Notes to the quarterly report on consolidated results for the financial period ended 30 June, 2007

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (FRS) 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (MASB) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Company for the financial year ended December 31, 2006. The explanatory notes attached to the interim financial report include an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2006. The condensed consolidate interim financial report and notes thereon do not include all the information required for full set of financial statements prepared in accordance with FRSs.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the financial statements for the financial year ended 31 December 2006, except for the accounting policy changes that are expected to be reflected in the financial statements for the financial year ending 31 December 2007. Details of these changes in accounting policies are set out in Note 2.

2. CHANGES IN ACCOUNTING POLICIES

The MASB has issued a number of new and revised FRSs that are effective for accounting periods beginning on or after 1 January 2006. The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2006 except for the adoption of the new and revised FRSs.

The Board of Directors has determined the accounting policies to be adopted in the preparation of the Group's annual financial statements for the year ending 31 December 2007 on the basis of FRSs currently in effect.

The FRSs that will be effective in the annual financial statements for the year ending 31 December 2007 may be affected by the issue of additional interpretation(s) or other changes announced by the MASB subsequent to the date of issuance of this interim report. Therefore the policies that will be applied in the Group's financial statements for that period cannot be determined with certainty at the date of issuance of this interim financial report.

The following sets out further information on the changes in accounting policies for the annual accounting period beginning on 1 January 2007 which have been reflected in this interim financial report. However, the Group has not adopted FRS 139 Financial Instruments : Recognition and Measurement as its effective date has been deferred.

FRS 117	Leases
FRS 124	Related Party Disclosures

Summary of the effect of changes in accounting policies

(a) Leasehold land (FRS 117, Leases)

The adoption of the revised FRS117 has resulted in a retrospective change in accounting policy relating to the classification of leasehold land. Leasehold land was previously classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses.

With the adoption of FRS 117, the leasehold interest in the land held for own use is accounted for as being held under an operating lease. Such prepaid lease payments are amortised on a straight line basis over the remaining lease term of the land.

The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively.

The adoption of these FRS, other than FRS 117, does not have significant financial impact on the Group.

3. QUALIFICATION OF FINANCIAL STATEMENTS

The audit report for the annual financial statements of the Group for the financial year ended December 31, 2006 was not subject to any qualification. However, the Auditors' Report has included the following comment;

"we draw your attention to the following:

(a) As mentioned in Notes 2 and 22 to the financial statements, the Group and the Company had defaulted in the interest and principal payments of certain banking facilities; and

(b) The Group and the Company incurred net loss of RM1,460,601 and RM2,433,167 respectively for the year ended December 31, 2006 and, as of this date, the Group's current liabilities exceeded the current assets by RM29,850,217.

The directors are making efforts to ensure that financial support from the bankers and creditors will continue to be available to sustain the Group's operations in the foreseeable future such that the realization of assets and settlement of liabilities will occur in the ordinary course of business. In this connection, the directors of the Company have taken the initiative to formulate a debts settlement plan.

Given the above circumstances, the appropriateness of the going concern assumption used in the preparation of the financial statements of the Group and of the Company is largely dependent upon the Company's ability to successfully implement the proposed debts settlement plan, the continued support from the shareholders, bankers and creditors, and the ability of the Group and the Company to generate profit and positive cash flows to sustain their operations. As the outcome of the above uncertainties are not presently determinable, the financial statements do not include any adjustments relating to recoverability and classification of recorded assets amounts and classification of liabilities that might be necessary should the Group and the Company be unable to continue as a going concern.

We also draw your attention to Note 15 to the financial statements on the recoverability of the debts owing by two trade debtors of the Group totalling RM10,490,250 as of December 31, 2006 which have been long outstanding for more than a year. Subsequent to the financial year end, a subsidiary company, Multi-Usage Property Sdn. Bhd., entered into a joint-venture agreement with a third party to develop a parcel of land owned by the said third party into a commercial and residential project. The said third party has, via a supplementary agreement, agreed to transfer part of the proceeds arising from its entitlement on the project to fully settle the long outstanding amount of RM10,490,250 owing by these two trade debtors of the Group. In view of this arrangement, the directors are of the opinion that the trade receivables are recoverable in full and no allowance for doubtful debts is required to be made in the financial statements. As the outcome of this arrangement is not presently determinable, the financial statements do not include any adjustments relating to recoverability of these trade receivables amounts that might be necessary should the Group be unable to recover these amounts in full."

4. SEASONALITY OR CYCLICALITY FACTORS

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

5. UNUSUAL ITEMS

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual in nature, size or incidence during the financial period under review except for the changes in accounting policies as disclosed in Note 2.

6. CHANGES IN ESTIMATES

There were no changes in estimates that have a material impact in the current quarter and financial period to date.

7. 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 current quarter and financial period to date.

8. DIVIDEND PAID

There was no dividend paid for the current quarter.

9. SEGMENTAL REPORTING

Segment Information by activity:

The Group – 30.6.2007

	Manufacturing RM'000	Trading RM'000	Property RM'000	Contracting RM'000	Others RM'000	Elimination RM'000	Consolidation RM'000
Revenue							
External Revenue	2,852	915	3,199	9	-	-	6,975
Inter-segment Revenue	1,286	609	-	826	125	(2,846)	-
Total Revenue	4,138	1,524	3,199	835	125	(2,846)	6,975
Results							
Profit/(Loss) from operations	286	55	583	18	(20)	(55)	867
Finance Cost	(723)	(276)	(68)	-	(487)	-	(1,555)
(Loss)/Profit before tax	(437)	(221)	515	18	(508)	(55)	(688)
Income tax expense	13	-	(100)	-	-	-	(87)
(Loss)/Profit after tax	(424)	(221)	415	18	(508)	(55)	(776)

The Group - 30.6.2006

	Manufacturing RM'000	Trading RM'000	Property RM'000	Contracting RM'000	Others RM'000	Elimination RM'000	Consolidation RM'000
Revenue							
External Revenue	2,085	928	4,380	-	-	-	7,393
Inter-segment Revenue	1,607	368	-	1,361	125	(3,461)	-
Total Revenue	3,692	1,296	4,380	1,361	125	(3,461)	7,393
Results							
(Loss)/Profit from operations	14	13	1,028	25	(35)	(61)	984
Finance Cost	(621)	(258)	(147)	-	(469)	-	(1,495)
(Loss)/Profit before tax	(607)	(245)	881	25	(504)	(61)	(511)
Income tax expense	-	-	-	-	-	-	-
(Loss)/Profit after tax	(607)	(245)	881	25	(504)	(61)	(511)

Others operation consist of investment holding and fees from management services. Segmental reporting by geographical location has not been prepared as the Group's operations are predominantly carried out in Malaysia.

10. VALUATION OF PROPERTY, PLANT & EQUIPMENT

There was no revaluation of property, plant and equipment for the current quarter and financial period to date. The valuations of land and buildings have been brought forward, without amendment from the previous report.

11. SUBSEQUENT EVENTS

There was no material event subsequent to the end of the current period-to-date that has not been reflected in the unaudited financial statements.

12. CHANGES IN THE COMPOSITION OF COMPANY

There were no changes in the composition of the company for the current quarter and financial period-to-date including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

13. CONTINGENT LIABILITIES

There were no changes in contingent liabilities since the last annual balance sheet date.

14. CAPITAL COMMITMENTS

There was no capital commitment for capital expenditure not provided for in the interim financial statements.

ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS (PART A OF APPENDIX 9B)

1. REVIEW OF PERFORMANCE

For the current quarter, the Group's revenue has slightly decreased by approximately 9% or approximately RM0.34 million as compared to the preceding year corresponding quarter. The decline in revenue was mainly on lower revenue from the property division. The progress of the on-going property development project has been slow and the number of units in development is lesser than the project in the preceding year corresponding period. In addition, the sales of completed properties were 57% or RM1.89m lower compared to the preceding year corresponding period. The emphasis of the contracting division on the internal projects has also affected the generating of the revenue for the quarter. However, the Group expects the revenue from the property division to improve at the later part of the fourth quarter of the financial year through the launching of the 2½ story terrace house. The manufacturing division's revenue was higher than the preceding year corresponding period due to the improvement in sales growth and customer growth rate. The trading division's revenue was also higher than the preceding year corresponding period due to the increase in the quantity of orders.

The Group incurred a loss before tax of RM0.11 million for the current period compared to a loss before tax of RM0.22 million in the preceding year corresponding period mainly due to the lower revenue generated during the current quarter.

There were no other material factors affecting the earnings and/or revenue of the Group for the current financial period.

2. Material Changes in the Quarterly Results Compared to the Results of Immediate Preceding Quarter

The revenue for the current quarter was lower compared to the immediate preceding quarter due to lower revenue generated by the property division. The sales of completed units and progress on the on-going development project have been slow due to low demand on ready residential properties. There were no significant changes in the other divisions.

3 CURRENT YEAR PROSPECTS

The core businesses of the Group continue to face increasing challenges in their respective industries. Moving forward the Group intends to reposition itself in some of the existing markets of the Group's businesses in order to recapture and develop new market shares for the Group. The Board is optimistic that the Group's overall operations and financial results will improve in the fourth quarter of this financial year.

As mentioned in last report, the manufacturing division was performing below par and that proper measures need to be implemented to improve and enhance its capacity in the utilization of existing plant and machinery to achieve better economies of scale, operating efficiency and productivity. In view of the challenges, the Group is constantly making efforts to develop and deliver high quality products, innovative product designs and concepts that have fast turnaround time and wider customer base in order to strengthen its competitive position in the market. The other division in the Group will also continue to lend their support in ensuring the success of the Group as a whole.

4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

Not applicable as no profit forecast was published.

5. TAXATION

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

	Current Quarter RM'000	Current Year to date RM'000
Income Tax		
- current	87	87
Deferred Tax	-	-
Total	87	87

6. PROFITS ON SALE OF UNQUOTED INVESTMENTS

There was no profit or loss on sale of quote investment in the financial period to date.

7. PURCHASE/DISPOSAL OF QUOTED SECURITIES

For the current quarter, the Group has converted one of long outstanding debts owned by external party to one of the subsidiary company to quoted securities for full and final settlements.

8. STATUS OF CORPORATE PROPOSAL

As mentioned in the last report, the Company's management had approached and initiated negotiations with the bankers of the Group to propose a financial restructuring scheme for its financial debts. In addition, the banks were also informed that the Company and its subsidiary companies will be suspending principal and interest repayments on its bank overdrafts and other bank borrowings other than those that are operational in nature until the finalization and subsequent approval from the relevant authorities. Subsequently, the Company had submitted the proposed financial restructuring scheme to all the relevant authorities for approval.

Following the above submissions to all the relevant authorities, the Company has obtained the following;

a) Approval from Bank Negara Malaysia for the issuance of Rights Warrants to non-resident shareholders of the Company pursuant to ECM 12 of the Exchange Control Act, 1953.

b) Approval from the Ministry of International Trade and Industry on the proposed acquisition of PCP. This approval is subject to the SC approval being given.

On June 19, 2006, the SC rejected the Company's proposed restructuring scheme. However, the Company had on July 19. 2006 submitted an appeal to the SC to reconsider its decision on the rejection of the Proposals and had proposed certain revisions to the Proposals so as to address the concerns and issues raised by the SC.

However, on October 18, 2006, the SC rejected the appeal made by the Company on its revised proposals, after due consideration.

Following the SC's rejection on the Company's appeal, the Company and its subsidiary companies have informed the banks that they have taken the initiatives to formulate a debts settlement plan. The Company and its subsidiary companies have submitted the proposed debts settlement plan to the banks. The Company anticipates that the proposed debts settlement plan will be finalized at the end of 2007. As of the date of the issue of the financial statements, the Company has received favorable responses from the banks and is in the midst of finalizing the proposed debts settlement plan.

Other than that disclosed above, there is no other corporate proposals announced but have not yet completed.

9. GROUP BORROWINGS

Group borrowings as at 30 June 2007 are as follows:

Short Term Borrowings		RM'000
Bankers Acceptance	- secured	-
	- unsecured	497
Revolving Credits	- secured	-
	- unsecured	16,815
Bank Overdrafts	- secured	1,870
	- unsecured	5,692
Term Loans	- secured	6,333
	- unsecured	4,124
Total		35,331

The above borrowings are denominated in Ringgit Malaysia.

10. REVALUATION RESERVE

The revaluation reserve represent the surplus arising from the revaluation of the Group's freehold land during the financial year, net of the related deferred tax liabilities.

11. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

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

12. MATERIAL LITIGATIONS

The following are pending material litigation cases as disclosed in the previous quarter ended 31 December 2006 and as the date of this quarterly report:

A) **Penang High Court Originating Summons No: 24-118-2004**
The ISP Schools Association ("ISP") (plaintiff) -v- Multi-Usage Property Sdn Bhd ("MUP") (defendant)

A dispute had arisen between MUP, a wholly owned subsidiary of MUH and ISP in respect of the construction agreement dated 13 January 2000 to construct a new school at a piece of land known as H.S.(D) 8054 Lot No:476 Sek 1, Bandar Batu Ferringhi, Daerah Timur Laut, Pulau Pinang. ISP had filed an originating summons against MUP for, amongst other things, a declaration that the said agreement is void or voidable at the instance of either party. On the other hand, MUP had filed a Defendant's Summons in Chambers to strike out the Plaintiff's Originating Summons on the ground, amongst others, that the declaratory relief sought by the Plaintiff cannot be determined without a trial of the matter.

The learned Judge had granted an order in terms of the Originating Summons on the ground that the Construction Agreement dated 13 January 2000 was void for uncertainty and not binding on the parties. However, MUP has instructed its solicitors to file an appeal against the said decision of the learned Judge and presently, pending the fixing of the date for the hearing of the appeal.

B) On 12 March 2005, the Company and two of its subsidiary companies, Multi-Mix Sdn. Bhd. and Multi-Usage Cement Products Sdn. Bhd. were served with writs of summons relating to a claim by OCBC Bank (Malaysia) Berhad ("the Bank"). The claim was for the principal and interest in respect of banking facilities (namely revolving credit facilities and bankers' acceptance) for a total outstanding amount of RM11.069 million as at 31 December 2004.

On 6 June 2005, the Company and one of its subsidiary companies, Multi-Usage Trading Sdn Bhd were served with writs of summons relating to a claim by the Bank. The claim was for the principal and interest in respect of the revolving credit facilities for a total outstanding amount of RM2.005 million as at 28 February 2005.

On 28 November 2006, the Company was served with a Summons in Chambers dated 14 November 2006, relating to a claim by OCBC Bank (M) Berhad ("OCBC") for a claim amounting outstanding under revolving credit facilities from OCBC of RM4, 546,262.83 as at 31 December 2004. The hearing of the summons was fixed on 29 November 2006. In view of the short service of the summons, the Company, on the advice of its solicitors has applied for an adjournment to enable the Company to file its Affidavit in Reply. The court hearing was adjourned to 11 July 2007. On 11 July 2007, the court hearing was adjourned again to 5 September 2007.

Since the rejection of its appeal against the Securities Commission's decision on its previous restructuring proposals on 18 October 2006, the Directors of the Company have submitted the proposed debts settlement plan to the banks. Although the Company is presently still in the midst of discussions with the MUHB Group's lenders, including OCBC, the service of the above cause papers was part of OCBC's policies to continue with its recovery action so that OCBC will not be disadvantaged in terms of timing in recovering its loans, should MUHB's loan restructuring proposal not be acceptable to the bank. OCBC has agreed to continue discussions with the Company.

C) On 16 September 2005, TF Land was served with writ of summons and statement of claim by Syarikat Pembinaan DSR Sdn Bhd ("DSR") claiming for the amount of RM2, 994,821.08 together with interest at the rate of 8% per annum from the date of the summon until the date of full settlement. The claim against TF Land was in relation to the alleged sums due to DSR pursuant to a Sub Contract dated 25 February 2003. TF Land is disputing the amount and has counter claimed against DSR for repudiation of contract for stopping and abandoning works under the Sub Contract since 22 April 2004, defective works and for Liquidated and Ascertained Damages.

As the claim by both parties is contested, the financial impact cannot be estimated or ascertained with reasonable certainty. Therefore, the Group is unable to quantify the financial and operational impact or expected losses, if any. (The date on the hearing of the case has yet to be fixed.)

13. DIVIDEND

No decision regarding dividend has been made.

14. EARNINGS PER SHARE

	Current Year Quarter 30-6-2007	**Preceding Year Quarter 30-6-2006**	**Current Year to Date 30-6-2007**	**Preceding Year to Date 30-6-2006**
Earnings				
Net loss for the period (RM'000)	(206)	(220)	(776)	(511)
Weighted average number of shares ('000)				
Basic				
Weighted average number of ordinary shares ('000)	52,728	52,728	52,728	52,728
Basic loss per share (sen)	(0.39)	(0.42)	(1.47)	(0.97)

BY ORDER OF THE BOARD

LAM VOON KEAN
COMPANY SECRETARY
28 August 2007