant and equipment	(11,519,755)	(21,751,060)	-	(9,488)
Gain on bargain purchase	-	(6,642,514)	-	-
Gain on lease modification	(36,031)	-	-	-

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	The Group		The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Profit before taxation is arrived at after charging/(crediting):- (cont'd)				
Rental income	(445,341)	(898,759)	-	-
Dividend income:				
- investment securities	-	(1,800)	-	-

32. INCOME TAX EXPENSE

	The Group		The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Current tax expense:				
- for the financial period/year	20,623,255	27,146,637	697,072	1,282,884
- under/(over)provision in previous financial years	189,466	(429,396)	(337)	(69,611)
- Withholding tax deducted at sources	-	914	-	-
	20,812,721	26,718,155	696,735	1,213,273
Deferred tax (Note 13)				
- origination and reversal of temporary differences	(706,862)	4,196,655	-	-
- under/(over)provision in previous financial years	946,401	(87,703)	-	-
	239,539	4,108,952	-	-
	21,052,260	30,827,107	696,735	1,213,273

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32. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Profit before taxation	121,704,770	215,113,759	54,637,148	51,254,638
Tax at the statutory tax rate of 24% (30.6.2025 - 24%)	29,209,145	51,627,302	13,112,916	12,301,113
Tax effects of:				
Non-taxable income	(17,079,647)	(26,712,019)	(14,202,720)	(13,820,277)
Non-deductible expenses	9,868,235	8,439,738	1,786,876	2,802,048
Deferred tax assets not recognised during the financial period/year	213,614	228,104	-	-
Share of results in associates	(54,667)	(65,864)	-	-
Under/(over)provision in previous financial years:				
- current tax expense	189,466	(429,396)	(337)	(69,611)
- deferred taxation	946,401	(87,703)	-	-
Others	(64,440)	67,087	-	-
Utilisation of deferred tax assets previously not recognised	(2,175,847)	(2,241,056)	-	-
Withholding tax	-	914	-	-
Income tax expense for the financial period/year	21,052,260	30,827,107	696,735	1,213,273

The corporate tax rate of the Group and of the Company is 24% (30.6.2025 - 24%).

Certain subsidiaries enjoy tax exempt profits arising from its operations of seagoing vessels, under Section 54A of the Income Tax Act, 1967.

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33. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the period/year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial period/year, excluding treasury shares held by the Company.

The following reflect the profit and share data used in the computation of basic earnings per share for the period/year ended 31 December/30 June:

	The Group	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Profit attributable to ordinary equity holders of the Company	82,459,514	164,129,728
Weighted average number of ordinary shares in issue	1,158,365,167	1,125,006,083
Basic earnings per share (sen)	7.12	14.59

The Company has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

34. ACQUISITION OF SUBSIDIARIES

There is no acquisition of new subsidiaries during the current financial period.

30.6.2025

On 1 October 2024, the Company acquired 100% of the equity interest in Boulevard Jaya Sdn. Bhd. from its holding company, Shin Yang Holding Sendirian Berhad, a director and a company of which certain directors have interests for a cash consideration of RM27,500,000 and 60% of equity interest in Boulevard Motor Sdn. Bhd., Boulevard Motor (Sabah) Sdn. Bhd., and Boulevard Motor (Labuan) Sdn. Bhd. from the company of which certain directors have interests for a total consideration of RM117,000,000 (cash consideration of RM69,876,000 and treasury shares of RM47,124,000).

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34. ACQUISITION OF SUBSIDIARIES (CONT'D)

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	The Group 30.6.2025 RM
Property, plant and equipment	170,177,725
Trade and other receivables	111,964,880
Inventories	53,286,947
Cash and bank balances	79,113,631
Trade and other payables	(119,121,347)
Bank borrowings	(61,748,423)
Lease liabilities	(4,072,357)
Current tax liabilities	(3,131,162)
Deferred tax liabilities	(6,467,381)
Fair value of net identifiable assets acquired	220,002,513
Less: Non-controlling interest	(68,859,999)
	151,142,514
Add: Bargain purchase from acquisition of subsidiaries	(6,642,514)
Total purchase consideration	144,500,000
Less: Cash and bank balances of subsidiary acquired	(79,113,631)
Less: Treasury shares	(47,124,000)
Net cash outflow from the acquisition of subsidiaries	18,262,369

Impact of Acquisition on the Group's Results

The acquired subsidiaries have contributed the following results to the Group:-

	The Group 30.6.2025 RM
Revenue	888,666,782
Profit after taxation	48,242,849

If the acquisition had taken place at the beginning of the previous financial year, the Group's revenue and profit after taxation from continuing operations would have been RM1,156,282,950 and RM54,216,325 respectively.

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35. DIVIDENDS

	The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Ordinary Shares		
Final dividend of 5.00 (30.6.2025 – 3.00) sen per ordinary share in respect of the previous financial years	58,828,600	33,783,309

36. CASH FLOWS INFORMATION

- (a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows:-

	The Group	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Property, plant and equipment and right-of-use assets		
Cost of property, plant and equipment purchased and right-of-use assets acquired (Note 9)	36,296,950	107,635,747
Less: Acquired through hire purchase arrangements	(8,573,992)	(16,766,253)
Less: Additions of new lease liabilities - right-of-use assets	(1,709,043)	(300,075)
	26,013,915	90,569,419

	The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Property, plant and equipment		
Cost of property, plant and equipment purchased	229,398	13,799,063

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36. CASH FLOWS INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Term Loans RM	Revolving Credits RM	Bankers' Acceptance RM	Flexi Financing RM	Hire Purchase Payables RM	Lease Liabilities RM	Floor stocking Facilities RM	Total RM
31.12.2025								
At 1 July 2025	53,676,540	25,500,000	5,995,000	5,583,678	21,429,323	3,935,345	3,248,162	119,368,048
<u>Changes in Financing Cash Flows</u>								
Proceeds from drawdown	-	-	-	10,011,493	-	-	300,095	10,311,588
Repayment of principals	(9,080,485)	(8,000,000)	(4,027,000)	-	(5,646,538)	(1,831,643)	-	(28,585,666)
Repayment of interests	(1,257,632)	(502,239)	(79,475)	(281,251)	(581,407)	(161,383)	(8,519)	(2,871,906)
	(10,338,117)	(8,502,239)	(4,106,475)	9,730,242	(6,227,945)	(1,993,026)	291,576	(21,145,984)

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36. CASH FLOWS INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

The Group	Term Loans RM	Revolving Credits RM	Bankers' Acceptance RM	Flexi Financing RM	Hire Purchase Payables RM	Lease Liabilities RM	Floor stocking Facilities RM	Total RM
31.12.2025								
<u>Non-cash Changes</u>								
Acquisition of new hire purchases/leases	-	-	-	-	8,573,992	1,709,043	-	10,283,035
Modifications of leases	-	-	-	-	-	(643,988)	-	(643,988)
Reassessment of leases (Note 21)	-	-	-	-	-	806,870	-	806,870
Interest expense recognised in profit and loss	1,257,632	502,239	79,475	281,251	581,407	161,383	8,519	2,871,906
	1,257,632	502,239	79,475	281,251	9,155,399	2,033,308	8,519	13,317,823
At 31 December 2025	44,596,055	17,500,000	1,968,000	15,595,171	24,356,777	3,975,627	3,548,257	111,539,887

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36. CASH FLOWS INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Term Loans RM	Revolving Credits RM	Bankers' Acceptance RM	Flexi Financing RM	Hire Purchase Payables RM	Lease Liabilities RM	Floor stocking Facilities RM	Total RM
30.6.2025								
At 1 July 2024	33,443,312	6,000,000	547,000	10,965,625	9,143,554	1,178,756	-	61,278,247
<u>Changes in Financing Cash Flows</u>								
Proceeds from drawdown	1,990,000	5,000,000	448,000	-	2,594,100	-	2,258,237	12,290,337
Repayment of principals	(18,425,068)	-	-	(5,381,947)	(11,664,786)	(1,868,918)	-	(37,340,719)
Repayment of interests	(2,862,027)	(893,935)	(140,728)	(351,219)	(780,696)	(201,763)	(6,059)	(5,236,427)
	(19,297,095)	4,106,065	307,272	(5,733,166)	(9,851,382)	(2,070,681)	2,252,178	(30,286,809)

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36. CASH FLOWS INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

The Group	Term Loans RM	Revolving Credits RM	Bankers' Acceptance RM	Flexi Financing RM	Hire Purchase Payables RM	Lease Liabilities RM	Floor stocking Facilities RM	Total RM
30.6.2025								
<u>Non-cash Changes</u>								
Acquisition of subsidiaries	36,668,296	14,500,000	5,000,000	-	4,590,202	4,072,357	989,925	65,820,780
Acquisition of new leases (Note 21)	-	-	-	-	-	300,075	-	300,075
New hire purchase	-	-	-	-	16,766,253	-	-	16,766,253
Reassessment of leases (Note 21)	-	-	-	-	-	253,075	-	253,075
Interest expense recognised in profit and loss	2,862,027	893,935	140,728	351,219	780,696	201,763	6,059	5,236,427
	39,530,323	15,393,935	5,140,728	351,219	22,137,151	4,827,270	995,984	88,376,610
At 30 June 2025	53,676,540	25,500,000	5,995,000	5,583,678	21,429,323	3,935,345	3,248,162	119,368,048

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36. CASH FLOWS INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

The Company	Term Loans RM	Hire Purchase Payables RM	Total RM
31.12.2025			
At 1 July 2025	2,454,133	16,800	2,470,933
<u>Changes in Financing Cash Flows</u>			
Repayment of principal	(775,002)	(16,800)	(791,802)
Repayment of interests	(55,843)	(82)	(55,925)
	(830,845)	(16,882)	(847,727)
<u>Non-cash Changes</u>			
Interest expense recognised in profit and loss	55,843	82	55,925
At 31 December 2025	1,679,131	-	1,679,131
The Company	Term Loans RM	Hire Purchase Payables RM	Total RM
30.6.2025			
At 1 July 2024	4,004,137	115,507	4,119,644
<u>Changes in Financing Cash Flows</u>			
Repayment of principal	(1,550,004)	(98,707)	(1,648,711)
Repayment of interests	(179,537)	(2,801)	(182,338)
	(1,729,541)	(101,508)	(1,831,049)
<u>Non-cash Changes</u>			
Interest expense recognised in profit and loss	179,537	2,801	182,338
At 30 June 2025	2,454,133	16,800	2,470,933

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36. CASH FLOWS INFORMATION (CONT'D)

- (c) For the purpose of the statements of cash flows, cash and cash equivalents comprise the followings:-

	The Group		The Company	
	31.12.2025	30.6.2025	31.12.2025	30.6.2025
	RM	RM	RM	RM
Fixed and treasury deposits with licensed banks	337,629,837	302,971,161	27,800,000	30,600,000
Cash and bank balances	179,805,694	218,199,567	260,424	1,595,547
	517,435,531	521,170,728	28,060,424	32,195,547
Bank overdrafts (Note 22)	(23,502,364)	(22,061,092)	-	-
	493,933,167	499,109,636	28,060,424	31,195,547
Less: Fixed and treasury deposits with maturity more than 3 months	(334,668,257)	(264,679,581)	(25,300,000)	(29,800,000)
Less: Fixed deposits pledged	(461,580)	(491,580)	-	-
	158,803,330	233,938,475	2,760,424	2,395,547

The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bore effective interest rates ranging from 2.10% to 3.85% (30.6.2025 – 2.10% to 4.07%) per annum and 2.80% to 3.70% (30.6.2025 – 2.85% to 3.85%) per annum respectively. The fixed deposits have maturity periods ranging from 7 to 365 (30.6.2025 – 7 to 211) days and 31 to 180 (30.6.2025 – 21 to 180) days for the Group and the Company respectively.

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37. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial period/year are as follows:-

	The Group		The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
(a) Directors				
<u>Directors of the Company</u>				
Short-term employee benefits:-				
- fees	204,000	272,000	204,000	272,000
- salaries, bonus and other benefits	4,176,866	6,157,804	3,571,589	4,983,045
	4,380,866	6,429,804	3,775,589	5,255,045
Defined contribution benefits	136,926	298,943	115,200	244,800
	4,517,792	6,728,747	3,890,789	5,499,845
<u>Directors of the Subsidiaries</u>				
Short-term employee benefits:-				
- salaries, bonus and other benefits	2,792,254	4,211,768	-	-
	2,792,254	4,211,768	-	-
Defined contribution benefits	427,549	652,892	-	-
	3,219,803	4,864,660	-	-
Total directors' remuneration (Note 31)	7,737,595	11,593,407	3,890,789	5,499,845

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37. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

	The Group		The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
(b) Other Key Management Personnel				
Short-term employee benefits	1,709,349	2,449,809	1,709,349	2,449,809
Defined contribution benefits	66,387	194,328	66,387	194,328
	<u>1,775,736</u>	<u>2,644,137</u>	<u>1,775,736</u>	<u>2,644,137</u>

38. RELATED PARTY DISCLOSURES

(a) Identities of Related Parties

The holding company is disclosed in Note 2 to the financial statements.

The subsidiaries are disclosed in Note 7 to the financial statements.

The associates are disclosed in Note 8 to the financial statements.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial period/year:-

	The Group	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Sales of goods and services to		
- Related companies	(57,966,639)	(123,437,761)
- Associates	(549,365)	(1,019,468)
- Holding company	(279,589)	(3,767,331)
Purchase of goods and services from		
- Related companies	10,718,269	21,762,088
- Associates	1,787,934	6,670,628
- Holding company	-	1,451,091

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38. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant Related Party Transactions and Balances (Cont'd)

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial period/year:- (cont'd)

	The Group	
	1.7.2025	1.7.2024
	to	to
	31.12.2025	30.6.2025
	(6 months)	(12 months)
	RM	RM
Sales of property, plant and equipment		
- Related companies	-	(346,293)
Purchase of property, plant and equipment		
- Related companies	28,156,609	13,945,124
- Associates	-	633
- Holding company	-	70,122
Rental income from		
- Related companies	(167,198)	(338,853)
- Associates	(174,000)	(321,460)
- Holding company	-	(183,365)
Rental expenses charged by		
- Related companies	1,358,356	2,786,334
- Holding company	145,360	803,700
- Associates	66,846	153,158

	The Group	
	1.7.2025	1.7.2024
	to	to
	31.12.2025	30.6.2025
	(6 months)	(12 months)
	RM	RM
Transactions with companies in which certain Directors have substantial financial interests:		
Sales of goods and services	(10,247,872)	(18,502,594)
Purchase of goods and services	6,536,622	13,133,399
Sales of property, plant and equipment	(153,000)	(35,000)
Purchase of property, plant and equipment	1,000,322	483,821
Rental income	(98,258)	(393,792)
Rental expenses	33,600	52,200

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38. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant Related Party Transactions and Balances (Cont'd)

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial period/year:- (cont'd)

	The Company	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Purchase of goods and services from		
- Subsidiaries	19,321	-
- Related companies	861,224	1,309,549
- Companies in which certain Directors have substantial financial interests	805	-
Purchase of property, plant and equipment		
- Subsidiaries	122,994	835,000
- Related companies	42,143	12,071,126
Rental expenses charged by		
- Holding company	126,400	261,000
Rental income from		
- Associates	(162,000)	(324,000)
- Subsidiaries	(2,999,856)	(5,238,024)
Other income from		
- Subsidiaries	(9,000)	-
- Related companies	(4,050)	-
	-----	-----

Related companies

Related companies are companies within Shin Yang Holding Sendirian Berhad Group.

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

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39. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Managing Director as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 5 main reportable segments as follows:-

- (i) Shipbuilding, ship repair and fabrication of metal structures.
- (ii) Shipping segment which carries out shipping business in coastal and regional routes within Malaysia and ASEAN region and international routes.
- (iii) Land transportation and hiring services.
- (iv) Manufacturing, distribution and marketing of industrial gases, provision of services and maintenance and trading in welding equipment and machinery.
- (v) Automotive dealership.
- (vi) Others consist of the business of shipping agency and operations and maintenance of barrage and maintenance and repair of motor vehicles.

The domestic and regional shipping segment and international shipping segment are aggregated to form the shipping segment due to the nature and economic characteristics of the products are similar and inter-related.

- (a) The Group Managing Director assesses the performance of the reportable segments based on their profit before interest expense and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.
- (b) Each reportable segment assets (including goodwill) is measured based on all assets of the segment other than investment in an associate and tax-related assets.
- (c) Assets and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters) and head office expenses.
- (d) Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

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39. OPERATING SEGMENTS (CONT'D)

	Shipbuilding Ship Repair and Fabrication of Metal Structures RM	Shipping RM	Logistic RM	Gas RM	Automotive RM	Others RM	Consolidation Adjustments and Eliminations RM	Notes	Per Consolidated Financial Statements RM
31 December 2025									
Revenue:									
External customers	65,577,649	359,217,841	32,322,363	4,989,786	653,903,610	21,192,572	-		1,137,203,821
Inter-segment	29,944,261	1,078,410	25,182,608	2,855,782	734,067	59,622,331	(119,417,459)	A	-
Total revenue	95,521,910	360,296,251	57,504,971	7,845,568	654,637,677	80,814,903	(119,417,459)		1,137,203,821
Results:									
Finance income	(95,037)	(4,395,299)	(19,020)	(109,066)	(1,244,830)	(782,498)	-		(6,645,750)
Finance costs	1,419,289	203,336	171,715	9,665	1,235,711	475,060	(17,285)		3,497,491
Dividend income	-	-	-	-	-	(59,178,000)	59,178,000		-
Depreciation and amortisation	4,860,519	35,055,055	4,094,428	368,838	4,441,851	718,696	1,614,348		51,153,735
Gain on disposal of property, plant and equipment	-	(10,454,651)	(217,017)	(4,197)	(886,928)	43,038	-		(11,519,755)
Share of results of associates	-	-	-	-	-	61,025	166,753		227,778
Other non-cash expenses/ (income)	446,895	1,294,781	-	-	(1,466,644)	(11,978)	-	B	263,054
Segment profits	6,860,663	50,571,018	3,151,830	1,429,813	61,816,654	60,128,683	(62,253,891)	C	121,704,770

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39. OPERATING SEGMENTS (CONT'D)

	Shipbuilding Ship Repair and Fabrication of Metal Structures RM	Shipping RM	Logistic RM	Gas RM	Automotive RM	Others RM	Consolidation Adjustments and Eliminations RM	Notes	Per Consolidated Financial Statements RM
31 December 2025 (Cont'd)									
Assets:									
Investment in associates	-	2,629,642	-	-	-	782,500	(440,167)		2,971,975
Additions to non-current assets	4,941,303	39,110,744	12,423,067	74,989	5,501,996	3,727,878	5,704,496	D	71,484,473
Segment assets	373,193,120	1,021,334,736	106,062,277	46,454,801	452,332,839	193,976,958	(115,902,840)	E	2,077,451,891
Liabilities:									
Segment liabilities	144,047,006	151,138,025	35,396,546	4,285,535	154,112,975	85,165,614	(87,466,334)	F	486,679,367

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39. OPERATING SEGMENTS (CONT'D)

	Shipbuilding Ship Repair and Fabrication of Metal Structures RM	Shipping RM	Logistic RM	Gas RM	Automotive RM	Others RM	Consolidation Adjustments and Eliminations RM	Notes	Per Consolidated Financial Statements RM
30 June 2025									
Revenue:									
External customers	166,552,080	728,323,011	51,949,224	13,289,118	888,596,700	38,808,558	-		1,887,518,691
Inter-segment	42,765,178	(2,103,251)	48,504,589	4,875,152	70,082	77,499,277	(171,611,027)	A	-
Total revenue	209,317,258	726,219,760	100,453,813	18,164,270	888,666,782	116,307,835	(171,611,027)		1,887,518,691
Results:									
Finance income	(403,652)	(10,209,220)	(89,886)	(239,844)	(1,797,268)	(1,706,947)	-		(14,446,817)
Finance costs	2,646,335	528,095	294,957	8,576	2,452,522	639,694	(43,794)		6,526,385
Dividend income	-	(1,800)	-	-	-	(57,575,000)	57,575,000		(1,800)
Depreciation and amortisation	9,862,078	70,057,355	6,439,175	769,452	6,522,525	1,308,249	2,918,724		97,877,558
Gain on disposal of property, plant and equipment	(200)	(19,085,705)	(2,272,854)	(25,354)	(1,166,463)	(9,488)	809,004		(21,751,060)
Share of results of associates	-	-	-	-	-	168,516	105,915		274,431
Other non-cash expenses/ (income)	(2,240,458)	(6,409,166)	479,123	-	996,453	(82,968)	(6,642,514)	B	(13,899,530)
Segment profits	25,510,477	113,997,503	5,393,291	3,588,749	64,348,106	62,521,489	(60,245,856)	C	215,113,759

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39. OPERATING SEGMENTS (CONT'D)

	Shipbuilding Ship Repair and Fabrication of Metal Structures RM	Shipping RM	Logistic RM	Gas RM	Automotive RM	Others RM	Consolidation Adjustments and Eliminations RM	Notes	Per Consolidated Financial Statements RM
30 June 2025 (Cont'd)									
Assets:									
Investment in associates	-	2,629,642	-	-	-	782,500	(467,445)		2,944,697
Additions to non-current assets	6,779,831	58,299,500	14,380,059	536,958	12,464,565	21,383,498	(6,208,664)	D	107,635,747
Segment assets	<u>347,819,757</u>	<u>1,013,213,727</u>	<u>100,102,658</u>	<u>46,703,754</u>	<u>430,614,707</u>	<u>195,509,905</u>	<u>(126,679,881)</u>	E	<u>2,007,284,627</u>
Liabilities:									
Segment liabilities	<u>120,437,668</u>	<u>147,630,775</u>	<u>28,973,469</u>	<u>3,909,525</u>	<u>163,166,865</u>	<u>131,387,438</u>	<u>(97,457,037)</u>	F	<u>498,048,703</u>

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39. OPERATING SEGMENTS (CONT'D)

A Inter-segment revenues are eliminated on consolidated.

B Other material non-cash expenses/(income) consist of the following items as presented in the respective notes to the financial statements:

	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Unrealised loss on foreign exchange	2,294,219	1,679,425
Impairment loss on trade and other receivables	279,724	1,475,576
Gain on bargain purchase	-	(6,642,514)
Reversal of impairment loss on trade and other receivables	(2,310,889)	(10,412,017)
	<u>263,054</u>	<u>(13,899,530)</u>

C The following items are added to/(deducted from) segment profit to arrive at "Profit before tax" presented in the consolidated statement of profit or loss and other comprehensive income:

	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Share of result of associates	166,753	105,915
Dividend from subsidiaries	(59,100,000)	(57,185,000)
Dividend from associates	(78,000)	(390,000)
Profit from inter-segment sales	(1,628,297)	(6,500,562)
Depreciation	(1,614,347)	(2,918,723)
Gain on bargain purchase	-	6,642,514
	<u>(62,253,891)</u>	<u>(60,245,856)</u>

D Additions to non-current assets consists of:

	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Property, plant and equipment	36,296,950	107,635,747
Deposits	35,187,523	-
	<u>71,484,473</u>	<u>107,635,747</u>

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39. OPERATING SEGMENTS (CONT'D)

- E The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated statement of financial position:

	31.12.2025	30.6.2025
	RM	RM
Property, plant and equipment	(5,026,617)	(11,629,045)
Investment in associates	(440,166)	(467,444)
Inter-segment assets	(119,178,607)	(123,333,740)
Intangible assets	8,742,550	8,750,348
	<u>(115,902,840)</u>	<u>(126,679,881)</u>

- F The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	31.12.2025	30.6.2025
	RM	RM
Cumulative preference shares	(100,000)	(100,000)
Inter-segment liabilities	(87,366,334)	(97,357,037)
	<u>(87,466,334)</u>	<u>(97,457,037)</u>

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39. OPERATING SEGMENTS (CONT'D)

G Geographical information

Revenue is based on the country in which the customers are located.

	Revenue	
	1.7.2025 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) RM
Malaysia	1,049,047,469	1,762,829,824
China	3,931,713	14,679,046
Singapore	48,654,134	68,510,159
Japan	8,191,556	13,404,996
Brunei	2,003,243	4,536,701
India	67,372	346,467
Philippines	5,526,716	12,433,169
Korea	950,882	4,813,099
Taiwan	15,152,319	-
Denmark, Germany	274,925	748,200
Papua New Guinea, Ireland, United Arab Emirates	22,053	530,000
Indonesia	234,832	332,540
Thailand	547,357	871,726
Mexico	-	541,105
France	1,725,961	229,684
Vietnam	870,869	2,477,825
USA	2,420	234,150
	1,137,203,821	1,887,518,691

40. CAPITAL COMMITMENTS

	The Group		The Company	
	31.12.2025 RM	30.6.2025 RM	31.12.2025 RM	30.6.2025 RM
Approved and not contracted for:				
Purchase of property, plant and equipment	94,823,131	101,048,296	-	-

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41. CONTINGENT LIABILITIES

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	The Group	
	31.12.2025	30.6.2025
	RM	RM
Performance guarantee extended by subsidiaries to third parties	-	5,687,650

42. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

42.1 FINANCIAL RISK MANAGEMENT POLICIES

Financial risk management policies are periodically reviewed and approved by the Board of Directors and executed by the management. The audit committee of Shin Yang Group Berhad provides independent oversight to the effectiveness of the risk management process.

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign currency risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD"), United Arab Emirates Dirham (AED), Renminbi Yuan (RMB), Japanese Yen (JPY), Brunei Dollar (BND) and Singapore Dollar ("SGD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. On occasion, the Group enters into forward foreign currency contracts to hedge against its foreign currency risk. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

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42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign currency risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	The Group	
	31.12.2025	30.6.2025
	RM	RM
Effects on Profit/(Loss) After Taxation		
USD/RM - strengthen by 5%	1,816,887	1,065,233
USD/RM - weaken by 5%	(1,816,887)	(1,065,233)
SGD/RM - strengthen by 5%	(3,135)	(5,082)
SGD/RM - weaken by 5%	3,135	5,082
JPY/RM - strengthen by 5%	(2,707)	(25,340)
JPY/RM - weaken by 5%	2,707	25,340
RMB/RM - strengthen by 5%	(7,220)	(7,680)
RMB/RM - weaken by 5%	7,220	7,680
BND/RM - strengthen by 5%	6,882	5,920
BND/RM - weaken by 5%	(6,882)	(5,920)
AED/RM - strengthen by 5%	(13,740)	(34,389)
AED/RM - weaken by 5%	13,740	34,389

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42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group and of the Company are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 22 to the financial statements.

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group	
	31.12.2025	30.6.2025
	RM	RM
Effects on Profit/(Loss) After Taxation		
Increase of 10 basis points	(32,303)	(76,941)
Decrease of 10 basis points	32,303	76,941

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42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

Interest Rate Risk Sensitivity Analysis (Cont'd)

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant (Cont'd):-

	The Company	
	31.12.2025	30.6.2025
	RM	RM
Effects on Profit/(Loss) After Taxation		
Increase of 10 basis points	(1,276)	(1,865)
Decrease of 10 basis points	1,276	1,865

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

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42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(i) Credit Risk Concentration profile

The Group determines concentration of credit risk by monitoring the trade and other receivables on an ongoing basis.

(ii) Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries as disclosed under the 'Maturity Analysis' of item (c) below, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair values on initial recognition were not material.

(iii) Assessment of Impairment Losses

At each reporting date, the Group assesses whether any of the financial assets at amortised cost, contract assets are credit impaired.

The gross carrying amounts of financial assets are written off when there is no reasonable expectation of recovery (i.e. the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite the fact that they are still subject to enforcement activities.

Trade Receivables and Contract Assets

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 365 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more a lagging default criterion is more appropriate.

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

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42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

To measure the expected credit losses, trade receivables including related parties and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

For certain large customers or customers with a high risk of default, the Group assesses the risk of loss of each customer individually based on their financial information, past trends of payments and external credit rating, where applicable.

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are summarised below:-

	Gross carrying Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Amount RM
The Group				
31.12.2025				
Current (not past due)	149,723,889	-	(1,065,402)	148,658,487
Past due				
1-30 days	48,133,906	-	(645,604)	47,488,302
31-60 days	25,425,140	-	(645,242)	24,779,898
61-90 days	15,741,216	-	(733,687)	15,007,529
91-120 days	19,444,324	-	(648,354)	18,795,970
More than 121 days	28,538,372	-	(15,019,951)	13,518,421
Credit impaired	7,115,425	(7,115,425)	-	-
Trade receivables	294,122,272	(7,115,425)	(18,758,240)	268,248,607
Contract assets	27,271,650	-	-	27,271,650
	<u>321,393,922</u>	<u>(7,115,425)</u>	<u>(18,758,240)</u>	<u>295,520,257</u>

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42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

	Gross carrying Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Amount RM
The Group				
30.6.2025				
Current (not past due)	130,083,560	-	(763,558)	129,320,002
Past due				
1-30 days	56,593,996	-	(867,261)	55,726,735
31-60 days	31,268,553	-	(934,245)	30,334,308
61-90 days	16,690,463	-	(717,604)	15,972,859
91-120 days	9,778,228	-	(624,810)	9,153,418
More than 121 days	41,309,096	-	(16,869,949)	24,439,147
Credit impaired	7,127,403	(7,127,403)	-	-
Trade receivables	292,851,299	(7,127,403)	(20,777,427)	264,946,469
Contract assets	20,207,947	-	-	20,207,947
	313,059,246	(7,127,403)	(20,777,427)	285,154,416

Other Receivables and Related Parties

The Group considers a receivable is credit impaired when the receivable is in significant financial difficulty, for instances, the receivable is in breach of financial covenants or insolvent. Receivables that are credit impaired are assessed individually while other receivables are assessed on a collective basis.

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42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances for other receivables and related parties is summarised below:-

	Gross Amount RM	Lifetime Loss Allowances RM	Carrying Amount RM
The Group			
31.12.2025			
Low credit risk	68,105,536	-	68,105,536
Credit impaired	15,528,981	(15,528,981)	-
	83,634,517	(15,528,981)	68,105,536
30.6.2025			
Low credit risk	24,711,119	-	24,711,119
Credit impaired	15,528,981	(15,528,981)	-
	40,240,100	(15,528,981)	24,711,119

Fixed and Treasury Deposits with Licensed Banks, Cash and Bank Balances

The Group considers these banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

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42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	2-5 Years RM	Over 5 Years RM
The Group					
31.12.2025					
<u>Non- derivative Financial liabilities:</u>					
Trade and other payables	245,211,730	245,211,730	245,211,730	-	-
Lease liabilities	3,975,627	4,227,958	2,759,613	1,468,345	-
Loans and borrowings	131,066,624	140,086,853	95,565,094	38,654,282	5,867,477
	<u>380,253,981</u>	<u>389,526,541</u>	<u>343,536,437</u>	<u>40,122,627</u>	<u>5,867,477</u>

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42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	2-5 Years RM	Over 5 Years RM
The Group					
30.6.2025					
<u>Non- derivative Financial liabilities:</u>					
Trade and other payables	262,353,769	262,353,769	262,353,769	-	-
Lease liabilities	3,935,345	4,170,177	2,329,495	1,840,682	-
Loans and borrowings	137,493,795	148,240,646	95,005,711	45,886,493	7,348,442
	<u>403,782,909</u>	<u>414,764,592</u>	<u>359,688,975</u>	<u>47,727,175</u>	<u>7,348,442</u>

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42. FINANCIAL INSTRUMENTS (CONT'D)

42.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	2-5 Years RM
The Company				
31.12.2025				
<u>Non-derivative</u>				
<u>Financial liabilities:</u>				
Other payables	3,948,773	3,948,773	3,948,773	-
Loans and borrowings	1,679,131	1,727,954	1,598,827	129,127
Amount owing to a subsidiary	147,783	147,783	147,783	-
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	-	108,041,240	108,041,240	-
	<u>5,775,687</u>	<u>113,865,750</u>	<u>113,736,623</u>	<u>129,127</u>
30.6.2025				
<u>Non-derivative</u>				
<u>Financial liabilities:</u>				
Other payables	49,329,058	49,329,058	49,329,058	-
Loans and borrowings	2,470,933	2,569,532	1,665,403	904,129
Amount owing to a subsidiary	318,492	318,492	318,492	-
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	-	104,567,080	104,567,080	-
	<u>52,118,483</u>	<u>156,784,162</u>	<u>155,880,033</u>	<u>904,129</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025

42. FINANCIAL INSTRUMENTS (CONT'D)

42.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholder(s) value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio. The debt-to-equity ratio of the Group at the end of the reporting period is not presented as its cash and bank balances exceeded the total external borrowings.

42.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	31.12.2025 RM	30.6.2025 RM
The Group		
Financial Assets		
<u>Fair Value Through Profit or Loss</u>		
Other investments	58,800	58,800
<u>Amortised Cost</u>		
Trade receivables (Note 15)	268,248,607	264,946,469
Other receivables (Note 16)	68,105,536	24,711,119
Fixed and treasury deposits with licensed banks (Note 36)	337,629,837	302,971,161
Cash and bank balances (Note 36)	179,805,694	218,199,567
	853,789,674	810,828,316
Financial Liabilities		
<u>Amortised Cost</u>		
Trade payables (Note 27)	186,459,334	171,046,855
Other payables (Note 28)	58,752,396	91,306,914
Lease liabilities (Note 21)	3,975,627	3,935,345
Bank borrowings (Note 22)	131,066,624	137,493,795
	380,253,981	403,782,909

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42. FINANCIAL INSTRUMENTS (CONT'D)

42.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	31.12.2025	30.6.2025
	RM	RM
The Company		
Financial Assets		
<u>Amortised Cost</u>		
Other receivables (Note 16)	78,814	69,733
Amount owing by subsidiaries (Note 10)	1,356,398	1,732,881
Fixed and treasury deposits with licensed banks (Note 36)	27,800,000	30,600,000
Cash at bank (Note 36)	260,424	1,595,547
	29,495,636	33,998,161
Financial Liabilities		
<u>Amortised Cost</u>		
Other payables (Note 28)	3,948,773	49,329,058
Amount owing to a subsidiary (Note 10)	147,783	318,492
Bank borrowings (Note 22)	1,679,131	2,470,933
	5,775,687	52,118,483

42.4 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The quantitative disclosures fair value measurement hierarchy for assets and liabilities are disclosed in Notes 11 and 23 to the financial statements respectively.

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43. COMPARATIVE FIGURES

The Company has changed its financial year end from 30 June to 31 December to align the group's reporting cycle more effectively with its operational planning and strategic requirements. Consequently, the comparative figures for the statements of profit or loss and other comprehensive income, statements of changes in equity, statements of cash flows and their related notes are not comparable to that for the current 6-month period ended 31 December 2025.

44. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

Subsequent to the financial period end, geopolitical tensions and the outbreak of war in Middle East regions have led to increased volatility and higher global fuel and oil prices. The increase in fuel and oil prices may result in higher operating costs and may affect the Group's future financial performance. Due to the ongoing uncertainty surrounding these developments, the Group is currently unable to reliably quantify the financial impact as at the date of this report.