



SIN HENG CHAN (MALAYA) BERHAD

(Reg. No. 196201000185 (4690-V))
(Incorporated in Malaysia)

INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024

CONTENTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	1
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	3
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW	4
NOTES TO THE QUARTERLY FINANCIAL REPORT	5 - 16

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CURRENT YEAR-TO-DATE	PRECEDING YEAR-TO-DATE
	30 JUN 2024 RM'000	30 JUN 2023 RM'000	30 JUN 2024 RM'000	30 JUN 2023 RM'000
Revenue	13,271	10,963	26,424	21,116
Cost of sales	(10,097)	(9,074)	(20,064)	(17,413)
Gross profit	3,174	1,889	6,360	3,703
Other income	1,475	1,067	3,178	2,401
Distribution costs	(277)	(310)	(539)	(530)
General and administrative expenses	(2,363)	(2,223)	(4,557)	(4,186)
Other operating expenses	(767)	(661)	(1,782)	(1,539)
	1,242	(238)	2,660	(151)
Finance costs	(2,682)	(2,592)	(5,345)	(5,101)
Share of results of an associate	3,796	3,988	7,523	7,619
Profit before tax	2,356	1,158	4,838	2,367
Tax expense	(74)	(74)	(148)	(148)
Profit after tax for the financial period	2,282	1,084	4,690	2,219
Total comprehensive income for the financial period	2,282	1,084	4,690	2,219
Profit attributable to :				
Equity holders of the Company	2,282	1,084	4,690	2,219
Total comprehensive income attributable to :				
Equity holders of the Company	2,282	1,084	4,690	2,219
Earnings per share				
<i>Basic (sen)</i>	0.78	0.37	1.60	0.76
<i>Diluted (sen)</i>	0.55	0.26	1.14	0.54

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this report.)

SIN HENG CHAN (MALAYA) BERHAD (Registration No. 196201000185 (4690-V))

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

(The figures have not been audited)

	AS AT 30 JUN 2024 RM'000	(AUDITED) AS AT 31 DEC 2023 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	106,440	97,910
Investment properties	334	339
Concession financial assets	42,579	43,735
Prepaid lease payments	15,234	15,468
Intangible assets	21,343	21,643
Investment in an associate	216,372	215,449
	402,302	394,544
Current Assets		
Inventories	4,851	3,637
Concession financial assets	2,312	2,312
Trade receivables	12,073	5,708
Other receivables, deposits and prepayments	6,507	5,998
Biological assets	1,115	1,115
Tax recoverable	84	46
Other investments	16,520	15,891
Fixed deposits, cash and bank balances	24,922	27,237
	68,384	61,944
TOTAL ASSETS	470,686	456,488
EQUITY AND LIABILITIES		
Equity		
Share capital	183,005	181,355
Irredeemable convertible preference shares	37,950	39,600
Retained earnings	52,201	47,511
Equity attributable to equity holders of the Company	273,156	268,466
Non-Current Liabilities		
Borrowings	143,870	140,508
Finance lease liabilities	3,525	3,011
Other payables and accruals	154	308
Deferred tax liabilities	9,097	8,949
	156,646	152,776
Current Liabilities		
Trade payables	5,635	4,545
Other payables and accruals	3,473	3,103
Borrowings	29,879	25,898
Finance lease liabilities	1,897	1,700
	40,884	35,246
TOTAL EQUITY AND LIABILITIES	470,686	456,488
Net assets per share (RM)	0.92	0.92
Number of ordinary shares ('000)	297,877	292,877

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this report.)

SIN HENG CHAN (MALAYA) BERHAD (Registration No. 196201000185 (4690-V))

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

(The figures have not been audited)

	<----- Attributable to equity holders of the Company ----->			
	<----- Non-distributable ----->	<-- Distributable -->		Total RM'000
	Share Capital RM'000	Irredeemable Convertible Preference Shares "ICPS" RM'000	Retained Earnings RM'000	
<u>6 months period ended 30 June 2024</u>				
At 1 January 2024	181,355	39,600	47,511	268,466
Conversion of ICPS to share capital	1,650	(1,650)	-	-
Net profit for the financial period	-	-	4,690	4,690
At 30 June 2024	<u>183,005</u>	<u>37,950</u>	<u>52,201</u>	<u>273,156</u>
<u>6 months period ended 30 June 2023</u>				
At 1 January 2023	181,355	39,600	40,388	261,343
Net profit for the financial period	-	-	2,219	2,219
At 30 June 2023	<u>181,355</u>	<u>39,600</u>	<u>42,607</u>	<u>263,562</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this report.)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

(The figures have not been audited)

	6 MONTHS PERIOD ENDED 30 JUN 2024 RM'000	6 MONTHS PERIOD ENDED 30 JUN 2023 RM'000
Cash flows from operating activities		
Profit before tax	4,838	2,367
Adjustments for :		
Amortisation of prepaid lease payments, intangible assets and investment properties	539	539
Depreciation of property, plant and equipment	4,118	3,700
Dividend income	(126)	(107)
Finance costs	5,345	5,101
Finance income from concession financial assets	(1,443)	(1,511)
Gain on disposal of property, plant and equipment	(135)	-
Gain on disposal of other investments	(66)	-
Interest income	(597)	(769)
Net realised loss on other investments	-	4
Net unrealised gain on other investments	(528)	(88)
Share of results of an associate	(7,523)	(7,619)
Operating profit before changes in working capital	<u>4,422</u>	<u>1,617</u>
Changes in working capital:		
Decrease in concession financial assets	2,599	3,134
(Increase)/Decrease in inventories	(1,214)	300
Increase in trade and other receivables	(6,874)	(5,645)
Increase in trade and other payables	1,306	343
Net cash generated from/(used in) operations	<u>239</u>	<u>(251)</u>
Income tax paid	(38)	(35)
Net cash generated from/(used in) operating activities	<u>201</u>	<u>(286)</u>
Cash flows from investing activities		
Dividend received from an associate	6,600	2,464
Dividend received from other investments	126	107
Interest received	597	769
Proceeds from disposal of other investments	150	522
Proceeds from disposal of property, plant and equipment	135	-
Purchase of other investments	(185)	(1,515)
Purchase of property, plant and equipment	(12,648)	(8,114)
Net cash used in investing activities	<u>(5,225)</u>	<u>(5,767)</u>
Cash flows from financing activities		
Drawdown of borrowings	2,938	5,070
Repayment of borrowings	(2,033)	(1,931)
Proceeds of finance lease liabilities	711	1,001
Interest paid	(4,920)	(4,651)
Net cash used in financing activities	<u>(3,304)</u>	<u>(511)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(8,328)</u>	<u>(6,564)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	10,873	28,370
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u><u>2,545</u></u>	<u><u>21,806</u></u>
Cash and Cash Equivalents at end of the financial period consist of :		
Fixed deposits with licensed banks	24,168	30,639
Cash and bank balances	754	644
Less : Bank overdraft	(22,377)	(9,477)
	<u><u>2,545</u></u>	<u><u>21,806</u></u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this report.)

INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024

PART A : EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the last audited financial statements for the financial year ended 31 December 2023.

The material accounting policies and methods of computation adopted are consistent with those of the most recent audited financial statements for the financial year ended 31 December 2023 except for the adoption of new and amended MFRSs which are relevant to its operations and effective for the financial periods beginning on or after 1 January 2024. The standards and amendments that have been issued and effectively beginning on or after 1 January 2024 are as follows:

a) **Standards, amendments to published standards and interpretations that are effective and adopted during the financial period**

- Amendments to MFRS 16, “Lease Liability in Sale and Leaseback”
- Amendments to MFRS 101, “Non-Current Liabilities with Covenants”
- Amendments to MFRS 7, “Disclosure of Financial Instruments”
- Amendments to MFRS 107, “Supplier Finance Arrangements”

b) **Standards and amendments that have been issued but not yet effective**

Effective for financial year beginning on or after 1 January 2025

- Amendments to MFRS 121, “Lack of Exchangeability”

Effective for financial year beginning on or after 1 January 2027

- MFRS 18, “Presentation and Disclosure in Financial Statements”

Effective date has been deferred to a date to be determined by Malaysian Accounting Standards Board

- Amendments to MFRS 10 and MFRS 128, “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The Group will adopt the above pronouncements, if applicable, when they become effective in the respective annual periods. These pronouncements are not expected to have material financial impact to the Group.

A2 Auditors' report on preceding annual financial statements

There was no qualification in the audit report of the preceding annual financial statements.

A3 Seasonal or cyclical factors of the Group's operations

The prices for the Group's plantation products are not within the control of the Group but are determined by the price of Crude Palm Oil (CPO), which in turn depends on several factors including the global supply and demand of competing vegetable oils, crude oil prices, and general global economic growth conditions.

Crop production is seasonal. Based on statistics, the Group's production of Fresh Fruit Bunches (FFB) gradually increases in the second quarter and reaches its peak during the third and fourth quarters. This pattern can be affected by rainfall in the Group's estates and severe global weather conditions such as El-Nino and La Nina.

The profits for this segment of the Group are primarily determined by the price of FFB and the volume of production from the Group's estates.

The Group's other businesses in energy and facilities management as well as wholesale and distribution of construction materials are not significantly affected by seasonal or cyclical factors.

A4 Unusual items

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence in the current quarter.

A5 Changes in estimates

There were no changes in estimates of amounts reported in prior interim periods or changes in estimates of amounts reported in prior financial years, which have a material effect in the current quarter.

A6 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter.

A7 Dividend

There was no dividend paid, declared or proposed in the current quarter.

A8 Segmental analysis

The Group is organised into the following operating divisions:

- (i) Oil Palm Plantations
- (ii) Energy and Facilities Management
- (iii) Investment Holding
- (iv) Wholesale and Distribution
- (v) Others

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A8 Segmental analysis (cont'd)

The Segmental Information for the financial period ended 30 June 2024 :

	Oil Palm Plantations	Energy and Facilities Management	Investment Holding	Wholesale and Distribution	Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	16,248	7,027	8,000	3,149	-	(8,000)	26,424
<u>Segment results</u>							
Profit / (Loss) from operations	1,566	3,270	7,479	82	(16)	(9,721)	2,660
Finance costs	(1,805)	(2,695)	(1,931)	-	-	1,086	(5,345)
Share of results of an associate	-	7,523	-	-	-	-	7,523
(Loss) / Profit before tax	(239)	8,098	5,548	82	(16)	(8,635)	4,838
Tax (expense) / credit	-	(300)	-	-	-	152	(148)
(Loss) / Profit for the financial period	(239)	7,798	5,548	82	(16)	(8,483)	4,690

The Segmental Information for the financial period ended 30 June 2023 :

	Oil Palm Plantations	Energy and Facilities Management	Investment Holding	Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	14,284	6,832	-	-	-	21,116
<u>Segment results</u>						
(Loss) / Profit from operations	(1,616)	2,959	(21)	(18)	(1,455)	(151)
Finance costs	(1,343)	(2,910)	(1,976)	-	1,128	(5,101)
Share of results of an associate	-	7,619	-	-	-	7,619
(Loss) / Profit before tax	(2,959)	7,668	(1,997)	(18)	(327)	2,367
Tax (expense) / credit	-	(300)	-	-	152	(148)
(Loss) / Profit for the financial period	(2,959)	7,368	(1,997)	(18)	(175)	2,219

No geographical segment is presented as the Group operates principally in Malaysia.

A9 Valuations of property, plant and equipment

There were no amendments in the valuations of property, plant and equipment during the financial period. The valuations have been brought forward without adjustment from the audited financial statements for the financial year ended 31 December 2023.

A10 Material events subsequent to the end of the interim period

There were no material events subsequent to 30 June 2024 and up to the date of the issuance of this quarterly report that have not been reflected in this quarterly report.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructurings and discontinued operations for the current quarter.

A12 Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets as at 30 June 2024.

A13 Capital commitments

There were no capital commitments approved or contracted as at 30 June 2024.

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES
BERHAD'S LISTING REQUIREMENTS**

B1 Review of performance

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	Preceding Year Corresponding Quarter	Change	Current Year Quarter	Preceding Year Corresponding Quarter	Change
	30 JUN 2024	30 JUN 2023		30 JUN 2024	30 JUN 2023	
Revenue	RM '000	RM '000	%	RM '000	RM '000	%
Oil Palm Plantations	8,548	7,496	14.0%	16,248	14,284	13.7%
Energy and Facilities Management	3,506	3,467	1.1%	7,027	6,832	2.9%
Wholesale and Distribution	1,217	-	100.0%	3,149	-	100.0%
Investment Holding	8,000	-	100.0%	8,000	-	100.0%
Eliminations	(8,000)	-	-100.0%	(8,000)	-	-100.0%
Total Revenue	13,271	10,963	21.1%	26,424	21,116	25.1%
Segment results						
Oil Palm Plantations	(89)	(1,617)	94.5%	(239)	(2,959)	91.9%
Energy and Facilities Management	3,765	3,897	-3.4%	8,098	7,668	5.6%
Wholesale and Distribution	27	-	100.0%	82	-	100.0%
Investment Holding	6,977	(1,101)	733.7%	5,548	(1,997)	377.8%
Others	(7)	(11)	36.4%	(16)	(18)	11.1%
Eliminations	(8,317)	(10)	-83070.0%	(8,635)	(327)	-2540.7%
Profit Before Tax	2,356	1,158	103.5%	4,838	2,367	104.4%
Operational Statistics						
Production (MT)	10,680	10,114	5.6%	20,514	18,801	9.1%
Ave. CPO Price*	4,041	3,851	4.9%	4,014	3,924	2.3%
Ave. FFB Price	800	749	6.8%	792	765	3.5%

(A) Performance of the current quarter against the preceding year corresponding quarter

Revenue

The Group's total revenue for the current quarter ended 30 June 2024 was RM13.3 million, representing an increase of 21.1% when compared to the total revenue of RM11.0 million in the preceding year corresponding quarter. The increase in total revenue was mainly contributed by the increase in revenue from the Oil Palm Plantations segment, and the new business segment of Wholesale and Distribution.

Oil Palm Plantations

For the current quarter under review, the Group's Oil Palm Plantations segment recorded a revenue of RM8.5 million, an increase of 14.0% when compared to the preceding year corresponding quarter. The increase in revenue was mainly due to the increase in FFB production from 10,114 MT to 10,680 MT by 5.6% and an increase in average CPO and FFB prices by 4.9% and 6.8% respectively compared to the preceding year corresponding quarter.

B1 Review of performance (cont'd)

(A) Performance of the current quarter against the preceding year corresponding quarter (cont'd)

Revenue (cont'd)

Energy and Facilities Management

For the current quarter under review, this segment contributed RM3.5 million to the Group's total revenue, representing an increase of 1.1% as compared to RM3.5 million in the preceding year corresponding quarter. The marginal increase in revenue was due to an increase in the consumption of chilled water from the Group's cooling system projects.

Wholesale and Distribution

The Group engaged in this new business segment in the current quarter for the supply of construction materials to third parties.

Profit before tax

For the current quarter under review, the Group recorded a profit before tax of RM2.4 million as compared to a profit before tax of RM1.2 million in the preceding year corresponding quarter. The increase in profit before tax for the current quarter was primarily driven by higher FFB production, improved CPO and FFB prices, and better production costs in the Oil Palm Plantations segment, which significantly reduced the segment's loss. Additionally, the Investment Holding segment saw a profit increase due to an RM8.0 million dividend received from a subsidiary, which was eliminated at the Group level.

(B) Performance of the current financial period to-date against the preceding year corresponding financial period

Revenue

The Group's total revenue for the cumulative financial period ended 30 June 2024 increased by 25.1% to RM26.4 million, compared to RM21.1 million in the corresponding financial period ended 30 June 2023. This growth was primarily driven by higher revenue from the Oil Palm Plantations segment and the contribution from the new business segment of Wholesale and Distribution.

Oil Palm Plantations

For the financial period ended 30 June 2024, the segment's revenue increased by 13.7% to RM16.2 million, up from RM14.3 million in the corresponding financial period ended 30 June 2023. This growth was primarily driven by a 9.1% increase in FFB production from 18,801 MT to 20,514 MT, along with a 2.3% and 3.5% rise in average CPO and FFB prices respectively compared to the preceding year corresponding financial period.

Energy and Facilities Management

This segment contributed RM7.0 million to the Group's total revenue in the financial period ended 30 June 2024, compared to RM6.8 million in the preceding year corresponding financial period. The marginal increase in revenue was attributed to higher consumption of chilled water from the Group's cooling system projects.

B1 Review of performance (cont'd)

(B) Performance of the current financial period to-date against the preceding year corresponding financial period (cont'd)

Wholesale and Distribution

The Group engaged in this new business segment in the current financial period for the supply of construction materials to third parties.

Profit before tax

The Group recorded a profit before tax of RM4.8 million, compared to RM2.4 million in the corresponding financial period ended 30 June 2023. The increase in profit before tax for the current period was primarily driven by higher FFB production, improved CPO and FFB prices, and better production costs in the Oil Palm Plantations segment, which significantly reduced the segment's loss. Profit before tax for the Energy and Facilities Management segment rose by 5.6% to RM8.1 million, mainly due to a higher share of profit generated from its associate compared to the prior financial period. Additionally, the Investment Holding segment saw a profit increase due to an RM8.0 million dividend received from a subsidiary, which was eliminated at the Group level.

B2 Material Changes in Current Quarter Results Compared with Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Variance	
	30 JUN 2024 RM'000	31 MAR 2024 RM'000	Amount RM'000	%
Production (MT)	10,680	9,835	845	8.6%
Ave. CPO Price*	4,041	3,988	53	1.3%
Ave. FFB Price	800	792	8	1.0%
<u>Revenue</u>				
Oil Palm Plantations	8,548	7,700	848	11.0%
Energy and Facilities Management	3,506	3,521	(15)	-0.4%
Wholesale and Distribution	1,217	1,932	(715)	-37.0%
Investment Holding	8,000	-	8,000	100.0%
Eliminations	(8,000)	-	(8,000)	100.0%
Total Revenue	13,271	13,153	118	0.9%
<u>Segment results</u>				
Oil Palm Plantations	(89)	(150)	61	40.7%
Energy and Facilities Management	3,765	4,333	(568)	-13.1%
Wholesale and Distribution	27	55	(28)	-50.9%
Investment Holding	6,977	(1,429)	8,406	588.2%
Others	(7)	(9)	2	22.2%
Eliminations	(8,317)	(318)	(7,999)	-2515.4%
Profit Before Tax	2,356	2,482	(126)	-5.1%

* Extracted from MPOB Peninsular Malaysia Average

B2 Material Changes in Current Quarter Results Compared with Preceding Quarter (cont'd)

For the three-month period ended 30 June 2024, the Group recorded total revenue of RM13.3 million as compared to RM13.2 million in the immediate preceding quarter ended 31 March 2024. The marginal increase in overall revenue by 0.9% was mainly due to the increase in revenue contributed by the Group's Oil Palm Plantations segment, partially offset by a lower contribution from the new business segment of Wholesale and Distribution.

Revenue

The increase in revenue in the Oil Palm Plantations segment was due to an increase in FFB production from 9,835 MT to 10,680 MT by 8.6%, along with an increase in average CPO and FFB prices by 1.3% and 1.0% respectively. However, the Wholesale and Distribution segment recorded a lower revenue by 37.0% due to fewer orders for construction materials placed by external customers.

Profit before tax

The Energy and Facilities Management segment registered a decrease in profit before tax by RM0.6 million in the current quarter compared to the immediate preceding quarter, primarily due to a lower share of profit recorded from its associate. Additionally, the Investment Holding segment saw a profit increase mainly due to an RM8.0 million dividend received from a subsidiary, which was eliminated at the Group level.

B3 Profit Forecast or Profit Guarantee

The Group has not issued any profit forecast for the current quarter under review.

B4 Dividends

No interim dividend has been paid, declared or proposed for the financial period ended 30 June 2024.

B5 Prospects

For 2024, the Group's performance in the Oil Palm Plantations segment will be primarily influenced by CPO and Palm Kernel prices. These are in turn affected by a myriad of factors influencing the supply and demand of CPO such as global weather conditions, prices and production of substitute vegetable oils, crude oil prices, and general global economic conditions.

Notwithstanding this, the Group will continue to focus on increasing the production of FFB from its estates to achieve economies of scale. The Group continues to expand its plantations into vacant and unplanted areas with the latest planting material from reputable companies. This is expected to contribute significantly to improving the overall yields and productivity of the estates in the coming years. At the same time, the Group will prioritise prudent cost management as it navigates higher input costs such as labour and fertiliser. The Group remains fundamentally optimistic about the long-term prospects of the palm oil industry. It is the most efficiently produced vegetable oil in the world, and therefore more competitive than other vegetable oils. Owing to its versatility, it is used in a wide variety of products.

B5 Prospects (cont'd)

The Group is optimistic on the ability of its Energy and Facilities Management division to continue to contribute strong and recurring earnings to the Group. The Group will continue to prospect and evaluate potential new projects as well as partnerships to further expand this segment and its performance.

In 2024, the Group entered into a new business segment of Wholesale and Distribution to supply construction materials to external customers. The Group sees great potential in this segment from the strong market demand for these products and as an opportunity to diversify its current business.

Moving forward, the Group continues to prospect for new opportunities and sustainable businesses which can grow shareholder value in the long run.

B6 Taxation

	Current Quarter 30 JUN 2024 RM'000	Cumulative Quarter 30 JUN 2024 RM'000
On current period's results		
- Transfer to deferred taxation	(74)	(148)
	<u>(74)</u>	<u>(148)</u>

B7 Group borrowings

Details of the Group's borrowings as at 30 June 2024 were as follows:

Borrowings	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	<u>29,879</u>	<u>143,870</u>	<u>173,749</u>

The credit facilities of the Group are obtained by a charge over all its assets and corporate guarantee. Borrowings are denominated in Ringgit Malaysia.

B8 Material litigation

The Group is not engaged in any material litigation and is not aware of any proceedings which might materially affect the Group for the current financial period.

B9 Status of corporate proposals

Save as disclosed below, there are no other corporate proposals announced but pending implementation as at the date of this interim financial report.

(a) Long Term Incentive Plan

On 27 October 2023, UOB Kay Hian Securities (M) Sdn. Bhd. ("UOBKH"), on behalf of the Board had announced the proposed establishment of a long term incentive plan ("LTIP"), which comprises the proposed employee share option scheme ("Proposed ESOS") and the proposed share grant plan ("Proposed SGP") of up to 15% of the issued share capital of the Company (excluding treasury shares, if any) at any point in time during the duration of the LTIP, for the eligible employees and Directors (executive and non-executive) of the Company and its subsidiaries which are not dormant.

The Proposed LTIP is intended to allow the Company to attract, retain, motivate and reward the eligible Directors and employees who fulfil the eligibility criteria for participation subject to the terms and conditions as set out in the By-Laws governing the Proposed LTIP.

On 17 November 2023, the Company submitted the listing application in relation to the Proposed LTIP and Proposed Allocation to Bursa Malaysia Securities Berhad.

On 28 November 2023, the Company announced that Bursa Malaysia Securities Berhad had, vide its letter dated 27 November 2023, approved the listing and quotation for the number of new Shares representing up to 15% of the total number of issued Shares of SHC (excluding treasury shares) to be issued pursuant to the Proposed LTIP.

On 7 December 2023, the Company announced that an Extraordinary General Meeting will be held on fully virtual and entirely via remote participation and voting at Broadcast venue at Board Room of SHC, Level 3, Wisma E&C, No. 2, Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur on Friday, 10 January 2024 at 10:00 a.m

On 8 December 2023, the Company submitted the Circular to Shareholders in relation to the I. Proposed Establishment of a LTIP up to 15% of the total number of issued shares; and II. Proposed Allocation of LITP Award to the eligible directors and major shareholders.

On 10 January 2024, the Company announced that all the resolutions as set out in the Notice of the Extraordinary General Meeting dated 8 December 2023 were duly passed and carried.

On 15 May 2024, the Company announced that the effective date for the LTIP has been fixed on 15 May 2024, being the date of submission of relevant documents to Bursa Malaysia Securities Berhad.

B10 Earnings per share (EPS)

(a) Basic EPS

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current	Preceding
	Quarter	Quarter	Year-To-Date	Year-To-Date
	30 JUN 2024	30 JUN 2023	30 JUN 2024	30 JUN 2023
Profit after tax attributable to equity holders of the Company (RM'000)	2,282	1,084	4,690	2,219
Weighted average number of ordinary shares in issue ('000)	293,757	292,877	293,317	292,877
Basic EPS (sen)	0.78	0.37	1.60	0.76

(b) Diluted EPS

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current	Preceding
	Quarter	Quarter	Year-To-Date	Year-To-Date
	30 JUN 2024	30 JUN 2023	30 JUN 2024	30 JUN 2023
Profit after tax attributable to equity holders of the Company (RM'000)	2,282	1,084	4,690	2,219
Weighted average number of ordinary shares in issue ('000)	293,757	292,877	293,317	292,877
Assume full conversion of ICPS ('000)	119,120	120,000	119,560	120,000
Weighted average number of ordinary shares in issue and issuable ('000)	412,877	412,877	412,877	412,877
Diluted EPS (sen)	0.55	0.26	1.14	0.54

B11 Gains / (Losses) arising from fair value changes of financial liabilities

There were no gains / (losses) during the current quarter arising from fair value changes of financial liabilities.

B12 Profit before tax

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 JUN 2024 RM '000	Preceding Year Quarter 30 JUN 2023 RM '000	Current Year- To-Date 30 JUN 2024 RM '000	Preceding Year- To-Date 30 JUN 2023 RM '000
Profit before tax is arrived at after charging / (crediting) :				
Amortisation of prepaid lease payments, intangible assets and investment properties	269	270	539	539
Depreciation of property, plant and equipment	2,112	1,882	4,118	3,700
Dividend income	-	-	(126)	(107)
Finance costs	2,682	2,592	5,345	5,101
Finance income from concession financial assets	(721)	(756)	(1,443)	(1,511)
Gain on disposal of property, plant and equipment	(135)	-	(135)	-
Gain on disposal of other investments	-	-	(66)	-
Interest income	(363)	(305)	(597)	(769)
Net realised loss on other investments	-	-	-	4
Net unrealised gain on other investments	(114)	(69)	(528)	(88)
Share of results of an associate	(3,796)	(3,988)	(7,523)	(7,619)