

# SHL CONSOLIDATED BHD

## Additional information required by the Listing Requirements of Bursa Malaysia Securities Berhad (BMSB)

### 1. Review of performance

The Group recorded a profit before taxation of RM18.5 million for the current quarter under review and RM25.5 million for the 12 months financial year ended 31 March 2004. In comparison to the preceding year's corresponding period, this represents an increase of 40% and an increase of less than 1% respectively. The better performance in the current quarter and financial year under review is mainly attributable to sale of properties of higher margin.

### 2. Variation of results against preceding quarter

The Group profit before taxation for the current quarter increased by 309% compared to RM4.5 million achieved in the immediate preceding quarter. This is mainly due to sale of properties of higher margin.

### 3. Next year prospects

Barring any unforeseen circumstances, the Board of Directors is positive that the Group's performance for the next financial year will be satisfactory.

### 4. Profit forecast or profit guarantee

Not applicable as no profit forecast or profit guarantee was published.

### 5. Tax expense

|   | Current quarter ended<br>31 March |                | Year-to-date ended<br>31 March |                |
|---|-----------------------------------|----------------|--------------------------------|----------------|
|   | 2004<br>RM'000                    | 2003<br>RM'000 | 2004<br>RM'000                 | 2003<br>RM'000 |
| Current                                     | 1,729                             | 2,555          | 3,290                          | 6,825          |
| Under / (Over) provision<br>in prior period | 6                                 | 996            | 99                             | 996            |
| Deferred                                    | (113)                             | 846            | 282                            | 877            |
|   | <u>1,622</u>                      | <u>4,397</u>   | <u>3,671</u>                   | <u>8,698</u>   |

The Group's effective tax rate for the current quarter is lower than the statutory tax rate due to certain non-taxable income.

### 6. Unquoted investments and/or properties

There was no sale of unquoted investments and/or any other properties for the current quarter and financial year-to-date other than the normal sale of land and houses as housing developers.

### 7. Quoted investments

a) There were no purchases or disposals of quoted securities for the current quarter and financial year-to-date.

b) Investments in quoted securities as at 31 March 2004: -

|                       | RM'000 |
|-----------------------|--------|
| (i) At cost           | 11     |
| (ii) At book value    | 11     |
| (iii) At market value | 4      |

## 8. Status of corporate proposals announced

The Company had on 27 June 2002 announced that Sin Heap Lee Development Sdn Bhd (“SHL Development”), a wholly-owned subsidiary of SHL, had entered into 3 separate sale and purchase agreements (“S&Ps”) for the purchase of 3 land based companies, namely SAS Estate Sdn Bhd, Excel Noble Construction Sdn Bhd and Permaddun Sdn Bhd for a purchase consideration of RM10.90 million each or a total purchase consideration of RM32.70 million for the 3 land based companies (“Proposed Acquisition”).

On 15 January 2004, the Company announced that SHL Development and the vendors of the 3 land based companies had mutually agreed not to proceed with the Proposed Acquisition and had thereafter entered into a new joint-venture agreement with the 3 respective land based companies for the joint-development of the land alienated by the Pegawai Daerah, Petaling, Selangor Darul Ehsan to the 3 land based companies (hereinafter refer to the “Joint-Venture”). Under the joint-venture agreement, each of the land based companies shall be entitled to receive RM11.15 million (or a total RM33.45 million for the 3 land based companies) as full consideration for the assignment of all rights pertaining to the land to SHL Development including the right to develop, market and collect the entire proceeds of the sale of all units being developed on the land thereto. Pursuant to the deeds of revocation for the original S&Ps, all purchase consideration paid to the vendors of each of the land-based companies under the respective S&Ps shall be treated as deposit paid under the new joint-venture agreement.

The Joint-Venture is not subject to any approval.

## 9. Borrowings

The borrowings as at 31 March 2004 are as follows: -

|            | <b>Secured</b><br>RM'000 | <b>Unsecured</b><br>RM'000 | <b>Total</b><br>RM'000 |
|------------|--------------------------|----------------------------|------------------------|
| Short Term | 289                      | 52,275                     | 52,564                 |
| Long Term  | 20,335                   | 5,000                      | 25,335                 |
|            | <u>20,624</u>            | <u>57,275</u>              | <u>77,899</u>          |

The above borrowings are denominated in Ringgit Malaysia.

## 10. Off balance sheet financial instruments

The Group did not enter into any contracts involving off balance sheet financial instruments as at 18 May 2004, the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report.

## 11. Changes in material litigation

There were no changes in the status of the pending material litigation that had been announced previously since the last annual balance sheet date.

## 12. Dividend

The Company's shareholders had approved at its Ninth Annual General Meeting held on 25 September 2003 the declaration of a First and Final Dividend of 5 sen per share less 28% tax (financial year ended 31 March 2002 : 3 sen per share less 28% tax) for the financial year ended 31 March 2003. A depositor is qualified for entitlement to the said dividend only in respect of shares transferred into the Depositor's Securities Account before 4.00 p.m. on 16 October 2003 in respect of ordinary transfers; and shares bought on Bursa Malaysia on a cum entitlement basis according to the Rules of BMSB. The aforesaid dividend amounting to RM8,716,454 was paid on 31 October 2003.

Subject to approval by the shareholders at the forthcoming Annual General Meeting, the Board of Directors recommend a First and Final Dividend of 5 sen per share less 28% tax in respect of the financial year ended 31 March 2004.

**13. Earnings per share**

**a) Basic earnings per share**

Basic earnings per share of the Group is calculated by dividing the net profit for the financial period by the number of ordinary shares in issue during the said financial period.

**b) Diluted earnings per share**

Not applicable.

For and on behalf of the Board  
**SHL Consolidated Bhd**

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**Dato' Yap Teiong Choon**  
**Executive Director**

25 May 2004