

PERAK CORPORATION BERHAD
 Company No: 210915-U
 (Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020
 CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 For the period ended 30 June 2020 - unaudited

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 30-Jun 2020 RM'000	Preceding Corresponding Quarter Ended 30-Jun 2019 RM'000	Current Period Ended 30-Jun 2020 RM'000	Preceding Corresponding Period Ended 30-Jun 2019 RM'000
Revenue	27,110	39,479	62,404	74,515
Cost of sales	(5,459)	(9,320)	(13,448)	(17,658)
Gross Profit	21,651	30,159	48,956	56,857
Other operating income	1,788	4,985	3,082	7,341
Operating expenses	(12,729)	(35,549)	(36,663)	(55,373)
Operating profit/(loss)	10,710	(405)	15,375	8,825
Finance costs	(3,724)	(568)	(5,740)	1,606
Share of results in associates	-	-	-	-
Profit/(Loss) before tax	6,986	(973)	9,635	10,431
Taxation	(2,425)	(3,623)	(6,156)	(6,683)
Profit/(Loss) from continue operations	4,560	(4,596)	3,479	3,748
Loss from discontinued operation	(7,177)	(23,298)	(16,079)	(40,860)
Loss for the period	(2,617)	(27,894)	(12,600)	(37,112)
Profit/(Loss) for the period attributable to:				
Owners of the parent	474	(21,913)	(7,669)	(27,198)
Non-controlling interests	(3,090)	(5,981)	(4,931)	(9,914)
	(2,617)	(27,894)	(12,600)	(37,112)
Earnings/(Loss) per share attributable to equity holders of the parent:				
EPS (sen)	0.47	(21.91)	(7.67)	(27.20)
Earnings/(Loss) per share attributable to equity holders of the parent from continuing operations				
EPS (sen)	4.56	(4.60)	3.48	3.75
Loss per share attributable to equity holders of the parent from discontinuing operations				
EPS (sen)	(7.18)	(23.30)	(16.08)	(40.86)

The above condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying notes attached to the interim financial statements.

PERAK CORPORATION BERHAD
Company No: 210915-U
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
For the period ended 30 June 2020 - unaudited

	30 June 2020 RM'000	31-Dec 2019 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	131,356	126,079
Port facilities	203,058	204,575
Investment properties	18,824	18,936
Inventories	22,711	24,311
Other investments	25	25
Intangible assets	28,086	28,086
Finance lease receivables	123	188
	404,183	402,200
Current assets		
Non current asset held for sale	87,750	87,750
Inventories	163,901	161,737
Finance lease receivables	128	124
Trade and other receivables	75,307	58,100
Other investment	4,180	4,175
Tax recoverable	426	381
Cash and bank balances	35,556	27,806
	367,248	340,073
Total assets	771,431	742,273
Equity and liabilities		
Current liabilities		
Borrowings	446,871	445,157
Trade and other payables	208,379	180,843
Tax payable	17,664	18,063
	672,914	644,063
Net current liabilities	(305,666)	(303,990)

Non-current liabilities		
Borrowings	73,188	72,732
Trade and other payables	31,812	19,834
Deferred tax liabilities	15,205	14,732
	<u>120,205</u>	<u>107,298</u>
Total liabilities	<u>793,119</u>	<u>751,361</u>
Net asset	<u>(21,688)</u>	<u>(9,088)</u>
Equity attributable to owners of the parent		
Share capital	272,770	272,770
Retained earnings/(Accumulated losses)	(93,750)	(86,081)
	<u>179,020</u>	<u>186,689</u>
Non-controlling interests	(200,708)	(195,777)
Total equity	<u>(21,688)</u>	<u>(9,088)</u>
Total equity and liabilities	<u>771,431</u>	<u>742,273</u>

The above condensed consolidated statements of financial position should be read in conjunction with the accompanying notes attached to the interim financial statements.

PERAK CORPORATION BERHAD
 Company No: 210915-U
 (Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020
 CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 For the period ended 30 June 2020 - unaudited

|- Attributable to Equity Holders of
 the Parent - |

	Equity Total	Equity	Share Capital	Accumulated Retained Earnings/ (Loss)	Non- Controlling Interest
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	(9,088)	186,689	272,770	(86,081)	(195,777)
Loss for the period	(12,600)	(7,669)	-	(7,669)	(4,931)
<u>Transactions with owners</u>					
Dividend paid by a subsidiary to a non-controlling interest	-	-	-	-	-
At 30 June 2020	(21,688)	179,020	272,770	(93,750)	(200,708)
<u>6 months ended 30 June 2019</u>					
At 1 January 2019 restated	119,985	277,405	272,770	4,635	(157,420)
Loss for the period	(37,112)	(27,198)	-	(27,198)	(9,914)
<u>Transactions with owners</u>					
Dividend paid by a subsidiary to a non-controlling interest	(2,500)	-	-	-	(2,500)
At 30 June 2019	80,373	250,207	272,770	(22,563)	(169,834)

The above condensed consolidated statements of changes in equity should be read in conjunction accompanying notes attached to the with the interim financial statements.

PERAK CORPORATION BERHAD
Company No: 210915-U
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2020
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the period ended 30 June 2020 - unaudited

	30-Jun 2020 RM'000	30-Jun 2019 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Cash collection from trade/other receivables	68,897	91,251
Cash received from other income	810	6,168
Cash paid for other expenses	(27,249)	(26,841)
Cash paid to trade/other payables	(20,569)	(31,708)
Cash paid for tax	(5,798)	(5,396)
Net cash generated from operating activities	<u>16,091</u>	<u>33,474</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	359	41
Purchase of property plant & equipment	(315)	(1,583)
Purchase of port facilities	-	(2,138)
Purchase of investment	(4,064)	-
Development costs	(1,485)	(2,687)
Proceeds from disposal of property plant & equipment	-	95
Net cash used in investing activities	<u>(5,505)</u>	<u>(6,272)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Cash repayment from amounts borrowed	(3,496)	(13,070)
Dividend paid on ordinary shares to minority shareholders	-	(2,500)
Cash paid for interest costs	(895)	(5,723)
(Placement)/uplift of fixed deposits	(7,095)	(28)
(Placement)/uplift of fixed deposits pledged	74	4,710
Receipt of advances from borrowings	(2,724)	(1,400)
Net cash used in financing activities	<u>(14,136)</u>	<u>(18,011)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(3,550)	9,191
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	13,823	(69)
	<u>10,273</u>	<u>9,122</u>
DISCONTINUED OPERATION	-	(579)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>10,273</u>	<u>8,543</u>

Cash and cash equivalents comprise :		
Cash and bank balances	35,557	15,957
Bank balances and deposits pledged for guarantees and other banking facilities granted to certain subsidiaries	(6,149)	(2,386)
Overdraft	(5,051)	(5,028)
Fixed deposits more than 3 months	(14,084)	-
	<u>10,273</u>	<u>8,543</u>

The above condensed consolidated statements of cashflow should be read in conjunction with the accompanying notes attached to the interim financial statements.

PERAK CORPORATION BERHAD
(Company no. 210915-U)
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS
- SECOND QUARTER ENDED 30 JUNE 2020

A1 Basis of Preparation

The interim financial report has been prepared in accordance with MFRS134 Interim Financial Reporting, IAS34 Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial report.

The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and its subsidiaries ("the Group") since the year ended 31 December 2019.

On 26 September 2019, Animation Theme Park Sdn Bhd ("ATP"), a direct 51% owned subsidiary of PCB Development Sdn Bhd ("PCBD"), which in turn is a wholly owned subsidiary of the Company, defaulted on a RM25.7 million principal repayment of its syndicated term loan of RM245 million. Subsequently, on 16 October 2019, Affin Hwang Investment Bank ("AHIB"), the facility agent declared an event of default had occurred and gave notice within 14 days from the day of its letter to effect payment of RM25.7 million, failing which all secured obligations due from ATP shall become immediately due and payable. Arising from this, the full amount of the syndicated term loan totalling RM245 million and the above financing facilities, by virtue of the cross default provision under different business financing facilities undertaken by other companies within the Group were classified as current on the statements of financial position.

On 4 December 2019, following ATP's failure to meet the demand for the principal repayment of RM25.7 million for the syndicated term loan, AHIB appointed a receiver and manager over the property of ATP. The carrying amount of ATP's charged assets totalled RM87.8 million as at 31 December 2019.

On 18 December 2019, AHIB demanded from PCBD the payment of RM244 million together with interest accrued thereon on the date of full repayment pursuant to the Corporate Guarantee dated 10 July 2014 executed by PCBD in favour of AHIB.

On 6 February 2020, Affin Islamic Bank Berhad ("AIB") declared an event of default on the Company arising from its failure to pay the scheduled principal repayment due on 31 January 2020 for the credit facilities of RM75.9 million relating to Musharakah Mutanaqisah Term Financing -i and Tawarruq Revolving Credit -i.

After taking into consideration the Group's current cash flow position vis-a-vis its total debt obligations payable and the available cash flow, the Directors had, on 11 February 2020, determined that the Company was unable to declare that it was solvent pursuant to paragraph 9.19A(F) of the Listing Requirements. As a result of this and the above defaults on the various loan repayments, the Company was declared a PN 17 company after triggering the prescribed criteria under paragraph 2.1 (f) of the PN 17. Whilst the Group is currently developing a debt restructuring scheme to manage the Group's debts and preparing a regularisation plan. The whole world was then hit by the Covid'19 pandemic and this affected the progress of the regularisation plan, as at the date of this announcement, these are still at a preliminary stage.

For current quarter ended 30 June 2020, the Group reported a loss after tax of RM2.6 million and cash flows of RM 14.3 million and as at that date, the Group's current liabilities exceeded its current assets by RM305.6 million and its total equity was in a deficit of RM21.6 million. As at 30 June 2020, cash and bank balances totalled RM35.6 million and the amounts of borrowings due for repayment over the next 12 months totalled RM447.0 million of which RM314.3 million had been declared to be under an event of default and thus are repayable on demand.

Due to the above foregoing matters, the liquidity constraints faced by the Group over the next 12 months after the reporting date and in the absence of any financial assistance from its shareholders, the Directors are of the view that the Group's ability to continue its operations and business has been significantly curtailed at the date of this announcement. In view of this, the Directors have not prepared the interim condensed financial statements for the quarter ended 30 June 2020 on a going concern basis.

The effect of this is as follows:

- Assets are written down to their recoverable amounts based on conditions existing at the reporting date, taking into consideration the specific circumstances affecting the Group as disclosed above. This includes realisation of assets through forced sale transactions, where applicable;
- Assets are classified as current when these are expected to be recovered within twelve months from the reporting period, considering the liquidity constraints and obligations of the Group that would fall due within the next twelve months;
- Assets that management has determined to be recovered principally through a sale transaction rather than through continuing use are classified as "assets held for sale" presented separately from the other assets in the statements of financial position;
- Liabilities are recorded in accordance with the accounting policies. Provision for future restructuring costs are recognised only when the Group has a present obligation that is evidenced by a detailed formal plan for restructuring and has raised a valid expectation in those affected that it will carry out the restructuring; and
- Liabilities are classified as current if the liability is due to be settled within twelve months after the reporting period or the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

A2 Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the year ended 31 December 2019 except for the adoption of MFRS16 Leases (“MFRS16”). The new, revised and amended MFRS and IC Interpretations, which are effective for the financial periods beginning on or after 1 January 2019, did not have any material impact on the condensed financial results of the Group. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

MFRS 16 supersedes MFRS117 Leases (“MFRS 117”) and the related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires leases to account for most leases under a single on balance sheet model.

Lessor accounting under MFRS16 is substantially unchanged from MFRS 117. Lessors will continue to classify leases as either operating or finance leases using similar principles as in MFRS 117. Therefore, MFRS 16 did not have an impact for leases where the Group is the lessor.

The Group adopted MFRS 16 using the full retrospective method of adoption with the date of initial application of 1 January 2019. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying MFRS 117 and IFRIC 4 *Determining whether an Arrangement contains a Lease* at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (“short-term leases”), and lease contracts for which the underlying asset is low value (“low value assets”).

There is no material impact on the financial statements of the Group following the first time adoption of MFRS16.

MFRS16 eliminates the classification of leases by the lessee as either finance lease or operating lease. MFRS 16 requires a lessee to recognise a right of use of the underlying asset and a lease liability reflecting future lease payments for most lease. The right of use asset is depreciated in accordance with the principles in MFRS 116 Property Plant and Equipment and the lease liability is accreted over time with interest expense recognised in profit or loss.

Nature of the effect of adoption of MFRS16

The Group have leases contracts relating to office spaces and office equipment. These leases have an average lease period of between 1 year to 99 years. Renewal options is included in the lease contract and are negotiated on individual basis. These lease contracts also contain a wide range of different terms and conditions.

Until 31 December 2018, leases of property, plant and equipment were classified as either finance or operating lease. Payments made under operating leases were charged to profit or loss on a straight line basis over the period of the lease.

From 1 January 2019, these leases are recognised as a right of use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right of use asset is depreciated over the shorter of the asset's useful life and the lease term on straight line basis.

The total amount of cash paid is separated into principal portion and interest in the statement of cash flows.

A3 Non current assets held for sale and discontinued operations

A component of the Group is classified as a "discontinued operation" when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations or is part of a single coordinated major line of business or geographical area of operations. A component is deemed to be held for sale if its carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Upon classification as held for sale, non-current assets and disposal groups are not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale shall continue to be recognised.

Asset classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities directly associated with assets held for sale are presented separately from other liabilities in the statement of financial position.

Assets held for sale

As of 31 December 2019, assets held for sale comprise of the property plant and equipment of its subsidiary, Animation Theme Park Sdn Bhd ("ATP"). ATP is the developer, owner and operator of Movie Animation Park Studios ("MAPS"), an animation theme park located in Ipoh, Perak, Malaysia.

On 4 December 2019, Datuk Duar Tuan Kiat of Messrs. Ernst & Young was appointed as Receiver and Manager ("R&M") of ATP under the terms of a debenture dated 10 July 2014 ("Debenture") given to Affin Hwang Investment Bank Berhad. As part of receivership strategy, the R&M has ceased the operations of MAPS on 28 January 2020. Thereafter, the R&M will proceed to conduct an offer for sale exercise to identify strategic investors for the sale of the charged assets of ATP.

The property, plant & equipment of ATP is thus classified as asset held for sale in the preceding financial year as the carrying amount will be recovered through a sale transaction rather than through operation. On 17 August 2020, the R&M have open for tender offer to the public to purchase the assets belongings to ATP on an “as is where is “ basis.

Financial performance and cash flow information

The financial performance and cash flow information presented are for the three and six months ended 30 June 2020.

	Current quarter Ended 30/06/2020 RM'000	Preceding quarter Ended 30/06/2019 RM'000	Current Period Ended 30/06/2020 RM'000	Preceding Corresponding Period Ended 30/06/2019 RM'000
Revenue	-	3,032	428	7,021
Cost of sales	(6)	(1,748)	(196)	(3,851)
Gross profit	(6)	1,284	232	3,170
Other operating income	-	85	-	138
Selling and distribution expenses	-	(726)	-	-
Administrative expenses	(580)	(4,256)	(3,215)	(13,495)
Impairment loss	(40)	(1,021)	-	(580)
Assets written off	-	(2,132)	-	-
Other operating expenses	-	(4,535)	-	(7,952)
Finance costs	(6,623)	(12,132)	(13,241)	(22,276)
Loss before taxation	(7,249)	(23,433)	(16,224)	(40,995)
Taxation	72	135	145	135
Net loss from discontinued operations	(7,177)	(23,298)	(16,079)	(40,860)
Net cashflow used in operation activities	(1,191)	191	(1,829)	(3,669)
Net cashflow (used in)/generated from investing activities	-	(252)	-	(327)
Net cash flow generated from financing activities	2,545	-	2,980	2,954
Net (decrease)/increase in cash	1,354	(61)	1,151	(1,042)

Assets/Liabilities Classified as Held for Sale

The composition of assets held for sale at the end of the year is pertaining to Movie Animation Theme Park Studio ("MAPS") that owned by Animation Theme Park Sdn Bhd ("ATP"), subsidiary of the Company:

	30 June 2020 RM'000
Property, plant & equipment	<u>87,750</u>

A4 Changes in estimates

There were no changes in estimates that have had a material effect in the current financial period results.

A5 Changes in Composition of the Group

There were no changes in the composition of the Group during the current financial period.

A6 Segmental Information

	Current quarter		Cumulative quarter	
	3 months ended		6 months ended	
	30/6/20	30/6/19	30/6/20	30/6/19
Segment revenue	RM'000	RM'000	RM'000	RM'000
Port & Logistics	24,509	33,012	55,462	62,753
Property development	680	2,320	2,135	3,932
Hospitality & tourism	920	4,147	3,783	7,830
Management services and others	1,112	2,500	1,784	2,500
Total revenue	<u>27,220</u>	<u>41,979</u>	<u>63,164</u>	<u>77,015</u>
Eliminations	(110)	(2,500)	(760)	(2,500)
	<u>27,110</u>	<u>39,479</u>	<u>62,404</u>	<u>74,515</u>
Segment results				
Port & Logistics	8,814	14,259	23,070	26,761
Property development	(13,935)	(9,683)	(15,861)	(14,399)
Hospitality & tourism	(3,234)	(3,491)	(5,485)	(5,485)
Management services and others	(1,401)	(11,607)	(3,975)	(14,370)
	<u>(9,756)</u>	<u>(10,522)</u>	<u>(2,251)</u>	<u>(7,493)</u>
Eliminations	16,742	9,549	11,886	17,924
Share of results in associates	-	-	-	-
	<u>6,986</u>	<u>(973)</u>	<u>9,635</u>	<u>10,431</u>

All inter-segment transactions have been entered into in the normal course of business and have been established on negotiated terms.

All activities of the Group's operations are carried out in Malaysia.

There has been no material change in total assets and no differences in the basis of segmentation or in the basis of measurement of segment profit or loss as compared to the last financial statements.

Comparison between 2 Qtr 2020 and 2 Qtr 2019

Group Summary

The Group revenue for the current financial quarter of RM27.1 million reported a decreased by 31% as compared with RM39.4 million recorded in the corresponding quarter last year. The decrease in revenue is mainly contributed from decrease in all the segments under the group.

Port & Logistics

The port & logistics segment continues to be the Group's main source of revenue and profit before tax contributing 90% (30/6/19: 84%) and more than >100% (30/6/19: >100%) respectively.

Its revenue comprises mainly of revenue from port operations for the provision of port facilities and ancillary services at Lumut Maritime Terminal (LMT), operation and maintenance of Lekir Bulk Terminal, and sales and rental of LMT port related industrial land. For the period under review, the revenue of RM24.5 million (30/6/19: RM33.3 million) decreased by 26% mainly as a result of decreased cargo throughput of 53% from LMT and -16% from LBT. This consequently resulted in an overall decreased in profit before tax for this segment of 38% amounting to RM8.8 million (30/6/19: RM14.3 million).

The summary results are as follows:

	Current quarter		% change
	30/6/20	30/6/19	
Revenue	RM'000	RM'000	
Port Operations	24,509	33,012	-26%
Total	24,509	33,012	-26%
Profit before tax			
Port Operations	8,814	14,259	-38%
Total	8,814	14,259	-38%
Throughput	metric tonnes		% change
LMT	566,348	1,212,352	-53%
LBT	2,928,316	3,478,889	-16%

Property development

This segment provided revenue and loss before tax of 3% (30/6/19: 6%) and >100% (30/6/19: >100%) respectively to the Group's total revenue and profit before tax for the current financial quarter under review.

The revenue from this segment is the sales of development land, profits from property development joint ventures and other ancillary services. For the current financial quarter under review, the revenue decreased from RM2.3 million to RM 0.68 million of which 95% is contributed by progress in the development of joint venture project and 5% from ancillary services. The segment loss before tax amounted to RM13.9 million (30/6/19: LBT RM9.7 million).

Hospitality & tourism

This segment contributed revenue from hotel and rest houses operations, and rental income amounting to RM0.9 million (30/6/19: RM4.1 million) for the current financial quarter under review. The segment also contributed a loss before tax of RM3.2 million (30/6/19: LBT RM3.4 million) for the current financial quarter under review.

Management services and others

The segment reported a revenue of RM1.1 million (30/6/19:RM1.7 million) in the current financial quarter under review and in the corresponding quarter last year. The segment also contributed a loss before tax of RM1.4 million for the current financial quarter under review

as opposed to RM11.6 million the same quarter last year.

Comparison between 6 months ended 30 June 2020 and 30 June 2019

Group Summary

The Group revenue for the current financial period has decreased by 21% of RM 62.4 million from RM74.5 million recorded in the corresponding period last year. The Group reported a profit before tax for the current financial period has decreased from profit before tax of RM10.4 million to RM9.6 million due to the classification of a subsidiary, Animation Theme Park Sdn Bhd as asset held for sale.

Port & Logistics

The port & logistics segment become the Group's main source of revenue for the current financial period with RM55.5mil compared to RM62.8 mil in last year. The PBT of this segment is lower compared to the same period in last year.

For the period under review, revenue decreased by 12%, mainly as a result of 19% decrease and 16% decrease cargo throughput at LMT and LBT. This consequently resulted in 14% overall decrease in profit before tax to RM23 million (30/6/19: RM26.8 million).

The summary results are as follows:

	30/6/20	30/6/19	
	RM'000	RM'000	% change
Revenue			
Port Operations	55,462	62,753	-12%
Total	<u>55,462</u>	<u>62,753</u>	<u>-12%</u>
Profit before tax			
Port Operations	23,070	26,765	-14%
Total	<u>23,070</u>	<u>26,765</u>	<u>-14%</u>
Throughput	metric tonnes		% change
LMT	1,800,398	2,218,200	-19%
LBT	5,865,398	6,963,271	-16%

Property development

This segment provided the revenue of 3% (30/06/19: 5%) to the Group's total revenue and the PBT of this segment is lower compared to the period in 2019.

For the period under review, the revenue decreased to RM2.1million (30/6/19: RM3.9 million) mainly due to reduction in realisation of joint venture project. The segment loss before tax amounted to RM15.8 million (30/6/19: PBT RM14.4 million).

Hospitality & tourism

This segment contributed revenue from hotel and rest house operation development and operation of theme park and rental income amounting to RM3.8 million (30/6/19: RM7.8 million) due to higher demand for convention and foods and beverages for the period under review. The segment also contributed a loss before tax of RM5.5 million (30/6/19: LBT RM5.5). For the current period under review, contribution from theme park was classified to asset held for sale.

Management services and others

The segment did not receive any dividend received from subsidiary in the current financial period (30/6/19: RM2.5 million). The segment recording a loss before tax of RM3.9 million decrease from RM14.4 million the same period last year.

A7 Comments about Seasonal or Cyclical Factors

The Group's operations with the exception of the theme park are not materially affected by any seasonal and cyclical factors. There is a compensating effect on its results due to the performance of the various segmental activities of the Group.

A8 Profit for the period

	Current quarter		Cumulative quarter	
	3 months ended		6 months ended	
	30/6/20	30/6/19	30/6/20	30/6/19
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after crediting/(charging):				
Interest income	623	3,861	757	4,456
Interest expense	(3,724)	(568)	(5,740)	1,606
Depreciation and amortisation	(3,121)	(5,531)	(6,421)	(6,302)
Impairment on PPE	(515)	(3,734)	(515)	(4,306)

Save as disclosed above, foreign exchange gain or loss is not applicable and there were no gain/loss on disposal of the quoted investment, during the current financial period as well as in the preceding corresponding period.

A9 Taxation

The taxation charge for the Group comprises:

	Current quarter		Cumulative quarter	
	3 months ended		6 months ended	
	30/6/20	30/6/19	30/6/20	30/6/19
	RM'000	RM'000	RM'000	RM'000
Current tax	2,116	3,623	5,539	6,683
Deferred Tax	309	-	617	-
	<u>2,425</u>	<u>3,623</u>	<u>6,156</u>	<u>6,683</u>

The Group's effective tax rate for the current financial year was higher than the statutory tax rate of 24% (2019: 24%) principally due to losses incurred by certain subsidiaries, certain expenses being disallowed for tax purposes.

A10 Profit/ (Loss) Per Share

Basic profit/(loss) per share is calculated by dividing profit/(loss) for the quarter/period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the current financial quarter/period by the Company.

	Current quarter		Cumulative quarter	
	3 months ended		6 months ended	
	30/6/20	30/6/19	30/6/20	30/6/19
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) for the period attributable to ordinary equity holders of the parent (RM'000)	474	(21,913)	(7,669)	(27,198)
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Basic profit/(loss) per share (sen) for:	0.47	(21.91)	(7.67)	(27.20)
<u>Continuing operations</u>				
Profit/(Loss) for the period attributable to ordinary equity holders of the parent (RM'000)	4,560	(4,596)	3,479	3,748
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Basic profit/(loss) per share (sen) for:	4.56	(4.60)	3.48	3.75
<u>Discontinued Operations</u>				
Profit/(Loss) for the period attributable to ordinary equity holders of the parent (RM'000)	(7,177)	(23,298)	(16,079)	(40,860)
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Basic profit/(loss) per share (sen) for :	(7.18)	(23.30)	(16.08)	(40.86)

No diluted loss per share calculated as the Company does not have potential convertible shares.

A11 Intangible assets

There were no changes in estimates of the amounts reported on 31 December 2019 and current financial period ended 30 June 2020.

A12 Cash and cash equivalents

Cash and cash equivalents comprised the following amounts:

	As at 30/6/20 RM'000	As at 30/6/19 RM'000
Cash and bank balances	35,557	15,957
Less: Pledged	(6,149)	(2,386)
Less: Overdraft	(5,051)	(5,028)
Less: FD placed more than 3 months	(14,084)	-
Cash and cash equivalents	<u>10,273</u>	<u>8,543</u>

A13 Fair value hierarchy

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs that are based on observable market data, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
30 June 2020				
Available for sale financial assets				
Short term investment	4,065	4,065		
Equity shares	115	115	-	-
31 December 2019				
Available for sale financial assets				
Short term investment	4,062	4,062		
Equity shares	113	113	-	-

A14 Borrowings

The Group's borrowings at the end of the current financial period were as follows:

	As at 30/6/20 RM'000	As at 31/12/2019 RM'000 Restated
(a) <u>Short term borrowings (current)</u>		
Secured :		
Hire purchase and lease	1,510	1,281
Revolving credits	145,467	140,987
Term financing	32,121	33,935
Term loan	262,722	264,126
Overdraft	5,051	4,828
	<u>446,871</u>	<u>445,157</u>
(b) <u>Long term borrowings (non-current)</u>		
Secured :		
Hire purchase and lease	16,970	17,117
Term financing	19,880	19,880
RCPS	36,338	35,735
	<u>73,188</u>	<u>72,732</u>
Total borrowings	<u>520,059</u>	<u>517,889</u>

(c) Currency

None of the Group's borrowings is denominated in foreign currency.

(d) There were no borrowing default or breach of any borrowings agreement by the Group during the current financial period except for the Company has defaulted on the schedule principal repayment. A sub-subsidiary of the Company has also not met a covenant clause stipulated in the syndicated term loan agreement that also triggered a cross defaultt in other loans.

(e) All long term loans which have cross default clauses in their loan agreements have been reclassified to current liabilities

A15 Debt and Equity securities

There were no issuance and repayment of debt securities, share buy-backs and share cancellations in the current financial period.

A16 Dividend paid

No dividend was paid during the period ended 30 June 2020.

A17 Capital Commitments

The amount of commitments for the purchase of property, plant and equipment and port facilities as at 30 June 2020 are as follows:

	As at 30/6/20 RM'000	As at 31/12/19 RM'000
i) Authorised but not contracted for	11,873	-
ii) Authorised and contracted for	<u>19,025</u>	<u>48,684</u>

A18 Changes in Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities nor contingent assets during the current financial period except for:

- a) On 18 January 2016 and 11 April 2016, the Company has provided a corporate guarantee of RM26 million and RM21.7 million to a financial institution for facilities granted to subsidiary companies, Casuarina Teluk Intan Sdn Bhd and Lanai Casuarina Sdn Bhd. As at the reporting date, Casuarina Teluk Intan Sdn Bhd have utilised up to RM9.5 million and Lanai Casuarina Sdn Bhd has utilised up to RM19.4 million.
- b) Perak Corporation Berhad has provided letters of undertaking ("LOU") in 2016 and 2017 to various subcontractors to complete the construction of a theme park. These payments were claimable from the main contractor. The creditors are finalising the construction final account before the claims be made under the LOU.

A19 Related party transactions

The following table provides information on the transactions which have been entered into with related parties:

	3 months ended 30/6/20 RM'000	3 months ended 30/6/19 RM'000	6 months ended 30/6/20 RM'000	6 months ended 30/6/19 RM'000
Transactions with:				
Ultimate Holding Corporation ("UHC")				
Interest (income)/expenses	228	(357)	433	(357)
Advances (received)/paid	(1,280)	(280)	(1,382)	(280)
Rental (receivable)/payable	361	(4,418)	518	(4,418)
Other transaction	9	-	86	-
Fellow subsidiaries of the UHC				
Interest (income)/expenses	-	(78)	-	(78)
Advances (received)/paid	(50)	(848)	(153)	(848)
Rental (receivable)/payable	127	(119)	280	(119)
Other transaction	27	-	57	-
Related parties				
Companies in which a director of subsidiary, has substantial interests:				
Port services receivable	10,936	12,675	21,944	21,676

Account balances with significant related parties of the Group at the current financial period ended 30 June 2020 and 30 June 2019 are as follows:

	As at 30/6/20 RM'000	As at 30/6/19 RM'000
<u>Account balance with UHC</u>		
Receivables	15,570	3,235
Payables	(34,731)	(12,855)
<u>Account balances with fellow subsidiaries</u>		
Receivables	10,595	15,982
Payables	(6,944)	(7,422)
<u>Account balances with related parties</u>		
Receivables	9,789	10,947

A20 Significant event

There were no significant event during the current financial period except for:

- a) On 6 February 2020, Affin Islamic Bank Berhad (“AIB”) declared an event of default on the Company arising from its failure to pay the scheduled principal repayment due on 31 January 2020 for the credit facilities of RM75.9 million relating to Musharakah Mutanaqisah Term Financing -i and Tawarruq Revolving Credit -i.
- b) On 28 February 2020, CIMB Bank Berhad (“CIMB”) has declared an event of cross default in respect of the Revolving Credit Facilities of RM60.0 million and RM30.0 million granted to the Company and its subsidiary, PCB Taipan Sdn Bhd (“PCBT”) respectively and demand full payment of RM91.3 million together with interest within 14 days from 28 February 2020.
- c) On 11 February 2020, the Directors had, determined that the Company was unable to declare that it was solvent pursuant to paragraph 9.19A(F) of the Listing Requirements. As a result of this and the above defaults on the various loan repayments, the Company was declared a PN 17 company after triggering the prescribed criteria under paragraph 2.1 (f) of the PN 17. Whilst the Group is currently developing a debt restructuring scheme to manage the Group’s debts and preparing a regularisation plan. As at to date, the regularisation plan is still at preliminary stage.
- d) On 23 July 2020, the High Court of Malaya in Ipoh, Perak Darul Ridzuan has granted Perak Corporation Berhad and PCB Development Sdn Bhd (collectively “**the Companies**”) to convene a Secured Creditor’s Meeting (hereinafter “**the Creditors’ Meeting**”) pursuant to Section 366 of the Companies Act 2016 (hereinafter “**the Act**”) for the purpose of taking into account and if deemed appropriate, to approve with or without modification, a proposed scheme of arrangement and compromise between the Applicant and its Secured Creditors (“**the Scheme Creditors**”) within 90 days from 23 July 2020.

All proceedings or actions or further proceedings against the Companies by any party including the scheme creditors including but not limited to the commencement of any proceedings or continuing with any proceedings with Court action; the commencement or continuing of any court action including any winding-up proceeding; the taking of any action, termination or proceeding whatsoever or in any way under any form of guarantee or indemnity granted to the Companies; any enforcement, detention, or any other form of execution of any judgement or order against the Companies; or the sale of any asset that is the subject of any security interest created by the Companies, repossession of any plant, equipment or machinery under lease or hire purchase be restrained for a period of 90 days effective from 23 July 2020 or such other longer period determined by the Court subject to the terms as may be determined by the Court pursuant to Section 368 of the Companies Act 2016.

Be that as it may, one of the Companies' unsecured creditors, i.e. RHB Insurance Berhad, had filed an application on 6 August 2020 to intervene and be added as a party in the proceeding and to set aside the Order dated 23 July 2020, wherein the matter was fixed for Hearing on 18 August 2020. At the Hearing, the Court had directed parties to exhaust affidavits by the next case management date, i.e. 30 September 2020.

A21 Material events subsequent to the end of the current financial year

There were no material events subsequent to the end of the current financial period that have not been reflected in this interim financial report, made up to the latest practicable date.

Explanatory notes pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

B1 Performance Review

Explanatory comments on the performance of each the Group's business activities are provided in Note A5.

	Current quarter			Cumulative quarter		
	3 months ended		Changes	6 months ended		Changes
	30/6/20	30/6/19		30/6/20	30/6/19	
	RM'000	RM'000	(%)	RM'000	RM'000	(%)
Revenue	27,110	39,479	-31%	62,404	74,515	-16%
Operating profit	10,710	(405)		15,375	8,825	
Loss before tax	6,986	(973)	-818%	9,635	10,431	-8%
Loss after tax	4,560	(4,596)	-199%	3,479	3,748	-7%
Discontinued operation	(7,177)	(23,298)		(16,079)	(40,860)	
Loss for the period	(2,617)	(27,894)		(12,600)	(37,112)	
Loss attributable to ordinary equity holders of the parent	474	(21,913)	-102%	(7,669)	(27,198)	-72%

B2 Comment on Material Change in Profit Before Taxation

	Current Quarter 30/06/19 RM'000	Immediate Preceding Quarter 31/03/20 RM'000	Changes	
			RM'000	%
Revenue	27,110	35,294	(8,184)	-23%
Operating profit	10,710	11,184	(474)	-4%
Profit/(Loss) before tax	6,986	8,008	(1,022)	-13%
Profit/(Loss) after tax	4,560	4,277	283	7%
Loss after tax from discontinued operation	(7,177)	(14,261)	7,084	
	(2,617)	(9,984)	7,367	-74%
Profit/(Loss) attributable to ordinary equity holders of the parent	474	(8,143)	8,617	-106%

The Group made a profit before taxation (PBT) of RM6.9million in the current financial quarter ended 30 June 2020 compared to a profit before taxation of RM8.0 million for the immediate preceding quarter ended 31 March 2020. The decrease in PBT is mainly due to the impact from the pandemic Covid'19 to all the segments which resulted to the decrease in sales.

B3 Commentary on Prospects

On 11 March 2020, the World Health Organisation declared the global outbreak of COVID-19 to be a pandemic. The Covid had impacted economic activity and market around the world. The whole world was then hit by the Covid'19 pandemic and this affected the progress of the regularisation plan, as at the date of this announcement, these are still at a preliminary stage. If the pandemic continues and conditions worsen, it could negatively impact the Group's and the Company's business, results of operations, financial condition and liquidity in numerous ways, including but not limited to lower revenues and worsen the losses of the Group and the Company.

The directors expect the hospitality and tourism segment was adversely impacted with the significant reduction incoming visitors international and domestic in Malaysia. With corporates postponing/cancelling seminars, events and functions, this would also directly contribute to a drop in rental of function halls and hotel rooms.

The impact of ports and logistic segment is not expected to be materially affected with the throughput at Lumut Maritime Terminal remain relatively stable except for the month of April

2020. At the beginning of the MCO, certain customers using Lumut Port for exports stop their operations and shipments. However, moving forward we are confident that our Lumut Port

operation will substantially improve after the MCO as customers start bringing in more cargo to cover-up during MCO period. Thus, subject to expected recovery, we expect better outcome ahead or worst case scenario.

Therefore, the Group expects its financial results for the financial year ending 31 December 2020 to remain uncertain and challenging.

Nonetheless, the ability to realise this prospects is dependent on the successful outcome to the Group in developing the regularisation plan. As at to date, the regularisation plan is still at a preliminary stage.

B4 Profit Forecast or Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in a public document in respect of the current financial period.

B5 Corporate Proposals

There are no corporate proposals announced and not completed as at the date of this announcement.

B6 Changes in Material Litigation

There were no pending material litigations as at the latest practicable date except for:

a) ZJ Advisory Sdn. Bhd. (“ZJ”)

On 27 March 2017, ZJ Advisory Sdn. Bhd. (“ZJ”) served a winding up notice on ATP, allegedly claiming RM2,756,000 being the balance of final success fee under a consultancy contract between both parties. On 19 April 2017, the subsidiary filed an injunction to stop ZJ from filing a winding notice, and had successfully obtained an injunction order from the Ipoh High Court. ZJ has filed an appeal to the Court of Appeal which is fixed for hearing on 16 April 2018. During the hearing, ZJ has withdrawn its appeal. As a result, the injunction order stays. On 6 June 2018, ZJ has filed a writ of summons in the Ipoh High Court against Company for the amount of 2,756,000 being claim for the balance of final success fee. The trial is now adjourned to 9 March 2020 and 10 March 2020. As the claim of ZJ represent claim incurred during the pre-receivership period which are ranked unsecured for payment pursuant to Section 392 of the Companies Act 2016, the Receiver and Manager is in no position to settle the claims of the unsecured creditors of ATP until the claims of the secured and preferential creditors have been discharged in full from the eventual realization of the assets of ATP, all of which are presently charged to AHIBB. In view of the foregoing, the Receiver and Manager as agent for ATP is not defending any of the claims of the unsecured creditors of ATP. If ZJ obtained judgement against ATP, their claim will be ranked as unsecured creditors. The next case management is on 4.9.2020.

b) Chubb Insurance Malaysia Berhad

Chubb Insurance Malaysia Berhad (“Chubb”) is an insurance company, which provides insurance policies coverage to ATP. On 29 August 2019, ATP received a Writ of Summons dated 17 July 2019 by Chubb. On 28 August 2019, a Judgement in Default was granted to Chubb. The amount claimed by Chubb is RM1,784,143.13, plus an interest of five percent (5%) per annum, until the full settlement of the amount claimed. The Court had struck out the application for the stay of execution and Setting Aside of the Judgement in Default and ordered for PCB to pay the cost of RM5,000 for the said applications. As the claim of Chubb represent claim incurred during the pre-receivership period which are ranked unsecured for payment pursuant to Section 392 of the Companies Act 2016, the Receiver and Manager is in no position to settle the claims of the unsecured creditors of ATP until the claims of the secured and preferential creditors have been discharged in full from the eventual realization of the assets of ATP, all of which are presently charged to AHIBB. In view of the foregoing, the Receiver and Manager as agent for ATP is not defending any of the claims of the unsecured creditors of ATP. If Chubb obtained judgement against ATP, their claim will be ranked as unsecured creditors.

c) Uni-Poh Construction Works Sdn Bhd

A Writ of Summons was filed in the High Court of Ipoh on 13 September 2019, by Uni-Poh Construction Works Sdn Bhd (“Uni-Poh”), a contractor hired to develop and complete the main infrastructure and other works in Bandar Meru Raya, Ipoh, Perak, through a contract dated 24 August 2016. The Company received the Writ of summons on 30 September 2019.

The Company filed a defence on 25 October 2019 and received Uni-Poh’s application for summary judgment on 20 November 2019. The Company is to file an affidavit in reply by 17 December 2019. Uni-Poh is claiming an amount of RM8,851,823.57 as at 31 August 2019 for the works done, an interest payment of RM2,528,490.51 calculated at 1.5% per month as at 31 August 2019, and other additional interest payment, until the full settlement of the amount claimed.

The hearing for the Plaintiff’s application for summary judgment was initially set on 20 March 2020, but has been postponed to 27 August 2020, due to Covid-19’s Movement Control Order.

The Directors are of the view that the Company has a fair chance to dismiss the claim based on the all the defences available.

d) Syndicated Term Loan case involving PCBD and Affin Hwang

Writ of Summons dated 1 June 2020 was served on PCBD on 4 June 2020 to demand the payment of RM244 million together with interest accrued thereon on the date of full repayment pursuant to the Corporate Guarantee dated 10 July 2014 executed by PCB in favour of AHIB for the syndicated term loan facility provided to ATP. Judgement in default has entered against PCBD on 18 June 2020 and served on PCBD on 17 July 2020.

e) Mostar Zailani

A Writ of Summons was served by Lumut Maritime Terminal Sdn Bhd (“LMT”), a direct 50%+1 share subsidiary of PCB Taipan Sdn Bhd (“PCBT”), which in turn is a sub-sub-subsidiary of the Company, on 24 May 2018 to Mostar Zailani, a contractor for painting work done at the LBT Terminal, demanding for RM135,800. On 21 August 2019, a bankruptcy order has been obtained to the debtor and Proof of Debt Form dated 11 Oct 2019 has been filed with Malaysia Department of Insolvency on 14.10.2019. As at to date, pending creditors meeting to be held between both parties.

f) Kayan Logistics Sdn Bhd

On 28 August 2019, the Company served a writ of summon to Kayan Logistics Sdn Bhd for claiming an amount of RM116,080 as at 28 August 2019 for the not settling the charges to LMT. The Company received summary judgment on 17 March 2020. Defendant has filed an appeal on 23.4.2020 contested on the decision made by Session Court on 17.3.2020. The case management for appeal from Kayan Logistics Sdn Bhd will be on 23.9.2020.

g) Department of Occupational Safety and Health

A Writ of Summons was served to LMT on 16 January 2020, by Department of Occupational Safety and Health, for failure under Section 15(1) of Occupational Safety and Health Act 1994. First hearing was fixed on 23 April 2020 and 24 April 2020 but adjourned due to Covid-19's Movement Control Order. Next hearing will be on 24 September 2020 & 28 September 2020.

h) Other Cases as listed below:-

COURT PROCEEDINGS – PERAK CORPORATION BERHAD				
NO	PARTIES/ SUIT	SUBJECT MATTER	STATUS/ NEXT DATE	CLAIM AMOUNT (RM)
1.	FIC Kitchen Technology Sdn Bhd vs. Perak Corporation Berhad Ipoh Sessions Court No. AA-A52NCvC-88-06/2019	Letter of Undertaking for fabricate, supply, deliver and install for food carts, retail carts and stainless steel kitchen equipment for the Movie Animation Theme Park Studios project.	Summons Received on:27/06/2019 Defence Filed on:13/07/2019 Plaintiff filed Summary Judgment on: 14/08/2019 Summary Judgment was dismissed on:27/12/2019 Trial Dates: 14/12/2020 15/12/2020.	181, 529.24
2.	MSM Kitchen Sdn Bhd vs. Perak Corporation Berhad Ipoh Sessions Court No. AA-B52-6-05/2019	Letter of Undertaking to make payment for the supply, deliver, installation, testing & commissioning for local kitchen equipment including related final connection works for the Movie Animation Theme Park Studios project	Summons Received on:19/06/2019 Defence Filed on: 12/07/2019 Plaintiff filed Summary Judgment on: 14/08/2019 Summary Judgment was dismissed on:27/12/2019 Trial Dates: 16/12/2020 17/12/2020	585, 953.77
3.	Chong Teamwork Resources Sdn Bhd vs. Perak Corporation Berhad Ipoh Session Court No. AA-A52NCvC-200-12/2019	Dispute on the appointment of the contractor and expenses incurred for the purchase of raw material for the construction of a covered arena at SMK Bukit Jana Kamunting.	Summons Received on:11/12/2019 Defence Filed on: 21/01/2020 Plaintiff filed Summary Judgment on: 06/01/2020 Summary Judgment	183, 500.00

			<p>was dismissed on:13/03/2020</p> <p>The Court has directed Parties to file in their respective witness statements before the Trial date trial.</p> <p>Trial Date: 7/12/2020</p>	
4.	<p>Gai Leong Engineering Sdn Bhd vs. Perak Corporation Berhad</p> <p>Ipoh Session Court No: AA-A52-32-12/2019.</p>	<p>Letter of Undertaking to make payment for the installation and supply of TV LED, wall bracket/LEB bracket system for the Movie Animation Theme Park Studios project.</p>	<p>Summons Received on: 19/12/2019</p> <p>Defence Filed on: 13/01/2020</p> <p>Parties have agreed to have this matter Mediated.</p> <p>Pending fixing of a Mediation date.</p>	115, 328.00
5.	<p>Chong Nyuk Keun (trading under the name and style of AV AUDIO VIDEO) vs. Perak Corporation Berhad.</p> <p>Ipoh Session Court No: AA-A52-33-12/2019.</p>	<p>Letter of Undertaking to make payment for supply and installation of cable, wiring system, mains for audio, video, mechanical, control room, CCTV, network system for the Movie Animation Theme Park Studios project.</p>	<p>Summons Received on: 19/12/2019</p> <p>Defence Filed on: 14/01/2020</p> <p>Parties have agreed to have this matter Mediated.</p> <p>Pending fixing of a Mediation date.</p>	120, 413.83
6.	<p>Blueblack Production Sdn Bhd vs.</p> <p>1) Animation Theme Park</p> <p>2) Perak Corporation Berhad</p> <p>Ipoh Session Court No: AA-B52NCVC-24-06/2018</p>	<p>Letter of Undertaking to make payment for enhancement-supply and delivery of software, hardware, media content and maintenance services for the Movie Animation Theme Park Studios project.</p>	<p>Summons Received on:21/06/2018</p> <p>Defence Filed on: 25/07/2018</p> <p>The court has directed Parties to file in Agreed Facts & Issues to Be Tried by the next case management date</p> <p>Next Case Management on: 3/8/2020.</p>	980, 454.74

7.	SJEE Engineering Sdn Bhd vs Perak Corporation Berhad Ipoh High Court No: AA-22NCvC-28-05/2020.	Letter of Undertaking to make payment for M&E works for the Movie Animation Theme Park Studios project.	Summons Received on: 15/06/2020 Defence Filed on: 06/07/2020 Next Case Management on: 6/8/2020	1, 347, 137.03
8.	Aluminjaya Sdn Bhd vs Perak Corporation Berhad Ipoh Session Court No: AA-B52-NCVC-46-09/2018	Letter of Undertaking to make payment for M&E works for the Movie Animation Theme Park Studios project.	Summons Received on: 14/09/2018 Judgement in Default on: 9/10/2018 for the total sum of RM 426,005.95 Writ of Sale & Seizure on: 21/2/2019 Proceeds from disposal of three vehicles amounting to RM 155,000.00 were paid to the Plaintiff. Outstanding judgment sum of RM 271,005.95 is still outstanding.	271, 005.95
9.	Armai Construction Sdn Bhd vs. Perak Corporation Berhad Ipoh Session Court No. AA-B52NCVC-60-09/2019	Dispute on the acceptance of Tender to carry out M&E and plumbing works at Labu Sayong Café, Silveritage Complex Ipoh.	Summons Received on: 4/10/2019 Defence Filed on: 25/10/2019 Plaintiff filed summary Judgment on: 28/11/2019 Summary Judgment was dismissed on: 10/7/2020 Court directed Parties to file prepare the case for trial and instructed parties to file Common Bundle of Documents. Next Case Management:	397, 441.89

			01/09/2020	
10.	RHB Insurance Sdn Bhd vs. Perak Corporation Berhad Ipoh Sessions Court No. AA-B52NCvC-43-06/2019	Failure to make payment for Group Hospitalisation & Surgical employee from 1/6/2018-31/5/2019.	Received Garnishee suit on 22/7/2020. Case Management on: 07/08/2020 At the case management, the Parties sought another date pending settlement. Next Case Management: 22/10/2020	494, 184.28
11.	A.F.S. Engineering (Malaysia) Sdn Bhd vs. Perak Corporation Berhad Ipoh Session Court No. AA-A52C-1-07/2020	Letter of Undertaking to make payment for supply of background music, audio & equipment for the Movie Animation Theme Park Studios project.	Summon received on: 21/7/2020. Case Management on: 13/08/2020 At the case management, the Parties sought another date pending settlement. Next Case Management: 26/10/2020	183, 689.82

PERAK CORPORATION BERHAD – CONSTRUCTION INDUSTRY PAYMENT AND ADJUDICATION

NO	PARTIES/ SUIT	SUBJECT MATTER	STATUS/ NEXT DATE	CLAIM AMOUNT (RM)
1.	S & A Architects Sdn Bhd. vs. Perak Corporation Berhad Ipoh High Court No. AA-24C-2-05/2018	Default in payment for services of Architect and Project Planner for the Master Planning's Architectural Service and to appoint the Additional Consultants under S & A Architects Sdn Bhd the Proposed Development of Golf Course, Hotel Club & Wellness Centre, Proton City, Tanjung Malim.	Plaintiff's Originating Summon to register the CIPAA award on: 08/05/2018 Order in favor of Plaintiff on: 02/04/2019	1, 577, 206.79

2.	S & A Architects Sdn Bhd. vs. Perak Corporation Berhad Ipoh High Court No. AA-24C-4-06/2018	Default in payment for service of Architect and Project Planner for the Master Planning's Architectural Service and to appoint the Additional Consultants under S & A Architects Sdn Bhd for the Proposed Development of Teluk Dalam Resort (TDR), Pulau Pangkor for Perak Corporation Berhad	Plaintiff's Originating Summon to register the CIPAA award on: 14/06/2018 Order in favor of Plaintiff on: 02/04/2019	2, 163, 186.93
3.	S & A Architects Sdn Bhd. vs. Perak Corporation Berhad Kuala Lumpur High Court No. :WA-24C-286-12/2018	Default in payment for service of Architect and Project Planner for the Master Planning's Architectural Service and to appoint the Additional Consultants under S & A Architects Sdn Bhd for the Proposed Development of Hotel Casuarina @Taiping, Perak Darul Ridzuan for Perak Corporation Berhad	Plaintiff's Originating Summon to register the CIPAA award on: 20/12/2018 Order in favor of Plaintiff on: 05/04/2019	647, 358.12
4.	Paramount Grace Sdn Bhd vs. Perak Corporation Berhad CIPAA AIAC/D/ADJ-3082-2020	Letter of Undertaking to make payment for M&E works for the Movie Animation Theme Park Studios projects.	Adjudication Claim on:03/04/2020 Adjudication Response on: 17/07/2020 Adjudication Reply on: 24/07/2020 Rebuttal on: 30/07/2020 Decision on: 01/10/2020	1, 049, 223.31
5.	Arrowmedia vs. Perak Corporation Berhad (Mr Peabody & Sherman) Ipoh High Court No.:	Letter of Undertaking to make payment for the supply and installation of AV & show control equipment for the Movie Animation Theme Park Studios projects.	Plaintiff's Originating Summon to register the CIPAA award on: 29/08/2019 Order in favor of Plaintiff on: 05/03/2020	419,597.93

	AA-24C(ARB)-1-08/2019			
COURT PROCEEDINGS FOR PCB DEVELOPMENT SDN BHD				
NO	PARTIES/ SUIT	SUBJECT MATTER	STATUS/ NEXT DATE	CLAIM AMOUNT (RM)
1.	Uni-Poh Construction Works Sdn Bhd vs. PCB Development Sdn Bhd Ipoh High Court No. AA-22NCVC-80-09/2019	Nonpayment for infrastructure works done for Zone 9, Bandar Meru Raya, Daerah Kinta, Perak Darul Ridzuan	Summons Received on:30/09/2019 Defence Filed on:25/10/2019 Plaintiff filed Summary Judgment against PCBD on: 19/11/2019 Fixed for Summary Judgment Hearing on: 27/8/2020	8, 851, 823.57
2.	Armai Construction vs. PCB Development Sdn Bhd Ipoh Magistrate Court No. AA-A72NCvC-478-09/2019	Dispute on the award of tender for installation of transverse bar and signboard at Jalan JKR, Bulatan Meru Raya.	Summons Received on: 30/09/2019 Defence Filed on:25/10/2019 Plaintiff filed Summary Judgment on: 28/11/2019 Summary Judgment was dismissed on:14/02/2020 Court directed Parties to file prepare the case for trial and instructed parties to file Common Bundle of Documents. Trial Dates: 23/09/2020 24/09/2020 Next Case Management on: 06/08/2020	50, 890.60

3.	<p>Pembinaan Sinaran Anjung Sdn Bhd vs. PCB Development Sdn Bhd</p> <p>Ipoh Session Court No. AA-B52NCVC-59-09/2019</p>	<p>Nonpayment for the infrastructure works done for Zone 5, Bandar Meru Raya, Ipoh, Perak Darul Ridzuan.</p>	<p>Summons Received on: 30/09/2019</p> <p>Defence Filed on: 25/10/2019</p> <p>Plaintiff filed Summary Judgment on: 19/11/2019</p> <p>Summary Judgment granted on 11/03/2020, with costs of RM1,000.</p> <p>-</p>	<p>400, 000.00</p>
4.	<p>Tawas Permai vs. PCB Development Sdn Bhd</p> <p>Ipoh Session Court No. AA-B52NCVC-58-09/2019</p>	<p>Dispute on full completion and nonpayment of main infrastructure works done for Rumah Tradisional Melayu, Ipoh.</p>	<p>Summons Received on: 30/09/2019</p> <p>Defence Filed on:25/10/2019</p> <p>Plaintiff filed summary Judgment on: 19/11/2019</p> <p>Summary Judgment was dismissed on:25/02/2020</p> <p>-</p>	<p>823, 020.31</p>
5.	<p>Kerajaan Malaysia (Lembaga Hasil Dalam Negeri) vs. PCB Development Sdn Bhd</p> <p>High Court Ipoh No: AA-21NCVC-05-06/2017</p> <p>Appeal No: A-01(1M)(NCVC)-309-05/2018</p>	<p>Failure to make payment for PCB Development Sdn Bhd Tax 2013 (additional)</p>	<p>Summons Received on: 15/06/2017</p> <p>Pending signing of settlement agreement.</p> <p>Next Case Management on: 11/08/2020</p>	<p>10,536,961.35</p>

6.	1) Affin Hwang Investment Berhad 2) Affin Bank Berhad 3) Bank Pembangunan Malaysia Berhad 4) Malaysia Debt Venture Berhad vs. 1. Animation Theme Park. 2. PCB Development Sdn Bhd. 3. RSG MAPS Sdn Bhd. 4. Ramelle Ashram Bin Ramli. 5. Darren Jeffrey Mclean. 6. Stephen Allan Sanderson. Ipoh High Court No. AA-22NCC-11-06/2020	Default in payment of Syndicated term loan for the month of September 2019	Judgment in Default has been entered against PCB Development Sdn. Bhd. on 18/06/2020 and was served on 17/07/2020.	244, 015, 982.89
----	---	--	--	------------------

The cases listed herein above are currently stayed due to the Restraining Order ('Order') which was obtained on 23th July 2020.

At the material time, the cases mentioned above are expected not to have any material impact on the financial and operational matters of Perak Corporation Berhad/ the Companies as the Order is to solely facilitate Perak Corporation Berhad/ the Companies' scheme of arrangement with the scheme creditors.

COURT PROCEEDINGS - PCB TAIPAN SDN BHD				
NO	PARTIES/ SUIT	SUBJECT MATTER	STATUS/ NEXT DATE	CLAIM AMOUNT (RM)
1.	Kerajaan Malaysia (Lembaga Hasil Dalam Negeri) vs. PCB Taipan Sdn Bhd Ipoh High Court No. AA-21NCvC-15- 10/2019	Nonpayment of Corporate tax from 2017-15/1/2018.	Parties are currently negotiating and are in the midst of resolving this matter amicably. This matter is now fixed for Case Management on 08/09/2020 to enable Parties to update the Court on the settlement.	1, 136, 643.55
COURT PROCEEDINGS - PCB LEISURE SDN BHD				
.1	Lembaga Kumpulan Wang Simpanan Pekerja vs 1) PCB Leisure Sdn Bhd. 2) En Shafeii Bin Abdol Gaffoor 3) En Ariff Bin Yeop Ishak Ipoh Session Court No: AA- A52NCvC-56- 07/2020	Failure to lodge EPF contributions from October 2019 to November 2019.	Summons Received on: 24/7/2020. Case Management on: 13/08/2020. At the case management, the Parties sought another date pending settlement. Next Case Management: 03/09/2020	102, 086.00

Parties are negotiating both the matters and there are fair chances that both the cases mentioned here above can be resolved amicably.

B7 Disclosure of nature of outstanding derivatives

There were no outstanding derivatives as at the end of the reporting period.

B8 Rationale for entering into derivatives

The Group did not enter into any derivatives during the period ended 30 June 2020 or the previous financial period ended 30 June 2019.

B9 Risks and policies of derivatives

The Group did not enter into any derivatives during the current financial period.

B10 Disclosure of gains/losses arising from fair value changes of financial liabilities

The Group did not have any financial liabilities measured at fair value through profit or loss as at 30 June 2020 and 30 June 2019.

B11 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2019 was not qualified but clean. The Company's independent external auditors has included a statement of material uncertainty related to going concern of the Company in its Independent Auditors report in respect of its financial statement for the financial year ended 31 December 2019.

B12 Dividends

The directors do not recommend a payment of dividend by the Company in respect of the current financial period.