



SHL CONSOLIDATED BHD.

Registration No. : 199401007886 (293565-W)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

FOR

FIRST QUARTER ENDED

30 JUNE 2021

SHL CONSOLIDATED BHD.

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Interim Financial Report – 30 June 2021

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Financial Period Ended 30 June 2021

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		Increase / (Decrease)	
	Current	Preceding	Current	Preceding		
	Year	Year	Year	Year		
	Quarter	Corresponding Quarter	To Date	Corresponding Period		
	30/06/2021	30/06/2020	30/06/2021	30/06/2020		
	RM'000	RM'000	RM'000	RM'000	RM'000	%
1. Revenue	33,609	7,133	33,609	7,133	26,476	371.2%
2. Cost of Sales	(20,851)	(4,677)	(20,851)	(4,677)	16,174	345.8%
3. Gross Profit	12,758	2,456	12,758	2,456	10,302	419.5%
4. Other Operating Income	1,553	2,577	1,553	2,577	(1,024)	-39.7%
5. Distribution Costs	(557)	(316)	(557)	(316)	241	76.3%
6. Administration Expenses	(1,045)	(2,016)	(1,045)	(2,016)	(971)	-48.2%
7. Finance Costs	(1)	-	(1)	-	1	NA
8. Profit / (Loss) from Associate	(35)	(55)	(35)	(55)	20	-36.4%
9. Profit before Taxation	12,673	2,646	12,673	2,646	10,027	378.9%
10. Taxation	(1,932)	(666)	(1,932)	(666)	1,266	190.1%
11. Profit for the Period	10,741	1,980	10,741	1,980	8,761	442.5%
12. Other Comprehensive Income	-	-	-	-	-	NA
13. Total Comprehensive Income for the Period	10,741	1,980	10,741	1,980	8,761	442.5%
Profit Attributable to:						
14. Equity Holders of the Company	9,740	1,525	9,740	1,525	8,215	538.7%
15. Non-controlling Interests	1,001	455	1,001	455	546	120.0%
	10,741	1,980	10,741	1,980	8,761	442.5%
Total Comprehensive Income Attributable to:						
16. Equity Holders of the Company	9,740	1,525	9,740	1,525	8,215	538.7%
17. Non-controlling Interests	1,001	455	1,001	455	546	120.0%
	10,741	1,980	10,741	1,980	8,761	442.5%
Earnings Per Share Attributable to Equity Holders of the Company:						
18. Basic & Fully Diluted (Sen)	4.02	0.63	4.02	0.63	3.39	538.1%

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	(UNAUDITED) 30/06/2021 RM'000	(AUDITED) 31/03/2021 RM'000
ASSETS		
Non-current assets		
1. Property, plant and equipment	212,017	212,716
2. Investment in associate	8,814	8,849
3. Investment properties	72,443	72,443
4. Investments	24	24
5. Inventories	2,757	2,757
6. Trust account	2,334	2,317
7. Deferred tax assets	7,114	7,021
	305,503	306,127
8. Current assets		
8.1 Inventories	332,307	338,625
8.2 Trade receivables	27,312	22,686
8.3 Contract assets	12,994	6,872
8.4 Other receivables	11,138	10,913
8.5 Current tax assets	6,176	6,363
8.6 Cash, deposits and short-term investments	316,902	319,017
	706,829	704,476
9. TOTAL ASSETS	1,012,332	1,010,603
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
10. Share capital	247,726	247,726
11. Reserves	586,854	577,114
	834,580	824,840
12. Non-controlling Interests	79,121	78,120
13. Total equity	913,701	902,960
14. Non-current liabilities		
14.1 Deferred tax liabilities	26,910	27,023
14.2 Lease liabilities	40	43
14.3 Club establishment fund	10,667	10,675
	37,617	37,741
15. Current liabilities		
15.1 Trade payables	51,915	60,934
15.2 Contract liabilities	370	883
15.3 Other payables	8,038	7,816
15.4 Current tax liabilities	680	259
15.5 Lease liabilities	11	10
	61,014	69,902
16. TOTAL LIABILITIES	98,631	107,643
17. TOTAL EQUITY AND LIABILITIES	1,012,332	1,010,603
18. Net assets per share (RM)	3.45	3.41

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial report)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Financial Period Ended 30 June 2021

(The figures have not been audited)

	Attributable to equity holders of the Company					Total	Non-controlling Interests	Total Equity	
	Non-distributable			Distributable					
	Share Capital	Revaluation Surplus	Merger Deficit	Capital Reserves	Retained Profits				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
1. 3 months ended									
30 June 2021									
1.1	At 1 April 2021	247,726	101,488	(130,464)	6,663	599,427	824,840	78,120	902,960
1.2	Total comprehensive income for the period	-	-	-	-	9,740	9,740	1,001	10,741
1.3	Realisation of revaluation surplus	-	(562)	-	-	562	-	-	-
1.4	At 30 June 2021	247,726	100,926	(130,464)	6,663	609,729	834,580	79,121	913,701
2. 3 months ended									
30 June 2020									
2.1	At 1 April 2020	247,726	103,770	(130,464)	6,663	602,745	830,440	79,297	909,737
2.2	Total comprehensive income for the period	-	-	-	-	1,525	1,525	455	1,980
2.3	Realisation of revaluation surplus	-	(132)	-	-	132	-	-	-
2.4	Dividends paid	-	-	-	-	(16,949)	(16,949)	-	(16,949)
2.5	At 30 June 2020	247,726	103,638	(130,464)	6,663	587,453	815,016	79,752	894,768

(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 2021 and the accompanying explanatory notes attached to the interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
Financial Period Ended 30 June 2021

	3 months ended 30/06/2021 RM'000	3 months ended 30/06/2020 RM'000
1 Cash flows from operating activities		
1.1 Profit before taxation	12,673	2,646
1.2 Adjustments for :-		
1.2.1 Depreciation	710	660
1.2.2 Fair value gain on short-term investments	(148)	252
1.2.3 Interest expenses	1	-
1.2.4 Interest income	(1,253)	(2,512)
1.2.5 Loss / (profit) from associate	35	55
1.3 Operating profit before working capital changes	12,018	1,101
1.4 (Increase) / decrease in inventories	6,318	(1,123)
1.5 (Increase) / decrease in receivables	(10,976)	8,679
1.6 Increase / (decrease) in payables	(9,310)	(6,625)
1.7 Cash generated from / (absorbed by) operations	(1,950)	2,032
1.8 Tax paid	(1,527)	(3,240)
1.9 Net cash from / (used in) operating activities	(3,477)	(1,208)
2 Cash flows from investing activities		
2.1 Claim received from / (payment to) trust account	(17)	(33)
2.2 Purchase of property, plant and equipment	(11)	(92)
2.3 Reinvestment of short-term investments	(395)	(1,274)
2.4 Purchase of land held for property development	-	(1)
2.5 Proceeds from disposal of short-term investments	6,500	-
2.6 Proceeds from redemption of short-term investments	582	1,077
2.7 Interest received	1,253	2,512
2.8 Net cash from / (used in) investing activities	7,912	2,189
3 Cash flows from financing activities		
3.1 Repayment of club members' deposits	(8)	(5)
3.2 Payment of lease liabilities	(2)	(4)
3.3 Interest paid	(1)	-
3.4 Dividends paid to owners of the Company	-	(16,949)
3.5 Net cash from / (used in) financing activities	(11)	(16,958)
4 Net increase / (decrease) in cash and cash equivalents	4,424	(15,977)
5 Cash and cash equivalents at 1 April 2021 / 2020	200,839	218,330
6 Cash and cash equivalents at 30 June 2021 / 2020	205,263	202,353
7 Analysis of Cash and Cash Equivalents :-		
8 Cash and deposits	205,263	202,353

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2021 and the accompanying explanatory notes 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 Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting*, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the requirements of Companies Act 2016 (“CA 2016”) that became effective on 31 January 2017 in Malaysia. These financial statements also comply with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2021, which have been prepared in accordance with the MFRSs, International Financial Reporting Standards (IFRSs) and the CA 2016.

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 financial year ended 31 March 2021.

No early adoption is made by the Group on the following accounting pronouncements that are expected to have application to the Group’s operations. These accounting pronouncements have been issued by the Malaysian Accounting Standards Board (MASB), but yet to be effective:-

	Effective for financial periods beginning on or after
Amendments to MFRS 16 Covid-19 – Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Annual Improvements to MFRS 9 Fees in the ‘10 per cent’ Test for Derecognition of Financial Liabilities	1 January 2022
Amendments to MFRS 116 Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 101 Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to MFRS 101 Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The Group is in the process of assessing the impact of these accounting pronouncements.

2. Audit report for the preceding annual financial statements

The audit report for the financial statements for the year ended 31 March 2021 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 was no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current financial period-to-date.

7. Dividends paid

There was no dividend paid during the financial period 30 June 2021.

8. Valuations of property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the previous annual financial statements.

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9. Inventories

	As at	As at
	30/06/2021	30/06/2020
	<u>RM'000</u>	<u>RM'000</u>
<i>Non-current:</i>		
At cost:		
- Land held for property development	2,757	2,754
<i>Current:</i>		
At cost:		
- Completed development units	208,071	213,900
- Building materials	995	418
- Raw materials	378	357
- Goods for resale	146	167
- Work in progress	11	11
- Finished goods	5,832	7,063
- Spare parts	11	-
	<u>215,444</u>	<u>221,916</u>
Property development costs	116,863	98,823
	<u>332,307</u>	<u>320,739</u>
Total inventories	<u>335,064</u>	<u>323,493</u>

10. Cash, deposits and short-term investments

	As at	As at
	30/06/2021	30/06/2020
	<u>RM'000</u>	<u>RM'000</u>
Cash and bank balances:		
- Housing development accounts	1,799	1,807
- Bank current accounts and petty cash	9,789	12,168
	11,588	13,975
Short-term deposits	193,675	188,378
Cash and cash equivalents	<u>205,263</u>	<u>202,353</u>
Short-term investments	111,639	150,322
Total cash, deposits and short-term investments	<u>316,902</u>	<u>352,675</u>

Housing Development Accounts are held and maintained pursuant to Section 7A of the Housing Development Act, 1966. These accounts are restricted from use in other operations.

Short-term investments are placements made in management funds that invest in Islamic deposits and other Shariah-compliant investment instruments permitted by the Shariah Advisory Council of the Securities Commission Malaysia and/or Shariah Adviser. The management funds aim to provide a higher level of liquidity while providing better return from non-taxable income by predominantly investing its assets in Sukuk and short-term Islamic Money Market Instruments. The income is calculated daily and distributed at month end.

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

There were no material events subsequent to the end of current quarter to 09 September 2021, the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report.

12. Segmental information

The segmental analysis for the current year to date ended 30 June 2021 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	1,358	23,507	6,370	-	2,374	-	-	33,609
Inter-segment sales	1,077	-	542	1,016	16	-	(2,651)	-
Total revenue	2,435	23,507	6,912	1,016	2,390	-	(2,651)	33,609
RESULTS								
Operating profit	944	7,773	3,943	18	(396)	17	(843)	11,456
Interest income	46	648	262	45	163	89	-	1,253
Finance costs	-	(1)	-	-	-	-	-	(1)
Loss from associate	-	(35)	-	-	-	-	-	(35)
Profit before taxation	990	8,385	4,205	63	(233)	106	(843)	12,673
Taxation								(1,932)
Non-controlling interests								(1,001)
Profit for the period								9,740
ASSETS								
Segment assets	117,585	804,719	100,018	12,264	74,724	26,067	(145,149)	990,228
Investment in associate	-	8,814	-	-	-	-	-	8,814
Current and deferred tax assets	39	5,303	248	-	242	232	7,226	13,290
Total assets	117,624	818,836	100,266	12,264	74,966	26,299	(137,923)	1,012,332
LIABILITIES								
Segment liabilities	13,590	61,064	15,078	816	779	8	(20,294)	71,041
Current and deferred tax liabilities	6,764	17,130	22	198	2,496	-	980	27,590
Total liabilities	20,354	78,194	15,100	1,014	3,275	8	(19,314)	98,631
OTHERS								
Capital expenditure	11	-	-	-	-	-	-	11
Non-cash expenses :								
Depreciation	334	28	19	-	303	-	26	710

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The segmental analysis for the preceding year to date ended 30 June 2020 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	2,416	4,626	-	29	62	-	-	7,133
Inter-segment sales	532	-	4,240	1,636	152	-	(6,560)	-
Total revenue	2,948	4,626	4,240	1,665	214	-	(6,560)	7,133
RESULTS								
Operating profit	668	(170)	123	50	(617)	(6)	141	189
Interest income	84	1,672	326	67	306	57	-	2,512
Loss from associate	-	(55)	-	-	-	-	-	(55)
Profit before taxation	752	1,447	449	117	(311)	51	141	2,646
Taxation								(666)
Non-controlling interests								(455)
Profit for the period								1,525
ASSETS								
Segment assets	114,379	835,748	106,059	12,794	75,448	18,916	(177,236)	986,108
Investment in associate	-	8,942	-	-	-	-	-	8,942
Current and deferred tax assets	38	3,011	-	-	218	38	5,636	8,941
Total assets	114,417	847,701	106,059	12,794	75,666	18,954	(171,600)	1,003,991
LIABILITIES								
Segment liabilities	13,631	93,088	21,129	1,502	611	8	(59,291)	70,678
Current and deferred tax liabilities	6,688	26,960	756	203	2,854	-	1,084	38,545
Total liabilities	20,319	120,048	21,885	1,705	3,465	8	(58,207)	109,223
OTHERS								
Capital expenditure	81	1	11	-	-	-	-	93
Non-cash expenses :								
Depreciation	302	36	15	-	307	-	-	660

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

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13. 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.

14. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at 30 June 2021.

15. Capital commitments

No capital commitment was outstanding as at 30 June 2021.

16. 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 of approximately RM0.03 million.
- (b) Procurement of engineering consultancy services of approximately RM0.82 million.
- (c) Rental expense of premises of approximately RM0.27 million.
- (d) Procurement of legal services of approximately RM0.06 million.

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

1. Review of performance

Financial review for current quarter and financial period to date

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes		Current Year To Date	Preceding Year Corresponding Period	Changes	
	30/06/2021 RM'000	30/06/2020 RM'000	RM'000	%	30/06/2021 RM'000	30/06/2020 RM'000	RM'000	%
Revenue	33,609	7,133	26,476	371.2%	33,609	7,133	26,476	371.2%
Gross Profit	12,758	2,456	10,302	419.5%	12,758	2,456	10,302	419.5%
Profit before Taxation	12,673	2,646	10,027	378.9%	12,673	2,646	10,027	378.9%
Profit for the Period	10,741	1,980	8,761	442.5%	10,741	1,980	8,761	442.5%
Profit Attributable to Equity Holders of the Company	9,740	1,525	8,215	538.7%	9,740	1,525	8,215	538.7%

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

The Group revenue has increased significantly by 371.2% from RM7.13 million reported in the preceding year corresponding period to RM33.61 million for the period ended 30 June 2021, mainly due to higher revenue generated by our property development segment as a result of the various initiatives introduced by the government, such as the reintroduction of Home Ownership Campaign (HOC) to rejuvenate the property market.

The Group recorded a profit before taxation for the period ended 30 June 2021 of RM12.67 million, increased by RM10.02 million or 378.9% as compared to preceding year's profit before taxation of RM2.65 million. The increase in the Group's profit is mainly due to higher revenue generated by the property development segment.

The property development segment continues to be the key contributor registering a revenue of RM23.51 million for the three months period ended 30 June 2021, representing about 69.9% of the consolidated revenue. The property development segment will remain focused on building landed properties and affordable value homes with readily available mortgage financing facilities from banks. Goodview Heights, an integrated mixed-development township in Sungai Long South, Selangor Darul Ehsan, Villa Sungai Long semi-detached houses and bungalows, Alam Budiman commercial shop house in Shah Alam and Sg Long Residence condominiums in Bandar Sungai Long, Selangor Darul Ehsan have contributed significantly to the financial performance of the Group.

Despite the current challenging and unpredictable Malaysian economic environment, the investment and services segment registered a revenue of RM1.36 million for the three months periods ended 30 June 2021, representing about 4.0% of the consolidated revenue.

The construction segment registered a revenue of RM6.37 million for the three months periods ended 30 June 2021, representing about 18.9% of the consolidated revenue.

The manufacturing segment registered a revenue of RM2.37 million for the three months periods ended 30 June 2021, representing about 7.1% of the consolidated revenue.

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 in pre-tax profit was mainly due to higher revenue generated by the property development segment. The financial performance is in tandem with the government initiatives to rejuvenate the property market.
- (ii) Construction – The increase in pre-tax profit was mainly due to increase of progress billing.
- (iii) There are no significant variations for other business segments.

2. Variation of results against preceding quarter

Financial review for current quarter compared with immediate preceding quarter

	INDIVIDUAL QUARTER			
	Current Quarter	Immediate Preceding Quarter	Changes	
	30/06/2021	31/03/2021	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	33,609	33,566	43	0.1%
Gross Profit	12,758	11,609	1,149	9.9%
Profit before Taxation	12,673	11,065	1,608	14.5%
Profit for the Period	10,741	10,542	199	1.9%
Profit Attributable to Equity Holders of the Company	9,740	9,864	(124)	-1.3%

The Group revenue increased by 0.1% from RM33.57 million reported in the immediate preceding quarter to RM33.61 million for the current quarter, mainly due to higher revenue generated by property development segment.

The Group's profit before taxation of RM12.67 million for the current quarter increased by RM1.61 million compared to RM11.06 million achieved in the immediate preceding quarter. The increase is mainly due to higher revenue generated by the property development segment.

3. Prospects for the next financial year

The Malaysian economy is projected to expand between 3.0% and 4.0% in 2021. While the resurgence of COVID-19 cases and the re-imposition of nationwide containment measures are expected to weigh on growth, the impact will be cushioned by several factors. These include continued allowances for essential economic sectors to operate, higher adaptability to remote work, as well as increased automation and digitalisation. Growth will be further supported by policy measures, which will provide cash flow support, particularly for affected households and businesses. Going forward, the growth trajectory will depend on the ability to contain the epidemic and materialisation of health outcomes from the nationwide vaccination programme. This will allow economic sectors to gradually reopen and provide some lift to household and business sentiments. The recovery is expected to accelerate further going into 2022, supported by a

gradual normalisation of economic activities as well as the positive spillovers from continued improvement in external demand.

As at the date of issue of this quarterly financial report, the Covid-19 pandemic and the MCO have a significant financial impact to the Group, particularly on the property development segment of the Group. Some businesses of the Group have resumed operations with the approvals obtained from the relevant authorities during the MCO. Nevertheless, the Group is focusing on its efforts in the best possible way to mitigate its impact while protecting the business potential and branding from the medium to long term perspective. The Covid-19 pandemic and the MCO is not expected to impact our ability to meet our commitments over the next twelve months due to our high level of liquidity, mainly in the form of cash and deposits.

In view of the lack of visibility on the end date of the Covid-19 pandemic and the MCO, the Group is not able to estimate the full potential financial impact as at the date of issue of this quarterly financial report. As such, the Directors of the Group will continue to monitor the situations closely and respond proactively to mitigate the impact on the Group's financial performance and financial position. The Group will provide further updates on the financial impact and mitigating actions relating to the Covid-19 pandemic in its forthcoming quarterly financial reports.

The housing market in Malaysia has not been able to provide an adequate supply of affordable housing for the masses at affordable prices in relation to the demography of the nation. This undersupply of affordable homes at affordable prices is likely to worsen given the current trends in income and demographic factors. Going forward, a carefully-designed strategy of participation by the private sector for the housing market will ensure that the supply of houses is able to accommodate households of all income groups. Meeting the demand of affordable housing units will require the commitment of both the Government on policies and the private sector for efficiency planning towards the supply side of affordable homes.

Despite the current challenging and unpredictable Malaysian economic environment, SHL Consolidated Bhd will remain resilient and focused on building landed properties and affordable value homes at Bandar Sungai Long, Goodview Heights in Sungai Long South, Alam Budiman in Shah Alam and Rasa in Batang Kali, all property development projects located in Selangor Darul Ehsan, the primary social and economic centre of Malaysia.

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	(1,253)	(1,253)
Interest expense	1	1
Depreciation	710	710

6. Taxation

	Current quarter ended		Year-to-date ended	
	30 June		30 June	
	2021	2020	2021	2020
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current	2,137	703	2,137	703
Deferred	(205)	(37)	(205)	(37)
	<u>1,932</u>	<u>666</u>	<u>1,932</u>	<u>666</u>
Effective tax rate	<u>15.2%</u>	<u>25.2%</u>	<u>15.2%</u>	<u>25.2%</u>

The effective tax rate of the Group for the current quarter and year-to-date were lower than the statutory rate due to non-taxability of certain income and utilisation of business loss and capital allowance recognised in previous year by a subsidiary company.

7. Status of corporate proposals announced

There were no corporate proposals announced but not completed as at 09 September 2021.

8. Lease liabilities

<u>Secured</u>	As at	As at
	30/06/2021	30/06/2020
	<u>RM'000</u>	<u>RM'000</u>
Short Term	11	2
Long Term	40	-
	<u>51</u>	<u>2</u>

The above lease liabilities are denominated in Ringgit Malaysia.

9. Dividend

No dividend was declared for the current quarter ended 30 June 2021.

SHL CONSOLIDATED BHD.

Registration No. : 199401007886 (293565-W)
(Incorporated in Malaysia)

10. Earnings per share (Basic and fully diluted)

The calculation of basic earnings per share of the Group is based on the net profit attributable to ordinary shareholders and the number of ordinary shares outstanding during the financial year of 242,123,725.

Fully diluted earnings per share is the same as basic earnings per share as it is considered that there are no dilutive potential ordinary shares.

For and on behalf of the Board
SHL CONSOLIDATED BHD.

Dato' Sri Ir. Yap Chong Lee
Executive Director
15 September 2021