

# OTHERS Letter of Intent for the Completion of Offshore Patrol Vessels (OPV) 2 and OPV 3

## SHIN YANG GROUP BERHAD

Type	Announcement
Subject	OTHERS
Description	Letter of Intent for the Completion of Offshore Patrol Vessels (OPV) 2 and OPV 3

### 1. INTRODUCTION

The Board of Directors of Shin Yang Group Berhad (“SYGroup” or “the Company”) is pleased to announce that its wholly-owned subsidiary, Shin Yang Shipyard Sdn Bhd, has received a Letter of Intent (LOI) on 20 May 2025 from the Ministry of Home Affairs, Malaysia.

### 2. DETAILS OF THE LETTER OF INTENT

The LOI expresses the Ministry of Home Affairs’s intention to appoint Shin Yang Shipyard Sdn Bhd as the contractor for the completion of the remaining works on Offshore Patrol Vessel (OPV) 2 and OPV 3 for the Malaysian Maritime Enforcement Agency (MMEA).

The issuance of the LOI is subject to further discussions and negotiations between the Ministry of Home Affairs and Shin Yang Shipyard Sdn Bhd regarding specific terms of the proposed shipbuilding contract, including but not limited to:

- Scope and pricing of works;
- Payment terms;
- Liquidated damages;
- Bank guarantees;
- Confidentiality obligations;
- Contract termination clauses; and
- Other relevant terms and conditions.

A formal shipbuilding contract will be finalised and executed upon successful completion of the negotiations.

### 3. RISK FACTORS

The LOI does not constitute a legally binding commitment by the Ministry of Home Affairs. As such, there is no certainty that a definitive contract will be awarded to Shin Yang Shipyard Sdn Bhd. The execution and successful performance of the shipbuilding contract, if awarded, are also subject to various risks including:

- Possible delays or failure in reaching agreement on shipbuilding contract terms;
- Regulatory or administrative changes by relevant authorities;
- Operational and financial risks associated with project execution.

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- Availability of skilled labour and materials for timely delivery;and
- Potential changes in Government policies or priorities;

The Board will continue to closely monitor developments and manage these risks accordingly.

#### 4. FINANCIAL EFFECTS

The potential shipbuilding contract, if awarded, is expected to contribute positively to the earnings and net assets of SYGroup for the duration of the project. However, the exact financial impact can only be determined upon finalisation and execution of the definitive contract.

#### 5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

None of the Directors, major shareholders, and/or persons connected with them have any interest, direct or indirect, in the LOI.

#### Further Announcements

The Company will make the appropriate announcement(s) to Bursa Malaysia Securities Berhad as and when there are further material developments on this matter.

This announcement is dated 27 May 2025

 Announcement Info	
Company Name	SHIN YANG GROUP BERHAD
Stock Name	SYGROUP
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