

**Notes to the quarterly report on consolidated results for the financial quarter ended September 30, 2002**

**1. BASIS OF PREPARATION**

The interim financial report is unaudited and has been prepared in accordance with MASB 26 Interim Financial Reporting and Chapter 9 Part K of the Listing Requirements of Kuala Lumpur Stock Exchange. The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 31 December 2001.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those adopted and used in the preparation of the most recent annual audited financial statements for the year ended 31 December 2001.

**2. PROPERTY, PLANT & EQUIPMENT**

The valuations of land and buildings have been brought forward, without amendment from the previous annual report.

**3. PREVIOUS AUDITED FINANCIAL STATEMENTS**

The audit report for the annual financial statements of the Group for the financial year ended 31 December 2001 was not subject to any qualification.

**4. UNUSUAL ITEMS**

There were no items of an unusual nature affecting the financial statements in the quarterly financial statement under review.

**5. CHANGES IN ESTIMATES**

There were no changes in estimates reported in prior interim periods of the current financial year or changes in estimates reported in prior financial years which have a material impact on the current interim period.

**6. TAXATION**

The taxation for the current quarter and year to date are as follows:

	Current Quarter	Current Year to date
	RM'000	RM'000
Income Tax		
- current	221	254
- under /(over) provision	-	-
Deferred Tax	-	-
Total	221	254

**5. PROFITS ON SALE OF UNQUOTED INVESTMENTS/PROPERTIES**

There was a profit on sale of investment of RM472,955.28 arising from the disposal of 6,200,000 ordinary shares of RM1.00 each in Perlis Concrete Products Sdn Bhd.

**6. PURCHASE/DISPOSAL OF QUOTED SECURITIES**

The Group does not hold any quoted securities.

**7. CHANGES IN THE COMPOSITION OF COMPANY**

On February 27, 2002, the Company disposed of 6,200,000 ordinary shares of RM1 each representing 37.12% of equity interest in Perlis Concrete Products Sdn Bhd for a cash consideration of RM1 and the said company ceased to be a subsidiary company and became an associated company to the company.

Save as disclosed above, there were no changes in the composition of the company for the current financial year to date including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

Effect of disposal

The disposal had the following effect on the Group

	RM'000
Property, plant and equipment	13,682
Current assets	8,157
Current liabilities	(14,350)
Long term liabilities	(8,587)
Net assets / (liabilities)	(1,098)
Less: carrying amount of equity interest still held (as associated company) at the date of disposal	(625)
Share of net assets / (liabilities) disposed	(473)
Gain on disposal	473
Total disposal Consideration	0
Add: cash and cash equivalent disposed	2,468
Cashflow on disposal, net of cash disposed	2,468

8. **STATUS OF CORPORATE PROPOSAL**

There are no corporate proposals that have been announced but not completed as at November 26, 2002, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

9. **DEBT AND EQUITY SECURITIES**

There were no issuance and repayment of debt securities, share buy backs, share cancellations, share held as treasury shares and resale of treasury shares during the financial period to date.

10. **GROUP BORROWINGS**

Group borrowings as at September 30, 2002 are as follows:

<b>Short Term Borrowings</b>	RM'000
Bankers Acceptance – secured	5,264
- unsecured	2,000
Revolving Credits – secured	2,000
- unsecured	10,237
Bank Overdrafts – secured	8,649
- unsecured	1,006
Term Loan – secured	10,507
- unsecured	2,514
<b>Sub-total</b>	<b>42,177</b>

<b>Long Term Borrowings</b>	RM'000
Term Loan – secured	2,961
- unsecured	1,290
<b>Sub-total</b>	<b>4,251</b>

The above borrowings are denominated in Ringgit Malaysia.

11. **CONTINGENT LIABILITIES**

There were no changes in contingent liabilities since the last annual balance sheet date to the date of this quarterly report.

12. **OFF BALANCE SHEET RISK**

There is no financial instrument with off balance sheet risk as at the date of issue of this quarterly report.

13. **MATERIAL LITIGATIONS**

There were no changes in material litigation since the last annual balance sheet date until the date of issue of this quarterly report.

14. **SEGMENTAL REPORTING**

Segment Information by activity

	Revenue		Profits/(Loss) Before Tax	
	←----- 9 months ended 30 September -----→			
	2002	2001	2002	2001
	RM'000	RM'000	RM'000	RM'000
Manufacturing & Trading	11,187	19,359	(1,985)	(5,592)
Properties Development & Construction	12,060	9,378	2,769	2,186
Subcontracting Works	623	7,129	(68)	107
Total	23,870	35,866	716	(3,299)

15. **QUARTERLY ANALYSIS**

The group recorded loss before taxation of approximately RM 370,109 for the third quarter ended 30/9/2002 as compared to a profit before tax of RM 56,336 as recorded in the last quarter. This is due to the lesser progress claims from the property development division and also an overall lower turnover as compared to the last quarter.

16. **REVIEW OF PERFORMANCE**

Turnover for the 9 months ended 30 September 2002 reduced by approximately 33.4% to RM 23.8 million as compared to the previous corresponding period. The property development division recorded an increase of 28.6% to about RM 12 million while the subcontracting works and the manufacturing and trading division recorded a decrease of approximately 91% to about RM 0.6 million and 42% to about RM 11.1 million respectively. The decrease in the subcontracting division is due mainly to the completion of a project while the decrease in the manufacturing division is due to the part disposal of a subsidiary company which contributed approximately RM 5.3 million in revenue in the previous corresponding period. The profits before taxation however, improved to RM 0.716 million as compared to a loss of RM 3.2 million in the previous corresponding period. This is due partly to the better performance in the property development division, some cost control measures and also partly to the part disposal of a loss making subsidiary company.

17. **SUBSEQUENT EVENTS**

There are no material events subsequent to the end of the financial period ended September 30, 2002 that have not been reflected in the financial statement for the said period made up to the date of issue of this report.

18. **SEASONALITY OR CYCLICALITY FACTORS**

Seasonal or cyclical factors do not have any material impact on the Group's business operations.

19. **CURRENT YEAR PROSPECTS**

The property development division will continue to develop Phase 3 of Bandar Machang Bubok project. Turnover is expected to increase on the back of the improving economy of the country. This division has completed 253 units of single storey terrace houses in the current year and will launch another 164 units by year end. The construction works for another 162 units of double storey terrace houses has reach 35% as at 30 September 2002 and is expected to be completed by next year. The group is also expected to commence, soon, the construction works for 2 schools based on the “design and build” concept under the Ministry of Education.

The manufacturing and trading of building materials division is expected to remain slow in the immediate term. The shortage of workers in the country has also contributed to the slowdown in the revenue of this division. More efforts will be taken review and restructure the current operations to enhance and improve on the competitiveness of this division. The group expects industry growth to improve in tandem with the improving economy of the country.

20. **VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT**

Not Applicable

21. **DIVIDEND**

No decision regarding dividend has been made.

22. **EARNINGS PER SHARE (“EPS”)**

	<b>Current Year Quarter 30.9.02</b>	<b>Preceding Year Quarter 30.9.01</b>	<b>Current Year to Date 30.9.02</b>	<b>Preceding Year to Date 30.9.01</b>
<b>Earnings</b>				
Net Profit / (Loss) for the period (RM'000)	(634)	(1,035)	410	(2,994)
<b>Weighted average number of shares ('000)</b>				
<b>Basic</b>				
Weighted average number of ordinary shares ('000)	52,728	52,728	52,728	52,728
<b>Diluted</b>				
Issued ordinary shares at the beginning of the period ('000)	52,728	52,728	52,728	52,728
Effect of warrants / share options ('000)	25,944	25,944	25,944	25,944
Weighted average number of ordinary shares ('000)	78,672	78,672	78,672	78,672
<b>Basic earnings / (loss) per share (sen)</b>	(1.20)	(1.96)	0.78	(5.68)
<b>Diluted earnings per share (sen)</b>	n/a	n/a	0.52	n/a

MULTI-USAGE HOLDINGS BERHAD  
(228933-D)

BY ORDER OF THE BOARD

ANG KIM CHENG @ ANG TENG KOK  
MANAGING DIRECTOR

November 26, 2002