

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 31-Dec 2020 RM'000	Preceding Corresponding Quarter Ended 31-Dec 2019 RM'000	Current Period Ended 31-Dec 2020 RM'000	Preceding Corresponding Period Ended 31-Dec 2019 RM'000
Revenue	34,425	45,218	131,210	149,686
Cost of sales	(26,867)	(17,322)	(47,529)	(66,896)
Gross Profit	7,558	27,896	83,681	82,790
Other operating income	524	8,937	5,792	4,344
Operating expenses	(63,688)	(34,306)	(122,380)	(96,953)
Operating (loss)/profit	(55,606)	2,527	(32,907)	(9,819)
Finance costs	(2,472)	(10,034)	(9,915)	(11,056)
Loss before tax	(58,078)	(7,507)	(42,822)	(20,875)
Taxation	(3,133)	(7,849)	(12,500)	(15,712)
Loss from Continuing Operations	(61,211)	(15,356)	(55,322)	(36,587)
Loss from discontinued operation	(13,146)	(82,552)	(39,244)	(79,799)
Loss for the period	(74,357)	(97,908)	(94,566)	(116,386)
Loss for the period attributable to:				
Owners of the parent	(74,938)	(59,192)	(86,717)	(83,029)
Non-controlling interests	581	(38,716)	(7,849)	(33,357)
	(74,357)	(97,908)	(94,566)	(116,386)
Loss per share attributable to equity holders of the parent:				
EPS (sen)	(74.94)	(59.19)	(86.72)	(83.03)
Loss per share attributable to equity holders of the parent from continuing operations				
EPS (sen)	(61.21)	(15.36)	(55.32)	(36.59)
Loss per share attributable to equity holders of the parent from discontinued operation				
EPS (sen)	(13.15)	(82.55)	(39.24)	(79.80)

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: 199101000605 (210915-U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	31-Dec 2020 RM'000	31-Dec 2019 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	122,245	126,079
Port facilities	216,455	204,575
Investment properties	18,545	18,936
Inventories	24,311	24,311
Other investments	25	25
Intangible assets	26,972	28,086
Finance lease receivables	112	188
	<u>408,665</u>	<u>402,200</u>
Current assets		
Non-current asset held for sale	77,880	87,750
Inventories	162,343	161,737
Finance lease receivables	76	124
Trade and other receivables	44,126	58,100
Other investment	4,247	4,175
Tax recoverable	1,676	381
Cash and bank balances	41,728	27,806
	<u>332,076</u>	<u>340,073</u>
Total assets	<u>740,741</u>	<u>742,273</u>
Equity and liabilities		
Current liabilities		
Borrowings	482,118	445,157
Trade and other payables	209,563	157,267
Tax payable	18,235	18,063
	<u>709,916</u>	<u>620,487</u>
Net current liabilities	<u>(377,840)</u>	<u>(280,414)</u>
Non-current liabilities		
Borrowings	68,093	72,732
Trade and other payables	55,709	43,410
Deferred tax liabilities	15,677	14,732
	<u>139,479</u>	<u>130,874</u>
Total liabilities	<u>849,395</u>	<u>751,361</u>
Net liabilities	<u>(108,654)</u>	<u>(9,088)</u>
Equity attributable to owners of the parent		
Share capital	272,770	272,770
Accumulated losses	(172,798)	(86,081)
	<u>99,972</u>	<u>186,689</u>
Non-controlling interests	(208,626)	(195,777)
Total equity	<u>(108,654)</u>	<u>(9,088)</u>
Total equity and liabilities	<u>740,741</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: 199101000605 (210915-U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling interest RM'000	Total Equity RM'000
At 1 January 2020	272,770	(86,081)	186,689	(195,777)	(9,088)
Net loss for the financial year	-	(86,717)	(86,717)	(7,849)	(94,566)
<u>Transactions with owners, recognised directly in equity</u>					
Dividend paid by a subsidiary to a non-controlling interest	-	-	-	(5,000)	(5,000)
At 31 December 2020	<u>272,770</u>	<u>(172,798)</u>	<u>99,972</u>	<u>(208,626)</u>	<u>(108,654)</u>
At 1 January 2019 restated	272,770	(3,052)	269,718	(157,420)	112,298
Net loss for the financial year	-	(83,029)	(83,029)	(33,357)	(116,386)
<u>Transactions with owners, recognised directly in equity</u>					
Dividend paid by a subsidiary to a non-controlling interest	-	-	-	(5,000)	(5,000)
At 31 December 2019	<u>272,770</u>	<u>(86,081)</u>	<u>186,689</u>	<u>(195,777)</u>	<u>(9,088)</u>

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: 199101000605 (210915-U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	31-Dec 2020 RM'000	31-Dec 2019 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Cash collection from trade/other receivables	145,455	172,351
Cash received from other income	1,099	3,455
Cash paid for other expenses	(48,350)	(55,499)
Cash paid to trade/other payables	(44,282)	(41,307)
Cash paid for tax	(10,074)	(10,333)
Cash flow from operating activities (discontinued operation)	(3,406)	(8,406)
Net cash generated from operating activities	<u>40,442</u>	<u>60,261</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	595	206
Purchase of property plant & equipment	(691)	(23,720)
Purchase of port facilities	(16,147)	(3,269)
Purchase of intangible assets	-	(897)
Development costs	(277)	-
Proceeds from disposal of property plant & equipment	66	481
Dividend income received	-	3
Purchase of investment in unit trust	(4,130)	(4,000)
Advances to related companies	-	(13,000)
Cash flow from investing activities (discontinued operation)	1	11,147
Net cash used in investing activities	<u>(20,583)</u>	<u>(33,049)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Cash repayment from amounts borrowed	(6,373)	(20,141)
Draw down of borrowings	-	23,620
Dividend paid on ordinary shares to minority shareholders	(5,000)	(5,000)
Interest paid	(1,696)	(12,603)
Placement of fixed deposits	(7,324)	(5,402)
Advances from related companies	-	24,665
Cash flow from financing activities (discontinued operation)	2,884	(18,460)
Net cash used in financing activities	<u>(17,509)</u>	<u>(13,321)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,350	13,891
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>13,823</u>	<u>(68)</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>16,173</u>	<u>13,823</u>
Cash and cash equivalents comprise :		
Cash and bank balances	41,728	27,806
Bank balances and deposits pledged for guarantees and other banking facilities granted to certain subsidiaries	(3,021)	(3,150)
Overdraft	(5,102)	(4,828)
Fixed deposits more than 3 months	(17,432)	(6,005)
	<u>16,173</u>	<u>13,823</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
- FOURTH QUARTER ENDED 31 DECEMBER 2020

A1 Basis of Preparation

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

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 financial 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 for the syndicated term loan provided to ATP.

On 28 January 2020, the receiver and manager of ATP decided to close the operations of its theme park.

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 outstanding 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.

Following the declaration of an event of default by AIB for the credit facilities extended to the Company and the Company's declaration being a PN17 company, CIMB Bank Berhad ("CIMB") has on 28 February 2020 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.

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 Scheme 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.

On 19 October 2020, the High Court of Malaya in Ipoh, Perak Darul Ridzuan has granted the Scheme Companies further extension of 90 days from 19 October 2020 to convene the Creditors' Meeting pursuant to Section 366 of the Companies Act 2016

The Court Convened Meetings for the Non-Financial Institutions of Perak Corporation Berhad, Direct Financial Institutions of Perak Corporation Berhad, Corporate Guarantee Financial Institutions of PCB Development Sdn Bhd and Non-Financial Institutions of PCB Development Sdn Bhd held on 8 January 2021 have all been adjourned

On 13 January 2021, the High Court of Malaya in Ipoh, Perak has granted a further extension of the Restraining Order for a period of ninety (90) days and a period of one hundred eighty (180) days from 13 January 2021 to convene a new Creditors' Meeting with the Scheme Creditors pursuant to the provisions of Section 366 of the Companies Act 2016 for the purpose of considering the Proposed Scheme of Arrangement

On 26 March 2021, the Company has issued an Explanatory Statement, together with the Notice to convene the meetings of the new scheme creditors, unsecured creditors other than the banks and financial institutions ("New Scheme Creditors"), to be held on 19 April 2021 pursuant to the provisions of Section 366 of the Companies Act 2016 for the purpose of considering the Proposed New Scheme of Arrangement, to the New Scheme Creditors pursuant to Section 366 and other relevant provisions of the Act.

Whilst the Group is currently developing a debt restructuring scheme to manage the Group's debts and preparing a regularisation plan, as at the date of this announcement, these are still at a preliminary stage.

For current financial year ended 31 December 2020, the Group reported a loss after tax of RM94.6 million and as at that date, the Group's current liabilities exceeded its current assets by RM377.8 million and its total equity was in a deficit of RM108.6 million. As at 31 December 2020, cash and bank balances totalled RM41.7 million and borrowings due for repayment over the next 12 months totalled RM482.1 million.

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 majority shareholder coupled with the proposed debt restructuring scheme and proposed regularisation plan is underway, the Directors are of the view that the Group's ability to continue its operations and businesses has been significantly curtailed at the date of this announcement. In view of this, the Directors have continued to prepared the interim condensed financial statements for the

quarter ended 31 December 2020 on a non-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 Significant Accounting Policies

The significant accounting policies and presentation adopted in the preparation of this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2019 except for the adoption of the following new MFRSs and Amendments to MFRSs that are effective for financial statements effective from 1 January 2020, as disclosed below:

- Amendments to References to the Conceptual Framework in MFRS Standards
- Amendments to MFRS 3 “Definition of a Business”
- Amendments to MFRS 7 “Financial Instruments: Disclosures”, MFRS 9 “Financial Instruments” and MFRS 139 “Financial Instruments: Recognition and Measurement”
- Amendments to MFRS 101 “Presentation of Financial Statements” and MFRS 108 “Accounting Policies, Changes in Accounting Estimates and Errors”

In addition, the Group has early adopted Amendments to MFRS 16 – *Covid-19 Related Rent Concessions* in the current financial year which is effective for the financial period commencing 1 June 2020.

Adoption to the above amendments did not have any material effect to the Group.

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 2020, assets held for sale comprised property plant and equipment of its subsidiary, Animation Theme Park Sdn Bhd ("ATP"). ATP was 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 ceased the operations of MAPS on 28 January 2020. Thereafter, the R&M would proceed to conduct an offer for sale exercise to identify strategy investors for the sale of the charged assets of ATP.

The property, plant & equipment of ATP is thus classified as asset held for sale as the carrying amount will be recovered through a sale transaction rather than through operation. On 17 August 2020, the R&M put an advertisement in newspapers on offer for purchase the assets belongings to ATP on an "as is where is" basis. On 14 December 2020, the R&M has put another advertisement in newspaper on offer for purchase. As at 31 December 2020, the R&M is still in the process of procuring an investor.

Financial performance and Cash Flow Information of ATP presented as Discontinued Operation

The financial performance and cash flow information presented are for the three and twelve months ended 31 December 2020.

	Current Quarter ended 31-Dec-20 RM'000	Preceding Corresponding Quarter ended 31-Dec-19 RM'000	Current Period ended 31-Dec-20 RM'000	Preceding Corresponding Period ended 31-Dec-19 RM'000
Revenue	1	4,183	429	14,030
Cost of sales	112	(2,081)	(85)	(7,445)
Gross profit	113	2,102	344	6,585
Other operating income	1	43	2	41,013
Administrative expenses	(1,148)	(18,875)	(7,613)	(35,575)
Impairment loss	(9,871)	(52,790)	(9,911)	(70,043)
Reversal of impairment loss	-	-	-	15,460
Assets written back/ (off)	-	1,356	-	(2,974)
Depreciation and amortisation expenses	-	(2,168)	-	(9,159)
Selling and distribution expenses	-	(308)	-	(2,275)
Loss from discontinued operation	(10,905)	(70,640)	(17,178)	(56,968)
Finance costs	(2,313)	(11,979)	(22,354)	(23,100)
Loss before taxation	(13,218)	(82,619)	(39,532)	(80,068)
Taxation	72	67	288	269
Loss for discontinued operation	(13,146)	(82,552)	(39,244)	(79,799)
Net cash flows used in operating activities	(1,507)	(568)	(3,406)	(8,406)
Net cash flows generated from investing activities	1	-	1	11,147
Net cash flows generated from/(used in) financing activities	339	1,231	2,884	(18,460)
Net (decrease)/increase in cash	(1,167)	663	(521)	(15,719)

Assets Classified as Held for Sale

The composition of assets held for sale at the end of the period was pertaining to MAPS that was owned by ATP, a subsidiary of the Company:

	31-Dec-20 RM'000	31-Dec-19 RM'000
Property, plant & equipment	77,880	87,750

A4 Changes in Estimates

There were no changes in estimates that have a material effect in the current quarter and financial year ended 31 December 2020.

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		12 months ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
Port & Logistics	30,448	26,755	115,557	119,413
Property development	749	8,625	2,945	11,800
Hospitality & tourism	2,717	13,071	11,089	32,712
Management services and others	5,892	3,450	8,567	8,797
Total revenue	39,806	51,901	138,158	172,722
Eliminations	(5,380)	(2,500)	(6,519)	(9,006)
	34,426	49,401	131,639	163,716
Segment results				
Port & Logistics	8,479	8,258	43,069	46,358
Property development	(27,168)	(172,285)	(52,670)	(282,532)
Hospitality & tourism	(33,201)	(173,960)	(68,278)	(114,159)
Management services and others	(31,504)	(11,189)	(36,862)	(420,422)
	(83,394)	(349,176)	(114,741)	(770,755)
Eliminations	12,098	259,050	32,387	669,812
	(71,296)	(90,126)	(82,354)	(100,943)

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 Quarter 4 2020 and Quarter 4 2019

Group Summary

The Group revenue for the current financial quarter of RM34.4 million reported a decrease by 30% as compared with RM49.4 million recorded in the corresponding quarter last year. The decrease in revenue is mainly due to lower revenue from property development and lower revenue generated from hospitality and tourism segment due to COVID-19 pandemic and closure of MAPS.

Port & Logistics

The port & logistics segment continues to be the Group's main source of revenue, contributing 88% (31/12/2019: 54%) of the Group's revenue after elimination.

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 (LBT), and sales and rental of LMT port related industrial land. For the period under review, the revenue of RM30.4 million (31/12/2019: RM26.7 million) increased by 14% mainly as a result of increased cargo throughput of 29.17% from LBT. This consequently resulted in an overall improvement in profit before tax for this segment by 3% to RM8.5 million for current quarter (31/12/2019: RM8.3 million).

The summary results are as follows:

	Current quarter		% change
	31/12/2020	31/12/2019	
	RM'000	RM'000	
Revenue			
Port Operations	30,448	26,755	14%
Total	30,448	26,755	14%
Profit before tax			
Port Operations	8,479	8,258	3%
Total	8,479	8,258	3%
Throughput	metric tonnes		% change
LMT	1.10	1.10	0.0%
LBT	3.10	2.40	29.17%

Property development

This segment provided revenue of 2% (31/12/2019: 17%) to the Group's total revenue after elimination 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 was RM0.7 due to lower realisation of joint venture project (31/12/2019: RM8.6 million). The segment loss before tax amounted to RM27.2 million (31/12/2019: RM172.3 million). Lower segment loss before tax due to lower estimated credit loss recorded in current quarter under review.

Hospitality & tourism

This segment generated revenue from hotel operations, restaurant, theme park, food and beverage amounting to RM2.7 million (31/12/2019: RM13.1 million) for the current financial quarter under review. The segment also generated a loss before tax of RM33.2 million (31/12/2019: RM173.9 million) for the current financial quarter under review mainly due to impairment on property, plant and equipment. The lower loss before tax for the current quarter under review is due to closure of MAPS.

Management services and others

The segment reported a revenue of RM5.9 million (31/12/2019: RM3.5 million) in the current financial quarter under review and did not record any dividend in the corresponding quarter last year. The segment generated a loss before tax of RM31.5 million for the current financial quarter under review as opposed to RM11.2 million the same quarter last year.

Comparison between full year 2020 and full year 2019

Group Summary

The Group revenue for the current financial period has decreased by 20% or RM32.1 million from RM163.7 million recorded in the corresponding period last year. The Group's loss before tax for the current financial year is RM82.3 million (31/12/2019: RM100.9 million).

Port & Logistics

The port & logistics segment remains the Group's main source of revenue for the current financial year with RM115.6 million compared to RM119.4 million in last year.

For the full year 2020, revenue decreased by 3%, mainly as a result of 9% decrease and 5% decrease in cargo throughput at LMT and LBT respectively. This consequently resulted in 7% overall decrease in profit before tax to RM43.1 million (31/12/2019: RM46.4 million).

The summary results are as follows:

	31/12/2020	31/12/2019	
Revenue	RM'000	RM'000	% change
Port Operations	115,557	119,413	-3%
Total	<u>115,557</u>	<u>119,413</u>	<u>-3%</u>
Profit before tax			
Port Operations	43,069	46,358	-7%
Total	<u>43,069</u>	<u>46,358</u>	<u>-7%</u>
Throughput			
	metric tonnes		% change
LMT	4.00	4.40	-9%
LBT	11.70	12.30	-5%

Property development

This segment provided the revenue of 2% (31/12/2019: 7%) to the Group's total revenue after elimination and the loss before tax of this segment is lower compared to the period in 2019.

For full year 2020, the revenue decreased to RM2.9 million (31/12/2019: RM11.8 million) mainly due to lower realisation of joint venture project. The segment loss before tax amounted to RM52.7 million (31/12/2019: RM282.5 million) due to lower estimated credit loss recorded in current year.

Hospitality & tourism

This segment comprised revenue from hotel operation, restaurant and food and beverage amounting to RM11.1 million (31/12/2019: RM32.7million). The decrease in revenue is due to closure of MAPS and lower hotels' revenue during the Movement Control Order period. This segment recorded a loss before tax of RM68.3 million (31/12/2019: RM114.1 million).

Management services and others

The segment reported a revenue in the current financial year of RM8.6 million (31/12/2019: RM8.7 million). The segment recorded a loss before tax of RM36.8 million (31/12/2019: RM420.4 million).

A7 Comments about Seasonal or Cyclical Factors

The Group's operations 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 Loss for the Period

	Current quarter		Cumulative quarter	
	3 months ended		12 months ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000	RM'000	RM'000	RM'000
Loss for the period is arrived at after crediting/(charging):				
<u>Continuing Operations</u>				
Interest income	215	5,897	913	2,235
Interest expense	(2,472)	(10,034)	(9,915)	(11,056)
Depreciation and amortisation	(9,191)	(3,350)	(15,135)	(13,659)
Written off PPE	(986)	-	(986)	-
Impairment of inventories	(2)	-	(2)	-
Impairment of PPE	(8,085)	-	(8,085)	(11,816)
Impairment of receivables	(42,657)	(4,982)	(43,245)	(10,096)
<u>Discontinued Operation:</u>				
Interest income	-	-	-	1
Interest expense	(2,313)	(11,979)	(22,354)	(23,100)
Depreciation and amortisation	-	(2,168)	-	(9,159)
Impairment of PPE	(9,870)	(52,761)	(9,870)	(69,761)
Impairment of receivables	(1)	(30)	(41)	(282)

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		12 months ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000	RM'000	RM'000	RM'000
Current tax	2,825	6,277	11,266	16,121
Deferred Tax	308	1,572	1,234	(409)
	<u>3,133</u>	<u>7,849</u>	<u>12,500</u>	<u>15,712</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 not available to offset against profit made by other entities within the Group and certain expenses being disallowed for tax purposes.

A10 Loss Per Share

Basic loss per share is calculated by dividing 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 3 months ended		Cumulative quarter 12 months ended	
	31/12/2020 RM'000	31/12/2019 RM'000	31/12/2020 RM'000	31/12/2019 RM'000
Loss for the period attributable to ordinary equity holders of the parent (RM'000)	(74,938)	(59,192)	(86,717)	(83,029)
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Basic loss per share (sen) for:	(74.94)	(59.19)	(86.72)	(83.03)
<u>Continuing operations</u>				
Loss for the period attributable to ordinary equity holders of the parent (RM'000)	(61,211)	(15,356)	(55,322)	(36,587)
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Basic loss per share (sen) for :	(61.21)	(15.36)	(55.32)	(36.59)
<u>Discontinued Operations</u>				
Loss for the period attributable to ordinary equity holders of the parent (RM'000)	(13,146)	(82,552)	(39,244)	(79,799)
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Loss per share (sen) for :	(13.15)	(82.55)	(39.24)	(79.80)

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 31 December 2020.

A12 Cash and cash equivalents

Cash and cash equivalents comprised the following amounts:

	As at 31/12/2020 RM'000	As at 31/12/2019 RM'000
Cash and bank balances	41,728	27,806
Less: Pledged with banks	(3,021)	(3,150)
Less: Overdraft	(5,102)	(4,828)
Less: Fixed deposits with maturity more than 3 months	(17,432)	(6,005)
Cash and cash equivalents	<u>16,173</u>	<u>13,823</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
31 December 2020				
Available for sale financial assets				
Short term investment	4,130	4,130		
Equity shares	116	116	-	-
31 December 2019				
Available for sale financial assets				
Short term investment	4,062	4,062		
Equity shares	<u>113</u>	<u>113</u>	-	-

A14 Borrowings

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

	As at 31/12/2020 RM'000	As at 31/12/2019 RM'000
(a) <u>Short term borrowings (current)</u>		
Secured :		
Hire purchase and lease	825.00	1,281
Revolving credits	151,889	140,987
Term financing	5,720	33,935
Term loan	318,582	264,126
Overdraft	5,102	4,828
	<u>482,118</u>	<u>445,157</u>
(b) <u>Long term borrowings (non-current)</u>		
Secured :		
Hire purchase and lease	16,991	17,117
Term financing	14,160	19,880
RCPS	36,942	35,735
	<u>68,093</u>	<u>72,732</u>
Total borrowings	<u>550,211</u>	<u>517,889</u>

- (c) **Currency**
None of the Group's borrowings is denominated in foreign currency.
- (d) There was no borrowing default or breach of any borrowings agreement by the Group during the current financial year except for Affin Islamic Bank Berhad declared an event of default on the Company arising from its failure to pay the scheduled principal repayment due on 31 January 2020 and CIMB has declared an event of cross default on 28 February 2020. Please refer to Note A20 for details.
- (e) All long-term borrowings 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 current financial year ended 31 December 2020.

A17 Capital Commitments

The amount of commitments for the purchase of property, plant and equipment and port facilities as at 31 December 2020 are as follows:

	As at 31/12/2020 RM'000	As at 31/12/2019 RM'000
i) Authorised but not contracted for	11,873	-
ii) Authorised and contracted for	16,010	48,684

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 RM10.0 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.

A19 Related party transactions

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

	3 months ended 31/12/2020 RM'000	3 months ended 31/12/2019 RM'000	12 months ended 31/12/2020 RM'000	12 months ended 31/12/2019 RM'000
Transactions with:				
Ultimate Holding Corporation ("UHC")				
Interest (income)/expenses	(463)	-	(463)	(1,146)
Advances (received)/paid	(367)	-	(2,499)	(239)
Rental (receivable)/payable	64	(279)	1,320	(840)
Other transaction	(1,631)	-	(3,661)	-
Fellow subsidiaries of the UHC				
Advances (received)/paid	42	-	(1,437)	(3,320)
Rental (receivable)/payable	118	(120)	215	(359)
Other transaction	(102)	-	(338)	-
Related parties				
Companies in which a director of subsidiary, has substantial interests:				
Port services receivable	11,459	9,416	44,578	46,735

Account balances with significant related parties of the Group at the current financial period ended 31 December 2020 and 31 December 2019 are as follows:

	As at 31/12/20 RM'000	As at 31/12/19 RM'000
<u>Account balance with UHC</u>		
Receivables	14,364	10,661
Payables	(41,678)	(40,632)
<u>Account balances with fellow subsidiaries</u>		
Receivables	12,957	12,256
Payables	(9,034)	(9,940)
<u>Account balances with related parties</u>		
Receivables	10,288	11,640

A20 Significant event

There was no significant event during the current financial year except for:

- 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.
- On 28 February 2020, CIMB Bank Berhad ("CIMB") had 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 demanded full payment of RM91.3 million together with interest within 14 days from 28 February 2020.
- 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 ("High Court") heard an application filed by the Company and PCB Development Sdn Bhd ("Scheme Companies") pursuant to section 366 of the Companies Act, 2016 ("Act") seeking an order for, inter-alia, the following :-
- (a) to convene meeting(s) with Scheme Creditors (as defined herein) pursuant to Section 366 of the Act for the purposes of taking into consideration and, if considered fit, to approve with or without any alteration or modification, a proposed scheme of arrangement and compromise for Scheme Companies; and
 - (b) that all further proceedings or actions and/or any forthcoming proceedings or actions against the abovenamed Scheme Companies by any party (including Scheme Creditors) (as defined herein) be restrained for a period of ninety (90) days from the date of the High Court Order, subject to the terms as may be determined or any further extension as the case may be pursuant to section 368 of the Act ("Restraining Order").

The High Court had also on 23 July 2020 granted the Scheme Companies, inter alia, the following orders: -

- (a) that the Scheme Companies be given the liberty to convene a meeting with their Scheme Creditors ("Court Convened Meeting") pursuant to section 366 of the Companies Act 2016 for the purposes of taking into consideration and if considered fit, to approve with or without any alteration or modification, a proposed scheme of arrangement and compromise where further details of the proposed scheme will contain in an explanatory statement which will be issued to the Scheme Companies in due course;
 - (b) The Court Convened Meeting shall be held within 180 days from the date of the order dated 23 July 2020;
- (e) On 19 October 2020, the High Court of Malaya in Ipoh, Perak Darul Ridzuan has granted the Scheme Companies further extension of 90 days from 19 October 2020 to the Creditors' Meeting pursuant to Section 366 of the Companies Act 2016. The High Court approved the appointment of Mr. James Tan Chee Hau as an Independent Director of the Applicants to oversee the proposed restructuring plan of the Applicants pursuant to Section 368(2) of the Companies Act 2016.
- (f) On 17 August 2020, the R&M put an advertisement in newspapers on offer for purchase the assets belongings to ATP on an "as is where is" basis. On 14 December 2020, the R&M has put another advertisement in newspaper on offer for purchase.

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, except for:

- (a) The Court Convened Meetings for the Non-Financial Institutions of Perak Corporation Berhad, Direct Financial Institutions of Perak Corporation Berhad, Corporate Guarantee Financial Institutions of PCB Development Sdn Bhd and Non-Financial Institutions of PCB Development Sdn Bhd held on 8 January 2021 have all been adjourned.

- (b) On 13 January 2021, the High Court of Malaya in Ipoh, Perak has granted a further extension of the Restraining Order for a period of ninety (90) days and a period of one hundred eighty (180) days from 13 January 2021 to convene a new Creditors' Meeting with the Scheme Creditors pursuant to the provisions of Section 366 of the Companies Act 2016 for the purpose of considering the Proposed Scheme of Arrangement.
- (c) On 26 March 2021, the Company has issued an Explanatory Statement, together with the Notice to convene the meetings of the new scheme creditors, unsecured creditors other than the banks and financial institutions ("New Scheme Creditors"), to be held on 19 April 2021 pursuant to the provisions of Section 366 of the Companies Act 2016 for the purpose of considering the Proposed New Scheme of Arrangement, to the New Scheme Creditors pursuant to Section 366 and other relevant provisions of the Act.

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 A6.

	Current quarter 3 months ended			Cumulative quarter 12 months ended		
	31/12/2020 RM'000	31/12/2019 RM'000	Changes (%)	31/12/2020 RM'000	31/12/2019 RM'000	Changes (%)
Revenue	34,425	45,218	-24%	131,210	149,686	-12%
Operating (loss)/profit	(55,606)	2,527		(32,907)	(9,819)	
Loss before tax	(58,078)	(7,507)	674%	(42,822)	(20,875)	105%
Loss after tax	(61,211)	(15,356)	299%	(55,322)	(36,587)	51%
Loss after tax from discontinued operation	(13,146)	(82,552)	-84%	(39,244)	(79,799)	-51%
Loss for the period	(74,357)	(97,908)	-24%	(94,566)	(116,386)	-19%
Loss attributable to ordinary equity holders of the parent	(74,938)	(59,192)	27%	(86,717)	(83,029)	4%

B2 Comment on Material Change in Profit Before Taxation

	Current Quarter 31/12/2020 RM'000	Immediate Preceding Quarter 30/09/2020 RM'000	Changes RM'000	%
Revenue	34,425	34,380	45	0%
Operating (loss)/profit	(55,606)	7,322	(62,928)	-859%
(Loss)/profit before tax	(58,078)	5,619	(63,697)	-1134%
(Loss)/profit after tax	(61,211)	2,407	(63,618)	-2643%
Loss after tax from discontinued operation	(13,146)	(10,019)	(3,127)	-31%
Loss for the period	(74,357)	(7,612)	(66,745)	-877%
Loss attributable to ordinary equity holders of the parent	(74,938)	(4,111)	(70,827)	1723%

The Group incurred a loss before taxation of RM57.3 million in the current financial quarter ended 31 December 2020 compared to a profit before taxation of RM5.6 million for the immediately preceding quarter ended 30 September 2020. The losses in current financial quarter is mainly due to impairment losses on receivables and property, plant and equipment.

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-19 pandemic has significantly impacted economic activity and market around the world. If the pandemic continues and conditions worsen, it could negatively impact the Group'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.

The prospect of hospitality and tourism segment remain uncertain as the COVID-19 situation continue to evolve. The Group will continue to focus on cost efficiency and leveraging on domestic demand to drive occupancy growth and revenue.

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 where certain corporate using Lumut Port for exports halted their operations and shipments during the Movement Control Order ("MCO") period. However, moving forward we are confident that Lumut Port operation will substantially improve as customers are trying to recover their losses and shortage during MCO. Thus, subject to COVID-19 pandemic recovery, we expect a stable outcome for Lumut Port operations.

In Perak, the property market performance recorded a decline in H12020 by – 16.4% (Source: Jabatan Penilaian dan Perkhidmatan Hartanah – Property Market Report). However, transaction value of residential property has increased by 7.5% during the same period and Perak had held up the best amongst all states nationwide with only 3.4% fall in volume of transactions; thus hopes are high on the state's resilience (Source: Rahim @ Co research – Property Market Review 2020/2021). Wary of the impact of Covid-19 pandemic, the property development segment remains focus on developing affordable residential property and promoting Bandar Meru Raya as the preferred location for house buyers, investments and business expansion. In December 2020, PCB Development Sdn Bhd has entered into sales and purchase agreements with PERKESO for an outright sale of 76.861 acre land in Bandar Meru Raya. The land

purchased by PERKESO is for the development of 'Pusat Rehabilitasi PERKESO in Negeri Perak, a project for social benefit, is expected to contribute to socio-economic impact to the area and Perak at large. On 2 January 2021, the new launch of 323 units of freehold and landed residential homes, a joint venture project between PCB Development Sdn Bhd and Rapat Setia Sdn Bhd, registered high take up rate of Phase 1 consists of 86 units of single storey terrace houses. The Group shall continue to attract potential investments both from the government and private sectors to Bandar Meru Raya; an integrated township for 'Live, Work and Play'.

Nonetheless, the ability to realise this prospect 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, except for the following:

(a) Proposed Disposal of PERKESO Properties

PCB Development Sdn Bhd ("PCB Development" or "Vendor"), a wholly-owned subsidiary of the Company, had on 17 December 2020, entered into two (2) separate inter-conditional Sale and Purchase Agreements ("SPAs") with Pertubuhan Keselamatan Sosial ("PERKESO" or "Purchaser") for the proposed disposal of four (4) pieces of vacant commercial land and one (1) piece of vacant residential land all situated at Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan ("PERKESO Properties"), for a total cash consideration of RM78,679,531.26 ("Total Disposal Consideration") ("Proposed Disposal of PERKESO Properties").

The Proposed Disposal of PERKESO Properties are subjected to the approvals and/or consents being obtained from the following:

- (a) shareholders of the Company at an EGM to be convened;
- (b) State Authority for the transfer of the PERKESO Properties to be disposed
- (c) obtain a leave from court for such disposal (if necessary)
- (d) any other relevant authorities and/or parties, if required.

The Proposed Disposal of PERKESO Properties has not been completed at the date of this report.

(b) Proposed Scheme of Arrangements

The Company and PCB Development ("the Scheme Companies") proposed to undertake the Proposed Scheme of Arrangement pursuant to Section 366 of the Act to restructure the outstanding liabilities and debt of the Scheme Companies' outstanding. The Company had on 17 December 2020 issued an Explanatory Statement and convened the Scheme Creditors' meetings ("Court Convened Meetings") on 8 January 2021 pursuant to the provisions of Section 366 of the Act for the purpose of considering the Proposed Scheme of Arrangement.

The Court Convened Meetings for the Non-Financial Institutions of the Company, Direct Financial Institutions of the Company, Corporate Guarantee Financial Institutions of PCB Development and Non-Financial Institutions of PCB Development which was held on 8 January 2021 had all been adjourned.

On 13 January 2021, the High Court of Malaya in Ipoh, Perak has granted a further extension

of the Restraining Order for a period of ninety (90) days and a period of one hundred eighty (180) days from 13 January 2021 to convene a new Court Convened Meeting with the Scheme Creditors pursuant to the provisions of Section 366 of the Companies Act 2016 for the purpose of considering the Proposed Scheme of Arrangement.

On 26 March 2021, the Company has issued an Explanatory Statement, together with the Notice to convene the meetings of the new scheme creditors, unsecured creditors other than the banks and financial institutions ("New Scheme Creditors"), to be held on 19 April 2021 pursuant to the provisions of Section 366 of the Companies Act 2016 for the purpose of considering the Proposed New Scheme of Arrangement, to the New Scheme Creditors pursuant to Section 366 and other relevant provisions of the Act.

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. On 6 June 2018, ZJ has filed a writ of summons in the Ipoh High Court against Company for the amount of RM2,756,000 being claim for the balance of final success fee. 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 a judgement against ATP, their claim will be ranked as unsecured creditors.

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 its statement of defence on 25 October 2019 and received Uni-Poh’s application for summary judgment on 20 November 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 Court has fixed this matter for a case management on 19 April 2021.

d) Restraining Order - [Applicants - Perak Corporation Berhad and PCB Development Sdn Bhd]

The Applicants obtained a Restraining Order pursuant to section 366(1) and section 368(1) of the Companies Act 2016 from the Ipoh High Court on 21 July 2020 to enable the Applicants to convene a meeting with their Scheme Creditors for the purposes of taking into consideration a Proposed Scheme of Arrangement & Compromise and that all further proceedings or actions and/or any forthcoming proceedings or actions against the Applicants by any party be restrained for a period of 90 days from the date of the Order.

On 15 October 2020, the Applicants moved the Court for the Restraining Order dated 23.7.2020 be extended for another period of 90 days pursuant to section 368(2) of the Companies Act 2016 wherein the Court granted an Order in Terms on 19 October 2020. The Extended Restraining Order is due to expire on 16 January 2021 has been extended for a further ninety (90) days from 13 January 2021.

Interveners’ application

- On 16 October 2020, Affin Hwang Investment Bank Berhad, Affin Bank Berhad, Bank Pembangunan Malaysia Berhad and Malaysia Debt Ventures Berhad moved the Court for, inter alia, the following orders:
 - (i) That leave be granted to them to intervene in the proceedings;
 - (ii) That they be made parties to the proceedings; and
 - (iii) The Restraining Order be set aside.
- On 20 October 2020, Affin Islamic Berhad the Court for, inter alia, the following orders:
 - (i) That leave be granted to them to intervene in the proceedings;
 - (ii) That they be made parties to the proceedings; and
 - (ii) The Restraining Order be set aside.

The court heard both matters on 13 January 2021 and allowed prayers 1 and 2 above. In respect of prayer 3, the Court gave directions on the filing of affidavits and a Case Management is now fixed on 26 March 2021 for parties to fix a hearing date.

e) 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 April 2020 contested on the decision made by Session Court on 17 March 2020. The case management for appeal from Kayan Logistics Sdn Bhd was on 23 September 2020.

Kayan's Application for Abridgement of Time to File Record of Appeal is allowed with costs to be paid to LMSTB. The matter is now fixed for further clarification on 26 July 2021

f) Department of Occupational Safety and Health

A Writ of Summons was served on LMT on 16 January 2020, by Department of Occupational Safety and Health, for non-compliance with Section 15(1) of Occupational Safety and Health Act 1994. The case has been fixed for Continued Hearing on 20 & 21 April 2021

g) Other Legal Cases as listed herein 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 Next Case Management on: 13/04/2021	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 Next Case Management on: 13/04/2021.	585, 953.77
3.	Chong Teamwork Resources Sdn Bhd vs. Perak	Dispute on the appointment of	Summons Received on:11/12/2019	183, 500.00

	Corporation Berhad Ipoh Sessions Court No. AA-A52NCvC-200-12/2019	the contractor and expenses incurred for the purchase of raw material for the construction of a covered arena at SMK Bukit Jana Kamunting.	Defence Filed on: 21/01/2020 Plaintiff filed Summary Judgment on: 06/01/2020 Summary Judgment was dismissed on:13/03/2020 The Court has directed Parties to file in their respective witness statements before the Trial date trial. Next Case Management on: 14/04/2021.	
4.	Gai Leong Engineering Sdn Bhd vs. Perak Corporation Berhad Ipoh Sessions Court No: AA-A52-32-12/2019.	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.	Summons Received on: 19/12/2019 Defence Filed on: 13/01/2020 Next Case Management on: 16/04/2021	115, 328.00
5.	Choong Nyuk Keun (trading under the name and style of AV AUDIO VIDEO) vs. Perak Corporation Berhad. Ipoh Sessions Court No: AA-A52-33-12/2019.	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	Summons Received on: 19/12/2019 Defence Filed on: 14/01/2020 Parties have agreed to have this matter Mediated.	120, 413.83

		Studios project.	Next Case Management on: 16/04/2021	
6.	Blueblack Production Sdn Bhd vs. 1) Animation Theme Park 2) Perak Corporation Berhad Ipoh Sessions Court No: AA-B52NCVC-24-06/2018	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.	Summons Received on:21/06/2018 Defence Filed on: 25/07/2018 The court has directed Parties prepare list of witness and witness statement. Next Case Management on: 23/04/2021	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: 19/04/2021	1,347,137.03
8.	Aluminjaya Sdn Bhd vs Perak Corporation Berhad Ipoh Sessions 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	271, 005.95

			<p>Plaintiff.</p> <p>Outstanding judgment sum of RM 271,005.95 is still outstanding.</p>	
9.	<p>Armai Construction vs. Perak Corporation Berhad</p> <p>Ipoh Sessions Court No. AA-B52NCVC-60-09/2019</p>	<p>Dispute on the acceptance of Tender to carry out M&E and plumbing works at Labu Sayong Café, Silveritage Complex Ipoh.</p>	<p>Summons Received on: 4/10/2019</p> <p>Defence Filed on:25/10/2019</p> <p>Plaintiff filed summary Judgment on: 28/11/2019</p> <p>Summary Judgment was dismissed on:10/7/2020</p> <p>Court directed Parties to file prepare the case for trial and instructed parties to file Common Bundle of Documents.</p> <p>Defendant's Solicitor filed Notice of Application to Discharge as Solicitor: 21/08/2020</p> <p>Hearing for Notice of Application to Discharge as Solicitor: 01/09/2020</p>	<p>397, 441.89</p>

			Next Case Management on: 14/04/2021	
10.	RHB Insurance Sdn Bhd vs. Perak Corporation Berhad Ipoh Sessions Court No. AA-B52NCC-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. Withdrawn with liberty to file afresh on: 22/10/2020 Pending release letter for installment of RM53,333.00 monthly until March 2021	494, 184.28
11.	A.F.S. Engineering (Malaysia) Sdn Bhd vs. Perak Corporation Berhad Ipoh Sessions 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. Next Case Management on: 13/04/2021	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
	S&A Architects Sdn Bhd. vs. Perak Corporation Berhad CIPAA: KLRCA/D/ADJ-1384-2017		Adjudication Claim (RM1,507,404.46): 08/12/2017 Adjudication Response:09/02/2018 Decision in favor of Claimant on: 06/04/2018 Adjudication Cost:RM69,802.33	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	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
	S&A Architects Sdn Bhd. vs. Perak Corporation Berhad	Teluk Dalam Resort (TDR), Pulau Pangkor for Perak Corporation Berhad	Adjudication Claim (RM2,108,794.35): 13/02/2018 Adjudication Response:25/02/2018	2, 163, 186.93

	CIPAA KLRCA/D/ADJ-1381-2017		Adjudication Reply: 02/03/2018 Decision in favor of Claimant on: 21/03/2018 Adjudication Cost:RM54,392.58	
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
	S & A Architects Sdn Bhd. vs. Perak Corporation Berhad CIPAA KLRCA/D/ADJ-1382-2017		Adjudication Claim(RM609,543.28): 02/08/2018 Adjudication Response:26/03/2018 Adjudication Reply: 03/04/2018 Decision in favor of Claimant on: 04/06/2018 Adjudication Cost:RM37,814.84	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 in favor of Claimant on: 08/09/2020	815,697.06

			Adjudication Claim: RM788,947.06 Adjudication Cost: RM15,000.00 Advance Security Cost:RM11,750.00	
5.	Arrowmedia vs. Perak Corporation Berhad Ipoh High Court No.: AA-24C(ARB)-1-08/2019	Letter of Undertaking to make payment for the supply, deliver, program, testing and commissioning of Audio, Visual and Show control equipment for Car Stunt Show 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	476,160.47
	Arrowmedia Sdn Bhd vs. Perak Corporation Berhad CIPAA AIAC/D/ADJ-2145-2018		Adjudication Claim (RM419,597.92): 03/04/2019 Adjudication Response:24/04/2019 Decision in favor of Claimant on: 18/06/2019 Adjudication Cost:RM15,752.54 Claimant Representative cost:RM40,810.00	476,160.47
6.	Arrowmedia Sdn Bhd vs. Perak Corporation Berhad CIPAA AIAC/D/ADJ-2144-2018	Letter of Undertaking to make payment for the supply and installation of AV & show control equipment for Mr. Peabody & Sherman attraction for the Movie Animation Theme Park Studios projects.	Adjudication Claim: 02/04/2019 Adjudication Response:16/04/2019 Adjudication Reply on: 18/04/2018 <i>Claimant has yet to file in an Originating Summons to register the Adjudication Award.</i>	83,248.52

COURT PROCEEDINGS FOR PCB DEVELOPMENT SDN BHD

NO	PARTIES/ SUIT	SUBJECT MATTER	STATUS/ NEXT DATE	CLAIM AMOUNT (RM)
1.	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. Next Case Management on: 22/04/2021	50, 890.60
2.	Pembinaan Sinaran Anjung Sdn Bhd vs. PCB Development Sdn Bhd Ipoh Sessions Court No. AA-B52NCVC-59-09/2019	Nonpayment for the infrastructure works done for Zone 5, Bandar Meru Raya, Ipoh, Perak Darul Ridzuan.	Summons Received on: 30/09/2019 Defence Filed on:25/10/2019 Plaintiff filed Summary Judgment on: 19/11/2019	400, 000.00

			Summary Judgment granted on 11/03/2020, with costs of RM1, 000.00.	
3.	Tawas Permai Enterprise vs. PCB Development Sdn Bhd Ipoh Sessions Court No. AA-B52NCVC-58-09/2019	Dispute on full completion and nonpayment of main infrastructure works done for Rumah Tradisional Melayu, Ipoh.	Summons Received on: 30/09/2019 Defence Filed on:25/10/2019 Plaintiff filed summary Judgment on: 19/11/2019 Summary Judgment was allowed on:25/02/2020	823, 020.31
4.	Kerajaan Malaysia (Lembaga Hasil Dalam Negeri) vs. PCB Development Sdn Bhd High Court Ipoh No: AA-21NCVC-05-06/2017 Appeal No: A-01(1M)(NCVC)-309-05/2018	Failure to make payment for PCB Development Sdn Bhd Tax 2013 (additional)	Summons Received on: 15/06/2017 Next Case Management on : 09/04/2021 For parties to update on settlement agreement.	10,536,961.35
5.	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.	Default in payment of Syndicated term loan for the month of September 2019	Writ Summon dated 01/06/2020 was served on 04/06/2020 Judgment in Default has been entered against PCB Development Sdn. Bhd. on 18/06/2020 and was served on 16/07/2020.	244, 015, 982.89

<p>3. RSG MAPS Sdn Bhd. 4. Ramelle Ashram Bin Ramli. 5. Darren Jeffrey Mclean. 6. Stephen Allan Sanderson.</p> <p>Ipoh High Court No. AA-22NCC-11-06/2020</p> <p>Counter Claim:</p> <p>Ipoh High Court No. AA-22NCC-11-06/2020</p> <p>1) Ramelle Ashram Bin Ramli</p> <p>vs.</p> <p>1. Affin Hwang Investment Berhad</p> <p>2. Affin Bank Berhad</p> <p>3. Bank Pembangunan Malaysia Berhad</p> <p>4. Malaysia Debt Venture Berhad</p> <p>5. PCB Development Sdn. Bhd.</p> <p>6. Stephen Allan Sanderson</p>	<p>Counter claim by Ramelle against PCB Development</p>	<p>Counter claim serve on : 17/09/2020</p> <p>e-review on: 05/04/2021</p>	
--	--	---	--

6.	RHB Insurance Sdn Bhd vs. PCB Development Sdn Bhd Ipoh Sessions Court No. AA-A52NCvC-114-06/2019	Failure to make payment for Group Hospitalisation & Surgical employee from 1/6/2018 - 31/5/2019.	Summons Received on: 03/07/2019 Plaintiff filed summary Judgment on: 15/10/2019 Summary Judgment was obtained in favour of Plaintiff on: 26/02/2020	116,751.40
7.	Naluri Juara Sdn Bhd vs. PCB Development Sdn Bhd Ipoh High Court No. AA-24NCvC-383-10/2020	Breach of the Sale and Purchase Agreement dated 15/10/2019 and Supplemental Agreement dated 03/07/2020	An Ex Parte Order was granted on: 27/10/2020 Defendant's application - Striking Out and Setting Aside have been dismissed on 17.3.2021. Application - Stay of execution has been struck out on 17.3,2021 Plaintiff's application for a leave to move contempt against Defendant, Zainal Iskandar Iamail, Janardhane Muniandy, Sharifah Nor Hashimah & Goik Kenwayne has been fixed for Hearing on: 30/04/2021	

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.	Summons Received on:11/11/2019 Defence Filed on: 05/12/2019 Plaintiff filed Summary Judgment on: 26/12/2019 Summary Judgment was dismissed on:23/07/2020 Consent Judgment record on: 22/09/2020	1,136,643.55
2.	Nova Spectra Sdn Bhd vs. Integrated Media Sdn Bhd & Azenan Bin Azalan AND Taipan Merit Sdn Bhd & Perbadanan Kemajuan Negeri Perak Shah Alam Sessions No. BA-A52NCvC-694-11/2019	Third party proceeding for nonpayment of supply of works, design, installation and testing two panel LED screen with three years guarantee in Contract No. 2.	Summons Received on: 02/10/2020 Defence Filed on: 20/11/2020 Filed an application to strike out the third party proceeding. The application was heard on 17.02.2021	RM275,000.00

			<p>The striking out application was allowed with cost of RM 1,000.00</p> <p>Plaintiff's solicitor served Notice of Appeal dated 1.3.2021 to appeal the decision of Court Judge.</p> <p>Next Case Management: 08.04.2021</p>	
3.	<p>Yeyu Enterprise vs PCB Taipan Sdn Bhd</p> <p>Ipoh Session Court No. AA-A52NCVC-122-12/2020</p>	<p>Outstanding payment for Yeyu Enterprise.</p>	<p>Summons Received on 4/01/2021 dated 21/12.2020</p> <p>Next Case Management: 13.4.2021</p>	<p>RM 161,381.00</p>

- 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 31 December 2020 or the previous financial period ended 30 September 2020.
- B9** Risk and policies for derivatives
The Group did not enter into any derivatives during the current financial period.
- B10** Disclosure of gain/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 31 December 2020 and 31 December 2019.
- B11** Auditors' report on preceding annual financial statements
The auditors' opinion on the financial statements for the financial year ended 31 December 2019 was unmodified.
- B12** Dividends
The Directors do not recommend a payment of dividend by the Company in respect of the current financial period.