



SHL CONSOLIDATED BHD.

Registration No. : 199401007886 (293565-W)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

FOR

SECOND QUARTER ENDED

30 SEPTEMBER 2023

SHL CONSOLIDATED BHD.

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(Incorporated in Malaysia)

Interim Financial Report – 30 September 2023

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Financial Period Ended 30 September 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		
	30/9/2023	30/9/2022	30/9/2023	30/9/2022	RM'000	%
	RM'000	RM'000	RM'000	RM'000		
1. Revenue	47,619	40,555	87,659	76,516	11,143	14.6%
2. Cost of Sales	(26,081)	(25,077)	(52,211)	(47,213)	4,998	10.6%
3. Gross Profit	21,538	15,478	35,448	29,303	6,145	21.0%
4. Other Operating Income	2,849	2,223	5,611	3,979	1,632	41.0%
5. Distribution Costs	(2,355)	(1,498)	(3,751)	(2,473)	1,278	51.7%
6. Administration Expenses	(3,004)	(2,235)	(5,801)	(3,643)	2,158	59.2%
7. Finance Costs	(1)	-	(1)	(1)	-	-
8. Profit / (Loss) from Associate	1,626	-	1,539	(18)	1,557	8650.0%
9. Profit before Taxation	20,653	13,968	33,045	27,147	5,898	21.7%
10. Taxation	(3,468)	(2,934)	(5,707)	(5,806)	(99)	-1.7%
11. Profit for the Period	17,185	11,034	27,338	21,341	5,997	28.1%
12. Other Comprehensive Income	22	-	41	14	27	192.9%
13. Total Comprehensive Income for the Period	17,207	11,034	27,379	21,355	6,024	28.2%
Profit Attributable to:						
14. Equity Holders of the Company	17,067	10,942	27,042	20,889	6,153	29.5%
15. Non-controlling Interests	118	92	296	452	(156)	-34.5%
	17,185	11,034	27,338	21,341	5,997	28.1%
Total Comprehensive Income Attributable to:						
16. Equity Holders of the Company	17,089	10,942	27,083	20,903	6,180	29.6%
17. Non-controlling Interests	118	92	296	452	(156)	-34.5%
	17,207	11,034	27,379	21,355	6,024	28.2%
Earnings Per Share Attributable to Equity Holders of the Company:						
18. Basic & Fully Diluted (Sen)	7.05	4.52	11.17	8.63	2.54	29.4%

(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 September 2023

	(UNAUDITED) 30/9/2023 RM'000	(AUDITED) 31/3/2023 RM'000
ASSETS		
Non-current assets		
1. Property, plant and equipment	206,710	206,130
2. Investment in associate	10,295	8,756
3. Investment properties	72,493	72,493
4. Investments	24	24
5. Inventories	2,766	2,765
6. Trust account	2,780	2,705
7. Deferred tax assets	3,182	3,489
	298,250	296,362
8. Current assets		
8.1 Inventories	298,006	280,647
8.2 Trade receivables	17,086	51,208
8.3 Contract assets	57,299	27,655
8.4 Other receivables	13,165	12,522
8.5 Current tax assets	3,490	4,262
8.6 Cash, deposits and short-term investments	333,015	339,349
	722,061	715,643
9. TOTAL ASSETS	1,020,311	1,012,005
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
10. Share capital	247,726	247,726
11. Reserves	662,116	639,532
	909,842	887,258
12. Non-controlling Interests	22,287	36,841
13. Total equity	932,129	924,099
14. Non-current liabilities		
14.1 Deferred tax liabilities	29,626	27,288
14.2 Lease liabilities	11	21
14.3 Club establishment fund	9,494	9,571
	39,131	36,880
15. Current liabilities		
15.1 Trade payables	38,120	41,740
15.2 Contract liabilities	616	662
15.3 Other payables	8,926	8,079
15.4 Current tax liabilities	1,376	534
15.5 Lease liabilities	13	11
	49,051	51,026
16. TOTAL LIABILITIES	88,182	87,906
17. TOTAL EQUITY AND LIABILITIES	1,020,311	1,012,005
18. Net assets per share (RM)	3.76	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 September 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. 6 months ended								
30 September 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	-	41	-	-	27,042	27,083	296	27,379
1.3 Realisation of revaluation surplus	-	1,748	-	-	(1,747)	1	-	1
1.4 Dividends paid	-	-	-	-	(4,500)	(4,500)	-	(4,500)
1.5 Capital repayment to minority shareholders	-	-	-	-	-	-	(14,850)	(14,850)
1.6 At 30 September 2023	247,726	1,789	-	-	660,327	909,842	22,287	932,129
2. 6 months ended								
30 September 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 September 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 September 2023

	6 months ended 30/09/2023	6 months ended 30/09/2022
	RM'000	RM'000
1 Cash flows from operating activities		
1.1 Profit before taxation	33,045	27,147
1.2 Adjustments for :-		
1.2.1 Depreciation	326	317
1.2.2 Fair value gain on short-term investments	-	(1,552)
1.2.3 Interest expenses	1	1
1.2.4 Interest income	(5,190)	(1,170)
1.2.5 Loss / (profit) from associate	(1,539)	18
1.3 Operating profit before working capital changes	26,643	24,761
1.4 (Increase) / decrease in inventories	(17,359)	(8,257)
1.5 (Increase) / decrease in receivables	3,972	27,747
1.6 Increase / (decrease) in payables	(2,819)	2,019
1.7 Cash generated from / (absorbed by) operations	10,437	46,270
1.8 Tax paid	(1,533)	(3,348)
1.9 Net cash from / (used in) operating activities	8,904	42,922
2 Cash flows from investing activities		
2.1 Claim received from / (payment to) trust account	(75)	(45)
2.2 Purchase of property, plant and equipment	(911)	(136)
2.3 Reinvestment of short-term investments	-	(117)
2.4 Purchase of land held for property development	(1)	(5)
2.5 Proceeds from redemption of short-term investments	-	1,618
2.6 Interest received	5,190	1,170
2.7 Net cash from / (used in) investing activities	4,203	2,485
3 Cash flows from financing activities		
3.1 Repayment of club members' deposits	(77)	(50)
3.2 Payment of lease liabilities	(8)	(6)
3.3 Capital repayment to minority shareholders	(14,850)	(16,500)
3.4 Interest paid	(6)	(1)
3.5 Dividends paid to owners of the Company	(2,700)	-
3.6 Dividends paid to non-controlling interests	(1,800)	-
3.5 Net cash from / (used in) financing activities	(19,441)	(16,557)
4 Net increase / (decrease) in cash and cash equivalents	(6,334)	28,850
5 Cash and cash equivalents at 1 April 2023 / 2022	339,349	153,631
6 Cash and cash equivalents at 30 September 2023 / 2022	333,015	182,481
7 Analysis of Cash and Cash Equivalents :-		
8 Cash and deposits	333,015	182,481

(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)

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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 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 2023.

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 September 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.

9. Inventories

	As at	As at
	30/9/2023	30/9/2022
	<u>RM'000</u>	<u>RM'000</u>
<i>Non-current:</i>		
At cost:		
- Land held for property development	2,766	2,764
<i>Current:</i>		
At cost:		
- Completed development units	86,788	137,393
- Building materials	-	1,975
- Raw materials	450	379
- Goods for resale	146	167
- Work in progress	178	11
- Finished goods	5,247	3,386
- Spare parts	266	210
	93,075	143,521
Property development costs	204,931	147,578
	298,006	291,099
Total inventories	<u>300,772</u>	<u>293,863</u>

10. Cash, deposits and short-term investments

	As at	As at
	30/9/2023	30/9/2022
	<u>RM'000</u>	<u>RM'000</u>
Cash and bank balances:		
- Housing development accounts	4,930	2,422
- Bank current accounts and petty cash	21,863	18,650
	26,793	21,072
Short-term deposits	306,222	161,409
Cash and cash equivalents	<u>333,015</u>	<u>182,481</u>
Short-term investments	-	158,991
Total cash, deposits and short-term investments	<u>333,015</u>	<u>341,472</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.

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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 21 November 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 September 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	10,314	55,907	20,800	-	638	-	-	87,659
Inter-segment sales	1,981	-	15,772	11,286	1,296	-	(30,335)	-
Total revenue	12,295	55,907	36,572	11,286	1,934	-	(30,335)	87,659
RESULTS								
Operating profit	5,498	18,824	(447)	25	493	(4)	1,928	26,317
Interest income	791	2,233	636	167	920	443	-	5,190
Finance costs	-	(1)	-	-	-	-	-	(1)
Gain from associate	-	1,539	-	-	-	-	-	1,539
Profit before taxation	6,289	22,595	189	192	1,413	439	1,928	33,045
Taxation								(5,707)
Non-controlling interests								(296)
Profit for the period								27,042
ASSETS								
Segment assets	140,224	757,898	102,282	15,348	75,236	27,729	(115,371)	1,003,346
Investment in associate	-	10,295	-	-	-	-	-	10,295
Current and deferred tax assets	6	15	519	-	-	79	6,051	6,670
Total assets	140,230	768,208	102,801	15,348	75,236	27,808	(109,320)	1,020,311
LIABILITIES								
Segment liabilities	12,601	46,727	14,639	3,435	1,701	15	(21,938)	57,180
Current and deferred tax liabilities	6,860	21,280	16	241	1,867	2	736	31,002
Total liabilities	19,461	68,007	14,655	3,676	3,568	17	(21,202)	88,182
OTHERS								
Capital expenditure	-	718	193	-	-	-	-	911
Non-cash expenses :								
Depreciation	118	64	33	-	85	-	26	326

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The segmental analysis for the preceding year to date ended 30 September 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	5,744	47,662	22,101	-	1,009	-	-	76,516
Inter-segment sales	2,235	-	3,752	9,543	2,172	-	(17,702)	-
Total revenue	7,979	47,662	25,853	9,543	3,181	-	(17,702)	76,516
RESULTS								
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)
Profit for the period								20,889
ASSETS								
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
Total assets	109,139	793,479	107,256	15,686	71,829	27,950	(120,942)	1,004,397
LIABILITIES								
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
Total liabilities	20,689	59,346	19,830	4,255	2,415	15	(17,473)	89,077
OTHERS								
Capital expenditure	54	5	81	-	-	-	-	140
Non-cash expenses :								
Depreciation	125	45	35	-	85	-	26	316

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 2023.

15. Capital commitments

No capital commitment was outstanding as at 30 September 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 RM0.07 million.
- (b) Procurement of engineering consultancy services of approximately RM1.29 million.
- (c) Rental expense of premises of approximately RM0.55 million.
- (d) Procurement of legal services of approximately RM0.52 million.
- (e) Procurement of tax consultancy services of approximately RM0.15 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 September 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 September 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 September 2022 should the above accounting practice be applied for all business segments of the Group including that of the property development business segment.

	Financial Period Ended 30 September 2023 <u>RM'000</u>	Financial Period Ended 30 September 2022 <u>RM'000</u>
Administrative Expenses	5,801	5,060

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

1. Review of performance

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes		Current Year To Date	Preceding Year Corresponding Period	Changes	
	30/9/2023	30/9/2022	RM'000	%	30/9/2023	30/9/2022	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	47,619	40,555	7,064	17.4%	87,659	76,516	11,143	14.6%
Gross Profit	21,538	15,478	6,060	39.2%	35,448	29,303	6,145	21.0%
Profit before Taxation	20,653	13,968	6,685	47.9%	33,045	27,147	5,898	21.7%
Profit for the Period	17,185	11,034	6,151	55.7%	27,338	21,341	5,997	28.1%
Profit Attributable to Equity Holders of the Company	17,067	10,942	6,125	56.0%	27,042	20,889	6,153	29.5%

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

The Group revenue has increased by 14.6% from RM76.52 million reported in the preceding year corresponding period to RM87.66 million for the period ended 30 September 2023, mainly due to higher revenue generated by our property development segment.

The Group recorded a profit before taxation for the period ended 30 September 2023 of RM33.05 million, increased by RM5.90 million or 21.7% as compared to preceding year's profit before taxation of RM27.15 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 RM55.91 million for the six months period ended 30 September 2023, representing about 63.78 % 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 RM10.31 million for the six months period ended 30 September 2023, representing about 11.77% of the consolidated revenue.

The construction segment registered a revenue of RM20.80 million for the six months period ended 30 September 2023, representing about 23.73% 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 increase in pre-tax profit was mainly due to higher revenue generated by the property development segment.
- (ii) Construction – The decrease in pre-tax profit was mainly due to increase in construction cost.
- (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	
	30/9/2023 RM'000	30/6/2023 RM'000	RM'000	%
Revenue	47,619	40,040	7,579	18.9%
Gross Profit	21,538	13,910	7,628	54.8%
Profit before Taxation	20,653	12,392	8,261	66.7%
Profit for the Period	17,185	10,153	7,032	69.3%
Profit Attributable to Equity Holders of the Company	17,067	9,975	7,092	71.1%

The Group revenue increased by 18.9% from RM40.04 million reported in the immediate preceding quarter to RM47.62 million for the current quarter, mainly due to higher revenue generated by property development segment.

The Group's profit before taxation of RM20.65 million for the current quarter increased by RM8.26 million compared to RM12.39 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 2.9% in the second quarter of 2023 (1Q 2023: 5.6%). 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.

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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	(3,090)	(5,190)
Interest expense	-	-
Depreciation	165	326

6. Taxation

	Current quarter ended		Year-to-date ended	
	30 September		30 September	
	2023	2022	2023	2022
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current	1,549	745	3,151	2,603
Deferred	1,919	2,189	2,556	3,203
	<u>3,468</u>	<u>2,934</u>	<u>5,707</u>	<u>5,806</u>
Effective tax rate	<u>16.8%</u>	<u>21.0%</u>	<u>17.3%</u>	<u>21.4%</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 21 November 2023.

8. Lease liabilities

<u>Secured</u>	As at	As at
	30/9/2023	30/9/2022
	<u>RM'000</u>	<u>RM'000</u>
Short Term	13	11
Long Term	15	26
	<u>28</u>	<u>37</u>

The above lease liabilities are denominated in Ringgit Malaysia.

9. Dividend

No dividend was declared for the current quarter ended 30 September 2023 and preceding year corresponding quarter.

SHL CONSOLIDATED BHD.

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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.

Dato' Sri Ir. Yap Chong Lee
Executive Director
28 November 2023