



**SHL CONSOLIDATED BHD.**

Registration No. : 199401007886 (293565-W)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

**FOR**

**SECOND QUARTER ENDED**

**30 SEPTEMBER 2022**

# **SHL CONSOLIDATED BHD.**

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

## **Interim Financial Report – 30 September 2022**

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**Financial Period Ended 30 September 2022**

*(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		Increase / (Decrease)	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period		
	30/9/2022	30/9/2021	30/9/2022	30/9/2021		
	RM'000	RM'000	RM'000	RM'000	RM'000	%
1. Revenue	40,555	33,776	76,516	67,385	9,131	13.6%
2. Cost of Sales	(25,077)	(20,394)	(47,213)	(41,245)	5,968	14.5%
3. <b>Gross Profit</b>	<b>15,478</b>	<b>13,382</b>	<b>29,303</b>	<b>26,140</b>	<b>3,163</b>	<b>12.1%</b>
4. Other Operating Income	2,223	1,636	3,979	3,189	790	24.8%
5. Distribution Costs	(1,498)	(489)	(2,473)	(1,046)	1,427	136.4%
6. Administration Expenses	(2,235)	(1,386)	(3,643)	(2,431)	1,212	49.9%
7. Finance Costs	-	-	(1)	(1)	-	NA
8. Profit / (Loss) from Associate	-	(20)	(18)	(55)	37	-67.3%
9. <b>Profit before Taxation</b>	<b>13,968</b>	<b>13,123</b>	<b>27,147</b>	<b>25,796</b>	<b>1,351</b>	<b>5.2%</b>
10. Taxation	(2,934)	(1,340)	(5,806)	(3,272)	2,534	77.4%
11. <b>Profit for the Period</b>	<b>11,034</b>	<b>11,783</b>	<b>21,341</b>	<b>22,524</b>	<b>(1,183)</b>	<b>-5.3%</b>
12. Other Comprehensive Income	-	-	14	-	14	NA
13. <b>Total Comprehensive Income for the Period</b>	<b>11,034</b>	<b>11,783</b>	<b>21,355</b>	<b>22,524</b>	<b>(1,169)</b>	<b>-5.2%</b>
<b>Profit Attributable to:</b>						
14. Equity Holders of the Company	10,942	11,043	20,889	20,783	106	0.5%
15. Non-controlling Interests	92	740	452	1,741	(1,289)	-74.0%
	<b>11,034</b>	<b>11,783</b>	<b>21,341</b>	<b>22,524</b>	<b>(1,183)</b>	<b>-5.3%</b>
<b>Total Comprehensive Income Attributable to:</b>						
16. Equity Holders of the Company	10,942	11,043	20,903	20,783	120	0.6%
17. Non-controlling Interests	92	740	452	1,741	(1,289)	-74.0%
	<b>11,034</b>	<b>11,783</b>	<b>21,355</b>	<b>22,524</b>	<b>(1,169)</b>	<b>-5.2%</b>
<b>Earnings Per Share Attributable to Equity Holders of the Company:</b>						
18. Basic & Fully Diluted (Sen)	4.52	4.56	8.63	8.58	0.05	0.6%

*(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 September 2022**

	<b>(UNAUDITED)</b> <b>30/9/2022</b>	<b>(AUDITED)</b> <b>31/3/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
1. Property, plant and equipment	205,807	205,988
2. Investment in associate	8,762	8,780
3. Investment properties	72,493	72,493
4. Investments	24	24
5. Inventories	2,764	2,760
6. Trust account	2,581	2,536
7. Deferred tax assets	3,671	4,595
	<b>296,102</b>	<b>297,176</b>
<b>8. Current assets</b>		
8.1 Inventories	291,099	282,842
8.2 Trade receivables	37,088	73,874
8.3 Contract assets	19,799	11,227
8.4 Other receivables	11,169	10,710
8.5 Current tax assets	7,668	5,370
8.6 Cash, deposits and short-term investments	341,472	312,571
	<b>708,295</b>	<b>696,594</b>
<b>9. TOTAL ASSETS</b>	<b>1,004,397</b>	<b>993,770</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
10. Share capital	247,726	247,726
11. Reserves	627,763	606,839
	875,489	854,565
12. Non-controlling Interests	39,831	55,879
<b>13. Total equity</b>	<b>915,320</b>	<b>910,444</b>
<b>14. Non-current liabilities</b>		
14.1 Deferred tax liabilities	28,525	26,281
14.2 Lease liabilities	26	32
14.3 Club establishment fund	10,593	10,643
	<b>39,144</b>	<b>36,956</b>
<b>15. Current liabilities</b>		
15.1 Trade payables	39,634	38,223
15.2 Contract liabilities	696	694
15.3 Other payables	7,824	7,218
15.4 Current tax liabilities	1,768	224
15.5 Lease liabilities	11	11
	<b>49,933</b>	<b>46,370</b>
<b>16. TOTAL LIABILITIES</b>	<b>89,077</b>	<b>83,326</b>
<b>17. TOTAL EQUITY AND LIABILITIES</b>	<b>1,004,397</b>	<b>993,770</b>
<b>18. Net assets per share (RM)</b>	<b>3.62</b>	<b>3.53</b>

*(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)*

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**Financial Period Ended 30 September 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	
<b>1. 6 months ended</b>								
<b>30 September 2022</b>								
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	-	-	20,889	20,903	452	21,355
1.3 Realisation of revaluation surplus	-	(830)	-	-	851	21	-	21
1.4 Capital repayment to minority shareholders	-	-	-	-	-	-	(16,500)	(16,500)
<b>1.5 At 30 September 2022</b>	<b>247,726</b>	<b>97,276</b>	<b>(130,464)</b>	<b>6,663</b>	<b>654,288</b>	<b>875,489</b>	<b>39,831</b>	<b>915,320</b>
<b>2. 6 months ended</b>								
<b>30 September 2021</b>								
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	-	-	-	-	20,783	20,783	1,741	22,524
2.3 Realisation of revaluation surplus	-	(950)	-	-	950	-	-	-
2.4 Capital repayment to minority shareholders	-	-	-	-	-	-	(24,750)	(24,750)
<b>2.5 At 30 September 2021</b>	<b>247,726</b>	<b>100,538</b>	<b>(130,464)</b>	<b>6,663</b>	<b>621,160</b>	<b>845,623</b>	<b>55,111</b>	<b>900,734</b>

*(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 September 2022**

	6 months ended 30/9/2022	6 months ended 30/9/2021
	RM'000	RM'000
<b>1 Cash flows from operating activities</b>		
1.1 Profit before taxation	27,147	25,796
1.2 Adjustments for :-		
1.2.1 Depreciation	317	1,412
1.2.2 Fair value gain on short-term investments	(1,552)	(271)
1.2.3 Interest expenses	1	1
1.2.4 Interest income	(1,170)	(2,516)
1.2.5 Loss / (profit) from associate	18	55
1.3 Operating profit before working capital changes	24,761	24,477
1.4 (Increase) / decrease in inventories	(8,257)	7,990
1.5 (Increase) / decrease in receivables	27,747	(9,610)
1.6 Increase / (decrease) in payables	2,019	(8,178)
1.7 Cash generated from / (absorbed by) operations	46,270	14,679
1.8 Tax paid	(3,348)	(2,385)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>42,922</b>	<b>12,294</b>
<b>2 Cash flows from investing activities</b>		
2.1 Claim received from / (payment to) trust account	(45)	(103)
2.2 Purchase of property, plant and equipment	(136)	(26)
2.3 Reinvestment of short-term investments	(117)	(765)
2.4 Purchase of land held for property development	(5)	(2)
2.5 Proceeds from disposal of short-term investments	-	11,000
2.6 Proceeds from redemption of short-term investments	1,618	969
2.7 Interest received	1,170	2,516
<b>2.8 Net cash from / (used in) investing activities</b>	<b>2,485</b>	<b>13,589</b>
<b>3 Cash flows from financing activities</b>		
3.1 Repayment of club members' deposits	(50)	(1)
3.2 Payment of lease liabilities	(6)	(5)
3.3 Capital repayment to minority shareholders	(16,500)	(24,750)
3.4 Interest paid	(1)	(1)
<b>3.5 Net cash from / (used in) financing activities</b>	<b>(16,557)</b>	<b>(24,757)</b>
<b>4 Net increase / (decrease) in cash and cash equivalents</b>	<b>28,850</b>	<b>1,126</b>
<b>5 Cash and cash equivalents at 1 April 2022 / 2021</b>	<b>153,631</b>	<b>200,839</b>
<b>6 Cash and cash equivalents at 30 September 2022 / 2021</b>	<b>182,481</b>	<b>201,965</b>
<b>7 Analysis of Cash and Cash Equivalents :-</b>		
<b>8 Cash and deposits</b>	<b>182,481</b>	<b>201,965</b>

(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)

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**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:-

	<b>Effective for financial periods beginning on or after</b>
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 September 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.



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**9. Inventories**

	<b>As at</b>	<b>As at</b>
	<b>30/09/2022</b>	<b>30/09/2021</b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
<i>Non-current:</i>		
At cost:		
- Land held for property development	2,764	2,757
<i>Current:</i>		
At cost:		
- Completed development units	137,393	208,071
- Building materials	1,975	995
- Raw materials	379	378
- Goods for resale	167	146
- Work in progress	11	11
- Finished goods	3,386	5,832
- Spare parts	210	11
	<u>143,521</u>	<u>215,444</u>
Property development costs	147,578	116,863
	<u>291,099</u>	<u>332,307</u>
<b>Total inventories</b>	<b><u>293,863</u></b>	<b><u>335,064</u></b>

**10. Cash, deposits and short-term investments**

	<b>As at</b>	<b>As at</b>
	<b>30/09/2022</b>	<b>30/09/2021</b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
Cash and bank balances:		
- Housing development accounts	2,422	1,799
- Bank current accounts and petty cash	18,650	9,789
	<u>21,072</u>	<u>11,588</u>
Short-term deposits	161,409	193,675
<b>Cash and cash equivalents</b>	<b><u>182,481</u></b>	<b><u>205,263</u></b>
Short-term investments	158,991	111,639
<b>Total cash, deposits and short-term investments</b>	<b><u>341,472</u></b>	<b><u>316,902</u></b>

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.

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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 22 November 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 September 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
<b>REVENUE</b>								
External sales	5,744	47,662	22,101	-	1,009	-	-	76,516
Inter-segment sales	2,235	-	3,752	9,543	2,172	-	(17,702)	-
<b>Total revenue</b>	<b>7,979</b>	<b>47,662</b>	<b>25,853</b>	<b>9,543</b>	<b>3,181</b>	<b>-</b>	<b>(17,702)</b>	<b>76,516</b>
<b>RESULTS</b>								
Operating profit	1,577	20,404	1,233	(9)	477	167	2,147	25,996
Interest income	207	491	173	118	124	57	-	1,170
Finance costs	-	(1)	-	-	-	-	-	(1)
Loss from associate	-	(18)	-	-	-	-	-	(18)
Profit before taxation	1,784	20,876	1,406	109	601	224	2,147	27,147
Taxation								(5,806)
Non-controlling interests								(452)
<b>Profit for the period</b>								<b>20,889</b>
<b>ASSETS</b>								
Segment assets	109,116	781,822	106,730	15,686	71,600	27,693	(128,351)	984,296
Investment in associate	-	8,762	-	-	-	-	-	8,762
Current and deferred tax assets	23	2,895	526	-	229	257	7,409	11,339
<b>Total assets</b>	<b>109,139</b>	<b>793,479</b>	<b>107,256</b>	<b>15,686</b>	<b>71,829</b>	<b>27,950</b>	<b>(120,942)</b>	<b>1,004,397</b>
<b>LIABILITIES</b>								
Segment liabilities	13,963	38,253	19,805	4,052	971	13	(18,273)	58,784
Current and deferred tax liabilities	6,726	21,093	25	203	1,444	2	800	30,293
<b>Total liabilities</b>	<b>20,689</b>	<b>59,346</b>	<b>19,830</b>	<b>4,255</b>	<b>2,415</b>	<b>15</b>	<b>(17,473)</b>	<b>89,077</b>
<b>OTHERS</b>								
Capital expenditure	54	5	81	-	-	-	-	140
<b>Non-cash expenses :</b>								
Depreciation	125	45	35	-	85	-	26	316

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The segmental analysis for the preceding year to date ended 30 September 2021 is tabulated below:

	<b>Investment and services RM'000</b>	<b>Property development RM'000</b>	<b>Construction RM'000</b>	<b>Trading RM'000</b>	<b>Manufacturing RM'000</b>	<b>Quarrying RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>REVENUE</b>								
External sales	4,970	50,715	10,141	-	1,559	-	-	67,385
Inter-segment sales	2,152	-	1,141	1,601	29	-	(4,923)	-
<b>Total revenue</b>	<b>7,122</b>	<b>50,715</b>	<b>11,282</b>	<b>1,601</b>	<b>1,588</b>	<b>-</b>	<b>(4,923)</b>	<b>67,385</b>
<b>RESULTS</b>								
Operating profit	1,265	17,775	3,985	26	(1,112)	29	1,368	23,336
Interest income	238	1,116	515	91	363	193	-	2,516
Finance costs	-	(1)	-	-	-	-	-	(1)
Loss from associate	-	(55)	-	-	-	-	-	(55)
Profit before taxation	1,503	18,835	4,500	117	(749)	222	1,368	25,796
Taxation								(3,272)
Non-controlling interests								(1,741)
<b>Profit for the period</b>								<b>20,783</b>
<b>ASSETS</b>								
Segment assets	118,330	790,185	98,695	11,931	74,492	26,184	(140,917)	978,900
Investment in associate	-	8,794	-	-	-	-	-	8,794
Current and deferred tax assets	62	3,945	526	-	245	225	7,752	12,755
<b>Total assets</b>	<b>118,392</b>	<b>802,924</b>	<b>99,221</b>	<b>11,931</b>	<b>74,737</b>	<b>26,409</b>	<b>(133,165)</b>	<b>1,000,449</b>
<b>LIABILITIES</b>								
Segment liabilities	13,869	63,317	13,855	436	1,066	13	(20,379)	72,177
Current and deferred tax liabilities	6,972	17,032	22	204	2,345	2	961	27,538
<b>Total liabilities</b>	<b>20,841</b>	<b>80,349</b>	<b>13,877</b>	<b>640</b>	<b>3,411</b>	<b>15</b>	<b>(19,418)</b>	<b>99,715</b>
<b>OTHERS</b>								
Capital expenditure	23	5	-	-	-	-	-	28
<b>Non-cash expenses :</b>								
Depreciation	664	54	38	-	605	-	51	1,412

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 September 2022.

### **15. Capital commitments**

No capital commitment was outstanding as at 30 September 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 RM0.07 million.
- (b) Procurement of engineering consultancy services of approximately RM1.72 million.
- (c) Rental expense of premises of approximately RM0.56 million.
- (d) Procurement of legal services of approximately RM0.44 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	
	30/9/2022	30/9/2021	RM'000	%	30/9/2022	30/9/2021	RM'000	%
Revenue	40,555	33,776	6,779	20.1%	76,516	67,385	9,131	13.6%
Gross Profit	15,478	13,382	2,096	15.7%	29,303	26,140	3,163	12.1%
Profit before Taxation	13,968	13,123	845	6.4%	27,147	25,796	1,351	5.2%
Profit for the Period	11,034	11,783	(749)	-6.4%	21,341	22,524	(1,183)	-5.3%
Profit Attributable to Equity Holders of the Company	10,942	11,043	(101)	-0.9%	20,889	20,783	106	0.5%

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

The Group revenue has increased by 13.6% from RM67.39 million reported in the preceding year corresponding period to RM76.52 million for the period ended 30 September 2022, 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 September 2022 of RM27.15 million, increased by RM1.35 million or 5.2% as compared to preceding year's profit before taxation of RM25.80 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 RM47.66 million for the six months period ended 30 September 2022, representing about 62.3% 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 RM5.74 million for the six months period ended 30 September 2022, representing about 7.5% of the consolidated revenue.

The construction segment registered a revenue of RM22.10 million for the six months period ended 30 September 2022, representing about 28.9% 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		Changes	
	Current Quarter	Immediate Preceding Quarter		
	30/9/2022	30/06/2022	RM'000	%
	RM'000	RM'000		
<b>Revenue</b>	<b>40,555</b>	<b>35,961</b>	<b>4,594</b>	<b>12.8%</b>
<b>Gross Profit</b>	<b>15,478</b>	<b>13,825</b>	<b>1,653</b>	<b>12.0%</b>
<b>Profit before Taxation</b>	<b>13,968</b>	<b>13,179</b>	<b>789</b>	<b>6.0%</b>
<b>Profit for the Period</b>	<b>11,034</b>	<b>10,307</b>	<b>727</b>	<b>7.1%</b>
<b>Profit Attributable to Equity Holders of the Company</b>	<b>10,942</b>	<b>9,947</b>	<b>995</b>	<b>10.0%</b>

The Group revenue increased by 12.8% from RM35.96 million reported in the immediate preceding quarter to RM40.56 million for the current quarter, mainly due to higher revenue generated by property development segment.

The Group's profit before taxation of RM13.97 million for the current quarter increased by RM0.79 million compared to RM13.18 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 grew by 8.9% in the second quarter of 2022 (1Q 2022: 5%). 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.

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:

	<b>Current year quarter <u>RM'000</u></b>	<b>Current year-to- date <u>RM'000</u></b>
Interest income	(404)	(1,170)
Interest expense	-	1
Depreciation	143	317

**6. Taxation**

	Current quarter ended		Year-to-date ended	
	30 September		30 September	
	2022	2021	2022	2021
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current	745	782	2,603	2,919
Deferred	2,189	558	3,203	353
	<u>2,934</u>	<u>1,340</u>	<u>5,806</u>	<u>3,272</u>
Effective tax rate	<u>21.0%</u>	<u>10.2%</u>	<u>21.4%</u>	<u>12.7%</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 22 November 2022.

**8. Lease liabilities**

<u>Secured</u>	As at	As at
	30/9/2022	30/9/2021
	<u>RM'000</u>	<u>RM'000</u>
Short Term	11	11
Long Term	26	37
	<u>37</u>	<u>48</u>

The above lease liabilities are denominated in Ringgit Malaysia.

**9. Dividend**

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



**SHL CONSOLIDATED BHD.**

Registration No. : 199401007886 (293565-W)

(Incorporated in Malaysia)

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**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.**

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**Dato' Sri Ir. Yap Chong Lee**

**Executive Director**

29 November 2022