

**PART A : NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR  
THE FINANCIAL PERIOD ENDED 31 MARCH 2009**

**A1. BASIS OF PREPARATION**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (“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 (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2008.

The accounting policies and methods of computation adopted in the preparation of these interim financial statements are consistent with those adopted in the most recent annual audited financial statements for the financial year ended 31 December 2008.

**A2. QUALIFICATION OF FINANCIAL STATEMENTS**

The auditors’ report on the annual financial statements of the Group for the financial year ended 31 December 2008 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 28 to the financial statements, the Group and the Company had defaulted in the interest and principal payments of certain bank borrowings; and
- (b) The Group’s current liabilities exceeded current assets by RM16,221,219.

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 realisation of assets and settlement of liabilities will occur in the ordinary course of business. In this connection, the directors of the Company had taken the initiative to formulate a debts settlement plan and had submitted the proposed debts settlement plan to the banks.

During the financial year, the proposed debts settlement plan has been finalised with five out of the eight lenders. Subsequent to year end, one of the subsidiary companies had also finalised its proposed debts settlement plan with a lender. However, negotiations on the proposed debts settlement plan with the remaining two lenders are still ongoing.

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 finalise and implement all the abovementioned proposed debts settlement plan, the continued support from the shareholders, bankers and creditors, and the ability of the Group and of 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 16 to the financial statements on the recoverability of the debts owing by two trade debtors of the Group totalling RM8,216,483 as of December 31, 2008 which have been long outstanding for more than a year. In 2007, a subsidiary company, Multi-Usage Property Sdn. Bhd., had 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 RM8,216,483 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.

**A3. SEASONALITY OR CYCLICALITY FACTORS**

The Group's businesses are generally affected by the various festive seasons.

**A4. UNUSUAL ITEMS**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows that are unusual of their nature, size or incidence during the current quarter.

**A5. CHANGES IN ESTIMATES**

There were no changes in estimates used for the preparation of the interim financial report.

**A6. 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.

**A7. DIVIDEND PAID**

There was no dividend paid for the current financial period to date.

**A8. SEGMENTAL REPORTING**  
Segment Information by activity:

**The Group – 31.03.2009**

	Manufacturing RM'000	Trading RM'000	Property RM'000	Contracting RM'000	Others RM'000	Elimination RM'000	Consolidation RM'000
<b>Revenue</b>							
External Revenue	810	306	278	-	-	-	1,394
Inter-segment Revenue	394	163	-	115	63	(735)	-
Total Revenue	1,204	469	278	115	63	(735)	1,394
<b>Results</b>							
Profit/(Loss) from operations	87	230	(323)	(32)	8	-	(30)
Provision for corporate guarantee	-	-	-	-	(80)	-	(80)
Finance Cost	(333)	(68)	(11)	-	(161)	-	(573)
(Loss)/Profit before tax	(246)	162	(334)	(32)	(233)	-	(683)
Income tax expense	-	-	1	-	-	-	1
(Loss)/Profit after tax	(246)	162	(333)	(32)	(233)	-	(682)

**The Group - 31.03.2008**

<b>Revenue</b>							
External Revenue	1,367	393	1,107	-	-	-	2,867
Inter-segment Revenue	590	254	-	969	63	(2,112)	(236)
Total Revenue	1,957	647	1,107	969	63	(2,112)	2,631
<b>Results</b>							
(Loss)/Profit from operations	320	14	166	26	31	1	558
Finance Cost	(289)	(151)	(19)	-	(143)	-	(602)
(Loss)/Profit before tax	31	(137)	147	26	(112)	1	(44)
Income tax expense	-	-	-	-	-	-	-
(Loss)/Profit after tax	31	(137)	147	26	(112)	1	(44)

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.

**A10. VALUATION OF PROPERTY, PLANT & EQUIPMENT**

There was no revaluation of property, plant and equipment for the current quarter under review. The valuation of land has been brought forward, without amendment from the previous annual financial statements..

**A11. MATERIAL SUBSEQUENT EVENTS**

Save and except for announcements made by the Company on 9 April 2009, 30 April 2009, 8 May 2009, 15 May 2009 and the material litigation as disclosed herein from page 11 to page 13 and matters as set out herein, in the opinion of the Directors, the financial statements for the interim period have not been affected by any material event that has occurred between the end of the interim period and the date of this report

**A12. CHANGES IN THE COMPOSITION OF COMPANY**

There were no changes in the composition of the Group 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.

**A13. CONTINGENT LIABILITIES**

	<b>As at 31/3/2009 RM'000</b>	<b>As at 31/12/2008 RM'000</b>
Financial guarantees granted for subsidiaries ' credit facilities	20,700	20,700

**A14. CAPITAL COMMITMENTS**

There was no outstanding capital commitment for the quarter under review.

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

**B1. REVIEW OF PERFORMANCE**

For the three months period ended 31 March 2009, the Group recorded lower revenue of RM1.2million compared to 2008's first quarter results. The lower turnover was the result of lower billings due to the certain projects reach the tail end of construction. The sale for completed properties was also decreased due to various uncertainties in the local property environment. The sales from the manufacturing division was affected by weak demand due to the global economic slowdown. There were no significant changes in the other divisions.

The Group incurred a loss before tax of approximately RM0.68million for the current quarter compared to a loss before tax of RM0.04 million in the previous year mainly due to reduction in revenue and higher cost of raw materials.

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

**B2. Material Changes in the Quarterly Results Compared to the Results of Immediate Preceding Quarter**

The Group recorded a loss before taxation of RM0.68million as compared to profit before tax of RM0.27million in the immediate preceding quarter ended 31 December 2008 mainly due to reduction in revenue. The sale from property division was declined by more than 100% compared to immediate preceding quarter mainly due to lower progress billings of certain on-going projects as the construction reach the tail end. The sales from the manufacturing and trading divisions decreased substantially due to the lower demand of the ready mix concrete and cement concrete products. There were no significant changes in the other divisions.

**B3. CURRENT YEAR PROSPECTS**

In view of the current adverse of economic situation, 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.

Barring any unforeseen circumstances, the Board is optimistic that the Group's overall operations and financial results will improve in the coming of this financial year ending 31 December 2009.

**B4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT**

There was no profit forecast or profit guarantee made during the financial quarter under review.

**B5. TAXATION**

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

	Individual Quarter		Year To Date	
	31/3/2009 RM'000	31/3/2008 RM'000	31/3/2009 RM'000	31/3/2008 RM'000
- Current Income Tax	-	-	-	-
- Under /(Over) provision of taxation in prior years	(1)	-	(1)	-
- Deferred Tax	-	-	-	-
Total	<u>(1)</u>	<u>-</u>	<u>(1)</u>	<u>-</u>

**B6. SALE OF UNQUOTED INVESTMENTS AND PROPERTIES**

There were no disposals of unquoted investments and properties under the quarter under review.

**B7. QUOTED SECURITIES**

(i) There were no purchases and sale of quoted securities for the current quarter.

(ii) Total investments in quoted securities as at 31 March 2009 are as follows:-

	Cost RM'000	Book Value RM'000	Market Value RM'000
Total quoted investment	<u>20</u>	<u>1</u>	<u>1</u>

**B8. STATUS OF CORPORATE PROPOSAL**

As mentioned in the previous annual report, the Group and the Company had defaulted in interest and principal payments for certain bank borrowings. However, the Company's management had approached and initiated negotiations with the banks on a proposed debts settlement plan. In 2008, the proposed debts settlement plan had been finalised with five out of the eight lenders. Subsequent to year end, one of the subsidiary companies had also finalised its proposed debts settlement plan with a lender. As of the date of the issue of the financial statements, negotiations on the proposed debts settlement plan with the remaining two lenders are still ongoing.

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

## B9. GROUP BORROWINGS

Group borrowings as at 31 March 2009 are as follows:

<u>Short Term Borrowings</u>		RM'000
Bankers Acceptance	- secured	-
	- unsecured	580
Revolving Credits	- secured	-
	- unsecured	17,582
Bank Overdrafts	- secured	1,219
	- unsecured	6,129
Short Term Loans	- secured	503
	- unsecured	2,160
Total		<u>28,173</u>

The above borrowings are denominated in Ringgit Malaysia.

## B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

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

## B11. MATERIAL LITIGATIONS

The following are pending material litigation cases as disclosed in the previous quarter ended 31 December 2007 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 15 May 2009, the Company received a letter enclosing the sealed Order and Judgement both dated 28 November 2008 for the sum of RM4,546,262.83 with interest thereon. The Company had applied for a Stay of the Judgement and a hearing date is pending. In the meantime, an application was submitted to the Penang High Court to set aside the Judgement and a hearing date is fixed for mention on 29 July 2009.

On 15 May 2009, the Company received a letter from our solicitor on the decision made by the Penang High Courts after Hearing submission on 13 May 2009 in respect of Multi-Usage Trading Sdn Bhd that required to pay RM2.005 million with interest thereon plus cost to the OCBC. An application was also submitted to the Penang High Court to set aside the claim. The date on the hearing of the both cases has yet to be fixed.

Without prejudice to the right of the Company and one of its subsidiary companies, Multi-Usage Trading Sdn Bhd to dispute or challenge the claim and /or set aside the Judgement, the claims /Judgement has been taken into account as part of the Company’s debt under a restructuring settlement plan and or/ regularization plan being / to be undertake by the Company to regularise its financial condition.

Since July 2004 until todate, the Company had approached OCBC to negotiate on the restructuring of the loans of its subsidiary companies and since then had provided OCBC with a proposal to restructure the said loans, together with various amendments arising from the discussions thereof. In conjunction with the restructuring proposal, the Company had also previously informed OCBC that the Company will be suspending interest payments on its loans from OCBC other than those that are operational in nature.

As at todate, OCBC had not rejected the restructuring proposal which is still under negotiations with OCBC.

As also announced on 8 May 2009, the Company is still working on the proposed debt-restructuring plan with the remaining two (2) lenders, of which OCBC is one of the lenders.

The Board of Directors of the Company will make further announcement once the proposed debt-restructuring plan has been finalised.



- 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.)

- d) On 16 June 2008, the Company and one of its subsidiary companies, Multi-Usage Trading Sdn Bhd (“MUT”) were served with writs of summons relating to a claim by the EON Bank Berhad (EON). The claim was for the principal and interest in respect of banking facilities (namely overdraft and term loan facilities) for a total outstanding amount of RM3.567 million as at 31 December 2007. On 28 April 2009, MUT had finalised its Debt Restructuring Plan and entered into Debt Settlement Agreement and Notice of Discontinuance was filed by our solicitor on 10 April 2009.

## B12. DIVIDEND

The Board of Directors do not recommend the payments of any dividends for the financial quarter under review.

## B13. EARNINGS PER SHARE

	<b>Current Year Quarter 31-3-2009</b>	<b>Preceding Year Quarter 31-3-2008</b>	<b>Current Year to Date 31-3-2009</b>	<b>Preceding Year to Date 31-3-2008</b>
<b>Earnings</b>				
Net loss for the period (RM'000)	(682)	(43)	(682)	(43)
<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>Basic loss per share (sen)</b>	(1.29)	(0.08)	(1.29)	(0.08)

MULTI-USAGE HOLDINGS BERHAD  
(228933-D)

**B14. AUTHORISATION FOR ISSUE**

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 27 May 2009.

BY ORDER OF THE BOARD

LAM VOON KEAN  
COMPANY SECRETARY  
27 May 2009