



SHL CONSOLIDATED BHD.

Registration No. : 199401007886 (293565-W)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

FOR

FIRST QUARTER ENDED

30 JUNE 2022

SHL CONSOLIDATED BHD.

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

Interim Financial Report – 30 June 2022

	Page No.
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 Interim Financial Report	5 – 10
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad	11 – 15

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Financial Period Ended 30 June 2022

(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		
	30/06/2022	30/06/2021	30/06/2022	30/06/2021		
	RM'000	RM'000	RM'000	RM'000	RM'000	%
1. Revenue	35,961	33,609	35,961	33,609	2,352	7.0%
2. Cost of Sales	(22,136)	(20,851)	(22,136)	(20,851)	1,285	6.2%
3. Gross Profit	13,825	12,758	13,825	12,758	1,067	8.4%
4. Other Operating Income	1,756	1,553	1,756	1,553	203	13.1%
5. Distribution Costs	(975)	(557)	(975)	(557)	418	75.0%
6. Administration Expenses	(1,408)	(1,045)	(1,408)	(1,045)	363	34.7%
7. Finance Costs	(1)	(1)	(1)	(1)	-	NA
8. Profit / (Loss) from Associate	(18)	(35)	(18)	(35)	17	-48.6%
9. Profit before Taxation	13,179	12,673	13,179	12,673	506	4.0%
10. Taxation	(2,872)	(1,932)	(2,872)	(1,932)	940	48.7%
11. Profit for the Period	10,307	10,741	10,307	10,741	(434)	-4.0%
12. Other Comprehensive Income	14	-	14	-	14	NA
13. Total Comprehensive Income for the Period	10,321	10,741	10,321	10,741	(420)	-3.9%
Profit Attributable to:						
14. Equity Holders of the Company	9,947	9,740	9,947	9,740	207	2.1%
15. Non-controlling Interests	360	1,001	360	1,001	(641)	-64.0%
	10,307	10,741	10,307	10,741	(434)	-4.0%
Total Comprehensive Income Attributable to:						
16. Equity Holders of the Company	9,961	9,740	9,961	9,740	221	2.3%
17. Non-controlling Interests	360	1,001	360	1,001	(641)	-64.0%
	10,321	10,741	10,321	10,741	(420)	-3.9%
Earnings Per Share Attributable to Equity Holders of the Company:						
18. Basic & Fully Diluted (Sen)	4.11	4.02	4.11	4.02	0.09	2.2%

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	(UNAUDITED) 30/06/2022	(AUDITED) 31/03/2022
	RM'000	RM'000
ASSETS		
Non-current assets		
1. Property, plant and equipment	205,834	205,988
2. Investment in associate	8,762	8,780
3. Investment properties	72,493	72,493
4. Investments	24	24
5. Inventories	2,763	2,760
6. Trust account	2,554	2,536
7. Deferred tax assets	4,039	4,595
	296,469	297,176
8. Current assets		
8.1 Inventories	287,141	282,842
8.2 Trade receivables	45,253	73,874
8.3 Contract assets	17,975	11,227
8.4 Other receivables	10,745	10,710
8.5 Current tax assets	6,088	5,370
8.6 Cash, deposits and short-term investments	325,026	312,571
	692,228	696,594
9. TOTAL ASSETS	988,697	993,770
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
10. Share capital	247,726	247,726
11. Reserves	616,800	606,839
	864,526	854,565
12. Non-controlling Interests	39,739	55,879
13. Total equity	904,265	910,444
14. Non-current liabilities		
14.1 Deferred tax liabilities	26,725	26,281
14.2 Lease liabilities	29	32
14.3 Club establishment fund	10,592	10,643
	37,346	36,956
15. Current liabilities		
15.1 Trade payables	38,559	38,223
15.2 Contract liabilities	636	694
15.3 Other payables	7,086	7,218
15.4 Current tax liabilities	794	224
15.5 Lease liabilities	11	11
	47,086	46,370
16. TOTAL LIABILITIES	84,432	83,326
17. TOTAL EQUITY AND LIABILITIES	988,697	993,770
18. Net assets per share (RM)	3.57	3.53

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial report)

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Financial Period Ended 30 June 2022

(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 2022									
1.1	At 1 April 2022	247,726	98,092	(130,464)	6,663	632,548	854,565	55,879	910,444
1.2	Total comprehensive income for the period	-	14	-	-	9,947	9,961	360	10,321
1.3	Realisation of revaluation surplus	-	(269)	-	-	269	-	-	-
1.4	Capital repayment to minority shareholders	-	-	-	-	-	-	(16,500)	(16,500)
1.5	At 30 June 2022	247,726	97,837	(130,464)	6,663	642,764	864,526	39,739	904,265
2. 3 months ended									
30 June 2021									
2.1	At 1 April 2021	247,726	101,488	(130,464)	6,663	599,427	824,840	78,120	902,960
2.2	Total comprehensive income for the period	-	-	-	-	9,740	9,740	1,001	10,741
2.3	Realisation of revaluation surplus	-	(562)	-	-	562	-	-	-
2.4	At 30 June 2021	247,726	100,926	(130,464)	6,663	609,729	834,580	79,121	913,701

(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 2022 and the accompanying explanatory notes attached to the interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
Financial Period Ended 30 June 2022

	3 months ended 30/06/2022 RM'000	3 months ended 30/06/2021 RM'000
1 Cash flows from operating activities		
1.1 Profit before taxation	13,179	12,673
1.2 Adjustments for :-		
1.2.1 Depreciation	174	710
1.2.2 Fair value gain on short-term investments	(704)	(148)
1.2.3 Interest expenses	1	1
1.2.4 Interest income	(766)	(1,253)
1.2.5 Loss / (profit) from associate	18	35
1.3 Operating profit before working capital changes	11,902	12,018
1.4 (Increase) / decrease in inventories	(4,299)	6,318
1.5 (Increase) / decrease in receivables	21,834	(10,976)
1.6 Increase / (decrease) in payables	146	(9,310)
1.7 Cash generated from / (absorbed by) operations	29,583	(1,950)
1.8 Tax paid	(2,002)	(1,527)
1.9 Net cash from / (used in) operating activities	27,581	(3,477)
2 Cash flows from investing activities		
2.1 Claim received from / (payment to) trust account	(18)	(17)
2.2 Purchase of property, plant and equipment	(20)	(11)
2.3 Reinvestment of short-term investments	(62)	(395)
2.4 Purchase of land held for property development	(3)	-
2.5 Proceeds from disposal of short-term investments	-	6,500
2.6 Proceeds from redemption of short-term investments	744	582
2.7 Interest received	766	1,253
2.8 Net cash from / (used in) investing activities	1,407	7,912
3 Cash flows from financing activities		
3.1 Repayment of club members' deposits	(51)	(8)
3.2 Payment of lease liabilities	(3)	(2)
3.3 Capital repayment to minority shareholders	(16,500)	-
3.4 Interest paid	(1)	(1)
3.5 Net cash from / (used in) financing activities	(16,555)	(11)
4 Net increase / (decrease) in cash and cash equivalents	12,433	4,424
5 Cash and cash equivalents at 1 April 2022 / 2021	153,631	200,839
6 Cash and cash equivalents at 30 June 2022 / 2021	166,064	205,263
7 Analysis of Cash and Cash Equivalents :-		
8 Cash and deposits	166,064	205,263

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2022 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 2022, 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 2022.

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 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 2022 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 2022.

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.

9. Inventories

	As at 30/06/2022 <u>RM'000</u>	As at 30/06/2021 <u>RM'000</u>
<i>Non-current:</i>		
At cost:		
- Land held for property development	2,763	2,757
<i>Current:</i>		
At cost:		
- Completed development units	146,527	208,071
- Building materials	1,783	995
- Raw materials	349	378
- Goods for resale	208	146
- Work in progress	11	11
- Finished goods	4,018	5,832
- Spare parts	213	11
	<u>153,109</u>	<u>215,444</u>
Property development costs	134,032	116,863
	<u>287,141</u>	<u>332,307</u>
Total inventories	<u>289,904</u>	<u>335,064</u>

10. Cash, deposits and short-term investments

	As at 30/06/2022 <u>RM'000</u>	As at 30/06/2021 <u>RM'000</u>
Cash and bank balances:		
- Housing development accounts	336	1,799
- Bank current accounts and petty cash	28,441	9,789
	<u>28,777</u>	<u>11,588</u>
Short-term deposits	137,287	193,675
Cash and cash equivalents	<u>166,064</u>	<u>205,263</u>
Short-term investments	158,962	111,639
Total cash, deposits and short-term investments	<u>325,026</u>	<u>316,902</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 by predominantly investing its assets in Sukuk and short-term Islamic Money Market Instruments. The income is calculated daily and distributed at month end.

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

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

There were no material events subsequent to the end of current quarter to 17 August 2022, 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 2022 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	2,829	21,988	10,612	-	532	-	-	35,961
Inter-segment sales	1,118	-	1,452	4,793	1,069	-	(8,432)	-
Total revenue	3,947	21,988	12,064	4,793	1,601	-	(8,432)	35,961
RESULTS								
Operating profit	868	9,431	671	8	268	99	1,087	12,432
Interest income	78	469	81	47	64	27	-	766
Finance costs	-	(1)	-	-	-	-	-	(1)
Loss from associate	-	(18)	-	-	-	-	-	(18)
Profit before taxation	946	9,881	752	55	332	126	1,087	13,179
Taxation								(2,872)
Non-controlling interests								(360)
Profit for the period								9,947
ASSETS								
Segment assets	108,273	766,546	104,687	15,027	71,127	27,602	(123,454)	969,808
Investment in associate	-	8,762	-	-	-	-	-	8,762
Current and deferred tax assets	28	2,720	466	-	246	256	6,411	10,127
Total assets	108,301	778,028	105,153	15,027	71,373	27,858	(117,043)	988,697
LIABILITIES								
Segment liabilities	13,990	37,449	18,027	3,444	763	12	(16,772)	56,913
Current and deferred tax liabilities	6,612	18,413	25	193	1,449	1	826	27,519
Total liabilities	20,602	55,862	18,052	3,637	2,212	13	(15,946)	84,432
OTHERS								
Capital expenditure	19	4	-	-	-	-	-	23
Non-cash expenses :								
Depreciation	63	24	18	-	43	-	26	174

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

The segmental analysis for the preceding 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

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

SHL CONSOLIDATED BHD.

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

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 2022.

15. Capital commitments

No capital commitment was outstanding as at 30 June 2022.

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 RM0.84 million.
- (c) Rental expense of premises of approximately RM0.28 million.
- (d) Procurement of legal services of approximately RM0.29 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	
	30/06/2022	30/06/2021	RM'000	%	30/06/2022	30/06/2021	RM'000	%
Revenue	35,961	33,609	2,352	7.0%	35,961	33,609	2,352	7.0%
Gross Profit	13,825	12,758	1,067	8.4%	13,825	12,758	1,067	8.4%
Profit before Taxation	13,179	12,673	506	4.0%	13,179	12,673	506	4.0%
Profit for the Period	10,307	10,741	(434)	-4.0%	10,307	10,741	(434)	-4.0%
Profit Attributable to Equity Holders of the Company	9,947	9,740	207	2.1%	9,947	9,740	207	2.1%

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

The Group revenue has increased by 7.0% from RM33.61 million reported in the preceding year corresponding period to RM35.96 million for the period ended 30 June 2021, mainly due to higher revenue generated by our property development segment and higher progress billing generated by the construction segment.

The Group recorded a profit before taxation for the period ended 30 June 2022 of RM13.18 million, increased by RM0.51 million or 4.0% as compared to preceding year's profit before taxation of RM12.67 million. The increase in the Group's profit is mainly due to higher revenue generated by the property development segment, partially offset by the decrease in profit contribution by the construction segment as the new projects has yet to reach optimal construction phase.

The property development segment continues to be the key contributor registering a revenue of RM21.99 million for the three months period ended 30 June 2022, representing about 61.1% 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, Kiara Sg Long and Sg Long Residence condominiums in Bandar Sungai Long, Selangor Darul Ehsan and Taman Rasa Utama in Batang Kali, 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 RM2.83 million for the three months period ended 30 June 2022, representing about 7.9% of the consolidated revenue.

The construction segment registered a revenue of RM10.61 million for the three months period ended 30 June 2022, representing about 29.5% 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 decrease in pre-tax profit was mainly due to lower profit contributed by the new projects as the new projects have yet to reach optimal construction phase.
- (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	Immediate	Changes	
	Quarter	Preceding		
	30/06/2022	Quarter		
	RM'000	31/03/2022	RM'000	%
		RM'000		
Revenue	35,961	83,205	(47,244)	-56.8%
Gross Profit	13,825	32,813	(18,988)	-57.9%
Profit before Taxation	13,179	27,304	(14,125)	-51.7%
Profit for the Period	10,307	20,766	(10,459)	-50.4%
Profit Attributable to Equity Holders of the Company	9,947	18,628	(8,681)	-46.6%

The Group revenue decreased significantly by 56.8% from RM83.21 million reported in the immediate preceding quarter to RM35.96 million for the current quarter, mainly due to lower revenue generated by property development segment.

The Group's profit before taxation of RM13.18 million for the current quarter decreased by RM14.12 million compared to RM27.30 million achieved in the immediate preceding quarter. The decrease is mainly due to lower revenue generated by the property development segment.

3. Prospects for the next financial year

The Malaysian economy grew by 5.0% in the first quarter of 2022 (4Q 2021: 3.6%). Growth was supported mainly by higher domestic demand as economic activity continued to normalise with the easing of containment measures. The improvement also reflects the recovery in the labour market and continued policy support. Looking ahead, while external demand is expected to moderate, weighed by headwinds to global growth, economic growth will be supported by firm domestic demand. Additionally, growth would continue to benefit from the easing of restrictions and reopening of international borders. Furthermore, investment activities are also projected to improve, supported by the realisation of multi-year projects.

As at the date of issue of this quarterly financial report, the Covid-19 pandemic has a financial impact on the Group. 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 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.

SHL CONSOLIDATED BHD.

Registration No. : 199401007886 (293565-W)

(Incorporated in Malaysia)

In view of the lack of visibility on the end date of the Covid-19 pandemic, 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	(766)	(766)
Interest expense	1	1
Depreciation	174	174

6. Taxation

	Current quarter ended		Year-to-date ended	
	30 June		30 June	
	2022	2021	2022	2021
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current	1,858	2,137	1,858	2,137
Deferred	1,014	(205)	1,014	(205)
	<u>2,872</u>	<u>1,932</u>	<u>2,872</u>	<u>1,932</u>
Effective tax rate	<u>21.8%</u>	<u>15.2%</u>	<u>21.8%</u>	<u>15.2%</u>

The effective tax rate of the Group for the current quarter was lower than the statutory rate due to non-taxability of certain income.

7. Status of corporate proposals announced

There were no corporate proposals announced but not completed as at 17 August 2022.

8. Lease liabilities

<u>Secured</u>	As at	As at
	30/06/2022	30/06/2021
	<u>RM'000</u>	<u>RM'000</u>
Short Term	11	11
Long Term	29	40
	<u>40</u>	<u>51</u>

The above lease liabilities are denominated in Ringgit Malaysia.

9. Dividend

No dividend was declared for the current quarter ended 30 June 2022 and preceding year corresponding quarter.

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
23 August 2022