

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

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019
(The figures have not been audited)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Individual Quarter		Cumulative Quarter	
		Current year quarter 30.09.2019 RM'000	Preceding year corresponding quarter 30.09.2018 RM'000	Current year to date 30.09.2019 RM'000	Preceding year corresponding period 30.09.2018 RM'000
Revenue		171,708	159,687	171,708	159,687
Cost of sales		(179,185)	(147,160)	(179,185)	(147,160)
Gross (loss)/ profit		(7,477)	12,527	(7,477)	12,527
Other income		5,153	2,255	5,153	2,255
Administrative expenses		(6,651)	(7,987)	(6,651)	(7,987)
Operating (Loss)/ profits		(8,975)	6,795	(8,975)	6,795
Finance Costs		(4,753)	(4,910)	(4,753)	(4,910)
Shares of profit of associates		319	359	319	359
(Loss)/ Profit before tax		(13,409)	2,244	(13,409)	2,244
Tax expense	A12	(170)	(142)	(170)	(142)
(Loss)/ Profit net of tax		(13,579)	2,102	(13,579)	2,102
Other comprehensive (loss)/ income:					
Foreign exchange translation	A16	464	1,618	464	1,618
Total comprehensive (loss)/ income for the period		(13,115)	3,720	(13,115)	3,720
(Loss) / Profit attributable to:					
Equity holders of the parent		(13,809)	2,242	(13,809)	2,242
Non controlling interests		230	(140)	230	(140)
		(13,579)	2,102	(13,579)	2,102
Total comprehensive (loss) / income attributable to:					
Equity holders of the parent		(13,391)	3,697	(13,391)	3,697
Non controlling interests		276	23	276	23
		(13,115)	3,720	(13,115)	3,720
Earnings per share attributable to the equity holders of the parent:					
Basic (sen)	B12	(1.18)	0.19	(1.18)	0.19
Diluted (sen)	B12	(1.18)	0.19	(1.18)	0.19

Notes:

(a) *The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to this report.*

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

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited AS AT 30.09.2019 RM'000	Audited AS AT 30.06.2019 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		1,160,073	1,193,063
Investment in associates		2,550	2,308
Other investments		181	181
Deferred tax assets		18	16
Intangible asset		2,070	2,064
		1,164,892	1,197,632
Current assets			
Inventories		61,435	63,813
Trade and other receivables		265,581	270,728
Other current assets		44,741	37,114
Tax recoverable		3,436	3,309
Cash and cash equivalents		76,077	68,759
		451,270	443,723
TOTAL ASSETS		1,616,162	1,641,355
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		1,216,972	1,216,972
Treasury share		(8,436)	(8,405)
Retained Earnings		128,698	147,153
Other reserve		(287,965)	(288,383)
		1,049,269	1,067,337
Non Controlling interests		8,780	8,504
Total equity		1,058,049	1,075,841
Non-current liabilities			
Borrowings	B9	76,041	76,700
Deferred tax liabilities		54,375	54,698
		130,416	131,398
Current liabilities			
Borrowings	B9	277,911	275,672
Derivative		21	21
Trade and other payables		134,603	133,613
Other current liabilities		14,380	24,108
Tax payable		782	702
		427,697	434,116
Total liabilities		558,113	565,514
TOTAL EQUITY AND LIABILITIES		1,616,162	1,641,355
Net assets per shares (RM)		0.90	0.92

Notes:

(a) *The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to this report.*

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

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Parent						
		Non distributable	Distributable				Non-
	Equity, total RM'000	Equity attributable to owners of the parents, total RM'000	Share capital RM'000	Treasury Shares RM'000	Other reserves RM'000	Retained earnings RM'000	Controlling interests RM'000
At 1 July 2018	1,184,768	1,174,452	1,216,972	(4,678)	(289,701)	251,859	10,316
Effect of MFRS 9 adoption	(17,387)	(17,387)	-	-	-	(17,387)	-
	<u>1,167,381</u>	<u>1,157,065</u>	<u>1,216,972</u>	<u>(4,678)</u>	<u>(289,701)</u>	<u>234,472</u>	<u>10,316</u>
Loss net of tax	(89,158)	(86,668)	-	-	-	(86,668)	(2,490)
Other comprehensive income	1,532	1,379	-	-	1,379	-	153
Total comprehensive (loss)/ income	(87,626)	(85,289)	-	-	1,379	(86,668)	(2,337)
Transactions with Owners:							
Arising from increase in equity interest in a subsidiary	-	(651)	-	-	-	(651)	651
Disposal of subsidiary	(67)	(61)	-	-	(61)	-	(6)
Purchase of treasury shares	(3,727)	(3,727)	-	(3,727)	-	-	-
Dividend paid to non-controlling interests	(120)	-	-	-	-	-	(120)
At 30 June 2019	<u>1,075,841</u>	<u>1,067,337</u>	<u>1,216,972</u>	<u>(8,405)</u>	<u>(288,383)</u>	<u>147,153</u>	<u>8,504</u>

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

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Parent						
		Non distributable	Distributable				Non-
	Equity, total RM'000	Equity attributable to owners of the parents, total RM'000	Share capital RM'000	Treasury Shares RM'000	Other reserves RM'000	Retained earnings RM'000	Controlling interests RM'000
At 1 July 2019	1,075,841	1,067,337	1,216,972	(8,405)	(288,383)	147,153	8,504
Effect of MFRS 9 adoption	(4,646)	(4,646)	-	-	-	(4,646)	-
	<u>1,071,195</u>	<u>1,062,691</u>	<u>1,216,972</u>	<u>(8,405)</u>	<u>(288,383)</u>	<u>142,507</u>	<u>8,504</u>
(Loss)/ profit net of tax	(13,579)	(13,809)	-	-	-	(13,809)	230
Other comprehensive income	464	418	-	-	418	-	46
Total comprehensive (loss)/ income	(13,115)	(13,391)	-	-	418	(13,809)	276
Transactions with Owners:							
Purchase of treasury shares	(31)	(31)	-	(31)	-	-	-
At 30 September 2019	<u>1,058,049</u>	<u>1,049,269</u>	<u>1,216,972</u>	<u>(8,436)</u>	<u>(287,965)</u>	<u>128,698</u>	<u>8,780</u>

Notes:

(a) *The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to this report.*

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

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Current year to date 30.09.2019 RM'000	Preceding year 30.09.2018 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(13,409)	2,244
Adjustment for:		
Depreciation	23,906	23,528
Bad debts written off	-	10
Dividend income	(3,422)	-
(Gain)/ loss on disposal of fixed assets	(618)	1,162
Gain on foreign exchange	(189)	(253)
Interest expenses	4,753	4,910
Interest income	(463)	(431)
Property, plant and equipment written off	1	-
Share of results of associates	(319)	(359)
	10,240	30,811
Operating profit before changes in working capital		
<u>Working Capital Changes</u>		
Decrease/ (increase) in inventories	2,377	(12,121)
Decrease/ (increase) in receivables	3,629	(36,415)
(Increase)/ decrease in other current assets	(8,463)	6,936
Increase in payables	1,407	1,901
(Decrease)/ Increase in other current liabilities	(9,728)	10,719
Net changes in amounts due from/to related companies	3,435	(7,936)
Total changes in working capital	(7,343)	(36,916)
Cash generated from/ (used in) operations	2,897	(6,105)
Interest received	463	431
Interest paid	(4,753)	(4,910)
Income tax refunded/ (paid)	110	(192)
Total interest and tax paid	(4,180)	(4,671)
Net cash used in operating activities	(1,283)	(10,776)
CASH FLOW FROM INVESTING ACTIVITIES		
Dividend received	3,422	-
Capital expenditure	(1,757)	(46,854)
Proceeds from disposal of property, plant and equipment	6,064	6,932
Net cash generated from / (used in) investing activities	7,729	(39,922)
NET CASH FLOW FROM FINANCING ACTIVITIES		
Net movement in trade financing	4,660	13,854
Repayment of hire purchase	(1,677)	(1,760)
Proceeds from term loan	-	52,000
Repayment of term loans	(10,173)	(10,841)
Purchase of treasury share	(31)	(2,174)
Net cash flow (used in)/ generated from financing activities	(7,221)	51,079
Net (decrease)/ increase in cash and cash equivalents	(775)	381
Cash and cash equivalents at beginning of period	44,786	53,745
Effects of exchange rate changes	1	(3)
Cash and cash equivalents at end of period	44,012	54,123
Cash and cash equivalents comprise the following:		
Cash and bank balances	17,077	21,912
Deposit with licensed banks	59,000	45,400
Bank overdrafts	(32,065)	(13,189)
Cash and bank balances	44,012	54,123

Notes:

(a) *The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to this report.*

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019

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

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“MFRS”) MFRS 134: “Interim Financial Reporting” and Chapter 9 Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the annual audited financial statements of Shin Yang Shipping Corporation Berhad (“SYSCorp” or “the Company”) and its subsidiaries (“the Group”) for the financial year ended 30 June 2019.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2019.

A2. Auditor’s report on preceding annual financial statements

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

A3. Seasonal or cyclical factors

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

A4. Unusual items

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

A5. Material changes in estimates

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

A6. Debt and equity securities

Repurchase of shares as Treasury Shares

On 5 December 2018, shareholders of the Company had approved and renewed their approval authority for the Company’s plan to repurchase its own ordinary shares. The Company has purchased a total of 109,000 its own ordinary shares at average price of RM 0.28462 per share during the current quarter. As at 30 September 2019, the Company had purchased and hold a cumulative total 28,850,400 of its issued ordinary shares repurchased from open market at an overall average price at RM0.29239 per share. These shares are being held as treasury shares in accordance with Section 127 of the Companies Act, 2016.



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(Incorporated in Malaysia)

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019

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

A7. Dividends

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

A8. Segmental reporting

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

	Shipping RM’000	Shipbuilding, Ship repair and Metal Fabrication RM’000	Shipping agency RM’000	Investment holding RM’000	Elimination RM’000	Total RM’000
For 3 months ended 30 September 2019						
Segment Revenue						
External revenue	116,932	53,214	1,404	158	-	171,708
Inter-segment revenue	1,825	4,677	599	786	(7,887)	-
Total	118,757	57,891	2,003	944	(7,887)	171,708
(Loss)/Profit from operations	(4,620)	(5,574)	1,054	166	-	(8,975)
Finance costs						(4,753)
Share of profit of associates						319
Loss before tax						(13,409)
Tax expense						(170)
Loss for the period						(13,579)
For 3 months ended 30 September 2018						
Segment Revenue						
External revenue	135,381	22,598	1,624	84	-	159,687
Inter-segment revenue	2,581	6,344	660	849	(10,434)	-
Total	137,962	28,942	2,284	933	(10,434)	159,687
Profit/ (loss) from operations	9,662	(4,264)	1,880	(483)	-	6,795
Finance costs						(4,910)
Share of profit of associates						359
Profit before tax						2,244
Tax expense						(142)
Profit for the period						2,102

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019

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

A8. Segmental reporting (Cont’)

Group

	1Q 2020 (RM'000)	1Q 2019 (RM'000)	Changes (%)
Revenue	171,708	159,687	7.5%
(Loss)/ Profit before tax	(13,409)	2,244	-697.5%

Revenue of the Group for the first quarter ended 30 September 2019 increased by 7.5% to RM171.7 million as compared to RM159.7 million in the previous corresponding quarter.

The increase was mainly due to the higher revenue generated from shipbuilding and ship repair segments in the current quarter.

The loss before tax were due to the decrease in margin in shipping segments on bulk carriers sector and barges & tugboats for preparation and docking costs incurred. And also due to the unrealised margin on production overheads of new shipbuilding’s work in progress during construction in Shipbuilding and ship repair segments.

Performance and prospects of each operating segment are discussed below:

Shipping

	1Q 2020 (RM'000)	1Q 2019 (RM'000)	Changes (%)
Revenue	116,932	135,381	-13.6%
(Loss)/Profit before tax	(5,492)	8,783	-162.5%

For the current quarter, the shipping segment’s revenue of RM116.9 million decreased by 13.6% as compared to RM 135.4 million revenue recorded in the corresponding quarter. This was mainly due to the lower volume carried from domestic shipment operations in the current quarter.

The loss before tax in shipping segment were due to the decrease in margin in shipping segments on bulk carriers sector and barges & tugboats for preparation and docking costs incurred in current quarter.

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019

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

A8. Segmental reporting (Cont’)

Shipbuilding and Ship repair

	1Q 2020 (RM'000)	1Q 2019 (RM'000)	Changes (%)
Revenue	53,214	22,598	135.5%
Loss before tax	(9,212)	(7,679)	-20.0%

For the current quarter, revenue generated from shipbuilding and ship repair segments of RM53.2 million increased by 135.5% as compared to RM22.6 million revenue recorded in the corresponding quarter. The increase in revenue was mainly due to ship repair for external parties delivered during the current quarters.

The net losses before tax in Shipbuilding and ship repair segment was mainly due to the unrealised margin on production overheads of new shipbuilding’s work in progress during construction.

Shipping agency

	1Q 2020 (RM'000)	1Q 2019 (RM'000)	Changes (%)
Revenue	1,404	1,624	-13.5%
Profit before tax	1,369	1,875	-27.0%

For the current quarter, the revenue from shipping agency segment decreased by 13.5% compared to the preceding year’s corresponding quarter. The decrease in profit before tax was mainly due to the lower in profit margin in current quarter.

Investment Holding

	1Q 2020 (RM'000)	1Q 2019 (RM'000)	Changes (%)
Revenue	158	84	88.1%
Loss before tax	(74)	(735)	89.9%

The revenue from Investment Holding segment was derived from the rental income and interest income from the financial institutions.

A9. Valuation of property, plant and equipment

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

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019

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

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

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

A11. Changes in the composition of the Group

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

A12. Tax expense

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

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation				
Current year tax	495	433	495	433
Deferred tax	(325)	(291)	(325)	(291)
	<u>170</u>	<u>142</u>	<u>170</u>	<u>142</u>

A13. Contingent liabilities and contingent assets

The contingent liabilities of the Group as at 30 September 2019 are as follows:

	As at 30.09.2019 RM'000
Corporate guarantees given to financial institutions in consideration of credit facilities granted to our subsidiaries and associates	<u>239,203</u>

The Group does not have any contingent assets.

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019

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

A14. Material commitments

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

A15. Significant related party transactions

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

	Current Quarter to date 30.09.2019 RM'000	Balance due from/(to) As at 30.09.2019 RM'000
(a) Transactions with related companies of Shin Yang Holding Sendirian Berhad		
Sales of goods and services	22,783	65,018
Purchase of goods and services	(10,614)	(13,494)
(b) Transactions with companies in which certain Directors of the Company have substantial interests		
Sales of goods and services	959	5,800
Purchase of goods and services	(869)	(14,317)

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

A16. Other Comprehensive Income

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

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019

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

B1. Review of performance

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

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

	1Q 2020 (RM'000)	4Q 2019 (RM'000)	Changes (%)
Revenue	171,708	164,045	4.7%
Loss before tax	(13,409)	(68,352)	80.4%

As compared to the immediate preceding quarter, the Group's current quarter's revenue increased by 4.7% to RM171.7 million from RM164.0 million recorded in the immediate preceding quarter.

The loss before tax reduced by 80.4% in the current quarter as compared with the immediate preceding quarter. The loss before tax due to the lower margin in shipping segments on bulk carriers sector and barges & tugboats for preparation and docking costs incurred. And also due to the unrealised margin on production overheads of new shipbuilding's work in progress during construction in Shipbuilding and ship repair segments.

B3. Commentary on Prospects

The performance of the Group is largely dependent on the volatility of world fuel market price, quality of crews' standard, domestic & regional demand for transportation of dry bulk and general cargoes, movement of Ringgit Malaysia and world economic situations.

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

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

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019

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

B4. Statements by Directors

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

B5. Profit forecast or profit guarantee

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

B6. Sales of unquoted investments and/or properties

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

B7. Quoted securities

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

B8. Corporate proposals

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

B9. Borrowings and debt securities

	Secured RM'000	unsecured RM'000	Total RM'000
1. Total borrowings			
Short-term borrowings	81,715	196,196	277,911
Long-term borrowings	76,041	-	76,041
	<u>157,756</u>	<u>196,196</u>	<u>353,952</u>

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

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

B10. Off balance sheet financial instruments

There were no off balance sheet financial instruments as at 29 November 2019.

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019

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

B11. Changes in material litigation

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

B12. Earnings per share

(a) Basic

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

	Current year quarter 30.09.2019	Current year to date 30.09.2019
Loss attributable to equity holders of the Company (RM'000)	(13,809)	(13,809)
Weighted average number of ordinary shares in issue ('000)	1,171,179	1,171,179
Basic earnings per share (sen)	<u>(1.18)</u>	<u>(1.18)</u>

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

(b) Diluted

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

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

INTERIM REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019

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

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B13. Notes to the Condensed Consolidated Statement of Comprehensive Income

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

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018
	RM'000	RM'000	RM'000	RM'000
Interest income	(463)	(431)	(463)	(431)
Sundry income	(218)	(367)	(218)	(367)
Interest expenses	4,753	4,910	4,753	4,910
Depreciation	23,906	23,528	23,906	23,528
(Gain)/ loss on disposal of property, Plant and equipment	(618)	1,162	(618)	1,162
Realised foreign exchange loss	31	245	31	245
Unrealised foreign exchange gain	(189)	(253)	(189)	(253)

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B14. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 30 June 2019 was not qualified.

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Authorised for issue

The interim report for the first quarter ended 30 September 2019 was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 November 2019.

By order of the Board

Richard Ling Peng Liing
Company Secretary
29th November 2019