



SHIN YANG GROUP BERHAD
Registration No: 200401027554 (666062-A)

ANNUAL REPORT 2025
(1 JULY 2025 TO 31 DECEMBER 2025)



STEP BY STEP TO EXCELLENCE

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SHIN YANG GROUP BERHAD



OUR VISION

Connecting Marine, Land & Automotive Industries - One-stop Quality Service Provider in Shipping and Marine Engineering, Land and Automotive Dealership in South East Asia and Beyond.

And

To be the Premier Shipbuilder & Integrated Marine Structural Fabricators



OUR CORPORATE MISSION

To be the benchmark in a Modern Integrated Shipping and Shipbuilding World by delivering Comprehensive, Innovative and Efficient Quality services.

Adapting to changes, while retaining sustainable success and remain steadfast in Health, Safety, Environment and Quality Value.

Remain committed to achieving Quality Assurance and Management through quality planning, improvement and control.

Fully dedicated to preserving and conserving the Environment, Health and Safety of our community and neighbouring communities, employees and our valued customers.



CORE BUSINESSES

Our Group operates as a fully integrated maritime solutions provider, anchored by our two core pillars — shipping and shipbuilding, which collectively form the foundation of our revenue and long-term growth. Beyond our core segments, we deliver a broad spectrum of complementary maritime and logistics services. These include shipping agency and freight forwarding, door-to-door transportation, third-party logistics solutions, ship repairs, re-powering and refitting works, vessel modifications and conversions, as well as general maintenance services. We also undertake barrage and shiplock management, further strengthening our operational presence within the maritime ecosystem.

To broaden our income streams and reinforce operational synergies, the Group has diversified into the manufacturing, distribution and marketing of industrial gases, provision of equipment maintenance services, trading of welding machinery, and the operation of automotive dealerships.

The integration of these capabilities across the value chain enables us to exercise greater control over quality, timelines and costs, while remaining agile in response to evolving market dynamics. Through continuous fleet enhancement and technical innovation, we are well positioned to capture new opportunities, improve operational resilience, and sustain long-term value for our stakeholders.



SHIN YANG GROUP BERHAD

(Cont'd)

INTERNATIONAL AND DOMESTIC SHIPPING

Our shipping network extends across Malaysian and international waters, covering key trade routes in Southeast Asia, East Asia and the wider Far East region. As at present, our fleet comprises 183 vessels with a combined Gross Tonnage (GT) of approximately 298,059 tons, supporting a broad range of cargo transportation requirements.



SHIPBUILDING, SHIP REPAIR AND METAL FABRICATION

Our shipbuilding segment operates from three shipyards, two in Miri and one in Bintulu, Sarawak, with a combined land area of approximately 280 acres. These facilities are well equipped to construct up to 40 vessels annually, each measuring up to 100 metres in length. To support future growth, we have secured an additional 214-acre site in Tanjung Manis, Sarawak, providing capacity for expansion and reinforcing our long-term commitment to strengthening our shipbuilding capabilities.



TRANSPORT AND LOGISTICS

Our transport and logistics operations are supported by a diversified fleet comprising 328 prime movers with 1,156 trailers, 240 dump and cargo trucks, and 35 tankers dedicated to the transportation of diesel and crude palm oil. This comprehensive fleet allows us to efficiently move a wide range of goods across East Malaysia, ensuring reliable, end-to-end delivery from source to destination.



BARRAGE AND SHIPLOCK MANAGEMENT

Our Barrage and Shiplock Management operation is dedicated to the management and maintenance of the barrage and shiplock, specifically for the Lembaga Sungai Sungai Sarawak (Sarawak Rivers Board) under the Sungai Sarawak Regulation Scheme since 1997. Supported by a dedicated team of 50 skilled and experienced professionals, we ensure seamless 24/7 operations, maintaining the integrity and functionality of this vital infrastructure year-round.



GAS OPERATIONS

Our gas operations include two Dissolved Acetylene production plants and an Air Separation Unit, complemented by four refilling facilities—two located in Miri and two in Bintulu. We supply industrial gases to customers across Malaysia and Brunei, delivering dependable solutions tailored to diverse industrial requirements.



AUTOMOTIVE DEALERSHIP

Our automotive dealership proudly serves as an authorized dealer and agent for Toyota vehicles in both Sabah and Sarawak, and as an authorized agent for Lexus vehicles in Sarawak. Representing UMW Toyota, we offer a full range of Toyota and Lexus vehicles, complemented by genuine parts, accessories, and supported by comprehensive after-sales services—including body and paint repair for both brands. Our network currently includes four outlets in Sarawak, three in Sabah, and one in Labuan, providing extensive regional coverage across East Malaysia.



CORPORATE INFORMATION



BOARD OF DIRECTORS

1. Tan Sri Datuk Ling Chiong Ho

Group Executive Chairman

2. Datuk Ling Lu Kiong

Group Executive Vice Chairman

3. Ling Chiong Sing

Group Managing Director

4. Ling Chiong Pin

Executive Director

5. Ling Siu Chuo

Non-Independent Non-Executive Director

6. Yong Nyet Yun

Independent Non-Executive Director

7. Jack Willien @ William Anak Jinep

Independent Non-Executive Director

8. Dr. Lai Yew Hock, Dominic

Independent Non-Executive Director

9. Izan Nadiawati Binti Mohamad Tabib

Independent Non-Executive Director

CORPORATE INFORMATION

(Cont'd)

**AUDIT AND RISK
MANAGEMENT COMMITTEE****Yong Nyet Yun***Chairman and Independent Non-Executive Director***Jack Willien @ William Anak Jinep***Independent Non-Executive Director***Dr. Lai Yew Hock, Dominic***Independent Non-Executive Director***Izan Nadiawati Binti Mohamad Tabib***Independent Non-Executive Director***Ling Siu Chuo***Non-Independent Non-Executive Director***JOINT REMUNERATION &
NOMINATION COMMITTEE****Jack Willien @ William Anak Jinep***Chairman and Independent Non-Executive Director***Dr. Lai Yew Hock, Dominic***Independent Non-Executive Director***Ling Siu Chuo***Non-Independent Non-Executive Director***FINANCE COMMITTEE****Dr. Lai Yew Hock, Dominic***Chairman and Independent Non-Executive Director***Yong Nyet Yun***Independent Non-Executive Director***Tang Tiong Ing***Group Accountant of Shin Yang Holding Group***Richard Ling Peng Liing***Chief Executive Officer cum Company Secretary***Wong Jee Haw***Chief Financial Officer***SHARE REGISTRARS****Boardroom Share Registrars Sdn Bhd**

(199601006647 / 378993-D)
11th Floor, Menara Symphony No.5, Jalan Prof. Khoo Kay Kim Seksyen 13, 46200 Petaling Jaya Selangor Darul Ehsan, Malaysia
Telephone No. : [603]-7890 4700
Facsimile No. : [603]-7890 4670

AUDITORS**Crowe Malaysia PLT (AF: 1018)**

Lot 2395, Block 4, Bulatan Business Park, Jalan Bulatan Park, 98000 Miri, Sarawak, Malaysia
Telephone No. : [6085]-658 835
Facsimile No. : [6085]-655 001

CHIEF EXECUTIVE OFFICER

Richard Ling Peng Liing
(Appointed on 1 January 2026)

CHIEF OPERATING OFFICER 1

Jeremiah James Sadasivan
(Appointed on 1 January 2026)

CHIEF OPERATING OFFICER 2

Sim Kuok Hua, Michael
(Appointed on 9 February 2026)

CHIEF PURCHASING OFFICER

Choo Teck Kwang

CHIEF FINANCIAL OFFICER

Wong Jee Haw

PRINCIPAL BANKERS

AmBank (M) Berhad
Affin Bank Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
RHB Bank Berhad
United Overseas Bank (Malaysia) Berhad

REGISTERED OFFICE

Sublot 153 (Parent Lot 70)
Jalan Kuala Baram, Kuala Baram
98100 Miri, Sarawak, Malaysia
Telephone No. : [6085]-428399
Facsimile No. : [6085]-421428
E-mail: ir.syggroup@shinyang.com.my
Website: www.shinyanggroup.com.my

STOCK EXCHANGE LISTING

The Main Board Bursa Malaysia
STOCK NAME SYGROUP
STOCK CODE 5173
(Transportation and Logistics)
DOMICILE Malaysia

COMPANY SECRETARY

Richard Ling Peng Liing

FINANCIAL CALENDAR

FINANCIAL PERIOD END	31 DECEMBER 2025
Announcement of results	
First Quarter	27 November 2025
Second Quarter	26 February 2026
Published Annual Report And Financial Statements	
Notice of Annual General Meeting	30 April 2026
21st Annual General Meeting	10 June 2026



IN THE NEWS

THE EDGE **Malaysia**

Home Corporate Economy Court & Politics Sections

From volatility to victory

By Inter Farhan Zamil / The Edge Malaysia | 18 Aug 2025, 12:00 pm

This article first appeared in The Edge Malaysia Weekly on August 18, 2025 - August 24, 2025

TRANSPORT & LOGISTICS
HIGHEST GROWTH IN PROFIT AFTER TAX OVER THREE YEARS

SHIN YANG GROUP

A WINNER in the inaugural The Edge Malaysia Centurion Club Corporate Awards in 2019 for Highest Growth in Profit After Tax Over Three Years among transport and logistics companies, Shin Yang Group Bhd made a comeback to the awards this year after a spectacular rebound in its earnings in the aftermath of the Covid-19 pandemic.

The Sarawak-based shipping and shipbuilding group formerly known as Shin Yang Shipping Corp Bhd claimed the same award after recording a big leap in net profit or profit after tax to RM141.9 million in its financial year ended June 30, 2022 (FY2022) — more than eight times the RM17.1 million it made in FY2021, after a rough couple of years due to the pandemic. It continued to grow its bottom line in FY2023, with net profit jumping 27.5% to RM100.9 million.

Even though earnings eased to RM110.96 million in FY2024, the outperformance in FY2022 and FY2023 was enough to give the group a three-year compound annual growth rate of 62.2% — far outpacing other transport and logistics companies with a market capitalisation of less than RM1 billion.

The group attributed the growth to the rising utilisation rates and higher charter activities of its vessels, led by local demand from infrastructure and resource-based sectors, as well as a recovery in the oil and gas (O&G) sector, which at the time was seeking rebuild ships. In FY2024, the group, a major logistics service provider in Sarawak which is also involved in industrial gas supply, saw its profitability affected by lower freight rates and load factors as economic activities normalised.

Year	Net Profit (RM million)
FY2021	17.1
FY2022	141.9
FY2023	100.9
FY2024	110.96

THE EDGE **Malaysia**

Home Corporate Economy Court & Politics Sections

Shin Yang promotes long-serving executive Richard Ling as new CEO

By Lupat Ansh / theedgemyasia.com | 29 Dec 2025, 07:17 pm

SHIN YANG
Group of Companies

KUALA LUMPUR (Dec 29) — Shipping company Shin Yang Group Bhd (KLSE:SYGHOU) has promoted its chief operating officer (COO) Richard Ling Peng Ling to chief executive officer (CEO), effective Jan 1, 2026.

Ling, 60, will assume leadership following the retirement of outgoing CEO Captain Ting Hien Long in the shipping company that operates a fleet of up to 295 vessels across domestic and international waters.

THE EDGE **Malaysia**

Home Corporate Economy Court & Politics Sections

Shin Yang buys RM26.6 mil land in Kota Kinabalu from controlling shareholder for warehouse expansion

By theedgemyasia.com | 21 Oct 2025, 07:48 pm

SHIN YANG
Group of Companies

KUALA LUMPUR (Oct 21) — Shipping firm Shin Yang Group Bhd (KLSE:SYGHOU) is acquiring a parcel of land in Kota Kinabalu, Sabah, for RM26.6 million, cash, from its controlling shareholder. The acquisition is for the group's planned warehouse expansion and logistics development.

The Sarawak-based group entered into an agreement on Tuesday (Oct 21) with Shin Yang Sdn Bhd (SYSB) to purchase the 5.37ha (approximately 13.27-acre) parcel, which is situated off Sepanggar Bay and includes an existing workshop building, according to a filing with Bursa Malaysia.

Shin Yang secures RM117.7mil vessel deal

Wednesday, 21 Jan 2026 | 6:56 PM MYT

PETALING JAYA — Shin Yang Group Bhd has entered into a sale and purchase agreement with DESB Marine Services Sdn Bhd for the construction, build and sale of a 91M maintenance / work vessel worth RM117.7mil.

In a filing with Bursa Malaysia, Shin Yang, which is primarily involved in shipping loose bulk and container cargoes, said the delivery date of the vessel shall be between Jan 2, 2028 to Jan 10, 2028.

"The purchase consideration was arrived at on a willing buyer-willing seller basis taking into account the vessel's specifications, construction costs and prevailing market rates and conditions."

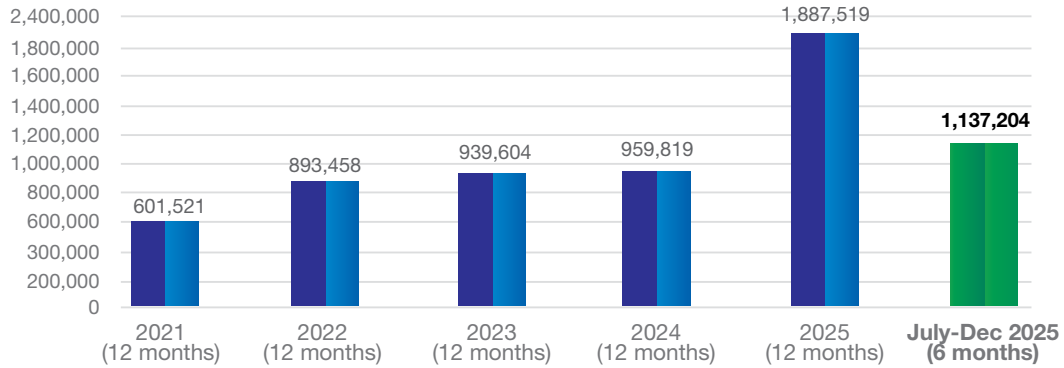
Shin Yang said risk factors affecting the agreement include execution risks such as availability of materials, changes in prices of materials, availability of skilled manpower, changes in economic and regulatory conditions.

"The company ensures strict compliance with all relevant conditions and procedures in the performance of its obligations under the agreement."

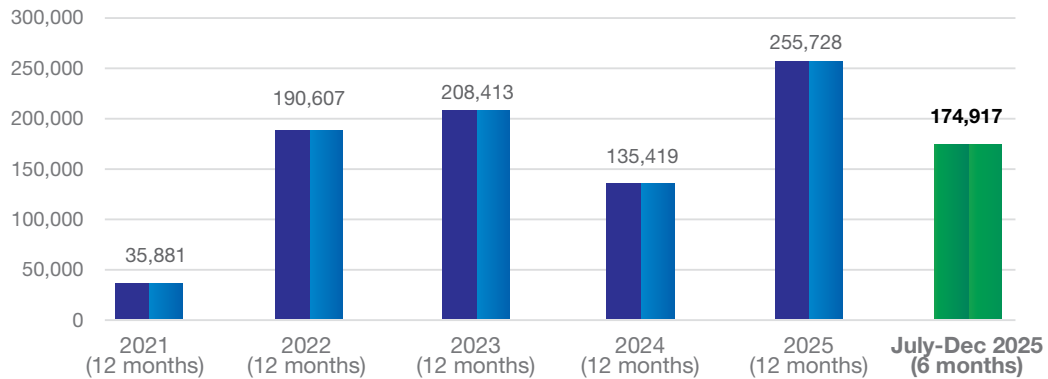
DESB Marine Services is principally engaged in the provision of marine vessel chartering services.

5-YEARS STATISTIC HIGHLIGHTS

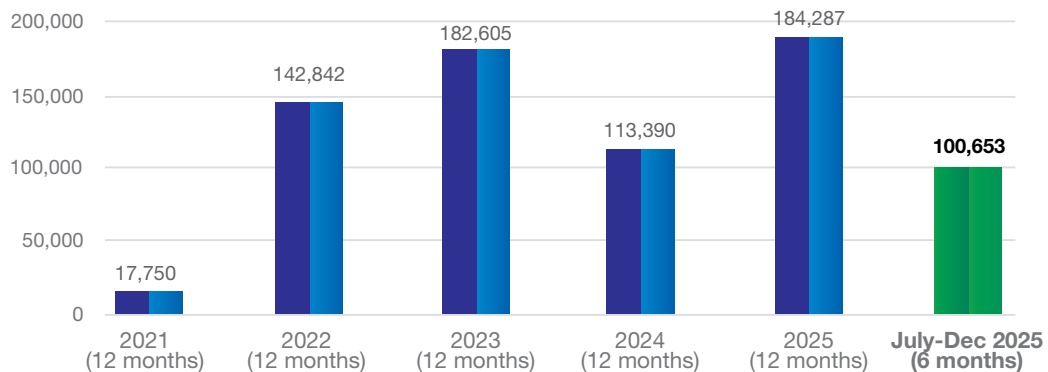
Revenue (RM'000)



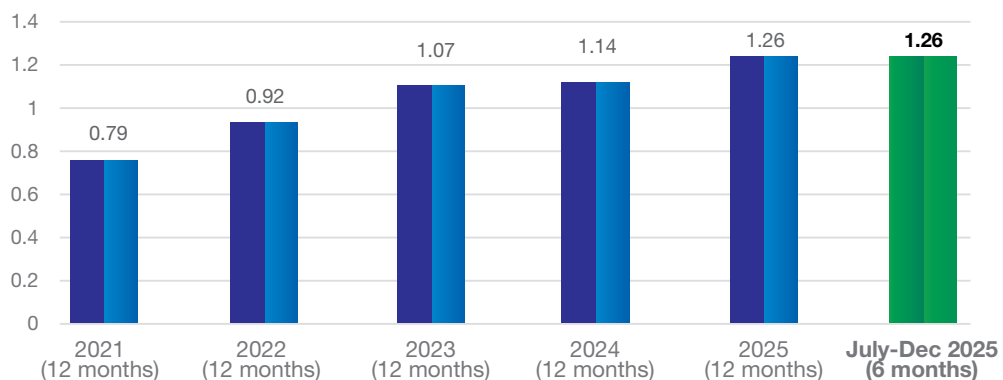
Gross Profit (RM'000)



PAT (RM'000)



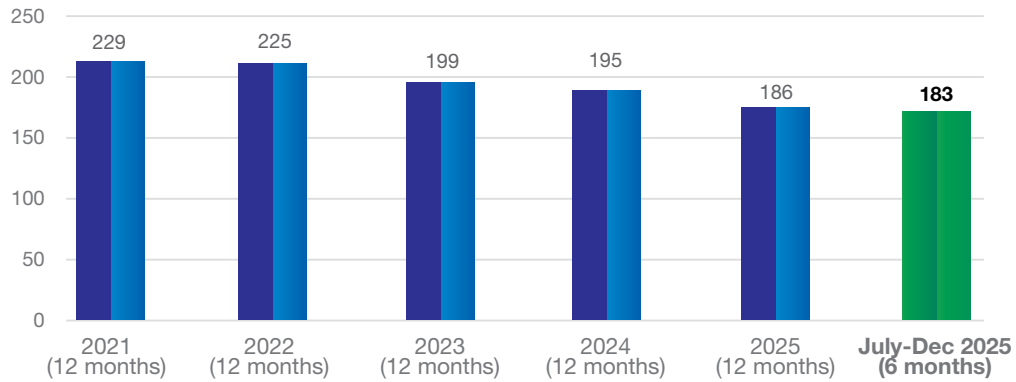
NTA (RM per share)



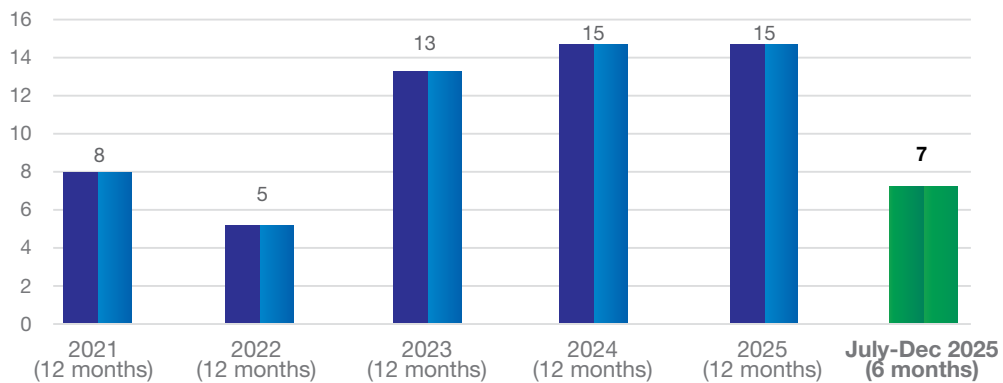
5-YEARS STATISTIC HIGHLIGHTS

(Cont'd)

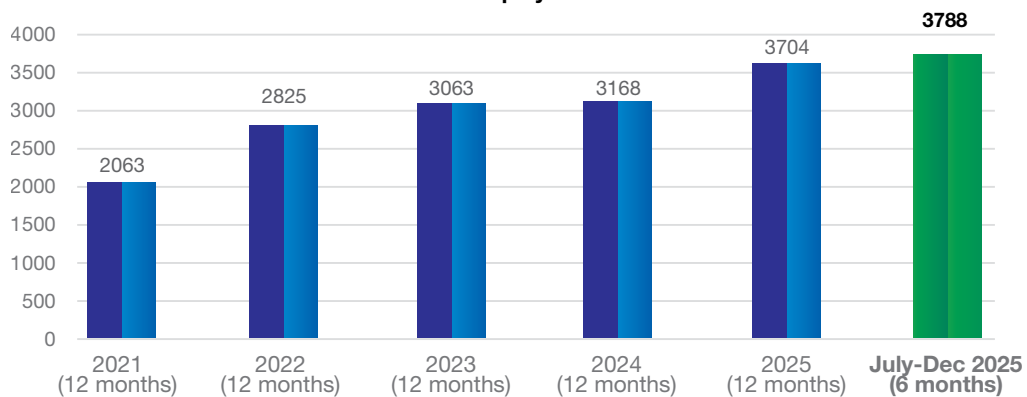
Vessel fleet (no)



No. of Vessels completed & WIP



No. of Employee



The Group had, on 15 October 2025, announced its change of financial year end from 30 June to 31 December. The financial period ended 31 December 2025 is made up of 6 months covering the period from 1 July 2025 to 31 December 2025.

CORPORATE STRUCTURE



SHIN YANG GROUP BERHAD

SHIN YANG GROUP BERHAD



■ Subsidiaries of Shin Yang Group Berhad
 ■ Associates of Shin Yang Group Berhad

PROFILE OF BOARD OF DIRECTORS

TAN SRI DATUK LING CHIONG HO

Group Executive Chairman



Malaysian



73

Age



Male

DATE OF APPOINTMENT

15 September 2004 (Director)

31 March 2010 (Non-Executive Chairman)

28 February 2022 (Group Executive Chairman)



Tan Sri Datuk Ling Chiong Ho was re-designated as the Group Executive Chairman on 28 February 2022. He possesses extensive industry experience and technical expertise in vessel development and design, as well as in the construction and repair of vessels. He is instrumental in the growth and development of the Group and has led the Group to become an established shipping operator and the leading shipbuilder in Malaysia. He is the founder and Chairman of the well diversified Shin Yang Holding Group of Companies involved in reforestation, wood based downstream activities, property development, infrastructure projects and public toll concession, oil palm plantation, public transportation, supermarkets and hotel businesses. He is also the Group Business Advisor of Sarawak Oil Palms Berhad, a company listed on Bursa Malaysia Securities Berhad.

He is the brother of Mr. Ling Chiong Sing, Mr. Ling Chiong Pin and Mdm. Ling Siu Chuo, who are the Group Managing Director, Executive Director and Non-Executive Director of the Group respectively. He is deemed connected to Shin Yang Holding Sdn Bhd, one of the substantial shareholders of the Group. By virtue of his common directorships and/or shareholdings in certain companies, he is deemed to have an interest in transactions entered into between the Group and these companies in the ordinary course of business.

He has attended all two (2) Board Meetings held during the financial period ended 31 December 2025. He has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.

PROFILE OF BOARD OF DIRECTORS

(Cont'd)



DATUK LING LU KIONG
Group Executive Vice Chairman



Malaysian

44

Age



Male

DATE OF APPOINTMENT

8 April 2022

(Group Executive Vice Chairman)

Datuk Ling Lu Kiong graduated with a Bachelor Degree of Marketing and Finance from Curtin University of Technology, Malaysia in 2002. He commenced his career in 2003 under the timber downstream division of Shin Yang Holding Group and presently serves as the Group Managing Director of Shin Yang Holding Group of Companies and Group Executive Vice Chairman of the Group. He plays an instrumental role in formulating the Group's overall strategic direction and overseeing the management of its diversified operations. With more than 20 years of extensive experience across various industries, including timber, oil palm plantations, shipping, shipbuilding, property development, construction, and retail, Datuk Ling has contributed significantly to the Group's expansion and diversification.

On 9 October 2021, he was conferred the Darjah Panglima Gemilang Bintang Kenyalang (PGBK) by the Yang di-Pertua Negeri Sarawak in recognition of his contributions.

He is the son of Tan Sri Datuk Ling Chiong Ho, the Group Executive Chairman, and nephew of Mr. Ling Chiong Pin, Mr. Ling Chiong Sing and Mdm. Ling Siu Chuo, who are the Executive Director, Group Managing Director and Non-Executive Director of the Group respectively. By virtue of his deemed shareholdings in certain companies, he is deemed interested in transactions entered into between the Group and these companies in the ordinary course of business.

He has attended all two (2) Board Meetings held during the financial period ended 31 December 2025. He has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.



LING CHIONG SING
Group Managing Director



Malaysian

69

Age



Male

DATE OF APPOINTMENT

15 September 2004 (Director)

13 May 2010 (Group Managing Director)

Ling Chiong Sing holds a qualification in Accountancy from Taiwan and brings over 30 years of extensive experience and hands-on expertise across the Group's core operations. As one of the founding members of the Group, he plays a pivotal role in the overall operational and financial management of the Group, particularly in the areas of international and coastal shipping, shipbuilding, and ship repairs. Mr. Ling also serves as a Non-Executive Director of Sarawak Oil Palms Berhad, a company listed on Bursa Malaysia Securities Berhad.

Beyond his contributions to the Group, Mr. Ling is actively involved in the broader business and industry development community. He currently serves as the Chairman of the Miri Chinese Chamber of Commerce and Industry for the 2021–2026 term, has been a permanent council member of the Sarawak Timber Association since March 2010, and also currently sits on the Board of the Miri Port Authority.

He is the brother of Tan Sri Datuk Ling Chiong Ho, Mr. Ling Chiong Pin and Mdm. Ling Siu Chuo who are the Group Executive Chairman, Executive Director and Non-Executive Director of the Group respectively. He is deemed connected to Shin Yang Holding Sdn Bhd, one of the substantial shareholders of the Group. By virtue of his common directorships and/or shareholdings in certain companies, he is deemed interested in transactions entered into between the Group and these companies in the ordinary course of business.

He has attended all two (2) Board Meetings held during the financial period ended 31 December 2025. He has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.

PROFILE OF BOARD OF DIRECTORS

(Cont'd)



LING CHIONG PIN

Executive Director



Malaysian

71

Age



Male

DATE OF APPOINTMENT

30 November 2009
(Executive Director)

Mr. Ling Chiong Pin brings a wealth of practical experience to his role as the Executive Director of the Group. He began his career as a Coastal Master of domestic tugboats, a role he held for over a decade during the 1970s, gaining in-depth, practical knowledge in shipping and shipbuilding. He currently oversees the Group's shipbuilding and ship repair operations, ensuring efficiency and operational excellence.

He is the brother of Tan Sri Datuk Ling Chiong Ho, Mr. Ling Chiong Sing and Mdm. Ling Siu Chuo, who are the Group Executive Chairman, Group Managing Director and Non-Executive Director of the Group respectively. He is deemed connected to Shin Yang Holding Sdn Bhd, one of the substantial shareholders of the Group. By virtue of his common directorships and/or shareholdings in certain companies, he is deemed interested in transactions entered into between the Group and these companies in the ordinary course of business.

He has attended all two (2) Board Meetings held during the financial period ended 31 December 2025. He has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.



LING SIU CHUO

Non-Independent Non-Executive Director



Malaysian

62

Age



Female

DATE OF APPOINTMENT

30 November 2009
(Non-Independent Non-Executive Director)

Mdm. Ling Siu Chuo began her career with Shin Yang Holding Group in the 1980s and was appointed as the Manager of Administration and Human Resources in 1990. With decades of hands-on experience, she has developed deep knowledge of the Group's business operations, particularly in areas related to shipping, shipbuilding, and corporate administration. She currently serves as a member of the Audit and Risk Management Committee and the Joint Remuneration and Nomination Committee.

She is the sister of Tan Sri Datuk Ling Chiong Ho, Mr. Ling Chiong Sing and Mr. Ling Chiong Pin who are the Group Executive Chairman, Group Managing Director and Executive Director of the Group respectively. By virtue of her common directorships in certain companies, she is deemed interested in transactions entered into between the Group and these companies in the ordinary course of business.

She has attended all two (2) Board Meetings held during the financial period ended 31 December 2025. She has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.

PROFILE OF BOARD OF DIRECTORS

(Cont'd)



YONG NYET YUN

Independent Non-Executive Director



Malaysian

66

Age



Female

DATE OF APPOINTMENT

31 May 2022

(Independent Non-Executive Director)

Mdm. Yong Nyet Yun graduated with a Bachelor of Commerce degree from the University of New South Wales, Sydney, Australia, in 1983. She is a member of the Malaysian Institute of Accountants (MIA), a Fellow member of CPA Australia, and a member of the Chartered Tax Institute of Malaysia.

She began her professional career with Ernst & Young Malaysia in 1984 and later then served as the Partner in charge of the Miri and Bintulu offices until her retirement from the partnership in 2019. Over her distinguished career, Mdm. Yong gained extensive experience in assurance, taxation, and corporate finance services, advising clients across various industries.

Mdm. Yong currently serves as the Chairman of the Audit and Risk Management Committee and is also a member of the Finance Committee. She is not related to any director and/or substantial shareholder of the Group and has no conflict of interest with the Group.

In addition, Mdm. Yong holds directorship in Sealink International Berhad, a company listed on Bursa Malaysia Securities Berhad, where she serves as an Independent Non-Executive Director. At Sealink, she also holds the position of Chairman of the Audit Committee, and is a member of the Nominating Committee, Remuneration Committee, Risk Management Committee, and Sustainability Committee.

She has attended all two (2) Board Meetings held during the financial period ended 31 December 2025. She has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.



JACK WILLIEN @ WILLIAM ANAK JINEP

Independent Non-Executive Director



Malaysian

72

Age



Male

DATE OF APPOINTMENT

14 April 2022

(Independent Non-Executive Director)

Mr. Jack Willien @ William Anak Jinep holds a Degree in Maritime Transport from the Institute of Transport, Portland Place, London and a Post Graduate Diploma in Shipping Management from Plymouth Polytechnic, England. He is also a Chartered Member of the Chartered Institute of Logistics and Transport, Malaysia. He has nearly 50 years of extensive experience in maritime transport.

Mr. William Jinep has held numerous leadership roles throughout his distinguished career. He served in various capacities in the Marine Department of Sarawak before joining Bintulu Container Services Sdn Bhd, a subsidiary of Bintulu Development Authority, as the General Manager in 1990. In 1993, he joined the Sarawak Rivers Board and was appointed as its Chief Executive Officer from November 2011 until October 2017. He later served as Port Advisor to the Ministry of Infrastructure and Port Development, Sarawak from May 2019 to May 2021. His prior appointments also include board memberships with the Miri Port Authority, Sarawak Rivers Board, Magna Focus Sdn Bhd, and the Sarawak Buoy and Lights Board.

In recognition of his exemplary service, Mr. William Jinep has been conferred several national and state honours, including the Ahli Mangku Negara (2008), Kesatria Mangku Negara (2022) by the Yang di-Pertuan Agong, and Pingat Perkhidmatan Bakti (2008), Pegawai Bintang Kenyalang (2013) and Pingat Terpuji Jubli Emas, Malaysia (2014), by the Tuan Yang Terutama Yang di-Pertua Negeri Sarawak.

Mr. William Jinep serves as the Chairman of the Joint Remuneration and Nomination Committee and is also a member of the Audit and Risk Management Committee. He is not related to any director and/or substantial shareholder of the Group and has no conflict of interest with the Group.

He has attended all two (2) Board Meetings held during the financial period ended 31 December 2025. He has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.

PROFILE OF BOARD OF DIRECTORS

(Cont'd)



DR. LAI YEW HOCK, DOMINIC

Independent Non-Executive Director



Malaysian



66

Age



Male

DATE OF APPOINTMENT

19 January 2024

(Independent Non-Executive Director)

Dr. Lai Yew Hock obtained a Bachelor of Laws from the University of Otago, Dunedin, New Zealand in 1985. He was admitted as a Barrister and Solicitor of the High Court of New Zealand in October 1985, thereafter as an Advocate of the High Court in Sabah and Sarawak in February 1986, and subsequently as an Advocate and Solicitor of the High Court of Malaya in October 1986. In December 2006, he earned a Doctor of Business Administration degree from the University of South Australia, Adelaide, Australia, with a doctoral thesis focusing on Corporate Governance.

In addition to his legal qualifications, he is a Notary Public, and an Accredited Mediator. He established his own legal practice in Miri, Sarawak in May 1992.

He currently serves as the Chairman of the Finance Committee, and is a member of both the Joint Remuneration and Nomination Committee and the Audit and Risk Management Committee. He is independent and not related to any director and/or substantial shareholder of the Company and has no conflict of interest with the Group.

He has attended all two (2) Board Meetings held during the financial period ended 31 December 2025. He has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.



IZAN NADIAWATI BINTI MOHAMAD TABIB

Independent Non-Executive Director



Malaysian



45

Age



Female

DATE OF APPOINTMENT

19 January 2024

(Independent Non-Executive Director)

Puan Izan Nadiawati graduated with a Bachelor of Laws (Hons) from University of Malaya, Kuala Lumpur, Malaysia in 2005. She was formerly a Senior Partner at Messrs Izan, Lau & Tiong Advocates, Kuching, Sarawak, and is currently a Senior Legal Assistant at Messrs Azlina Dahlan & Company Advocates, Kuching, Sarawak.

With 20 years of legal experience, she specialises in Conveyancing, Banking (both Islamic and Conventional), Family Law (covering civil marriage and divorce, adoption, and wills), as well as Syariah Law, which includes Syariah family matters, Syariah marriage and divorce, Faraid consultancy, and Islamic property planning (Will, Hibah, Amanah, Waqaf, and Pusaka). She has also been appointed as a member of the State Legal Team, serving as both Nomination Agent and Legal Advisor for the Parliamentary General Elections in 2018 and 2022, and the Sarawak State Election in 2021.

She is a member of the Audit and Risk Management Committee. She is independent and not related to any director and/or substantial shareholder of the Company and has no conflict of interest with the Group.

She has attended all two (2) Board Meetings held during the financial period ended 31 December 2025. She has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.

KEY MANAGEMENT PROFILE



RICHARD LING PENG LIING

Chief Executive Officer



Malaysian

60

Age



Male

DATE OF APPOINTMENT

1 January 2026

Mr. Richard Ling holds a Master in Business Administration from Curtin University of Technology, Australia, and is a Fellow member of the Association of Chartered Certified Accountants (FCCA), the Malaysian Institute of Accountants, and the Chartered Tax Institute of Malaysia.

He joined Shin Yang Holding Group in 1997 as an Accountant at Forescom Plywood Berhad (now Forescom Plywood Sdn. Bhd.). In 1998, he was appointed as Senior Accountant of Shin Yang Sdn. Bhd., where he was responsible for *inter alia* financial reporting. Since 2008, he has overseen the Group's treasury functions and corporate finance activities. His leadership journey has been marked by a series of key promotions. In 2009, he is appointed as Financial Controller and Company Secretary, later rise to Chief Financial Officer, and in 2023, to Chief Operating Officer. On 1 January 2026, he was appointed as the Group's Chief Executive Officer.

In his role as Chief Executive Officer, he will serve as the primary architect of the Group's long-term growth strategies. He is responsible for aligning our multifaceted operations with a unified corporate vision, ensuring that our Group remains resilient and competitive in an increasingly complex global environment. He translates the Board's strategic objectives into actionable results, overseeing the integration of financial governance and operational efficiency across all divisions. By balancing rigorous financial discipline with a forward-looking investment approach, he also oversees the execution of key initiatives that drive sustainable value for our stakeholders and reinforce our position as an industry leader.

He also serves as Company Secretary of the Group and is a Director of Mewah Exim Sdn. Bhd., a subsidiary of the Group.

He is a member of the Finance Committee. He is not related to any director and/or substantial shareholder of the Group and has no conflict of interest with the Group.

He has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.



JEREMIAH JAMES SADASIVAN

Chief Operating Officer 1



Malaysian

48

Age



Male

DATE OF APPOINTMENT

1 January 2026

Mr. Jeremiah Sadasivan is appointed as Chief Operating Officer of the Group on 1 January 2026. He has over 20 years of extensive working experience in operations, capital projects, production planning supply chain coordination and products & market development.

Prior to his appointment as Chief Operating Officer of the Group, he was the Operations Manager of Shin Yang Plywood Sdn Bhd. Throughout his career, he has served in various senior leadership and management positions, where he was responsible for overseeing end-to-end operations and driving performance optimisation. His experience includes leading large teams, managing significant projects and operational assets, implementing operational excellence initiatives and compliance frameworks, and supporting business growth through disciplined execution and strong cross-functional coordination.

Given his broad operational background and leadership experience, his appointment is expected to bring added value to the Group by strengthening its execution capabilities and improving operational efficiency across its core business segments. In this role, he will lead the Group's operational functions, support closer coordination across business segments, and drive initiatives aimed at improving productivity, resource efficiency and overall operational resilience in line with the Group's long-term growth objectives.

He is not related to any director and/or substantial shareholder of the Company and has no conflict of interest with the Group.

He has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.

KEY MANAGEMENT PROFILE

(Cont'd)

**SIM KUOK HUA, MICHAEL**

Chief Operating Officer 2



Malaysian

50

Age



Male

DATE OF APPOINTMENT

9 February 2026

Mr. Sim holds a Bachelor of Accounting & Finance (Honours) Degree from the University of Exeter, United Kingdom.

He was appointed as the Group's Chief Operating Officer on 9 February 2026. He is finance-to-operation executive with more than 25 years of progressive leadership experience across aquaculture, shipbuilding, timber and the property development and construction industries in Malaysia, Singapore and Brunei. Prior to his current role, he served as Chief Financial Officer and Acting Chief Operating Officer at a government-linked company in Brunei where he was instrumental in elevating operational discipline and institutionalizing robust governance frameworks.

In his capacity as Chief Operating Officer, he will lead the Group's strategic cost management and budgetary initiatives. His primary mandate is to ensure that the Group's operational expansion is matched by budgetary discipline and resource efficiency. By overseeing the alignment of departmental budgets with long-term corporate objectives, Mr. Michael Sim focuses on identifying cost-saving opportunities and enhancing budget requirement.

He is not related to any director and/or substantial shareholder of the Company and has no conflict of interest with the Group.

He has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.

**CHOO TECK KWANG**

Chief Procurement Officer



Singaporean

56

Age



Male

DATE OF APPOINTMENT

1 November 2025

Mr. Choo joined Shin Yang Plywood Sdn Bhd in 2012 as Head of Procurement and has since played a key role in developing and streamlining the company's procurement processes. Over the years, he has contributed significantly to improving the efficiency, transparency and cost-effectiveness of sourcing activities across the company through disciplined procurement practices, effective supplier management and a strong focus on operational excellence.

With his extensive experience in procurement management, he brings deep practical knowledge in strategic sourcing, cost optimisation, contract management and procurement governance. His appointment as Chief Procurement Officer of the Group on 1 November 2025 reflects the Group's commitment to further enhancing procurement capabilities in support of sustainable growth and operational resilience.

In his new capacity as Chief Procurement Officer of Shin Yang Group Berhad, he will oversee the Group's overall procurement functions, drive strategic procurement initiatives, strengthen supply chain coordination, and support the Group's continued efforts towards greater cost efficiency, responsible sourcing and long-term value creation.

He is not related to any director and/or substantial shareholder of the Company and has no conflict of interest with the Group.

He has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.

KEY MANAGEMENT PROFILE

(Cont'd)



WONG JEE HAW

Chief Financial Officer



Malaysian

43

Age



Female

DATE OF APPOINTMENT

2 September 2024

Ms. Wong holds a Bachelor's degree in Accounting and Finance from Curtin University of Technology and is a member of CPA Australia.

Ms. Wong began her career as an Account Executive in a commercial organisation before transitioning into various leadership roles in notable organisations. She brings more than 20 years of extensive experience in accounting, corporate finance, budgetary planning, treasury and funding management, tax planning, as well as audit and assurance. Throughout her career, she has engaged with conglomerates and multinationals across diverse industries, including parts trading, shipbuilding, wholesale, property development, and the automotive industry in Malaysia and Brunei.

She joined the Boulevard Motor Group of companies in January 2019 as its Senior Accountant. In 2024, she was appointed as Chief Financial Officer of Shin Yang Group Berhad, where she is responsible for overseeing the Group's financial reporting, financial management, corporate exercises, taxation, and finance operations.

She is a member of the Finance Committee. She is not related to any director and/or substantial shareholders of the Company and has no conflict of interest with the Group.

She has not been convicted of any offence within the past five (5) years and has not been imposed with any public sanction or penalty by any of the relevant regulatory bodies during the financial period.

CHAIRMAN'S STATEMENT



Dear Valued Shareholders

“

On behalf of the Board of Directors of Shin Yang Group Berhad and its subsidiaries (“the Group”), I am pleased to present the Annual Report and Audited Financial Statements for the financial period ended 31 December 2025. This report reflects our continued commitment to transparency and accountability, providing you with a comprehensive review of our performance, key achievements, and strategic directions moving forward.

”

REVIEW OF PERFORMANCE

In alignment with the Group’s operational planning and strategic requirements, the Group had changed its financial year end from June to December. Due to the change, this report will cover a 6-month period with financial period covering 1 July 2025 to 31 December 2025 (FPE 2025) and there is no comparative financial information available for FPE 2025.

For the financial period ended 31 December 2025 (FPE 2025), the Group delivered a revenue of RM1.14 billion, with profit after taxation of RM100.7 million, demonstrating the Group’s resilience and strategic execution.

The sustained performance was primarily driven by the successful expansion into the automotive segment and the continued growth of the coastal and container shipping division. The newly introduced automotive segment contributed a notable RM61.8 million to the Group’s profit before tax before elimination, further diversifying revenue sources and strengthening the Group’s earnings base. This was also supported by stronger anchor cargo volumes and the expansion of integrated logistics solutions, including door-to-door delivery, depot management, and warehousing services.

DIVIDEND

The Group continues to exercise disciplined financial stewardship, maintaining solid reserves for future expansion initiatives while ensuring stability in an increasingly dynamic market environment.

As our commitment to enhance long-term shareholder value, the Board declared and paid a final single-tier tax-exempt dividend of 5.00 sen per ordinary share for the financial year ended 30 June 2025 on 17 December 2025.

CHAIRMAN'S STATEMENT

(Cont'd)

CORPORATE GOVERNANCE

Our commitment to upholding high standards of corporate governance remains unwavering, as we continue to safeguard shareholder value and maintain strong and effective oversight. Detailed disclosures of our governance practices are set out in the Corporate Governance Overview Statement from pages 81 to 92.

SUSTAINABILITY

Sustainability continues to be a core pillar of the Group's long-term strategy, with Economic, Environmental, Social, and Governance (EESG) principles embedded across every aspect of our operations. We are committed to integrating responsible and sustainable practices into our corporate strategy, aiming to align profitability with environmental stewardship and social responsibility to deliver value to our stakeholders and the communities we serve.

Economically, the Group drives on ensuring sustainable financial performance while contributing positively to broader economic development. We prioritise responsible financial management by maintaining strong governance over budgeting, cost control and investment decisions.

Environmentally, the Group is focused on reducing carbon emissions, improving energy efficiency, and enhancing resource conservation across its operations, particularly within the shipping, shipbuilding, and manufacturing activities. We continue to explore and evaluate the adoption of cleaner technologies and sustainable fuel alternatives to minimise our environmental footprint, alongside investing in greener infrastructure and enhanced waste management systems.

Socially, we prioritise fair employment practices, workforce development, and communities engagement through engagement and outreach programmes. Our commitment extends to ensuring a safe and inclusive workplace, prioritising occupational safety, employee well-being, and continuous professional development.

From a governance standpoint, we maintain strong internal controls and uphold high standards of transparency, ethical conduct, and accountability at all levels of our organisation. Our sustainability governance framework ensures that EESG risks and opportunities are closely monitored and aligned with regulatory requirements and stakeholder interests.

Looking ahead, the Group will continue to enhance its sustainability initiatives and align our practices with global sustainability standards and frameworks, including the United Nations Sustainable Development Goals (SDGs). Through these efforts, we aim to ensure that our growth remains responsible, inclusive, and resilient.

Further details of our sustainability efforts and performance are available in the Sustainability Report from pages 27 to 80 of this Annual Report.

PROSPECT

The Group will continue to drive sustainable growth by capitalising in depot, warehousing and third-party logistics. We continue to broaden our market footprint, enhance operational efficiency, as our commitment to deliver greater value to our stakeholders through continuous innovation and service excellence.

With ongoing infrastructure development and economic development in Sarawak, the Group is well-positioned to capture emerging opportunities across various sectors. These developments are anticipated to stimulate demand for logistics and related services, reinforcing the Group's competitive position and operational integration.

Barring unforeseen circumstances, the Board is confident in the Group's ability to sustain its growth trajectory and deliver stable performance in the coming financial year.

APPRECIATIONS

On behalf of the Board, I wish to convey our heartfelt appreciation to all our shareholders, employees, customers, business partners, and stakeholders for the continued support and trust during the period. The Board would also like to place on record its sincere appreciation to Captain Ting Hien Liong for his longstanding dedication and significant contributions to the Group since 1997, culminating in his retirement as Chief Executive Officer on 31 December 2025. The Board likewise extends a warm welcome to Mr. Richard Ling Peng Liing and looks forward to his stewardship in guiding the Group forward.

Tan Sri Datuk Ling Chiong Ho
Group Executive Chairman

MANAGEMENT'S DISCUSSION AND ANALYSIS

The purpose of this review is to highlight and provide further details on the financial and operating information of the Group.

1. Overview of the Group's Business and Operations:-

The Group's core business operations span across shipping, shipbuilding and ship repair. Our shipping division is diversified across multiple segments, including dry bulk, liquid bulk, containerised cargo, coastal shipping, barge and tug operations, as well as regional logistics with comprehensive door-to-door solutions. We maintain a stable presence in both Malaysian and regional waters, particularly across Southeast Asia, East Asia, and the Far East. Our shipping operations are supported by a fleet of 183 vessels, with a total gross tonnage of approximately 298,059.

In ship repair, we continue to strengthen our capabilities by providing high-quality repair and maintenance services. This includes critical docking works, supported by our floating dock facilities designed to serve specialised market needs. Our shipbuilding operations are anchored by three strategically located yards in Kuala Baram, Miri, and Bintulu, Sarawak, collectively spanning approximately 280 acres to support custom-built vessel projects.

2. Corporate Development

Acquisition of a parcel of leasehold land together with the Building erected thereof situated at Pending Industrial Estate, Kuching, Sarawak.

On 26 June 2025, the Company entered into a Sale and Purchase Agreement ("SPA") with Forescom Plywood Sdn. Bhd. ("the Vendor") to acquire a parcel of leasehold land together with a warehouse building situated at Pending Industrial Estate, Kuching, Sarawak measuring approximately 1.9469 hectares and held under Lot 47, Section 66, Kuching Town Land District, Sarawak ("the Property").

The total Purchase Consideration of the Acquisition is RM12,050,000.00, and was arrived at on a willing buyer willing seller basis, supported by independent valuations adopting the Comparison Approach. The acquisition was completed on 26 June 2025 upon the execution of the SPA and all other Condition Precedents met.

The acquisition is expected to provide the following benefits: -

- (i) To support warehouse expansion and logistics development for door-to-door services as a complete Logistic Service Provider.
- (ii) To facilitate future expansion of warehousing facilities on owned land.
- (iii) To reduce rental dependency and related party transactions by acquiring instead of leasing from Forescom Plywood Sdn. Bhd.

The Property is strategically located within the industrial hub of Kuching and the Kuching Port Region, Sarawak. This will enhance the Group's operational capacity and logistical efficiency. The Acquisition aligns with the Group's long-term expansion strategy and is expected to contribute positively to its operational performance and asset base.

Acquisition of a parcel of leasehold land situated off Sepanggar Bay, City of Kota Kinabalu, state of Sabah together with a Workshop Building erected thereon.

On 21 October 2025, the Company entered into a Sale and Purchase Agreement ("SPA") with Shin Yang Sdn. Bhd. ("the Vendor") for the acquisition of a parcel of leasehold land measuring approximately 5.37 hectares, located off Sepanggar Bay, Kota Kinabalu, Sabah, and held under CL 015551023, District of Kota Kinabalu, Sabah, together with a workshop building erected thereon (collectively referred to as "the Property").

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Cont'd)

2. Corporate Development (Cont'd)

Acquisition of a parcel of leasehold land situated off Sepanggar Bay, City of Kota Kinabalu, state of Sabah together with a Workshop Building erected thereon. (Cont'd)

The total Purchase Consideration was RM 26,600,000.00 and shall be settled by the Purchaser in cash via internally generated funds, to the Vendor with the final payment upon the acceptance of the Memorandum of Transfer by the Central Land Office, Kota Kinabalu, Sabah, evidenced by the prescription of memorial numbers by the Central Land Office, Kota Kinabalu, Sabah.

The acquisition enables the Group to:

- (i) Support warehouse expansion and logistics development for door-to-door services as an integrated Logistic Service Provider.
- (ii) Facilitate future expansion of warehousing facilities on owned land.
- (iii) Reduce rental dependency and related party transactions by acquiring instead of leasing from Shin Yang Sdn. Bhd.

3. Key Financial Highlights

The following discussion and analysis provide an overview of the Group's financial performance and operational results for the financial period ended 31 December 2025 (FPE 2025), which represents a six (6) month financial period following the change in the Company's financial year end from 30 June to 31 December.

(i) Financial Review:

	FPE December 2025 (6 months) RM'million	FYE June 2025 (12 months) RM'million	FYE June 2024 (12 months) RM'million
Revenue	1,137.2	1,887.5	959.8
Profit before tax	121.7	215.1	126.5
Profit after tax	100.7	184.3	113.4
Net profit attributable to shareholders	82.5	164.1	110.6
Operating cash flow	124.3	225.5	138.6
Earning per share (sen)	7.12	14.59	9.77
Return on equity (%)	5.54	11.58	8.55
Net Gearing (%)	-	-	-

(ii) Revenue:

	Shipbuilding, ship repair and metal fabrication RM'000	Shipping RM'000	Logistic RM'000	Gas RM'000	Automotive RM'000	Others RM'000	Total RM'000
December 2025 (6 months)	65,578	359,218	32,322	4,990	653,904	21,192	1,137,204
June 2025 (12 months)	166,552	728,323	51,949	13,289	888,597	38,809	1,887,519
June 2024 (12 months)	170,685	693,124	52,798	14,961	-	28,251	959,819

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Cont'd)

3. Key Financial Highlights (Cont'd)

(ii) Revenue: (Cont'd)

For the FPE 2025, the Group generated a revenue of RM1.14 billion. The performance was primarily supported by contributions from the automotive segment. In addition, the domestic and regional shipping segment also maintained steady revenue, supported by improved load factors and cargo volumes across key shipping routes.

(iii) Profit before tax (by business division)

	Shipbuilding, ship repair and metal fabrication RM'000	Shipping RM'000	Logistic RM'000	Gas RM'000	Automotive RM'000	Others RM'000	Elimination RM'000	Total RM'000
December 2025 (6 months)	6,861	50,571	3,152	1,430	61,816	60,129	(62,254)	121,705
June 2025 (12 months)	25,510	113,998	5,393	3,589	64,348	62,521	(60,245)	215,114
June 2024 (12 months)	22,434	88,741	6,490	4,160	-	18,066	(13,366)	126,525

FPE 2025 comprising 6-month result recorded profit before tax of RM121.7 million. The profit was mainly attributed to the contribution from the automotive segment as well as the enhanced performance of the domestic and regional shipping segment. The automotive segment alone contributed RM61.8 million in profit before tax during the period, reflecting its strong entry into the Group's portfolio and its potential as a key growth driver moving forward.

(iv) Financial Position:

	As at 31 Dec 2025 (6 months) RM'000	As at 30 June 2025 (12 months) RM'000	As at 30 June 2024 (12 months) RM'000
Cash and bank balances	517,436	521,171	432,222
Less:			
Loan and borrowings	(131,067)	(137,494)	(73,484)
Trade and other payables	(248,674)	(264,745)	(136,742)
Net Cash	137,695	118,932	221,996
Equity attributable to the owners of the Company	1,487,592	1,417,694	1,293,745
Gearing Ratio	N/A*	N/A*	N/A*

* Not applicable as the Group was in a net cash position

(v) Liquidity and Financial Resources

The Group generally has been financing its operations through internal generated funds and bank borrowings.

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Cont'd)

3. Key Financial Highlights (Cont'd)

(vi) Capital Expenditures

The Group's capital expenditures for the FPE 2025 was RM26.0 million and future commitments of RM94.8 million. The investment shall be financed by the Group's internal resources.

(vii) Dividend

For the financial year ended 30 June 2025, the Board had declared and paid final single-tier dividend of 5.00 sen per ordinary share. This represents a dividend yield of approximately 6.02%, based on the Company's closing share price of RM0.83 as at 31 December 2025. The declared dividend reflects the Board's continued commitment to rewarding shareholders while maintaining a balanced approach to capital management.

(viii) Share price performance



		FPE December 2025 (6 months)	FYE June 2025 (12 months)	FYE June 2024 (12 months)
1	High	0.935	1.045	0.817
2	Low	0.74	0.650	0.513
3	Close	0.83	0.785	0.745
4	Average Daily Trading volume (shares)	344,556	1,419,121	1,101,082
5	Market capitalisation at period/year end (million)	976,418	880,840	841,660
6	Earning per shares (sen)	7.12	14.59	9.77
7	Price Earnings ratio (times)	11.66	5.38	7.63

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Cont'd)

4. Review of Operation:

(i) Shipping Operation

a) Dry Bulk

The Group's shipping division remains instrumental in the transportation of dry bulk cargo, which encompasses timber products, quarry materials, aggregates, sand, equipment, and machinery. Our service network spans key regional hubs such as Miri, Bintulu, Sibul, Kuching, Kota Kinabalu, Sandakan, Port Klang, Brunei, Singapore, Thailand, and Indonesia, ensuring consistent and reliable connectivity.

We operate a well-maintained fleet capable of supporting both voyage and time charter arrangements, catering to the diverse needs of domestic and international charterers. Our core clientele comprises companies in the oil and gas, timber downstream, oil palm, and other resource-based sectors.

In addition to cargo transport, the Group remains actively involved in land reclamation projects, leveraging its fleet of tugs and barges. We continue to improve our integrated logistics services, which include the delivery of solutions that cover the whole process across all of our operational locations.

b) Liquid Bulk

During the six-month period, the liquid bulk segment remain stable, supported by sustained demand across the East Asia region despite normal seasonal fluctuations.

The Group continues to operate under a five-year Contract of Affreightment with Petronas Chemical Marketing (Labuan) Ltd, which is valid through to 2028. This Contract involves the transportation of methanol products from Labuan, utilizing vessels with parcel sizes below 1,500 metric tons. The ongoing partnership with a prominent industry player reflects the Group's strong track record and commitment to providing dependable and efficient liquid bulk transportation services.

c) Containers and coastal

During the six-month period, the Group maintained steady operations in its container and coastal shipping segment, continuing to provide reliable and efficient services across key regional routes. Our fleet of seventeen (17) container vessels remains a variable asset supporting consistent connectivity between Sarawak, Sabah, Peninsular Malaysia, Singapore, Thailand and Vietnam.

We maintained regular sailings with our fleet of container vessels, including two vessels with capacities of 1,100 to 1,200 TEU servicing international routes, alongside domestic services connecting strategic ports. This operational stability has enabled the Group to meet customer demands effectively, while optimizing vessel utilization amid ongoing market fluctuations.

Looking ahead, the Group remains active in exploring further strategic alliances and operational enhancements to increase service frequency and scale. These initiatives aim to strengthen our competitive positioning and create sustained value for shareholders in the container and coastal shipping sectors.

d) International Shipping

The Group's fleet of five (5) double-decker cargo vessels continued to operate regularly on key routes to the Far East, successfully transporting a total volume of 0.28 million cubic meters of cargo during the six-months' period.

On their return voyages, these vessels predominantly secure time charters, transporting general cargo from the Far East to the Philippines and other ASEAN markets before returning to our home region. This flexible utilization strategy has been instrumental in optimizing vessel deployment and revenue generation.

The Group remains focused on securing long-term time charters and leveraging market opportunities to sustain steady performance in the international shipping segment. Our prudent approach ensures operational efficiency and supports the Group's commitment to delivering consistent value to shareholders.

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Cont'd)

4. Review of Operation: (Cont'd)

(ii) Shipbuilding Operation

The shipbuilding segment demonstrated steady recovery for the FPE 2025, supported by increased capital expenditure from key players in the oil and gas sector.

Our current order book stands at RM472.0 million, anchored by nine (9) new build contract(s) and letter(s) of intent secured to date. This healthy pipeline highlights the Group's strong market position and ability to capitalize on the growing demand within the shipbuilding industry. We remain confident in sustaining this positive momentum as we continue to deliver value to our stakeholders.

(iii) Ship Repair and fabrication

The ship repair division successfully completed repair works on 278 vessels during the FPE 2025, covering both minor and major repairs. Our two floating docks, measuring 160 meters and 80 meters respectively, continue to enable efficient and timely repair and maintenance services. This strong pipeline reflects the Group's robust capacity and sustained demand within the ship repair and fabrication sector, reinforcing our position as a trusted service provider in the industry.

5. Outlook and Prospects:

The Group ends the 2025 financial period with a firm operational foundation and a strategic focus on growth and diversification. While macroeconomic headwinds such as global fuel price volatility, currency fluctuations, and evolving trade dynamics continue to shape the operating environment, the Group maintained its position well while tackling these challenges and capitalized on emerging opportunities across its core and diversified businesses.

Maritime Operations and Logistics

The Group's shipping operations spanning dry bulk, liquid bulk, container, coastal, and international shipping remain integral to our performance. Despite prevailing pressure on freight rates and heightened competition, our domestic, coastal, and container segments continue to exhibit stable performance, supported by consistent cargo volumes and long-standing customer relationships. Our focus remains on optimizing fleet deployment, improving operational efficiencies, and enhancing route productivity through strategic partnerships and market-driven decision-making.

In response to the increasing demand for integrated logistics services, the Group constantly explores opportunities to expand its logistics infrastructure, including investments in container depots, haulage services, and warehousing facilities. These initiatives are expected to enhance the Group's service offerings and capabilities, create operational synergies with our shipping business, and further strengthen our value chain.

Shipbuilding and Ship Repair

The shipbuilding division has continued to gain momentum, supported by increased capital expenditure from the oil and gas sector and rising demand for offshore support vessels (OSVs). With a healthy order book and several new build contracts and letters of intent secured, the Group remains committed to constructing specialized vessels that cater to niche market demands.

Our ship repair operations remain active and resilient, underpinned by a steady pipeline of projects reflecting ongoing demand for both routine maintenance and major refurbishments particularly for ageing OSVs. The Group will continue to leverage its dockyard capacity and technical expertise to meet evolving client needs while managing cost structures and operational efficiency.

Conclusion

The Management remains confident in the Group's strategic direction, operational resilience, and ability to create sustainable long-term value. The Group will continue to build on its core strengths, diversify prudently, and execute its long-term plans to drive growth across all business segments in the years ahead.

SUSTAINABILITY REPORT

The Board of Directors (“BOD”) of Shin Yang Group Berhad (“Group/ Company”) is pleased to present the Sustainability Report for the period ended 31 December 2025.

The Group is committed to embedding sustainability into the core of its business strategy and operations. Our Sustainability Report outlines the Group’s initiatives, performance, and progress in addressing key Economic, Environmental, Social, and Governance (EESG) matters that are material to our stakeholders and business continuity.

As part of our Annual Report for the period between 1 July 2025 to 31 December 2025, this Sustainability Report provides a comprehensive overview of the Group’s ongoing efforts and future aspirations in building a sustainable and inclusive future.



Scope of the Report

SCOPE OF REPORT	
REPORTING PERIOD	1 July 2025 to 31 December 2025, unless otherwise specified
DATE OF RECENT REPORT	This is the 8th Sustainability Report
REPORTING CYCLE	Annually, save and except for this six-month financial period following the change in the Company’s financial year end from 30 June to 31 December
REPORTING SCOPE AND BOUNDARIES	<p>This Sustainability Report covers the business operations of the Group within Malaysia, with continued emphasis on the shipping segment, which remains as the Group’s primary revenue contributor for the financial period ended 31 December 2025.</p> <p>The scope of this Report extends beyond traditional financial reporting to include disclosures on non-financial performance, as well as material risks, opportunities, and outcomes relevant to our key stakeholders. It aims to provide a balanced and transparent account of the Group’s sustainability journey and its alignment with long-term value creation.</p>
REPORTING FRAMEWORK	<p>Principle Guidelines of Bursa Malaysia Securities Berhad (“Bursa Malaysia”)</p> <ul style="list-style-type: none"> • Main Market Listing Requirements in relation to enhanced sustainability reporting framework; • Sustainability Reporting Guide (3rd Edition) 2022 <p>Additional Guidelines/Reference</p> <ul style="list-style-type: none"> • Malaysian Code of Corporate Governance (“MCCG”) 2021 • United Nations Sustainable Development Goals (“UNSDGs”).
DISTRIBUTION OF AND FEEDBACK ON THE REPORT	<p>This Report is available to all stakeholders in hard copy upon request. For further information and comments, please contact:-</p> <p>Shin Yang Group Berhad Contact Person: Secretarial Office Telephone: +6 085 428 399</p>

SUSTAINABILITY REPORT

(Cont'd)

Data Validation

The information presented in this Sustainability Report has been internally sourced and validated by the respective business units and data owners. The Group remains committed to continuously enhancing the accuracy, consistency, and completeness of its data collection and analysis, ensuring a transparent and comprehensive representation of its sustainability performance through strengthened internal controls and structured reporting practices.

The BOD, with the active engagement of our stakeholders, remains committed to embedding sustainability principles into the Group's culture, operations, and decision-making processes to drive long-term value creation.

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SUSTAINABILITY REPORT

(Cont'd)

CHIEF EXECUTIVE OFFICER'S STATEMENT TO STAKEHOLDERS

It is a privilege to share this Sustainability Report ("Report") for the financial period ended 31 December 2025. This Report represents our ongoing commitment to transparency, responsibility, and the integration of Economic, Environmental, Social, and Governance (EESG) considerations across all facets of our operations.

This period represents a significant chapter of evolution for the Group as we transition to a new financial year-end and undergo a leadership change. On behalf of the Group, I would like to record our sincere appreciation to Captain Ting Hien Liong, who retired on 31 December 2025 after many years of dedicated service since joining the Group in 1997. His leadership, commitment and contributions over the years have played a significant role in shaping the Group's growth and laying a strong foundation for the future.

Building on this solid foundation, the Group has utilized this transitional period to sharpen its focus on transparency and responsibility. During the period, we have made notable strides in advancing our sustainability agenda, driven by a clear vision to build long-term resilience while delivering value to our stakeholders. In 2025, we enhanced our sustainability governance framework to align with the latest Bursa Malaysia Sustainability Reporting Guide, ensuring our disclosures are robust, relevant, and reflective of material EESG matters.

Progressing with Purpose

Throughout the period, we continued to improve how sustainability is embedded across our operations. Our efforts included enhancing operational efficiency and adopting more sustainable practices and technologies to support long-term performance. Among the key developments achieved were measurable improvements in greenhouse gas (GHG) emissions intensity, alongside better waste segregation and recycling practices across our facilities. We also commenced initiatives to improve water use efficiency and strengthen supply resilience.

Environmental responsibility remains especially important to the Group given the nature of our shipping, shipbuilding and automotive businesses. In our shipping and shipbuilding operations, biodiversity preservation continues to be a key area of attention, and we maintain strict compliance with MARPOL Convention and other applicable environmental regulations. We remain mindful of our impact on sensitive coastal and marine environments, and we are committed to reducing our environmental footprint across the value chain wherever possible.

At the same time, we recognise that our people are central to the Group's long-term success. Under our EESG framework, human capital continues to be regarded as a strategic asset in supporting sustainable growth. We remain committed to nurturing a capable, motivated and responsible workforce through continuous learning, equitable employment practices, and a workplace culture grounded in safety, integrity and accountability.

Upholding Integrity and Accountability

Our governance practices continue to evolve in line with growing stakeholder expectations. During the period, we further strengthened our disclosures through the inclusion of additional information relating to EESG risk management and tax transparency in our Annual Report. These enhancements reflect our ongoing commitment to sound governance, ethical conduct and accountability. We also continue to engage with our stakeholders to better understand their expectations and concerns, and to ensure that our strategies remain relevant, responsive and inclusive.

Looking Ahead

As we look ahead, we remain mindful that the operating environment is likely to stay dynamic, shaped by global economic uncertainty in the middle east region, evolving market conditions and continued volatility in energy prices. For a group with exposure to shipping, shipbuilding and automotive segments, fluctuations in oil prices have a direct bearing on operating costs, logistics, demand patterns and overall market sentiment. These developments reinforce the importance of resilience, agility and disciplined decision-making across our businesses.

In responding to these challenges, we remain focused on improving efficiency, strengthening cost awareness and enhancing operational adaptability. Our priorities include improving operational efficiency, supporting de-carbonisation, strengthening supply chain sustainability, and embracing innovation to enhance resilience and long-term value creation. Through these efforts, we aim to position the Group to respond effectively to future uncertainties while continuing to deliver sustainable value to our stakeholders.

On behalf of the Group, I would like to thank our shareholders, customers, business partners, employees, statutory and authorities and other stakeholders for their continued trust and support. Together, we will continue working towards a more sustainable, responsible and resilient future.

Richard Ling Peng Liing
Chief Executive Officer
SHIN YANG GROUP BERHAD

SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE



1.1 SUSTAINABILITY GOVERNANCE STRUCTURE

The BOD remains the ultimate governing body responsible for sustainability oversight, with overall responsibility for setting the strategic direction and overseeing the management of the economic, environmental and social matters that are material to the Group's long-term success. In this role, the Board approves the Group's sustainability priorities and ensures that appropriate governance structures, policies and processes are in place to support the effective implementation of sustainability initiatives across the organisation.

Under the leadership of the Group Executive Chairman, the Key Senior Management Team is responsible for translating the Group's sustainability priorities into actionable strategies and implementation plans. The Team reviews emerging sustainability-related issues, monitors progress against relevant performance indicators, and supports transparent and reliable sustainability reporting that is responsive to stakeholder expectations.

At the operational level, the Heads of Departments are responsible for integrating sustainability considerations into day-to-day business activities and decision-making. They play an important role in driving awareness across the workforce, encouraging a culture of accountability and continuous improvement, and ensuring that the Group's sustainability commitments are carried through consistently across functions and business units.

BOARD OF DIRECTORS	KEY SENIOR MANAGEMENT	HEAD OF DEPARTMENT
<ul style="list-style-type: none"> • Sets sustainability direction and policies • Review the Group's sustainability performance • Promotes sustainability with regards to economic, environment and social 	<ul style="list-style-type: none"> • Formulates sustainability strategies, goals and implementation procedures and practices • Deliberates sustainability issues • Manages the Group's sustainability performance and sustainability reporting 	<ul style="list-style-type: none"> • Maintains sustainability performance across the Group • Stakeholders engagement • Raises awareness among employees • Assists Management to ensure that sustainability standards are consistent across the Group

1.2 MATERIAL MATRIX

Materiality assessment is a cornerstone of our sustainability strategy, enabling the Group to systematically identify, prioritize, and review the sustainability matters most relevant to our business operations and stakeholders.

For the financial period, the Group continued to apply the materiality matrix established in the 2025 assessment, reflecting the continued relevance of the thirteen (13) material matters identified. These material matters remain aligned with the Group's EESG strategic priorities and stakeholder expectations, and continue to guide our sustainability disclosures and focus areas.

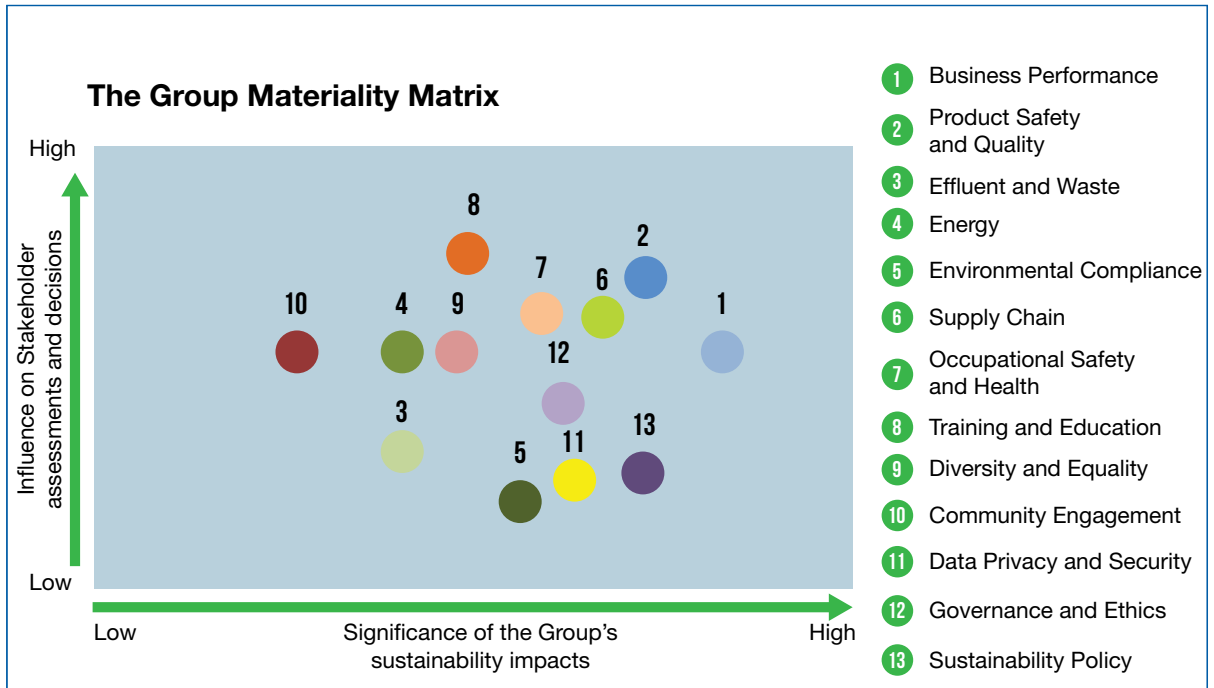
SUSTAINABILITY REPORT

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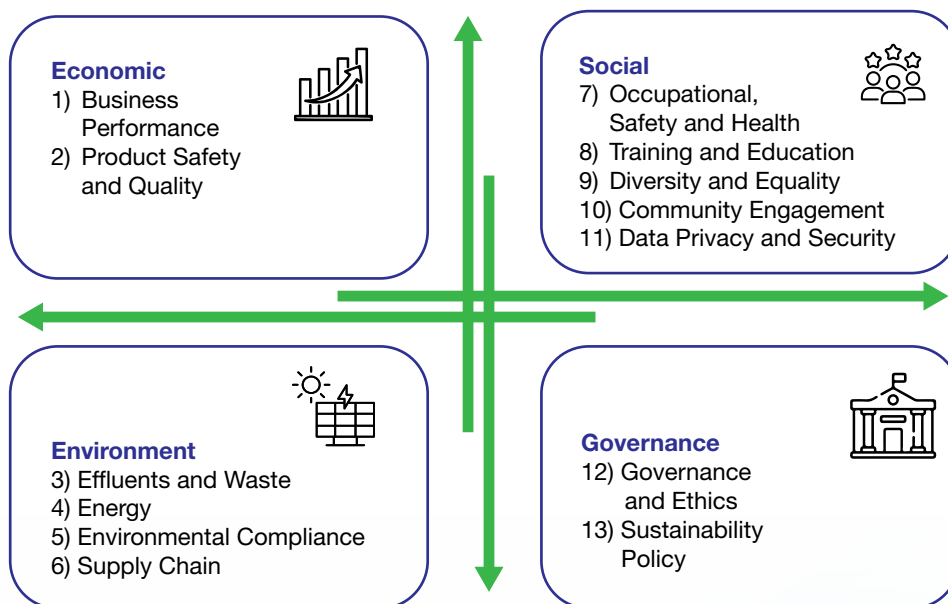
1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.2 MATERIAL MATRIX (CONT'D)

The key sustainability matters are illustrated in the Material Matrix below:-



All relevant material matters are categorised into EESG, as follows:-



SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.3 SUSTAINABILITY POLICIES

The Group's Sustainability Policies provide a clear framework for fostering a common understanding of the sustainability agenda between the Group and its supply chain partners. To support this, the Group has established several policies that articulate its approach to sustainable development and provide guidance on the management of its sustainability commitments. Collectively, these policies facilitate collaboration in pursuit of shared sustainability goals.

Below are the various policies established to achieve sustainability goals:-

- [a] Environmental Policy (Established in 2016, revised in 2023)**
 - Aims to prevent and control pollution by using energy, water and other resources efficiently.
 - Using environmental technologies to achieve a "Clean and Green Production Environment".
 - Enhancing environmental education and training to all employees to improve environmental consciousness and social responsibility to create and maintain a pleasant work environment.
- [b] Safety and Health Policy (Established in 2012, revised in 2016)**
 - To maintain prominent safety culture to create an intact business reputation; to reduce medical cost, training and turnover costs; providing a conducive working environment, and to instil confidence in customers and vendors and the self-esteem of employees and contractors.
- [c] Smoking Policy (Established in 2012, revised in 2023)**
 - Aims to reduce numerous fire accidents or smoking related incidents at the workplace.
- [d] Waste Management Policy (Established in 2016, revised in 2023)**
 - To comply with the Environmental Quality (Scheduled Wastes) Regulations 2005 of Environmental Quality Act 1974, to minimize waste production throughout the Group.
- [e] Drug & Alcohol Policy (Established in 2018, revised in 2023)**
 - Aims to reduce risk of accidents and injuries incurred under influence of drugs or alcohol.
 - To ensure that the safety of all employees, workers and visitors by having clear rules in place regarding the use and possession of drugs and alcohol, and to support those who have reported a problem with drug or alcohol dependence.
- [f] Cyber Security Policy (Established in 2024)**
 - Safeguarding the confidentiality, integrity and availability of the Group's information, assets and resources.
 - To mitigate risk and ensure compliance with relevant regulations and promote a secure operational environment.
- [g] Environmental and Sustainability Policy (Established in 2024)**
 - Commitment of the Group to minimizing environmental impact, conserving resources and supporting the well-being of surrounding communities.
 - Framework for compliance with environmental regulations, responsible resource management, waste reduction, climate action, biodiversity conservation and community engagement.

These policies aim to achieve the following objectives:

Economic Sustainability: Encourage economic resilience and sustainable growth within the organization.

Environmental Sustainability: Cultivate a corporate culture that prioritizes reducing the Group's environmental footprint, including initiatives to safeguard local biodiversity.

Social Sustainability: Integrate sustainability principles into the Group's core values, employee practices, training and development programs, and community engagement efforts. We are also committed to raising sustainability awareness at all levels of the organization and continuously assessing EESG practices for ongoing improvement.

Governance Sustainability: Define the EESG-related responsibilities for the Board and employees, ensuring accountability and transparency in decision-making.

These objectives reflect the Group's commitment to embedding sustainability into its core operations and creating long-term value for all of its stakeholders.

SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.4 TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (“TCFD”) FOR THE GROUP

In 2025, the Group established a Task Force on Climate-related Financial Disclosures (TCFD) to strengthen our climate governance and alignment with globally recognised disclosure standards. This initiative demonstrates our commitment to integrating climate-related risks and opportunities into our strategic and operational decision-making across our business divisions. The TCFD Task Force is tasked with assessing and reporting on climate-related issues under four pillars: Governance, Strategy, Risk Management, and Metrics & Targets.

1.41 Governance

Climate Roles and Responsibilities	
BOD	Provides strategic oversight on climate-related risks and opportunities; approves sustainability targets and disclosures
Management	Key Senior Management - Monitors progress of climate initiatives; ensures integration into strategy and reporting
	Head of Department - Implements climate risk mitigation and adaptation strategies; reports operational data and performance

1.42 Strategy

The Group recognises that climate change poses both risks and opportunities to its long-term business sustainability. The table below outlines key risks, opportunities, and corresponding mitigating strategies identified under two broad categories: Transition Risks and Physical Risks.

A. Transition Risks

Type of Risk	Description	Potential Impact	Opportunities	Challenges	Risk Mitigation Measures
Policy & Regulatory	Introduction of stricter emissions regulations, carbon pricing, or EESG mandates	Increased compliance costs, carbon tax liabilities, potential disruption to operations	Early compliance may enhance market access and investor confidence	Cost of compliance; evolving regulatory landscape	Establish internal GHG accounting; implement emissions monitoring system; invest in low-emission technology
Technology	Shift towards energy-efficient or zero-emission vessels, renewable energy in manufacturing	Capital investment in new technologies may be required	Adoption may reduce long-term operational costs and improve brand reputation	Technological readiness, upfront investment, staff retraining	Phased upgrade to energy-efficient vessels and machinery; staff capacity-building programmes

SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.4 TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (“TCFD”) FOR THE GROUP (CONT'D)

1.42 Strategy (Cont'd)

A. Transition Risks (Cont'd)

Type of Risk	Description	Potential Impact	Opportunities	Challenges	Risk Mitigation Measures
Market	Changing customer preferences toward low-carbon or EESG-compliant products	Loss of market share to more sustainable competitors	First-mover advantage in sustainable services	Customer price sensitivity; uncertain ROI on green innovation	Develop green logistics and shipbuilding services; market sustainability credentials
Reputation	Increasing stakeholder and investor scrutiny on EESG performance	Reputational damage; reduced access to capital or business partnerships	Opportunity to strengthen brand value and attract EESG-conscious clients	Public perception management; EESG data transparency	Enhance EESG disclosures; regular stakeholder engagement; align reporting with TCFD, GRI, and Bursa guidelines

B. Physical Risks

Type of Risk	Description	Potential Impact	Opportunities	Challenges	Risk Mitigation Measures
Acute Physical	Increased frequency of extreme weather events (e.g. storms, floods) affecting shipping and logistics	Operational disruption, asset damage, higher insurance costs	Innovation in resilient infrastructure; use of predictive weather tech	Infrastructure vulnerability; emergency response capacity	Strengthen infrastructure resilience; conduct business continuity planning; climate-proof logistics network
Chronic Physical	Long-term shifts in climate patterns, including rising sea levels and increased ambient temperatures	Long-term damage or inefficiencies in port infrastructure and operations; disruption to shipping schedules due to heat stress or sea-level rise	Opportunity to design and implement climate-resilient infrastructure	Uncertainty in long-term climate projections; cost of adaptive measures	Conduct regular climate risk assessments; integrate climate factors in new project design and site selection; collaborate with authorities on coastal protection initiatives

SUSTAINABILITY REPORT

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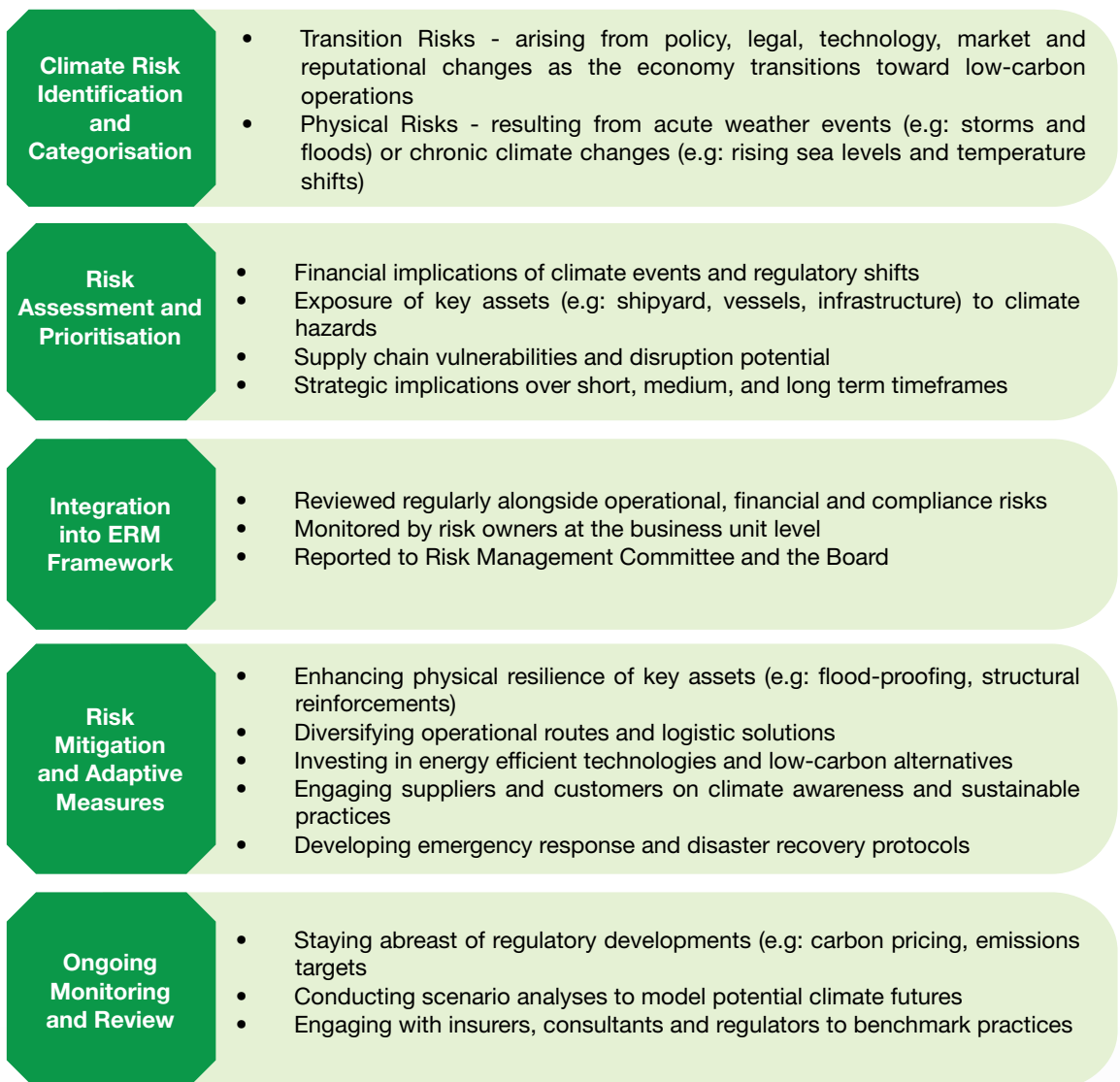
1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.4 TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES ("TCFD") FOR THE GROUP (CONT'D)

1.4.3 Risk Management

The Group adopts a structured and proactive approach to identifying, assessing, and managing climate-related risks across its operations. Climate risks both physical and transition-related are integrated into the Group's Enterprise Risk Management (ERM) framework to ensure consistency in risk oversight and to support informed strategic decision-making.

The establishment of the TCFD Task Force in 2025 further enhances the Group's climate risk governance by embedding climate-specific expertise and analysis into our risk management processes. The following key elements guide our approach:



SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.4 TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (“TCFD”) FOR THE GROUP (CONT'D)

1.4.4 Metrics and Targets

In line with the Task Force on Climate-related Financial Disclosures (TCFD) guidelines, the Group is currently establishing a baseline to support the development of relevant climate-related metrics and targets. This initiative aims to enable the setting of meaningful, data-driven goals and ensure that future disclosures are robust, consistent, and actionable. As part of this process, the Group has commenced the disclosure of Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions in accordance with the GHG Protocol methodology, as outlined on page 51. The Group further aligns its disclosure practices with the GHG Protocol utilising Bursa Malaysia’s Centralised Sustainability Intelligence (CSI) Platform.

1.5 SUSTAINABILITY COMMITMENTS AND SUSTAINABILITY DEVELOPMENT GOALS



The Sustainable Development Goals (SDGs) were established by the United Nations General Assembly in 2015 as a universal call to action to end poverty, protect the planet, and ensure prosperity for all by 2030. Comprising 17 interconnected goals, the SDGs provide a comprehensive framework for shaping a more sustainable and equitable future.






SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.5 SUSTAINABILITY COMMITMENTS AND SUSTAINABILITY DEVELOPMENT GOALS (CONT'D)

In support of this global agenda, the Group has aligned its sustainability strategy with selected SDGs that are most relevant to our core operations and stakeholder priorities. These goals guide our efforts in integrating sustainable practices across the Group, as per below:-







Pillar	Material Matter	Why is it material	Our Response	Target	Progress for the FPE 2025	SDGs contribution
Economic	Business Performance	Achieve sustainable business growth to maintain long term shareholder value	<ul style="list-style-type: none"> Strengthening cost management, diversification of revenue streams Expanding our market presence through acquisitions, joint-ventures and organic growth 	<ul style="list-style-type: none"> Achieve sustainable year to year revenue and profit growth 	<ul style="list-style-type: none"> Maintained steady financial results Acquisition of leasehold lands to facilitate warehouse expansion and strengthen logistics department 	 
		Essential for customer confidence, regulatory compliance and operational reputation	<ul style="list-style-type: none"> Quality assurance procedures, regular audits and ISO certifications 	<ul style="list-style-type: none"> Maintain zero major product recalls and sustain certifications. 	<ul style="list-style-type: none"> No major quality incidents. Compliance with globally recognised standards, namely the ISO 9001:2015 Quality Management System Compliance with the mandatory ISM code, MARPOL Convention, ISPS Code and other relevant regulations. 	
Environmental	Effluent and Waste	To ensure sustainable consumption by promoting circular economy	<ul style="list-style-type: none"> Invested in scheduled waste disposal systems and improved wastewater treatment. Encourage the practice of 3Rs (Reduce, Recycle or Reuse) 	<ul style="list-style-type: none"> 100% compliance with Department of Environment's ("DOE") requirements 	<ul style="list-style-type: none"> Complied with all effluent standards. 	 

SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.5 SUSTAINABILITY COMMITMENTS AND SUSTAINABILITY DEVELOPMENT GOALS (CONT'D)









Pillar	Material Matter	Why is it material	Our Response	Target	Progress for the FPE 2025	SDGs contribution
Environmental	Energy Environmental Compliance	<p>To mitigate the depletion of natural resource and reduce greenhouse gases emissions</p> <p>To avoid legal non-compliance risks penalties and reputational damage</p>	<ul style="list-style-type: none"> Efficient utilisation and upkeep of motor vehicles and vessels To reduce energy consumption and emission Complying with environmental protection regulations 	<ul style="list-style-type: none"> Zero environmental non-compliance incidents 	<ul style="list-style-type: none"> Acquisition of new vehicles to replace the existing disposed fleets. Usage of low sulphur fuel oil to reduce emissions All of the Group's ships engaged in international trade carry a ballast water record book and an International Ballast Water Management Certificate. 	  
	Supply Chain	<p>To enhance environmental sustainability, reduce ecological footprint, and contribute to broader efforts against climate change.</p>	<ul style="list-style-type: none"> Optimizing processes, improving collaboration, and leveraging technology. Supporting local businesses to stimulate economic growth within the communities we operate in 	<ul style="list-style-type: none"> At least 80% purchases to be sourced from local/regional suppliers in 2025 	<ul style="list-style-type: none"> 96.4% purchases from local suppliers FPE 2025 Leveraging vehicle tracking systems, which enhance supply chain efficiency and track environmental performance in real-time. 	  

SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.5 SUSTAINABILITY COMMITMENTS AND SUSTAINABILITY DEVELOPMENT GOALS (CONT'D)





Pillar	Material Matter	Why is it material	Our Response	Target	Progress for the FPE 2025	SDGs contribution
Social	Occupational, Safety and Health	To create a conducive workplace and nourishing community	<ul style="list-style-type: none"> Work without exposure to the risk of accidents or occupational disease 	<ul style="list-style-type: none"> Maintain zero fatalities 	<ul style="list-style-type: none"> Achieve zero fatality FPE 2025. Employees undergo job-related Safety and Health training throughout the period. 	 
	Training and Education	Future-proof talent and building a sustainable and robust leadership at all level of decision making	<ul style="list-style-type: none"> To provide employment with development and talent retention 	<ul style="list-style-type: none"> Design appropriate job-related training for individual employees of all levels. 	<ul style="list-style-type: none"> Spent a total of RM158,332.69 on training for career development of our employees this FPE 2025. Details of training programmes conducted FPE 2025, refer to page 60. 	 
	Diversity and Equality	Promotes inclusivity, talent attraction and fair employment	<ul style="list-style-type: none"> Equal opportunity hiring and zero discrimination policy 	<ul style="list-style-type: none"> Provide equal employment and career growth opportunities for all irrespective of gender, age, race and religion 	<ul style="list-style-type: none"> No discrimination complaints reported. 	 
Community Engagement	Crucial to support the local community for long term mutual sustainable growth	<ul style="list-style-type: none"> Corporate Social Responsibility ("CSR") activities focused on education, disaster relief and local development 	<ul style="list-style-type: none"> Minimum 5 CSR activities benefiting local communities annually 	<ul style="list-style-type: none"> 3 initiatives completed for FPE 2025, including academy sponsorship, food aid to special populations, blood donation. 	 	

SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.5 SUSTAINABILITY COMMITMENTS AND SUSTAINABILITY DEVELOPMENT GOALS (CONT'D)

Pillar	Material Matter	Why is it material	Our Response	Target	Progress for the FPE 2025	SDGs contribution
Social	Data Privacy and Security	Protect individuals' personal information from unauthorized access and misuse.	<ul style="list-style-type: none"> Improve data security measures 	<ul style="list-style-type: none"> Achieve zero data breaches 	<ul style="list-style-type: none"> Obtained zero complaints concerning breaches of customer privacy and losses of customer data. 	 
Governance	Sustainability Policy Governance and Ethic	Uphold high standard of ethics and conduct business with integrity is fundamental for business success	<ul style="list-style-type: none"> To maintain good corporate governance to establish investor confident and sharpening shareholder value. 	<ul style="list-style-type: none"> Zero confirmed corruption or ethical breaches 	<ul style="list-style-type: none"> No confirmed breaches, whistleblowing channel remains active and accessible 	 

SUSTAINABILITY REPORT

(Cont'd)






1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.6 SUSTAINABILITY CERTIFICATES

The Group is fully committed to ensuring that all vessels and operations under its management adhere to international maritime laws, environmental protocols, and safety standards. In alignment with global sustainability practices and our commitment to responsible maritime operations, the Group complies with a wide range of international conventions, national laws, and management system standards.

The certifications obtained demonstrate our proactive approach to safety, environmental protection, crew welfare, and operational excellence. These credentials also support our alignment with key Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work and Economic Growth), SDG 13 (Climate Action), and SDG 14 (Life Below Water).

Below is a summary of our compliance status and relevant certifications that underscore our continuous efforts to keep all vessels seaworthy while upholding responsible and sustainable maritime practices.










LAW /ACT	DESCRIPTION OF THE ACT	COMPLIANCE STATUS	CERTIFICATES
International Convention on Tonnage Measurement of Ships, 1969	Standardizes tonnage measurement to ensure equitable port and fee structures based on ship capacity.	Complied 	<ul style="list-style-type: none"> International Tonnage Certificate (1969)
International Convention for the Safety of Life at Sea, 1974 (SOLAS), <i>(Latest amendment 2024)</i> 	Establishes minimum safety standards for ship construction, equipment, and operation.	Complied 	<ul style="list-style-type: none"> Cargo Ship Safety Equipment Certificate Cargo Ship Safety Construction Certificate Cargo Ship Safety Radio Certificate Document of Compliance Special Requirements for Ship Carrying Dangerous Goods Safe Manning Document Safety Management Certificate
International Convention on Load Lines, 1966	Regulates ship loading to enhance vessel safety and prevent overloading.	Complied 	<ul style="list-style-type: none"> International Load Line Certificate
International Convention for the Prevention of Pollution from Ships, 1973 /1978 (MARPOL), <i>(Latest amendment 2024)</i>	Prevents pollution from ships due to operations or accidents.	Complied 	<ul style="list-style-type: none"> International Oil Pollution Prevention Certificate International Air Pollution Prevention Certificate International Sewage Pollution Prevention Certificate International Energy Efficiency Certificate Statement of Compliance – Fuel oil Consumption Reporting and Operational Carbon Intensity Rating SEEMP Part III Compliance Confirmation Preliminary Verification – Energy Efficiency Existing Ship Index (EEXI) Energy Efficiency Design Index (EEDI) (5 new build container vessels)

SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.6 SUSTAINABILITY CERTIFICATES (CONT'D)

LAW / ACT	DESCRIPTION OF THE ACT	COMPLIANCE STATUS	CERTIFICATES
International Code for the Security of Ships and of Port Facilities (ISPS) Code	Enhances maritime and port facility security against threats.	Complied 	<ul style="list-style-type: none"> International Ship Security Certificate
Maritime Labour Convention, 2006, (Latest amendment 2022 entry into force in 2024)	Promotes seafarers' rights and decent working conditions.	Complied 	<ul style="list-style-type: none"> Maritime Labour Certificate Declaration of Maritime Labour Compliance (DMLC) Part I Declaration of Maritime Labour Compliance (DMLC) Part II
International Convention on the Control of Harmful Anti-Fouling Systems on Ships	Prohibits toxic paints and ensures environmentally safe anti-fouling practices.	Complied 	<ul style="list-style-type: none"> International Anti-Fouling System Certificate
International Convention for the Control and Management of Ships Ballast Water and Sediments, (Latest amendment 2024)	Prevents the spread of harmful marine species through ballast water discharge.	Complied 	<ul style="list-style-type: none"> International Ballast Water Management Certificate Approved Ballast Water Management Plan Ballast Water Record Book
International Convention on Standards of Training Certification and Watchkeeping for Seafarers 1978 (STCW), (Latest Amendments 2026)	Sets qualification standards for seafarers including masters and officers.	Complied 	<ul style="list-style-type: none"> STCW Certificates for all crews Basic Training-Personnel Safety and Social Responsibilities - Updates (BT-PSSR-U)
Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009	Ensures ship recycling does not pose risks to human health or the environment.	Complied 	<ul style="list-style-type: none"> Class Verified Inventory of Hazardous Material (IHM)
Merchant Shipping Ordinance 1952 (Malaysia)	Regulates the registration, safety, and legal compliance of Malaysian-registered merchant ships.	Complied 	<ul style="list-style-type: none"> Malaysian Ship Registration
Sarawak Rivers Ordinance 1993	Governs safe and regulated use of inland waterways in Sarawak.	Complied 	<ul style="list-style-type: none"> River Transport Permit
ISO 9001:2015 Quality Management System	Ensures consistent quality in operational processes and customer satisfaction.	Complied 	<ul style="list-style-type: none"> ISO 9001:2015 Certificate

SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.6 SUSTAINABILITY CERTIFICATES (CONT'D)

All certifications are reviewed regularly and renewed in accordance with international audit schedules. We maintain close coordination with classification societies, flag states, and port authorities to ensure full compliance and zero non-conformities. During the period, no major non-compliance incidents were reported across our shipping fleet or inland waterway operations.

This structured compliance underpins the Group's strategic goals in environmental stewardship, operational safety, and social responsibility, forming the foundation for sustainable value creation.

1.7 STAKEHOLDERS ENGAGEMENT

At Shin Yang Group Berhad, we view stakeholder engagement as a key component of our sustainability strategy. Through meaningful and ongoing engagement, the Group is better able to understand and respond to the expectations, concerns and evolving priorities of stakeholders who are directly or indirectly affected by its operations.

Our stakeholder engagement approach incorporates both formal and informal mechanisms to strengthen trust, promote transparency, and collaborate on creating shared value. Engagement activities are tailored to each stakeholder group, taking into account the relevance of material matters, as well as the appropriate frequency and mode of communication.

The table below outlines the Group's key stakeholder groups, methods of engagement, focus areas, material topics, and outcomes achieved:-

Stakeholder Group	Modes of engagement	Frequency	Key areas of interest	Material matters	Outcomes
Employees	<ul style="list-style-type: none"> Scheduled meetings/discussions Emails and internal communication Town hall sessions Training (internal & external) Performance reviews Company events and functions 	<ul style="list-style-type: none"> Ongoing Annually Ad hoc 	<ul style="list-style-type: none"> Health, safety & well-being Career development Talent attraction and retention Diversity and inclusion Corporate direction 	<ul style="list-style-type: none"> Occupational Safety & Health Talent Development Economic Sustainability 	<ul style="list-style-type: none"> Strengthened alignment with corporate values Improved competency and job satisfaction Enhanced awareness of sustainability initiatives
Customers	<ul style="list-style-type: none"> Meetings and reviews Agency discussions Customer feedback (website/email) Press announcements Factory/site visits 	<ul style="list-style-type: none"> Ongoing Annually Ad hoc 	<ul style="list-style-type: none"> Product/service quality and pricing Business continuity Timely delivery 	<ul style="list-style-type: none"> Customer Satisfaction Product Quality & Safety 	<ul style="list-style-type: none"> Better customer alignment and responsiveness Improved understanding of client expectations Strengthened service quality and customer trust

SUSTAINABILITY REPORT

(Cont'd)

1.0 SUSTAINABILITY GOVERNANCE (CONT'D)

1.7 STAKEHOLDERS ENGAGEMENT (CONT'D)

Stakeholder Group	Modes of engagement	Frequency	Key areas of interest	Material matters	Outcomes
Suppliers/ Business Partners	<ul style="list-style-type: none"> Business reviews Vendor registration and evaluation Regular meetings Contract bidding and tenders Supplier dialogue sessions Site visits 	<ul style="list-style-type: none"> Ongoing Annually Ad hoc 	<ul style="list-style-type: none"> Fair procurement practices Anti-corruption measures Supply chain efficiency 	<ul style="list-style-type: none"> Responsible Supply Chain Ethics & Governance 	<ul style="list-style-type: none"> Strengthened transparency in procurement Stable and efficient supply chain flow Better compliance with procurement expectations
Government and Regulators	<ul style="list-style-type: none"> Official meetings and visits Participation in seminars/events Regulatory reporting Industry association meetings 	<ul style="list-style-type: none"> Monthly Quarterly Ad hoc 	<ul style="list-style-type: none"> Legal and regulatory compliance Sustainability alignment Policy advocacy 	<ul style="list-style-type: none"> Environmental Management Corporate Governance Economic Sustainability 	<ul style="list-style-type: none"> Continuous compliance with evolving regulations Stronger public-private collaboration
Shareholders / Investors & Banks	<ul style="list-style-type: none"> AGM and financial reporting Site visits and briefings Investor relations activities Company website updates 	<ul style="list-style-type: none"> Quarterly Annually Ad hoc 	<ul style="list-style-type: none"> Business performance Growth strategies Investment outlook 	<ul style="list-style-type: none"> Economic Sustainability Transparency & Accountability 	<ul style="list-style-type: none"> Improved understanding of sustainability progress Informed investment decisions Strengthened stakeholder confidence and trust Improved transparency and accountability
Communities	<ul style="list-style-type: none"> Internships and study tour programs CSR initiatives Corporate events and sponsorships 	<ul style="list-style-type: none"> Ad hoc 	<ul style="list-style-type: none"> Employment and career pathways Local community support Environmental and social impact 	<ul style="list-style-type: none"> Community Engagement Social Responsibility 	<ul style="list-style-type: none"> Enhanced corporate image Increased local awareness and goodwill

In response to the rapidly changing business environment and the evolving expectations of stakeholders, the Group is committed to continuously adapting in its approach. This includes expanding its focus on encompassing a wider range of stakeholders to better meet their diverse needs and expectations.

SUSTAINABILITY REPORT

(Cont'd)

2.0 ECONOMIC



2.1 BUSINESS PERFORMANCE

Economic sustainability reflects the Group's ability to preserve long-term financial resilience while delivering value to stakeholders and contributing inclusive growth. The Group remains committed to sustainable and responsible corporate performance, emphasizing business continuity, strategic diversification, and consistent value creation for our shareholders and stakeholders.

As part of our Economic sustainability agenda, the Group seeks to balance profitability with ethical business conduct, operational efficiency, and market responsiveness, while retaining the flexibility needed to adapt to an evolving economic landscape.

For the financial period ended 31 December 2025 (FPE 2025), the Group maintained a steady and resilience financial performance, supported by stable market demand and effective cost management across our key business segments.

	FPE 31 December 2025 (6 months)	FYE 30 June 2025 (12 months)	FYE 30 June 2024 (12 months)
Revenue (RM'000)	1,137,204	1,887,519	959,819
Profit before tax (RM'000)	121,705	215,114	126,525
Earnings per share (sen)	7.12	14.59	9.77

For further information, please refer to the Management Discussion and Analysis section of this Annual Report.

2.2 PRODUCT SAFETY AND QUALITY

The Group remains committed to delivering maritime products and services that meet high standards of quality, safe, and reliability. Our approach to product safety and quality is guided by a strong culture of continuous improvement, robust quality control systems, and a deep understanding of evolving customer and regulatory requirements.

We continue to invest in advanced equipment, safety features, and technological upgrades within our shipyard facilities to enhance efficiency, precision, and compliance. These investments not only strengthen our operational capabilities but also ensure that our solutions align with international benchmarks for safety and quality.

Our operations are certified under the ISO 9001:2015 Quality Management System, reaffirming our adherence to internationally recognized standards of quality assurance across our design, construction, and delivery processes.



Loading of containers for Proton Cars



Danum 172 - movement of container vessel

SUSTAINABILITY REPORT

(Cont'd)

2.0 ECONOMIC (CONT'D)

2.2 PRODUCT SAFETY AND QUALITY (CONT'D)

We are also pleased to highlight our advancements in product innovation and quality, as the following:

Key developments and initiatives FPE 2025 (On-going)

1. High-Value, Technologically Advanced Vessels

We are currently developing a series of Diesel Electric Anchor Handling Tug and Supply (AHTS) vessels that reflect both environmental responsibility and digital innovation:

- DP2 Diesel Electric AHTS vessels with dual certification under ABS ENVIRO and SMART notations, including:
 - o INF (Information Infrastructure)
 - o SHM (Structural Health Monitoring) Tier 1
 - o MHM (Machinery Health Monitoring) Tier 1

These SMART vessels are equipped with advanced digital technologies that enable continuous data acquisition, condition monitoring, and remote reporting. These features support predictive maintenance, operational optimization, and informed decision-making, reinforcing our commitment to smart shipping and digital transformation in maritime operations.

In FPE 2025, no major complaint or rejection from customers was reported.

3.0 ENVIRONMENTAL



The Group recognizes the significant environmental impact of its industry, including the generation of industrial waste, air and water pollution, and contributions to resource depletion. In response, the Group is committed to proactive environmental stewardship, balancing operational needs with sustainable practices and regulatory compliance.

Key Environmental Commitments:

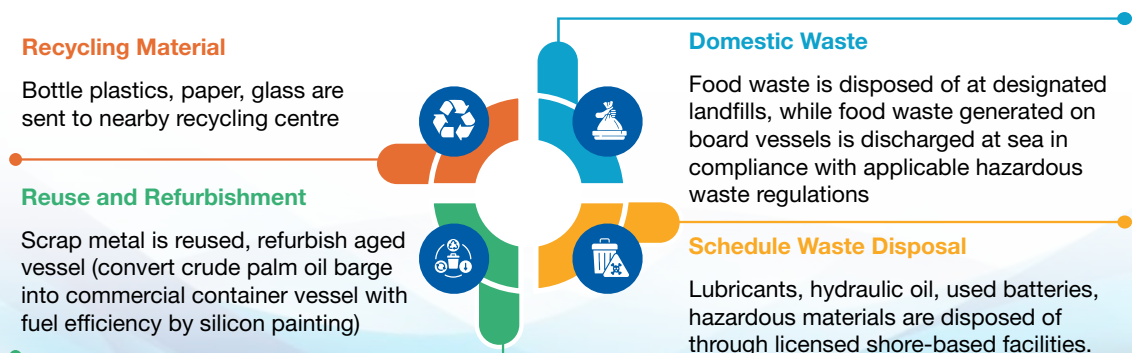
Environmental Responsibility: Operate in a manner that protects ecosystems, complies with environmental laws and international conventions, and supports global decarbonization goals.

Continuous Improvement: Invest in sustainable technologies, systems, and processes to improve environmental performance year on year.

Stakeholder Engagement: Raise environmental awareness among employees, partners, and the broader community through ongoing education and training programs.

3.1 EFFLUENT, WASTE AND WATER MANAGEMENT

We categorise and manage waste effectively based on the following practices:-



SUSTAINABILITY REPORT

(Cont'd)

3.0 ENVIRONMENTAL (CONT'D)

3.1 EFFLUENT, WASTE AND WATER MANAGEMENT (CONT'D)

Waste management and pollution control aboard our vessels are governed by the International Convention for the Prevention of Pollution from Ships 1973/1978 (MARPOL Convention). This framework aims to minimize pollution of the oceans and seas, addressing issues such as dumping, oil spills, and air pollution.

The Group has initiated its participation in the IMO's Data Collection System (DCS), designed to measure and potentially reduce greenhouse gas (GHG) and carbon dioxide emissions within the maritime industry.

3.1.1 Scheduled Waste Management

All scheduled wastes are managed according to the Environmental Quality (Scheduled Wastes) Regulations 2005. Waste is safely stored at designated facilities and collected by licensed third-party contractors. Compaction processes reduce volume prior to shore disposal.

3.1.2 Vessel Waste Management

Waste handling aboard vessels complies with the MARPOL Convention. Waste is segregated, recyclable items are sent ashore, and only biodegradable food waste (in small, unwrapped pieces) is legally discharged at sea. Vessel-generated waste (bilge water, oily water, sludge, sewage) is collected and treated by certified marine waste handlers.

Regular vessel inspections ensure onboard waste systems are functional and compliant with MARPOL Convention.

Shipping Operations Waste Data:

Shipping Operations	Unit	December 2025 (6 months)	June 2025 (12 months)	June 2024 (12 months)	June 2023 (12 months)
Ship oil sludge	tonne	322	1,833	1,905	2,021
Ship garbage					
Ship garbage disposed to reception facility	tonne	432	921	1,035	963
Ship garbage discharged to sea - Category B	tonne	228	470	500	730



Sludge oil transfer to shore facility



Garbage collection by shore facility

In FPE 2025, the Group recorded two minor oil spills incidents. Both incidents were promptly contained and rectified by well-trained personnel in accordance with established response procedures, with immediate follow-up actions taken to reinforce awareness and preventive practices. The Group remains committed to maintaining high standards of environmental compliance and marine protection, and continues to strengthen its operational controls, staff readiness and spill prevention measures across its operations. The Group aims to strengthen preventive controls and operational discipline, with the objective of achieving zero significant spillage incidents in 2026 and beyond.

SUSTAINABILITY REPORT

(Cont'd)

3.0 ENVIRONMENTAL (CONT'D)

3.1 EFFLUENT, WASTE AND WATER MANAGEMENT (CONT'D)

3.1.3 Water Management

Water plays a critical role in the Group's operations, particularly across the shipbuilding, manufacturing, and shipping activities. In light of increasing risks associated with water scarcity and climate variability, the Group has continued to strengthen its water management practices to enhance operational efficiency, sustainability, and resilience across all business divisions.

All international trading vessels under the Group strictly comply with the International Maritime Organization (IMO) Ballast Water Management Convention, maintaining detailed ballast water logs and ensuring proper treatment of ballast discharge to prevent the introduction of invasive marine species. This demonstrates the Group's ongoing efforts to safeguard marine ecosystems while uphold international environmental standards.

The Group's efforts in responsible water use are reflected in the trend of water consumption from vessels' freshwater generators:

Period/Year	Water Consumption (from vessels' freshwater generator) (MT)		Change vs Previous Year	Interpretation
	Total	Reinstated*		
December 2025 (6 months)	1,210	-	▼ 0.4% ^{N1}	Slight reduction, reflecting improved water-use efficiency on vessels
June 2025 (12 months)	2,430	1,215	▼ 6.6%	Slight reduction, reflecting improved water-use efficiency on vessels
June 2024 (12 months)	2,601	1,301	▲ 2.8%	Marginal increase due to higher vessel operations or longer voyages
June 2023 (12 months)	2,531	1,266	—	Baseline year

* Reinstated amount by averaging into 6-month data

^{N1} This is arrived by comparing the data to the reinstated 6-month data

As the reporting period reflects data pursuant to a change in financial year end, direct comparison with prior year data may not be fully comparable. Nevertheless, the Group maintained a broadly stable water consumption record during the financial period with slight reduction, as its continued focus on optimising onboard water usage and minimising wastage in line with its broader resource efficiency objectives.

The Group's water management efforts are supported by digital metering systems that track consumption and detect anomalies, enabling proactive maintenance and conservation measures. All water consumption data are now centralised under the Centralised Sustainability Intelligence (CSI) platform, allowing for real-time monitoring, data accuracy, and enhanced transparency in sustainability reporting.

In addition, the Group also promotes responsible water usage by implementing rainwater harvesting systems for non-potable purposes such as equipment washing and vessel cleaning. Effluents generated from various processes are treated in accordance with environmental regulations before discharge to ensure no adverse impact on the surrounding ecosystems.

SUSTAINABILITY REPORT (Cont'd)

3.0 ENVIRONMENTAL (CONT'D)

3.1 EFFLUENT, WASTE AND WATER MANAGEMENT (CONT'D)

3.1.3 Water Management (Cont'd)

The Group's operational data further reflect improvements in water-use efficiency within the shipbuilding and ship repair division:

Shipping Operations	Unit	December 2025 (6 months)	June 2025 (12 months)	June 2024 (12 months)	June 2023 (12 months)
Operation water consumption	MT	221,701	415,135	416,034	341,414
Gross Shipbuilding & Ship repair revenue	RM'000	95,522	209,317	204,438	111,853
Water withdrawal intensity	MT/shipbuilding revenue (RM'000)	2.32	1.98	2.0	3.1

In FPE 2025, water withdrawal intensity recorded 2.32 MT per RM thousand revenue. Water withdrawal intensity per RM thousand revenue increased during the financial period, reflecting differences in operational activity and the shorter reporting period.

Looking ahead, the Group aims to achieve a 5% reduction in water withdrawal intensity by 2030, while continuing to strengthen wastewater monitoring and treatment practices to ensure full compliance with regulatory standards and further contribute to sustainable water resource management.

3.2 ENERGY MANAGEMENT

3.2.1 Energy and Electricity

Electricity is primarily consumed at our shipyards, factories, and offices. We have implemented energy-saving practices including:

- Replacing conventional lighting with energy-efficient LED systems.
- Scheduling maintenance and repairs during off-peak hours to reduce load.
- Installing motion sensors and integrating solar-powered lighting along runways and outdoor areas to prevent unnecessary electricity usage and promote renewable energy adoption.

The Group promotes energy efficiency through employee awareness and operational best practices.

Period/Year	Electricity consumption (kwh)		Change vs Previous Year	Interpretation
	Total	Reinstated*		
December 2025 (6 months)	12,574,030	-	▼ 0.4% ^{N1}	Slight reduction, reflecting improved electricity consumption
June 2025 (12 months)	25,241,378	12,620,689	▲ 8.5%	Increase mainly driven by expanded operational activities and higher production output
June 2024 (12 months)	23,268,932	11,634,466	▲ 7.9%	Growth reflects increased facility utilization and additional equipment operation
June 2023 (12 months)	21,572,991	10,786,496	—	Baseline year

* Reinstated amount by averaging into 6-month data

^{N1} This is arrived by comparing the data to the reinstated 6-month data

SUSTAINABILITY REPORT

(Cont'd)

3.0 ENVIRONMENTAL (CONT'D)

3.2 ENERGY MANAGEMENT (CONT'D)

3.2.1 Energy and Electricity (Cont'd)

Given the Group's change in financial year end, the electricity consumption data for the financial period is not directly comparable, but a comparison of the reinstated amount of six-month data shows reduction in consumption. The Group remains committed to enhancing energy performance through the ongoing identification of energy-saving opportunities, upgrading equipment to more energy-efficient alternatives, and optimizing operating schedules.

Going forward, the Group plans to establish energy intensity indicators and strengthen energy monitoring systems to improve oversight and achieve more targeted reductions in electricity usage relative to operational activities.

Future Plans:

The Group is exploring the feasibility of integrating renewable energy sources such as rooftop solar panels at suitable facilities to further reduce dependency on grid electricity. In addition, the Group plans to progressively upgrade equipment to more energy-efficient alternatives. The Group will also continue to promote energy conservation through employee awareness initiatives while exploring smart technologies to support data-driven energy management.

3.2.2 Fuel management

Fuel is the largest source of Scope 1 emissions due to the nature of the Group's primary shipping operations. We primarily consume marine diesel, low-sulphur fuel oil (LSFO), and gasoline for our fleet and machinery.

To improve efficiency and reduce fuel-related emissions:

- We have adopted regular engine tuning and hull cleaning to optimise fuel usage.
- Voyage planning and speed reduction strategies are implemented to minimise fuel consumption.
- Where feasible, we prioritise newer, fuel-efficient vessels and have incorporated hybrid propulsion systems in selected vessels.

In compliance with IMO 2020, the Group exclusively uses Low Sulphur Fuel Oil (LSFO $\leq 0.5\%$) and Marine Diesel/MGO. In ECAs, we meet the stricter 0.1% sulphur limit.

Fuel Consumption Data (Marine Fuel):-

Fuel Type	December 2025 Consumption (MT) (6 months)	June 2025 Consumption (MT) (12 months)	June 2024 Consumption (MT) (12 months)	June 2023 Consumption (MT) (12 months)
LSFO	10,050.75	22,559.46	20,369.66	19,135.35
MDO/MGO	13,573.14	25,386.32	28,296.58	27,125.76
Total	23,623.89	47,945.78	48,666.24	46,261.11
Gross Revenue (shipping) RM'000	360,296	726,220	705,712	817,655
Fuel consumption (MT) over revenue in RM'000	0.066	0.066	0.069	0.057

During the FPE, total marine fuel consumption amounted to 23,623.89 metric tonnes. Correspondingly, the fuel intensity ratio remains 0.066 MT per RM'000 of shipping revenue, demonstrating the Group's progress in managing fuel efficiency despite sustained operational activity levels.

SUSTAINABILITY REPORT

(Cont'd)

3.0 ENVIRONMENTAL (CONT'D)

3.3 CARBON FOOTPRINT INITIATIVES

Climate change poses a profound challenge to the environment, society, and the global economy. Recognising our responsibility, the Group remains committed to monitoring, managing, and mitigating our greenhouse gas ("GHG") emissions to minimise climate-related impacts and contribute to global de-carbonisation efforts.

During the financial period under review, our total energy consumption comprised fuel, diesel, and electricity usage across operational assets, as shown below:

Description	FPE DECEMBER 2025 (6 months)	FYE JUNE 2025 (12 months)	FYE JUNE 2024 (12 months)	FYE JUNE 2023 (12 months)
Fuel consumption (litre)	10,050,754	22,559,462	23,559,457	22,541,439
Diesel consumption (litre)	15,989,155	29,905,085	33,333,376	31,954,144
Electricity consumption (kwh)	12,574,030	25,241,378	23,268,932	21,572,991

In line with our sustainability roadmap, the Group commenced Scope 3 emissions disclosure in FYE 2025, currently focusing on two material categories: business travel and employee commuting.

Scope 3 Category	Description	FPE DECEMBER 2025 (tCO ₂ e) (6 months)	FYE JUNE 2025 (tCO ₂ e) (12 months)
Business Travel	Flights, mileage claims, accommodation	63	74
Employee Commuting	Estimated based on staff record	631	1,024
Total Scope 3		694	1,098

Carbon Emissions Overview

Description	FPE DECEMBER 2025 (6 months)	FYE JUNE 2025 (12 months)	FYE JUNE 2024 (12 months)	FYE JUNE 2023 (12 months)
Scope 1 (tCO ₂ e)	67,036	134,117	145,807	139,674
Scope 2 (tCO ₂ e)	9,808	19,688	18,147	16,826
Scope 3 (tCO ₂ e)	694	1,098	Not calculated	Not calculated
Total (tCO₂e)	77,538	154,903	163,954	156,500
Carbon emission intensity (tCO ₂ e/RM'000 Revenue)	0.07	0.08	0.17	0.17

Note:

Scope 1 : Direct GHG emissions from sources owned and controlled by the Group, such as usage of fuel

Scope 2 : Indirect GHG emissions from the consumption of purchased grid electricity from utilities providers

Scope 3 : Other indirect GHG emissions that occur within the supply chain, limited to Category 6 (Business Travel) & Category 7 (Employee Commuting).

The carbon intensity ratio shows 0.07 tCO₂e per RM'000 revenue, indicating a strong maintenance in decoupling between operational growth and emissions.

SUSTAINABILITY REPORT

(Cont'd)

3.0 ENVIRONMENTAL (CONT'D)

3.3 CARBON FOOTPRINT INITIATIVES (CONT'D)

By systematically measuring and reporting our GHG emissions, the Group strengthens its climate resilience strategy. Our key priorities include:

- Expanding Scope 3 coverage in future reporting cycles, especially in upstream and downstream categories.
- Improving energy efficiency across operational assets.
- Exploring low-carbon technologies and alternative fuels to support long-term decarbonisation
- Ensuring compliance within Emission Control Areas (ECAs), including the China Hainan Island ECA, where Danum 171 makes regular calls every two weeks. In such areas, Marine Gas Oil (MGO) with a sulphur content of not more than 0.1% by mass is used to meet international environmental requirements.

Sustainable Fleet Expansion with MGO-Powered Vessels

In support of our de-carbonisation agenda, the Group has commissioned two units of 614-TEU container deck ships (IMO Tier II main engine and generator). These vessels are specially designed as MGO-powered deck ships, optimised for shallow-draft trade routes across ASEAN. They will run exclusively on Marine Gas Oil (MGO), a cleaner alternative to Heavy Fuel Oil (HFO) and Very Low Sulphur Fuel Oil (VLSFO). Although MGO produces slightly higher CO₂ emissions per gram burned, it substantially reduces sulphur oxides (SOx) and particulate matter (PM), thereby improving air quality and lowering the overall environmental footprint. With a cleaner combustion profile, MGO enables the vessels to operate with significantly fewer pollutants that are harmful to human health and the environment.

Besides, the Group also commissioned three new 1,056-TEU vessels bearing the following class notations: ★CSA Container Ship; PSPC(B); SOLAS II-2 Reg.19; Ice Class B; Loading Computer (S,I,D); In-water Survey; ★CSM BRC; T-Propulsion; G-EP; G-ECO(CDx,BWM(T)). All three vessels will be equipped with IMO Tier III-compliant main engines and generators, reflecting the Group's commitment to environmental stewardship and sustainable shipping practices. IMO Tier III standards, established by the International Maritime Organization, impose significantly stricter limits on nitrogen oxides (NOx) emissions from marine diesel engines operating within designated Emission Control Areas (ECAs). Compared with Tier II requirements, Tier III standards require up to 76% lower NOx emissions, reduce harmful emissions, such as NOx, sulphur oxides (SOx), and particulate matter (PM), thereby contributing to improved air quality and reducing the environmental impact of vessel operations, particularly in coastal and port areas. With the addition of these vessels, the Group's cargo carrying capacity will increase by 3,168 TEU, while reaffirming its commitment to the protection of the marine environment.



Breakbulk discharging process - Bernas



Stacking rice at wharf for Bernas bulk cargo shipment

SUSTAINABILITY REPORT

(Cont'd)

3.0 ENVIRONMENTAL (CONT'D)

3.4 ENVIRONMENTAL COMPLIANCE

The Group is committed to full compliance with all applicable environmental laws, regulations, and standards across our diverse business operations, including shipping, shipbuilding, logistics, car dealerships, and gas manufacturing. Environmental compliance is integral to mitigate legal, reputational, and operational risks, and to uphold our license to operate responsibly.

Key Areas of Focus

We monitor and manage our compliance performance in the following areas:

- Air emissions (from vessels, gas facilities, and transportation)
- Wastewater discharge
- Hazardous and scheduled waste handling
- Energy use and GHG emissions
- Environmental Impact Assessments (EIA)
- Permit and license renewals
- Port and maritime-related environmental regulations



2025 Environmental Compliance Performance

Indicator	DECEMBER 2025 (6 months)	JUNE 2025 (12 months)	JUNE 2024 (12 months)	JUNE 2023 (12 months)	Remarks
Total number of environmental inspections	6	13	13	12	DOE, Marine Department, internal
Non-compliance incidents reported	0	0	0	0	No major violation recorded
Environmental penalties/fines (RM)	0	0	0	0	No penalty recorded

Measures for Environmental Compliance in Maritime Operations

During the period, we continue to ensure compliance with:

- MARPOL Annex VI (Prevention of Air Pollution from Ships)
- IMO's De-carbonization Strategy, including Energy Efficiency and Carbon Intensity targets
- Malaysian marine environmental regulations governed by the Marine Department and Department of Environment (DOE)



Fleet Compliance Overview

Regulation	DECEMBER 2025 Compliant vessels/ Total	JUNE 2025 Compliant vessels/ Total	JUNE 2024 Compliant vessels/ Total
EEXI (Energy Efficiency Existing Ship Index)	12/12	12/12	12/12
CII (Carbon Intensity Indicator)	12/12	12/12	12/12
EPL system (Engine Power Limitation)	9/9	9/9	9/9

SUSTAINABILITY REPORT

(Cont'd)

3.0 ENVIRONMENTAL (CONT'D)

3.4 ENVIRONMENTAL COMPLIANCE (CONT'D)



CII Performance Ratings

	December 2025	June 2025	June 2024
CII rating Category	No of Vessels	No of Vessels	No of Vessels
A – Superior	2	3	4
B – Good	4	3	3
C – Moderate	6	6	4
D and below - Poor	0	0	1
Total	12	12	12



Continuous Monitoring & Corrective Actions

To maintain and improve compliance with CII requirements, we have implemented the following measures:

- Monthly monitoring of each vessel's fuel oil consumption and CII rating
- Corrective action plans for any vessel rated D or E, including:
 - Voyage optimization
 - Speed reduction strategies
 - Propulsion system adjustments
 - Review of hull performance and maintenance schedule
- Use of EPL systems to limit engine power where necessary and improve fuel efficiency

We aim for all vessels to maintain a C rating or better. Any vessel falling into D or E will undergo a root cause assessment and will be subject to mandatory improvement measures before the next reporting cycle.



Strategic Alignment & Sustainability Benefits

By maintaining full compliance with international maritime environmental standards, the Group:

- Reduces greenhouse gas emissions in line with the IMO 2030 and 2050 targets
- Improves fuel efficiency and lowers operational costs
- Minimizes regulatory risk and enhances stakeholder confidence
- Supports UN SDG 13 – Climate Action and SDG 14 – Life Below Water



Commitment to Continuous Improvement

Our maritime sustainability roadmap focuses on advancing low-carbon shipping and operational efficiency through the following key initiatives:

- Upgrading to next-generation fuel efficiency technologies across the fleet.
- Exploring alternative fuels such as LNG and biofuels, where feasible and commercially viable.
- Expanding the use of data analytics and digital solutions to optimise voyage planning and reduce emissions.
- Implementing shore power supply units (Alternative Marine Power, AMP) to allow vessels to switch off onboard generators while docked. This reduces reliance on LSFO/MGO and contributes to lower fuel consumption and CO₂ emissions.

The Group remains fully committed to complying with evolving environmental regulations and playing a proactive role in supporting the de-carbonisation of maritime transport.

SUSTAINABILITY REPORT

(Cont'd)

3.0 ENVIRONMENTAL (CONT'D)

3.5 SUPPLY CHAIN MANAGEMENT

We uphold environmental and social responsibility throughout our supply chain:

- **Sustainable Procurement:** Transparent tender processes and supplier evaluations.
- **Green Logistics:** Vehicle tracking systems, packaging waste reduction, and route optimization.
- **Local Economic Impact:** 96.4% of procurement in the financial period sourced from local suppliers, supporting SMEs and reducing transport-related emissions.

EESG Integration in Supply Chain

1. Supplier Onboarding and Evaluation

All new suppliers are subject to pre-qualification screening, including evaluation on:

- Environmental practices (e.g. waste, emissions, permits)
- Labour policies (e.g. child/forced labour, working hours)
- Health & safety measures
- Legal compliance and reputation

2. Local Supplier Support

We prioritise sourcing from local vendors where possible to:

- Strengthen domestic economic linkages
- Reduce logistics emissions
- Support Bumiputera and SME development

The proportion of our spending with local and foreign suppliers are illustrated as below:

	FPE DECEMBER 2025 (6 months)	FYE JUNE 2025 (12 months)	FYE JUNE 2024 (12 months)	FYE JUNE 2023 (12 months)
Proportion of spending on local suppliers (%)	96.4%	90.5%	81.4%	84.2%
Proportion of spending on foreign suppliers (%)	3.6%	9.5%	18.6%	15.8%
Total	100.0%	100.0%	100.0%	100.0%

3. Social Compliance

All suppliers must adhere to our Supplier Code of Conduct, which prohibits:

- Child and forced labour
- Discrimination and harassment
- Unsafe or unhealthy working conditions

4. Environmental Expectations

Suppliers are encouraged to:

- Minimise waste and energy use
- Use recyclable packaging
- Possess ISO 14001 or equivalent certification (for manufacturers)

SUSTAINABILITY REPORT

(Cont'd)

3.0 ENVIRONMENTAL (CONT'D)

3.5 SUPPLY CHAIN MANAGEMENT (CONT'D)

Key EESG Risks in Supply Chain

Risk	Description	Mitigation
Environmental non-compliance	Supplier operations causing pollution or not meeting regulatory standards	Pre-screening, contracts, and audits
Labour abuse	Forced or underage labour in subcontracted works	Supplier Code of Conduct + whistleblowing
Price/availability volatility	Global supply disruptions (e.g., shipping parts, raw materials)	Diversification of suppliers, local sourcing
Reputational risk	Supplier misconduct affecting the Group's brand	Monitoring and exclusion from contracts

We remain committed to building a responsible and resilient supply chain that supports our EESG goals, stakeholder expectations, and regulatory obligations. We believe that collaboration with suppliers is key to achieving sustainable growth and delivering long-term value to customers, communities, and shareholders.



Group Photo 31.12.2025



Keel Lay Ceremony for YD475



ME Group photo



Happy New Year Greeting from Danum 168

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL



4.1 OCCUPATIONAL SAFETY AND HEALTH

Occupational safety and health remain fundamental to the Group's operations, ensuring that work is carried out in a safe manner and with due regard to the prevention of accidents and occupational illnesses. The Group continues to uphold a strong commitment to health and safety, promoting a transformative safety culture as the foundation for continuous improvement. Training and awareness remain central to this approach, supporting risk prevention, capability building and a stronger safety mindset among employees.

Commitment to Occupational Safety and Health (OSH)

The Group is committed to actively enhancing occupational safety and health through the following actions:

- **Compliance:** Strict adherence to all laws, regulations, and reference standards related to health and safety.
- **Risk Management:** Continuously identifying and managing workplace hazards and risks, with continuous knowledge updates to prevent accidents and injuries.
- **Policy Review:** Regular review of Health & Safety policies and objectives to ensure relevance and effectiveness.
- **Training and Awareness:** Comprehensive training programs to improve skills and promote awareness, fostering a proactive safety culture across the Group.
- **Stakeholder Cooperation:** Engagement with stakeholders to inform of policy-making matters and promote continuous improvement, reinforcing collaboration between leadership and employees.

Maritime Labour Convention (MLC) Certification

All vessels in our fleet are certified under the Maritime Labour Convention (MLC) and comply with international crew accommodation standards. This commitment ensures favourable labour conditions for our seafarers, in line with all MLC requirements, including:

- Minimum age requirements
- Adequate hours of rest
- Suitable accommodation and on-board facilities
- Proper food and catering arrangements
- Timely payment of wages
- Qualifications for medical practitioners

Vigilance and Hygiene Practices

The Group maintains stringent hygiene and workplace health standards to protect employees from occupational and communicable risks. Regular awareness programmes and safety activities are carried out across operational sites to reinforce preventive measures and safe work practices.

Our focus remains on reducing Lost Time Injuries (LTI) and strengthening overall safety performance through ongoing monitoring, timely reporting, and corrective actions.

Key Preventive Measures for Occupational OSH

Our OSH framework is anchored on four pillars — Commitment, System, Governance, and Culture — each reinforcing the Group's proactive approach to workplace safety and health.

Commitment

- Ensure compliance with OSH legal requirements.
- Promote and implement good OSH practices at the workplace.
- Build a proactive safety culture through training, supervision, and communication.

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.1 OCCUPATIONAL SAFETY AND HEALTH (CONT'D)

System

- Review and update OSH policies to support internal safe operating procedures.
- Conduct induction and refresher training at all levels.
- Reinforce near-miss reporting to strengthen preventive actions.
- Implement risk management for hazard control at all operation units.
- Maintain in-house medical clinics for emergency support.
- Ensure OSH Committees actively communicate safety issues.

Governance

- Ensure compliance with the Occupational Safety and Health Act (OSHA) and relevant codes of practice.
- Conduct workplace inspections and documentation audits.
- Investigate all OSH related incidents.
- Carry out comprehensive risk assessments at operation units.

Culture

- Promote Group-wide OSH programs to instil collective responsibility for workplace safety.

INCIDENT REPORT

Category	Total Reported / Cases		
	Jul'25 - Dec'25 (6 months)	Jul'24 - Jun'25 (12 months)	Jul'23 - Jun'24 (*) (12 months)
Unsafe Act	56	98	57
Unsafe Conditions	77	161	181
Environmental Spillage	2	0	0
Fire Outbreak	0	5	1
Property Damage	0	5	1
First Aid	13	15	8
Medical Treatment	5	28	36
Restricted Work	0	0	0
Lost Time Injury (LTI)	0	1	2
Fatality	0	0	0

(*) As restated

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.1 OCCUPATIONAL SAFETY AND HEALTH (CONT'D)



Niosh Training Center Site Visit



Advance ERT Fire Fighting & SCBA Training



Working at Height Training



Toolbox training



Basic Occupational First Aid & AED Training



Safety Briefing – Vessel Crew

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.2 TRAINING AND EDUCATION

The Group remains committed to developing its people by providing continuous learning opportunities that support effective job performance, career progression, and future readiness. Its training framework emphasises on skills development, succession planning, and leadership pipeline building to foster a capable and resilient workforce.

In line with this commitment, the Group continues to strengthen its human capital development in compliance with the International Maritime Organization (IMO) standards. All seafarers and shore-based personnel are equipped with the necessary training, certification, and competencies to perform their duties safely, efficiently, and in accordance with international maritime requirements.

Through these efforts, we aim to cultivate a knowledgeable, skilled, and forward-looking workforce that can meet the evolving challenges of our industry and contribute to the Group's long-term success.

During the FPE 2025, the following training courses were attended by our employees:-

No	Training	Month & Year	No. of Employee
1	Basic Fire Safety	Jul-25	16
2	SA Development Program (SADP)	Jul-25	1
3	Team-GP G2 Level - Skills Check Program	Jul-25	4
4	Team-GP Intensive Course - GP4 Level	Jul-25	1
5	Team-GP Intensive Course - GP3 Level	Jul-25	2
6	Sales Amplify Product Training	Jul-25	12
7	Kursus Ejen Kastam (KEK)	Jul-25	2
8	Sales Tax Expansion 2025 (Broadening Scope)	Jul-25	1
9	Domestic Inquiry & Industrial Relation Procedure	Jul-25	10
10	Basic Safety Refresher	Jul-25	1
11	Kursus Tambahan Untuk Pemandu	Aug-25	36
12	Kursus Ejen Kastam (KEK)	Aug-25	1
13	Sales Amplify Product Training	Aug-25	2
14	New Technician Program	Aug-25	1
15	New Technician Program	Aug-25	1
16	I-ESH & Eco-Dealership Training	Aug-25	4
17	Course for Certified Environmental Professional in Scheduled Wastes Management (CePSWaM)	Aug-25	1
18	MBRS 2.0 For Preparers - Financial Statements	Aug-25	1
19	Basic Occupational First Aid, CPR & AED Training	Aug-25	30
20	Strategic AI for Business Leaders	Aug-25	4
21	Precision & Speed With AI Tools: From Administration, Coordinators To Expeditors	Aug-25	1
22	I-ESH & Eco-Dealership Training	Sep-25	3
23	Basic First Aid & CPR AED Training	Sep-25	1
24	Working At Height	Sep-25	19
25	Forklift Safety & Certification Training	Sep-25	16
26	Basic Training Refresher, Advance Free Fighting Refresher & Proficiency in Survival Craft and Rescue Boats Refresher	Sep-25	1

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.2 TRAINING AND EDUCATION (CONT'D)

No	Training	Month & Year	No. of Employee
27	Board Simulation - Balancing Risks & Opportunity in Sustainability Leadership	Sep-25	1
28	Foreign Workers Safety Induction	Sep-25	26
29	Advance Level ERT Fire Fighting and Essential Self Contained Breathing Apparatus Training	Sep-25	32
30	Reach Stacker Shipping Container Handler Safety & Certification Training	Sep-25	8
31	Seminar Revolusi KKP 2025: Architecting self-regulating systems	Sep-25	5
32	Shipping Laws & Bill of Lading	Sep-25	3
33	SST Expansion: Practical Implications for Key Sectors	Sep-25	1
34	Seminar Percukaian Kebangsaan 2025 Belanjawan 2026	Oct-25	1
35	Sarawak Region 2025 Technical Enhancement Program	Oct-25	2
36	Sarawak Region 2025 Technical Enhancement Program	Oct-25	1
37	Toyota Product Training for Sales Advisor	Oct-25	14
38	Kursus Ejen Kastam (KEK)	Oct-25	1
39	Comprehensive Tax Computation For Companies	Oct-25	1
40	Leadership Communication	Oct-25	33
41	HR Core Capabilities Building	Oct-25	6
42	Basic Scaffold Erector (Tube & Fittings)	Oct-25	2
43	New Model Training	Nov-25	6
44	New Technician Program	Nov-25	1
45	Corporate Financial Reporting Conference 2025	Nov-25	1
46	Occupational Safety and Health Coordinator (OSH-C)	Nov-25	12
47	Accounts Departmental Core Capabilities Building	Nov-25	21
48	Red Flags in IFRS Reporting: Strengthening Professional Judgment with AI	Nov-25	1
49	Accounts Departmental Core Capabilities Building	Nov-25	46
50	Inventory Control Departmental Core Capabilities Building	Nov-25	23
51	Post Budget 2026	Nov-25	1
52	E-invoice: Preparing for compliance and avoiding pitfalls in business transactions	Nov-25	1
53	Toyota New Model Training - Vios HEV	Dec-25	8
54	New Technician Program	Dec-25	2
55	IMDG Code Training Code (AMDT 42-24) General Awareness	Dec-25	4
56	Predictive and Preventive Maintenance	Dec-25	4
57	Basic Scaffold Erector (Tube & Fittings)	Dec-25	2

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.2 TRAINING AND EDUCATION (CONT'D)

The following table shows the total training hours achieved by the Group:-

No	Items	FPE 2025
1	Average Training Hours Per Employee	2.13
i.	Total number of hours provided to employees	942
ii.	Total number of employees who attended training	442
2	Average Training Hours Per Employee Category (Director)	0.48
i.	Total number of hours provided to Director	0.96
ii.	Total number of Director who attended training	2
3	Average Training Hours Per Employee Category (Management)	1.20
i.	Total number of hours provided to Management	10.81
ii.	Total number of Management who attended training	9
4	Average Training Hours Per Employee Category (Executive)	2.18
i.	Total number of hours provided to Executive	222.01
ii.	Total number of Executive who attended training	102
5	Average Training Hours Per Employee Category (Non-Executive)	2.85
i.	Total number of hours provided to Non-Executive	662.02
ii.	Total number of Non-Executive who attended training	232
6	Average Training Hours Per Employee Category (Operation Workforce)	0.48
i.	Total number of hours provided to Operation Workforce	46.20
ii.	Total number of Operation Workforce who attended training	97

4.3 DIVERSITY AND EQUALITY

Embracing Diversity, Empowering Inclusion

In the Group, diversity transcends traditional metrics — it is a defining part of our corporate culture. We recognize that a workforce rich in backgrounds, perspectives, and experiences accelerates our innovation, resilience, and competitiveness. As a group with a global outlook and multifaceted operations, fostering inclusivity remains integral to sustaining growth and building stakeholder confidence.



Our Diverse Workforce

We are proud of our diverse talent pool, which reflects our commitment to inclusivity across all business divisions and geographies:

- ✓ Total Onshore Employees: 2,869
- ✓ Nationalities Represented: 10+
- ✓ Operational Locations: Across Malaysia and regional markets
- ✓ Roles Covered: Shipbuilding, logistics, automotive, operations, corporate support, and technical fields

This cultural and geographical diversity strengthens our organisational capacity to collaborate, innovate, and grow sustainably in today's interconnected market landscape.

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.3 DIVERSITY AND EQUALITY (CONT'D)

Inclusive Hiring Practices

We are committed to fair, transparent, and non-discriminatory employment practices:

Merit-based hiring: Prioritizing qualifications, skills, and performance as the sole drivers for recruitment and promotion

Equal opportunities: No discrimination on the basis of gender, ethnicity, religion, nationality, age, or other personal characteristics

Inclusive policies: Gender-neutral parental leave, grievance redressal channels, and workplace accessibility initiatives

These policies ensure that we continue to build a workplace where everyone feels respected, valued, and empowered to contribute.

Why Diversity Matters

By embracing workforce diversity, we:

- ✓ Enrich our organisational culture with open-mindedness and mutual respect
- ✓ Drive creativity, innovation, and problem-solving through different perspectives
- ✓ Enhance adaptability and collaboration in a dynamic, fast-evolving global environment
- ✓ Strengthen our reputation as a socially responsible and progressive employer

Below is the Group's Employee Demographic Highlights:-

		FPE DECEMBER 2025 (6 months)	FYE JUNE 2025 (12 months)	FYE JUNE 2024 (12 months)	FYE JUNE 2023 (12 months)
TOTAL NUMBER OF EMPLOYEES					
PERMANENT	Female	592	591	424	425
	Male	1,339	1,296	911	955
CONTRACT	Female	22	20	18	12
	Male	916	893	808	680
		2,869	2,800	2,161	2,072

		FPE DECEMBER 2025 (6 months)	FYE JUNE 2025 (12 months)	FYE JUNE 2024 (12 months)	FYE JUNE 2023 (12 months)
TOTAL NUMBER OF EMPLOYEES BY NATIONALITY					
Malaysian		2,332	2,301	1,743	1,698
Non- Malaysian		537	499	418	374
		2,869	2,800	2,161	2,072

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

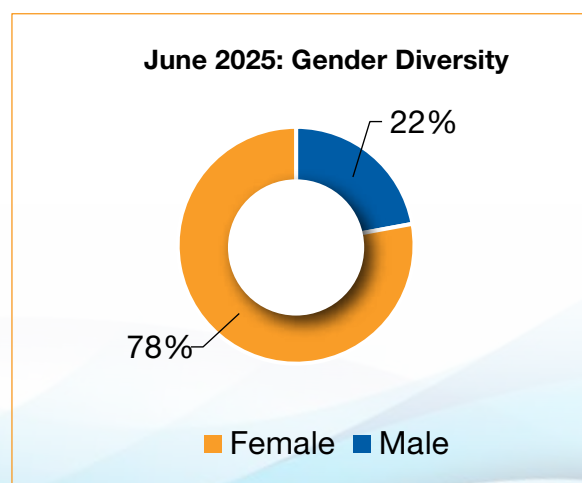
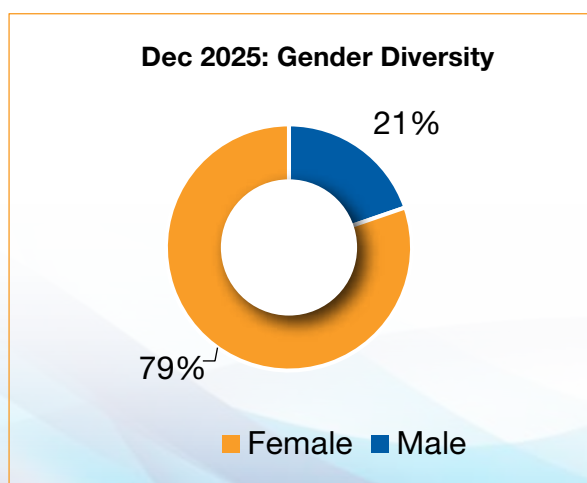
4.3 DIVERSITY AND EQUALITY (CONT'D)

Embracing Diversity, Empowering Inclusion (Cont'd)

TOTAL NUMBER OF EMPLOYEES BY AGE GROUP		FPE DECEMBER 2025 (6 months)	FYE JUNE 2025 (12 months)	FYE JUNE 2024 (12 months)	FYE JUNE 2023 (12 months)
30, and under	Female	215	215	165	177
	Male	638	587	493	437
31-40	Female	220	225	184	175
	Male	617	607	481	454
41-50	Female	123	115	69	65
	Male	522	522	388	388
51 and above	Female	57	58	24	20
	Male	477	471	357	356
		2,869	2,800	2,161	2,072

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT LEVELS		FPE DECEMBER 2025 (6 months)	FYE JUNE 2025 (12 months)	FYE JUNE 2024 (12 months)	FYE JUNE 2023 (12 months)
MANAGEMENT	Female	12	11	4	3
	Male	63	64	39	36
EXECUTIVE	Female	150	151	122	114
	Male	227	219	183	150
NON-EXECUTIVE	Female	403	409	290	280
	Male	407	399	120	126
OPERATION WORKFORCE	Female	50	40	27	28
	Male	1,557	1,507	1,376	1,335
		2,869	2,800	2,161	2,072

Across the Group, the male employees outnumber female employees considering the Group's business nature involving models of logistics and the marine working environment. Male employees accounted for 79% (June 2025: 78%), while the remaining 21% (June 2025: 22%) are female employees.



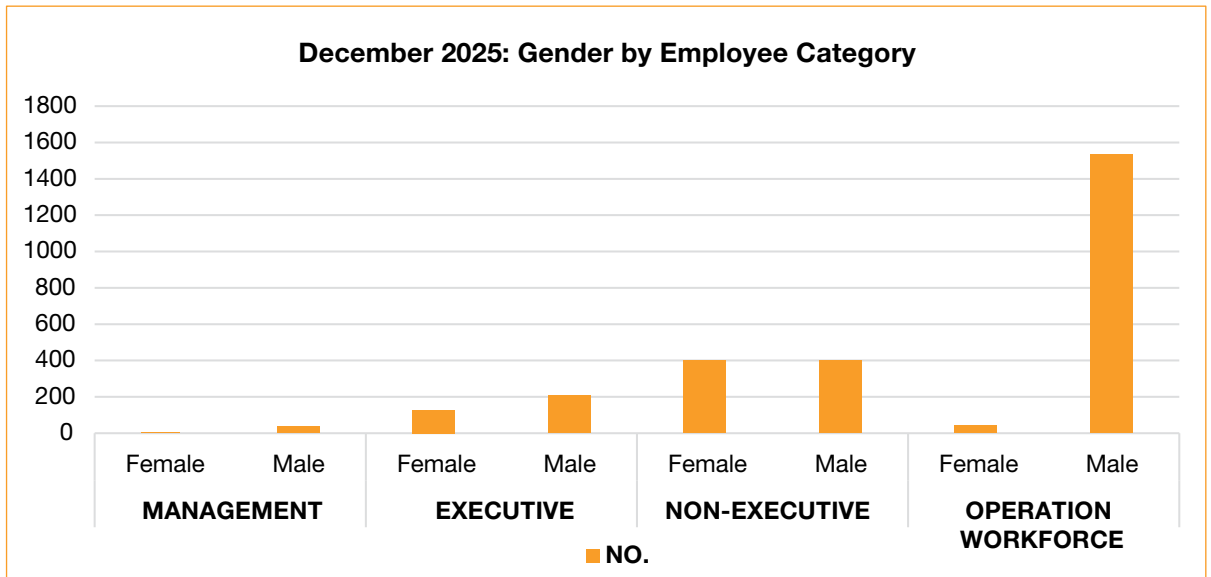
SUSTAINABILITY REPORT

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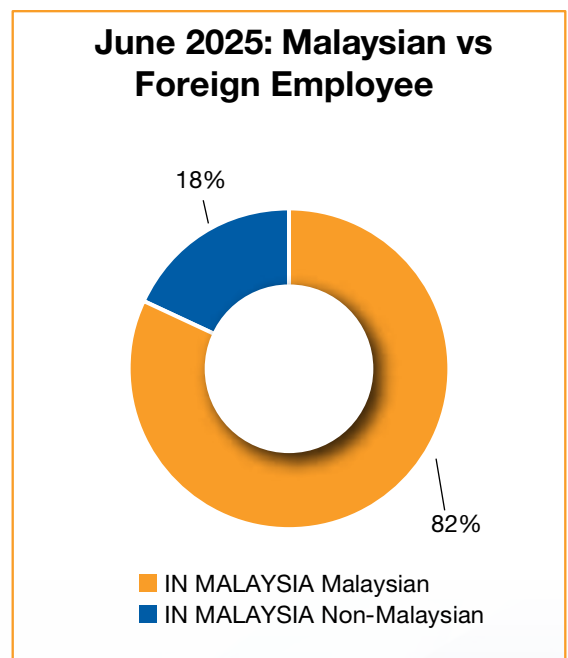
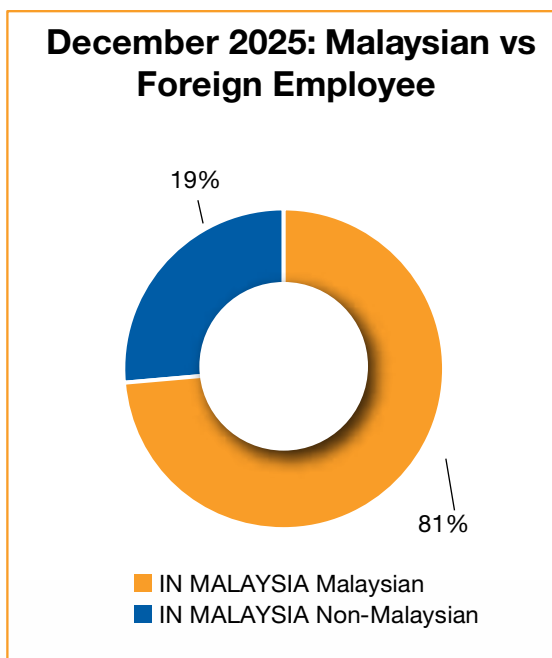
4.0 SOCIAL (CONT'D)

4.3 DIVERSITY AND EQUALITY (CONT'D)

Embracing Diversity, Empowering Inclusion (Cont'd)



The Group promotes diversity, approximately 81% (June 2025: 82%) of its employees are Malaysians, and the remaining 19% (June 2025: 18%) are foreigners and from other ethnicities. Whenever possible, the Group hires local employees for its operations.



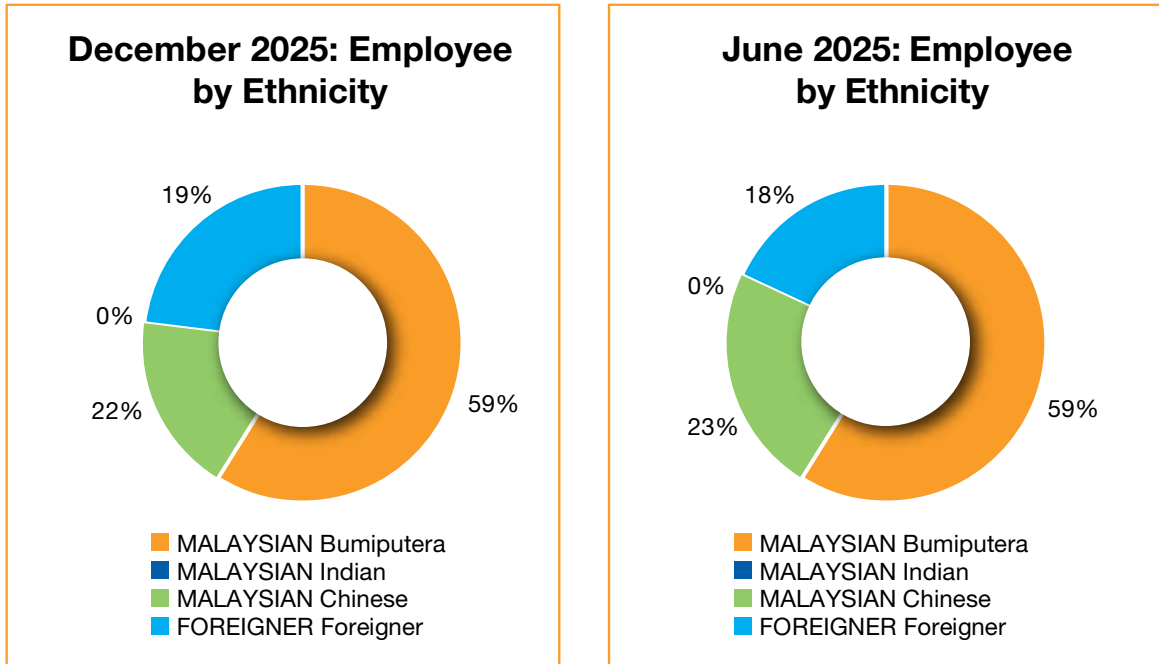
SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.3 DIVERSITY AND EQUALITY (CONT'D)

Embracing Diversity, Empowering Inclusion (Cont'd)



The Group takes pride in its diverse and multi-generational workforce, which blends youthful energy with seasoned experience. This balance fosters cross-generational collaboration, encourages knowledge transfer, and strengthens our organisational capacity to adapt, grow, and lead in a dynamic industry landscape.

In the period, our employee age distribution remains relatively stable, reflecting both our ability to attract young talent and retain experienced professionals:

👥 Employee Age Profile

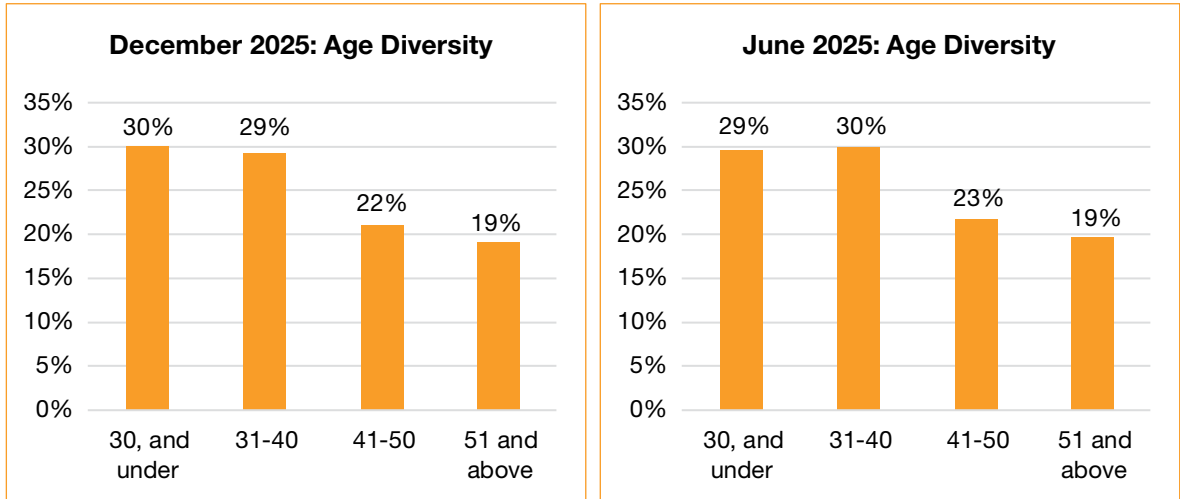
Age Group	DECEMBER 2025 (%)	JUNE 2025 (%)	JUNE 2024 (%)	Description
Under 30	30%	29%	30%	Young professionals entering the workforce with fresh ideas
31-40	29%	30%	31%	Emerging leaders and core operational contributors
41-50	22%	23%	21%	Mid-career specialists and team leaders
Over 50	19%	19%	18%	Senior staff providing mentorship, expertise, and leadership continuity

SUSTAINABILITY REPORT (Cont'd)

4.0 SOCIAL (CONT'D)

4.3 DIVERSITY AND EQUALITY (CONT'D)

Embracing Diversity, Empowering Inclusion (Cont'd)



New employees hired for the Group

- a) The total number of new employees hired during the reporting period, by age group and gender, is as below. The rate shows the distribution of new hires across different age group.

Period	Gender				Total
	Male	Rate	Female	Rate	
July 2025 to December 2025	244	85%	42	15%	286

Period	Age Group						Total
	Below 30	Rate	30-50	Rate	Above 50	Rate	
July 2025 to December 2025	173	60%	98	34%	15	5%	286

Period	Gender				Total
	Male	Rate	Female	Rate	
July 2024 to June 2025	400	75%	132	25%	532

Period	Age Group						Total
	Below 30	Rate	30-50	Rate	Above 50	Rate	
July 2024 to June 2025	291	55%	218	41%	23	4%	532

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.3 DIVERSITY AND EQUALITY (CONT'D)

Total employees' turnover

- a) The total number of employees' turnover during the reporting period, by gender and age group, is as below. The rate shows the distribution of turnover across different age group.

Period	Gender				Total
	Male	Rate	Female	Rate	
July 2025 to December 2025	168	82%	36	18%	204

Period	Age Group						Total
	Below 30	Rate	30-50	Rate	Above 50	Rate	
July 2025 to December 2025	88	43%	90	44%	26	13%	204

Period	Gender				Total
	Male	Rate	Female	Rate	
July 2024 to June 2025	354	82%	78	18%	432

Period	Age Group						Total
	Below 30	Rate	30-50	Rate	Above 50	Rate	
July 2024 to June 2025	195	45%	203	47%	34	8%	432

- b) **By Function:**

Function	Turnover (%)		
	December 2025 (6 months)	June 2025 (12 months)	June 2024 (12 months)
Operations	5%	12%	13%
Non – operations	3%	4%	6%

- c) **By Category:**

Category	Turnover (No.)	
	December 2025 (6 months)	June 2025 (12 months)
Management	4	4
Executive	14	39
Non-Executive	52	93
Operation Workforce	134	296
Total	204	432

SUSTAINABILITY REPORT

(Cont'd)

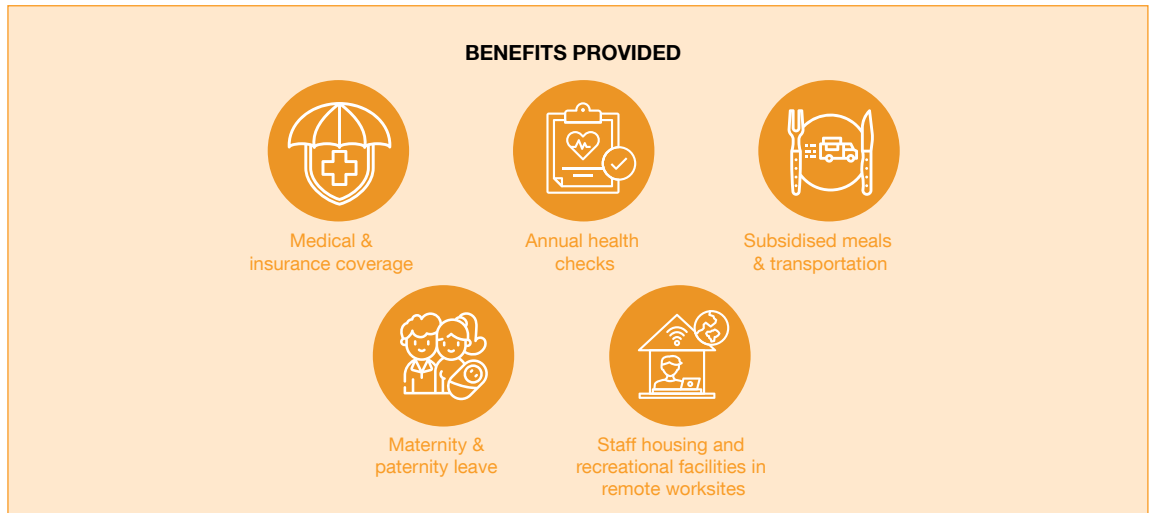
4.0 SOCIAL (CONT'D)

4.4 EMPLOYEE WELFARE AND ENGAGEMENT

We are committed to offering a comprehensive rewards ecosystem and benefits package that truly values employee contributions, while supporting their well-being, financial security, and professional growth.

In direct response to shifting global economic pressures, we have mobilized Group-wide resources to enhance our offerings, ensuring that every employee—regardless of their role or location—is supported by a competitive framework that prioritizes their well-being and long-term security.

Benefits Provided:



a) Succession Planning

The Group views succession planning as a strategic imperative to ensure leadership continuity, business sustainability, and the long-term success of the Group. To this end, the Group adopts a forward-looking approach to identify, assess and develop high-potential employees for key leadership positions. This includes ongoing talent reviews and targeted leadership development initiatives.

Key Elements:

- Identification of high-potential employees across various departments
- Collaboration between Human Resource Department and Senior Management Team to observe and track readiness
- Leadership development programs and structured training roadmaps
- Job rotation and mentoring to broaden exposure and build capabilities

By grooming internal talent for future leadership roles, such efforts ensure that institutional knowledge is retained and the next generation of leaders is well-prepared and the Group sustains strong organisational performance.

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.4 EMPLOYEE WELFARE AND ENGAGEMENT (CONT'D)

b) Employee Engagement

We believe that an engaged and motivated workforce is fundamental to productivity, innovation, and employee retention. The Group continues to invest in employee engagement programmes that foster camaraderie, boost morale, and promote a healthy work-life balance.



Bowling Tournament



Basketball (3x3) Tournament



Badminton Tournament



Futsal Tournament

These initiatives are designed to reinforce a sense of belonging and teamwork, contributing to an inclusive and positive workplace culture where employees feel valued, respected and empowered to perform their best.



Forward Commitments:

- Expand employee well-being programmes with focus on mental health
- Roll out structured employee surveys to enhance two-way communication
- Continue succession and career pathway tracking through HR digital systems

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.5 COMMUNITY ENGAGEMENT

The Group is committed to playing a meaningful role in the socio-economic development of the communities in which it operates. In line with our Corporate Social Responsibility (CSR) principles, we continuously actively undertake impactful initiatives that support education, healthcare, local associations, and the wider community with the aim of generating sustainable and long-term benefits, promoting social well-being and enhancing quality of life.

i) Education Sponsorship Programme – Sarawak Maritime Academy School

As part of our investment in youth development and talent pipeline for the maritime industry, the Group had fully sponsored 43 students over a three-year or five-year course period in the Maritime Cadetship Programme at Sarawak Maritime Academy School.

👁️ Programme Highlights:

- **Diploma Sponsorship:** Students are enrolled in the **Diploma in Nautical Studies** or **Diploma in Marine Engineering**.
- **Career Opportunities:** Graduates are granted the opportunity to join the Group's workforce, particularly on its **ocean-going vessels and in its shipyards**, thereby nurturing local maritime talent.

This initiative bridges education and employment, while reinforcing our long-term commitment to the maritime industry and the local economy.

ii) Social Contributions to Local Organisations

The Group actively contributes to non-profit and charitable organisations that support vulnerable communities, healthcare services, and community development. During the period, the Group successfully conducted two cycles of the "Help The Needy Food Basket" initiative, reflecting our steadfast commitment to social responsibility and community welfare. This program serves as a vital lifeline, providing essential nutritional support to families navigating economic challenges.

Date	No. of Families	Value of Food Aid (RM)
August 2025	15	2,500.00
December 2025	15	2,500.00



The Group's representative handing over Food Basket to the families

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.5 COMMUNITY ENGAGEMENT (CONT'D)

iii) Blood Donation Drive

Recognising the critical need for a constant and reliable blood supply, the Group organises quarterly Blood Donation Drives in collaboration with:

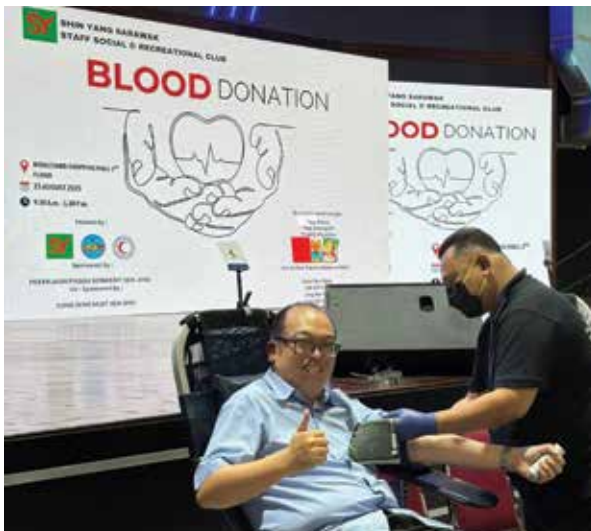
- Miri General Hospital Blood Transfusion Unit
- Malaysian Red Crescent
- Boulevard Shopping Mall, Miri
- Imperial Palace Hotel, Miri

Blood Donation Initiative

- **Objective:** Raise awareness of the importance of voluntary blood donation and ensure life-saving blood supplies for local hospitals.
- **Frequency:** Held four times annually, recorded twice for the financial period.

Date	Venue	Number of Pints of Blood
23.08.2025	Boulevard Shopping Mall, Miri	115
22.11.2025	Imperial Palace Hotel, Miri	109

This programme cultivates a culture of giving, solidarity, and social responsibility among employees and the community while supporting critical healthcare needs.



SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.5 COMMUNITY ENGAGEMENT (CONT'D)

iv) Membership in Industry and Community Associations

We actively engage with key industry and trade associations to stay informed, contribute to the development of industry standards, and promote shared sustainability and economic goals.

The Group's presence and participation in various associations is as described below:

Associations	Membership/ Representative
Sarawak Association of Maritime Industries (SAMIN)	Deputy Chairman
Malaysia Shipowner's Association (MASA)	EXCO member of Sarawak Representative
International Malaysia Society of Maritime Law (IMSML)	Corporate Member
Association of Marine Industries of Malaysia (AMIM)	Vice Chairman and Sarawak Representative
Miri Chinese Chamber of Commerce and Industry (MCCCI)	Chairman
Sarawak Timber Association (STA)	Permanent & Elected Council Member

Through active participation, we contribute to policy dialogues, industry standards, and sustainable development across sectors.

4.6 DATA PRIVACY AND CUSTOMER SATISFACTION

4.6.1 Customer Data Protection and Cybersecurity

The Group has implemented a Cyber Security Policy, aligned with applicable data protection legislation, including the Personal Data Protection Act (PDPA) 2010, to safeguard customer and business-critical information from unauthorized access, disclosure, alteration, and/or destruction.

In line with the International Maritime Organization (IMO) guidelines on maritime cyber risk management, the Group has also established robust measures to enhance the security and resilience of its digital infrastructure. These measures include regular cybersecurity risk assessments, crew awareness training, stringent system access control, data protection protocols, and well-defined incident response procedures. The Group continues to integrate cybersecurity considerations into its Safety Management System (SMS) to safeguard vessel operations, communication networks, and sensitive operational data.

Key Measures in Place:

Strict Access Controls: Role-based data access and password protocols to limit exposure to sensitive information.

Cybersecurity Monitoring: Ongoing threat detection systems and anti-virus protections to secure digital assets and internal networks.

Staff Training: Regular awareness training on data privacy obligations, cyber hygiene, and responsible handling of customer information.

Incident Response Plan: In the event of a data breach, predefined protocols are in place to mitigate risk and notify affected stakeholders promptly.

SUSTAINABILITY REPORT

(Cont'd)

4.0 SOCIAL (CONT'D)

4.6 DATA PRIVACY AND CUSTOMER SATISFACTION (CONT'D)

4.6.1 Customer Data Protection and Cybersecurity (Cont'd)

Policy Enforcement:

All employees are strictly prohibited from accessing, disclosing, or using customer data without proper authorization. Any violation of this Policy will be treated seriously and may result in disciplinary action, including suspension and/or termination of employment.

Performance in FPE 2025:

The Group recorded zero complaints or incidents relating to customer data breaches or privacy violations during the reporting period, demonstrating the effectiveness of its internal controls and the strength of its compliance framework within its employees.

4.6.2 Customer Satisfaction and Relationship Management

The Group values long-term partnerships and is committed to delivering high-quality products and services that not just meet but exceed customer expectations. Our customer satisfaction efforts are anchored in responsiveness, transparency, and a commitment to continuous improvement.

Customer Engagement Channels:

Dedicated Managers: Assigned to key customers to ensure personalised support and issue resolution.

Feedback Mechanisms: Surveys, suggestion boxes, and digital feedback platforms to capture customer insights.

After-Sales Support: Strong technical and operational support to address concerns promptly and maintain satisfaction.

Grievance Handling: A structured complaints-handling procedure ensures timely and fair resolution of issues.

Customer Satisfaction Survey Scores (%):-

December 2025	June 2025	June 2024	June 2023
87%	89%	84%	61%

Continuous Improvement:

Feedback collected is systematically analysed and used to:

- Improve product and service quality
- Identify training needs
- Inform strategic business decisions

By upholding data privacy and pro-actively engaging with customers, the Group enhances stakeholder trust, supports customer loyalty, and strengthens its competitive position in the market.

SUSTAINABILITY REPORT

(Cont'd)

5.0 GOVERNANCE



The Group recognises strong governance as the foundation of our sustainability strategy. We are dedicated to integrating EESG considerations across all aspects of corporate oversight, including risk management, compliance, and stakeholder engagement processes, ensuring sustainable value for our stakeholders.

5.1 The Board's Oversight of EESG

The BOD plays a pivotal role in overseeing and guiding the Group's EESG agenda, with the support from the Executive Management and relevant departmental leaders to ensure effective implementation across the organisation.

Board Responsibility: The Board oversees the overall EESG strategy, reviews key sustainability targets, and monitors EESG related risks and opportunities to drive responsible growth and long-term value creation for all stakeholders.

Management Role: Operational responsibility for EESG implementation is delegated to the Group Sustainability Committee, comprising senior management from key business divisions.

EESG Reporting Line: EESG updates are presented quarterly to the Board, covering progress on material topics, stakeholder concerns, and regulatory developments.

5.2 EESG Risk Management

While the Group has a robust Enterprise Risk Management (ERM) framework in place, EESG related risks are in the process of being further integrated into risk registers.

Current Practice: EESG risks such as climate change, environmental non-compliance, supply chain disruptions, and community-related risks are partially considered in existing risk assessments.

Ongoing Development: A dedicated EESG Risk Register is under development to categorise and monitor EESG risks more systematically, in alignment with ISO 31000 and Bursa Malaysia's enhanced sustainability reporting requirements.

Scenario Analysis: Initial climate-related scenario assessments have commenced, guided by TCFD recommendations.

a. Code of Ethics and Whistle-blowing Policy

The Group upholds ethical conduct through a well-established Code of Ethics and Conduct, which applies to all employees, management, and Board members.

Whistle-blowing Mechanism: Employees and stakeholders can confidentially report any misconduct through multiple channels including email, telephone hotline, and direct reporting to the Board Audit Committee.

Protection Measures: Whistle-blowers are protected from retaliation, as stipulated in the Group's Whistle-blower Protection Policy.

Reporting statistics:

	December 2025 (6 months)	June 2025 (12 months)	June 2024 (12 months)	June 2023 (12 months)
Whistle-blower complaints received	0	0	0	0
Retaliation or breach of confidentiality cases	0	0	0	0
Resolutions or actions taken	N/A	N/A	N/A	N/A

SUSTAINABILITY REPORT

(Cont'd)

5.0 GOVERNANCE (CONT'D)

5.2 EESG Risk Management (Cont'd)

b. Anti-Bribery and Anti-Corruption Policy ("ABC Policy")

The Group is committed to conducting business ethically and with integrity, in compliance with the Malaysian Anti-Corruption Commission (MACC) Act 2009.

Policy Statement: Our ABC Policy prohibits bribery, kickbacks, facilitation payments, and conflicts of interest.

Employee Training: Annual integrity training conducted across all business divisions, covering bribery risks and ethical decision-making.

Reporting Channels: Corruption-related grievances can be reported through the same whistle-blowing channels.

Compliance Declaration: All employees and vendors are required to sign annual compliance declarations to affirm adherence to anti-corruption policies.

There were no confirmed incidents of corruption in the past as shown below:

	December 2025 (6 months)	June 2025 (12 months)	June 2024 (12 months)	June 2023 (12 months)
Confirmed incidents of corruption	0	0	0	0

The percentage of operations assessed for corruption-related risks is shown as below:

	December 2025 (6 months)	June 2025 (12 months)	June 2024 (12 months)	June 2023 (12 months)
Percentage of operations assessed for corruption-related risks	100%	100%	100%	100%

5.3 Tax Transparency

The Group is committed to upholding the highest standards of tax governance, transparency, and compliance in all jurisdictions in which we operate. We view responsible tax behaviour as an integral part of good corporate governance and sustainability.

5.3.1 Key Components of Our Tax Governance:

Compliance with Regulations: The Group complies with all applicable tax laws and regulations, including timely filing and accurate reporting of taxes such as corporate income tax, sales and service tax, withholding tax, and customs duties.

Transfer Pricing Documentation: The Group maintains contemporaneous transfer pricing documentation in accordance with the Malaysian Income Tax Act 1967 and the OECD Transfer Pricing Guidelines. These documents are updated annually and are available for inspection by the tax authorities, ensuring transparency in intra-group transactions.

Tax Risk Management: Tax risks are managed under the Group's broader enterprise risk management framework, with internal reviews and controls in place to ensure correct tax treatment, reduce exposure to penalties, and support compliance readiness during tax audits.

SUSTAINABILITY REPORT

(Cont'd)

5.0 GOVERNANCE (CONT'D)

5.3 Tax Transparency (Cont'd)

5.3.2 Training and Capacity Building:

All personnel in the Finance and Accounting Department are required to pursue ongoing professional education and training annually.

This includes in-house and external training conducted by accredited tax professionals, covering:

- Updates to domestic and international tax laws
- Transfer pricing developments
- Contemporary tax issues and case laws
- Corporate tax planning and documentation practices

Staff are encouraged to maintain membership in professional bodies (e.g., MIA, ACCA, CPA) and uphold continuous professional development (CPD) standards.

5.3.3 External Tax Advisory Support:

The Group engages external tax advisors and consultants when necessary to obtain expert opinions on complex tax matters.

These engagements ensure that tax treatments, especially in relation to investments, cross-border transactions, and tax incentives, are handled with professional accuracy and prudence.

SUSTAINABILITY REPORT

(Cont'd)

6.0 BURSA MALAYSIA'S CSI PRESCRIBED TABLE

Date & Time: 2026-04-28 15:56:47
FYE 31/12/2025

Shin Yang Group Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Anti-Corruption	Confirmed incidents of corruption and action taken	No. of Case	0	0	Internal	
Community	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	5,000	-	Internal	Value of food aid, refer Community Engagement under Sustainability Report section 4.5 for more details.
Community	Total number of beneficiaries of the investment in communities	No. of family	30	-	Internal	
Diversity	Percentage of employees (Aged 30 and below)	%	30%	-	Internal	
Diversity	Percentage of employees (Aged between 31 to 40)	%	29%	-	Internal	
Diversity	Percentage of employees (Aged between 41 to 50)	%	22%	-	Internal	
Diversity	Percentage of employees (Aged 51 and above)	%	19%	-	Internal	
Diversity	Percentage of employees by gender (Female)	%	21%	-	Internal	The Group's business nature involving models of logistics and the marine working environment
Diversity	Percentage of employees by gender (Male)	%	79%	-	Internal	
Diversity	Percentage of the Board by gender (Female)	%	33%	-	Internal	Based on the Board composition
Diversity	Percentage of the Board by gender (Male)	%	67%	-	Internal	
Energy Management	Fuel consumption	Litre	10,050,754	-	Internal	
Energy Management	Diesel consumption	Litre	15,989,155	-	Internal	

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SUSTAINABILITY REPORT

(Cont'd)

6.0 BURSA MALAYSIA'S CSI PRESCRIBED TABLE (CONT'D)

Date & Time: 2026-04-28_15:56:47
FYE 31/12/2025

Shin Yang Group Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Energy Management	Electricity consumption	kwh	12,574,030	-	Internal	
Health and Safety	Lost time incident rate	No. of case	0	-	Internal	
Labour Practices and Standards	Total hours of training for Directors	No. of training hours	0.96	-	Internal	
Labour Practices and Standards	Total hours of training for management level	No. of training hours	10.81	-	Internal	
Labour Practices and Standards	Total hours of training for executive level	No. of training hours	222.01	-	Internal	
Labour Practices and Standards	Total hours of training for non-executive level	No. of training hours	662.02	-	Internal	
Labour Practices and Standards	Total hours of training for operation workforce level	No. of training hours	46.20	-	Internal	
Labour Practices and Standards	Percentage of employees (Permanent employee)	%	67%	-	Internal	
Labour Practices and Standards	Percentage of employees (Contract staff)	%	33%	-	Internal	
Labour Practices and Standards	Percentage of employee turnover by gender (Female)	%	18%	-	Internal	
Labour Practices and Standards	Percentage of employee turnover by gender (Male)	%	82%	-	Internal	
Labour Practices and Standards	Percentage of employee turnover by age (Aged below 30)	%	43%	-	Internal	
Labour Practices and Standards	Percentage of employee turnover by age (Aged between 30-50)	%	44%	-	Internal	
Labour Practices and Standards	Percentage of employee turnover by age (Aged 51 and above)	%	13%	-	Internal	

Page 2 of 3

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SUSTAINABILITY REPORT

(Cont'd)

6.0 BURSA MALAYSIA'S CSI PRESCRIBED TABLE (CONT'D)

Date & Time: 2026-04-28 15:56:47
FYE 31/12/2025

Shin Yang Group Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Supply Chain and Management	Proportion of spending on local suppliers	%	96.4%	-	Internal	
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	No. of case	0	-	Internal	
Water	Total volume of water used	MT	221,701	-	Internal	
Environmental	Scope 1 GHG Emissions	tCO2e	67036	-	Internal	Direct GHG emissions from sources owned and controlled by the Group, such as usage of fuel
Environmental	Scope 2 GHG Emissions	tCO2e	9,808	-	Internal	Indirect GHG emissions from the consumption of purchased grid electricity from utilities providers
Environmental	Scope 3 GHG Emissions: Business travel and employee commuting	tCO2e	694	-	Internal	

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board remains committed to upholding the highest standards of corporate governance across the Group in discharging its responsibilities to safeguard and enhance shareholder value.

The Board recognises that strong corporate governance reflects the Group's integrity, strengthens business resilience, and creates long-term value. Guided by these principles, the Board actively provides strategic direction and oversight to Management, ensuring that the Group's business objectives and strategies are effectively executed.

This statement sets out the Group's application of the principles of corporate governance and the extent of its compliance with the principles, recommendations, and best practices of the Malaysian Code on Corporate Governance 2021 ("MCCG"). It should be read together with the Corporate Governance Report ("CG Report"), which is available on the Group's website.

For the FPE 2025, the Board is of the view that the Group has, in all material respects, complied with the principles and practices of the MCCG. A summary of the Group's adoption level across all practices is provided below:

Application	No. of Practices	No. of Step-up Practices	Total
1. Applied	38	-	38
2. Departure	4	-	4
3. Not Applicable	1	-	1
4. Adopted	-	3	3
5. Not Adopted	-	2	2
Total	43	5	48

Explanations for Departures from MCCG Practices

The Group continues to embrace the principles of the MCCG in its commitment to high standards of governance. While most recommended practices have been applied, certain departures were made where the Board believes alternative approaches better serve the long-term interests of the Group and its stakeholders:

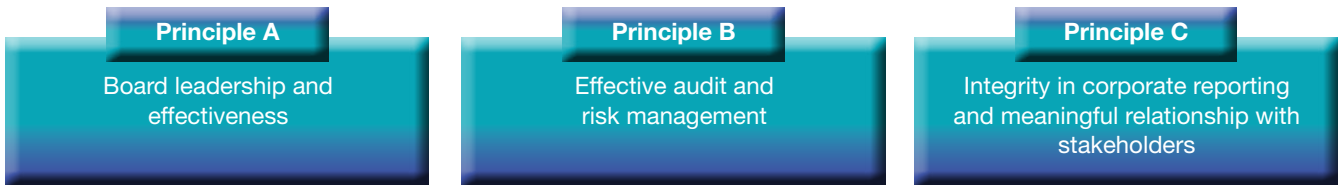
Practice	MCCG's best practice	Explanation for Departures
Practice 5.2	At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.	While the Board's independent composition falls below the 50% threshold recommended by the Code, it complies with Bursa Malaysia's Listing Requirements and the Company's Constitution. The Board believes the current four Independent Directors provide sufficient checks and balances through their expertise, committee participation, and independent oversight. Annual assessments are conducted to ensure their independence, and the Joint Nomination & Remuneration Committee will continue to identify suitable candidates to further strengthen the Board's composition.
Practice 8.2	The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.	The Group does not consider it in its best interest to disclose the detailed remuneration of the top five (5) Key Senior Management on a named basis in RM50,000 bands, due to confidentiality and security concerns. Although individual figures are not disclosed, our remuneration framework remains transparent, competitive, and aligned with industry standards.
Practice 12.2	Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.	The Board recognises that integrated reporting can enhance the quality of information provided to investors and promote greater transparency. However, its preparation requires a dedicated team with specialised expertise across operating and functional units. At present, the Group's reporting complies with applicable accounting standards, the Companies Act 2016, and Bursa Malaysia Listing Requirements. The Board will consider adopting integrated reporting in the future, guided by globally accepted frameworks and best practices.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

Practice	MCCG's best practice	Explanation for Departures
Practice 13.3	<p>Listed companies should leverage technology to facilitate–</p> <ul style="list-style-type: none"> voting including voting in absentia; and remote shareholders' participation at general meetings. <p>Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.</p>	<p>The Group has a relatively small shareholder base and does not currently provide voting in absentia or remote participation at AGMs. Meetings are held at accessible venues in Miri, Sarawak, with shareholders able to appoint proxies, including the Chairman, by submitting the Form of Proxy 48 hours before the meeting. Independent polling agents and scrutineers are engaged to validate votes, and results are announced during the meeting and published on the Group's website. The Group will continue to enhance its Annual Report and monitor technological developments and market practices for future adoption</p>

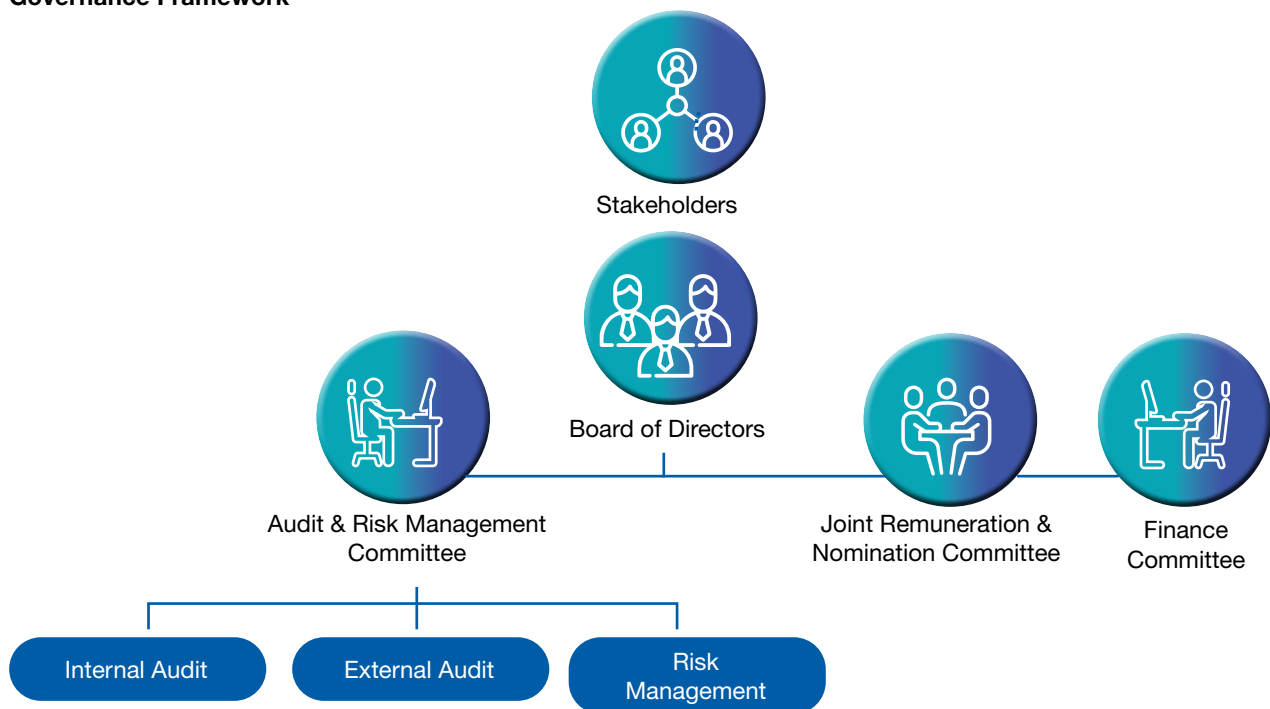
The three (3) principles of corporate governance as set out in MCCG are:-



PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

PART 1: BOARD RESPONSIBILITIES

1.0 Governance Framework



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

1.0 Governance Framework (Cont'd)

The Board of Directors (“the Board”) assumes overall responsibility for the performance and sustainability of the Group. It maintains effective oversight of strategic, financial, operational, compliance, and governance matters, and discharges its fiduciary duties in accordance with prevailing laws, regulations, the Group/Company’s policies, and the Board Charter, always in the best interest of the Group and its stakeholders.

While the Board delegates day-to-day management of the Group’s business to the Management team, it reserves decision-making authority for significant matters, including:

- Formulation of corporate policies and strategies;
- Oversight and evaluation of business performance;
- Identification and management of principal risks through appropriate systems and controls;
- Review and approval of key matters such as financial results, structures and policies, investments and divestments, acquisitions and disposals, and major capital expenditure; and
- Ensuring compliance with the Listing Requirements of Bursa Malaysia Securities Berhad and all other applicable laws, regulations, and statutory requirements.

Board Committees

To assist in fulfilling its responsibilities, the Board has established the following Committees, each operating within clearly defined Terms of Reference. The Chairman of each Committee reports to the Board on the deliberations and outcomes of Committee meetings.

- **Audit and Risk Management Committee**

The Audit and Risk Management Committee comprises four (4) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The composition, responsibilities, detailed terms of reference and the activities of the Committee during the financial period are set out separately in the Audit and Risk Management Committee Report from page 98 to 101 of the Annual Report.

- **Joint Remuneration and Nomination Committee**

The Joint Remuneration and Nomination Committee is tasked with:

- Recommending the remuneration framework for Directors and the remuneration packages for Executive Directors;
- Identifying and recommending suitable candidates with the requisite skills, knowledge, expertise, integrity, and professionalism for Board appointment; and
- Conducting annual assessments on the effectiveness of the Board, its committees, and the performance of individual Directors.

The Group has also adopted a Directors’ Fit and Proper Policy, which sets out the criteria, authority, responsibilities, and evaluation process for the appointment and reappointment of Directors. The Policy, which is publicly available on the Group’s website, promotes transparency, accountability, and compliance with the disclosure requirements under the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia.

For the FPE 2025, the Committee convened one (1) meeting. The attendance of members was as follows:

Joint Remuneration and Nomination Committee	Number of Meeting(s)	
	Held	Attended
Jack Willien @ William Anak Jinep Chairman, Independent Non-Executive Director	1	1
Dr. Lai Yew Hock, Dominic Independent Non-Executive Director	1	1
Ling Siu Chuo Non-Independent Non-Executive Director	1	1

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

1.0 Governance Framework (Cont'd)

- **Finance Committee**

The Finance Committee provides oversight and guidance on capital investment decisions, financial planning, and funding strategies.

For the FPE 2025, the Committee did not hold any meetings.

1.1 Board Charter

The roles and responsibilities of the Board are set out in the Board Charter, which is publicly available on the Group's website.

The Board Charter is subject to periodic review to ensure its continued relevance and effectiveness, particularly in supporting the Board's discharge of duties in line with evolving corporate laws, regulations, and best practices.

1.2 Supply and Access of Information

All Directors are accorded full and unrestricted access to information relating to the Group. Prior to each Board meeting, Directors are provided with the agenda and comprehensive Board papers within a reasonable timeframe, enabling them to review matters, seek clarification where necessary, and make informed decisions. The Board papers typically include quarterly and annual financial statements, minutes of meetings of all Board Committees, reports on recurrent related party transactions, internal audit reports, and updates on the Group's financial, operational, and corporate developments. Matters requiring Board approval are circulated in advance to facilitate due consideration. Proceedings of all Board meetings are properly minuted and confirmed as accurate records by the Chairman.

In addition, Directors have direct access to the advice and services of the Company Secretary, Key Senior Management, as well as independent professional advisers, including the external auditors, whenever necessary. Newly appointed Directors are also encouraged to visit the Group's operating sites to gain familiarity with its business operations and activities.

1.3 Roles of the Chairman and Chief Executive Officer

The Board is led by Tan Sri Datuk Ling Chiong Ho, the Group Executive Chairman, while the position of Chief Executive Officer was held by Captain Ting Hien Liong during FPE 2025, and subsequently succeeded by Mr. Richard Ling Peng Liing.

The roles of the Group Executive Chairman and Chief Executive Officer are clearly defined and distinct, with a separation of responsibilities that ensures a balance of power and authority. This structure prevents any one individual from exercising unfettered decision-making authority. The Group Executive Chairman leads the Board and is responsible for the orderly conduct of its proceedings, while the Chief Executive Officer oversees the day-to-day management and operations of the Group's businesses.

To preserve independence in governance, the Chairman of the Board does not serve on any Board Committees.

1.4 Company Secretary

The Board is supported by a qualified and experienced Company Secretary who meets the requirements of Section 235(2) of the Companies Act 2016 and holds a valid Practising Certificate issued by the Companies Commission of Malaysia.

The Company Secretary plays a pivotal role in supporting the Board by ensuring compliance with Board policies and procedures, keeping the Board apprised of new statutory and regulatory developments, and facilitating communication between the Board, its Committees, and Senior Management. The Company Secretary attends all Board and Committee meetings, ensuring that proper procedures are followed and that decisions and recommendations are accurately recorded and implemented.

In addition, the Company Secretary actively participates in relevant trainings, seminars, and conferences organised by professional bodies and authorities to remain updated on developments in corporate governance and regulatory requirements, thereby enabling effective advisory support to the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

1.5 Good Business Conduct and Healthy Corporate Culture

The Board is committed to fostering good business conduct and a healthy corporate culture across the Group. This commitment is formalised through the following policies:

(i) Code of Ethics and Conduct

The Group's Code of Ethics and Conduct serve as a guide to the professional and ethical standards expected of all employees, management, directors and vendors. It addresses matters such as compliance with office rules and regulations, conflict of interest, supply chain conduct, confidentiality, security, harassment, misuse of assets and facilities, substance abuse, and other breaches or offences.

(ii) Whistle-Blowing Policy

The Board upholds the highest standards of integrity, accountability, and ethical behaviour in its business practices. Employees and third parties engaged with the Group are provided with a secure mechanism to report suspected wrongdoing or improper conduct without fear of retaliation or victimisation.

(iii) Anti-Bribery and Corruption Policy

The Group maintains a zero-tolerance stance towards bribery and corruption. Its Anti-Bribery and Corruption Policy is designed to ensure compliance with the provisions of the Malaysian Anti-Corruption Commission (MACC) Act 2009, while providing clear guidance on expected standards of behaviour. This policy reinforces the Group's commitment to integrity and accountability in all business dealings.

1.6 Sustainability

The Board recognises the importance of embedding sustainability considerations into the Group's business strategies and operations, as a driver of long-term value creation and improved performance.

Together with Key Senior Management, the Board actively oversees the Group's materiality assessment processes, including the formulation of sustainability strategies, priorities, and targets. Progress against these priorities is communicated to both internal and external stakeholders.

The Board also ensures that Economic, Environmental, Social, and Governance (EESG) factors are integrated into the Group's strategic planning, investment decisions, and operational management, paving the way for a more resilient and sustainable future.

PART II : BOARD COMPOSITION

2.0 Board Composition and balance

The Group is led by a competent and experienced Board which provides strategic direction, oversight, and guidance to drive sustainable growth. The Board currently comprises nine (9) members, chaired by the Group Executive Chairman. Of these, four (4) are Executive Directors, one (1) is a Non-Independent Non-Executive Director, and four (4) are Independent Non-Executive Directors. This composition complies with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, which stipulate that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be Independent Directors.

The profile of each Director is presented on pages 11 to 15 of this Annual Report. Collectively, the Directors bring extensive hands-on experience and expertise in finance, corporate affairs, marine law, logistics management, shipping, shipbuilding operations, and business leadership—critical areas that contribute significantly to the Group's continued success.

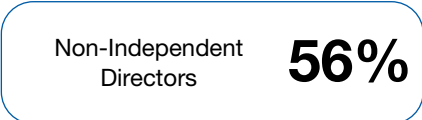
CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

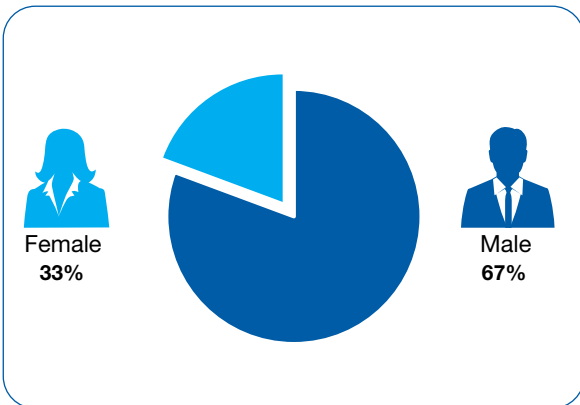
The Board recognises the importance of diversity, including gender representation, as advocated in the Malaysian Code on Corporate Governance (“MCCG”). While no specific gender targets have been set, three (3) female Directors currently serve on the Board. The Board maintains that appointments are based primarily on merit—taking into account experience, expertise, professionalism, integrity, and competence—as these qualities are essential for an effective Board.

A detailed breakdown of the Board’s composition is illustrated below:

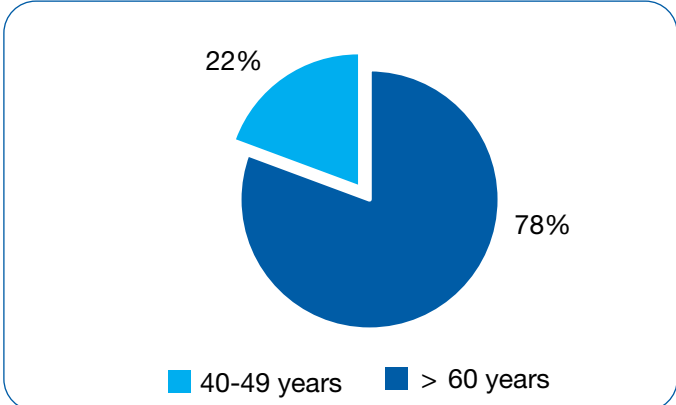
Directorship



Gender



Age profile



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

Experience and Expertise



2.1 Gender Diversity

The Group is committed to upholding the Universal Declaration of Human Rights and advocates fair and inclusive employment practices. Equal opportunity is provided to all, without discrimination on the basis of age, gender, race, ethnicity, religion, or nationality.

The Board believes that the recruitment and retention of the best talent must be guided by a balanced mix of skills, knowledge, independence, and experience, aligned with the Group's needs and operating environment. Selection and recruitment practices at all levels are structured to ensure diversity of candidates and to minimise conscious or unconscious bias, particularly against female candidates.

2.2 Time Commitment

Directors are expected to devote sufficient time to discharge their duties responsibly. In compliance with Paragraph 15.06 of Bursa Malaysia Securities Berhad's Listing Requirements, none of the Directors hold more than five (5) directorships in public listed companies, thereby ensuring that each Director can commit adequate time and attention to the Group.

2.3 Appointment and Retirement of Directors

The appointment of new Directors is undertaken when necessary, with consideration given to the skills, knowledge, and experience required for the Board to function effectively. Recommendations for appointments are made by the Joint Remuneration and Nomination Committee ("JRNC"), and final decisions are formalised through Board resolutions.

In accordance with the Company's Constitution, one-third (1/3) of the Directors retire by rotation and are eligible for re-election at each Annual General Meeting ("AGM"). Retiring Directors are those who have served the longest since their last appointment or re-appointment. Each re-election is tabled as a separate resolution to shareholders, ensuring accountability and transparency.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

2.4 Tenure of Independent Directors

The Board observes the MCCG 2021 recommendation that the tenure of an Independent Director should not exceed nine (9) cumulative years. Upon reaching this tenure, the Board may, at its discretion, consider re-designating such Director as a Non-Independent Director, should their expertise remain relevant. At present, none of the Company's Independent Directors have exceeded the nine-year tenure limit.

2.5 Re-election Recommendations for Directors at the 21st AGM

The Board recommends the re-election of Tan Sri Datuk Ling Chiong Ho, Dr. Lai Yew Hock, Dominic and Puan Izan Nadiawati Binti Mohamad Tabib at the forthcoming 21st AGM. Each of these Directors has demonstrated strong commitment, integrity, and leadership in advancing the Group's strategic objectives. Their diverse expertise and valuable contributions have strengthened the Board's decision-making processes and enhanced governance practices.

All three Directors have duly completed the fit and proper assessments, affirming their suitability to continue serving. The Board is satisfied that they possess the requisite competence, character, and professionalism to discharge their fiduciary duties effectively.

The Board firmly believes that their re-election is in the best interests of the Group and its shareholders, ensuring continuity of leadership and stewardship.

2.6 Annual Assessment of Director

The Board, through the Joint Remuneration and Nomination Committee ("JRNC"), is responsible for assessing the independence and effectiveness of the Independent Directors on an annual basis. The assessment considers factors such as the nature of each Director's relationship with the Company, their ability to exercise independent judgment, and their involvement in any material transactions with the Group.

The Board is satisfied that the current mix of skills, experience, expertise, and independence within its composition remains adequate and effective in ensuring the Board and its Committees discharge their responsibilities in the best interest of the Group and its stakeholders.

2.7 Directors' Training

All Directors have completed the Mandatory Accreditation Programme ("MAP") conducted by Bursa Malaysia Training Sdn. Bhd. Training needs are assessed annually, and Directors are nominated to attend Continuing Education Programmes ("CEP") organised by accredited institutions to keep abreast of regulatory, industry, and governance developments.

During the financial period ended 31 December 2025, Directors attended the following training programmes:

Training programmes	Duration of training per programme, day(s)
National Tax Conference 2026	1
Preparation and Presentation of Consolidated Financial Statements	2
Board Simulation – balancing Risks & Opportunity in Sustainability Leadership	1

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

2.8 Board Meetings

The Board convenes at least four times annually, with additional meetings held as necessary. Meetings and the AGM are scheduled in advance to facilitate Directors' attendance. Notices and materials are circulated at least 14 days before each meeting, enabling Directors to prepare adequately. Participation may also be via teleconference or web conference.

Key matters deliberated by the Board include financial performance, budgets, capital expenditure, investments, strategic initiatives, and corporate developments. Independent Non-Executive Directors play a crucial role in ensuring that strategies and proposals are examined objectively and in the best interests of all stakeholders, including shareholders, employees, customers, suppliers, business partners, and the wider community.

Proceedings and resolutions are recorded in detail in the minutes, including any abstentions from voting. Circular resolutions are used for urgent or administrative matters and are subsequently noted at the following Board meeting.

During the FPE 2025, the Board met twice. Details of attendance are as follows:

No	Directors	Status of Directorship	No. of Meeting attended/Held
1	Tan Sri Datuk Ling Chiong Ho	Group Executive Chairman	2/2
2	Ling Chiong Sing	Group Managing Director	2/2
3	Datuk Ling Lu Kiong	Group Executive Vice Chairman	2/2
4	Ling Chiong Pin	Executive Director	2/2
5	Ling Siu Chuo	Non-Independent Non-Executive Director	2/2
6	Jack Willien @ William Anak Jinep	Independent Non-Executive Director	2/2
7	Yong Nyet Yun	Independent Non-Executive Director	2/2
8	Dr. Lai Yew Hock, Dominic	Independent Non-Executive Director	2/2
9	Izan Nadiawati Binti Mohamad Tabib	Independent Non-Executive Director	2/2

PART III: REMUNERATION

3.0 Remuneration of Directors

The Joint Remuneration and Nomination Committee ("JRNC") is responsible for reviewing the annual salaries, incentive programmes, service contracts, and other employment terms of the Executive Directors. The Committee ensures that the remuneration framework is structured to fairly reward Directors for their individual contributions to the Company's overall performance, while remaining competitive enough to attract, retain, and motivate leadership talent to drive the Group's long-term success. Where appropriate, the Board considers benchmarking information sourced from independent consultants and market surveys of comparable companies in determining remuneration levels.

Non-Executive Directors receive annual fees, which are subject to shareholders' approval at the Annual General Meeting. In addition, they are reimbursed for reasonable expenses incurred in the course of discharging their duties on behalf of the Group.

Decisions on Directors' remuneration are made collectively by the Board, with each individual Director abstaining from discussions relating to his or her own remuneration.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

The details of the remuneration of the Directors of the Company and the Group for the FPE 2025 are set out below:

No	Name	Directorate	Company ('000)						Total
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	
1	TAN SRI DATUK LING CHIONG HO	Executive Director	0	0	1,170	585	0	47	1,802
2	LING CHIONG SING	Executive Director	0	0	510	255	0	21	786
3	LING CHIONG PIN	Executive Director	0	0	300	150	0	12	462
4	DATUK LING LU KIONG	Executive Director	0	0	300	300	0	37	637
5	LING SIU CHUO	Non-Executive Non-Independent Director	18	0	0	0	0	0	18
6	YONG NYET YUN	Independent Director	75	0	0	0	0	0	75
7	JACK WILLIEN @ WILLIAM ANAK JINEP	Independent Director	18	0	0	0	0	0	18
8	DR. LAI YEW HOCK, DOMINIC	Independent Director	75	0	0	0	0	0	75
9	IZAN NADIAWATI BINTI MOHAMAD TABIB	Independent Director	18	0	0	0	0	0	18

No	Name	Directorate	Group ('000)						Total
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	
1	TAN SRI DATUK LING CHIONG HO	Executive Director	0	0	1,270	595	0	53	1,918
2	LING CHIONG SING	Executive Director	0	0	900	317	0	38	1,255
3	LING CHIONG PIN	Executive Director	0	0	330	160	0	14	504
4	DATUK LING LU KIONG	Executive Director	0	0	300	300	0	37	637
5	LING SIU CHUO	Non-Executive Non-Independent Director	18	0	0	0	0	0	18
6	YONG NYET YUN	Independent Director	75	0	0	0	0	0	75
7	JACK WILLIEN @ WILLIAM ANAK JINEP	Independent Director	18	0	0	0	0	0	18
8	DR. LAI YEW HOCK, DOMINIC	Independent Director	75	0	0	0	0	0	75
9	IZAN NADIAWATI BINTI MOHAMAD TABIB	Independent Director	18	0	0	0	0	0	18

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

3.1 Remuneration of Senior Management

The Board is of the view that disclosure of the Group's Senior Management's remuneration on a named basis, in bands of RM50,000, may be prejudicial to the Group's business interests. Such disclosure could adversely affect the Group's ability to attract and retain talent in a highly competitive market.

Nevertheless, the Board ensures that the remuneration of the Group's Senior Management is fair, reasonable, and commensurate with both the performance of the Group and individual responsibilities. The framework is designed to attract, retain, and motivate high-calibre executives who are capable of leading the Group effectively and delivering sustainable value to shareholders.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

4.0 Audit and Risk Management Committee

The Board recognises its responsibility to maintain a robust risk management framework and sound system of internal control in order to safeguard shareholders' investments, the Group's assets and stakeholders' interests.

Through the Audit and Risk Management Committee ("ARMC"), the Board has established an ongoing process for identifying, evaluating and managing significant risks faced by the Group. This process includes continuous enhancements to the risk management and internal control systems in response to changes in the business environment and evolving regulatory requirements. The ARMC is supported by Management and the Internal Audit function in carrying out its oversight responsibilities.

Further details on the ARMC's activities are provided in the Audit and Risk Management Committee Report from pages 98 to 101 of this Annual Report.

4.1 Risk Management and Internal Control

The Group has in place a structured risk management and internal control framework which enables the Board to monitor key business risks and ensure appropriate mitigation measures are implemented.

A comprehensive overview of the framework and its effectiveness is disclosed in the Statement on Risk Management and Internal Control from pages 93 to 97 of this Annual Report.

4.2 Relationship with Auditors

The Board, through the ARMC, maintains a formal and transparent relationship with both the internal and external auditors. This ensures that professional advice is obtained as needed and that the Group remains in full compliance with applicable accounting standards and regulatory requirements.

The ARMC meets with the external auditors at least once annually to review the audit plan, discuss key audit findings, and exchange views on matters requiring the Committee's attention. Key features of the ARMC's Terms of Reference are presented from pages 98 to 101 of this Annual Report.

In accordance with Paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the external auditors have reviewed this Statement and reported to the Board that, in all material respects, it has been prepared in accordance with the disclosures required under paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, and that it is factually accurate.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

5.0 Integrity of Financial Reporting

The Board, through the ARMC, ensures that quarterly reports and annual financial statements present a true and fair view of the Group's financial performance and position. The statements are reviewed by the ARMC before recommendation to the Board for approval. The external auditors provide further assurance by expressing their independent opinion on the financial statements.

5.1 Corporate Disclosure and Communication

The Board recognises the importance of timely dissemination of accurate information pertaining to the Group's business activities and financial performance to its shareholders, investors and other stakeholders.

The Group's financial results, announcements, annual report and circulars can be accessed from the Bursa Malaysia Securities Berhad's website at www.bursamalaysia.com. In addition, shareholders and investors may also access other information about the Group via the Group's corporate website at www.shinyanggroup.com.my.

5.2 Communication with Shareholders and Investors

The Group values open, effective and transparent communication with shareholders and investors to provide a clear and accurate picture of its performance, prospects and strategic direction. Information is disseminated through quarterly financial results, announcements, annual reports, circulars, and notices of general meetings.

The Group Managing Director and the Chief Executive Officer cum Company Secretary also hold dialogues with institutional investors and conduct presentations to analysts to update them on the Group's performance, expansion plans and other matters of interest.

The Annual General Meeting ("AGM") remains the principal platform for engagement with shareholders. At the AGM, shareholders are encouraged to actively participate by raising questions on the resolutions proposed and the Group's operations in general. Where immediate answers cannot be provided, the Chairman undertakes to provide a written response after the meeting.

The Chairman of the Board also addresses shareholders at the AGM with a review of the Group's performance and outlines prospects for the subsequent financial year, as further elaborated in the Chairman's Statement from pages 19 to 20 of this Annual Report.

All resolutions tabled at the AGM are voted by poll. An independent scrutineer is engaged to oversee the process, facilitate the counting of votes and provide independent verification of the results. The outcomes of the AGM are released to Bursa Malaysia on the same day, ensuring that the investing public is promptly informed.

The Group's website, www.shinyanggroup.com.my serves as an important channel for shareholders and investors to access up-to-date information on the Group. Shareholders may also contact the Company Secretary directly for any enquiries.

5.3 Corporate Governance Report

Pursuant to paragraph 15.25(2) of the Listing Requirement, the Corporate Governance Report which discloses the application of each Practice of the MCCG 2021 by the Group in the format prescribed by Bursa Malaysia is available at the Group's website, www.shinyanggroup.com.my

This Corporate Governance Overview Statement is made in accordance with a resolution of the Board dated 16 April 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

This Statement on Risk Management and Internal Control (“Statement”) is made pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies (“the Guidelines”) as well as Practices 10.1 and 10.2 of the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”). This Statement outlines the nature and scope of the Group’s risk management and internal control framework for the financial period ended 31 December 2025.

RESPONSIBILITY AND ACCOUNTABILITY

The Board

The Board acknowledges its responsibility for ensuring the adequacy and effectiveness of the Group’s Risk Management and Internal Control System. This includes the establishment of an appropriate control environment and risk management framework, processes and structures and continually reviewing the adequacy and integrity of the said systems to safeguard shareholders’ investment and the Group’s assets.

Through the ARMC, the Board has established an ongoing process to identify, evaluate and manage significant risks faced by the Group. This process is reviewed periodically and enhanced as necessary to ensure it remains effective and responsive to changes in the business environment and regulatory requirements.

The Group’s risk management framework encompasses financial, operational, and compliance controls designed to safeguard shareholder value and Group assets. The principal risk categories include business, competitive, compliance, corruption, credit, liquidity, operational, supply chain and technological risks.

The Board is aware of the limitations that are inherent in internal control and risk management systems which are designed to manage, rather than eliminate, the risks that may impede the achievement of the Group’s business objectives. Accordingly, it can only provide a reasonable, but not absolute assurance against material misstatement or losses, fraud or breaches of laws or regulations.

For the period under review and up to the date of this Statement, the Board is satisfied that the Group’s risk management and internal control system is adequate and effective in protecting shareholders’ investment, as well as the interests of customers, regulators, employees, and other stakeholders.

The Management

The Management is responsible for assisting the Board in implementing the processes for identifying, evaluating, monitoring and reporting risks and internal controls throughout the period. For the financial period under review, the Board has received assurance from the Chief Executive Officer and Group Managing Director that the Group’s risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

ENTERPRISE RISK MANAGEMENT

Risk Management Framework

The Group has established a structured Enterprise Risk Management (“ERM”) framework to identify, assess, monitor and mitigate principal risks that may impact the achievement of business objectives.

The ARMC has been delegated by the Board to oversee the Group’s risk management framework. The ARMC is responsible for reviewing and approving risk management policies, procedures, and methodologies, and for monitoring the effectiveness of risk mitigation measures implemented by Management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

The Group's risk management framework is structured to ensure a systematic and integrated approach to risk management, consistent with the Guidance for Directors of Public Listed Companies on Statement on Risk Management and Internal Control.

The Group's risk management framework is set out in the diagram below:-



Risk Management Process

The Group's risk management process involves:

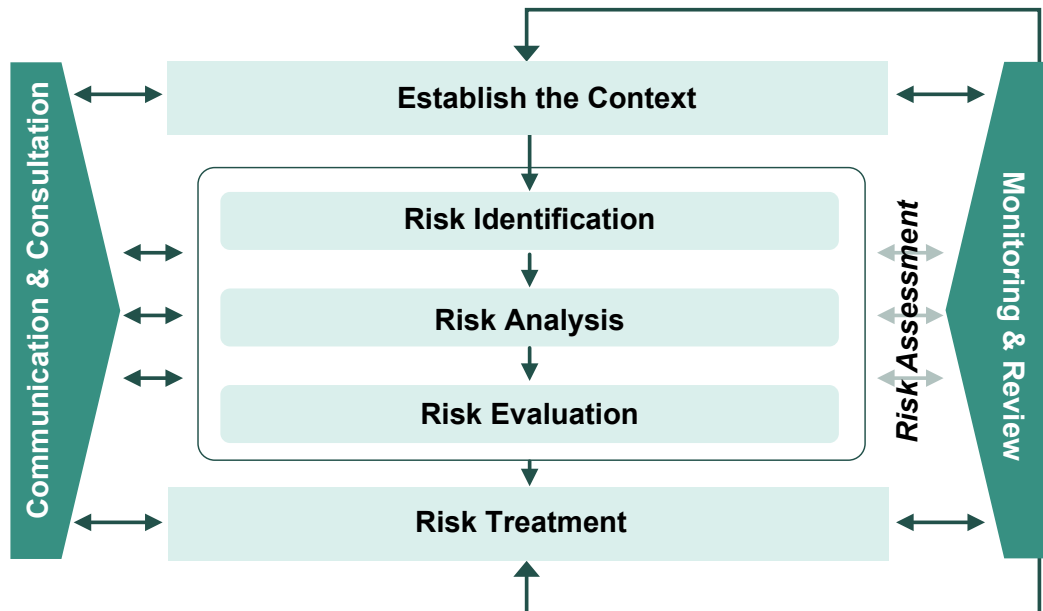
- Risk Identification – recognising risks that may impact achievement of objectives.
- Risk Evaluation – assessing risks based on likelihood and potential impact.
- Risk Mitigation – implementing control measures to manage risks within acceptable levels.
- Risk Monitoring and Reporting – ongoing tracking and quarterly reporting to ARMC and the Board.

All identified risks are recorded in a risk register, rated according to severity (Extreme, High, Medium or Low), and assigned to risk owners responsible for mitigation. The ARMC reviews progress quarterly, with findings escalated to the Board for oversight.

The Board recognises ERM as a strategic enabler that enhances shareholder value while embedding a risk-aware culture across the Group. ERM initiatives are continually refined to improve maturity levels, harmonise risk appetites across operations and strengthen the Group's risk culture.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)



Summary of the risk management procedures

ELEMENTS OF INTERNAL CONTROL

The Board acknowledges its overall responsibility for the Group's system of risk management and internal control, which is designed to identify, evaluate, monitor, and manage the risks that may hinder the Group from achieving its strategic objectives.

The ARMC assists the Board in reviewing the adequacy and effectiveness of the system of risk management and internal control. During the financial period, the ARMC reviewed reports from the internal auditors ("IA") and deliberated on audit issues and recommendations together with Management's responses and action plans. Minutes of ARMC meetings were presented to the Board for further consideration and notation, and where appropriate, matters requiring the Board's attention and approval were escalated by the ARMC.

The Group's system of internal controls comprises the following key elements:-

Board Meeting

The Board meets at least quarterly, guided by a formal agenda of matters for discussion and approval. Comprehensive board papers are prepared to facilitate informed decision-making, supported by presentations, explanations, and feedback from Management. The Board also receives regular updates on the Group's activities and operations.

Organisational Structure with Defined Responsibility and Authority

The Group maintains an organisational structure with clearly defined lines of responsibility and authority, enabling effective response to changes in the business environment and accountability for operational performance. Significant capital and non-capital expenditures, as well as acquisitions and disposals, are subject to formal approval processes.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

Performance Management Framework

Comprehensive management reports, encompassing financial and non-financial key performance indicators, operational updates, and performance analyses, are prepared on a regular basis for Board review. A structured business planning and budgetary system is in place, enabling periodic measurement of actual performance against established targets.

Operational Policies and Procedures

Documented policies and procedures form an integral part of the Group's control system, safeguarding assets and ensuring accuracy and completeness of financial and operational information. These policies, issued through memoranda, circulars, and guidelines, are reviewed and updated periodically to meet evolving operational requirements.

Group Internal Audit

The internal audit ("IA") function of the Group is carried out in-house and led by the Group Internal Auditor. The primary role of the IA is to provide independent and objective assurance on the adequacy and effectiveness of the Group's system of internal controls, risk management, and governance processes. By adopting a systematic and risk-based approach, the IA supports the Board and the ARMC in strengthening the Group's internal control framework and ensuring continuous improvements.

To ensure the independence from Management, the Group Internal Auditor reports directly to the ARMC.

The internal audit plans are approved by the ARMC on a periodic basis. The ARMC also monitors major internal audit findings to ensure they are promptly addressed and resolved. Significant findings and recommendations for improvements are highlighted to Management and the ARMC, with follow-up and reviews of action plans.

The Group Internal Auditor is free from any relationships or conflict of interest, which could impair its objectivity and independence.

Quality Assurance

IA has established a quality assurance and improvement programme that includes internal and external assessments to evaluate the effectiveness of its processes. A peer review mechanism is also in place to ensure consistency and quality across audit engagements, under the leadership of an experienced team head.

Information and Communication

While Management is responsible for day-to-day internal controls, the Board retains authority to assess the adequacy of the system as it deems necessary. To support this oversight, the Board has unrestricted access to information from the Management, the ARMC, internal and external auditors, and professional advisers at the Group's expense.

Assurance from the Management

The Board has received assurance from the Group Managing Director and Chief Executive Officer that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management practices and internal control system of the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

Audit and Risk Management Committee

The ARMC plays a critical role in ensuring the robustness of the internal control environment by:

- Reviewing the adequacy and effectiveness of the Group's internal control and risk management systems.
- Deliberating on internal audit findings and the Management's responses.
- Monitoring progress on corrective actions for audit issues through quarterly reports.
- Reviewing the Group's quarterly financial results and recommending their adoption to the Board.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITOR

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide 3 (AAPG 3): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants ("MIA"). The review was conducted for inclusion in the Annual Report of the Group for the financial period ended 31 December 2025.

Based on their review, the external auditors reported to the Board that nothing has come to their attention that causes them to believe that this Statement, in all material respects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is it factually inaccurate.

It should be noted that AAPG 3 does not require the external auditors to consider whether the Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and opinion of the Directors and Management thereon. The report by the external auditors is made solely for, and directed solely to, the Board of Directors in connection with compliance with the Listing Requirements of Bursa Malaysia Securities Berhad, and for no other purpose. The external auditors do not assume responsibility to any other person other than the Board of Directors in respect of this report.

CONCLUSION

The Board acknowledges its responsibility for maintaining a sound system of risk management and internal control, and remains committed to continuously improving these systems to adapt to the evolving and challenging business environment. Ongoing management efforts are in place to enhance the Group's internal control and risk management framework in line with best practices and regulatory expectations.

For the financial period under review, the Board confirms that there were no major internal control weaknesses that could result in material loss or uncertainty to the Group.

This Statement on Risk Management and Internal Control has been reviewed and approved by the Board of Directors in accordance with a resolution passed on 16 April 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

MEMBERS

Yong Nyet Yun

Chairman and Independent Non-Executive Director

Dr. Lai Yew Hock, Dominic

Independent Non-Executive Director

Jack Willien @ William Anak Jinep

Independent Non-Executive Director

Izan Nadiawati Binti Mohamad Tabib

Independent Non-Executive Director

Ling Siu Chuo

Non-Independent Non-Executive Director

TERMS OF REFERENCE

The Committee was established in Year 2010 and with effect from Year 2020, it was renamed as Audit and Risk Management Committee (“ARMC”), to serve as a Committee of the Board, with the terms of reference set out below:

COMPOSITION OF THE COMMITTEE

- The Committee shall comprise not less than three (3) members.
- All members of the Committee must be Non-Executive Directors, with a majority of independent Directors.
- All members of the Committee should be financially literate and at least one member of the Committee must be a member of the Malaysian Institute of Accountants (“MIA”). The Chairman of Audit & Risk Management Committee is a member of Malaysian Institute of Accountants, a Fellow member of CPA Australia and a member of Chartered Tax Institute of Malaysia.
- No alternate director shall be appointed as a member of the Committee.
- The Chairman who shall be elected by the members of the Committee must be an Independent Non-Executive Director.
- Any vacancy in the Committee resulting in non-compliance of the said requirements must be filled within three (3) months.
- No former key audit partner shall be appointed as a member of the ARMC, unless he/she has observed a cooling-off period of at least three (3) years before such appointment.
- All members must possess sound judgment, objectivity, management experience, integrity and knowledge of the industry.
- The term of office and performance of the Committee members shall be reviewed by the Board at least once every three (3) years.

DUTIES AND RESPONSIBILITIES

- Provide assistance to the Board of Directors in fulfilling its fiduciary responsibilities relating to the corporate accounting practices for the Company and the Group.
- Maintain a direct line of communication between the Board and the external and internal auditors.
- Review and monitor to ensure that an adequate system of risk management for the management to safeguard the Group’s assets and operations.
- Prepare reports, if the circumstances arise, or at least once a year, to the Board summarising the work performed in fulfilling the Committee’s primary responsibilities.
- Undertake any other activities, as authorised by the Board.
- Act upon the Board’s request to direct and where appropriate, supervise any special projects or investigation considered necessary and review investigation reports on any major issues with regard to the management of the Group.
- Report promptly to Bursa Malaysia Securities Berhad on any matter reported to the Board, which has not been satisfactorily resolved resulting in a breach of the Bursa Malaysia Main Market Listing Requirement.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(Cont'd)

AUTHORITY

- The Committee is authorised to seek any information it requires from employees, who are required to co-operate with any request made by the Committee.
- The Committee shall have full and unlimited access to any information pertaining to the Group as well as direct communication with the internal and external auditors and with some senior management of the Group.
- The Committee shall have the resources that are required to perform its duties. The Committee can obtain, at the expense of the Group, outside legal or other independent professional advice, if it considers necessary.
- The Committee shall be able to convene meetings with external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Group, whenever deemed necessary.
- Where the Committee is of the view that the matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Committee shall promptly report such matter to Bursa Securities.

PROCEEDINGS

- The Secretary of the Company shall be the Secretary of the ARMC.
- ARMC shall meet not less than four (4) times a year. The Committee meeting shall not combine with the Board meeting to uphold an objective and independent discussion during the meeting.
- The Secretary shall send notice to all Committee members prior to the meeting. Minutes of each meeting shall be kept at the registered office of the Group and circulated to all members in a timely manner.
- Minutes shall be confirmed at the following meeting of the Committee.
- No Director or employee shall attend any meeting of the Committee except at the ARMC's invitation, specific to the relevant meeting.
- Decisions of the Committee shall as far as possible be by consensus, failing which the decision will be by a simple majority.

FINANCIAL PROCEDURE AND FINANCIAL REPORTING

- Review the quarterly results and the year end financial statements, prior to the approval of the Board, focusing particularly on:-
- Any significant changes to accounting policies and practices;
 - Significant adjustments arising from the audits;
 - Compliance with accounting standards and other legal requirements; and
 - Going concern assumption.

RELATED PARTY TRANSACTIONS

- Review the recurrent related party transactions of a revenue or trading nature ("RRPT") entered into by the Company and the Group on a quarterly basis.
- Review the thresholds of the RRPTs to ensure compliance with the Main Listing Requirements of Bursa Securities.
- Review the draft proposal to seek shareholders' mandate for the Company and the Group to enter into RRPTs.

CONFLICT OF INTEREST

- Monitor and address any potential conflict of interest situations within the Group, including reviewing transactions, procedures, or courses of conduct that may raise concerns regarding management integrity.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(Cont'd)

RISK MANAGEMENT AND INTERNAL CONTROL

- To consider annually the internal control system and risk management framework adopted within the Group and to be satisfied that the methodology employed allows identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow the Group to minimise losses and maximize opportunities.
- To ensure that the system of internal control is soundly conceived and in place, effectively administered and regularly monitored.
- To cause reviews to be made of the extent of compliance with established internal policies, standards, plans and procedures.
- To obtain assurance that proper plans for control have been developed prior to the commencement of major areas of change within the Group.
- To recommend to the Board steps to improve the system of internal control derived from the findings of the internal and external auditors and from consultations of the ARMC itself.

INTERNAL AUDIT

- Review and approve the yearly internal audit plan and audit programmes.
- Review the adequacy of the internal audit scope, functions, and resources of the internal audit and that it has the necessary authority to carry out its works.
- Review the results of the internal audit and ensure that appropriate action is taken by the Management on the recommendations of the internal audit.
- Review the performance of the internal audit to ensure that they are able to exercise independence in discharging their duties.
- Approve any appointment or termination of the staff members of the internal audit functions.

EXTERNAL AUDIT

- Review with the external auditors and approve the yearly external audit scope and plan.
- Review the independence and objectivity of the external auditors and their services, including non-audit services and professional fees, so as to ensure a proper balance between objectivity and value for money.
- Review the external audit reports and to evaluate their findings and recommendations for actions to be taken.
- Review the appointment and performance of external auditors, the audit fee and any questions of resignation or dismissal before making a recommendation to the Board.

MEETING

During the financial period ended 31 December 2025, two (2) committee meetings were held. A record of the attendance to these meetings is as follows:

	No. of Meetings Attended
Yong Nyet Yun	2/2
Jack Willien @ William Anak Jinep	2/2
Ling Siu Chuo	2/2
Dr. Lai Yew Hock, Dominic	2/2
Izan Nadiawati Binti Mohamad Tabib	2/2

The Committee also met with the external auditors twice in the financial period. Other directors and employees were invited to attend the Committee meeting on an as need basis at the Committee's invitation and specific to the relevant meeting. The Chairman of the Committee will report on key issues discussed at each meeting to the Board.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(Cont'd)

INTERNAL AUDIT FUNCTION

The internal audit function of the Group is outsourced to Shin Yang Corporate Services Sdn. Bhd. ("SYCS"), an affiliated company within the Shin Yang Holding Sendirian Berhad. The Internal Audit Department ("IAD") comprises 11 personnel (FY2025: 5), led by Mr. Bryan Chen, who is assisted by two Internal Audit Managers, each responsible for leading a respective audit team. Mr. Bryan Chen possesses relevant academic and professional qualifications, with extensive experience in internal auditing and corporate risk management across various industries.

The internal audit activities are reported directly to the ARMC based on the approved annual Internal Audit Plan. This plan is designed to encompass all entities within the Group, ensuring comprehensive coverage of operations. In addition to regular audits, the Internal Audit Department conducts investigations and special reviews at the management's request. Follow-up audits are performed to assess whether the management has implemented the necessary corrective actions.

During the financial period, the Internal Audit function carried out a series of audit engagements covering key risk and control areas, including operational processes, regulatory compliance, financial related control processes, risk management practices, and information technology controls. These reviews were aimed at assessing the adequacy, efficiency, and effectiveness of the Group's internal control environment as well as its adherence to established policies and procedures.

Follow-up reviews were also undertaken to evaluate the timely and appropriate implementation of management's remedial actions on audit findings. The results of these follow-up reviews, together with the status of outstanding issues, were reported to the ARMC for further deliberation and monitoring.

The Group incurred a total cost of RM 596,966.07 for its internal audit function for the financial period ended 31 December 2025.

STATEMENT ON DIRECTORS' RESPONSIBILITY

The Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires the Directors to issue a statement explaining their responsibility for preparing the Financial Statements.

The Directors are required under the Company Act 2016 to prepare financial statements which give a true and fair view of the state of affairs of the Group and the Company as at the end of each financial year and of their results and their cash flows for that year then ended.

In preparing the financial statements, the Directors have:-

- used appropriate accounting policies and are consistently applied;
- made reasonable and prudent judgments and estimates;
- ensured all applicable approved accounting standards in Malaysia, the provision of the Company Act 2016 and the Listing Requirements of the Bursa Malaysia Securities Berhad have been followed; and
- prepared the financial statements on a going concern basis.

The Directors are responsible for ensuring that proper accounting records are maintained which disclose, with reasonable accuracy, the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Act. The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and the Company and to prevent and detect fraud and other irregularities.

This statement is made in accordance with the resolution of the Board of Directors dated 16 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

i) Shares Buy-Back

During the financial period ended 31 December 2025, the Company bought back shares from the open market as follows:

Month of Purchase	Total number Of Shares Purchased	Total Purchase Consideration (RM)	Highest Price Paid (RM)	Lowest Price Paid (RM)	Average Price Paid (RM)
July 2025	135,000	108,175	0.810	0.795	0.802
August 2025	110,000	85,275	0.790	0.750	0.775
September 2025	115,000	90,075	0.840	0.760	0.780
October 2025	58,000	49,235	0.880	0.835	0.852
November 2025	90,000	81,350	0.915	0.895	0.904
December 2025	175,000	145,200	0.895	0.830	0.827
TOTAL	683,000	559,310	0.915	0.750	0.820

All of the shares purchased by the Company were retained as treasury shares. There were 55,000,000 treasury shares has been transferred to the Vendor, Dwi Bumijaya Sdn Bhd at RM0.46 per share to satisfy the final balance of purchase consideration for acquisition of Boulevard Jaya Sdn Bhd, Boulevard Motor Sdn Bhd, Boulevard Motor (Sabah) Sdn Bhd and Boulevard Motor (Labuan) Sdn Bhd during the financial period. As at 31 December 2025, a total of 23,593,000 shares were held as treasury shares.

ii) Imposition of Sanction and / or Penalties

There were no sanctions and/or penalties on the Company or its subsidiaries, directors or management by the relevant regulatory bodies during the financial period ended 31 December 2025.

iii) Non-Audit Fees

The amount of non-audit fees paid to the external auditor by the Company and its subsidiaries during the financial period ended 31 December 2025 amounted to RM66,800 for the professional services rendered as follows:

Company	Review of Internal Control System (RM)	Tax Fee (RM)	Total (RM)
Its subsidiaries	-	66,800	66,800
Total (RM)	-	66,800	66,800

iv) Variation of Results

There were no material variances between the audited results of the financial period ended 31 December 2025 and the announced unaudited results.

v) Profit Guarantee

There were no profit guarantees given by the Company and its subsidiaries.

vi) Revaluation Policy

The Group does not adopt a policy of regular revaluation.

vii) Share Options Offered to Non-Executive Directors

There were no share options granted during the financial period ended 31 December 2025.

viii) Utilisation of Rights Issue Proceeds

There were no rights issue proceeds during the financial period ended 31 December 2025.

ADDITIONAL COMPLIANCE INFORMATION

(Cont'd)

ix) Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT")

The RRPT entered into by the Group during the financial period ended 31 December 2025 were as follows:

Name of Related Parties		Nature of transaction with the Related Parties	Business Activities of Related Parties	Manner of relationship in the Related Parties		Financial Period Ended 31 December 2025 Actual (RM'000)
				Director	Major Shareholder	
Shin Yang Holding Sdn Bhd and Companies related to Shin Yang Holding Sdn Bhd						
1.	Shin Yang Holding Group ⁽¹⁾	Provision of shipping services by the Group	Property developing, wood-based products manufacturing, research & development of wood products, reforestation and oil palm operations, quarry operation, construction and engineering, parts & hardware supplies, agriculture, glue manufacturing, plastic manufacturing and sales of marine equipment, hypermarket and departmental store, hotel business	Yes	Yes	56,186
2.	Shin Yang Holding Group ⁽¹⁾	Provision of fabrication services by the Group	Reforestation and wood-based products manufacturing, quarry operation, construction and engineering, glue manufacturing and parts & hardware supplies	Yes	Yes	1,179
3.	Shin Yang Holding Group ⁽¹⁾	Provision of gas services by the Group	Property developing, wood-based products manufacturing, research & development of wood products, reforestation and oil palm operations, quarry operation, construction and engineering, parts & hardware supplies, agriculture, glue manufacturing and electrical engineering	Yes	Yes	724
4.	Shin Yang Holding Group ⁽¹⁾	Provision of car dealership and sales of spare parts, repairing and servicing of motor vehicle by the Group	Property developing, wood-based products manufacturing, research & development of wood products, reforestation and oil palm operations, quarry operation, construction and engineering, transportation services and logistics, parts & hardware supplies, agriculture, glue manufacturing, plastic manufacturing, sales of marine equipment and electrical engineering, management & consulting services, hypermarket and departmental store, hotel business	Yes	Yes	1,289

ADDITIONAL COMPLIANCE INFORMATION

(Cont'd)

ix) Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") (Cont'd)

The RRPT entered into by the Group during the financial period ended 31 December 2025 were as follows: (Cont'd)

Name of Related Parties		Nature of transaction with the Related Parties	Business Activities of Related Parties	Manner of relationship in the Related Parties		Financial Period Ended 31 December 2025 Actual (RM'000)
				Director	Major Shareholder	
Shin Yang Holding Sdn Bhd and Companies related to Shin Yang Holding Sdn Bhd						
5.	Shin Yang Holding Group ⁽¹⁾	Purchase of marine hardware supplies, spare parts, management fee and internal audit service by the Group	Trading house, construction and engineering, and management & consulting services	Yes	Yes	8,970
6.	Shin Yang Holding Group ⁽¹⁾	Rental of properties by the Group	Investment and properties holding, wood based products manufacturing, quarry operation and construction & engineering	Yes	Yes	1,643
7.	Shin Yang Holding Group ⁽¹⁾	Purchase of transportation services and hotel accommodation by the Group	Investment holding, transportation and haulage services, provision of bus services for the Group's employees as well as ticketing agents and provision of hotel accommodation	Yes	Yes	1,039
8.	Shin Yang Holding Group ⁽¹⁾ and Shin Yang Services Sdn Bhd ⁽²⁾	Purchase of diesel and bunker by the Group	Petrol & diesel and other petroleum products supplies, Industrial trading house (centralised procurements)	Yes	Yes	4,333
Companies connected to the Directors or Person Connected to the Directors						
9.	Ling Family Group ⁽³⁾	Provision of shipping services by the Group	Equipment and machinery supplies, tyre retreading, oil palm plantation, wet market supply in hypermarket, construction and engineering, trading of scrap metal and hydraulic hose supplies	Yes	Yes	5,805
10.	Ling Family Group ⁽³⁾	Provision of fabrication services by the Group	Equipment and machinery supplies, tyre retreading and trading of scrap metal	Yes	Yes	40
11.	Ling Family Group ⁽³⁾	Provision of gas services by the Group	Equipment and machinery supplies, tyre retreading, oil palm plantation and trading of scrap metal	Yes	Yes	352

ADDITIONAL COMPLIANCE INFORMATION

(Cont'd)

ix) Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") (Cont'd)

The RRPT entered into by the Group during the financial period ended 31 December 2025 were as follows: (Cont'd)

Name of Related Parties	Nature of transaction with the Related Parties	Business Activities of Related Parties	Manner of relationship in the Related Parties		Financial Period Ended 31 December 2025 Actual (RM'000)	
			Director	Major Shareholder		
Companies connected to the Directors or Person Connected to the Directors						
12.	Ling Family Group ⁽³⁾	Provision of car dealership and sales of spare parts, repairing and servicing of motor vehicle by the Group	Equipment and machinery supplies, tyre retreading, oil palm plantation, insurance agency, property developing, wet market supply in hypermarket and transport services	Yes	Yes	1,912
13.	Ling Family Group ⁽³⁾	Purchase of marine hardware supplies and spare parts by the Group	Ration supplier, trading house, workshop operation and trading of scrap metal.	Yes	Yes	2,645
14.	Ling Family Group ⁽³⁾	Rental of property by the Group	Provision of berthing facilities and letting of properties	Yes	Yes	23
15.	Ling Family Group ⁽³⁾	Purchase of transportation services and accommodation services by the Group	Public transportation and provision of hotel accommodation.	Yes	Yes	21

Notes:-

- ⁽¹⁾ Subsidiary companies of Shin Yang Holding Sdn Bhd, which Tan Sri Datuk Ling Chiong Ho, Ling Chiong Sing and Ling Chiong Pin who are the Directors and Major Shareholders. Shin Yang Holding Sdn. Bhd. is the holding company of SYGROUP.
- ⁽²⁾ Associated companies of Shin Yang Holding Group
- ⁽³⁾ Companies in which Tan Sri Datuk Ling Chiong Ho, Ling Chiong Sing, Ling Chiong Pin, Ling Siu Chuo and Datuk Ling Lu Kiong have substantial interests and / or directorships.



FINANCIAL STATEMENTS

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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.

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.

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.

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

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

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

DIRECTORS' REPORT

(Cont'd)

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.

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.

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.

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

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 126 to 226 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 126 to 226 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

(Incorporated in Malaysia)

Registration No: 200401027554 (666062-A)

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 126 to 226.

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
(INCORPORATED IN MALAYSIA)
REGISTRATION NO: 200401027554 (666062-A) (Cont'd)

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' REPORTTO THE MEMBERS OF SHIN YANG GROUP BERHAD
(INCORPORATED IN MALAYSIA)

REGISTRATION NO: 200401027554 (666062-A) (Cont'd)

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
(INCORPORATED IN MALAYSIA)
REGISTRATION NO: 200401027554 (666062-A) (Cont'd)

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
(INCORPORATED IN MALAYSIA)

REGISTRATION NO: 200401027554 (666062-A) (Cont'd)

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
(INCORPORATED IN MALAYSIA)
REGISTRATION NO: 200401027554 (666062-A) (Cont'd)

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' REPORTTO THE MEMBERS OF SHIN YANG GROUP BERHAD
(INCORPORATED IN MALAYSIA)

REGISTRATION NO: 200401027554 (666062-A) (Cont'd)

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	The Group		The Company	
		31.12.2025 RM	30.6.2025 RM	31.12.2025 RM	30.6.2025 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>

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025 (Cont'd)

	Note	The Group		The Company	
		31.12.2025 RM	30.6.2025 RM	31.12.2025 RM	30.6.2025 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

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

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

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025 (Cont'd)

	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	-	-
		100,652,510	184,286,652	53,940,413	50,041,365
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	-	-
		100,652,510	184,286,652	53,940,413	50,041,365
EARNINGS PER SHARE (SEN)					
Basic	33	7.12	14.59		

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

STATEMENTS OF CHANGES IN EQUITY

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							
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
Contributions by and distributions to owners of the Company:							
- Purchase of treasury shares	-	(6,398,234)	-	-	(6,398,234)	-	(6,398,234)
- Dividends:							
- by the Company	-	-	-	(33,783,309)	(33,783,309)	-	(33,783,309)
- by subsidiaries to non-controlling interests	-	-	-	-	-	(5,600,000)	(5,600,000)
	1,216,972,062	(29,131,922)	(297,861,069)	567,896,156	1,457,875,227	28,037,241	1,485,912,468

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

(1 JULY 2025 TO 31 DECEMBER 2025)

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025 (Cont'd)

	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.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025 (Cont'd)

	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
Contributions by and distributions to owners of the Company:							
- Purchase of treasury shares	-	(559,310)	-	-	(559,310)	-	(559,310)
- Treasury shares re-issued	-	25,154,014	21,672,986	-	46,827,000	-	46,827,000
- Dividends:							
- by the Company	-	-	-	(58,828,600)	(58,828,600)	-	(58,828,600)
- by subsidiaries to non-controlling interests	-	-	-	-	-	(6,800,000)	(6,800,000)
	1,216,972,062	(35,530,156)	(297,861,069)	616,572,361	1,500,153,198	109,735,236	1,609,888,434

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

(1 JULY 2025 TO 31 DECEMBER 2025)

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025 (Cont'd)

	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)
Balance at 31.12.2025	-	-	-	-	-	245,000	245,000
	1,216,972,062	(10,935,452)	(276,188,083)	557,743,761	1,487,592,288	103,180,236	1,590,772,524

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025 (Cont'd)

	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.

(1 JULY 2025 TO 31 DECEMBER 2025)

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025 (Cont'd)

	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.

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)

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025 (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
Note				
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)

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025 (Cont'd)

	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

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025 (Cont'd)

	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	36	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)

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 31 DECEMBER 2025 (Cont'd)

	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

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

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.

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

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.1 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.

NOTES TO THE FINANCIAL STATEMENTS

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

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.1 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.

NOTES TO THE FINANCIAL STATEMENTS

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

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.1 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.

NOTES TO THE FINANCIAL STATEMENTS

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

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.2 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.

NOTES TO THE FINANCIAL STATEMENTS

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

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.3 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

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

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.10 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.

NOTES TO THE FINANCIAL STATEMENTS

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

6. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

6.10 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.

NOTES TO THE FINANCIAL STATEMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

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
			103,180,236	91,542,240

NOTES TO THE FINANCIAL STATEMENTS

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

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:-

<u>At 31 December</u>	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
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	136,346,307	14,491,051	84,945,134	235,782,492
<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	23,830,596	1,500,165	15,420,780	40,751,541
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	(4,000,000)	(200,000)	(1,600,000)	(5,800,000)

(1 JULY 2025 TO 31 DECEMBER 2025)

NOTES TO THE FINANCIAL STATEMENTS

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

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):-

Financial Period Ended 31 December	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
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	(13,362,374)	(1,885,236)	(11,028,588)	(26,276,198)

NOTES TO THE FINANCIAL STATEMENTS

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

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	122,515,710	13,490,886	73,524,353	209,530,949
<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	25,364,812	2,199,598	14,816,536	42,380,946
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	(2,000,000)	-	-	(2,000,000)

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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
<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

NOTES TO THE FINANCIAL STATEMENTS

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

	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
The Group								
31.12.2025								
<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

9. PROPERTY, PLANT AND EQUIPMENT

(1 JULY 2025 TO 31 DECEMBER 2025)

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 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

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 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
	<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

(1 JULY 2025 TO 31 DECEMBER 2025)

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 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
<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

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 1.7.2025 RM	Additions RM	Depreciation Charges (Note 31) RM	At 31.12.2025 RM
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

(1 JULY 2025 TO 31 DECEMBER 2025)

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 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

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 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>

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 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
	2,349,565,793	(1,493,335,311)	856,230,482
<u>Right-of-use assets</u>			
Land and buildings	214,062,793	(26,602,092)	187,460,701
	2,563,628,586	(1,519,937,403)	1,043,691,183

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
	<u>60,720,322</u>	<u>(15,239,299)</u>	<u>45,481,023</u>
<u>Right-of-use assets</u>			
Leasehold land and buildings	14,214,309	-	14,214,309
	<u>74,934,631</u>	<u>(15,239,299)</u>	<u>59,695,332</u>
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
	<u>60,490,924</u>	<u>(14,733,176)</u>	<u>45,757,748</u>
<u>Right-of-use assets</u>			
Leasehold land and buildings	14,214,309	-	14,214,309
	<u>74,705,233</u>	<u>(14,733,176)</u>	<u>59,972,057</u>

(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.

NOTES TO THE FINANCIAL STATEMENTS

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

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	30.6.2025	31.12.2025	30.6.2025
	RM	RM	RM	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	-	-
	256,425,110	275,806,018	33,816,276	34,081,520

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	30.6.2025
	RM	RM
Equity instruments (quoted in Malaysia), at fair value	58,800	58,800
Market value of quoted shares in Malaysia	58,800	58,800

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

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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)

NOTES TO THE FINANCIAL STATEMENTS

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

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

	The Group		The Company	
	31.12.2025	30.6.2025	31.12.2025	30.6.2025
	RM	RM	RM	RM
Analysed as:-				
Deferred tax assets	1,106,087	1,158,497	-	-
Deferred tax liabilities	(63,589,929)	(63,402,800)	-	-
	(62,483,842)	(62,244,303)	-	-
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	-	-
	9,152,052	8,572,914	4,237,269	4,237,269

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	30.6.2025	31.12.2025	30.6.2025
	RM	RM	RM	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
	32,408,921	61,928,468	4,237,269	4,237,269

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.

NOTES TO THE FINANCIAL STATEMENTS

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

14. INVENTORIES

	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.

NOTES TO THE FINANCIAL STATEMENTS

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

16. OTHER RECEIVABLES

	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.

NOTES TO THE FINANCIAL STATEMENTS

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

17. CONTRACT ASSETS/(LIABILITIES)

	The Group	
	31.12.2025 RM	30.6.2025 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 RM	30.6.2025 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

NOTES TO THE FINANCIAL STATEMENTS

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

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 lighterage charges	5,775,924	6,021,713
- Shipbuilding	109,535,641	67,228,185
- Ship repairs	3,270,651	4,342,080
	<u>118,582,216</u>	<u>77,591,978</u>

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	<u>1,200,000,000</u>	<u>1,200,000,000</u>	<u>1,216,972,062</u>	<u>1,216,972,062</u>

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

21. LEASE LIABILITIES

	The Group	
	31.12.2025 RM	30.6.2025 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.

NOTES TO THE FINANCIAL STATEMENTS

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

22. BANK BORROWINGS

	The Group		The Company	
	31.12.2025 RM	30.6.2025 RM	31.12.2025 RM	30.6.2025 RM
Non-current				
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
Current				
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	-	-

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

27. TRADE PAYABLES

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

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	30.6.2025	31.12.2025	30.6.2025
	RM	RM	RM	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
	18,771,363	62,029,016	1,242,098	48,429,396
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
	62,214,903	93,697,780	3,948,773	49,329,058

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

NOTES TO THE FINANCIAL STATEMENTS

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

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

Recognised over time

Freight and lightering 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	-	-

Recognised at a point in time

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	-	-

NOTES TO THE FINANCIAL STATEMENTS

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

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
	37,339,453	69,258,849	62,390,256	63,810,224
	1,137,203,821	1,887,518,691	62,390,256	63,810,224

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)	-	-
	(2,031,165)	(8,936,441)	-	-

NOTES TO THE FINANCIAL STATEMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

31. PROFIT BEFORE TAXATION (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
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)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

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

31. PROFIT BEFORE TAXATION (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
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

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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	1.7.2024
	to	to
	31.12.2025	30.6.2025
	(6 months)	(12 months)
	RM	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).

NOTES TO THE FINANCIAL STATEMENTS

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

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)
	220,002,513
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)
	144,500,000
Total purchase consideration	144,500,000
Less: Cash and bank balances of subsidiary acquired	(79,113,631)
Less: Treasury shares	(47,124,000)
	18,262,369
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.

NOTES TO THE FINANCIAL STATEMENTS

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

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)
	<u>26,013,915</u>	<u>90,569,419</u>

	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

(1 JULY 2025 TO 31 DECEMBER 2025)

NOTES TO THE FINANCIAL STATEMENTS

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

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)

NOTES TO THE FINANCIAL STATEMENTS

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

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								
Non-cash Changes								
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

(1 JULY 2025 TO 31 DECEMBER 2025)

NOTES TO THE FINANCIAL STATEMENTS

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

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)

NOTES TO THE FINANCIAL STATEMENTS

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

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								
Non-cash Changes								
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

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

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</u>			
<u>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</u>			
<u>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

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

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 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) 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 to 31.12.2025 (6 months) RM	1.7.2024 to 30.6.2025 (12 months) 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

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

	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

(1 JULY 2025 TO 31 DECEMBER 2025)

NOTES TO THE FINANCIAL STATEMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

	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

(1 JULY 2025 TO 31 DECEMBER 2025)

NOTES TO THE FINANCIAL STATEMENTS

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

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	347,819,757	1,013,213,727	100,102,658	46,703,754	430,614,707	195,509,905	(126,679,881)	E	2,007,284,627
Liabilities:									
Segment liabilities	120,437,668	147,630,775	28,973,469	3,909,525	163,166,865	131,387,438	(97,457,037)	F	498,048,703

NOTES TO THE FINANCIAL STATEMENTS

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

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>

NOTES TO THE FINANCIAL STATEMENTS

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

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
	(115,902,840)	(126,679,881)

- 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)
	(87,466,334)	(97,457,037)

NOTES TO THE FINANCIAL STATEMENTS

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

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
	<u>1,137,203,821</u>	<u>1,887,518,691</u>

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	-	-

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

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
	<hr/>	<hr/>

(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.

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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>

NOTES TO THE FINANCIAL STATEMENTS

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

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
	<u>313,059,246</u>	<u>(7,127,403)</u>	<u>(20,777,427)</u>	<u>285,154,416</u>

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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)	-
	<u>83,634,517</u>	<u>(15,528,981)</u>	<u>68,105,536</u>
30.6.2025			
Low credit risk	24,711,119	-	24,711,119
Credit impaired	15,528,981	(15,528,981)	-
	<u>40,240,100</u>	<u>(15,528,981)</u>	<u>24,711,119</u>

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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>

NOTES TO THE FINANCIAL STATEMENTS

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

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>

NOTES TO THE FINANCIAL STATEMENTS

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

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	-
	5,775,687	113,865,750	113,736,623	129,127
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	-
	52,118,483	156,784,162	155,880,033	904,129

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

NOTES TO THE FINANCIAL STATEMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS

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

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.

ANALYSIS OF SHAREHOLDINGS

AS AT 13 APRIL 2026

**Analysis by Size Shareholdings
As at 13 April 2026**

Size of Shareholdings	No. of Holders	%	No. of Securities	%
Less than 100	9	0.304	251	0.000
100 - 1,000	447	15.101	250,982	0.021
1,001 - 10,000	1,359	45.912	7,554,408	0.642
10,001 - 100,000	912	30.811	31,460,292	2.675
100,001 to 58,804,799 (*)	232	7.838	476,417,271	40.509
58,804,800 and above (**)	1	0.034	660,412,796	56.153
Total	2,960	100.000	1,176,096,000	100.000

All information of shareholdings disclosed excludes 23,904,000 treasury shares held by the Company

Total Holders 2,960
Total Paid Up 1,176,096,000

- * Less than 5% of issued share
** 5% and above of issued shares

**Directors' Shareholdings
As at 13 April 2026**

No	Name of Director	No. of Shares held through Nominees	No. of Shares held through own name	Total Shareholdings	%
1	TAN SRI DATUK LING CHIONG HO	-	35,192,669	35,192,669	2.992
2	LING CHIONG SING	-	34,802,669	34,802,669	2.959
3	DATUK LING LU KIONG	-	100,000	100,000	0.009
4	LING CHIONG PIN	-	34,802,668	34,802,668	2.959
5	LING SIU CHUO	-	36,000,009	36,000,009	3.061
6	YONG NYET YUN	100,000	0	100,000	0.009
7	JACK WILLIEN @ WILLIAM ANAK JINEP	-	87,000	87,000	0.007
8	PUAN IZAN NADIAWATI BINTI MOHAMAD TABIB	-	0	-	0.000
9	DR LAI YEW HOCK	128,000	0	128,000	0.011
TOTAL		228,000	140,985,015	141,213,015	12.007

Note:

- Total Paid-Up Capital as at 13 April 2026 1,176,096,000
- All information of shareholdings disclosed excludes 23,904,000 treasury shares held by the Company

**Information on Substantial Shareholders
As at 13 April 2026**

Names	NRIC / Registration No.	Total Shareholdings	%
1 SHIN YANG HOLDING SENDIRIAN BERHAD	184468H	660,412,796	56.153
TOTAL		660,412,796	56.153

Note:

- Total Paid-Up Capital as at 13 April 2026 1,176,096,000
- All information of shareholdings disclosed excludes 23,904,000 treasury shares held by the Company

ANALYSIS OF SHAREHOLDINGS

AS AT 13 APRIL 2026 (Cont'd)

Distribution Table According To Category of Shareholders Held In Respect of Ordinary Shares As at 13 April 2026

Category of Holders	No. of Holders			No. of Securities			%		
	Malaysian Bumi	Non- Bumi	Foreign	Malaysian Bumi	Non- Bumi	Foreign	Malaysian Bumi	Non- Bumi	Foreign
1. Individuals	218	1,804	16	1,214,100	242,959,967	3,752,100	0.103	20.658	0.319
2. Body Corporate									
a. Banks/Finance Companies	2	0	0	2,808	0	0	0.000	0.000	0.000
b. Investment Trusts/ Foundation/Charities	0	0	0	0	0	0	0.000	0.000	0.000
c. Industrial and Commercial Comps.	5	23	2	292,100	828,370,611	189,700	0.025	70.434	0.016
3. Government Agencies/ Institutions	0	0	0	0	0	0	0.000	0.000	0.000
4. Nominees	375	460	55	22,394,900	16,516,155	60,403,559	1.904	1.405	5.136
5. Others	0	0	0	0	0	0	0.000	0.000	0.000
Total	600	2,287	73	23,903,908	1,087,846,733	64,345,359	2.032	92.497	5.471

All information of shareholdings disclosed excludes 23,904,000 treasury shares held by the Company

Notes

1	No. of Holders	2,960
2	No. of Shares	1,176,096,000
3	Percentage (%)	100.000

LIST OF TOP 30 HOLDERS AS AT 13 APRIL 2026

Names	Shareholding	%
1 SHIN YANG HOLDING SENDIRIAN BERHAD	660,412,796	56.153
2 DWI BUMIJAYA SDN. BHD.	55,000,000	4.676
3 CIMB GROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR DBS BANK LTD (SFS-PB)	46,284,000	3.935
4 LING SIU CHUO	36,000,009	3.061
5 LING CHIONG HO	34,802,669	2.959
6 LING CHIONG SING	34,802,669	2.959
7 LING CHIONG PIN	34,802,668	2.959
8 BUMIMAS WANGI SDN.BHD.	24,317,700	2.068
9 MAJU BUMIRAYA SDN BHD	23,428,600	1.992
10 S.K. UNIMAS SDN. BHD	20,580,900	1.750
11 CAHAYA SURIAMAJU SDN. BHD.	16,702,700	1.420
12 LING SIEW TING	16,000,006	1.360
13 KONG EIK MING	12,461,800	1.060
14 VERDANT GROVE SDN. BHD.	8,000,000	0.680
15 ADINAMAJU SDN BHD	7,894,302	0.671
16 CAHAYA SURIAMAJU SDN. BHD.	7,500,000	0.638

ANALYSIS OF SHAREHOLDINGS

AS AT 13 APRIL 2026 (Cont'd)

**List of Thirty (30) Largest Shareholders (Cont'd)
AS AT 13 APRIL 2026**

Names	Shareholding	%
17 WONG TIING SONG	4,496,800	0.382
18 SHINLINE CORPORATION SDN. BHD.	3,290,515	0.280
19 UOBM NOMINEES (ASING) SDN BHD	2,800,000	0.238
UNITED OVERSEAS BANK NOMINEES (PTE) LTD FOR PERRA GROUP LIMITED		
20 CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD.	2,798,000	0.238
PLEDGED SECURITIES ACCOUNT FOR HONG KEN CHOON (KUCHING-CL)		
21 GARY TAN YOW HOO	2,736,400	0.233
22 LING CHIONG SIENG	2,625,168	0.223
23 MAYBANK NOMINEES (TEMPATAN) SDN BHD		
PLEDGED SECURITIES ACCOUNT FOR LOO KAH CHYE	2,386,900	0.203
24 LIM MIANG CHIANG	2,000,000	0.170
25 WONG SIIK WEI	2,000,000	0.170
26 MAYBANK NOMINEES (TEMPATAN) SDN BHD	1,998,000	0.170
PLEDGED SECURITIES ACCOUNT FOR LOOI CHIN BOON		
27 CARTABAN NOMINEES (ASING) SDN BHD	1,929,394	0.164
THE BANK OF NEW YORK MELLON FOR ACADIAN EMERGING MARKETS SMALL CAP EQUITY FUND, LLC		
28 JULIAN JAMES ARMSTRONG	1,601,000	0.136
29 AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. HOU SIU KEE	1,495,000	0.127
30 TAN AIK CHOON	1,473,400	0.125
TOTAL	1,072,621,396	91.202

PROPERTIES OF THE GROUP

A summary of the land and buildings owned by the Group is as follows:-

No.	Name of Registered Owner and Postal Address/Title Identification	Description and existing Use	Date of Expiry of Lease / Tenure / Approximate Age of Building/	Date of Valuation	Approximate land area	NBV as at 31 December 2025 (RM'000)
1.	Piasau Slipways Sdn Bhd Lot 1528 -1530, Block 12, Buan Land District, Tanjung Manis, Sarawak	Vacant sand filled industrial land.	Leasehold of 60 years expiring 02.06.2081	5 th October 2009	25.2542 Ha	6,524
2.	Shin Yang Shipyard Sdn Bhd Lot 1531 -1536, and Plot 100 (1) under Lot 659, Block 12, Buan Land District, Tanjung Manis, Sarawak	Industrial land erected with warehouse and workshop, road and jetty.	Leasehold of 60 years expiring 02.06.2081/ Aged 2-6 years	5 th October 2009	61.9774 Ha	28,147
3.	Piasau Slipways Sdn Bhd Lot No. 1098, Block 37, Kemena Land District, Sarawak	Industrial land erected with the warehouses, jetty, wharf, winch & slipways used as shipping fabrication yard and dockyard.	Leasehold of 60 years expiring 15.08.2070/ Aged 15-21 years	16 th November 2009	7.006 Ha	5,827
4.	Shin Yang Shipyard Sdn Bhd Lot 263, Block 1, Kuala Baram Land District, Miri, Sarawak <i>(formerly known as Lot 211, Block 1, Kuala Baram Land District, Miri, Sarawak)</i>	Industrial land erected with the workshops cum office buildings, winch house, warehouse, slipways, jetty, wharf and launching ways buildings used as shipping fabrication yard and dockyard.	Leasehold of 60 years expiring 14.07.2055/ Aged 10-25 years	2nd November 2009	13.02 Ha	7,855
5,	Piasau Slipways Sdn Bhd Lot 208, Block 1 and Lot 523, Kuala Baram Land District, Miri, Sarawak	Two contiguous parcels of industrial lands erected with the double storey office cum stores, workshops, winch house, 4-rail slipways, shipyard buildings used as shipping fabrication yard, dockyard and office.	Lot 208 - leasehold of 60 years expiring 17.09.2055/ Aged 12-17 years Lot 523 - leasehold of 60 years expiring 07.01.2048/ Aged 0-24 years	11 th May 2023	Lot 208 2.273 Ha Lot 523 5.119 Ha	8,166

PROPERTIES OF THE GROUP

(Cont'd)

A summary of the land and buildings owned by our Group is as follows:- (Cont'd)

No.	Name of Registered Owner and Postal Address/Title Identification	Description and existing Use	Date of Expiry of Lease / Tenure / Approximate Age of Building/	Date of Valuation	Approximate land area	NBV as at 31 December 2025 (RM'000)
6.	Shin Yang Shipyard Sdn Bhd Lot 80, Block 3, Kuala Baram Land District, Miri, Sarawak	A collective parcel of thirteen industrial land erected with the double storey offices, 4 shipyard buildings, workshops, & launching ways buildings used as shipping fabrication yard, dockyard and office.	Leasehold for 99 years expiring on 20.02.2102/ Aged 0-18 years	21st August 2009	72.3 Ha	51,269
7.	Shin Yang Shipyard Sdn Bhd Sublot 153 under Lot 83, Block 3, Kuala Baram Land District, Miri, Sarawak	Industrial land erected with the office building.	Parent lot title under leasehold for 99 years expiring on 20.02.2102 ⁽¹⁾ / Aged 2-13 years	11 th May 2023	1.81 Ha	13,698
8.	Shin Yang Group Berhad Lot No.25, Kota Kinabalu Industrial Park, Off Jalan Sepangar Bay, Kota Kinabalu, Sabah	Industrial land erected with the office building & factory, warehouse and container yards.	Leasehold of 99 years expiring 31.12.2098/ Aged 9-12 years	N/A	1.648 Ha	7,706
9.	Shin Yang Group Berhad KM10.9, Jalan Batu Sapi-Lintas Sibuga Sandakan, Sabah	Residential Zoned land erected with the front office with open sided store	Leasehold of 999 years expiring on 12.01.2901/ Aged 12 years	N/A	1.607 Ha	2,164
10.	Shin Yang Group Berhad Lot 31, Lebuah Sultan Mohamed 1, Kawasan Perusahaan Bandar Sultan Suleiman, 42000 Port Klang, Selangor Darul Ehsan.	Industrial land erected with 2-storey office building & factory, warehouses and container yards.	Leasehold of 99 years expiring on 30.06.2105/ Aged 6-9 years	N/A	2.947 Ha	20,851
11.	Shin Yang Group Berhad Lot 47, Section 66, Kuching Town Land District, Kuching Sarawak	Mixed Zone land erected with 1 unit of single storey detached industrial building and 1 unit of 2-storey office building	Leasehold of 60 years expiring 22.06.2052 / Aged 1-10 years	16 th January 2025	1.9469 Ha	13,735

PROPERTIES OF THE GROUP

(Cont'd)

A summary of the land and buildings owned by our Group is as follows:- (Cont'd)

No.	Name of Registered Owner and Postal Address/Title Identification	Description and existing Use	Date of Expiry of Lease / Tenure / Approximate Age of Building/	Date of Valuation	Approximate land area	NBV as at 31 December 2025 (RM'000)
12.	Melinau Transport Sdn Bhd Lot 3354, Block 20, Kemena Land District, Sarawak.	Vacant sand filled industrial land	Leasehold of 60 years expiring on 09.01.2079	N/A	25.69Ha	20,349
13.	Melinau Transport Sdn Bhd Lot 576, Block 1, Kuala Baram Land District, Miri, Sarawak.	Industrial land used as storage yard	Leasehold of 99 years expiring on 20.02.2102	N/A	5.506Ha	737
14.	Piasau Gas Sdn Bhd Lot 314, Block 1 Kuala Baram Land District, Miri, Sarawak.	Industrial land erected with 1 unit of 3 storey office building, 3 units of single storey open shed warehouses, 2 production plants and 2 refilling gas industrial facility	Leasehold of 60 years expiring on 02.01.2060/ Aged 0-25 years	3 rd May 2023	4.502Ha	7,133
15.	Mewah Exim Sdn Bhd HS (D) 537089, PTD 220202, Mukim Plentong, District of Johor Bahru, Johor, located at PLO 703, Jalan Nikel 3, Kawasan Perindustrian Pasir Gudang	Industrial land erected with 3 storey shop office	Leasehold of 60 years expiring on 03.05.2074/ Aged 0-11 years	1 st February 2024	0.912Ha	7,138
16.	Mewah Exim Sdn Bhd HS (D) 605350, PTD 240113, Mukim Plentong, District of Johor Bahru, Johor.	Industrial land erected with 3 storey shop office	Freehold/ Aged 3 year	1 st February 2024	191.653 Square meter	1,891
17.	Mewah Exim Sdn Bhd HS (D) 605349, PTD 240112, Mukim Plentong, District of Johor Bahru, Johor.	Industrial land erected with 3 storey shop office	Freehold/ Aged 3 year	N/A	191.653 Square meter	2,080
18.	Seatrade Agency Services Sdn Bhd HS (D) 169506, Lot 57086 Mukim Plentong, District of Johor Bahru, Johor.	Industrial land erected with 2 storey shop office	Freehold/ Aged 17 years	1 st February 2024	251 Square meter	440

PROPERTIES OF THE GROUP

(Cont'd)

A summary of the land and buildings owned by our Group is as follows:- (Cont'd)

No.	Name of Registered Owner and Postal Address/Title Identification	Description and existing Use	Date of Expiry of Lease / Tenure / Approximate Age of Building/	Date of Valuation	Approximate land area	NBV as at 31 December 2025 (RM'000)
19.	Boulevard Jaya Sdn Bhd Lot 12648, Block 16, KCLD, Jalan Datuk Tawi Sli. 93250, Kuching Sarawak	Mixed zone land erected with a 6-storey showroom/office/business centre and car parks with basement, 1 lower ground as office/workshop/service area/customer's lounge and 1 lower roof as mechanical and engineering floor	Leasehold of 60 years expiring on 24.11.2080/ Aged 10 years	1 st October 2024	4,252 Square meter	39,896
20.	Boulevard Jaya Sdn Bhd Lot 1411 & 2115, Section 66, KTL D, Jalan Mersawa, Pending Industrial Area, 93450 Kuching, Sarawak	Single storey car body and paint centre	Aged 9 years	1 st October 2024	-	11,145
21.	Boulevard Motor Sdn Bhd Lot 620, Bintulu Service Light Industrial Estate, off Jalan Sultan Iskandar, 97000 Bintulu, Sarawak	Mixed zone land erected with double storey detached industrial building	Leasehold of 60 years expiring on 07.11.2043/ Aged 29 years	1 st October 2024	3,958 Square meter	3,106
22.	Boulevard Motor Sdn Bhd Lot 1338, Jalan Cattleya 1, Piasau Light Industrial Estate, Piasau, 98000 Miri, Sarawak	Vacant industrial land	Leasehold of 60 years expiring on 25.06.2084	1 st October 2024	4,083 Square meter	4,068
23.	Boulevard Motor Sdn Bhd Lot 342, Block 13, Seduan Land District, Bukit Lima, Sibul, Sarawak	Vacant agriculture land	Leasehold of 60 years expiring on 31.12.2047	1 st October 2024	1.987 Ha	5,156
24.	Boulevard Motor (Sabah) Sdn Bhd TL077598102, Bandar Melrose, alongside KM 5.7, Jalan Utara, 9000 Sandakan, Sabah	Commercial land erected with 1.5 storey showroom sum single storey service centre	Leasehold of 99 years expiring on 31.12.2117/ Aged 4 years	1 st October 2024	1.368 Ha	26,687

PROPERTIES OF THE GROUP

(Cont'd)

A summary of the land and buildings owned by our Group is as follows:- (Cont'd)

No.	Name of Registered Owner and Postal Address/Title Identification	Description and existing Use	Date of Expiry of Lease / Tenure / Approximate Age of Building/	Date of Valuation	Approximate land area	NBV as at 31 December 2025 (RM'000)
25.	Boulevard Motor (Sabah) Sdn Bhd TB 16342, Mile ¼ Jalan Bahagia, 91000 Tawau, Sabah	Commercial land erected with single storey building for servicing workshop	Leasehold of 98 years expiring on 31.12.2070/ Aged 11 years	1 st October 2024	4,074.73 Square meter	5,035
26.	Boulevard Motor (Sabah) Sdn Bhd CL 115486872, Lahad Datu Town, Dam Road, 91100 Lahad Datu, Sabah	Commercial land erected with work in progress single storey showroom/office cum service centre and new vehicle store yards	Leasehold of 999 years expiring on 29.06.2903	1 st October 2024	1.245 Ha	13,671
27.	Boulevard Motor (Labuan) Sdn Bhd Lot 207527839, KM2, Off Jalan Tun Mustapha, 87000 Wilayah Persekutuan Labuan	Industrial land erected with 2-storey motor regionals cum car showroom and workshop	Leasehold of 60 years expiring on 31.12.2042/ Aged 22 years	1 st October 2024	4,040 Square meter	4,165
28.	Boulevard Motor (Labuan) Sdn Bhd Lot 207503651, Kampung Gersik, Off Jalan Saguking, 87000 Wilayah Persekutuan Labuan	Vacant land used as vehicle stockyard	Leasehold of 999 years expiring on 02.06.2886	1 st October 2024	4,047 Square meter	660

Notes:- ⁽¹⁾ Titles awaiting for subdivision and amalgamation.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

Total Income	Remarks	Group	
		31-Dec-25 (RM)	30-Jun-25 (RM)
Revenue		1,137,203,821	1,887,518,691
Other income		13,895,922	36,993,658
Finance income		6,645,750	14,446,817
Others (please specify in the remarks column)	Net impairment gain on financial assets	2,031,165	8,936,441
Share of result of associates		227,778	274,431
Total		1,160,004,436	1,948,170,038
Total Assets		2,077,451,891	2,007,284,627

(B) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		31-Dec-25 (RM)	30-Jun-25 (RM)
Interest income		6,155,251	13,817,614
Liquor and liquor-related activities		550,000	688,000
Total		6,705,251	14,505,614

(C) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		31-Dec-25 (RM)	30-Jun-25 (RM)
Cash at bank (exclude cash in hand)		19,469,343	19,404,096
Deposits with licensed bank		-	8,500,000
Cash in hand		311,870	291,355
Total		19,781,213	28,195,451
Conventional Account/Instruments			
Cash at bank (exclude cash in hand)		160,024,481	198,504,116
Deposits with licensed bank		337,629,837	294,471,161
Total		497,654,318	492,975,277

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

(Cont'd)

(ii) Debt Component	Remarks	Group	
		31-Dec-25 (RM)	30-Jun-25 (RM)
Islamic Financing			
Current			
Revolving credit and financing		2,000,000	3,000,000
Term financing		7,766,219	8,941,250
Non-Current			
Term financing		10,914,007	13,748,656
Total		20,680,226	25,689,906

Conventional Borrowing	Remarks	Group	
		31-Dec-25 (RM)	30-Jun-25 (RM)
Current			
Bank overdrafts		23,502,364	22,061,092
Banker's acceptances		1,968,000	5,995,000
Revolving credit and loans		15,500,000	22,500,000
Term loans		9,763,274	9,942,588
Hire purchase payables		10,910,602	8,902,701
Other interest bearing debt (please specify in the remarks column)	Floor stocking facilities	3,548,257	3,248,162
Other interest bearing debt (please specify in the remarks column)	Flexi financing trade loan	15,595,171	5,583,678
Non-Current			
Term loans		16,152,555	21,044,046
Hire purchase payables		13,446,175	12,526,622
Total		110,386,398	111,803,889

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 21st Annual General Meeting of the Company will be held at Conference Room, Level 5, Imperial Hotel, Jalan Pos, 98000 Miri, Sarawak, Malaysia on Wednesday, 10 June 2026 at 11:00 a.m. for the following purposes:-

AGENDA

As Ordinary Businesses:

1. To table the Audited Financial Statements for the financial period ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. **(Please refer to Explanatory Note 1)**
2. To approve the payment of Directors' fees for the financial year ending 31 December 2026, payable quarterly in arrears after each month of completed service of the Directors during the financial year. **(Resolution 1)**
3. To re-elect the following Directors who are retiring in accordance with clause 90 of the Company's Constitution, and being eligible, have offered themselves for re-election:-
 - i) Tan Sri Datuk Ling Chiong Ho **(Resolution 2)**
 - ii) Dr. Lai Yew Hock, Dominic **(Resolution 3)**
 - iii) Puan Izan Nadiawati Binti Mohamad Tabib **(Resolution 4)**
4. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

As Special Businesses

To consider and, if thought fit, to pass the following Ordinary Resolutions:-

5. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for New Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed RRPT Mandate")** **(Resolution 6)**

"**THAT** subject always to the Companies Act 2016 ("Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), other applicable laws, guidelines, rules and regulations, and the approval of the relevant governmental/regulator authorities (where applicable), approval be and is hereby given to the Company and/or its subsidiary companies ("**Group**") to enter into recurrent related party transactions of a revenue or trading nature with those related parties as stated in Section 2.2 of the Circular to Shareholders dated 30 April 2026 ("**Circular**"), which are necessary for the day-to-day operations of the Group ("**RRPT**") subject further to the following:

- a. That the RRPT are in the ordinary course of business and are made on an arm's length basis and on normal commercial terms which are not more favourable to the related parties than those available to the public and not to the detriment of the minority shareholders;
- b. That disclosure will be made in the annual report of the Company of the breakdown of the aggregate value of transactions conducted pursuant to the Proposed RRPT Mandate during the financial period based on information such as the types of the RRPT made and names of the related parties involved in each type of the RRPT made and their relationship with the Company; and

NOTICE OF ANNUAL GENERAL MEETING

(Cont'd)

- c. That such approval shall continue to be in force until: -
- o the conclusion of the next Annual General Meeting (“**AGM**”) of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
 - o the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340 (2) of the Act but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of the Act; or
 - o revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed RRPT Mandate.

AND THAT the estimated value given on the RRPT as outlined in Section 2.2 of the Circular being provisional in nature, the Directors of the Company be hereby authorised to agree to the actual amount or amounts thereof provided always that such amount or amounts comply with the review methods or procedures outlined in Section 2.5 of the Circular.”

6. Proposed Renewal of Authority on Shares Buy-Back.

(Resolution 7)

“**THAT** subject to the Company’s compliance with all the applicable rules, regulations, orders and guidelines made pursuant to the Companies Act, 2016 (“**the Act**”), the Company’s Constitution and Bursa Malaysia Securities Berhad’s (“**Bursa Securities**”) Main Market Listing Requirements (“**Listing Requirements**”), the Directors of the Company be and are hereby authorized to purchase shares at any time such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors in their absolute discretion deem fit and expedient in the interest of the Company provided that:

- a. the aggregate number of ordinary shares which may be purchased and retained by the Company at any point of time pursuant to this resolution shall not exceed approximately two point one seven per centum (2.17%) of the total issued and paid up share capital of the Company;
- b. the amount of funds to be allocated by the Company pursuant to this resolution not exceed the retained earnings and/or share premium of the Company as at 31 December 2025; and
- c. the shares so purchased by the Company pursuant to this resolution may at the discretion of the Directors be: -
 - o retained as treasury shares; and/or cancelled; and/or
 - o resold on the market of Bursa Securities in accordance to the Listing Requirements; and/or
 - o distributed as dividends to the shareholders; and/or
 - o dealt in any other manners prescribed by the applicable rules, regulations and orders made pursuant to the Act, the Listing Requirements and any other relevant authority for the time being in force;

AND THAT such authority conferred by the shareholders of the Company upon passing of the resolution will continue to be in force until the conclusion of the next Annual General Meeting of the Company, unless by a resolution passed at that meeting, the authority is renewed; or the expiration of the period within which the next Annual General Meeting is required to be held pursuant to Section 340(2) of the Act but must not extended to such extensions as may be allowed pursuant to Section 340(4) of the Act; or until the authority is revoked or varied by a resolution passed by the shareholders in a general meeting, whichever occurs first;

NOTICE OF ANNUAL GENERAL MEETING

(Cont'd)

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the resolution.”

7. To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Companies Act 2016.

By Order of the Board of Directors

RICHARD LING PENG LIING
SSM Practising Certificate No. 201908000676
Company Secretary
Miri, Sarawak

30 April 2026

Explanatory Notes:

1. Item 1 of the Agenda - Audited Financial Statements for the financial period ended 31 December 2025

This Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act, 2016 does not require a formal approval of Shareholders of the Company and hence, is not put forward for voting.

2. Ordinary Resolutions 1 – Directors' Fees

Pursuant to Section 230(1) of Companies Act 2016, the fees of the directors and any benefits payable to the directors of a listed company and its subsidiary shall be approved at general meeting. In this respect, approval of shareholders is sought on the directors' fee for financial year ending 31 December 2026.

3. Ordinary Resolutions 2 to 4 – Re-election of Directors

Pursuant to Clause 90 of the Company's Constitution, one third (1/3) of the Directors shall retire from office at least once in every three (3) years at each AGM of the Company and the retiring Directors can offer themselves for re-election.

Accordingly, Tan Sri Datuk Ling Chiong Ho, Dr. Lai Yew Hock, Dominic and Puan Izan Nadiawati Binti Mohamad Tabib shall retire by rotation at this 21st AGM pursuant to Clause 90 of the Company's Constitution.

The Joint Remuneration and Nomination Committee (JRNC) has reviewed the Board Evaluation Assessment, including the results of the evaluation of the Directors retiring by rotation. The Committee is satisfied that the retiring Directors have continued to meet the Board's expectations in terms of experience, expertise, integrity, competence, commitment, and individual contribution. They have consistently performed their duties with diligence and professionalism.

Based on the JRNC's recommendation, the Board has concurred and is pleased to propose their re-election as Directors of the Company.

4. Ordinary Resolution 5 – Re-appointment of Auditors

The Audit and Risk Management Committee (ARMC) has undertaken an assessment of the suitability, objectivity, and independence of the external auditors, Messrs. Crowe Malaysia PLT ("Crowe"), and is satisfied with their performance. The assessment took into consideration the quality of audit, level of professionalism, competency, and adequacy of resources provided by Crowe's audit team throughout the engagement.

Based on the ARMC's recommendation, the Board of Directors has approved that the re-appointment of Crowe as the Company's external auditors be tabled for shareholders' approval at the forthcoming 21st Annual General Meeting (AGM).

NOTICE OF ANNUAL GENERAL MEETING

(Cont'd)

5. Ordinary Resolution 6 – Proposed Renewal of Shareholders' Mandate on Recurrent Related Party Transactions and Proposed New Shareholders' Mandate on New Recurrent Related Party Transactions

The proposed Ordinary Resolution 6, if passed, will authorize the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature. This authority, unless revoked or varied by the Company at the general meeting, will expire at the conclusion of the next AGM of the Company.

Please refer to the Circular to Shareholders dated 30 April 2026 for further information.

6. Ordinary Resolution 7 – Proposed Renewal of Authority on Share Buy-Back

The proposed Ordinary Resolution 7, if passed, will empower the Company to purchase the Company's shares up to approximately two point one seven per centum (2.17%) of the issued and paid up share capital of the Company. This authority, unless revoked or varied by the Company at the general meeting, will expire at the conclusion of the next AGM of the Company.

Please refer to the Statement on Shares Buy-Back dated 30 April 2026 for further information.

Notes:-

- (1) Pursuant to Section 334 of the Companies Act 2016, a member shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.
- (2) A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a General Meeting of the Company shall have the same rights as the member to speak at the General Meeting.
- (3) Where a Member of the Company is an Exempt authorised nominee as defined under the Securities Industry [Central Depositories] Act, 1991, which holds ordinary shares in the Company for multiple beneficial owners in one securities account ["omnibus account"], there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (4) Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- (5) If the appointor is a corporation, this form must be executed under its Common Seal or under the hand of an officer or attorney duly authorised.
- (6) To be valid, this form, duly completed must be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the time for holding the meeting.
The Registered office of the Company at Sublot 153 (Parent Lot 70), Jalan Kuala Baram, Kuala Baram, 98100 Miri, Sarawak, Malaysia.
- (7) Pursuant to Paragraph 8.29(a)(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice shall be put to by poll.
- (8) In respect of deposited securities, only members whose names appear on the Record of Depositors on 5 June 2026, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.



SHIN YANG GROUP BERHAD
Registration No: 200401027554 (666062-A)
(Incorporated in Malaysia)

Table with 2 columns: No of ordinary shares held, CDS Account No

I/We _____, FULL NAME, NRIC NO/ PASSPORT NO/ COMPANY NO

of _____, FULL ADDRESS

being a member/members of Shin Yang Group Berhad, hereby appoint:

Table with 3 columns: Name of Proxy, NRIC / Passport No., Proportion of Shareholdings (%)

or **Chairman of the Meeting as *my/our proxy to vote for* me/us and on* my/our behalf at the twenty-first (21st) Annual General Meeting of the Company to be held at the Conference Room, Level 5, Imperial Hotel, Jalan Pos, 98000 Miri, Sarawak, Malaysia on Wednesday, 10th June 2026 at 11.00 am and, at any adjournment thereof.

Table with 4 columns: A, RESOLUTIONS, DESCRIPTION, FOR, AGAINST. Contains resolutions 1-7 regarding financial statements, director elections, and share buy-back.

(Please indicate with an "X" in the space provided above on how you wish your proxy to vote. If no instruction is given this form will be taken to authorise the proxy to vote at his/her discretion)

Dated thisday of 2026

Signature and/or Common Seal of Shareholders

Notes:

- (1) Pursuant to Section 334 of the Companies Act 2016, a member shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.
(2) A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a General Meeting of the Company shall have the same rights as the member to speak at the General Meeting.
(3) Where a Member of the Company is an Exempt authorised nominee as defined under the Securities Industry [Central Depositories] Act, 1991, which holds ordinary shares in the Company for multiple beneficial owners in one securities account ["omnibus account"], there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
(4) Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
(5) If the appointor is a corporation, this form must be executed under its Common Seal or under the hand of an officer or attorney duly authorised.
(6) To be valid, this form, duly completed must be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the time for holding the General Meeting.
The Registered office of the Company at Sublot 153 (Parent Lot 70), Jalan Kuala Baram, Kuala Baram, 98100 Miri, Sarawak, Malaysia.
(7) Pursuant to Paragraph 8.29(a)(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice shall be put to by poll.
(8) In respect of deposited securities, only members whose names appear on the Record of Depositors on 5 June 2026, shall be eligible to attend the General Meeting or appoint proxy(ies) to attend and/or vote on his behalf.

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SHIN YANG GROUP BERHAD

Registration No: 200401027554 (666062-A)
Sublot 153 (Parent Lot 70),
Jalan Kuala Baram, Kuala Baram,
98100 Miri, Sarawak,
Malaysia.

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Step by Step To Excellence

SHIN YANG GROUP BERHAD

Registration No: 200401027554 (666062-A)

Sub Lot 153 (Parent Lot 70),
Jalan Kuala Baram,
Kuala Baram, 98100 Miri,
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