

MATERIAL LITIGATIONS

Save as disclosed below, DutaLand Berhad (“DutaLand”) and its subsidiary companies are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Directors of DutaLand have no knowledge of any proceedings pending or threatened against DutaLand and its subsidiary companies or of any fact likely to give rise to any proceeding which may materially affect the position or business of DutaLand and its subsidiary companies:

1. On 10 May 2013, Lin Wen-Chih and Lin Wen-Chuan (collectively referred to as the “Plaintiffs”) commenced action against Pacific Forest Industries Sdn Bhd, a subsidiary of DutaLand (“Pacific Forest”) and DutaLand at the Tawau High Court claiming for a sum of RM16,859,186.65 allegedly owing to the Plaintiffs by Pacific Forest. Pacific Forest and DutaLand subsequently filed an application to strike out the Plaintiffs’ writ and statement of claim which was allowed by the Tawau High Court with costs of RM45,000.00. The Plaintiffs appealed to the Court of Appeal. On 20 September 2016, the Court of Appeal allowed the Plaintiffs’ appeal against the Tawau High Court’s decision with costs of RM20,000.00. The Appellant’s/Plaintiff’s appeal against the Respondents/Defendants was allowed with cost of RM20,000.00 to be paid by Respondents.

The Respondents (Pacific Forest and DutaLand) had on 17 October 2016 filed an appeal against the Court of Appeal’s decision to the Federal Court. Pacific Forest and DutaLand had on 17 October 2016 filed an appeal to the Federal Court against the latest decision of the Court of Appeal. The Federal Court has fixed the case for the hearing on 11 October 2017. On 11 October 2017, the Federal Court dismissed the Defendants’ application for leave to appeal with costs of RM10,000.00. The case will be sent back to the High Court for trial. The trial dates had previously been fixed on 8th to 10th of January 2018. Defendants’ had applied for adjournment of the trial, and the Court has on 8 January 2018 allowed the application and adjourned the trial dates to 12 to 14 February 2018. The trial of the case has proceeded on 12 February to 14 February 2018. The High Court has requested for written submission by the parties to be filed and exchanged by 7 March 2018. The High Court has tentatively fixed the case for decision on 2 April 2018. The hearing on 3rd April 2018 had been rescheduled to 25 April 2018 for oral submission of the case before the judge. On 25 April 2018 the judge then fixed the case for decision on 28 May 2018. However, on 25 May 2018, we were informed by the Court that the judge is not ready to deliver the decision on 28 May 2018. The Court then rescheduled the decision to 6 June 2018 and later rescheduled to 11 June 2018. On 11 June 2018, the High Court dismissed the Plaintiff’s claim against both the Defendants with costs of RM10,000.00. On 5 July 2018, the Plaintiff has filed a Notice to Appeal the decision of the High Court. The case was sent back to the Tawau High Court for trial. The claim filed by the Plaintiffs had been dismissed by the High Court on 11 June 2018 but the decision of the High Court is now being appealed by the Plaintiff to the Court of Appeal. The hearing of this appeal was on 24 July 2019. The High Court postponed the hearing to the future date to be informed by the Court.

2. On 13 December 2006, Rinota Construction Sdn Bhd (“Plaintiff”) filed an action against Mascon Rinota Sdn Bhd (“MRSB”), Mascon Sdn Bhd (“MSB”), Olympia Industries Berhad (“OIB”) and others at the Kuala Lumpur High Court (“KLHC”) by virtue of an alleged oppression under Section 181 of the then Companies Act 1965 (“Original Petition”). The Plaintiff sought damages of approximately RM8.0 million. On 21 October 2007, the Plaintiff filed an application to amend the Original Petition by adding Mascon Construction Sdn Bhd (“MCSB”), a subsidiary of DutaLand, as another respondent and such application was subsequently allowed by KLHC. MSB, a subsidiary of OIB, was wound up on 25 March 2008. On 29 August 2012, KLHC ruled in favour of the Plaintiff with an order for MCSB and others to buy out the Plaintiff’s shareholding in MRSB which is a subsidiary of MSB. On 27 September 2012, MCSB and the others appealed against this decision, which appeal was allowed by the Court of Appeal with costs of RM100,000.00. The Plaintiff filed an application for leave to appeal to the Federal Court (“the Court”) which was granted on 21 June 2016 and the hearing for the Plaintiff’s appeal is fixed on 24 November 2016.

On 24 November 2016, the case was vacated therefore the Court has re-fixed the hearing date on 21 February 2017. On 6 February 2017, the Federal Court informed our solicitor that the hearing date which was fixed earlier on 21 February 2017 was vacated and fixed for the case management on 8 February 2017. On 8 February 2017, the matter was fixed for the case management, the Court has further instructed parties to file their respective submission in reply on or before 8 May 2017, and the Court has also fixed the appeal for the hearing on 22 May 2017. The appeal proper was heard on 22 May 2017 and dismissed with cost of RM100,000. The Federal Court reinstated the order of the High Court which ordered that all the Respondents purchase the shares owned by the Plaintiff in MRSB and that a certified public accountant be appointed to inspect the accounts of MRSB and file a report to the High Court of the results of the inspection to determine the value of the shares, together with payment of RM100,000 being costs to the Plaintiff for the hearing in the Federal Court and the Court of Appeal. The High Court has fixed the case for further case management before the judge on 3 May 2018 for the appointment of the certified public accountant. On 3 May 2018 the case was fixed for case management before YA Dato Has Zanah binti Mehat, the Court has now fixed the matter for Hearing of Enclosure 82 on 26 June 2018. On 26 June 2018, the Court has allowed the Petitioner’s application for extension to re-appoint BDO Governance Advisory Sdn Bhd (“BDO”) as the Court appointer auditor. Pursuant to the court order dated 26 June 2018, BDO has 6 months from 26 June 2018 to prepare the accountant’s report.

On 1 October 2018, the Court called for case management to update the Court on the accountant’s report progress, the Court has also fixed for next case management date on 2 November 2018 to update the Court on further progress. On 2 November 2018, the Court has fixed for further case management for the progress of accountant’s report on 3 January 2019. On 3 January 2019, Court has fixed for further Case Management on 17 January 2019 for further directions on Accountant’s Report. On 17 January 2019, the Court was informed by the petitioner that they would file a notice to appoint a new Auditor as the earlier Auditor failed to complete the accounts within the given time frame. The Court has directed for the petitioner to file the notice on or before 31 January 2019. The Court also fixed the above matter for case management on 31 January 2019. On 31 January 2019, the petitioner informed the Court that they have appoint a new Auditor, Ferrier Hodgson MH Sdn Bhd, and the Court has fixed the matter for decision on 22 April 2019. On 22 April 2019, the Court had adjourned the matter to 29 April 2019 for parties to make oral submission and this date has been adjourned to 10 June 2019. The Court has further affixed the matter for decision on

23 July 2019 and accordingly discussed the Petitioners' application for extension to re-appoint Baker Tilly (new auditor after BDO Governance Advisory Sdn Bhd). On 16 August 2019, the Respondents' lawyer informed that the Court has dismissed the Petitioners' application from appointment of Baker Tilly and the Petitioners have filed an appeal on 17 August 2019.