



SHL CONSOLIDATED BHD.

Registration No. : 199401007886 (293565-W)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

FOR

FIRST QUARTER ENDED

30 JUNE 2023

SHL CONSOLIDATED BHD.

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

Interim Financial Report – 30 June 2023

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Financial Period Ended 30 June 2023

(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		
	30/6/2023	30/6/2022	30/6/2023	30/6/2022		
	RM'000	RM'000	RM'000	RM'000	RM'000	%
1. Revenue	40,040	35,961	40,040	35,961	4,079	11.3%
2. Cost of Sales	(26,130)	(22,136)	(26,130)	(22,136)	3,994	18.0%
3. Gross Profit	13,910	13,825	13,910	13,825	85	0.6%
4. Other Operating Income	2,762	1,756	2,762	1,756	1,006	57.3%
5. Distribution Costs	(1,396)	(975)	(1,396)	(975)	421	43.2%
6. Administration Expenses	(2,797)	(1,408)	(2,797)	(1,408)	1,389	98.7%
7. Finance Costs	-	(1)	-	(1)	(1)	-
8. Profit / (Loss) from Associate	(87)	(18)	(87)	(18)	(69)	383.3%
9. Profit before Taxation	12,392	13,179	12,392	13,179	(787)	-6.0%
10. Taxation	(2,239)	(2,872)	(2,239)	(2,872)	(633)	-22.0%
11. Profit for the Period	10,153	10,307	10,153	10,307	(154)	-1.5%
12. Other Comprehensive Income	19	14	19	14	5	35.7%
13. Total Comprehensive Income for the Period	10,172	10,321	10,172	10,321	(149)	-1.4%
Profit Attributable to:						
14. Equity Holders of the Company	9,975	9,947	9,975	9,947	28	0.3%
15. Non-controlling Interests	178	360	178	360	(182)	-50.6%
	10,153	10,307	10,153	10,307	(154)	-1.5%
Total Comprehensive Income Attributable to:						
16. Equity Holders of the Company	9,994	9,961	9,994	9,961	33	0.3%
17. Non-controlling Interests	178	360	178	360	(182)	-50.6%
	10,172	10,321	10,172	10,321	(149)	-1.4%
Earnings Per Share Attributable to Equity Holders of the Company:						
18. Basic & Fully Diluted (Sen)	4.12	4.11	4.12	4.11	0.01	0.2%

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	(UNAUDITED) 30/6/2023 RM'000	(AUDITED) 31/3/2023 RM'000
ASSETS		
Non-current assets		
1. Property, plant and equipment	205,967	206,130
2. Investment in associate	8,669	8,756
3. Investment properties	72,493	72,493
4. Investments	24	24
5. Inventories	2,765	2,765
6. Trust account	2,755	2,705
7. Deferred tax assets	3,697	3,489
	296,370	296,362
8. Current assets		
8.1 Inventories	289,916	280,647
8.2 Trade receivables	25,555	51,208
8.3 Contract assets	42,749	27,655
8.4 Other receivables	12,209	12,522
8.5 Current tax assets	3,765	4,262
8.6 Cash, deposits and short-term investments	336,952	339,349
	711,146	715,643
9. TOTAL ASSETS	1,007,516	1,012,005
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
10. Share capital	247,726	247,726
11. Reserves	649,526	639,532
	897,252	887,258
12. Non-controlling Interests	22,169	36,841
13. Total equity	919,421	924,099
14. Non-current liabilities		
14.1 Deferred tax liabilities	28,252	27,288
14.2 Lease liabilities	14	21
14.3 Club establishment fund	9,492	9,571
	37,758	36,880
15. Current liabilities		
15.1 Trade payables	40,434	41,740
15.2 Contract liabilities	673	662
15.3 Other payables	8,157	8,079
15.4 Current tax liabilities	1,061	534
15.5 Lease liabilities	12	11
	50,337	51,026
16. TOTAL LIABILITIES	88,095	87,906
17. TOTAL EQUITY AND LIABILITIES	1,007,516	1,012,005
18. Net assets per share (RM)	3.71	3.66

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2023 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 2023

(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 2023								
1.1 At 1 April 2023	247,726	-	-	-	639,532	887,258	36,841	924,099
1.2 Total comprehensive income for the period	-	19	-	-	9,975	9,994	178	10,172
1.3 Realisation of revaluation surplus	-	1,839	-	-	(1,839)	-	-	-
1.4 Capital repayment to minority shareholders	-	-	-	-	-	-	(14,850)	(14,850)
1.5 At 30 June 2023	247,726	1,858	-	-	647,668	897,252	22,169	919,421
2. 3 months ended								
30 June 2022								
2.1 At 1 April 2022	247,726	98,092	(130,464)	6,663	632,548	854,565	55,879	910,444
2.2 Total comprehensive income for the period	-	14	-	-	9,947	9,961	360	10,321
2.3 Realisation of revaluation surplus	-	(269)	-	-	269	-	-	-
2.4 Capital repayment to minority shareholders	-	-	-	-	-	-	(16,500)	(16,500)
2.5 At 30 June 2022	247,726	97,837	(130,464)	6,663	642,764	864,526	39,739	904,265

(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 2023 and the accompanying explanatory notes attached to the interim financial report)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

Financial Period Ended 30 June 2023

	3 months ended 30/06/2023	3 months ended 30/06/2022
	RM'000	RM'000
1 Cash flows from operating activities		
1.1 Profit before taxation	12,392	13,179
1.2 Adjustments for :-		
1.2.1 Depreciation	161	174
1.2.2 Fair value gain on short-term investments	-	(704)
1.2.3 Interest expenses	-	1
1.2.4 Interest income	(2,100)	(766)
1.2.5 Loss / (profit) from associate	-	18
1.3 Operating profit before working capital changes	10,453	11,902
1.4 (Increase) / decrease in inventories	(9,269)	(4,299)
1.5 (Increase) / decrease in receivables	11,064	21,834
1.6 Increase / (decrease) in payables	(1,217)	146
1.7 Cash generated from / (absorbed by) operations	11,031	29,583
1.8 Tax paid	(539)	(2,002)
1.9 Net cash from / (used in) operating activities	10,492	27,581
2 Cash flows from investing activities		
2.1 Claim received from / (payment to) trust account	(50)	(18)
2.2 Purchase of property, plant and equipment	(4)	(20)
2.3 Reinvestment of short-term investments	-	(62)
2.4 Purchase of land held for property development	-	(3)
2.5 Proceeds from redemption of short-term investments	-	744
2.6 Interest received	2,100	766
2.7 Net cash from / (used in) investing activities	2,046	1,407
3 Cash flows from financing activities		
3.1 Repayment of club members' deposits	(79)	(51)
3.2 Payment of lease liabilities	(6)	(3)
3.3 Capital repayment to minority shareholders	(14,850)	(16,500)
3.4 Interest paid	-	(1)
3.5 Net cash from / (used in) financing activities	(14,935)	(16,555)
4 Net increase / (decrease) in cash and cash equivalents	(2,397)	12,433
5 Cash and cash equivalents at 1 April 2023 / 2022	339,349	153,631
6 Cash and cash equivalents at 30 June 2023 / 2022	336,952	166,064
7 Analysis of Cash and Cash Equivalents :-		
8 Cash and deposits	336,952	166,064

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Audited Financial Report for the year ended 31 March 2023 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 2023, 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.

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2. Audit report for the preceding annual financial statements

The audit report for the financial statements for the year ended 31 March 2023 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 2023.

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
	30/6/2023	30/6/2022
	<u>RM'000</u>	<u>RM'000</u>
<i>Non-current:</i>		
At cost:		
- Land held for property development	2,765	2,763
<i>Current:</i>		
At cost:		
- Completed development units	96,132	146,527
- Building materials	-	1,783
- Raw materials	348	349
- Goods for resale	133	208
- Work in progress	162	11
- Finished goods	2,858	4,018
- Spare parts	263	213
	99,896	153,109
Property development costs	190,020	134,032
	289,916	287,141
Total inventories	<u>292,681</u>	<u>289,904</u>

10. Cash, deposits and short-term investments

	As at	As at
	30/6/2023	30/6/2022
	<u>RM'000</u>	<u>RM'000</u>
Cash and bank balances:		
- Housing development accounts	2,447	336
- Bank current accounts and petty cash	19,074	28,441
	21,521	28,777
Short-term deposits	315,431	137,287
Cash and cash equivalents	<u>336,952</u>	<u>166,064</u>
Short-term investments	-	158,962
Total cash, deposits and short-term investments	<u>336,952</u>	<u>325,026</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.

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 August 2023, 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 2023 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	3,416	24,271	12,125	-	228	-	-	40,040
Inter-segment sales	991	-	5,690	6,391	763	-	(13,835)	-
Total revenue	4,407	24,271	17,815	6,391	991	-	(13,835)	40,040
RESULTS								
Operating profit	1,304	8,739	631	15	(284)	-	(26)	10,379
Interest income	204	555	636	84	432	189	-	2,100
Finance costs	-	-	-	-	-	-	-	-
Loss from associate	-	(87)	-	-	-	-	-	(87)
Profit before taxation	1,508	9,207	1,267	99	148	189	(26)	12,392
Taxation								(2,239)
Non-controlling interests								(178)
Profit for the period								9,975
ASSETS								
Segment assets	139,902	745,956	102,115	17,516	74,071	27,478	(115,650)	991,388
Investment in associate	-	8,669	-	-	-	-	-	8,669
Current and deferred tax assets	(2)	1,206	374	-	105	138	5,638	7,459
Total assets	139,900	755,831	102,489	17,516	74,176	27,616	(110,012)	1,007,516
LIABILITIES								
Segment liabilities	12,607	47,957	13,397	5,693	1,972	14	(22,858)	58,782
Current and deferred tax liabilities	6,739	20,076	16	221	1,501	1	759	29,313
Total liabilities	19,346	68,033	13,413	5,914	3,473	15	(22,099)	88,095
OTHERS								
Capital expenditure	-	-	4	-	-	-	-	4
Non-cash expenses :								
Depreciation	65	14	13	-	43	-	26	161

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The segmental analysis for the preceding year to date ended 30 June 2022 is tabulated below:

	Investment and services	Property development	Construction	Trading	Manufacturing	Quarrying	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	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

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

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 2023.

15. Capital commitments

No capital commitment was outstanding as at 30 June 2023.

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 RM0.54 million.
- (c) Rental expense of premises of approximately RM0.28 million.
- (d) Procurement of legal services of approximately RM0.17 million.
- (e) Procurement of tax consultancy services of approximately RM0.07 million.

17. Comparative Figures for Distribution Costs and Administrative Expenses

The Group has applied the accounting practice of recognising administrative expenses in the Condensed Consolidated Statement of Comprehensive Income of the Group for the financial period ended 30 June 2023 for all business segments of the Group.

The above accounting practice of recognising administrative expenses in the Condensed Consolidated Statement of Comprehensive Income of the Group for the financial period ended 30 June 2022 has been applied for all business segments of the Group except for its property development business segment whereby administrative expenses of the property development business segment incurred for the aforesaid financial year are recognized as property development cost under the asset classification of inventories.

The following table illustrates the comparative figures for administrative expenses to be recognised in the Condensed Consolidated Statement of Comprehensive Income of the Group for the financial period ended 30 June 2022 should the above accounting practice be applied for all business segments of the Group including that of the property development business segment.

	Financial Year Ended 30 June 2023 <u>RM'000</u>	Financial Year Ended 30 June 2022 <u>RM'000</u>
Administrative Expenses	2,797	2,126

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

1. Review of performance

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	Current Year	Preceding Year	Changes		Current Year	Preceding Year	Changes	
	Quarter	Corresponding Quarter	RM'000	%	To Date	Corresponding Period	RM'000	%
	30/6/2023	30/6/2022	RM'000	%	30/6/2023	30/6/2022	RM'000	%
Revenue	40,040	35,961	4,079	11.3%	40,040	35,961	4,079	11.3%
Gross Profit	13,910	13,825	85	0.6%	13,910	13,825	85	0.6%
Profit before Taxation	12,392	13,179	(787)	-6.0%	12,392	13,179	(787)	-6.0%
Profit for the Period	10,153	10,307	(154)	-1.5%	10,153	10,307	(154)	-1.5%
Profit Attributable to Equity Holders of the Company	9,975	9,947	28	0.3%	9,975	9,947	28	0.3%

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

The Group revenue has increased by 11.3% from RM35.96 million reported in the preceding year corresponding period to RM40.04 million for the period ended 30 June 2023, 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 2023 of RM12.39 million, decreased by RM0.79 million or 6% as compared to preceding year's profit before taxation of RM13.18 million. The decrease in the Group's profit is mainly due to higher distribution costs and administration expenses incurred by the property development segment.

The property development segment continues to be the key contributor registering a revenue of RM24.27 million for the three months period ended 30 June 2023, representing about 60.62 % 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 RM3.42 million for the three months period ended 30 June 2023, representing about 8.53% of the consolidated revenue.

The construction segment registered a revenue of RM12.13 million for the three months period ended 30 June 2023, representing about 30.28% of the consolidated revenue.

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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 decrease in pre-tax profit was mainly due to higher distribution costs and administrative expenses incurred by the property development segment.
- (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

	INDIVIDUAL QUARTER			
	Current Quarter	Immediate Preceding Quarter	Changes	
	30/6/2023	31/3/2023	RM'000	%
Revenue	40,040	73,723	(33,683)	-45.7%
Gross Profit	13,910	30,653	(16,743)	-54.6%
Profit before Taxation	12,392	27,754	(15,362)	-55.4%
Profit for the Period	10,153	22,577	(12,424)	-55.0%
Profit Attributable to Equity Holders of the Company	9,975	21,740	(11,765)	-54.1%

The Group revenue decreased by 45.7% from RM73.72 million reported in the immediate preceding quarter to RM40.04 million for the current quarter, mainly due to lower revenue generated by property development segment.

The Group's profit before taxation of RM12.39 million for the current quarter decreased by RM15.36 million compared to RM27.75 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 5.6% in the first quarter of 2023 (4Q 2022: 7.0%). 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.

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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	(2,100)	(2,100)
Interest expense	-	-
Depreciation	161	161

6. Taxation

	Current quarter ended		Year-to-date ended	
	30 June		30 June	
	2023	2022	2023	2022
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current	1,602	1,858	1,602	1,858
Deferred	637	1,014	637	1,014
	<u>2,239</u>	<u>2,872</u>	<u>2,239</u>	<u>2,872</u>
Effective tax rate	<u>18.1%</u>	<u>21.8%</u>	<u>18.1%</u>	<u>21.8%</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 29 August 2023.

8. Lease liabilities

<u>Secured</u>	As at	As at
	30/6/2023	30/6/2022
	<u>RM'000</u>	<u>RM'000</u>
Short Term	12	11
Long Term	18	29
	<u>30</u>	<u>40</u>

The above lease liabilities are denominated in Ringgit Malaysia.

9. Dividend

No dividend was declared for the current quarter ended 30 June 2023 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
29 August 2023