

Registration No: 200401027554 (666062 – A)

**SHIN YANG GROUP BERHAD**  
(Incorporated in Malaysia)

**FINANCIAL REPORT**  
for the financial year ended 30 June 2025

Registration No: 200401027554 (666062 – A)

## **SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

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## SHIN YANG GROUP BERHAD

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### DIRECTORS' REPORT

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The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 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 6 to the financial statements. There have been no significant changes in the nature of these activities other than addition of motor vehicle dealership during the financial year.

### RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	184,286,652	50,041,365
Attributable to:-		
Owners of the Company	164,129,728	50,041,365
Non-controlling interests	20,156,924	-
	184,286,652	50,041,365

### DIVIDENDS

The Company paid a final dividend of 3.00 sen per ordinary share amounting to RM33,783,309 for the financial year ended 30 June 2024 on 13 December 2024.

At the forthcoming Annual General Meeting, a final dividend of 5.00 sen per ordinary share in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in the shareholders' equity as appropriation of retained earnings in the financial period ending 31 December 2025.

## **SHIN YANG GROUP BERHAD**

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### **DIRECTORS' REPORT (CONT'D)**

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#### **RESERVES AND PROVISIONS**

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

#### **ISSUES OF SHARES AND DEBENTURES**

During the financial year:-

- (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 year, the Company purchased 7,655,300 of its issued ordinary shares from the open market at an average price of RM0.84 per share. The total consideration paid for the purchase was RM6,398,234 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 details of the treasury shares are disclosed in Note 18 to the financial statements.

#### **OPTIONS GRANTED OVER UNISSUED SHARES**

During the financial year, 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.

## **SHIN YANG GROUP BERHAD**

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### **DIRECTORS' REPORT (CONT'D)**

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#### **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 year 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 year.

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 year 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.

## **SHIN YANG GROUP BERHAD**

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### **DIRECTORS' REPORT (CONT'D)**

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#### **ITEMS OF AN UNUSUAL NATURE**

The results of the operations of the Group and of the Company during the financial year 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 year 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 year in which this report is made.

#### **DIRECTORS**

The names of directors of the Company who served during the financial year 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 year 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

## SHIN YANG GROUP BERHAD

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### DIRECTORS' REPORT (CONT'D)

#### DIRECTORS (CONT'D)

The names of directors of the Company's subsidiaries who served during the financial year 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 year in shares of the Company and its related corporations during the financial year are as follows:-

	At 1.7.2024	Number of Ordinary Shares		At 30.6.2025
		Bought	Sold	
<b>Ordinary Shares in the Holding Company, Shin Yang Holding Sendirian Berhad</b>				
<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
<b>Ordinary Shares in the Company</b>				
<i>Direct Interests</i>				
Tan Sri Datuk Ling Chiong Ho	34,802,669	390,000	-	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
<b>Deemed interest through Holding Company</b>				
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

## SHIN YANG GROUP BERHAD

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### DIRECTORS' REPORT (CONT'D)

#### DIRECTORS' INTERESTS (CONT'D)

	At 1.7.2024	Number of Ordinary Shares		At 30.6.2025
		Bought	Sold	
<b>Ordinary Shares in the related companies:</b>				
<i>Direct Interests</i>				
<b>Boulevard Enterprise (Kuching) Sdn. Bhd.</b>				
Tan Sri Datuk Ling Chiong Ho	1	-	-	1
Ling Chiong Pin	1	-	-	1
Ling Chiong Sing	1	-	-	1
<b>Boulevard Enterprise (Miri) Sdn. Bhd.</b>				
Ling Chiong Sing	1	-	-	1
<b>Executive Travel Agencies Sdn. Bhd.</b>				
Tan Sri Datuk Ling Chiong Ho	78,000	-	-	78,000
Ling Chiong Sing	49,400	-	-	49,400
<b>Lutong Land Sdn. Bhd.</b>				
Tan Sri Datuk Ling Chiong Ho	4,800	-	-	4,800
<b>Miri City Bus Sdn. Bhd.</b>				
Ling Chiong Sing	84,890	-	-	84,890
<b>Piasau Industries Sdn. Bhd.</b>				
Ling Chiong Sing	49,999	-	-	49,999
<b>Selangau Plantation Sdn. Bhd.</b>				
Tan Sri Datuk Ling Chiong Ho	800	-	-	800
<b>Shin Yang Engineering Sdn. Bhd.</b>				
Tan Sri Datuk Ling Chiong Ho	1	-	-	1
Ling Chiong Pin	1	-	-	1
Ling Chiong Sing	1	-	-	1
<b>Shin Yang Forestry Sdn. Bhd.</b>				
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
<b>Shin Yang Building Product Sdn. Bhd. (Formerly known as Shin Yang Laminated Board Sdn. Bhd.)</b>				
Tan Sri Datuk Ling Chiong Ho	300,125	-	-	300,125
Ling Chiong Pin	300,125	-	-	300,125
Ling Chiong Sing	300,125	-	-	300,125



## SHIN YANG GROUP BERHAD

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### DIRECTORS' REPORT (CONT'D)

#### DIRECTORS' INTERESTS (CONT'D)

	Number of Ordinary Shares			
	At 1.7.2024	Bought	Sold	At 30.6.2025
<b>Ordinary Shares in the related companies (cont'd):</b>				
<b>Shin Yang Sawmill Sdn. Bhd.</b>				
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
<b>Shin Yang Trading Sdn. Bhd.</b>				
Tan Sri Datuk Ling Chiong Ho	775,000	-	-	775,000
Ling Chiong Pin	750,000	-	-	750,000
Ling Chiong Sing	750,000	-	-	750,000
<b>Shin Yang Wood System Sdn. Bhd.</b>				
Tan Sri Datuk Ling Chiong Ho	1	-	-	1
Ling Chiong Sing	1	-	-	1
<b>Woodville Development Sdn. Bhd.</b>				
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 year 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 year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

## **SHIN YANG GROUP BERHAD**

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### **DIRECTORS' REPORT (CONT'D)**

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#### **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 37(b) to the financial statements.

Neither during nor at the end of the financial year 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 year are as follows:-

	<b>The Group RM</b>	<b>The Company RM</b>
Fees	272,000	272,000
Salaries, bonuses and other benefits	6,157,804	4,983,045
Defined contribution benefits	298,943	244,800
	<u>6,728,747</u>	<u>5,499,845</u>

#### **INDEMNITY AND INSURANCE COST**

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

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**SHIN YANG GROUP BERHAD**  
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**DIRECTORS' REPORT (CONT'D)**

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**SUBSIDIARIES**

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

**SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR**

The significant events during the financial year are disclosed in Note 33.1 to the financial statements.

**HOLDING COMPAY**

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

**CHANGE OF FINANCIAL YEAR END**

Subsequent to the 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.

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**SHIN YANG GROUP BERHAD**

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**DIRECTORS' REPORT (CONT'D)**

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**AUDITORS**

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

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

	<b>The Group RM</b>	<b>The Company RM</b>
Audit fees	<u>423,000</u>	<u>95,000</u>

Signed in accordance with a resolution of the directors dated 31 October 2025

**Yong Nyet Yun**  
Director

**Ling Siu Chuo**  
Director

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**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

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

We, Yong Nyet Yun and Ling Siu Chuo, being two of the directors of Shin Yang Group Berhad, state that, in the opinion of the directors, the financial statements set out on pages 20 to 116 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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 30 June 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 31 October 2025

**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 20 to 116 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 31 October 2025

**Wong Jee Haw**

Before me  
**Datuk Lawrence Lai Yew Son**  
Commissioner For Oaths (No. Q025)  
Lot 1155, 1st Floor,  
Miri Waterfront Commercial Centre, Jalan Sri Dagang,  
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 30 June 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 20 to 116.

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 30 June 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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 year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

(Incorporated in Malaysia)

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**Key Audit Matters**

<b>Revenue Recognition</b> Refer to Note 28 in the financial statements	
<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<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 year, the Group recognised revenue of RM810.8 million from freight, lighterage, charterage, hiring charges and transportation charges, representing 43.0% 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"> <li>▪ Checked the effectiveness of internal control by performing walkthrough tests and test of controls on revenue cycle with samples documented on identified key controls.</li> <li>▪ Tested samples of revenue and verified them to underlying supporting documents to ascertain whether revenue has been appropriately recognised.</li> <li>▪ Assessed whether revenue transactions either side of the balance sheet date are recognised in the correct period.</li> <li>▪ Assessed to material credit notes issued to the customers subsequent to reporting date.</li> </ul>

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

(Incorporated in Malaysia)

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**Key Audit Matters (Cont'd)**

<b>Impairment on Trade Receivables</b> Refer to Note 14 in the financial statements	
<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p>As at 30 June 2025, the Group's trade receivables were recorded at a gross amount of RM292.9 million with an impairment allowance of RM27.9 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"> <li>▪ Reviewed the ageing analysis of receivables and testing the reliability thereof.</li> <li>▪ 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.</li> <li>▪ Reviewed subsequent cash collections for major receivables and overdue amounts.</li> <li>▪ Reviewed collections and sales trend during the financial year for major receivables.</li> <li>▪ Evaluated the reasonableness and adequacy of the allowance for impairment recognised.</li> <li>▪ Assessed the completeness, accuracy and relevance of disclosure.</li> </ul>



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

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**Key Audit Matters (Cont'd)**

<b>Impairment Assessment on Investment in Subsidiaries (Separate financial statement of the Company)</b> Refer to Note 6 in the financial statements	
<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p>As at 30 June 2025, the carrying amount of the Company's investment in subsidiaries amounted to RM1,163.2 million, being 92.5% 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"> <li>▪ Evaluated the assessment of the indication of impairment loss.</li> <li>▪ Evaluated the appropriateness of the impairment assessment methodology.</li> <li>▪ Evaluated the assumptions applied in the impairment assessment.</li> <li>▪ Assessed the objectivity, independence, reputation, experience and expertise of the internal expert.</li> <li>▪ Checked the mathematical accuracy of management's computation of the fair value less costs of disposal.</li> </ul>

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

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## Key Audit Matters (Cont'd)

Purchase Price Allocation ("PPA") Refer to Note 33 in the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>On 1 October 2024, the Company acquired 100% equity interests in Boulevard Jaya Sdn. Bhd with a cash consideration of RM27,500,000, and 60% equity interests each in Boulevard Motor Sdn. Bhd., Boulevard Motor (Labuan) Sdn. Bhd. and Boulevard Motor (Sabah) Sdn. Bhd. for a total consideration of RM117,000,000. The Company performed a PPA exercise for the acquisition, where the purchase consideration was allocated to the fair value of the identifiable assets acquired and the liabilities assumed, resulting in a bargain purchase of RM6.6 million on the business combination.</p> <p>In the PPA exercise, management engaged independent valuers to perform the valuation of the assets of Boulevard Jaya Sdn. Bhd., Boulevard Motor Sdn. Bhd., Boulevard Motor (Labuan) Sdn. Bhd. and Boulevard Motor (Sabah) Sdn. Bhd.</p> <p>We focused on this area as the determination of fair value of the identifiable assets acquired and liabilities assumed, including the identification of intangible assets, required significant management judgement in estimating the underlying assumptions applied.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>Assessed the competence, capabilities and objectivity of management's valuation expert.</li> <li>Obtained and received Share Sale Agreement; and identified critical terms with accounting impact, including the purchase consideration.</li> <li>Discussed with management and management's valuation experts to obtain an understanding of the PPA exercise.</li> <li>Assessed the methodology applied in the PPA exercise and the key assumptions used by management.</li> <li>Evaluated the adequacy of the disclosures in the financial statements.</li> </ul>

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

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### **Information Other than the Financial Statements and Auditors' Report Thereon**

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

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

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

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

### **Responsibilities of the Directors for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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Registration No: 200401027554 (666062-A)

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

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

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

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

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

(Incorporated in Malaysia)

Registration No: 200401027554 (666062-A)

### **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 year 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**  
00950/01/2026 J  
Chartered Accountant

Miri, Sarawak

31 October 2025

# SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

## STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025

		The Group		The Company	
	Note	2025	2024	2025	2024
		RM	RM	RM	RM
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Investment in subsidiaries	6	-	-	1,163,193,748	1,018,693,748
Investment in associates	7	2,944,697	3,060,266	682,500	682,500
Property, plant and equipment	8	1,043,691,183	877,086,570	59,972,057	47,181,126
Other investments	10	58,800	58,800	-	-
Intangible assets	11	8,750,348	8,765,943	-	-
Deferred tax assets	12	1,158,497	179,704	-	-
		<u>1,056,603,525</u>	<u>889,151,283</u>	<u>1,223,848,305</u>	<u>1,066,557,374</u>
<b>CURRENT ASSETS</b>					
Inventories	13	84,694,838	39,760,757	-	-
Amount owing by subsidiaries	9	-	-	1,732,881	975,748
Dividend receivable		-	-	-	95,000,000
Trade receivables	14	264,946,469	199,248,042	-	-
Other receivables	15	58,991,467	28,313,960	162,263	554,438
Contract assets	16	20,207,947	21,892,639	-	-
Current tax assets		669,653	1,808,941	-	-
Cash and bank balances	35	521,170,728	432,221,980	32,195,547	39,001,364
		<u>950,681,102</u>	<u>723,246,319</u>	<u>34,090,691</u>	<u>135,531,550</u>
<b>TOTAL ASSETS</b>		<u>2,007,284,627</u>	<u>1,612,397,602</u>	<u>1,257,938,996</u>	<u>1,202,088,924</u>

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025 (CONT'D)**

		<b>The Group</b>		<b>The Company</b>	
		<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>Note</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	17	1,216,972,062	1,216,972,062	1,216,972,062	1,216,972,062
Treasury shares	18	(35,530,156)	(29,131,922)	(35,530,156)	(29,131,922)
Retained profits		534,112,847	403,766,428	24,179,817	7,921,761
Other reserves	19	(297,861,069)	(297,861,069)	-	-
Equity attributable to owners of the Company		1,417,693,684	1,293,745,499	1,205,621,723	1,195,761,901
Non-controlling interests		91,542,240	7,880,317	-	-
<b>TOTAL EQUITY</b>		<b>1,509,235,924</b>	<b>1,301,625,816</b>	<b>1,205,621,723</b>	<b>1,195,761,901</b>
<b>NON-CURRENT LIABILITIES</b>					
Lease liabilities	20	1,772,854	824,623	-	-
Bank borrowings	21	47,319,324	24,678,349	904,129	2,470,933
Deferred tax liabilities	12	63,402,800	51,847,674	-	-
		112,494,978	77,350,646	904,129	2,470,933
<b>CURRENT LIABILITIES</b>					
Trade payables	26	171,046,855	105,015,274	-	-
Contract liabilities	16	18,320,998	44,176,499	-	-
Other payables	27	93,697,780	31,726,508	49,329,058	1,812,271
Amount owing to a subsidiary	9	-	-	318,492	-
Lease liabilities	20	2,162,491	354,133	-	-
Bank borrowings	21	90,174,471	48,805,261	1,566,804	1,648,711
Current tax liabilities		10,151,130	3,343,465	198,790	395,108
		385,553,725	233,421,140	51,413,144	3,856,090
<b>TOTAL LIABILITIES</b>		<b>498,048,703</b>	<b>310,771,786</b>	<b>52,317,273</b>	<b>6,327,023</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,007,284,627</b>	<b>1,612,397,602</b>	<b>1,257,938,996</b>	<b>1,202,088,924</b>

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

		<b>The Group</b>		<b>The Company</b>	
	Note	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
		<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
REVENUE	28	1,887,518,691	959,818,782	63,810,224	115,152,280
COST OF SALES		(1,631,790,841)	(824,399,711)	(1,648,473)	(1,754,374)
GROSS PROFIT		255,727,850	135,419,071	62,161,751	113,397,906
OTHER INCOME		36,993,658	29,879,729	120,831	253,578
FINANCE INCOME		14,446,817	13,712,951	1,243,440	1,634,004
ADMINISTRATIVE EXPENSES		(94,739,053)	(50,559,079)	(12,086,527)	(8,643,511)
OTHER EXPENSES		-	-	-	(98,504,534)
NET IMPAIRMENT GAIN ON FINANCIAL ASSETS	29	8,936,441	3,953,448	-	-
FINANCE COSTS		(6,526,385)	(5,439,687)	(184,857)	(273,050)
SHARE OF RESULTS OF EQUITY ACCOUNTED ASSOCIATES		274,431	(441,043)	-	-
PROFIT BEFORE TAXATION	30	215,113,759	126,525,390	51,254,638	7,864,393
INCOME TAX EXPENSE	31	(30,827,107)	(13,135,031)	(1,213,273)	(1,471,258)
PROFIT AFTER TAXATION, RE-PRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		184,286,652	113,390,359	50,041,365	6,393,135



**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

		<b>The Group</b>		<b>The Company</b>	
		<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	Note	RM	RM	RM	RM
PROFIT AFTER TAXATION					
ATTRIBUTABLE TO:-					
Owners of the Company:		164,129,728	110,624,905	50,041,365	6,393,135
Non-controlling interests		20,156,924	2,765,454	-	-
		<u>184,286,652</u>	<u>113,390,359</u>	<u>50,041,365</u>	<u>6,393,135</u>
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO:-					
Owners of the Company:		164,129,728	110,624,905	50,041,365	6,393,135
Non-controlling interests		20,156,924	2,765,454	-	-
		<u>184,286,652</u>	<u>113,390,359</u>	<u>50,041,365</u>	<u>6,393,135</u>
EARNINGS PER SHARE (SEN)					
Basic	32	<u>14.59</u>	<u>9.77</u>		

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## SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

### STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	Share Capital RM	Treasury Shares RM	Other Reserves RM	Retained Profits RM	Attributable to Owners of the Company RM	Non- controlling Interests RM	Total Equity RM
<b>The Group</b>								
Balance at 1.7.2023		1,216,972,062	(24,775,956)	(297,861,069)	326,592,091	1,220,927,128	4,560,128	1,225,487,256
Profit after taxation for the financial year		-	-	-	110,624,905	110,624,905	2,765,454	113,390,359
		1,216,972,062	(24,775,956)	(297,861,069)	437,216,996	1,331,552,033	7,325,582	1,338,877,615
Contributions by and distributions to owners of the Company:								
- Purchase of treasury shares	18	-	(5,143,125)	-	-	(5,143,125)	-	(5,143,125)
- Treasury shares sold	18	-	787,159	-	502,841	1,290,000	-	1,290,000
- Dividends:								
- by the Company	34	-	-	-	(33,953,409)	(33,953,409)	-	(33,953,409)
- by subsidiaries to non- controlling interests		-	-	-	-	-	(1,500,000)	(1,500,000)
Total transactions with owners		-	(4,355,966)	-	(33,450,568)	(37,806,534)	(1,500,000)	(39,306,534)
Acquisition of subsidiaries		-	-	-	-	-	2,054,735	2,054,735
Balance at 30.6.2024		1,216,972,062	(29,131,922)	(297,861,069)	403,766,428	1,293,745,499	7,880,317	1,301,625,816

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

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## SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

### STATEMENTS OF CHANGES IN EQUITY (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	Share Capital RM	Treasury Shares RM	Other Reserves RM	Retained Profits RM	Attributable to Owners of the Company RM	Non- controlling Interests RM	Total Equity RM
<b>The Group</b>								
Balance at 1.7.2024		1,216,972,062	(29,131,922)	(297,861,069)	403,766,428	1,293,745,499	7,880,317	1,301,625,816
Profit after taxation for the financial year		-	-	-	164,129,728	164,129,728	20,156,924	184,286,652
		1,216,972,062	(29,131,922)	(297,861,069)	567,896,156	1,457,875,227	28,037,241	1,485,912,468
Contributions by and distributions to owners of the Company:								
- Purchase of treasury shares	18	-	(6,398,234)	-	-	(6,398,234)	-	(6,398,234)
- Dividends:								
- by the Company	34	-	-	-	(33,783,309)	(33,783,309)	-	(33,783,309)
- by subsidiaries to non- controlling interests		-	-	-	-	-	(5,600,000)	(5,600,000)

Registration No: 200401027554 (666062 – A)

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY (CONT'D)  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 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
<b>The Group</b>							
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

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**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY (CONT'D)  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

	Note	Share Capital RM	Treasury Shares RM	Retained Profits RM	Total Equity RM
<b>The Company</b>					
Balance at 1.7.2023		1,216,972,062	(24,775,956)	34,979,194	1,227,175,300
Profit after taxation for the financial year		-	-	6,393,135	6,393,135
<b>Transactions with owners</b>					
Purchase of treasury shares	18	-	(5,143,125)	-	(5,143,125)
Treasury shares sold	18	-	787,159	502,841	1,290,000
Dividend on ordinary shares	34	-	-	(33,953,409)	(33,953,409)
Total transaction with owners		-	(4,355,966)	(33,450,568)	(37,806,534)
Balance at 30.6.2024		1,216,972,062	(29,131,922)	7,921,761	1,195,761,901

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## SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

### STATEMENTS OF CHANGES IN EQUITY (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	Share Capital RM	Treasury Shares RM	Retained Profits RM	Total Equity RM
<b>The Company</b>					
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
<b>Transactions with owners</b>					
Purchase of treasury shares	18	-	(6,398,234)	-	(6,398,234)
Dividend on ordinary shares	34	-	-	(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

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

		The Group		The Company	
		2025	2024	2025	2024
	Note	RM	RM	RM	RM
CASH FLOWS FROM/(FOR)					
OPERATING ACTIVITIES					
Profit before taxation		215,113,759	126,525,390	51,254,638	7,864,393
Adjustments for:-					
Bad debt written off		26,889	228,398	-	-
Amortisation of intangible assets	11	15,595	-	-	-
Depreciation:					
- property, plant and equipment	8	92,956,456	89,829,329	1,002,831	1,053,185
- right-of-use assets	8	4,921,102	2,289,224	-	-
Dividend income		(1,800)	(1,200)	(57,575,000)	(109,500,000)
Fair value changes on forward contracts		-	(372,480)	-	-
Net gain on disposal of property, plant and equipment		(21,751,060)	(13,482,675)	(9,488)	(2,667)
Gain on disposal of non-current asset held for sale		-	(3,048,230)	-	-
Impairment loss:					
- trade and other receivables		1,475,576	354,263	-	-
- investment in a subsidiary		-	-	-	98,504,534
Interest expenses		6,526,385	5,439,687	184,857	273,050
Interest income		(14,446,817)	(13,712,951)	(1,243,440)	(1,634,004)
Gain on bargain purchase		(6,642,514)	-	-	-
Property, plant and equipment written off		9,341	1,325	2	-
Reversal of impairment loss on trade and other receivables		(10,412,017)	(4,307,711)	-	-
(Profit)/Loss retained in associates		(274,431)	441,043	-	-
Unrealised loss/(gain) on foreign exchange		1,679,425	(3,180,014)	-	-
Operating profit/(loss) before working capital changes		269,195,889	187,003,398	(6,385,600)	(3,441,509)

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS (CONT'D)  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Decrease/(Increase) in inventories		8,352,866	(5,812,016)	-	-
Decrease/(Increase) in trade and other receivables		24,303,127	(19,970,055)	392,175	1,082,025
(Decrease)/increase in trade and other payables		(38,242,494)	(25,745,495)	392,787	448,769
Decrease/(Increase) in contract assets		1,684,692	(19,802,956)	-	-
(Decrease)/Increase in contract liabilities		(25,855,501)	23,826,786	-	-
(Increase)/Decrease in amount owing by subsidiaries		-	-	(757,133)	2,606,410
Increase/(Decrease) in amount owing to a subsidiary		-	-	318,492	(53,625)
<b>CASH FROM/(FOR) OPERATIONS</b>		<b>239,438,579</b>	<b>139,499,662</b>	<b>(6,039,279)</b>	<b>642,070</b>
Interest income received		14,446,817	13,712,951	1,243,440	1,634,004
Interest expenses paid		(6,526,385)	(5,439,687)	(184,857)	(273,050)
Income tax paid		(21,902,364)	(9,164,588)	(1,409,591)	(2,015,105)
<b>NET CASH FROM/(FOR) OPERATING ACTIVITIES</b>		<b>225,456,647</b>	<b>138,608,338</b>	<b>(6,390,287)</b>	<b>(12,081)</b>



**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS (CONT'D)  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

		The Group		The Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Acquisition of subsidiaries	33	(18,262,369)	(3,271,034)	(97,376,000)	(8,338,200)
Additional investment in an existing subsidiary		-	-	-	(11,000,000)
Dividend received from subsidiaries		-	-	152,185,000	50,655,000
Dividend received from associates		390,000	-	390,000	-
Dividend received from others		1,800	1,200	-	-
Increase in fixed deposit pledged to licensed banks		(30,000)	(13,953)	-	-
Net movement in short term deposits with tenure more than 3 months		27,618,495	1,880,275	8,200,000	10,000,000
Purchase of property, plant and equipment	35	(90,569,419)	(32,977,731)	(13,799,063)	(24,145)
Proceeds from disposal of property, plant and equipment		35,326,095	24,805,241	14,787	3,552
Proceeds from disposal of non-current assets held for sale		-	14,233,506	-	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(45,525,398)	4,657,504	49,614,724	41,296,207

# SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

## STATEMENTS OF CASH FLOWS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

		The Group		The Company	
		2025	2024	2025	2024
	Note	RM	RM	RM	RM
CASH FLOWS FOR FINANCING ACTIVITIES					
Acquisition of treasury shares		(6,398,234)	(5,143,125)	(6,398,234)	(5,143,125)
Dividend paid on ordinary shares		(33,783,309)	(33,953,409)	(33,783,309)	(33,953,409)
Dividend paid to non-controlling interests in subsidiaries		(5,600,000)	(1,500,000)	-	-
Net proceeds of floor stocks	35	2,258,237	-	-	-
Repayment of principal portion of hire purchase	35	(11,664,786)	(9,412,133)	(98,707)	(94,753)
Repayment of principal portion of lease liabilities	20	(1,868,918)	(352,584)	-	-
Net proceeds/(repayments) of revolving credits	35	5,000,000	(17,082,200)	-	-
Proceeds from term loan	35	1,990,000	285,000	-	-
Proceeds from obligation under hire purchase	35	2,594,100	-	-	-
Proceeds from issuance of ordinary shares to non-controlling interest		245,000	-	-	-
Repayment of term loans	35	(18,425,068)	(13,062,246)	(1,550,004)	(1,550,004)
Net (repayment)/proceeds of flexi financing		(5,381,947)	4,216,043	-	-
Net proceeds/(repayments) of banker acceptance	35	448,000	(43,820,000)	-	-
NET CASH FOR FINANCING ACTIVITIES		(70,586,925)	(119,824,654)	(41,830,254)	(40,741,291)

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS (CONT'D)  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
NET INCREASE IN CASH AND CASH EQUIVALENTS		109,344,324	23,441,188	1,394,183	542,835
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		(1,484,054)	767,309	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		126,078,205	101,869,708	1,001,364	458,529
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	35	233,938,475	126,078,205	2,395,547	1,001,364

## **SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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#### **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 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 31 October 2025.

#### **2. HOLDING COMPANY**

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

#### **3. 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 6 to the financial statements. There have been no significant changes in the nature of these activities other than addition of motor vehicle dealership during the financial year.

## SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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#### 4. 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”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

- 4.1 During the current financial year, 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 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

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.

- 4.2 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 year:-

**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: Lack of Exchangeability 1 January 2025

Annual Improvements to MFRS Accounting Standards – Volume 11 1 January 2026

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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**4. BASIS OF PREPARATION (CONT'D)**

- 4.2 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 year (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.

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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**5. MATERIAL ACCOUNTING POLICY INFORMATION**

**5.1 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 8 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 11 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 16 to the financial statements.

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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**5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

**5.1 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 14 and 16 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 15 and 9 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 8 and 6 to the financial statements respectively.



**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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**5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

**5.1 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 13 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.

**(i) Purchase Price Allocation**

Purchase prices related to business combinations are allocated to the underlying acquired assets and liabilities based on their estimated fair value at the time of acquisition. The determination of fair value required the Group to make assumptions, estimates and judgements regarding future events. The allocation process is inherently subjective and impacts the amount assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts the Group's reported assets (including goodwill) and liabilities, future net earnings due to the impact on future depreciation and amortisation expense and impairment tests. The fair value of the assets acquired and liabilities assumed under the business combinations made during the current financial year are disclosed in Note 33 to the financial statements.

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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**5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

**5.1 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).

**5.2 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.

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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**5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

**5.2 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.

**5.3 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.

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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**5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

**5.3 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.

**5.4 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.

**5.5 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.

**5.6 INVESTMENTS IN ASSOCIATES**

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

**5.7 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 building under construction. They are not depreciated until such time when the asset is available for use.

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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**5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

**5.8 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.

**5.9 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.

## SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 6. INVESTMENT IN SUBSIDIARIES

	2025 RM	2024 RM
Unquoted share, at cost	1,276,775,878	1,132,275,878
Less: Impairment loss	(113,582,130)	(113,582,130)
	<u>1,163,193,748</u>	<u>1,018,693,748</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
		2025 %	2024 %	
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

## SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 6. 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
		2025 %	2024 %	
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

## SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 6. 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
		2025 %	2024 %	
Mewah Exim Sdn. Bhd.	Malaysia	60%	60%	Freight and forwarding agent
Boulevard Jaya Sdn. Bhd.	Malaysia	100%	-	Car dealership, sales of spare parts, repairing and servicing of motor vehicles
Boulevard Motor Sdn. Bhd.	Malaysia	60%	-	Car dealership, sales of spare parts, repairing and servicing of motor vehicles
Boulevard Motor (Sabah) Sdn. Bhd.	Malaysia	60%	-	Car dealership, sales of spare parts, repairing and servicing of motor vehicles
Boulevard Motor (Labuan) Sdn. Bhd.	Malaysia	60%	-	Car dealership, sales of spare parts, repairing and servicing of motor vehicles
<b>Subsidiary of Danum Shipping Sdn. Bhd.</b>				
Sinar Asiamas Sdn. Bhd.	Malaysia	100%	100%	International shipping operations
<b>Subsidiary of Shin Yang Shipping Sdn. Bhd.</b>				
Melinau Armada Logistics Sdn. Bhd.	Malaysia	51%	51%	Provision of freight forwarding and freight transportation and management



**SHIN YANG GROUP BERHAD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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**6. 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
		2025 %	2024 %	
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 retail sale of all kinds of parts, components, supplies, tools and accessories for motor vehicles

## SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 6. INVESTMENT IN SUBSIDIARIES (CONT'D)

- (a) During the current financial year, the Company has 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 33 to the financial statements.
- (b) In the previous financial year, the Company had acquired 60% equity interests in Mewah Exim Sdn. Bhd. The details of the acquisition are disclosed in Note 33 to the financial statements.
- (c) In the previous financial year, the Company has subscribed an additional 11,000,000 shares in Shin Yang Shipyard Sdn. Bhd. for a cash consideration of RM11,000,000.
- (d) In the previous financial year, a subsidiary of the Company, Shin Yang Shipping Sdn. Bhd. subscribed 51% equity interests in Melinau Armada Logistics Sdn. Bhd. The acquisition has no significant effect on the financial results of the Group for the previous financial year and the financial position of the Group as at the end of the previous reporting period.
- (e) In previous financial year, the Company had carried out a review of the recoverable amount of its investment in one of the subsidiaries, following its distribution of dividend to the Company. A total impairment loss of RM98,504,534, representing the write-down of the investment to its recoverable amount, was recognised in "Other Expenses" line item of the statement of profit or loss and other comprehensive income. The recoverable amount was determined based on the Company's share of net assets in the subsidiary, which represented the directors' estimation of fair value less costs to sell of the subsidiary.
- (f) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2025 %	2024 %	2025 RM	2024 RM
Boulevard Motor Sdn. Bhd.	60	-	49,006,284	-
Boulevard Motor (Labuan) Sdn. Bhd.	60	-	5,396,354	-
Boulevard Motor (Sabah) Sdn. Bhd.	60	-	29,409,741	-
Other individually immaterial subsidiaries	-	-	7,729,861	7,880,317
			<u>91,542,240</u>	<u>7,880,317</u>

## SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 6. INVESTMENT IN SUBSIDIARIES (CONT'D)

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

	Boulevard Motor Sdn. Bhd. <b>2025</b> RM	Boulevard Motor (Labuan) Sdn. Bhd. <b>2025</b> RM	Boulevard Motor (Sabah) Sdn. Bhd. <b>2025</b> RM	Total <b>2025</b> RM
<u>At 30 June</u>				
Non-current assets	31,941,667	9,070,247	65,588,336	106,600,250
Current assets	155,688,516	15,184,117	61,350,223	232,222,856
Non-current liabilities	(3,920,468)	(1,313,569)	(12,393,170)	(17,627,207)
Current liabilities	(61,194,005)	(9,449,909)	(41,021,036)	(111,664,950)
Net assets	<u>122,515,710</u>	<u>13,490,886</u>	<u>73,524,353</u>	<u>209,530,949</u>
<u>Financial Period Ended 30 June</u>				
Revenue	451,335,565	39,570,573	268,720,803	759,626,941
Profit for the financial period	25,364,812	2,199,598	14,816,536	42,380,946
Total comprehensive income	<u>25,364,812</u>	<u>2,199,598</u>	<u>14,816,536</u>	<u>42,380,946</u>
Total comprehensive income attributable to non-controlling interests	10,145,925	879,839	5,926,614	16,952,378
Dividends paid to non-controlling interests	<u>(2,000,000)</u>	<u>-</u>	<u>-</u>	<u>(2,000,000)</u>

## SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 6. INVESTMENT IN SUBSIDIARIES (CONT'D)

- (g) 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. <b>2025</b> RM	Boulevard Motor (Labuan) Sdn. Bhd. <b>2025</b> RM	Boulevard Motor (Sabah) Sdn. Bhd. <b>2025</b> RM	Total <b>2025</b> RM
<u>Financial Year Ended 30 June</u>				
Net cash flows from operating activities	34,644,143	6,749,877	17,017,732	58,411,752
Net cash flows for investing activities	(489,027)	(114,060)	(7,882,548)	(8,485,635)
Net cash flows (for)/from financial activities	<u>(6,870,275)</u>	<u>(556,429)</u>	<u>1,916,931</u>	<u>(5,509,773)</u>

#### 7. INVESTMENT IN ASSOCIATES

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b> RM	<b>2024</b> RM	<b>2025</b> RM	<b>2024</b> RM
Unquoted share, at cost	4,068,946	4,068,946	682,500	682,500
Share of post-acquisition reserves	<u>(1,124,249)</u>	<u>(1,008,680)</u>	<u>-</u>	<u>-</u>
	<u>2,944,697</u>	<u>3,060,266</u>	<u>682,500</u>	<u>682,500</u>

# SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 7. 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
		2025 %	2024 %	
Melinau Shipping Sdn. Bhd.*	Malaysia	39%	39%	Shipping and forwarding agency
<b>Associate of Shin Yang Shipping Sdn. Bhd.</b>				
PT Shinline*	Indonesia	49%	49%	Investment holding
Shin Yang FZC*	United Arab Emirates	49%	49%	Investment holding
<b>Associate of PT Shinline</b>				
PT Baruna Adiprasetya*	Indonesia	49%	49%	Inactive
<b>Associate of Shin Yang FZC</b>				
Deena Shipping L.L.C.*	United Arab Emirates	49%	49%	Offshore and marine related shipping business, cargo services and chartering
<b>Associate of Mewah Exim Sdn. Bhd.</b>				
Mewah Logistik Sdn. Bhd.	Malaysia	49%	49%	Freight and Forwarding agent

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

# SHIN YANG GROUP BERHAD

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 7. 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.

	<b>Melinau Shipping Sdn. Bhd.</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Non-current assets	355,529	398,743
Current assets	13,869,240	14,646,370
Non-current liabilities	(22,659)	(50,435)
Current liabilities	(1,352,096)	(1,416,242)
	<u>12,850,014</u>	<u>13,578,436</u>
Revenue	5,477,631	5,053,128
Profit for the financial year	<u>271,578</u>	<u>19,636</u>
Group's share of profit for the financial year	105,915	7,658
Dividend received	<u>390,000</u>	<u>-</u>
<u>Reconciliation of Net Assets to Carrying Amount</u>		
Group's share of net assets	<u>2,554,552</u>	<u>2,838,637</u>
Carrying amount of the Group's interests in this associate	<u>2,554,552</u>	<u>2,838,637</u>

**SHIN YANG GROUP BERHAD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

**8. PROPERTY, PLANT AND EQUIPMENT**

<b>The Group</b>	<b>At 1.7.2024 RM</b>	<b>Additions RM</b>	<b>Acquisition of Subsidiaries RM</b>	<b>Disposals/ De- recognition RM</b>	<b>Transfer RM</b>	<b>Reassessment of lease liabilities RM</b>	<b>Depreciation Charges (Note 30) RM</b>	<b>At 30.6.2025 RM</b>
<b>2025</b>								
<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

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

**8. 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 30) RM	At 30.6.2025 RM
<b>2025</b>								
<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



# SHIN YANG GROUP BERHAD

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At 1.7.2023 RM	Additions RM	Acquisition of Subsidiaries RM	Disposals/ De- recognition RM	Transfer RM	Reassessment of lease liabilities RM	Classified as held for sale RM	Impairment RM	Depreciation Charges (Note 30) RM	At 30.6.2024 RM
<b>2024</b>										
<i>Carrying amount</i>										
<u>Owned assets</u>										
Dry docking expenses	5,066,302	1,539,616	-	-	-	-	-	-	(1,755,377)	4,850,541
Buildings, jetty, wharfs and slipways	208,880,075	1,208,173	1,400,000	-	-	-	-	-	(8,276,444)	203,211,804
Motor vehicles	4,437,456	913,078	329,635	(33,040)	-	-	-	-	(1,015,233)	4,631,896
Office equipment, furniture and fittings	3,565,568	874,692	289,604	(7,297)	1,915	-	-	-	(980,071)	3,744,411
Plant and machinery	83,684,898	4,728,218	1,934,480	(177,082)	-	-	-	-	(11,373,762)	78,796,752
Shipping equipment and machinery	49,360,978	2,211,827	-	(114,287)	4,785,946	-	-	-	(7,623,239)	48,621,225
Vessels	462,817,511	110,000	-	(10,992,185)	21,016,486	-	-	-	(58,805,203)	414,146,609

# SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At 1.7.2023 RM	Additions RM	Acquisition of Subsidiaries RM	Disposals/ De- recognition RM	Transfer RM	Reassessment of lease liabilities RM	Classified as held for sale RM	Impairment RM	Depreciation Charges (Note 30) RM	At 30.6.2024 RM
<b>2024</b>										
<i>Carrying amount (Cont'd)</i>										
<u>Owned assets</u>										
Capital work-in-progress	25,918,223	22,855,168	1,425,000	-	(25,804,347)	-	-	-	-	24,394,044
	843,731,011	34,440,772	5,378,719	(11,323,891)	-	-	-	-	(89,829,329)	782,397,282
<u>Right-of-use assets</u>										
Leasehold land and buildings	87,633,570	2,153,666	7,050,000	-	-	141,276	-	-	(2,289,224)	94,689,288
	87,633,570	2,153,666	7,050,000	-	-	141,276	-	-	(2,289,224)	94,689,288
	931,364,581	36,594,438	12,428,719	(11,323,891)	-	141,276	-	-	(92,118,553)	877,086,570

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

**8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

<b>The Company</b>	At 1.7.2024 RM	Additions RM	Disposals RM	Written off RM	Depreciation Charges (Note 30) RM	At 30.6.2025 RM
<b>2025</b>						
<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

**SHIN YANG GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

**8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

	At 1.7.2023 RM	Additions RM	Disposals RM	Depreciation Charges (Note 30) RM	At 30.6.2024 RM
<b>The Company</b>					
<b>2024</b>					
<i>Carrying amount</i>					
<u>Owned assets</u>					
Buildings	45,382,487	-	-	(846,045)	44,536,442
Office equipment, furniture and fittings	393,953	24,145	(885)	(143,540)	273,673
Motor vehicles	270,302	-	-	(63,600)	206,702
	46,046,742	24,145	(885)	(1,053,185)	45,016,817
<u>Right-of-use assets</u>					
Leasehold land and buildings	2,164,309	-	-	-	2,164,309
	2,164,309	-	-	-	2,164,309
	48,211,051	24,145	(885)	(1,053,185)	47,181,126

# SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

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

# SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
<b>30.6.2024</b>			
<u>Owne d assets</u>			
Dry docking expenses	17,546,406	(12,695,865)	4,850,541
Buildings, jetty, wharfs and slipways	325,159,776	(121,947,972)	203,211,804
Motor vehicles	19,670,245	(15,038,349)	4,631,896
Office equipment, furniture and fittings	24,296,970	(20,552,559)	3,744,411
Plant and machinery	421,856,908	(343,060,156)	78,796,752
Shipping equipment and machinery	198,151,013	(149,529,788)	48,621,225
Vessels	1,184,493,068	(770,346,459)	414,146,609
Capital work-in-progress	24,394,044	-	24,394,044
	<u>2,215,568,430</u>	<u>(1,433,171,148)</u>	<u>782,397,282</u>
<u>Right-of-use assets</u>			
Leasehold land and buildings	113,778,530	(19,089,242)	94,689,288
	<u>2,329,346,960</u>	<u>(1,452,260,390)</u>	<u>877,086,570</u>

# SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Company	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
<b>30.6.2025</b>			
<u>Owned assets</u>			
Buildings	53,978,669	(8,586,466)	45,392,203
Office equipment, furniture and fittings	5,912,244	(5,689,801)	222,443
Motor vehicles	600,011	(456,909)	143,102
	60,490,924	(14,733,176)	45,757,748
<u>Right-of-use assets</u>			
Leasehold land and buildings	14,214,309	-	14,214,309
	74,705,233	(14,733,176)	59,972,057
<b>30.6.2024</b>			
<u>Owned assets</u>			
Buildings	52,268,311	(7,731,869)	44,536,442
Office equipment, furniture and fittings	5,903,067	(5,629,394)	273,673
Motor vehicles	600,011	(393,309)	206,702
	58,771,389	(13,754,572)	45,016,817
<u>Right-of-use assets</u>			
Leasehold land	2,164,309	-	2,164,309
	60,935,698	(13,754,572)	47,181,126

(a) Included in the property, plant and equipment of the Group and the Company were plant and machinery with a total carrying amount of RM27,336,605 (2024 – RM11,090,032) and RM143,100 (2024 – RM206,700) held under hire purchase arrangements. These assets have been pledged as security for the hire purchase payables of the Group and the Company as disclosed in Note 21 to the financial statements.

(b) Titles of the certain leasehold land of the Group and the Company with the carrying value of RM22,454,172 (2024 – RM10,512,874) and RM12,050,000 (2024 – Nil) have yet to be issued by the authority.

## SHIN YANG GROUP BERHAD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 8. 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 22 to 25 are as follows:

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	RM	RM	RM	RM
Land and buildings	214,796,445	84,552,622	34,081,520	34,612,009
Plant and machinery	31,902,000	34,818,000	-	-
Vessels	29,107,573	50,870,140	-	-
	<u>275,806,018</u>	<u>170,240,762</u>	<u>34,081,520</u>	<u>34,612,009</u>

##### Right-of-use assets

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

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

#### 9. AMOUNTS OWING BY/(TO) SUBSIDIARIES

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

#### 10. OTHER INVESTMENTS

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	RM	RM
Equity instruments (quoted in Malaysia), at fair value	<u>58,800</u>	<u>58,800</u>
Market value of quoted shares in Malaysia	<u>58,800</u>	<u>58,800</u>

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



## SHIN YANG GROUP BERHAD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 11. INTANGIBLE ASSETS

	Goodwill RM	Customer Relationships RM	Total RM
<b>The Group</b>			
Cost/Carrying amount:			
At 1 July 2024	8,609,993	155,950	8,765,943
Amortisation	-	(15,595)	(15,595)
At 30 June 2025	8,609,993	140,355	8,750,348

#### 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 June 2025 and 2024.

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 12.50% (2024 – 10.79%).

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.

**SHIN YANG GROUP BERHAD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025****12. DEFERRED TAX ASSETS/(LIABILITIES)**

<b>The Group</b>	<b>As 1.7.2024 RM</b>	<b>Acquisition of Subsidiaries RM</b>	<b>Recognised in Profit or Loss (Note 31) RM</b>	<b>At 30.6.2025 RM</b>
<b>2025</b>				
<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)
<b>The Group</b>	<b>As 1.7.2023 RM</b>	<b>Acquisition of Subsidiaries RM</b>	<b>Recognised in Profit or Loss (Note 31) RM</b>	<b>At 30.6.2024 RM</b>
<b>2024</b>				
<i>Deferred Tax Liabilities</i>				
Property, plant and equipment	(85,752,990)	(192,732)	9,139,360	(76,806,362)
<i>Deferred Tax Assets</i>				
Unabsorbed capital allowances	18,725,406	-	(9,432,079)	9,293,327
Others	3,605,353	-	551,695	4,157,048
Unused tax losses	4,789,320	-	(1,506,345)	3,282,975
Unutilised reinvestment allowances	8,405,042	-	-	8,405,042
	35,525,121	-	(10,386,729)	25,138,392
	(50,227,869)	(192,732)	(1,247,369)	(51,667,970)

## SHIN YANG GROUP BERHAD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Analysed as:-				
Deferred tax assets	1,158,497	179,704	-	-
Deferred tax liabilities	(63,402,800)	(51,847,674)	-	-
	(62,244,303)	(51,667,970)	-	-
Deferred tax assets have not been recognised in respect of the following items:-				
Unabsorbed capital allowances	4,915,766	7,498,388	3,201,856	3,201,856
Unutilised tax losses	1,200,138	60,728,164	1,035,413	1,035,413
Other deductible temporary differences	2,457,010	7,484,411	-	-
	8,572,914	75,710,963	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	
	2025 RM	2024 RM	2025 RM	2024 RM
Unutilised tax losses	29,968,399	63,586,881	1,035,413	1,035,413
Unabsorbed capital allowances	31,960,069	134,603,406	3,201,856	3,201,856
	61,928,468	198,190,287	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.

## SHIN YANG GROUP BERHAD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 13. INVENTORIES

	The Group	
	2025 RM	2024 RM
Consumables	31,863,467	33,927,087
Petrol, oil and lubricants on board	4,315,999	5,063,255
Motor vehicles	42,102,782	503,000
Spare parts and related goods	4,928,378	87,671
Work-in-progress	1,484,212	179,744
	<u>84,694,838</u>	<u>39,760,757</u>

#### 14. TRADE RECEIVABLES

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Third parties	220,091,573	181,049,177	-	-
Related companies	67,014,821	50,468,457	-	-
Associates	685,197	1,000	-	-
Holding company	5,059,708	-	-	-
	<u>292,851,299</u>	<u>231,518,634</u>	<u>-</u>	<u>-</u>
Allowance for impairment losses:-				
- third parties	(22,455,111)	(29,004,926)	-	-
- related companies	(5,449,719)	(2,853,664)	-	-
- associates	-	(412,002)	-	-
	<u>264,946,469</u>	<u>199,248,042</u>	<u>-</u>	<u>-</u>
Allowance for impairment losses:-				
At 1 July	32,270,592	34,997,842	-	-
Acquisition of a subsidiary during the financial year	4,579,379	-	-	-
Additions during the financial year	1,475,576	354,263	-	-
Reversal during the financial year	(10,412,017)	(2,790,418)	-	-
Written off during the financial year	(8,700)	(291,095)	-	-
At 30 June	<u>27,904,830</u>	<u>32,270,592</u>	<u>-</u>	<u>-</u>

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

- (a) The Group's normal trade credit terms range from 7 to 90 (2024 - 7 to 90) days.
- (b) Included in trade receivables of the Group is an amount of RM8,238,900 (2024 – RM5,635,040) owing by companies in which certain directors have substantial financial interests.

# SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 15. OTHER RECEIVABLES

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Current:				
Other receivables:-				
Third parties	16,589,943	13,312,763	5,550	363,994
Related companies	5,426	13,086	2,786	3,206
Associates	5,030,531	5,083,826	61,397	89,308
Rebate and incentive receivables	18,614,200	-	-	-
	40,240,100	18,409,675	69,733	456,508
Allowance for impairment losses:-				
- third parties	(10,587,477)	(10,587,477)	-	-
- associates	(4,941,504)	(4,941,504)	-	-
	24,711,119	2,880,694	69,733	456,508
Deposits	12,766,270	12,180,019	92,530	97,930
Prepayments	21,514,078	13,253,247	-	-
	58,991,467	28,313,960	162,263	554,438
Allowance for impairment losses:-				
At 1 July	15,528,981	18,891,812	-	-
Reversal during the financial year	-	(1,517,293)	-	-
Written off during the financial year	-	(1,845,538)	-	-
At 30 June	15,528,981	15,528,981	-	-

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

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

# SHIN YANG GROUP BERHAD

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 16. CONTRACT ASSETS/(LIABILITIES)

	The Group	
	2025 RM	2024 RM
<b>Contract Assets</b>		
Contract assets relating to service contracts	20,207,947	21,892,639
<b>Contract Liabilities</b>		
Contract liabilities relating to service contracts	(18,320,998)	(44,176,499)

- (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 and construction contracts, for which revenue is recognised over time.
- (c) The changes to contract assets and contract liabilities balances during the financial year are summarised below:-

	The Group	
	2025 RM	2024 RM
At 1 July	(22,283,860)	(18,260,030)
Revenue recognised in profit or loss during the financial year	130,336,190	110,360,774
Billings to customers during the financial year	(106,165,381)	(114,384,604)
At 30 June	1,886,949	(22,283,860)
Analysed as follows:		
Contract assets	20,207,947	21,892,639
Contract liabilities	(18,320,998)	(44,176,499)
	1,886,949	(22,283,860)

## SHIN YANG GROUP BERHAD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 16. 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	
	2025	2024
	RM	RM
Within one year		
- Freight and lighterage charges	6,021,713	4,280,464
- Shipbuilding	67,228,185	102,414,148
- Ship repairs	4,342,080	34,497,312
	<u>77,591,978</u>	<u>141,191,924</u>

#### 17. SHARE CAPITAL

	The Group and The Company			
	2025	2024	2025	2024
	Number of Shares		RM	RM
<b>Issued and Fully Paid-Up</b>				
Ordinary Shares				
At 1 July and 30 June	<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.

#### 18. TREASURY SHARES

During the financial year, the Company has purchased 7,655,300 (2024 – 8,085,000) of its issued ordinary shares from the market at an average price of RM0.84 (2024 - RM0.64) per share. The total consideration paid for the purchase was RM6,398,234 (2024 – RM5,143,125) 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 (2024 - 1,200,000,000) issued and fully paid-up ordinary shares at the end of the reporting period, 77,910,000 (2024 – 70,254,700) ordinary shares are held as treasury shares by the Company. 2,000,000 treasury shares were resold during the previous financial year.

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.

# SHIN YANG GROUP BERHAD

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 19. OTHER RESERVES

Group	Merger Deficits RM
At 1 July 2024 and 30 June 2025	(297,861,069)
<b>Merger deficits</b>	

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.

### 20. LEASE LIABILITIES

	The Group	
	2025 RM	2024 RM
At 1 July	1,178,756	349,557
Acquisition of subsidiaries	4,072,357	-
Additions	300,075	1,040,507
Interest expense recognised in profit or loss	201,763	57,936
Changes due to reassessment of lease term	253,075	141,276
Repayment of principal	(1,868,918)	(352,584)
Repayment of interest expenses	(201,763)	(57,936)
At 30 June	3,935,345	1,178,756
Analysed by:-		
Current liabilities	2,162,491	354,133
Non-current liabilities	1,772,854	824,623
	3,935,345	1,178,756

The effective interest rates as at reporting date range from 5.00% to 6.70% (2024 – 4.15 % to 6.70%) per annum.



**SHIN YANG GROUP BERHAD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025****21. BANK BORROWINGS**

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<u>Non-current</u>				
Secured:				
Term loans (Note 22)	34,792,702	22,317,058	904,129	2,454,133
Hire purchase payables	12,526,622	2,361,291	-	16,800
	47,319,324	24,678,349	904,129	2,470,933
<u>Current</u>				
Unsecured:				
Bank overdrafts (Note 23)	14,174,922	10,057,515	-	-
Bankers acceptances (Note 24)	4,995,000	547,000	-	-
Revolving credits (Note 25)	500,000	-	-	-
Term loan (Note 22)	199,321	-	-	-
Flexi financing trade loan (Note 24)	5,583,678	10,965,625	-	-
	25,452,921	21,570,140	-	-
Secured:				
Bank overdrafts (Note 23)	7,886,170	3,326,604	-	-
Bankers acceptances (Note 24)	1,000,000	-	-	-
Revolving credits (Note 25)	25,000,000	6,000,000	-	-
Floor stocking facilities	3,248,162	-	-	-
Term loans (Note 22)	18,684,517	11,126,254	1,550,004	1,550,004
Hire purchase payables	8,902,701	6,782,263	16,800	98,707
	64,721,550	27,235,121	1,566,804	1,648,711
	90,174,471	48,805,261	1,566,804	1,648,711
	137,493,795	73,483,610	2,470,933	4,119,644

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

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Bank overdrafts	7.43 – 7.93	7.43 – 8.18	-	-
Floating rates - loans	5.57 – 5.93	5.45 – 5.97	5.67	5.67
Revolving credits	4.66 – 5.64	5.60	-	-
Bankers acceptances/ Flexi financing trade loan	3.81 – 4.09	3.94 – 4.14	-	-
Hire purchase payables	4.47 – 5.30	4.06 – 6.03	4.06	4.06

## SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 22. TERM LOANS (SECURED)

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Current liabilities	18,883,838	11,126,254	1,550,004	1,550,004
Non-current liabilities	34,792,702	22,317,058	904,129	2,454,133
	53,676,540	33,443,312	2,454,133	4,004,137

- (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.

#### 23. BANK OVERDRAFTS

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

#### 24. BANKERS ACCEPTANCE/FLEXI FINANCING TRADE LOAN

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

The flexi financing trade loan is secured by joint and several guarantee by certain directors of the Group and a third party.

#### 25. REVOLVING CREDITS

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

## SHIN YANG GROUP BERHAD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 26. TRADE PAYABLES

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Third parties	160,377,339	96,818,059
Related companies	10,479,566	7,895,205
Holding company	-	1,792
Associates	189,950	300,218
	<u>171,046,855</u>	<u>105,015,274</u>

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

- (a) The normal trade credit terms granted to the Group range from 30 to 180 (2024 - 30 to 180) days.
- (b) Included in trade payables of the Group is an amount of RM9,590,345 (2024 – RM8,818,159) owing to the companies in which certain directors have substantial financial interests.

#### 27. OTHER PAYABLES

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Other payables:-				
Third parties	10,726,588	7,143,649	445,572	493,006
SST payable	2,390,866	1,686,336	-	-
Related companies	1,639,594	1,338,043	757,065	451,239
Holding company	147,968	8,264	102,759	-
Associates	-	4	-	4
Balance of consideration payable to vendor of new subsidiaries	47,124,000	-	47,124,000	-
	<u>62,029,016</u>	<u>10,176,296</u>	<u>48,429,396</u>	<u>944,249</u>
Accruals	19,499,061	11,532,818	277,322	260,682
Deposits:-				
- Third parties	11,981,290	9,957,846	134,340	134,340
- Related companies	157,413	28,548	-	-
- Subsidiaries	-	-	457,000	442,000
- Associates	31,000	31,000	31,000	31,000
	<u>93,697,780</u>	<u>31,726,508</u>	<u>49,329,058</u>	<u>1,812,271</u>

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

# SHIN YANG GROUP BERHAD

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 28. REVENUE

#### REVENUE FROM CONTRACTS WITH CUSTOMERS

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
<b>Revenue from Contracts with Customers</b>				
<u>Recognised over time</u>				
Freight and lighterage charge	686,386,753	644,277,144	-	-
Land transportation	47,778,148	48,776,199	-	-
Shipbuilding	60,620,144	54,109,134	-	-
Ship repairs and metal fabrication	96,758,426	110,670,777	-	-
Repair services	23,574,047	4,342,799	-	-
	915,117,518	862,176,053	-	-
<u>Recognised at a point in time</u>				
Freight forwarding charges	8,364,571	10,572,661	-	-
Sales of goods and services	23,387,732	20,948,130	-	-
Sales of motor vehicles	802,807,615	-	-	-
Sales of spare parts and related goods	60,151,712	-	-	-
Commission income and others	8,430,694	-	-	-
	903,142,324	31,520,791	-	-
	1,818,259,842	893,696,844	-	-

# SHIN YANG GROUP BERHAD

(Incorporated in Malaysia)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 28. REVENUE (CONT'D)

#### REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Revenue from Other Sources</b>				
Vessel charter fee	68,261,649	65,260,878	-	-
Dividend income from:				
- subsidiaries	-	-	57,185,000	109,500,000
- associates	-	-	390,000	-
Rental income	997,200	861,060	6,235,224	5,652,280
	<u>69,258,849</u>	<u>66,121,938</u>	<u>63,810,224</u>	<u>115,152,280</u>
	<u>1,887,518,691</u>	<u>959,818,782</u>	<u>63,810,224</u>	<u>115,152,280</u>

The information on the disaggregation of revenue by geographical market is disclosed in Note 38 to the financial statements.

#### REVENUE FROM CONTRACTS WITH CUSTOMERS

##### **(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.

## **SHIN YANG GROUP BERHAD**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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#### **28. REVENUE (CONT'D)**

##### 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.

##### REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME

##### **(a) Dividend Income**

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

##### **(b) Rental Income**

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

##### **(c) Vessel charter fee**

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

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 29. NET IMPAIRMENT GAIN ON FINANCIAL ASSETS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Impairment losses:				
- trade receivables	1,475,576	354,263	-	-
Reversal of impairment losses:				
- trade receivables	(10,412,017)	(2,790,418)	-	-
- other receivables	-	(1,517,293)	-	-
	(8,936,441)	(3,953,448)	-	-

#### 30. PROFIT BEFORE TAXATION

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- current financial year	423,000	336,500	95,000	95,000
- underprovision in previous financial years	4,000	19,150	-	-
Amortisation of intangible assets	15,595	-	-	-
Bad debt written off	26,889	228,398	-	-
Depreciation:				
- property, plant and equipment (Note 8)	92,956,456	89,829,329	1,002,831	1,053,185
- right-of-use assets (Note 8)	4,921,102	2,289,224	-	-
Directors' fees (Note 36(a))	272,000	160,000	272,000	160,000
Directors' non-fee emoluments (Note 36(a))				
- salaries, bonus and allowances	10,369,572	8,343,747	4,983,045	3,962,838
- defined contribution benefits	951,835	726,308	244,800	190,800
Fair value changes on forward contracts	-	(372,480)	-	-

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025****30. PROFIT BEFORE TAXATION (CONT'D)**

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
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	1,231,297	650,363	2,519	2,508
- bankers acceptances	140,728	611,173	-	-
- floorstocking facilities	6,059	-	-	-
- term loans	2,862,027	2,113,579	179,537	263,787
- revolving credits	893,935	1,005,556	-	-
- flexi loans	351,219	326,170	-	-
- hire purchase payables	780,696	674,910	2,801	6,755
- other	58,661	-	-	-
Lease interest (Note 20)	201,763	57,936	-	-
Lease expenses:				
- short-term leases	101,550	133,757	4,400	26,400
- low-value assets	116,858	72,365	-	-
Impairment loss:				
- investment in subsidiary	-	-	-	98,504,534
(Gain)/loss on foreign exchange:				
- realised	1,231,605	1,455,074	-	-
- unrealised	1,679,425	(3,180,014)	-	-
Property, plant and equipment written off	9,341	1,325	2	-
Staff costs (including other key management personnel): (Note 36(b))				
- short-term employee benefits	171,016,234	139,356,741	3,122,575	2,536,267
- defined contribution benefits	12,398,215	8,250,980	277,402	230,244
Interest income on financial assets that are not fair value through profit or loss:				
- short term deposits	(10,026,542)	(10,301,119)	(1,043,610)	(1,586,279)
- current account	(4,420,275)	(3,411,832)	(199,830)	(47,725)
Net gain on disposal of property, plant and equipment	(21,751,060)	(13,482,675)	(9,488)	(2,667)
Gain on disposal of non-current asset held for sale	-	(3,048,230)	-	-
Gain on bargain purchase	(6,642,514)	-	-	-
Rental income	(898,759)	(603,370)	-	-
Dividend income:				
- investment securities	(1,800)	(1,200)	-	-



# SHIN YANG GROUP BERHAD

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 31. INCOME TAX EXPENSE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax expense:				
- for the financial year	27,146,637	11,555,971	1,282,884	1,408,572
- (over)/underprovision in previous financial years	(429,396)	329,237	(69,611)	62,686
- Withholding tax deducted at sources	914	2,454	-	-
	<u>26,718,155</u>	<u>11,887,662</u>	<u>1,213,273</u>	<u>1,471,258</u>
Deferred tax (Note 12)				
- origination and reversal of temporary differences	4,196,655	928,231	-	-
- (over)/underprovision in previous financial years	(87,703)	317,273	-	-
- effect of reduction in tax rate	-	1,865	-	-
	<u>4,108,952</u>	<u>1,247,369</u>	<u>-</u>	<u>-</u>
	<u>30,827,107</u>	<u>13,135,031</u>	<u>1,213,273</u>	<u>1,471,258</u>

## SHIN YANG GROUP BERHAD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 31. 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	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before taxation	215,113,759	126,525,390	51,254,638	7,864,393
Tax at the statutory tax rate of 24% (2024 - 24%)	51,627,302	30,366,093	12,301,113	1,887,454
Tax effects of:				
Effect of income subject to a lower tax rate	-	(84,593)	-	-
Non-taxable income	(26,712,019)	(22,575,209)	(13,820,277)	(26,280,640)
Non-deductible expenses	8,439,738	6,880,703	2,802,048	25,801,758
Deferred tax assets not recognised during the financial year	228,104	401,425	-	-
Share of results in associates	(65,864)	105,850	-	-
(Over)/underprovision in previous financial years:				
- current tax expense	(429,396)	329,237	(69,611)	62,686
- deferred taxation	(87,703)	317,273	-	-
Others	67,087	93,882	-	-
Utilisation of deferred tax assets previously not recognised	(2,241,056)	(2,702,084)	-	-
Withholding tax	914	2,454	-	-
Income tax expense for the financial year	30,827,107	13,135,031	1,213,273	1,471,258

The corporate tax rate of the Group and of the Company is 24% (2024 - 24%).

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

## SHIN YANG GROUP BERHAD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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#### 32. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial 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 years ended 30 June:

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Profit attributable to ordinary equity holders of the Company	164,129,728	110,624,905
Weighted average number of ordinary shares in issue	1,125,006,083	1,132,023,217
Basic earnings per share (sen)	14.59	9.77

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.

#### 33. ACQUISITION OF SUBSIDIARIES

##### 33.1 ACQUISITION OF SUBSIDIARIES

###### 2025

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

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 33. ACQUISITION OF SUBSIDIARIES

##### 33.1 ACQUISITION OF SUBSIDIARIES

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

	<b>The Group 2025 RM</b>
Property, plant and equipment	170,177,725
Trade and other receivables	111,964,880
Inventories	53,286,947
Cash and bank balances	79,113,631
Trade and other payables	(119,121,347)
Bank borrowings	(61,748,423)
Lease liabilities	(4,072,357)
Current tax liabilities	(3,131,162)
Deferred tax liabilities	(6,467,381)
Fair value of net identifiable assets acquired	220,002,513
Less: Non-controlling interest	(68,859,999)
	151,142,514
Add: Bargain purchase from acquisition of subsidiaries	(6,642,514)
Total purchase consideration	144,500,000
Less: Cash and bank balances of subsidiary acquired	(79,113,631)
Less: Treasury shares	(47,124,000)
Net cash outflow from the acquisition of subsidiaries	18,262,369

#### Impact of Acquisition on the Group's Results

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

	<b>The Group 2025 RM</b>
Revenue	888,666,782
Profit after taxation	48,242,849

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

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 33. ACQUISITION OF SUBSIDIARIES (CONT'D)

##### 33.1 ACQUISITION OF SUBSIDIARIES (CONT'D)

##### Impact of Acquisition on the Group's Results (Cont'd)

##### 2024

On 15 September 2023, the Company acquired 60% equity interests in Mewah Exim Sdn. Bhd. from third parties for a cash and share consideration of RM8,338,200 and RM1,290,000 respectively.

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

	<b>The Group 2024 RM</b>
Property, plant and equipment	12,428,719
Investment in associate	100,000
Deferred tax assets	77,140
Intangible assets – customer relationships	155,950
Trade and other receivables	19,193,583
Inventories	47,449
Fixed deposits with licensed banks	4,377,628
Cash and bank balances	4,067,166
Trade and other payables	(29,851,077)
Current tax assets	105,187
Term loans	(4,900,642)
Lease liabilities	(6,906)
Current tax liabilities	(387,490)
Deferred tax liabilities	(269,872)
Fair value of net identifiable assets acquired	5,136,835
Less: Non-controlling interest	(2,054,735)
	3,082,100
Add: Goodwill from acquisition of subsidiaries	6,546,100
Total purchase consideration	9,628,200
Less: Cash and bank balances of subsidiary acquired	(5,067,166)
Less: Treasury shares sold	(1,290,000)
Net cash outflow from the acquisition of subsidiaries	3,271,034

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#### 33. ACQUISITION OF SUBSIDIARIES (CONT'D)

##### 33.1 ACQUISITION OF SUBSIDIARIES (CONT'D)

##### Impact of Acquisition on the Group's Results (Cont'd)

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

	<b>The Group 2024 RM</b>
Revenue	17,201,578
Profit after taxation	3,446,412

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 RM24,536,118 and RM4,309,760 respectively.

#### 34. DIVIDENDS

	<b>The Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
<b>Ordinary Shares</b>		
Final dividend of 3.00 (2024 – 3.00) sen per ordinary share in respect of the previous financial years	33,783,309	33,953,409

At the forthcoming Annual General Meeting, a final dividend of 5.00 sen per ordinary share in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in the shareholders' equity as appropriation of retained earnings in the financial period ending 31 December 2025.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 35. CASH FLOW INFORMATION

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

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
<b>Property, plant and equipment and right-of-use assets</b>		
Cost of property, plant and equipment purchased and right-of-use assets acquired (Note 8)	107,635,747	36,594,438
Less: Acquired through hire purchase arrangements	(16,766,253)	(2,576,200)
Less: Additions of new lease liabilities - right-of-use assets	(300,075)	(1,040,507)
	<u>90,569,419</u>	<u>32,977,731</u>
	<b>The Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
<b>Property, plant and equipment</b>		
Cost of property, plant and equipment purchased	<u>13,799,063</u>	<u>24,145</u>

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**35. CASH FLOWS INFORMATION (CONT'D)**

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

<b>The Group</b>	<b>Term Loans RM</b>	<b>Revolving Credits RM</b>	<b>Bankers' Acceptance RM</b>	<b>Flexi Financing RM</b>	<b>Hire Purchase Payables RM</b>	<b>Lease Liabilities RM</b>	<b>Floor stocking Facilities RM</b>	<b>Total RM</b>
<b>2025</b>								
At 1 July	33,443,312	6,000,000	547,000	10,965,625	9,143,554	1,178,756	-	61,278,247
<u>Changes in Financial Cash Flows</u>								
Proceeds from drawdown	1,990,000	5,000,000	448,000	-	2,594,100	-	2,258,237	12,290,337
Repayment of principals	(18,425,068)	-	-	(5,381,947)	(11,664,786)	(1,868,918)	-	(37,340,719)
Repayment of interests	(2,862,027)	(893,935)	(140,728)	(351,219)	(780,696)	(201,763)	(6,059)	(5,236,427)
	(19,297,095)	4,106,065	307,272	(5,733,166)	(9,851,382)	(2,070,681)	2,252,178	(30,286,809)



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**35. CASH FLOWS INFORMATION (CONT'D)**

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

<b>The Group</b>	<b>Term Loans RM</b>	<b>Revolving Credits RM</b>	<b>Bankers' Acceptance RM</b>	<b>Flexi Financing RM</b>	<b>Hire Purchase Payables RM</b>	<b>Lease Liabilities RM</b>	<b>Floor stocking Facilities RM</b>	<b>Total RM</b>
<b>2025</b>								
<u>Non-cash Changes</u>								
Acquisition of subsidiaries	36,668,296	14,500,000	5,000,000	-	4,590,202	4,072,357	989,925	65,820,780
Acquisition of new leases (Note 20)	-	-	-	-	-	300,075	-	300,075
New hire purchase	-	-	-	-	16,766,253	-	-	16,766,253
Reassessment of leases (Note 20)	-	-	-	-	-	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	53,676,540	25,500,000	5,995,000	5,583,678	21,429,323	3,935,345	3,248,162	119,368,048

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 35. 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	Total RM
<b>2024</b>							
At 1 July	41,319,916	24,844,400	44,367,000	6,749,582	15,972,581	349,557	133,603,036
<u>Changes in Financial Cash Flows</u>							
Proceeds from drawdown	285,000	-	-	4,216,043	-	-	4,501,043
Repayment of principals	(13,062,246)	(17,082,200)	(43,820,000)	-	(9,412,133)	(352,584)	(83,729,163)
Repayment of interests	(2,113,579)	(1,005,556)	(611,173)	(326,170)	(674,910)	(57,936)	(4,789,324)
	(14,890,825)	(18,087,756)	(44,431,173)	3,889,873	(10,087,043)	(410,520)	(84,017,444)

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**35. CASH FLOWS INFORMATION (CONT'D)**

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

<b>The Group</b>	<b>Term Loans RM</b>	<b>Revolving Credits RM</b>	<b>Bankers' Acceptance RM</b>	<b>Flexi Financing RM</b>	<b>Hire Purchase Payables RM</b>	<b>Lease Liabilities RM</b>	<b>Total RM</b>
<b>2024</b>							
<u>Non-cash Changes</u>							
Acquisition of subsidiaries	4,900,642	-	-	-	6,906	-	4,907,548
Acquisition of new leases (Note 20)	-	-	-	-	-	1,040,507	1,040,507
New hire purchase	-	-	-	-	2,576,200	-	2,576,200
Reassessment of leases (Note 20)	-	-	-	-	-	141,276	141,276
Interest expense recognised in profit or loss	2,113,579	1,005,556	611,173	326,170	674,910	57,936	4,789,324
Unrealised gain on foreign exchange	-	(1,762,200)	-	-	-	-	(1,762,200)
	7,014,221	(756,644)	611,173	326,170	3,258,016	1,239,719	11,692,655
At 30 June	33,443,312	6,000,000	547,000	10,965,625	9,143,554	1,178,756	61,278,247

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 35. CASH FLOWS INFORMATION (CONT'D)

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

	Term Loans RM	Hire Purchase Payables RM	Total RM
<b>The Company</b>			
<b>2025</b>			
At 1 July	4,004,137	115,507	4,119,644
<u>Changes in Financial 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>			
Repayment of interests	179,537	2,801	182,338
At 30 June	2,454,133	16,800	2,470,933
<b>The Company</b>			
<b>2024</b>			
At 1 July	5,554,141	210,260	5,764,401
<u>Changes in Financial Cash Flows</u>			
Repayment of principal	(1,550,004)	(94,753)	(1,644,757)
Repayment of interests	(263,787)	(6,755)	(270,542)
	(1,813,791)	(101,508)	(1,915,299)
<u>Non-cash Changes</u>			
Repayment of interests	263,787	6,755	270,542
At 30 June	4,004,137	115,507	4,119,644

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 35. CASH FLOWS INFORMATION (CONT'D)

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

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Fixed and treasury deposits with licensed banks	302,971,161	306,759,656	30,600,000	38,000,000
Cash and bank balances	218,199,567	125,462,324	1,595,547	1,001,364
	521,170,728	432,221,980	32,195,547	39,001,364
Bank overdrafts (Note 21)	(22,061,092)	(13,384,119)	-	-
	499,109,636	418,837,861	32,195,547	39,001,364
Less: Fixed and treasury deposits with maturity more than 3 months	(264,679,581)	(292,298,076)	(29,800,000)	(38,000,000)
Less: Fixed deposits pledged	(491,580)	(461,580)	-	-
	233,938,475	126,078,205	2,395,547	1,001,364

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 4.07% (2024 – 3.70% to 4.07%) per annum and 2.85% to 3.85% (2024 – 3.85%) per annum respectively. The fixed deposits have maturity periods ranging from 7 to 211 (2024 – 90 to 180) days and 21 to 180 (2024 – 180) days for the Group and the Company respectively.

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#### 36. 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 year are as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>(a) Directors</b>				
<u>Directors of the Company</u>				
Short-term employee benefits:-				
- fees	272,000	160,000	272,000	160,000
- salaries, bonus and other benefits	6,157,804	5,435,760	4,983,045	3,962,838
	6,429,804	5,595,760	5,255,045	4,122,838
Defined contribution benefits	298,943	277,100	244,800	190,800
	6,728,747	5,872,860	5,499,845	4,313,638
<u>Directors of the Subsidiaries</u>				
Short-term employee benefits:-				
- salaries, bonus and other benefits	4,211,768	2,907,987	-	-
	4,211,768	2,907,987	-	-
Defined contribution benefits	652,892	449,208	-	-
	4,864,660	3,357,195	-	-
Total directors' remuneration (Note 30)	11,593,407	9,230,055	5,499,845	4,313,638

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 36. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>(b) Other Key Management Personnel</b>				
Short-term employee benefits:-	2,449,809	1,866,346	2,449,809	1,866,346
Defined contribution benefits	194,328	152,820	194,328	152,820
	<u>2,644,137</u>	<u>2,019,166</u>	<u>2,644,137</u>	<u>2,019,166</u>

#### 37. RELATED PARTY DISCLOSURES

##### (a) Identities of Related Parties

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

The subsidiaries as disclosed in Note 6 to the financial statements.

The associates are disclosed in Note 7 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 year:-

	The Group	
	2025 RM	2024 RM
Sales of goods and services to		
- Related companies	(123,437,761)	(126,740,660)
- Associates	(1,019,468)	(3,464,616)
- Holding company	(3,767,331)	-
Purchase of goods and services from		
- Related companies	21,762,088	19,592,838
- Associates	6,670,628	2,682,257
- Holding company	1,451,091	-

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 37. 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 year:- (cont'd)

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Sales of property, plant and equipment		
- Related companies	(346,293)	(321,834)
Purchase of property, plant and equipment		
- Related companies	13,945,124	1,096,988
- Associates	633	1,707
- Holding company	70,122	-
Rental income from		
- Related companies	(338,853)	(91,800)
- Associates	(321,460)	(328,500)
- Holding company	(183,365)	-
Rental expenses charged by		
- Related companies	2,786,334	1,954,944
- Holding company	803,700	261,000
- Associates	153,158	-

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Transactions with companies in which certain Directors have substantial financial interests:		
Sales of goods and services	(18,502,594)	(16,624,784)
Purchase of goods and services	13,133,399	12,639,110
Sales of property, plant and equipment	(35,000)	(45,732)
Purchase of property, plant and equipment	483,821	1,352,645
Rental income	(393,792)	-
Rental expenses	52,200	-



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**37. 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 year:- (cont'd)

	<b>The Company</b>	
	<b>2025</b> RM	<b>2024</b> RM
Purchase of goods and services from		
- Related companies	1,309,549	440,536
Purchase of property, plant and equipment		
- Subsidiaries	835,000	-
- Related companies	12,071,126	-
Rental expenses from		
- Holding company	261,000	151,500
Rental income from		
- Associates	(324,000)	(324,000)
- Subsidiaries	(5,238,024)	(4,791,220)

Related companies

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

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

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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#### **38. OPERATING SEGMENTS**

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

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

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

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

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

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### 38. 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
<b>30 June 2025</b>									
<b>Revenue:</b>									
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
<b>Results:</b>									
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 (loss)/ 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

**SHIN YANG GROUP BERHAD**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**38. 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
<b>30 June 2025 (Cont'd)</b>									
<b>Assets:</b>									
Investment in associates	-	2,629,642	-	-	-	782,500	(467,445)		2,944,697
Additions to non- current assets	6,779,831	58,299,500	14,380,059	536,958	12,464,565	21,383,498	(6,208,664)	D	107,635,747
Segment assets	<u>347,819,757</u>	<u>1,013,213,727</u>	<u>100,102,658</u>	<u>46,703,754</u>	<u>430,614,707</u>	<u>195,509,905</u>	<u>(126,679,881)</u>	E	<u>2,007,284,627</u>
<b>Liabilities:</b>									
Segment liabilities	<u>120,437,668</u>	<u>147,630,775</u>	<u>28,973,469</u>	<u>3,909,525</u>	<u>163,166,865</u>	<u>131,387,438</u>	<u>(97,457,037)</u>	F	<u>498,048,703</u>

# SHIN YANG GROUP BERHAD

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 38. OPERATING SEGMENTS (CONT'D)

	Shipbuilding Ship Repair and Fabrication of Metal Structures RM	Shipping RM	Logistic RM	Gas RM	Others RM	Consolidation Adjustments and Eliminations RM	Notes	Per Consolidated Financial Statements RM
<b>30 June 2024</b>								
<b>Revenue:</b>								
External customers	170,685,132	693,124,391	52,797,468	14,961,137	28,250,654	-		959,818,782
Inter-segment	33,752,845	12,587,641	41,723,157	4,399,825	123,427,405	(215,890,873)	A	-
Total revenue	204,437,977	705,712,032	94,520,625	19,360,962	151,678,059	(215,890,873)		959,818,782
<b>Results:</b>								
Finance income	(284,962)	(11,021,436)	(67,748)	(198,510)	(2,140,295)	-		(13,712,951)
Finance costs	2,977,762	1,623,740	493,448	7,285	379,830	(42,378)		5,439,687
Dividend income	-	(1,200)	-	-	(109,500,000)	109,500,000		(1,200)
Depreciation and amortisation	10,224,544	70,605,193	7,581,513	857,721	862,205	1,987,377		92,118,553
Gain on disposal of property, plant and equipment	(49,999)	(11,267,364)	(2,085,402)	(33,328)	(46,582)	-		(13,482,675)
Share of results of associates	-	-	-	-	121,407	(562,450)		(441,043)
Other non-cash expenses/ (income)	(1,861,809)	(5,996,168)	79,549	-	272,486	-	B	(7,505,942)
Segment (loss)/ profits	22,434,519	88,741,271	6,489,867	4,159,945	18,066,244	(13,366,456)	C	126,525,390

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**38. OPERATING SEGMENTS (CONT'D)**

	Shipbuilding Ship Repair and Fabrication of Metal Structures RM	Shipping RM	Logistic RM	Gas RM	Others RM	Consolidation Adjustments and Eliminations RM	Notes	Per Consolidated Financial Statements RM
<b>30 June 2024 (Cont'd)</b>								
<b>Assets:</b>								
Investment in associates	-	2,629,642	-	-	782,500	(351,876)		3,060,266
Additions to non- current assets	4,759,397	22,491,520	12,612,194	604,647	3,708,523	(7,581,843)	D	36,594,438
Segment assets	<u>359,142,213</u>	<u>1,115,090,196</u>	<u>101,732,352</u>	<u>47,951,972</u>	<u>272,789,526</u>	<u>(284,308,657)</u>	E	<u>1,612,397,602</u>
<b>Liabilities:</b>								
Segment liabilities	<u>151,089,359</u>	<u>313,370,678</u>	<u>31,423,570</u>	<u>3,706,165</u>	<u>72,839,561</u>	<u>(261,657,547)</u>	F	<u>310,771,786</u>

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 38. 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:

	2025 RM	2024 RM
Fair value changes on forward contracts	-	(372,480)
Unrealised (gain)/loss on foreign exchange	1,679,425	(3,180,014)
Impairment loss on trade and other receivables	1,475,576	354,263
Gain on bargain purchase	(6,642,514)	-
Reversal of impairment loss on trade and other receivables	(10,412,017)	(4,307,711)
	<u>(13,899,530)</u>	<u>(7,505,942)</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:

	2025 RM	2024 RM
Share of result of associates	105,915	(562,450)
Dividend from subsidiaries	(57,185,000)	(109,500,000)
Dividend from associates	(390,000)	-
Profit from inter-segment sales	(6,500,562)	98,683,371
Depreciation	(2,918,723)	(1,987,377)
Gain on bargain purchase	6,642,514	-
	<u>(60,245,856)</u>	<u>(13,366,456)</u>

- D Additions to non-current assets consists of:

	2025 RM	2024 RM
Property, plant and equipment	<u>107,635,747</u>	<u>36,594,438</u>

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 38. 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:

	2025 RM	2024 RM
Property, plant and equipment	(11,629,045)	(5,989,055)
Investment in associates	(467,444)	(351,876)
Inter-segment assets	(123,333,740)	(286,733,669)
Intangible assets	8,750,348	8,765,943
	<u>(126,679,881)</u>	<u>(284,308,657)</u>

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

	2025 RM	2024 RM
Cumulative preference shares	(100,000)	(100,000)
Inter-segment liabilities	(97,357,037)	(261,557,547)
	<u>(97,457,037)</u>	<u>(261,657,547)</u>



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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 38. OPERATING SEGMENTS (CONT'D)

##### G Geographical information

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

	Revenue	
	2025 RM	2024 RM
Malaysia	1,762,829,824	836,932,765
China	14,679,046	20,728,637
Singapore	68,510,159	44,557,112
Japan	13,404,996	10,519,370
Brunei	4,536,701	16,939,362
India	346,467	422,813
Philippines	12,433,169	19,328,824
Korea	4,813,099	4,601,440
Australia, Solomon Islands, Fiji Islands	-	885,596
Denmark, Germany	748,200	1,867,819
Papua New Guinea	530,000	2,161,500
Indonesia	332,540	-
Thailand	871,726	299,364
Mexico	541,105	574,180
France	229,684	-
Vietnam	2,477,825	-
USA	234,150	-
	<u>1,887,518,691</u>	<u>959,818,782</u>

#### 39. CAPITAL COMMITMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Approved and not contracted for:</b>				
Purchase of property, plant and equipment	<u>101,048,296</u>	<u>1,622,596</u>	<u>-</u>	<u>-</u>

## SHIN YANG GROUP BERHAD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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#### 40. 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	
	2025	2024
	RM	RM
Performance guarantee extended by subsidiaries to third parties	5,687,650	9,080,628

#### 41. 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.

##### 41.1 FINANCIAL RISK MANAGEMENT POLICIES

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

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

##### (a) Market Risk

##### (i) Foreign currency risk

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

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 41. FINANCIAL INSTRUMENTS (CONT'D)

#### 41.1 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:-

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
<b>Effects on Profit/(Loss) After Taxation</b>		
USD/RM - strengthen by 5%	1,065,233	167,860
USD/RM - weaken by 5%	(1,065,233)	(167,860)
SGD/RM - strengthen by 5%	(5,082)	125,285
SGD/RM - weaken by 5%	5,082	(125,285)
JPY/RM - strengthen by 5%	(25,340)	(20,950)
JPY/RM - weaken by 5%	25,340	20,950
RMB/RM - strengthen by 5%	(7,680)	(7,346)
RMB/RM - weaken by 5%	7,680	7,346
BND/RM - strengthen by 5%	5,920	99,893
BND/RM - weaken by 5%	(5,920)	(99,893)
AED/RM - strengthen by 5%	(34,389)	(64,852)
AED/RM - weaken by 5%	34,389	64,852

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**41. FINANCIAL INSTRUMENTS (CONT'D)**

**41.1 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 21 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:-

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	RM	RM
<b>Effects on Profit/(Loss) After Taxation</b>		
Increase of 10 basis points	(76,941)	(40,149)
Decrease of 10 basis points	76,941	40,149

## SHIN YANG GROUP BERHAD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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#### 41. FINANCIAL INSTRUMENTS (CONT'D)

##### 41.1 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):-

	<b>The Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
<b>Effects on Profit/(Loss) After Taxation</b>		
Increase of 10 basis points	(1,865)	(3,043)
Decrease of 10 basis points	1,865	3,043

###### (b) Credit Risk

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

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

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

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#### **41. FINANCIAL INSTRUMENTS (CONT'D)**

##### **41.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)**

###### **(b) Credit Risk (Cont'd)**

###### **(i) Credit Risk Concentration profile**

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

###### **(ii) Exposure to Credit Risk**

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

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

###### **(iii) Assessment of Impairment Losses**

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

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

###### **Trade Receivables and Contract Assets**

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

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

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 41. FINANCIAL INSTRUMENTS (CONT'D)

##### 41.1 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
<b>The Group</b>				
<b>2025</b>				
Current (not past due)	130,083,560	-	(763,558)	129,320,002
Past due				
1-30 days	56,593,996	-	(867,261)	55,726,735
31-60 days	31,268,553	-	(934,245)	30,334,308
61-90 days	16,690,463	-	(717,604)	15,972,859
91-120 days	9,778,228	-	(624,810)	9,153,418
More than 121 days	41,309,096	-	(16,869,949)	24,439,147
Credit impaired	7,127,403	(7,127,403)	-	-
Trade receivables	292,851,299	(7,127,403)	(20,777,427)	264,946,469
Contract assets	20,207,947	-	-	20,207,947
	313,059,246	(7,127,403)	(20,777,427)	285,154,416

# SHIN YANG GROUP BERHAD

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 41. FINANCIAL INSTRUMENTS (CONT'D)

#### 41.1 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
<b>The Group</b>				
<b>2024</b>				
Current (not past due)	97,951,584	-	(969,010)	96,982,574
Past due				
1-30 days	50,413,745	-	(1,147,662)	49,266,083
31-60 days	18,482,165	(212,919)	(689,134)	17,580,112
61-90 days	10,586,111	-	(999,703)	9,586,408
91-120 days	11,455,603	-	(377,970)	11,077,633
More than 121 days	35,080,311	(1,413,743)	(18,911,336)	14,755,232
Credit impaired	7,549,115	(7,549,115)	-	-
Trade receivables	231,518,634	(9,175,777)	(23,094,815)	199,248,042
Contract assets	21,892,639	-	-	21,892,639
	253,411,273	(9,175,777)	(23,094,815)	221,140,681

#### Other Receivables and Related Parties

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



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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 41. FINANCIAL INSTRUMENTS (CONT'D)

##### 41.1 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
<b>The Group</b>			
<b>2025</b>			
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>
<b>2024</b>			
Low credit risk	2,880,694	-	2,880,694
Credit impaired	15,528,981	(15,528,981)	-
	<u>18,409,675</u>	<u>(15,528,981)</u>	<u>2,880,694</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.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 41. FINANCIAL INSTRUMENTS (CONT'D)

#### 41.1 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
<b>The Group</b>					
<b>2025</b>					
<u>Non- derivative Financial liabilities:</u>					
Trade and other payables	264,744,635	264,744,635	264,744,635	-	-
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>406,173,775</u>	<u>417,155,458</u>	<u>362,079,841</u>	<u>47,727,175</u>	<u>7,348,442</u>

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 41. FINANCIAL INSTRUMENTS (CONT'D)

#### 41.1 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
<b>The Group</b>					
<b>2024</b>					
<u>Non- derivative Financial liabilities:</u>					
Trade and other payables	136,741,782	136,741,782	136,741,782	-	-
Lease liabilities	1,178,756	1,207,301	423,107	784,194	-
Loans and borrowings	73,483,610	77,372,008	50,697,957	22,516,177	4,157,874
	<u>211,404,148</u>	<u>215,321,091</u>	<u>187,862,846</u>	<u>23,300,371</u>	<u>4,157,874</u>

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

### 41. FINANCIAL INSTRUMENTS (CONT'D)

#### 41.1 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
<b>The Company</b>				
<b>2025</b>				
<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
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	-	104,567,080	104,567,080	-
	51,799,991	156,465,670	155,561,541	904,129
<b>2024</b>				
<u>Non-derivative</u>				
<u>Financial liabilities:</u>				
Other payables	1,812,271	1,812,271	1,812,271	-
Loans and borrowings	4,119,644	4,421,305	1,835,840	2,585,465
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	-	47,015,290	47,015,290	-
	5,931,915	53,248,866	50,663,401	2,585,465

## SHIN YANG GROUP BERHAD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 41. FINANCIAL INSTRUMENTS (CONT'D)

##### 41.2 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.

##### 41.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2025 RM	2024 RM
<b>The Group</b>		
<b>Financial Assets</b>		
<u>Fair Value Through Profit or Loss</u>		
Other investments	58,800	58,800
<u>Amortised Cost</u>		
Trade receivables (Note 14)	264,946,469	199,248,042
Other receivables (Note 15)	24,711,119	2,880,694
Fixed and treasury deposits with licensed banks (Note 35)	302,971,161	306,759,656
Cash and bank balances (Note 35)	218,199,567	125,462,324
	810,828,316	634,350,716
<b>Financial Liabilities</b>		
<u>Amortised Cost</u>		
Trade payables (Note 26)	171,046,855	105,015,274
Other payables (Note 27)	91,306,914	30,040,172
Lease liabilities (Note 20)	3,935,345	1,178,756
Bank borrowings (Note 21)	137,493,795	73,483,610
	403,782,909	209,717,812

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

#### 41. FINANCIAL INSTRUMENTS (CONT'D)

##### 41.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	2025 RM	2024 RM
<b>The Company</b>		
<b>Financial Assets</b>		
<u>Amortised Cost</u>		
Other receivables (Note 15)	69,733	456,508
Amount owing by subsidiaries (Note 9)	1,732,881	975,748
Dividend receivable	-	95,000,000
Fixed and treasury deposits with licensed banks (Note 35)	30,600,000	38,000,000
Cash at bank (Note 35)	1,595,547	1,001,364
	<u>33,998,161</u>	<u>135,433,620</u>
<b>Financial Liabilities</b>		
<u>Amortised Cost</u>		
Other payables (Note 27)	49,329,058	1,812,271
Amount owing to a subsidiary (Note 9)	318,492	-
Bank borrowings (Note 21)	2,470,933	4,119,644
	<u>52,118,483</u>	<u>5,931,915</u>

##### 41.4 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 10 and 22 to the financial statements respectively.

#### 42. CHANGE OF FINANCIAL YEAR END

Subsequent to the 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.