

## NOTES TO THE FINANCIAL STATEMENTS 31 December 2019 (CONT'D)

### 6. GOODWILL ON CONSOLIDATION (CONT'D)

Key assumptions used in the VIU calculations for the goodwill impairment assessment is gross profit margin. The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external sources and internal sources.

A pre-tax discount rates of 6.4% (2018: 6.4%) were applied in determining the recoverable amounts of the CGUs. The discount rate used is pre-tax and reflect the specific risks relating to the respective CGU.

Based on the impairment test, no impairment is required for the goodwill.

A reasonable possible change in the key assumptions would not result in any impairment.

### 7. INVESTMENT IN SUBSIDIARY COMPANIES

	2019 RM	Company 2018 RM
<b>At cost</b>		
Unquoted share in Malaysia		
At 1 January	285,388,162	271,739,897
Acquisition during the year	–	13,648,265
Acquisition of additional shares in a subsidiary company	20,000,000	–
At 31 December	305,388,162	285,388,162

Details of the subsidiary companies are as follows:

Name of Company	Principal place of business/ Country of Incorporation	Effective Interest		Principal Activities
		2019 %	2018 %	
PP Chin Hin Sdn. Bhd.	Malaysia	100	100	Dealing in cement, hardware and general trading, letting of properties, hire purchase financing, property development and transport
Chin Hin Concrete Holdings Sdn. Bhd.	Malaysia	100	100	Management company
Metex Steel Sdn. Bhd.	Malaysia	100	100	Manufacturing and sales of welded mesh and wire products
Starken AAC Sdn. Bhd.	Malaysia	100	100	Manufacturing and sales of AAC products and transportation
Chin Hin BIM Sdn. Bhd.	Malaysia	100	100	Provision of solution and services to the construction industry and distribution of software
Midah Industries Sdn. Bhd.	Malaysia	100	100	Manufacturing and trading in wood products

**NOTES TO THE  
FINANCIAL STATEMENTS**  
31 December 2019  
(CONT'D)

**7. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)**

Details of the subsidiary companies are as follows: (Cont'd)

Name of Company	Principal place of business/ Country of Incorporation	Effective Interest		Principal Activities
		2019 %	2018 %	
<b>Held through PP Chin Hin Sdn. Bhd.</b>				
- PP Chin Hin Pte Ltd*	Singapore	100	100	Wholesale of construction material, hardware, plumbing, heating equipment and supplies of NEC products
- C&H Transport Sdn. Bhd.	Malaysia	100	100	Transportation
<b>Held through Starken AAC Sdn. Bhd.</b>				
- Starken Drymix Solutions Sdn. Bhd.	Malaysia	100	100	Manufacture and sale of plaster and mortar products
- G-Cast Concrete Sdn. Bhd.	Malaysia	100	100	Manufacture and sale of precast concrete products
- Green Cement Sdn. Bhd.	Malaysia	100	100	Carrying general trading activities
- Starken AAC 2 Sdn. Bhd. (Formerly known as Sage Evergreen Sdn. Bhd.)	Malaysia	100	100	Manufacturing and sale of Industrialised Building System components including but not limited to Wall Panel, Beam, Column and Slab
- MI Polymer Concrete Pipes Sdn. Bhd.	Malaysia	100	100	Manufacturing and supply of pipes
- G-Cast UHPC Sdn. Bhd.	Malaysia	70	70	Manufacture and sale of ultra-high performance concrete products
<b>Held through MI Polymer Concrete Pipes Sdn. Bhd.</b>				
- MI Polymer Concrete Pipes (S) Pte. Ltd.*	Singapore	100	100	Trading, import and export of polymer concrete products
<b>Held through Metex Steel Sdn. Bhd.</b>				
- Metex Asia Sdn. Bhd. (Formerly known as Comet Steel Sdn. Bhd.)	Malaysia	100	100	Assembly and erection of prefabricated constructions on the site
- Ace Logistic Sdn. Bhd.	Malaysia	100	100	Investment holding
- Metex Modular Sdn. Bhd.	Malaysia	70	70	Manufacture of prefabricated buildings mainly of metal

## NOTES TO THE FINANCIAL STATEMENTS 31 December 2019 (CONT'D)

### 7. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

Details of the subsidiary companies are as follows: (Cont'd)

Name of Company	Principal place of business/ Country of Incorporation	Effective Interest		Principal Activities
		2019 %	2018 %	
<b>Held through Metex Modular Sdn. Bhd.</b>				
Saujana Vision Sdn. Bhd.	Malaysia	49	49	Building contractor
<b>Held through Chin Hin Concrete Holdings Sdn. Bhd.</b>				
- Chin Hin Concrete (North) Sdn. Bhd.	Malaysia	100	100	Manufacturing and trading in mixed concrete and construction works related products
- Chin Hin Concrete (KL) Sdn. Bhd.	Malaysia	100	100	Selling, distribution and transporting of ready-mixed concrete
<b>Held through Midah Industries Sdn. Bhd.</b>				
- Epic Diversity Sdn. Bhd.	Malaysia	100	100	Dealing in consumer products including lock set, alarm system and other related business
- Kempurna Sdn. Bhd.	Malaysia	100	100	Manufacturers metal doors and window frames
- Midah Industries (North) Sdn. Bhd.	Malaysia	51	51	Wholesale of logs, swan timber, plywood, veneer related products and variety of goods without any particular specialization as well as installation of doors, windows door and window frames of wood or other materials, fitted kitchens, staircases, shop fittings and furniture

\* Subsidiary company not audited by UHY

#### (a) Material partly-owned subsidiaries

The Group's subsidiary companies which have non-controlling interests are not material individually or in aggregate to the financial position, financial performance and cash flows of the Group.