



SHL CONSOLIDATED BHD

Company No.: 293565-W

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

FOR

4TH QUARTER ENDED

31 MARCH 2015

SHL CONSOLIDATED BHD.

Company No.: 293565-W
(Incorporated in Malaysia)

Interim Financial Report – 31 March 2015

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SHL CONSOLIDATED BHD. (Company No.: 293565-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Financial Year Ended 31 March 2015

(The figures have not been audited)

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | | Increase / (Decrease) | |
|---|--------------------|---------------|--------------------|---------------|--------------------------|-------|
| | CURRENT | PRECEDING | CURRENT | PRECEDING | | |
| | YEAR | YEAR | YEAR | YEAR | | |
| | QUARTER | CORRESPONDING | TO DATE | CORRESPONDING | | |
| | 31-03-15 | 31-03-14 | 31-03-15 | 31-03-14 | RM'000 | % |
| | RM'000 | RM'000 | RM'000 | RM'000 | A - B | |
| | | | A | B | | |
| 1. Revenue | 60,976 | 37,767 | 230,296 | 204,930 | 25,366 | 12% |
| 2. Cost of Sales | (22,637) | (15,304) | (121,344) | (123,506) | (2,162) | -2% |
| 3. Gross Profit | 38,339 | 22,463 | 108,952 | 81,424 | 27,528 | 34% |
| 4. Other Income | 6,985 | 6,014 | 15,070 | 12,961 | 2,109 | 16% |
| 5. Distribution Costs | (3,012) | (2,741) | (8,620) | (12,551) | (3,931) | -31% |
| 6. Administration Expenses | (1,573) | (1,044) | (4,228) | (5,959) | (1,731) | -29% |
| 7. Impairment loss | - | (6,474) | - | (7,966) | (7,966) | -100% |
| 8. Profit from Operations | 40,739 | 18,218 | 111,174 | 67,909 | 43,265 | 64% |
| 9. Finance Costs | (13) | (25) | (67) | (137) | (70) | -51% |
| 10. Profit from Associate | 5,384 | 1,943 | 12,950 | 6,758 | 6,192 | 92% |
| 11. Profit before Taxation | 46,110 | 20,136 | 124,057 | 74,530 | 49,527 | 66% |
| 12. Taxation | (1,518) | (5,616) | (18,749) | (18,225) | 524 | 3% |
| 13. Profit for the Period | 44,592 | 14,520 | 105,308 | 56,305 | 49,003 | 87% |
| 14. Other Comprehensive Income | 44,349 | (4,298) | 44,349 | (4,298) | 48,647 | 1132% |
| 15. Total Comprehensive Income for the Period | 88,941 | 10,222 | 149,657 | 52,007 | 97,650 | 188% |
| Profit Attributable to: | | | | | | |
| 16. Owners of the Parent | 44,245 | 14,354 | 104,569 | 55,819 | 48,750 | 87% |
| 17. Non-controlling Interests | 347 | 166 | 739 | 486 | 253 | 52% |
| | 44,592 | 14,520 | 105,308 | 56,305 | 49,003 | 87% |
| Total Comprehensive Income Attributable to: | | | | | | |
| 18. Owners of the Parent | 88,594 | 10,056 | 148,918 | 51,521 | 97,397 | 189% |
| 19. Non-controlling Interests | 347 | 166 | 739 | 486 | 253 | 52% |
| | 88,941 | 10,222 | 149,657 | 52,007 | 97,650 | 188% |
| Earnings Per Share Attributable to Owners of the Parent: | | | | | | |
| 20. Basic & Fully Diluted (Sen) | 18.27 | 5.93 | 43.19 | 23.05 | 20.13 | 87% |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2015

| | (UNAUDITED) | (AUDITED) |
|--|--------------------|-------------------|
| | As At | As At |
| | 31-03-2015 | 31-03-2014 |
| | RM'000 | RM'000 |
| ASSETS | | |
| Non-current assets | | |
| 1. Property, plant and equipment | 224,059 | 188,472 |
| 2. Investment in associate | 24,798 | 11,848 |
| 3. Investment properties | 70,400 | 65,312 |
| 4. Land held for property development | 3,909 | 9,088 |
| 5. Investments | 7,725 | 7,732 |
| 6. Trust account | 2,117 | 1,902 |
| 7. Deferred tax assets | 1,816 | 1,825 |
| 8. Prepaid lease payments | 716 | 716 |
| | 335,540 | 286,895 |
| 9. Current assets | | |
| 9.1 Property development costs | 214,038 | 108,849 |
| 9.2 Inventories | 13,002 | 10,756 |
| 9.3 Trade and other receivables | 125,807 | 45,342 |
| 9.4 Current tax assets | 2,747 | 1,694 |
| 9.5 Cash and deposits | 215,026 | 306,665 |
| | 570,620 | 473,306 |
| 10. TOTAL ASSETS | 906,160 | 760,201 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the parent | | |
| 11. Share capital | 242,124 | 242,124 |
| 12. Reserves | 455,711 | 352,797 |
| | 697,835 | 594,921 |
| 13. Non-controlling Interests | 19,794 | 19,055 |
| 14. Total equity | 717,629 | 613,976 |
| 15. Non-current liabilities | | |
| 15.1 Borrowings | 655 | 961 |
| 15.2 Deferred tax liabilities | 25,695 | 22,819 |
| 15.3 Club establishment fund | 11,819 | 11,826 |
| | 38,169 | 35,606 |
| 16. Current liabilities | | |
| 16.1 Trade and other payables | 148,335 | 108,281 |
| 16.2 Borrowings | 623 | 866 |
| 16.3 Taxation | 1,404 | 1,472 |
| | 150,362 | 110,619 |
| 17. TOTAL LIABILITIES | 188,531 | 146,225 |
| 18. TOTAL EQUITY AND LIABILITIES | 906,160 | 760,201 |
| 19. Net assets per share (RM) | 2.88 | 2.46 |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial report)

SHL CONSOLIDATED BHD. (Company No.: 293565-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Financial Year Ended 31 March 2015

(The figures have not been audited)

| | Non-distributable | | | | | Distributable | Total | Non- | Total |
|--|-------------------|------------------|------------------------|-------------------|--------------------|---------------------|----------------|--------------------------|----------------|
| | Share Capital | Share Premium | Revaluation Surplus | Merger Deficit | Capital Reserve | Retained Profits | | controlling Interests | Equity |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | A RM'000 | B RM'000 | A+B RM'000 |
| 1. 12 months ended | | | | | | | | | |
| 31 March 2015 | | | | | | | | | |
| 1.1 At 1 April 2014 | 242,124 | 1,225 | 40,537 | (130,464) | 11,040 | 430,459 | 594,921 | 19,055 | 613,976 |
| 1.2 Total comprehensive income for the period | - | - | 44,349 | - | - | 104,569 | 148,918 | 739 | 149,657 |
| 1.3 Dividends paid | - | - | - | - | - | (46,004) | (46,004) | - | (46,004) |
| 1.4 At 31 March 2015 | 242,124 | 1,225 | 84,886 | (130,464) | 11,040 | 489,024 | 697,835 | 19,794 | 717,629 |
| 2. 12 months ended | | | | | | | | | |
| 31 March 2014 | | | | | | | | | |
| 2.1 At 1 April 2013 | 242,124 | 1,225 | 42,477 | (130,464) | 11,040 | 410,977 | 577,379 | 18,569 | 595,948 |
| 2.2 Total comprehensive income for the period | - | - | (4,298) | - | - | 55,819 | 51,521 | 486 | 52,007 |
| 2.3 Realisation of revaluation reserve | - | - | (802) | - | - | 802 | - | - | - |
| 2.4 Dividends paid | - | - | - | - | - | (34,503) | (34,503) | - | (34,503) |
| 2.5 At 31 March 2014 | 242,124 | 1,225 | 37,377 | (130,464) | 11,040 | 433,095 | 594,397 | 19,055 | 613,452 |

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial report)

SHL CONSOLIDATED BHD. (Company No.: 293565-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
Financial Year Ended 31 March 2015

| | 12 months ended 31-03-2015 RM'000 | 12 months ended 31-03-2014 RM'000 |
|--|--|--|
| 1 Cash flows from operating activities | | |
| 1.1 Profit before taxation | 124,057 | 74,530 |
| 1.2 Adjustments for :- | | |
| 1.2.1 Depreciation and amortisation | 11,927 | 2,171 |
| 1.2.2 Fair value adjustment of investment property | (5,088) | - |
| 1.2.3 Loss / (gain) on disposal of property, plant and equipment and investment property | - | (3,433) |
| 1.2.4 Loss / (gain) on disposal of investment | (4) | - |
| 1.2.5 Fixed assets written off | - | 409 |
| 1.2.6 Interest expenses | 81 | 157 |
| 1.2.7 Interest income | (9,025) | (8,433) |
| 1.2.8 Provision for doubtful debts | 11 | 10 |
| 1.2.9 Impairment loss on property, plant and equipment | - | 7,996 |
| 1.2.10 Loss / (profit) from associate | (12,950) | (6,758) |
| 1.2.11 Bad Debts written off | 2,360 | - |
| 1.3 Operating profit / (loss) before working capital changes | <u>111,369</u> | <u>66,649</u> |
| 1.4 (Increase)/decrease in inventories and property development expenditure | (102,216) | 2,054 |
| 1.5 (Increase)/decrease in receivables | (80,482) | 20,764 |
| 1.6 Increase/(decrease) in payables | <u>37,694</u> | <u>63,083</u> |
| 1.7 Cash generated from / (absorbed by) operations | (33,635) | 152,550 |
| 1.8 Tax paid | <u>(19,063)</u> | <u>(13,663)</u> |
| 1.9 Net cash inflow / (outflow) from operating activities | <u>(52,698)</u> | <u>138,887</u> |
| 2 Cash flows from investing activities | | |
| 2.1 Receipt/(Deposit) from/(to) trust account | (215) | (161) |
| 2.2 Purchase of property, plant and equipment | (761) | (2,230) |
| 2.3 Purchase of land held for property development | (40) | (405) |
| 2.4 Proceeds from disposal of property, plant and equipment | 1 | 4,743 |
| 2.5 Proceeds from disposal of investment | 11 | - |
| 2.6 Interest received | <u>9,025</u> | <u>8,433</u> |
| 2.7 Net cash inflow / (outflow) from investing activities | <u>8,021</u> | <u>10,380</u> |
| 3 Cash flows from financing activities | | |
| 3.1 Receipt / (Refund) of members' deposit | (7) | 25 |
| 3.2 Payment of finance lease liabilities | (870) | (1,196) |
| 3.3 Interest paid | (81) | (157) |
| 3.4 Dividends paid to shareholders of the Company | <u>(46,004)</u> | <u>(34,503)</u> |
| 3.5 Net cash inflow / (outflow) from financing activities | <u>(46,962)</u> | <u>(35,831)</u> |
| 4 Net increase / (decrease) in cash and cash equivalents | (91,639) | 113,436 |
| 5 Cash and cash equivalents at 1 April 2014 / 2013 | <u>306,665</u> | <u>193,214</u> |
| 6 Cash and cash equivalents at 31 March 2015 / 2014 | <u>215,026</u> | <u>306,650</u> |
| 7 Analysis of Cash and Cash Equivalents :- | | |
| 8 Cash & deposits | <u>215,026</u> | <u>306,650</u> |

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial report)

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with Financial Reporting Standard 134, Interim Financial Reporting.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2014.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the audited financial statements for the year ended 31 March 2014, except for the adoption of the following new and revised Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations Committee (IC) interpretations.

| | Effective for financial periods beginning on or after |
|--|--|
| Amendments to FRS 132 : Offsetting Financial Assets and Financial Liabilities | 1 January 2014 |
| Amendments to FRS 136 : Recoverable Amount Disclosures for Non-Financial Assets | 1 January 2014 |
| Amendments to FRS 10, FRS 12 and FRS 127 : Investment Entities | 1 January 2014 |
| Amendments to FRS 119 : Defined Benefit Plans : Employee Contributions | 1 July 2014 |
| Amendments to FRS 11 : Accounting for Acquisitions of Interest in Joint Operations | 1 January 2016 |
| Amendments to FRS 116 and FRS 138 : Clarification of Acceptable Methods of Depreciation and Amortisation | 1 January 2016 |
| IC Interpretation 21 : Levies | 1 January 2014 |
| Annual Improvements to FRS 2010 – 2012 Cycle | 1 July 2014 |
| Annual Improvements to FRS 2011 – 2013 Cycle | 1 July 2014 |

The adoption of the above revised standards and amendments to existing standards did not have any significant impact on the financial statements of the Group

Malaysian Financial Reporting Standards (MFRSs)

To converge with International Financial Reporting Standards (“IFRSs”) in 2012, the Malaysian Accounting Standards Board (“MASB”) had on 19 November 2011, issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRSs”), which are mandatory for financial periods beginning on or after 1 January 2012, with the exception of transitioning entities.

Transitioning entities include:

(a) Entities that are within the scope of :

- MFRS 141 Agriculture; and
- IC Interpretation 15 Agreements for Construction of Real Estate

(b) The parent, significant investor and venture of entities as stated in (a) above.

On 30 June 2012, the MASB has announced that, all transitioning entities are allowed to further defer the adoption of MFRSs for additional two years. However, due to the revision of the timeline by International Accounting Standard Board on 7 August 2013, MASB extended again the transitional period for another year from 1 January 2014. As a result, the adoption of the MFRSs by transitioning entities is mandatory for financial periods beginning on or after 1 January 2015.

On 2 September 2014, MASB announced that transitioning entities shall be required to apply the Malaysian Financial Reporting Standards Framework for annual periods beginning on or after 1 January 2017. MASB has also issued the following MFRSs:

- MFRS 15 *Revenue from Contracts with Customers*.
- *Agriculture: Bearer Plants* (Amendments to MFRS 116 and MFRS 141).

MFRS 15 is effective for annual periods beginning on or after 1 January 2017 while the Bearer Plants amendment is effective for annual periods beginning on or after 1 January 2016.

The Group and the Company will be adopting the MFRS 15 *Revenue from Contracts with Customers* from the financial year ending 31 March 2018. The Group and the Company are making assessment of the financial impact and effects on disclosures and measurement ensuing from such convergence.

2. Audit report for the preceding annual financial statements

The audit report for the financial statements for the year ended 31 March 2014 was not qualified.

3. Seasonal or cyclical factors

The business operations of the Group are generally affected by the prevailing market condition of the Malaysian property development and construction sectors that have historically shown long term cyclical trend.

4. Exceptional items

There were no exceptional items during the current period under review.

5. Changes in estimates

There were no changes in the nature and amount of estimates reported in prior interim periods of the current financial year or in estimates reported in prior financial year that have a material effect in the current periods under review.

6. Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current financial year-to-date.

7. Dividends Paid

During the financial year ended 31 March 2015:-

- (i) a second interim single-tier dividend of 7 sen per share, amounting to a net dividend payable of approximately RM16.95 million in respect of the financial year ended 31 March 2014, was paid on 27 June 2014.
- (ii) a final single-tier dividend of 5 sen per share, amounting to a net dividend payable of approximately RM12.11 million in respect of the financial year ended 31 March 2014, was paid on 30 September 2014.
- (iii) an interim single-tier dividend of 7 sen per share, amounting to a net dividend payable of approximately RM16.95 million in respect of the financial year ended 31 March 2015, was paid on 30 December 2014.

8. Valuations of property, plant and equipment

Investment properties, freehold and leasehold land and buildings of the Group were revalued by the directors during the financial year ended 31 March 2015 based on valuation carried out by an independent registered valuer on a comparison method.

9. Material events subsequent to the end of the reporting period

There were no material events subsequent to the end of current quarter to 18 February 2015, the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report.

10. Segmental information

The segmental analysis for the year ended 31 March 2015 is tabulated below:

| | Investment and services RM'000 | Property development RM'000 | Construction RM'000 | Trading RM'000 | Manufacturing RM'000 | Quarrying RM'000 | Eliminations RM'000 | Consolidated RM'000 |
|------------------------------|--------------------------------------|-----------------------------------|------------------------|-------------------|-------------------------|---------------------|------------------------|------------------------|
| REVENUE | | | | | | | | |
| External sales | 9,753 | 215,021 | 36 | 57 | 997 | 3,932 | - | 229,796 |
| Inter-segment sales | 63,943 | - | 235,160 | 68,190 | 35,082 | - | (401,875) | 500 |
| Total revenue | 73,696 | 215,021 | 235,196 | 68,247 | 36,079 | 3,932 | (401,875) | 230,296 |
| RESULTS | | | | | | | | |
| Segment results | 55,536 | 75,584 | 6,568 | 44 | 7,496 | 3,920 | (47,000) | 102,148 |
| Interest income | | | | | | | | 9,026 |
| Finance costs | | | | | | | | (67) |
| Profit from associate | | | | | | | | 12,950 |
| Profit before tax | | | | | | | | 124,057 |
| Taxation | | | | | | | | (18,749) |
| Profit for the period | | | | | | | | 105,308 |

Segmental reporting by geographical locations has not been presented as all the activities of the Group's operations are carried out in Malaysia only.

11. 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 subsidiaries and long-term investments, restructurings, and discontinued operations.

12. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at 31 March 2015.

13. Capital commitments

No capital commitment was outstanding as at 31 March 2015.

14. Related party transactions

The significant related party transactions for the current financial year-to-date under review are as follows:

- a) Income from rental of premises for approximately RM0.12 million.
- b) Sales of building materials for approximately RM0.64 million.
- c) Procurement of engineering consultancy services for approximately RM3.78million.
- d) Rental expense of premises for approximately RM0.98 million.
- e) Procurement of insurance for approximately RM0.32 million.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (BMSB)**

1. Review of performance

1.1 Current Year-To-date vs Preceding Year-To-date

The Group recorded a profit before taxation for the period ended 31 March 2015 of RM124.06 million, increased by RM49.53 million or 66% as compared to preceding year's profit before taxation of RM74.53 million. The increase of the Group's profit is mainly due to profit generated from the newly launched housing project development in Goodview Heights, Bandar Sungai Long South, and Rawang Corporate Industrial Park, Sungai Choh, both situated in Selangor and decrease in distribution cost and administration expenses and revaluation gain of investment properties.

Performance of the respective operating business segments for the current year-to-date as compared to the preceding year-to-date is analysed as follows:

- (i) Property development – The increase of the pre-tax profit was mainly due to:
 - (a) sales of higher margin properties in Rawang Corporate Industrial Park, Sungai Choh, and a newly launched housing project development in Goodview Heights, Bandar Sungai Long South, both situated in Selangor.
 - (b) sharing of higher profits from our associate
- (ii) Manufacturing - The increase of the pre-tax profit was mainly due to increase in sales of brick products.
- (iii) There are no significant variations for other business segments.

1.2 Current Quarter vs Preceding Year Corresponding Quarter

The Group recorded a profit before taxation for the period ended 31 March 2015 of RM46.11 million, increased by RM25.97 million or 129% as compared to preceding year's profit before taxation of RM20.14 million. The increase of the Group's profit is mainly due to the introduction of new phases of a newly launched housing project development in Goodview Heights, Bandar Sungai Long South, Selangor and revaluation gain of investment properties.

Performance of the respective operating business segments for the current year-to-date as compared to the preceding year-to-date is analysed as follows:

- (i) Property development – The increase of the pre-tax profit was mainly due to:
 - (a) sales of higher margin properties in Rawang Corporate Industrial Park, Sungai Choh, and a newly launched housing project development in Goodview Heights, Bandar Sungai Long South, both situated in Selangor.
 - (b) sharing of higher profits from our associate
- (ii) Investment and services – There was an increase of fair value on the revaluation of our Group's investment properties.
- (iii) There are no significant variations for other business segments.

2. Variation of results against preceding quarter

The Group's profit before taxation of RM46.11 million for the current quarter was higher by RM17.91 million compared to RM28.20 million achieved in the immediate preceding quarter. The higher of profit was due to the sales of higher margin properties in Rawang Corporate Industrial Park, Sungai Choh, revaluation gain of investment properties and the sharing of higher profit from associate in this current quarter as compared to preceding quarter.

3. Prospects for the next financial year

The Malaysian economy in year 2015 is projected to grow at 4.5% to 5.5%, mainly driven by the domestic demand.

New launches in the Klang Valley in the recent years skewed towards suburban especially in Semenyih, Kajang and Puchong and the on-going Mass Rapid Transit(MRT) and Sungai Buloh-Serdang-Putrajaya (SSP) lines along these suburban areas will increase the demand for the landed residential housing. However, with the post GST era and the continued effect of Bank Negara Malaysia's tightening lending rules, there will be a minimal impact of the increasing housing price and somehow will affect the sentiment of the potential housebuyers.

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

4. Profit forecast or profit guarantee

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

5. Notes to Condensed Consolidated Statement of Comprehensive Income

Profit before tax is arrived at after charging / (crediting) the following items:

| | Current year quarter <u>RM'000</u> | Current year-to- date <u>RM'000</u> |
|-------------------------------------|---|--|
| Interest income | (1,715) | (9,025) |
| Other income | (183) | (957) |
| Interest expense | 16 | 81 |
| Depreciation and amortisation | 5,778 | 11,927 |
| Provision for doubtful debts | 8 | 11 |
| Fair value on investment properties | (5,088) | (5,088) |
| Bad debts written offs | 2,360 | 2,360 |

On 12 April 2004, an indirect subsidiary of the Group, SHL-M Sdn. Bhd. has instituted legal proceedings against the Director of Lands and Mines Selangor ("State Government") relating to the revision of quit rent rate. The Court of Appeal on 26 June 2013 has ruled in favour of the subsidiary. On 13 June 2014, the subsidiary has recovered the excess payment of quit rent and the interest thereon from the State Government and the said recovery of the excess payment of quit rent and interest is recognised under the administration expenses.

6. Tax expense

| | Current quarter ended | | Year-to-date ended | |
|---|------------------------------|---------------------|---------------------------|----------------------|
| | 31 March | | 31 March | |
| | 2015 | 2014 | 2015 | 2014 |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Current | 5,171 | 3,403 | 18,009 | 15,946 |
| Under / (Over) provision in prior year | (28) | (10) | (29) | (85) |
| Deferred | <u>(3,625)</u> | <u>2,223</u> | <u>769</u> | <u>2,364</u> |
| | <u>1,518</u> | <u>5,616</u> | <u>18,749</u> | <u>18,225</u> |
| Effective tax rate | <u>3%</u> | <u>28%</u> | <u>15%</u> | <u>24%</u> |

The effective tax rate of the Group for the year-to-date was lower than the statutory rate as certain income was not taxable.

7. Status of corporate proposals announced

There were no corporate proposals announced but not completed as at 20 May 2015.

8. Borrowings

The borrowings as at 31 March 2015 are as follows: -

| | Secured |
|------------|---------------------|
| | <u>RM'000</u> |
| Short Term | 623 |
| Long Term | <u>655</u> |
| | <u>1,278</u> |

The above borrowings are denominated in Ringgit Malaysia.

9. Realised and Unrealised Profits/Losses

The realised and unrealised profits/losses as at 31 March 2015 are as follows: -

| | Current financial year | As at the end of last financial year |
|---|-----------------------------------|---|
| | RM'000 | RM'000 |
| Total retained profits of Company and its subsidiaries: | | |
| - Realised | 452,270 | 445,048 |
| - Unrealised | 166,900 | 145,243 |
| | <u>619,170</u> | <u>590,291</u> |
| Total share of accumulated profits / (losses) from associate company: | | |
| - Realised | 23,493 | 10,543 |
| | <u>642,663</u> | <u>600,834</u> |
| Less: Consolidation adjustments | (153,639) | (170,375) |
| Total group retained profits as per consolidated accounts | <u>489,024</u> | <u>430,459</u> |

10. Dividend

The Board of Directors has declared a second interim single-tier dividend of 10 sen per share (2014: 7 sen per share), amounting to a net dividend payable of approximately RM24.21 million (2014: RM16.95 million) for the financial year ended 31 March 2015, to be paid on 30 June 2015.

Total dividend declared for the financial year ended 31 March 2015 was 17 sen (2014: 7 sen less 25% tax and 12 sen per share single-tier dividend).

11. Earnings per share (Basic and fully diluted)

Earnings per share of the Group is calculated by dividing profit for the period attributable to ordinary equity holders of SHL Consolidated Bhd by the number of ordinary shares in issue during the said financial period.

For and on behalf of the Board
SHL CONSOLIDATED BHD.

Dato' Ir. Yap Chong Lee
Executive Director
27 May 2015