



KHEE SAN BERHAD

[Registration No.: 199401018697 (304376-A)]
(Incorporated in Malaysia)

("KSB" or "the Company")

Interim Financial Statements
Second Quarter Results
For the Financial Period ended
31 December 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 31 DECEMBER 2020

	Individual Quarter (Unaudited)		Cumulative Quarter (Unaudited)	
	Ended 31.12.2020 RM'000	Ended 31.12.2019 RM'000	Ended 31.12.2020 RM'000	Ended 31.12.2019 RM'000
Revenue	22,137	N/A	36,658	N/A
Cost of sales	(16,556)	N/A	(28,654)	N/A
Gross Profit	5,581	N/A	8,004	N/A
Other income	253	N/A	287	N/A
Selling and distribution costs	-	N/A	-	N/A
Administrative expenses	(35,018)	N/A	(38,755)	N/A
Finance cost	(1,251)	N/A	(2,512)	N/A
Loss before tax	(30,435)	N/A	(32,976)	N/A
Income tax expenses	-	N/A	-	N/A
Loss for the period	(30,435)	N/A	(32,976)	N/A
Other Comprehensive Income	-	N/A	-	N/A
Total Comprehensive Loss for the Period	(30,435)	N/A	(32,976)	N/A
Loss for the Period attributable to:				
Owners of the Company	(30,435)	N/A	(32,976)	N/A
Non-controlling interest	-	N/A	-	N/A
	(30,435)	N/A	(32,976)	N/A
Total Comprehensive Loss attributable to:				
Owners of the Company	(30,435)	N/A	(32,976)	N/A
Non-controlling interest	-	N/A	-	N/A
	(30,435)	N/A	(32,976)	N/A
Loss per Share (Sen)				
Basic	(26.60)	N/A	(28.83)	N/A
Diluted	-	N/A	-	N/A

There are no comparative figures disclosed for the current quarter and the cumulative period-to-date results following the change in the financial year from 31 December 2019 to 30 June 2020. The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	(Unaudited) As at 31.12.2020 RM'000	(Audited) As at 30.06.2020 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	79,642	114,957
Intangible assets	-	-
Right-of-use assets	7,346	7,634
Total Non-Current Assets	<u>86,988</u>	<u>122,591</u>
Current Assets		
Inventories	7,646	5,264
Trade receivables	9,524	2,543
Other receivables, deposits and prepayments	2,346	2,750
Current tax assets	1,357	1,064
Cash and bank balances	1,805	4,311
Total Current Assets	<u>22,678</u>	<u>15,932</u>
Total Assets	<u>109,666</u>	<u>138,523</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	109,790	109,790
Reserves	(153,651)	(120,675)
Total Equity	<u>(43,861)</u>	<u>(10,885)</u>
Non-Current Liabilities		
Deferred tax liabilities	14,996	14,996
Lease liabilities	1,230	1,322
Total Non-Current Liabilities	<u>16,226</u>	<u>16,318</u>
Current Liabilities		
Trade payables	20,241	22,057
Other payables and accruals	42,238	31,426
Amount due to a director	-	5,000
Current tax liabilities	6	6
Borrowings	73,996	73,730
Lease liabilities	820	871
Total Current Liabilities	<u>137,301</u>	<u>133,090</u>
Total Liabilities	<u>153,527</u>	<u>149,408</u>
Total Equity and Liabilities	<u>109,666</u>	<u>138,523</u>
Net Liabilities per Ordinary Share (RM)	(0.38)	(0.10)

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

KHEE SAN BERHAD*[Registration No.: 199401018697 (304376-A)] Incorporated in Malaysia***UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2020**

	Share Capital	Non-Distributable Merger Reserve	Revaluation Reserve	Distributable Accumulated losses	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
6 months ended 31 December 2020					
As at 1 July 2020	109,790	(17,444)	31,248	(134,479)	(10,885)
Total comprehensive loss (Loss for the period)	-	-	-	(32,976)	(32,976)
As at 31 December 2020	109,790	(17,444)	31,248	(167,455)	(43,861)

There are no comparative figures disclosed for the current quarter and the cumulative period-to-date results following the change in the financial year from 31 December 2019 to 30 June 2020. The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR
THE SECOND QUARTER ENDED 31 DECEMBER 2020**

	(Unaudited)	
	6 Months Ended 31.12.2020 RM'000	6 Months Ended 31.12.2019 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(32,976)	N/A
Adjustments for:-		
Depreciation of property, plant and equipment	3,183	N/A
Depreciation of right-of-use assets	288	N/A
Gain on disposal of property, plant and equipment	(221)	N/A
Impairment loss on property, plant and equipment	32,513	N/A
Interest expenses	2,512	N/A
Unrealised loss on foreign exchange	4,134	N/A
Operating profit before changes in working capital	9,433	N/A
Changes in working capital:		
Inventories	(2,382)	N/A
Trade receivables	(11,116)	N/A
Other receivables	404	N/A
Trade payables	(1,817)	N/A
Other payables	10,814	N/A
Amount due to a director	(5,000)	N/A
Cash generated from operations	336	N/A
Tax paid	(292)	N/A
Interest paid	(2,512)	N/A
Net cash used in operating activities	(2,468)	N/A
CASH FLOW FROM INVESTING ACTIVITIES		
Proceed from disposal of property, plant and equipment	259	N/A
Purchase of property, plant and equipment	(420)	N/A
Net cash used in investing activities	(161)	N/A
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(144)	N/A
Net cash used in financing activities	(144)	N/A
Net Changes in Cash and Cash Equivalents	(2,773)	N/A
Cash and Cash Equivalents at beginning of the period	(3,720)	N/A
Cash and Cash Equivalents at the end of the period	(6,493)	N/A
Cash and Cash Equivalents included in the Unaudited Condensed Consolidated Statement of Cash Flow comprise the following:-		
	31.12.2020	31.12.2019
	RM'000	RM'000
Cash and bank balances	1,805	N/A
Bank overdraft	(8,298)	N/A
	(6,493)	N/A

There are no comparative figures disclosed for the current quarter and the cumulative period-to-date results following the change in the financial year from 31 December 2019 to 30 June 2020. The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the period ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2020**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134****A1. BASIS OF PREPARATION**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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

A2. SIGNIFICANT ACCOUNTING POLICIES

In addition to the accounting policies and presentations adopted by the Group for the audited financial statements for the financial period ended 30 June 2020, the Group has further adopted the following MFRS in the interim financial statement, effective from 1 July 2020:

Amendments to MFRS 3	Definition of a business
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9
Amendments to MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 9	Interest Rate Benchmark Reform
Amendments to MFRS 16	Covid-19 – Related Rent Concessions
Amendments to MFRS 101	Definition of Material, Deferral of Effective Date
Amendments to MFRS 108	Definition of Material
Amendments to MFRS 139	Interest Rate Benchmark Reform

The Group expect that the adoption of the above Standards, Amendments and IC Interpretation are not expected to have any material financial impacts to the current period and prior period financial statements.

A3. QUALIFICATION OF PRECEDING YEAR'S AUDITED FINANCIAL STATEMENTS

The auditors have expressed a qualified opinion on balances related to cash at bank, bank overdraft, banker's acceptance and lease liabilities. In addition to the qualified opinion expressed, the auditors have expressed an emphasis of matter on material uncertainty relating to going concern, in respect of the Company's audited financial statements for the financial period ended 30 June 2020 in their report dated 30 October 2020.

A3. QUALIFICATION OF PRECEDING YEAR'S AUDITED FINANCIAL STATEMENTS (cont'd)

A. The basis for qualified opinion by the auditors were as follows:

“As disclosed in Note 43 to the financial statements, the Group and the Company are currently involved in a spate of litigation against their bankers resulting to deadlock in bank confirmation process by the bankers. The Group and the Company are addressing the issue to relevant authorities in due time. As at-to-date, we have yet to receive the reply on our bank confirmation request from certain bankers of the Group. Consequential thereof, we are unable to reconcile and confirm the balance in total sum of the followings accounts as at 30 June 2020: -

	Group RM
Cash at bank	129,563
Bank overdraft	5,939,815
Bankers' acceptances	56,004,000
Lease liabilities	1,543,705

Without the bank confirmation, we are also unable to verify the related accrued interest charges, additional or new collateral, if any, by other alternative procedures.”

B. The emphasis of matters by the auditors were as follows:

“We draw attention to Note 2.1 to the financial statements, which discloses the following: -

1. For the financial period ended 30 June 2020, the Group and the Company incurred net losses of RM152,800,849 and RM105,234,513 respectively. As of that date, the Group reported shareholders' deficit of RM10,884,605, and the Group's and the Company's current liabilities exceeded the current assets by RM117,156,989 and RM2,554,960 respectively.
2. As disclosed in Note 42(ii) to the financial statements, the Company had in 10 July 2020 announced that it has triggered the Prescribed Criteria of paragraph 2.1(f) of Practice Note 17 (“PN17”) pursuant to paragraph 8.04(2) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia whereby it has defaulted in payment by the listed issuers, its major subsidiary or major associated company, as the case may be, as announced pursuant to paragraph 9.19A of the MMLR as per the Company's announcement made on 8 July 2020.

Pursuant to the Bursa Malaysia's Circular dated 16 April 2020; Additional Temporary Relief Measures To Listed Issuer, the Company which has triggered the above Prescribed Criteria under PN17 of the MMLR from 17 April 2020 to 30 June 2021 (“Relief Period”) was granted PN17 Relief Measures as follow: -

- a. the Company will not be classified as a PN17 listed issuer and will not be required to comply with the obligations pursuant to paragraph 8.04(3) and PN17 of the MMLR for a period of 12 months from the date of triggering the criteria;
- b. the Company is still required to make an immediate announcement that it has triggered the Suspended Criteria and the relief provided (“Relief Announcement”);
- c. upon the expiry of the 12 months from the Relief Announcement, the Company must re-assess its condition and announce whether it continues to trigger any of the criteria in PN17 of the MMLR (“said Announcement”);

A3. QUALIFICATION OF PRECEDING YEAR'S AUDITED FINANCIAL STATEMENTS (cont'd)

- d. if the company continues to trigger any of the criteria in PN17 of the MMLR, it will then be classified as a PN17 listed issuer and must comply with all obligations under paragraph 88.04(3) and PN17 of the MMLR, including the obligation to submit a regularisation plan to the relevant authorities within 12 months from the said announcement.

The above events and conditions indicate that a material uncertainty exist that may cast significant doubt on the Group and the Company's ability to continue as a going concern and therefore, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business.

Nevertheless, the financial statements of the Group and the Company have been prepared on a going concern basis, the validity of which is dependent on the following: -

- a. the Company is currently in the process of formulating a Proposed Regularisation Plan to address the financial condition of the Group and of the Company and believes that the Proposed Regularisation Plan once formulated and implemented after obtaining the approval from relevant authorities, will enable the Group and the Company to generate sufficient cash flows to meet their obligations;
- b. advances from a director amounted to RM5 million in June 2020 as disclosed in Note 22 to the financial statements;
- c. continuous financial support provided by substantial shareholders to the Group and the Company to meet their obligations; and
- d. the Group and the Company are currently implementing various group-wide cost cutting measures to reduce the operating costs and improve profitability and stringent monitoring of administrative costs.

Should the going concern basis for the preparation of the financial statement be no longer appropriate. Adjustments will have to be made to state the assets at their realisable values and to provide further liabilities which may arise.

Our opinion is not modified in respect of this matter.”

A4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

A5. EXCEPTIONAL / UNUSUAL ITEMS

There were no exceptional or unusual items affecting financial statements of the Group for the current quarter under review

**A6. MATERIAL CHANGES IN ESTIMATES**

There were no changes in estimates of amounts reported in prior financial period that have a material effect in the current quarter and financial period-to-date.

A7. DEBT AND EQUITY SECURITIES

There were no issuances and repayment of debts and equity securities for current quarter and financial period-to-date.

A8. DIVIDENDS PAID

There were no dividends paid during the quarter under review.

A9. SEGMENTAL REPORTING

MFRS 8 - *Operating Segment* requires separate reporting of segmental information for operating segments. Operating segments reflect the Group's management structure and the way financial information is regularly reviewed by the Executive Board in making decisions.

Detailed segmental reporting is not provided as the Group's primary business segments is principally engaged in the manufacturing and trading of confectionery, sweets and candies and its operation is principally located in Malaysia.

Segment assets, segment liabilities and capital additions were not disclosed as they were not regularly provided to the chief operating decision maker for the day-to-day operation decision making.

Therefore, the Group's operations can be segmented by business activities namely:

- a) Manufacturing and trading of confectionery, sweets and candies; and
- b) Investment holding

A9. SEGMENTAL REPORTING

The segment analysis for the current financial period-to-date:

	Cumulative Quarter ended 31 December 2020			
	Investment Holding RM'000	Manufacturing and Trading RM'000	Elimination RM'000	Group (total) RM'000
Segment Revenue and Results				
Revenue				
- Export	-	21,517	-	21,517
- Local	-	25,988	(10,847)	15,141
Total revenue	-	47,505	(10,847)	36,658
Results : Operating profit	-	(30,464)	-	(30,464)

	Cumulative Quarter ended 31 December 2019			
	Investment Holding RM'000	Manufacturing and Trading RM'000	Elimination RM'000	Group (total) RM'000
Segment Revenue and Results				
Revenue				
- Export	N/A	N/A	N/A	N/A
- Local	N/A	N/A	N/A	N/A
Total revenue	N/A	N/A	N/A	N/A
Results : Operating loss	N/A	N/A	N/A	N/A

	Cumulative Quarter	
	31.12.2020 RM'000	31.12.2019 RM'000
Reconciliation of reportable segment loss		
Total operating profit for reporting segment	(30,464)	N/A
Finance costs	(2,512)	N/A
Consolidated loss before tax	(32,976)	N/A

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTERLY PERIOD

There were no material events subsequent to the end of quarter that has not been reflected in the Unaudited Financial Statements for the quarter under review, other than as follows:

- a) On 5 January 2021, the Writ of Summons against HSBC Bank Malaysia Berhad ("Defendant") filed by the Company's wholly owned subsidiary, Khee San Food Industries Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Hearing via e-Review for Enclosure 12 (Defendant's Summary Judgement Application), Enclosure 17 (Striking Out Application filed by the Plaintiff) and Enclosure 16 (Defendant's Striking Out Application) and the court has directed as follows:
 1. Plaintiffs to file a short reply to the Defendant's further Submission In Reply on or before 12 January 2021; and
 2. Defendant to further reply on or before 15 January 2021.
- b) On 7 January 2021, the Writ of Summons against H Sky Trading Company ("Defendant") filed by the Company's wholly owned subsidiary, Khee San Food Industries Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Case Management via e-Review and the Court had been updated that the service out of jurisdiction documents has been sent to the Ministry of Foreign Affairs by the relevant department.
- c) On 8 January 2021, the Writ of Summons against Chan Ka Yuen Food Co. Ltd ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 4 (Service out of Jurisdiction) and the Court had been updated that the service out of jurisdiction documents have been sent to the Ministry of Foreign Affairs by the relevant department.
- d) On 8 January 2021, the Writ of Summons against Hiperalimentar LDA ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 4 (Service out of Jurisdiction) and the Court had been updated that the service out of jurisdiction documents have been sent to the Ministry of Foreign Affairs by the relevant department.
- e) On 19 January 2021, the Writ of Summons against Bank of China (Malaysia) Berhad ("Defendant") filed by the Company's wholly owned subsidiary, Khee San Food Industries Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Hearing via e-Review for Enclosure 5 (Defendant's Striking Out Application) and the Court has directed the Plaintiffs to file and serve the Submission In Reply on or before 20 January 2021.
- f) On 19 January 2021, the Writ of Summons against HSBC Bank Malaysia Berhad ("Defendant") filed by the Company's wholly owned subsidiary, Khee San Food Industries Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Hearing via Zoom for Enclosure 1 (Writ of Summon) and Enclosure 12 (Defendant's Summary Judgment Application) and Enclosure 16 (Defendant's Striking Out Application) and the Court had directed as follows:
 1. Parties to file further Submission on 25 January 2021; and
 2. The Court will give decision for Enclosure 12 and Enclosure 16 on 23 February 2021.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTERLY PERIOD (cont'd)

- g) On 19 January 2021, the Writ of Summons and Statement of Claim filed by Tunai Impian Enterprise Sdn Bhd ("Plaintiff") against the Company's wholly owned subsidiary, Khee San Food Industries Sdn Bhd ("Defendant") came up for Hearing via e-Review for Enclosure 9 (Defendant's Striking Out Application) and Enclosure 10 (Plaintiff's Summary Judgment Application) and due to triable issues, the Court had dismissed both Enclosure 9 and Enclosure 10 with cost of RM5,000.00 each subject to allocator. Further, the Court had directed as follows:
1. The next Case Management for Enclosure 1 has been fixed on 15 February 2021;
 2. All interlocutory application to be filed by end of January 2021;
 3. The trial dates for Enclosure 1 has been fixed on 9, 16 and 23 April 2021.
- h) On 21 January 2021, the Writ of Summons and Statement of Claim filed by Alliance Bank Malaysia Berhad ("Plaintiff") against the Company's wholly owned subsidiary, Khee San Food Industries Sdn Bhd ("Defendant") came up for Case Management for Enclosure 9 (Plaintiff Summary Judgment Application), Enclosure 12 (Striking out Application), Enclosure 33 (Defendant's Discovery Application) and Enclosure 36 (Defendant's Application for cross examination).
- i) On 25 January 2021, the Writ of Summons against Bank of China (Malaysia) Berhad ("Defendant") filed by the Company's wholly owned subsidiary, Khee San Food Industries Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Hearing via Zoom for Enclosure 5 (Defendant's Striking Out Application) and the decision of the Hearing for Enclosure 5 shall be given via e-Review on 2 March 2021.
- j) On 25 January 2021, the Writ of Summons against OCBC Bank (Malaysia) Berhad ("Defendant") filed by the Company's wholly owned subsidiary, Khee San Food Industries Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Hearing via Zoom for Enclosure 11 (Defendant's Striking Out Application) and Enclosure 13 (Defendant's Application to enter Summary Judgment) and Case Management for Enclosure 1 (Writ of Summons) and Enclosure 23 (Plaintiffs' Discovery Application).
- k) On 25 January 2021, the Writ of Summons and Statement of Claim filed by Standard Chartered Bank Malaysia Berhad ("Plaintiff") against the Company's wholly owned subsidiary, Khee San Food Industries Sdn Bhd ("Defendant") came up for Case Management via e-Review and the Court had directed as follows:
1. Defendants to file Reply to the Reply to Defence and Reply to Defence to Counter Claim (if any) on or before 1 February 2021; and
 2. Any interlocutory Applications must be filed on or before 8 February 2021.
- l) On 25 January 2021, the Writ of Summons against Standard Chartered Bank Malaysia Berhad ("Defendant") filed by the Company's wholly owned subsidiary, Khee San Food Industries Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Hearing via Zoom for Enclosure 16 (Defendant's Striking Out Application) and Case Management for Enclosure 1 (Writ of Summons) and Enclosure 27 (Plaintiff's Discovery Application).
- m) On 26 January 2021, the Writ of Summons against OCBC Al-Amin Bank Berhad ("Defendant") filed by the Company's wholly owned subsidiary, Khee San Food Industries Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Hearing for Enclosure 9 (Defendant's Application for Summary Judgment for Counterclaim), Enclosure 11 (Defendant's Striking Out Application) and Enclosure 18 (Plaintiffs' Discovery Application).
- n) On 27 January 2021, the Writ of Summons against Impo Holdings Pvt Ltd ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 8 (Serve out of Jurisdiction) and the Court had been informed on the progress of the service out of jurisdiction papers which have been sent to Wisma Putra.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTERLY PERIOD (cont'd)

- o) On 29 January 2021, the Writ of Summons against Secret Ingredients Sdn Bhd ("Defendant") together with a Statement of Claim came up for Case Management for Enclosure 1 (Writ of Summons) and Enclosure 7 (Defendant's Striking Out Application).
- p) On 3 February 2021, the Writ of Summons against H Sky Trading Company ("Defendant") together with a Statement of Claim came up for Case Management via e-Review and the Court had been informed on the progress of the service out of jurisdiction papers which have been sent to the Ministry of Foreign Affairs for submission to the Defendant located in Brunei.
- q) On 8 February 2021, the Court has re-fixed the Hearing of Enclosure 9 (Summary Judgment filed by the Plaintiff), Enclosure 17 (Striking Out Application filed by the Plaintiff) and Enclosure 29 (Stay of Proceeding Application filed by the Defendants) filed by Maybank Islamic Bhd to 22 February 2021.
- r) On 9 February 2021, the Writ of Summons filed by Standard Chartered Bank Malaysia Berhad ("Plaintiff") together with a Statement of Claim came up for Case Management via e-Review.
- s) On 9 February 2021, the Writ of Summons against Secret Ingredients Sdn Bhd ("Defendant") together with a Statement of Claim came up for Hearing for Enclosure 7 (Striking Out Application filed by the Defendant) and the Court had allowed Enclosure 7 with costs of RM6,000.00 subject to allocator.
- t) On 15 February 2021, the Writ of Summons filed by Tunai Impian Enterprise Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 1 (Writ of Summon) and the Court had directed as follows:
 - 1. The new trial dates have been re-fixed to 1, 2 and 3 November 2021;
 - 2. Any Bundle of Documents to be filed on or before 15 July 2021;
 - 3. Parties to file and exchange Witness Statement by 15 October 2021.
- u) On 19 February 2021, the Writ of Summons filed by Alliance Bank Malaysia Berhad ("Plaintiff") together with a Statement of Claim came up for Hearing for Enclosure 9 (Plaintiff Summary Judgment Application), Enclosure 12 (Striking out Application), Enclosure 33 (Defendant's Discovery Application) and Enclosure 36 (Defendant's Application for cross examination) and the Hearing will be continued on 5 March 2021.
- v) On 19 February 2021, the Writ of Summons against Chan Ka Yuen Food Co. Ltd ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 4 (Service out of Jurisdiction) and the Court had been updated on the progress of the service out of jurisdiction documents.
- w) On 19 February 2021, the Writ of Summons against Hiperalimentar LDA ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 4 (Service out of Jurisdiction) and the Court had been updated on the progress of the service out of jurisdiction documents.
- x) On 23 February 2021, the Writ of Summons against HSBC Bank Malaysia Berhad ("Defendant") together with a Statement of Claim came up for Decision via e-Review for Enclosure 12 (Defendant's Summary Judgment Application), Enclosure 16 (Defendant's Striking Out Application) and Enclosure 31 (Plaintiffs' Discovery Application) and the Court had allowed Enclosure 12 and Enclosure 16 with costs of RM8,000 for each of the Enclosure. Enclosure 31 is academic. Hence, the Court had awarded cost of RM3,000 to the Defendant.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTERLY PERIOD (cont'd)

- y) On 23 February 2021, the Writ of Summons against OCBC Al-Amin Bank Berhad ("Defendant") together with a Statement of Claim came up for Case Management for Enclosure 9 (Defendant's Application for Summary Judgment for Counterclaim), Enclosure 11 (Defendant's Striking Out Application) and Enclosure 18 (Plaintiffs' Discovery Application).
- z) On 24 February 2021, the Writ of Summons against Impo Holdings Pvt Ltd ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 8 (Serve out of Jurisdiction) and the Court had been informed on the progress of the service out of jurisdiction papers.
- aa) On 24 February 2021, the Writ of Summons against Wonder Food Sdn Bhd ("Defendant") together with a Statement of Claim came up for Decision for Enclosure 8 (Defendant's Striking Out Application) and the Court had proceeded to grant an order in terms of Enclosure 8, i.e. allow the Defendant's striking out application.
- bb) On 24 February 2021, the Writ of Summons against Maybank Islamic Berhad ("Defendant") together with a Statement of Claim came up for Hearing for Enclosure 17 (the Defendant's Striking Out Application) and Enclosure 20 (the Plaintiff's Consolidation Application) and the Court had invoked its inherent jurisdiction to transfer this action to the Kuala Lumpur High Court (Muamalat Division) vide suit no. WA-22M-35-02/2021. The Court had also awarded cost of RM5,000.00 to the Defendant.
- cc) On 25 February 2021, the Writ of Summons against Standard Chartered Bank Malaysia Berhad ("Defendant") together with a Statement of Claim came up for Decision via e-Review for Enclosure 16 (Defendant's Striking Out Application) and Case Management for Enclosure 27 (Plaintiff's Discovery Application). The Court had allowed Enclosure 16 with costs of RM35,000 subject to allocator. Enclosure 27 is academic. Hence the Court had awarded cost of RM8,000 subject to allocator to the Defendant.
- dd) On 25 February 2021, the Writ of Summons against OCBC Bank (Malaysia) Berhad ("Defendant") together with a Statement of Claim came up for Decision via e-Review for Enclosure 11 (Defendant's Striking Out Application) and Enclosure 13 (Defendant's Application to enter Summary Judgment) and Case Management for Enclosure 23 (Plaintiffs' Discovery Application). The Court had allowed Enclosure 11 with costs of RM35,000 subject to allocator and Enclosure 13 with costs of RM7,000 subject to allocator. Enclosure 23 is academic. Hence the Court had awarded cost of RM8,000 subject to allocator to the Defendant.
- ee) On 26 February 2021, the Writ of Summons against FL Japan Co, Ltd ("Defendant") together with a Statement of Claim came up for Case Management via e-Review and the Court had been updated on the progress of the service out of jurisdiction papers.
- ff) On 26 February 2021, the Writ of Summons filed by Standard Chartered Bank Malaysia Berhad ("Plaintiff") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 9 (Plaintiff's summary judgment application) and Enclosure 14 (Plaintiff's striking out application) and the Court had directed as follows:
 - 1. Defendants to file Affidavit in reply on or before 19 March 2021; and Plaintiff to file final affidavit in reply on or before 9 April 2021.
 - 2. Parties to exchange written submissions on or before 7 May 2021; and submissions in reply on or before 28 May 2021.

As the decision had been given in suit WA-22NCC-309-07/2020 which related to the same parties, the Defendants had requested to withdraw Enclosure 12 (Defendant's Consolidation Application). The Court had allowed the Defendant's request and struck out Enclosure 12 with no orders as to costs.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTERLY PERIOD (cont'd)

- gg) On 1 March 2021, the Writ of Summons filed by Tunai Impian Enterprise Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 1 (Writ of Summon).
- hh) On 1 March 2021, the Writ of Summons against Maybank Islamic Berhad ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 17 (the Defendant's Striking Out Application) and Enclosure 20 (the Plaintiff's Consolidation Application).
- ii) On 1 March 2021, the Writ of Summons filed by Maybank Islamic Berhad ("Plaintiff") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 9 (Summary Judgment filed by the Plaintiff) and Enclosure 17 (Striking Out Application filed by the Plaintiff).
- jj) On 2 March 2021, the Writ of Summons against Bank of China (Malaysia) Berhad ("Defendant") together with a Statement of Claim came up for Decision for Enclosure 5 (Defendant's Striking Out Application) and the Court had allowed Enclosure 5 with costs of RM18,000.
- kk) On 2 March 2021, the Writ of Summons against Kimoe Trading (S) Pte Ltd ("Defendant") together with a Statement of Claim came up for Decision for the Enclosure 11 (Defendant's Striking Out Application) and the Court had allowed Enclosure 11 with costs of RM23,000.
- ll) On 4 March 2021, the Writ of Summons against H Sky Trading Company ("Defendant") together with a Statement of Claim came up for Case Management via e-Review and the Court had instructed the Plaintiff to file Reply to the Defence on or before 17 March 2021.
- mm) On 5 March 2021, the Writ of Summons filed by Alliance Bank Malaysia Berhad ("Plaintiff") together with a Statement of Claim came up for Hearing for Enclosure 9 (Plaintiff's Summary Judgment Application) and Enclosure 12 (Plaintiff's Striking out Application) and the Hearing will be continued on 25 March 2021.
- nn) On 8 March 2021, the Writ of Summons against OCBC Al-Amin Bank Berhad ("Defendant") together with a Statement of Claim came up for Case Management for Enclosure 9 (Defendant's Application for Summary Judgment for Counterclaim) and Enclosure 11 (Defendant's Striking Out Application).
- oo) On 8 March 2021, the Writ of Summons against Hiperalimentar Lda ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 4 (Service out of Jurisdiction) and the Court had struck off the Writ and Statement of Claim as it was expired but the Plaintiff was given liberty to file afresh.
- pp) On 8 March 2021, the Writ of Summons against Maybank Islamic Berhad ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 20 (the Plaintiff's Consolidation Application) and the Court had ordered both WA-22M-269-07/2020 ("Suit 269") and Suit 35 to be heard together and decision for Suit 269 will bind Suit 35.
- qq) On 8 March 2021, the Writ of Summons against Chan Ka Yuen Food Co. Ltd ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 4 (Service out of Jurisdiction) and the Court had struck off the Writ and Statement of Claim as it was expired but the Plaintiff was given liberty to file afresh.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTERLY PERIOD (cont'd)

- rr) On 15 March 2021, the Writ of Summons filed by Maybank Islamic Berhad ("Plaintiff") together with a Statement of Claim came up for Hearing via Skype for Enclosure 9 (Summary Judgment filed by the Plaintiff) and Enclosure 17 (Striking Out Application filed by the Plaintiff).
- ss) On 15 March 2021, the Writ of Summons against OCBC Al-Amin Bank Berhad ("Defendant") together with a Statement of Claim has been adjourned to 30 March 2021.
- tt) On 15 March 2021, the Writ of Summons filed by Tunai Impian Enterprise Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 1 (Writ of Summon) and the Court had directed as follows:
1. The Defendant to file its and same Notice of Application for leave to amend the Pleadings and Affidavit In Service by 15 March 2021;
 2. Plaintiff to file Affidavit In Reply on or before 29 March 2021;
 3. Defendant to file Affidavit In Reply on or before 12 April 2021;
 4. Parties to exchange Written Submission on or before 26 April 2021; and
 5. Parties to exchange Reply Written Submission (if any) on or before 3 May 2021.
- uu) On 18 March 2021, the Company had received a sealed copy of Writ of Summons and Statement of Claim dated 23 February 2021 filed by Eurogain Secta Sdn Bhd ("Plaintiff") vide a suit no. WA-A52NCvC-102-02/2021 filed at the Sessions Court of Malaya at Kuala Lumpur.
- vv) On 18 March 2021, the Writ of Summons against Impo Holdings Pvt Ltd ("Defendant") together with a Statement of Claim came up for Case Management for Enclosure 1 (Writ of Summons) and the Court had struck off the Writ and Statement of Claim as it was expired but the Plaintiff was given liberty to file afresh.
- ww) On 22 March 2021, the Writ of Summons against H Sky Trading Company ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for the Main Suit (Enclosure 1).
- xx) On 23 March 2021, the Writ of Summons against OCBC Bank (Malaysia) Berhad ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for Enclosure 79 (Plaintiffs' Application to Stay the Execution of the Judgments/Orders) and the Court had directed as follows:
1. Defendant to file Affidavit In Reply on or before 5 April 2021;
 2. Plaintiffs to file Affidavit In Reply on or before 19 April 2021;
 3. Parties to exchange Submission on or before 26 April 2021;
 4. Parties to exchange Submission In Reply on or before 28 April 2021.
- yy) On 25 March 2021, the Writ of Summons filed by Alliance Bank Malaysia Berhad ("Plaintiff") together with a Statement of Claim came up for Hearing for Enclosure 9 (Plaintiff's Summary Judgment Application) and Enclosure 12 (Plaintiff's Striking out Application) and the Decision for Enclosure 9 and Enclosure 12 will be given on 19 April 2021.
- zz) On 25 March 2021, the application for leave against London Biscuits Berhad (In Liquidation) came up for Hearing and the Court has fixed a further date to deliver his decision on 20 April 2021.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTERLY PERIOD (cont'd)

aaa) On 25 March 2021, the Writ of Summons filed by Eurogain Secta Sdn Bhd ("Plaintiff") together with a Statement of Claim came up for Case Management via e-Review and the Court has directed as follows:

1. Defendant to file Defence and Counterclaim (if any) on or before 8 April 2021;
2. Parties are to file interlocutory applications (if any) before 24 May 2021.

bbb) On 26 March 2021, Dato' Sri Liew Yew Chung ("Defendant") had filed an application to amend his defence ("the Amendment Application").

ccc) On 26 March 2021, the Writ of Summons against H Sky Trading Company ("Defendant") together with a Statement of Claim came up for Case Management via e-Review for the Main Suit (Enclosure 1).

A11. CHANGES IN THE GROUP'S COMPOSITION

There were no changes in the composition of the Group for the current quarter and financial period-to-date except a new 100% wholly-owned subsidiary company was incorporated on 14th August 2020.

A12. CONTINGENT ASSETS/LIABILITIES

Contingent liabilities of the Group as at 31 Dec 2020 is RM73.4 million being banking facilities granted to a subsidiary compared to RM 73.7 million as at 30 June 2020.

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

B1. REVIEW OF THE GROUP PERFORMANCE

Current Quarter against Previous Year Corresponding Quarter (Individual Quarter)

For the second quarter (October to December 2020) period, the Group recorded a revenue of RM22.1 million. There is no comparison with the previous year corresponding quarter as the Group changed its financial year-end from 31 December 2019 to 30 June 2020.

Loss before tax during the second quarter was RM30.4 million with gross profit of RM5.6 million.

B2. COMPARISON WITH PRECEDING QUARTER RESULT (2021 Q2 vs 2021 Q1)

The Group recorded a revenue of RM22.1 million with loss before tax of RM30.4 million for the current quarter as compared to the revenue of RM14.5 million with loss before tax of RM2.5 million in the preceding quarter ended 30 September 2020.

Loss after tax during the quarter under review was RM30.4 million, an additional loss suffered of RM27.9 million from loss after tax of RM2.5 million recorded during the preceding quarter.

B3. GROUP'S PROSPECT

The economic outlook for first half (1H Y2021) continues to be challenging for the Group, caused by the Covid-19 pandemic albeit the progressive vaccination roll-out which was launched in end February 2021.

Nevertheless, the management remains cautiously optimistic of the prospects of the Group and are focusing on continually improving the revenue and bottom line of the Group by seeking new opportunities through implementation of a new packing design and venturing into new products for candy segment.

In conjunction with the above initiatives, we expect a notable turnaround to the Group's performance after the completion corporate restructuring plan which is still currently being formulated.

B4. PROFIT FORECAST

The Group has not issued any profit forecast to the relevant authorities and is not subject to any profit guarantee.

B5. OPERATING LOSS

	Current Quarter ended 31.12.2020 RM'000	Cumulative Quarter ended 31.12.2020 RM'000
Depreciation of property, plant and equipment	1,571	3,183
Depreciation of right-of-use assets	125	288
Gain on disposal of property, plant and equipment	(192)	(221)
Impairment loss on property, plant and equipment	32,513	32,513
Interest expenses	1,251	2,512
Realised gain on foreign exchange	(4,037)	(3,908)
Unrealised loss on foreign exchange	3,195	4,134

B6. TAXATION

Tax expense comprises of the followings:

	Current Quarter ended 31.12.2020 RM'000	Cumulative Quarter ended 31.12.2020 RM'000
Income tax expense		
- Current period (reversal) / provision	-	-
	-	-
Deferred tax		
- Current period	-	-
Total income tax expense	-	-

The Group incurred nil tax expenses in the current quarter and 6 months reported period due to the tax loss position.

B7. CORPORATE PROPOSAL

The company is reviewing the proposed Corporate Restructuring Plan (CRP) prepared by the appointed Investment Banker and will submit to relevant regulatory authorities for approval in due course. Management expected to complete the CRP by end of the year.

B8. GROUP BORROWINGS AND DEBT SECURITIES (UNSECURED)

	The Group 31.12.2020 RM'000
Short-term Borrowings:	
Bankers' acceptance	65,698
Bank overdraft	8,298
	<u>73,996</u>

The above total borrowings amount is carried forward as per the Company's record in its statement of financial position (balance sheets). However, the Company is currently challenging this amount and has initiated legal proceedings against the creditor banks.



B9. MATERIAL LITIGATION

Save as those disclosed in all previous announcements, the Company and its subsidiaries are not engaged in any other material litigations, claims or arbitration, either as plaintiff or defendant as at the date of this report. The summary of the litigation disclosed in previous announcements are summarized herein below: -

a) List of litigation matters for the Company & its subsidiaries Khee San Food Industries Sdn Bhd (“KSFI”) (creditor banks)

No.	Suit No:	Plaintiff	Defendant	Application filed by (Plaintiff)	Application filed by (Defendant)	Hearing / Case Management Date	Decision Date	Appeal/Stay of Execution
1.	KLHC Suit No: WA-22NCC-401-08/2020	KSB & KSFI	OCBC Bank (Malaysia) Berhad	Enclosure 23 (Discovery Application)	Enclosure11 (Striking out) Enclosure13 (Summary Judgment)	Hearing for Enclosure11 & 13 on 25.1.2021	Decision on 25.2.2021 for Enclosure11 & 13 (Court allowed Enclosure 11 & 13)	Plaintiffs filed Notice of Appeal for Enclosure 11 and 13 on 3.3.2021 Stay of Execution of Enclosure 13 has been filed on 22.3.2021
2.	KLHC Suit No: WA-22NCC-314-07/2020	KSB & KSFI	HSBC Bank Malaysia Berhad	Enclosure 31 (Discovery Application)	Enclosure12 (Summary Judgment) Enclosure16 (Striking out)	Hearing on 19.1.2021 For Enclosure12 & 16	Decision on 23.2.2021 for Enclosure12 & 16 (Court allowed Enclosure 12 & 16)	Plaintiffs filed Notice of Appeal for Enclosure 12 and 16 on 25.2.2021 Stay of Execution of Enclosure 12 has been filed on 22.3.2021
3.	KLHC Suit No: WA-22NCC-589-11/2020	Standard Chartered Bank Malaysia Berhad	KSB & KSFI	Enclosure 12 (Consolidation Application)	Enclosure 9 (Summary Judgment) Enclosure 14 (Striking Out)	Hearing for Enclosure 9 and 14 has been fixed on 4.6.2021.	Enclosure 12 has been struck off with no order as to cost.(as the Plaintiffs withdraw Enclosure 12)	

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4.	KLHC Suit No: WA-22NCC- 466-09/2020	KSB & KSFI	Bank of China (Malaysia) Berhad	-	Enclosure 5 (Striking Out)	Hearing on 22.1.2021	Decision on 2.3.2021 (Court allowed Enclosure 5)	Plaintiffs filed Notice of Appeal for Enclosure 5 on 4.3.2021 Plaintiffs will file the Stay of Execution of the Consent Judgment dated 5.12.2019 in the Court of Appeal by way of Notice of Motion.
5.	KLHC Suit No: WA-22NCC- 215-06/2020	Alliance Bank Malaysia Berhad	KSB & KSFI	Enclosure 9 (Summary Judgment) Enclosure 12 (Striking Out)	Enclosure 33 (Discovery Application) Enclosure 36 (Cross Examination)	Hearing on 25.3.2021 via Zoom.	Decision for Enclosure 9 and 12 on 19.4.2021.	
6.	KLHC Suit No: WA-22NCC- 396-08/2020	KSB & KSFI	United Overseas Bank (Malaysia) Berhad	Enclosure 20 (Discovery Application)	Enclosure 11 (Summary Judgment) Enclosure 14 (Striking out)	Hearing on 27.5.2021 via E- Review		

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7.	KLHC Suit No: WA-22NCC- 304-07/2020	KSB & KSFI	Maybank Islamic Berhad	Enclosure 20 (Consolidation) Enclosure 28 (Discovery Application)	Enclosure 17 (Striking Out)	Hearing on 24.2.2021 Via E-Review	Court has transfer the matter via its own motion to Muamalat court vide new suit number : WA-22M-35- 02/2021 [Suit 35]. Decision of Suit: WA- 22M-269-07/2020 [Suit 269] will bind Suit 35 and will be given on 30.3.2021 via Skype.	
8.	KLHC Suit No: WA-22NCC- 309-07/2020	KSB & KSFI	Standard Chartered Bank Malaysia Berhad	Enclosure 27 (Discovery Application)	Enclosure 16 (Striking Out)	Hearing on 25.1.2021	Decision on 25.2.2021 (Court has allowed Enclosure 16; Enclosure 27 has been struck off)	Plaintiffs filed Notice of Appeal for Enclosure 16 on 3.3.2021.
9.	KLHC Suit No: WA-22M-310- 08/2020	KSB & KSFI	OCBC Al- Amin Bank Berhad	Enclosure 18 (Discovery Application)	Enclosure 9 (Striking Out) Enclosure 11 (Summary Judgment)	Hearing on 8.3.2021 via Skype	Decision on 30.3.2021 via Skype.	
10.	KLHC Suit No: WA-22M-269- 07/2020	Maybank Islamic Berhad	KSB & KSFI	Enclosure 9 (Summary Judgment) Enclosure 17 (Striking Out)	Enclosure 29 (Stay of Proceeding)	Hearing on 15.3.2021 via Skype	Decision on 30.3.2021 via Skype.	

b) List of litigation matters for KSFI (moneylenders)

No.	Suit No:	Plaintiff	Defendant	Application filed by (Plaintiff)	Application filed by (Defendant)	Hearing / Case Management Date	Decision Date	Appeal/Stay of Execution
1.	KLHC Suit No: WA-22NCC-387-08/2020	Tunai Impian Enterprise Sdn Bhd	KSB & KSFI	Enclosure 10 (Summary Judgment) Enclosure 34 (Leave Application to amend Pleadings)	Enclosure 9 (Striking Out)	Full Trial has been fixed on 1.11.2021, 2.11.2021, and 3.11.2021 Hearing for Enclosure 34 fixed on 17.5.2021.		

c) List of litigation matters for KSB (company secretary)

No.	Suit No:	Plaintiff	Defendant	Application filed by (Plaintiff)	Application filed by (Defendant)	Hearing / Case Management Date	Decision Date	Appeal/Stay of Execution
1.	KLSC Suit No: WA-A52NCvC-102-02/2021	Eurogain Secta Sdn Bhd	KSB		Enclosure 5 (Interrogatories)	Case Management on 24.5.2021		



d) List of litigation matters for KSFI (trade debtors)

No.	Suit No:	Plaintiff	Defendant	Application filed by (Plaintiff)	Application filed by (Defendant)	Hearing / Case Management Date	Decision Date	Appeal/Stay of Execution
1.	KLSC Suit No: WA-B52NCC-436-08/2020	KSFI	Impo Holdings Pvt Ltd	Service Out of Jurisdiction Application	-	On 17.2.2021, informed by Kementerian Luar Negeri that there will need to be an additional letter on behalf of the Malaysian Court and the letter need to be translated by Institut Terjemahan & Buku Malaysia ("ITBM"). Case Management on 24.2.2021 Via E-Review	*Court has Struck Off the action with liberty to file afresh as the Writ has been expired.	
2.	KLHC Suit No: WA-22NCC-405-08/2020	KSFI	Chan Ka Yuen Food Co. Ltd	Service Out of Jurisdiction Application		On 17.2.2021, informed by Kementerian Luar Negeri that there will need to be an additional letter on behalf of the Malaysian Court and the letter need to be translated by ITBM. Case Management on 19.2.2021 Via E-Review	*Court has Struck Off the action with liberty to file afresh as the Writ has been expired.	

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3.	KLHC Suit No: WA-22NCC- 413-09/2020	KSFI	FL Japan Co. Ltd	Service Out of Jurisdiction Application		On 17.2.2021, informed by Kementerian Luar Negeri that there will need to be an additional letter on behalf of the Malaysian Court and the letter need to be translated by ITBM. Case Management on 26.2.2021 Via E-Review	*Court has Struck Off the action with liberty to file afresh as the Writ has been expired.	
4.	KLHC Suit No: WA-22NCC- 412-09/2020	KSFI	Kimoe Trading (S) Pte Ltd	-	Enclosure 11 (Striking Out)	Hearing on 2.3.2021	Decision on 2.3.2021 (Court has allowed Enclosure 11)	
5.	KLHC Suit No: WA-22NCC- 423-09/2020	KSFI	Hiperalimentar LDA	Service Out of Jurisdiction Application		On 17.2.2021, informed by Kementerian Luar Negeri that there will need to be an additional letter on behalf of the Malaysian Court and the letter need to be translated by ITBM. Case Management on 19.2.2021 Via E-Review	*Court has Struck Off the action with liberty to file afresh as the Writ has been expired.	
6.	KLSC Suit No: WA-A52NCC- 1260-09/2020	KSFI	H Sky Trading Company	Service Out of Jurisdiction	-	On 8.2.2021, Nur Ashikin Alex & Rakan-Rakan entered appearance Case Management on 26.4.2021 Via E-Review		

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7.	KLHC Suit No: WA-22NCC- 402-08/2020	KSFI	Wonder Food Sdn Bhd		Enclosure 8 (Striking Out Application)	Hearing on 21.1.2021 Via E-Review before YA Dato Khadijah	Decision on 24.2.2021 (Court has allowed Enclosure 8)	
8.	KLHC Suit No: WA-22NCC- 403-08/2020	KSFI	Secret Ingredients Sdn Bhd		Enclosure 7 (Striking Out)	Hearing on 9.2.2021	Court has allowed Enclosure 7.	

e) List of appeal matters for KSB & KSFI

No.	Suit No:	Appellant	Respondent	Application filed by (Appellant)	Application filed by (Respondent)	Hearing / Case Management Date	Decision Date
1.	W-02(IM)(NCC)- 454-03/2021 (Appeal against Enclosure 13)	KSB & KSFI	OCBC Bank (Malaysia) Berhad	Enclosure 79 (Stay of Execution Application filed in High Court vide KLHC Suit No: WA-22NCC-314-07/2020)		Hearing for Enclosure 79 on 5.5.2021 Case-Management on 19.4.2021 via E-Review	
2.	W-02(IM)(NCC)- 453-03/2021 (Appeal against Enclosure 11)	KSB & KSFI	OCBC Bank (Malaysia) Berhad			Case-Management on 19.4.2021 via E-Review	

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3.	W-02(IM)(NCC)-463-03/2021 (Appeal against Enclosure 5)	KSB & KSFI	Bank of China (Malaysia) Berhad			Case Management on 19.4.2021 via E-Review	
4.	W-02(IM)(NCC)-491-03/2021 (Appeal against Enclosure 16)	KSB & KSFI	Standard Chartered Bank			Case Management on 19.4.2021 via E-Review	
5.	W-02(IM)(NCC)-403-02/2021 (Appeal against Enclosure 12)	KSB & KSFI	HSBC Bank Malaysia Berhad	Enclosure 96 (Stay of Execution Application filed in High Court vide KLHC Suit No: WA-22NCC-401-08/2020)		Case Management for Enclosure 96 on 6.4.2021 via E-Review. Case Management on 12.4.2021 via E-Review	
6.	W-02(IM)(NCC)-403-02/2021 (Appeal against Enclosure 16)	KSB & KSFI	HSBC Bank Malaysia Berhad			Case Management on 12.4.2021 via E-Review	
7.	W-02(IM)(NCC)-402-02/2021 (Appeal against Enclosure 8)	KSFI	Wonder Food Sdn Bhd			Case Management on 19.4.2021 via E-Review	

e) List of litigation matters for KSB & KSFI (London Biscuits Berhad & Dato' Sri Liew Yew Chung)

No.	Suit No:	Applicants/ Plaintiffs	Respondent/ Defendant	Application filed by (Plaintiffs/Applicants)	Application filed by (Respondent/ Defendant)	Hearing / Case Management Date	Decision Date	Appeal/Stay of Execution
1.	KLHC Suit No: WA-28PW-442- 11/2020	KSB & KSFI	London Biscuits Berhad	Enclosure1 (Leave Application to commence proceedings against London Biscuits Berhad)		Hearing on 25.3.2021	Decision on 20.4.2021	
2.	KLHC Suit No: WA-22NCC-468- 09/2020	KSB & KSFI	Dato' Sri Liew Yew Chung		Enclosure 10 Leave Application to amend the Defendant's Pleadings	Case Management on 2.4.2021		

**B9A. THE PROBABILITY OF SUCCESS**

1. STANDARD CHARTERED BANK MALAYSIA BERHAD -V- KHEE SAN FOOD INDUSTRIES SDN BHD & KHEE SAN BERHAD (WA-22NCC-589-11/2020)
2. ALLIANCE BANK MALAYSIA BERHAD -V- KHEE SAN FOOD INDUSTRIES SDN BHD & KHEE SAN BERHAD (WA-22NCC-215-06/2020)
3. MAYBANK ISLAMIC BERHAD -V- KHEE SAN FOOD INDUSTRIES SDN BHD & KHEE SAN BERHAD (WA-22M-269-07/2020)
4. KHEE SAN BERHAD AND KHEE SAN FOOD INDUSTRIES SDN BHD -V- MAYBANK ISLAMIC BERHAD (WA-22M-35-02/2021) (PREVIOUSLY WAS WA-22NCC-304-07/2020)
5. KHEE SAN BERHAD AND KHEE SAN FOOD INDUSTRIES SDN BHD -V- UNITED OVERSEAS BANK (MALAYSIA) BERHAD (WA-22NCC-396-08/2020)
6. KHEE SAN BERHAD AND KHEE SAN FOOD INDUSTRIES -V- OCBC AL-AMIN BANK BERHAD (WA-22M-310-08/2020)
7. TUNAI IMPIAN ENTERPRISE SDN BHD -V- KHEE SAN FOOD INDUSTRIES (WA-22NCC-387-08/2020)
8. EUROGAIN SECTA SDN BHD -V- KHEE SAN BERHAD (WA-A52NCvC-102-02/2021)
9. KHEE SAN FOOD INDUSTRIES SDN BHD -V- FL JAPAN CO LTD. (WA-22NCC-413-09/2020)
10. KHEE SAN FOOD INDUSTRIES SDN BHD -V- CHAN KA YUEN FOOD CO.LTD (WA-22NCC-405-08/2020)
11. KHEE SAN FOOD INDUSTRIES SDN BHD -V- HIPERALIMENTAR LDA (WA-22NCC-423-09/2020)
12. KHEE SAN FOOD INDUSTRIES SDN BHD -V- IMPO HOLDINGS PVT LTD. (WA-B5NCC-436-08/2020)
13. KHEE SAN FOOD INDUSTRIES SDN BHD -V- H SKY TRADING COMPANY (WA-A52NCC-1260-09/2020)

For the cases mentioned hereinabove, the company's solicitors, Messrs Krish Maniam & Co, is of the view that the company has a fair chance of success.

B10. PROPOSED DIVIDEND

The directors did not declare any interim dividend for the financial quarter under review.

B11. (LOSS)/EARNINGS PER ORDINARY SHARE ("LPS"/"EPS")**Basic (loss)/earnings per share**

The calculation of basic (loss)/earnings per share is based on the net (loss)p/profit attributable to ordinary shareholders over the weighted average number of ordinary shares in issue during the period.

	Current Quarter		Cumulative Quarter	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Net loss attributable to ordinary shareholders (RM'000)	(30,435)	N/A	(32,976)	N/A
Weighted average number of ordinary shares - in units ('000)	114,400	N/A	114,400	N/A
Basic Loss Per Share (sen)	(26.60)	N/A	(28.83)	N/A

**BY ORDER OF THE BOARD
KHEE SAN BERHAD**

**PROF. DR. HJ. MOHD AMY AZHAR BIN MOHD HARIF
AUDIT COMMITTEE CHAIRMAN**

29 March 2021