

**STATUS OF MATERIAL LITIGATIONS AS AT 17 AUGUST 2012**

**Legal Action against Y&G Corporation Bhd (“Y&G”)**

(i) **Lee Hock Soon vs Y&G Corporation Bhd (“Y&G”)  
Kuala Lumpur High Court Suit No. D22-840-2009**

There is no further development in this Case since the previous Quarterly Report.

**Status:** The Honorable Court has, on 27 July 2011, decided in favour of Y&G by dismissing the Plaintiff’s claim with costs. The Plaintiff has filed an appeal to the Court of Appeal on 8 August 2011 and there has been no further development since then till to-date.

(ii) **ICP Marketing Sdn Bhd vs MBSB & Lee Hock Soon & Y&G Corporation Bhd  
 (“Y&G”)  
Shah Alam High Court Suit No. MT5-22-209-2002**

Since the previous Quarterly Report, the Plaintiff’s Solicitors had on 28 May 2012 served the Statutory Notice of Demand dated 25 May 2012 pursuant to Section 218 of the Companies Act, 1965 (“the Statutory Notice”) on Y&G, demanding payment of a sum of RM1,460,657.54 as at 3 May 2012 with interest in respect of the Judgement entered on 16 November 2009. Y&G was given twenty-one (21) days from the receipt of the Statutory Notice to pay the aforesaid sum, failing which, a winding-up proceeding may be filed against Y&G.

**Status:** Y&G has requested ICP to put the matter on hold and is now in the midst of resolving differences in opinion with the view of settling the matter amicably.

(iii) **Lembaga Pembangunan Perumahan dan Bandar (“LPPB”) vs Y&G Corporation  
Bhd (“Y&G”)  
Kota Kinabalu High Court Suit No. K21-29-2010-II**

There is no further development in this Case since the previous Quarterly Report, except that LPPB had, on 4 July 2012, through their Solicitors served a letter dated 2 July 2012 demanding Y&G to pay the Guaranteed Amount of RM1,767,052.00 within thirty (30) days from the date thereof, failing which legal action will be filed against Y&G.

**Status:** Subsequently there was no further progress till to-date. However, the Management will look forward to negotiating for an amicable settlement with LPPB on this matter.

**STATUS OF MATERIAL LITIGATIONS AS AT 17 August 2012 (Cont'd)**

**Legal Action against Y&G Corporation Bhd (“Y&G”) (Cont'd)**

**(iv) RHB Bank Berhad (“RHB”) vs. Y&G Corporation Bhd (“Y&G”) Kuching High Court Suit No. KCH-22-184/10-2011**

Since the previous Quarterly Report, the Kuching High Court had on 19 June 2012 rescheduled the ruling on both the Plaintiff’s and Defendant’s Striking Out Cases from 22 June 2012 to 20 July 2012. The same Court had again on 17 July 2012 rescheduled the ruling on both these Striking Out Cases from 20 July 2012 to 9 August 2012.

**Status:** The Court had on the ruling date, 9 August 2012, allowed the Plaintiff’s Summons in Chambers dated 13 April 2012 to strike out the Defendant’s Statement of Defence and Counterclaim with costs and the Court had further dismissed the Defendant’s Summons in Chambers dated 17 April 2012 to strike out the Plaintiff’s Writ of Summons and Statement of Claim with costs. From these rulings, the Court had thereby allowed RHB’s Judgement Sum of RM3,941,349.57 due as at 26 September 2011 plus interest and costs as stated in its Statement of Claim against Y&G. The Directors are in the midst of seeking legal advice on whether to file in an appeal against the above rulings to the Court of Appeal (which must be made within thirty (30) days from the ruling date) and to apply for a stay of execution of the Order/Judgement pending the disposal of the appeal by the Court of Appeal.