

**MALAYAN UNITED INDUSTRIES BERHAD**

Registration No: 196001000140 (3809-W)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2020**

(The figures are unaudited)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

	<b>QUARTER ENDED AND CUMULATIVE 3 MONTHS</b>	
	<b>30.09.2020 RM'000</b>	<b>30.09.2019 RM'000</b>
Revenue	55,854	97,356
Cost of sales	(37,302)	(59,476)
Gross profit	18,552	37,880
Other income	13,268	3,500
Distribution costs	(1,984)	(2,360)
Administrative expenses	(15,157)	(19,829)
Other operating expenses	(5,962)	(9,309)
Net reversal of impairment losses on financial assets (refer Note A4)	4,214	1,433
Finance costs	(9,411)	(11,129)
Share of results of associates	(602)	379
Share of results of joint venture	(1)	(7)
Profit before taxation	2,917	558
Taxation	(1,067)	(2,617)
Profit/(loss) after taxation	1,850	(2,059)
Profit/(loss) after taxation attributable to:-		
Owners of the Company	(4,896)	(6,605)
Non-controlling interests	6,746	4,546
	1,850	(2,059)
Basic/diluted loss per share attributable to owners of the Company (sen)	(0.17)	(0.23)

The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

	QUARTER ENDED AND CUMULATIVE 3 MONTHS	
	30.09.2020 RM'000	30.09.2019 RM'000
Profit/(loss) after taxation	1,850	(2,059)
Other comprehensive income/(expenses), net of tax:-		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Fair value gain/(loss) of equity instruments	598	(1,104)
<i>Items that will be reclassified subsequently to profit or loss</i>		
Foreign currency translation differences	(2,976)	794
Other comprehensive expenses	(2,378)	(310)
Total comprehensive expenses for the financial period	(528)	(2,369)
Total comprehensive expenses attributable to:-		
Owners of the Company	(8,229)	(5,186)
Non-controlling interests	7,701	2,817
Total comprehensive expenses for the financial period	(528)	(2,369)

The Condensed Consolidated Statements of Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

# MALAYAN UNITED INDUSTRIES BERHAD

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## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

	30.09.2020 RM'000	30.06.2020 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	580,371	575,564
Investment properties	67,266	67,281
Associates	187,502	188,173
Joint venture	448	449
Other investments	5,804	6,335
Inventories	35,263	35,263
Goodwill on consolidation	24,974	24,974
Deferred tax assets	2,003	1,923
	903,631	899,962
<b>Current Assets</b>		
Inventories	127,612	136,580
Trade and other receivables	129,767	135,586
Contract assets	7,746	3,622
Right to recover returned goods	538	538
Contract costs	1,049	275
Other investments	22,121	16,157
Short time investments	5,410	5,372
Current tax assets	3,247	4,707
Deposits, bank balances and cash	204,637	206,494
	502,127	509,331
Assets classified as held for sale	18,410	21,964
	520,537	531,295
<b>TOTAL ASSETS</b>	1,424,168	1,431,257
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable To Owners Of The Company</b>		
Share capital	3,152,866	3,152,866
Accumulated losses and reserves	(2,966,286)	(2,960,439)
	186,580	192,427
<b>Non-Controlling Interests</b>	239,805	231,852
<b>Total Equity</b>	426,385	424,279
<b>Non-Current Liabilities</b>	704,845	710,751
<b>Current Liabilities</b>		
Trade and other payables	172,002	181,448
Contract liabilities	1,443	1,453
Refund liabilities	957	958
Borrowings	117,275	110,829
Employee benefits	711	642
Current tax liabilities	550	897
	292,938	296,227
<b>Total Liabilities</b>	997,783	1,006,978
<b>TOTAL EQUITY AND LIABILITIES</b>	1,424,168	1,431,257
	<b>RM</b>	<b>RM</b>
Net assets per share attributable to owners of the Company	0.06	0.07

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

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## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

	Attributable to Owners of the Company				Non-Controlling Interests	Total Equity
	Share Capital RM'000	Non-Distributable Reserves RM'000	Accumulated Losses RM'000	Total RM'000	RM'000	RM'000
At 1 July 2020	3,152,866	(20,288)	(2,940,151)	192,427	231,852	424,279
(Loss)/Profit for the financial period	-	-	(4,896)	(4,896)	6,746	1,850
Fair value loss of equity instruments	-	(156)	544	388	210	598
Foreign currency translations	-	(3,721)	-	(3,721)	745	(2,976)
Total comprehensive (expenses)/income	-	(3,877)	(4,352)	(8,229)	7,701	(528)
Transaction with owners:-						
Changes in a subsidiary's ownership interests	-	(8)	2,390	2,382	252	2,634
At 30 September 2020	3,152,866	(24,173)	(2,942,113)	186,580	239,805	426,385
At 1 July 2019	3,152,866	(34,490)	(2,742,863)	375,513	228,723	604,236
(Loss)/Profit for the financial period	-	-	(6,605)	(6,605)	4,546	(2,059)
Fair value loss of equity instruments	-	(2,074)	1,347	(727)	(377)	(1,104)
Foreign currency translations	-	2,146	-	2,146	(1,352)	794
Total comprehensive income/(expenses)	-	72	(5,258)	(5,186)	2,817	(2,369)
At 30 September 2019	3,152,866	(34,418)	(2,748,121)	370,327	231,540	601,867

The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

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## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

	<b>30.09.2020</b>	<b>30.09.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Operating Activities</b>		
Profit before taxation	2,917	558
Net adjustments	(1,335)	10,000
Operating profit before working capital changes	1,582	10,558
Net change in working capital	3,544	(8,082)
Cash generated from operations	5,126	2,476
Employee benefits paid	(123)	(2)
Interest paid	(173)	(100)
Interest received	1,301	327
Net tax paid/(refund)	(1,617)	4,522
Net cash from operating activities	4,514	7,223
<b>Investing Activities</b>		
Dividend received	41	-
Interest received	975	1,215
Placement of fixed deposits pledged with licensed financial institutions	54	(15)
Proceeds from disposal of investments	12,072	-
Proceeds from disposal of property, plant and equipment	7,757	-
Purchase of investments (current and non-current)	(660)	-
Purchase of property, plant and equipment	(3,368)	(2,514)
Net cash from/(used in) investing activities	16,871	(1,314)
<b>Financing Activities</b>		
Interest paid	(9,238)	(11,029)
Net (repayments)/drawdown of bank borrowings	(9,408)	21,132
Net cash from/(used) in financing activities	(18,646)	10,103
Net increase in cash and cash equivalents	2,739	16,012
<b>Cash and cash equivalents at beginning of financial period</b>		
As previously reported	168,413	184,568
Effects of exchange rate changes	594	(1,693)
As restated	169,007	182,875
Cash and cash equivalents at end of financial period	171,746	198,887

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

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## A. NOTES TO THE INTERIM FINANCIAL REPORT

### A1 Basis of Preparation

The condensed consolidated financial statements ("Condensed Report") has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the requirements of the Companies Act 2016 in Malaysia. The Condensed Report, other than for financial instruments has been prepared under the historical cost convention. Certain financial instruments are carried at fair value in accordance with MFRS 9 Financial Instruments.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020. The explanatory notes attached to the Condensed Report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2020.

The accounting standards adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 30 June 2020, except for the following:

<u>MFRSs and/or IC Interpretations (including The Consequential Amendments)</u>	<u>Effective Date</u>
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 16: COVID-19-Related Rent Concessions	1 June 2020

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

<u>MFRSs and/or IC Interpretations (including The Consequential Amendments)</u>	<u>Effective Date</u>
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023

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## A2 Seasonal or Cyclical Factors

The Group's businesses where seasonal or cyclical factors, other than economic factors, would have some effects on operations are as follows:-

- (a) The retailing operations in Malaysia have seasonal peaks in tandem with various festive seasons and sales promotions approved by the government;
- (b) The hotel operations and hospitality business in the United Kingdom normally experience low seasonality due to after effects of the festivities and holiday seasons of Christmas and New Year. Additionally, winter period will also experience a decline in trading; and
- (c) The food operations of the Group is affected by seasonal factors.

## A3 Changes in Estimates

There were no significant changes in estimates of the amounts reported in prior financial years which have a material effect in the financial period ended 30 September 2020.

## A4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence in the financial period ended 30 September 2020 other than the following items:-

### Net reversal of impairment losses on financial assets

(Impairment)/Reversal of impairment on:-

- amount owing by an associate
- receivables
- overseas investment

QUARTER ENDED AND CUMULATIVE 3 MONTHS	
30.09.2020	30.09.2019
RM'000	RM'000
(294)	1,373
10	60
4,498	-
<hr/> 4,214	<hr/> 1,433

## A5 Issuances, Repurchases and Repayments of Debts and Equity Securities

There were no issuances or repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares by the Company for the financial period ended 30 September 2020.

## A6 Dividends Paid

No dividend was paid by the Company during the financial period ended 30 September 2020 (30 September 2019: Nil).

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## A7 Operating Segments

The analysis of the Group's operations for the financial period ended 30 September 2020 is as follows:-

### (a) Revenue

	External Customers RM'000	Inter- segment RM'000	Total Revenue RM'000	Associates RM'000	Net Revenue RM'000
Retailing	8,668	-	8,668	(1,157)	7,511
Hotel	19,602	-	19,602	-	19,602
Food	13,046	-	13,046	-	13,046
Property	15,713	(18)	15,695	-	15,695
Others	3,729	(1,708)	2,021	(2,021)	-
<b>Total</b>	<b>60,758</b>	<b>(1,726)</b>	<b>59,032</b>	<b>(3,178)</b>	<b>55,854</b>

### (b) Results

	Segment Results RM'000	Net reversal of impairment losses on financial assets RM'000	Finance Costs RM'000	Associates/ Joint Venture RM'000	(Loss)/Profit Before Taxation RM'000
Retailing	(2,759)	7	-	53	(2,699)
Hotel	(2,288)	-	(581)	-	(2,869)
Food	521	-	(6)	(1)	514
Property	1,694	3	-	-	1,697
Others	11,549	4,204	(8,824)	(655)	6,274
<b>Total</b>	<b>8,717</b>	<b>4,214</b>	<b>(9,411)</b>	<b>(603)</b>	<b>2,917</b>

### (c) Assets

	Segment Assets RM'000	Associates/ Joint Venture RM'000	Total RM'000
Retailing	217,147	6,032	223,179
Hotel	511,240	-	511,240
Food	145,172	448	145,620
Property	331,608	-	331,608
Others	25,658	181,470	207,128
	<b>1,230,825</b>	<b>187,950</b>	<b>1,418,775</b>
Unallocated corporate assets			5,393
<b>Total Assets</b>			<b>1,424,168</b>

## A8 Events Subsequent to the End of the Financial Period

There are no material events subsequent to the end of the financial period ended 30 September 2020 that have not been reflected in the financial statements for the said period as at the date of this report.



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## A9 Changes in the Composition of the Group

(a) On 27 October 2020, the following dormant indirect subsidiaries incorporated in United Kingdom (all non-consolidated) have been dissolved by way of voluntary strike-off, with no material impact on the earnings and net assets of the Group:-

- (i) Rose & Crown VCT Limited
- (ii) Shandwick Leisure Limited
- (iii) Styletune Limited

(b) During the financial period, the Group reduced its ownership interests in the following subsidiaries:-

	No. of shares disposed of (‘000)	Total consideration (RM‘000)	Changes in ownership interests	
			Before disposal	After disposal
(i) Pan Malaysia Holdings Berhad	8,149	2,647	69.19%	68.32%
(ii) MUI Properties Berhad	10,000	4,926	74.32%	72.97%

Other than the above, there were no other changes in the composition of the Group during the financial period ended 30 September 2020.

## A10 Contingent Liabilities

There are no material contingent liabilities not provided for as at 30 September 2020.

## A11 Capital Commitments

As at 30 September 2020, the Group has capital commitment in respect of a subscription of interest as a limited partner of Genesis Alternative Ventures I L.P. as follows:-

	USD‘000	RM‘000
Capital committed to invest	2,000	8,317
Capital invested	379	1,637
Balance of commitment	<u>1,621</u>	<u>6,680</u>

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## B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS

### B1 Review of Performance of the Company and its Principal Subsidiaries

	QUARTER ENDED AND CUMULATIVE 3 MONTHS			
	30.09.2020 RM'000	30.09.2019 RM'000	Changes RM'000	%
<b>Revenue</b>				
Retailing	7,511	14,183	(6,672)	(47.00)
Hotel	19,602	47,272	(27,670)	(58.50)
Food	13,046	15,592	(2,546)	(16.30)
Property	15,695	20,309	(4,614)	(22.70)
	<b>55,854</b>	<b>97,356</b>	<b>(41,502)</b>	<b>(42.60)</b>
<b>(Loss)/Profit before taxation ("LBT" / PBT")</b>				
Retailing	(2,699)	(3,297)	598	18.10
Hotel	(2,869)	8,054	(10,923)	(135.60)
Food	514	(374)	888	237.40
Property	1,697	6,923	(5,226)	(75.50)
Others	6,274	(10,748)	17,022	158.40
	<b>2,917</b>	<b>558</b>	<b>2,359</b>	<b>422.80</b>

The Group's performance for the current quarter continues to be affected by the coronavirus outbreak, with revenue for the current quarter falling RM41.5 million compared to the previous year corresponding quarter. Despite this, the Group managed to increase its PBT by RM2.4 million compared to the previous year corresponding quarter due to gains from disposals of assets and a reversal of impairment loss on an overseas investment.

#### Retailing

The effects of the COVID-19 pandemic was a major cause for the Group's retailing revenue to decline by 47.0% compared to the same period last year. LBT narrowed to RM2.7 million in the current quarter from RM3.3 million in the same period last year, mainly due to savings on operating expenses.

#### Hotel

As with the retailing business, the COVID-19 outbreak has also significantly affected the Group's hotel operations in Malaysia and the UK. Revenue for the first quarter fell by 58.5% compared to the same period last year. As a result, the hotel division incurred an LBT of RM2.9 million from a PBT of RM8.1 million in the previous year corresponding quarter.

#### Food

Revenue in the first quarter dropped by 16.3% compared to the same period last year, mainly due to the sluggish demand caused by the coronavirus pandemic. In particular, export sales remained weak due to escalating COVID-19 cases globally, hampering consumer demand for non-essential products.

#### Property

The lower revenue and lower PBT in the current quarter were mainly due to lower revenue recognition from on-going projects at the initial stages of construction. In the previous year corresponding quarter, revenue and higher PBT was mainly from projects which had reached advanced stages of construction.

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## B2 Material Changes in the Quarterly Results Compared with the Results of the Preceding Quarter

	Quarter Ended			
	30.09.2020	30.06.2020	Changes	
	RM'000	RM'000	RM'000	%
<b>Revenue</b>				
Retailing	7,511	4,148	3,363	81.1
Hotel	19,602	1,192	18,410	1,544.5
Food	13,046	8,625	4,421	51.3
Property	15,695	18,553	(2,858)	(15.4)
	55,854	32,518	23,336	71.8
<b>(Loss)/Profit before taxation ("LBT) / PBT")</b>				
Retailing	(2,699)	(3,465)	766	22.1
Hotel	(2,869)	(29,692)	26,823	90.3
Food	514	(277)	791	285.6
Property	1,697	6,215	(4,518)	(72.7)
Others	6,274	(5,035)	11,309	224.6
	2,917	(32,254)	35,171	109.0

For the current quarter, the Group recorded a revenue of RM55.9 million and PBT of RM2.9 million compared to a revenue of RM32.5 million and LBT of RM32.3 million in the preceding quarter.

The higher revenue for the current quarter was due to certain relaxations of the lockdowns and restrictions from the COVID-19 pandemic, whereas the results of the preceding quarter were hampered due to near total closure of the hospitality and retailing sectors. In particular, the LBT in the preceding quarter included an impairment of RM12.3 million made on the UK hotel properties.

## B3 Prospects for the Financial Year Ending 30 June 2021

The COVID-19 pandemic has impacted the Group's businesses, as lockdowns and restrictions, both globally and locally, continue to disrupt business operations.

### Retailing

Footfall in shopping malls have dropped again with the extended Conditional Movement Control Order (CMCO) imposed by the government. Apart from continuing to innovate in its marketing strategies and product offering, Metrojaya will also move into e-commerce platforms to better reach its target market and widen its revenue base.

### Hotel

The hospitality industry in UK remains challenging with travel bans and further lockdowns. However, hotels outside city locations are showing positive signs of recovery as visitors opt to travel to the outskirts.

In Malaysia, both the Group's hotels were severely affected when the CMCO was announced from 14 October and subsequently extended to even more states till 6 December 2020. In the interim, the hotels will undertake cost cutting measures to mitigate the impact of the travel restrictions.

### Food

The Management expects a consumer demand recovery for Malaysia in 2021, provided that the number of COVID-19 cases remain low in the local community. However, the export business remains largely uncertain with the ongoing pandemic affecting consumer demand for non-essential products. A strong emphasis will be placed on product development, which is currently in progress, to excite the market with innovative and experiential offerings especially in the competitive snacking and confectionery category.

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## Property

The Group remains cautiously optimistic that its property projects will continue to be well received as the homes offered in Bandar Springhill are affordably priced and in line with market demands. This is also helped by the government initiatives to assist home buyers following the coronavirus pandemic.

### **B4 Variance of Actual Profit from Forecast Profit**

Not applicable.

### **B5 Profit before taxation**

Included in the profit before taxation were the followings items:-

	QUARTER ENDED AND CUMULATIVE 3 MONTHS		Changes %
	30.09.2020 RM'000	30.09.2019 RM'000	
Capital distribution received from a subsidiary	313	-	100.0
Depreciation	(4,233)	(4,032)	(5.0)
Gain on disposal of:-			
- quoted equity investment	3,176	-	100.0
- property, plant and equipment	4,162	-	100.0
Interest expense	(9,411)	(11,129)	15.4
Interest income	975	1,337	(27.1)
Net gain on foreign exchange	3,299	1,533	115.2
Net inventories written down	(1,344)	(1,753)	23.3
Property, plant and equipment written off	(49)	(22)	(122.7)

### **B6 Trade Receivables**

(a) The credit term of trade receivables range from 7 to 120 days.

(b) The ageing of trade receivables of the Group was as follows:-

	30.09.2020	30.06.2020	Changes %
	RM'000	RM'000	
Current (Not past due)	22,529	25,262	(10.8)
Past due:			
1 to 30 days	3,958	4,218	(6.2)
31 to 60 days	1,395	1,531	(8.9)
61 to 90 days	3,158	3,968	(20.4)
91 to 120 days	3,029	1,490	103.3
More than 120 days	2,596	1,447	79.4
	<u>36,665</u>	<u>37,916</u>	(3.3)

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### B7 Taxation

Taxation comprises:-

	QUARTER ENDED AND CUMULATIVE 3 MONTHS		Changes %
	30.09.2020 RM'000	30.09.2019 RM'000	
Current taxation			
- Malaysia	(1,228)	(2,347)	47.7
- Foreign	(4)	(455)	99.1
Deferred tax	80	185	(56.8)
	(1,152)	(2,617)	56.0
Overprovision in respect of prior years	85	-	100.0
	(1,067)	(2,617)	59.2

The Group's effective tax rate for the current quarter and previous year corresponding period were higher than the statutory tax rate of the respective periods mainly due to losses incurred by certain subsidiaries where no group relief on losses were available.

### B8 Status of Corporate Proposals

The Group has not announced any corporate proposals which have not been completed as at the date of this report.

### B9 Group Borrowings

	30.09.2020			30.06.2020		
	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
<i>Secured</i>						
- Term loan	626,592	28,055	654,647	636,042	19,788	655,830
- Revolving credit	34,695	32,400	67,095	34,695	34,900	69,595
- Bank overdraft	-	16,867	16,867	-	15,984	15,984
	661,287	77,322	738,609	670,737	70,672	741,409
<i>Unsecured</i>						
- Revolving credit	29,594	38,880	68,474	29,594	39,880	69,474
<i>Lease liabilities</i>	1,096	1,073	2,169	-	277	277
Total borrowings	691,977	117,275	809,252	700,331	110,829	811,160

Foreign borrowing in Ringgit Malaysia equivalent as at 30 September 2020 included in the above was as follows:-

	30.09.2020		30.06.2020	
	£'000	RM'000	£'000	RM'000
Total foreign borrowing	86,771	463,208	85,981	452,732

The foreign borrowing above was taken by a foreign subsidiary of the Group.

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## B10 Derivative Financial Instruments

There were no derivative financial instruments as at 30 September 2020.

## B11 Fair Value Changes of Financial Liabilities

There were no financial liabilities measured at fair value through profit or loss as at 30 September 2020.

## B12 Material Litigation

On 28 February 2019, MJ Department Stores Sdn Bhd (hereinafter referred to as the Plaintiff), a wholly-owned subsidiary of Metrojaya Berhad which is in turn an indirect 98.21%-owned subsidiary of the Company, had taken legal proceedings against UDA Holdings Berhad (hereinafter referred to as the Defendant) vide a Writ of Summons filed at the High Court of Kuala Lumpur ("the High Court").

The Plaintiff was the anchor and largest tenant in BB Plaza for some 33 years. Since 1981 until January 2015, the Plaintiff operated a Metrojaya Department Store at BB Plaza. The last formal Tenancy Agreement entered into by the Plaintiff with the Defendant for the premises at BB Plaza was on 6 May 2010.

Pursuant to the Tenancy Agreement, the Plaintiff had the option to renew for 5 terms of 3 years each. However, the Defendant had prematurely terminated the Plaintiff's tenancy at BB Plaza with effect from 19 January 2015. The Plaintiff's total claim amounts to RM24,221,098, of which RM16,159,204 is for loss of profit. The rate of interest on the total claim by the Plaintiff shall be at such rate and for such period as the High Court may award as it deems fit.

On 30 January 2020, the High Court dismissed the Plaintiff's claim with costs of RM30,000.00 subject to allocator's fees.

The Plaintiff has on 5 February 2020 filed a Notice of Appeal to the Court of Appeal against the High Court's decision to dismiss the Plaintiff's claim. The matter is now fixed for hearing at the Court of Appeal on 16 June 2021.

## B13 Dividend

No dividend has been declared by the Board for the financial period ended 30 September 2020 (30 September 2019: Nil).

## B14 Basic Loss Per Share

	QUARTER ENDED AND CUMULATIVE 3 MONTHS		Changes %
	30.09.2020	30.09.2019	
Weighted average number of ordinary shares in issue ('000)	2,932,561	2,932,561	-
Loss after taxation attributable to owners of the Company (RM'000)	(4,896)	(6,605)	25.9
Basic/diluted loss per share attributable to owners of the Company (sen)	(0.17)	(0.23)	25.9

Diluted loss is the same as basic loss per ordinary share as there are no dilutive potential ordinary shares.

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**B15 Auditors' Report**

The auditors' report on the financial statements for the financial year ended 30 June 2020 was unmodified.

**On behalf of the Board**

**MALAYAN UNITED INDUSTRIES BERHAD**

**Lee Chik Siong  
Wong Shuk Fuen  
Joint Company Secretaries**

**Date: 27 November 2020**