

STATUS OF MATERIAL LITIGATIONS AS AT 29 MAY 2013

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
Kuala Lumpur High Court Originating Summons No. 24NCVC-923-05/2013**

Since the previous Quarterly Report, the Company had on 22 May 2013, received a letter dated 22 May 2013 from Messrs Richard Wee & Yip, acting for the Plaintiff, categorically denying the settlement of the Judgement entered on 16 November 2009 by a payment of RM100,000 (“the said Sum”) vide our Proposed Settlement Letter dated 30 March 2010 (“the Proposed Settlement Letter”). The Plaintiff’s Solicitors further state that the said Sum would be returned to Y&G (and if re-claimed by Y&G, the Proposed Settlement Letter shall be deemed void) and would seek a declaration from the High Court over the veracity, validity and/or effectiveness of the content of the Proposed Settlement Letter. On 23 May 2013, an Originating Summons and Affidavit in Support, both dated 22 May 2013, has been served on Y&G by the Plaintiff’s Solicitors, seeking declarations from the Court that our Proposed Settlement Letter is not valid and/or not applicable in law and therefore is not legally binding on the Plaintiff. They further seek a declaration that the Judgement entered on 16 November 2009 is valid and enforceable should the aforesaid declarations be allowed by the Court.

Status: The Court has fixed the above Originating Summons for Case Management on 18 June 2013. Y&G will seek legal advice to file its defence against the said Summons including to file in an Affidavit in Reply within twenty-one (21) days from the date of receipt of the Originating Summons and Affidavit in Support.

STATUS OF MATERIAL LITIGATIONS AS AT 29 MAY 2013 (cont'd)

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

- (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.

Status: There was no further progress since LPPB’s Letter dated 17 January 2013 demanding Y&G to pay the Guaranteed Amount of RM1,767,052.00 till to-date. Y&G has, via its Letter dated 28 February 2013, expressed its keen interest in reviving the abandoned Development Project in view of its financial feasibility and the value of LPPB’s land (currently charged to RHB) and requested LPPB for some time to sort the complicated RHB issue first with the hope that all parties can be financially rewarded with the best possible outcome.

- (iv) **RHB Bank Berhad (“RHB”) vs. Y&G Corporation Bhd (“Y&G”)
Kuching High Court Suit No. KCH-22-184/10-2011
Court of Appeal No. Q-02(IM)-2288-09/2012**

There is no further development in this Case since the previous Quarterly Report, except that the Court of Appeal has fixed the hearing date of the above appeal on 17 June 2013.

Status: Y&G has on 7 September 2012 filed and served the Notice of Appeal to the Court of Appeal and the Court has fixed the hearing date of the said appeal on 17 June 2013.