

**PART A : NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR
THE FINANCIAL YEAR ENDED 31 DECEMBER 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 above mentioned 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 festive seasons.

A4. UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period under review because of their nature, size or incidence.

A5. CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the current quarter under review.

A6. DEBT AND EQUITY SECURITIES

There were no issuances, cancellation, repurchases, resale and repayment of debt and equity securities during the current quarter.

A7. DIVIDEND PAID

There were no dividends paid for the current financial under review.

A8. SEGMENTAL REPORTING

Segment Information by activity:

The Group – 31.12.2009

	Manufacturing RM'000	Trading RM'000	Property RM'000	Contracting RM'000	Others RM'000	Elimination RM'000	Consolidation RM'000
Revenue							
External Revenue	4,021	1,224	5,076	-	-	-	10,321
Inter-segment Revenue	1,824	800	-	1,458	-	(4,082)	-
Total Revenue	5,845	2,024	5,076	1,458	-	(4,082)	10,321
Results							
Profit/(Loss) from operations	130	1,508	(353)	6	2,266	4	3,561
Provision for corporate guarantee	-	-	-	-	(499)	-	(499)
Finance Cost	(1,325)	(337)	(40)	-	(617)	-	(2,319)
(Loss)/Profit before tax	(1,195)	1,171	(393)	6	1,150	4	743
Income tax expense	17	-	(36)	-	(38)	-	(57)
(Loss)/Profit after tax	(1,178)	1,171	(429)	6	1,112	4	686

The Group - 31.12.2008

	Manufacturing RM'000	Trading RM'000	Property RM'000	Contracting RM'000	Others RM'000	Elimination RM'000	Consolidation RM'000
Revenue							
External Revenue	5,540	1,868	8,037	1	-	-	15,446
Inter-segment Revenue	3,147	770	-	2,547	250	(6,714)	-
Total Revenue	8,687	2,638	8,037	2,548	250	(6,714)	15,446
Results							
Profit/(Loss) from operations	827	1,389	827	28	2,062	67	5,200
Provision for corporate guarantee	-	-	-	-	(1,204)	-	(1,204)
Finance Cost	(1,282)	(260)	(53)	-	(926)	-	(2,521)
(Loss)/Profit before tax	(455)	1,129	774	28	(68)	67	1,475
Income tax expense	1	-	(220)	1	(25)	-	(243)
(Loss)/Profit after tax	(454)	1,129	554	29	(93)	67	1,232

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 audited financial statements for the year ended 31 December 2008.

A11. MATERIAL SUBSEQUENT EVENTS

Save and except for announcements made by the Company on 09 December 2009, 10 December 2009, 08 January 2010 and 08 February 2010 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 period have not been affected by any material event that has occurred between the end of the period and the date of this report.

A12. CHANGES IN THE COMPOSITION OF COMPANY

There were no changes in the composition of the Group during 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

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

Other than the above, the status of contingent liabilities disclosed in the 2008 Annual Report remains unchanged. No other contingent liability has arisen since the financial year end.

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

Turnover for current financial quarter was RM2.9 million, a decrease of RM1.89 million as compared to the preceding year's corresponding quarter of RM4.79 million. Turnover for the current financial year-to-date was RM10.32 million, a substantial decrease of RM5.13 million as compared to the preceding year's corresponding year to-date of RM15.45 million. The substantial decrease in turnover was due to the lower billings as the projects reach the end of construction. In addition, the sales for completed properties were also decreased due to various uncertainties in the local property environment. Moreover, the new project was only started on the early month of November 2009, hence, there is no progress billing from the new project. The sales from the manufacturing and trading divisions decreased basically due to the lower sales volume due to the slowdown the local property environment. There were no significant changes in the other divisions.

The Group incurred a profit before tax of approximately RM1.56 million for the current quarter ended 31 December 2009 as compared to a profit before tax of RM 0.17 million for the same period last financial year. The increase in profit before tax is mainly due to the debt waiver from our loan creditor due to the earlier settlement of the debt owed to them.

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

Turnover for the current financial quarter ended 31 December 2009 decreased by RM0.83 million to RM2.90 million as compared to RM3.73 million reported in the preceding quarter due to the lower billings in the property sector due to completion of old projects. In addition, the sales from the manufacturing decreased basically due to the lower sales volume.

Profit before tax for the current financial quarter was RM1.56 million as compared to profit before tax of RM0.2 million reported in the preceding quarter. The substantial increase in profit before tax was due to waiver of debts from the loan creditor due to early settlement. In addition, the increase was also due to the recognition of the interest income from the late payments customers.

B3. CURRENT YEAR PROSPECTS

In view that market for the property development and construction is sustaining, 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 2010.

B4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

The disclosure requirements for the explanatory notes for the variance of actual profit after tax and minority interest and shortfall in the profit guarantee are not applicable.

B5. TAXATION

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

	Individual Quarter		Year To Date	
	31/12/2009 RM'000	31/12/2008 RM'000	31/12/2009 RM'000	31/12/2008 RM'000
- Current Income Tax	37	-	37	216
- Under /(Over) provision of taxation in prior years	0	24	39	24
- Deferred Tax	(19)	-	(19)	3
Total	<u>18</u>	<u>24</u>	<u>57</u>	<u>243</u>

B6. UNQUOTED INVESTMENTS AND PROPERTIES

There were no purchases or sales of unquoted investments and properties for the current financial period to date.

B7. QUOTED SECURITIES

- (i) There were no purchases and disposals of quoted securities for the current quarter.
- (ii) Total investments in quoted securities as at 31 December 2009 are as follows:-

	At Cost RM'000	At Book Value RM'000	At 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 financial statements, 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. In April 2009, one of the subsidiary companies had also finalised its proposed debts settlement plan with a lender. In December 2009, the Group and the Company had entered into a settlement arrangement with one of the remaining two lenders with the financial assistance from Wealthy Achievers Sdn Bhd to finalise its debt restructuring plan with the views to regularise its financial condition. As of the date of the issue of the financial statements, negotiation on the proposed debt settlement plan with the remaining one lender is 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 December 2009 are as follows:

<u>Short Term Borrowings</u>		RM'000
Bankers Acceptance	- secured	-
	- unsecured	589
Revolving Credits	- secured	-
	- unsecured	18,865
Bank Overdrafts	- secured	334
	- unsecured	5,226
Short Term Loans	- secured	501
	- unsecured	-
Total		<u>25,515</u>

The above borrowings are denominated in Ringgit Malaysia.

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group does not have any financial instruments with off balance sheet risk as at 31 December 2009.

B11. MATERIAL LITIGATIONS

The following are pending material litigation cases as disclosed in the previous year ended 31 December 2008 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. On 10 February 2010, the Court of Appeal had heard our application and had dismissed with cost of RM 7,000.00.

Currently, the Board of Directors is seeking advice on whether to appeal to Federal Court and shall file in the necessary of deference within the prescribed period upon advice from its solicitors.

- 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. On 15 May 2009, the Company received a letter enclosing the sealed Order and Judgement in defaults 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 also an appeal was submitted to the Penang High Court to set aside the Judgement.

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 appeal was also submitted to the Penang High Court to set aside the claim.

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

However, on 11 August 2009, OCBC had informed the Company to improve on the quantum of the settlement proposal.

Following the notification by OCBC's regarding on the Company's restructuring proposal, the Company and its subsidiary companies are presently in the midst of working out the detail of the revised restructuring proposal and will be presented to the OCBC for further discussion and finalisation.

On 19 November 2009, the Company and its subsidiary companies have received the written approval from OCBC regarding on the Company's restructuring proposal.

Following the written approval from OCBC regarding on the Company's restructuring proposal, the Company and its subsidiary companies had on 08 December 2009 entered into a settlement arrangement with OCBC with the financial assistance from Wealthy Achievers Sdn Bhd to finalise its debt restructuring plan with the views to regularise its financial condition.

The debt restructuring plan will not have any material effect on the earnings and gearing of the Company and its subsidiary companies for the year ended 31 December 2009. However, it is expected that the Company and its subsidiary companies shall be entitled to the interest waiver of approximately RM6.042 million and the cash discount on early settlement of the Outstanding Debt.

In the meantime, OCBC had instructed their solicitor to withhold all legal proceeding against the Company and its subsidiary companies until the final monthly repayments has been paid.

- 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.)

B12. DIVIDEND

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

B13. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	Current Year Quarter 31-12-2009	Preceding Year Quarter 31-12-2008	Current Year to Date 31-12-2009	Preceding Year to Date 31-12-2008
Earnings				
Net profit for the year (RM'000)	1,543	168	687	1,233
Weighted average number of shares (‘000)				
Basic Weighted average number of ordinary shares (‘000)	52,728	52,728	52,728	52,728
Basic profit per share (sen)	2.93	0.32	1.30	2.34

The Company does not have any dilute potential ordinary shares outstanding as at 31 December 2009. Accordingly, no diluted earnings per share is presented.

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 24 February 2010.

BY ORDER OF THE BOARD

LAM VOON KEAN
COMPANY SECRETARY
24 February 2010