

MULTI-USAGE HOLDINGS BERHAD

(Company No. 228933-D)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Second Quarter Ended 30 June 2011 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year Quarter 30/6/2011 RM'000	Preceding Year Corresponding Quarter 30/6/2010 RM'000 Restated	Unaudited Current Year To Date 30/6/2011 RM'000	Preceding Year Corresponding Period 30/6/2010 RM'000 Restated
Revenue	3,868	3,070	6,521	6,130
Cost of sales	(2,790)	(2,498)	(4,670)	(4,748)
Gross profit	1,078	572	1,851	1,382
Other income	15	26	31	94
Administrative expenses	(545)	(565)	(1,078)	(1,110)
Distribution expenses	(6)	(34)	(16)	(78)
Other operating expenses	-	(9)	-	(38)
Other gains and losses	815	9,496	2,613	9,747
Profit from operations	1,357	9,486	3,401	9,997
Provision for Corporate Guarantee	(158)	(144)	(313)	(276)
Finance cost	(332)	(96)	(1,300)	(195)
Profit before tax	867	9,246	1,788	9,526
Income tax expenses	B5 (230)	(59)	(229)	(59)
Profit for the year	637	9,187	1,559	9,467
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	637	9,187	1,559	9,467
Total comprehensive income attributable to:				
Owners of the Parent	638	9,187	1,560	9,468
Non-Controlling interests	(1)	-	(1)	(1)
	637	9,187	1,559	9,467
Earnings per ordinary share attributable to owners of the Parent (sen) :	B13			
Basic	1.21	17.42	2.96	17.96

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

MULTI-USAGE HOLDINGS BERHAD

Company No:228933-D

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

		Unaudited As at As at 30/06/2011	Audited As at As at 31/12/2010
ASSETS	Note	RM ' 000	RM ' 000
Non-Current Assets			
Property, Plant & Equipment		4,497	4,540
Quoted Investment, at cost	B7	1	1
Goodwill on Consolidation		7,400	7,400
Property Development Costs		34,271	34,271
		46,169	46,212
Current Assets			
Inventories		7,791	9,494
Property Development Costs		6,116	5,311
Trade and Other Receivables		4,206	4,736
Refundable deposits		623	630
Short term deposits with licensed banks		216	213
Cash & Bank Balances		276	342
		19,228	20,726
Non-current assets classified as held for sale		-	81
TOTAL ASSETS		65,397	67,019
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share Capital		52,728	52,728
Reserves		18,200	18,200
Accumulated losses		(32,886)	(34,446)
		38,042	36,482
Non-controlling interest		91	92
Total equity		38,133	36,573
Non-current liabilities			
Loan Creditor		5,670	5,380
Deferred Tax Liabilities		8	8
		5,678	5,388
Current Liabilities			
Trade and Other Payables		6,388	6,333
Loan Creditor		3,893	7,722
Provision for Corporate Guarantee		6,707	6,394
Bank Overdrafts	B9	4,059	3,896
Tax Liabilities		539	713
		21,586	25,058
Total liabilities		27,264	30,446
TOTAL EQUITY AND LIABILITIES		65,397	67,019
NTA		30,642	29,082
NTA per share (RM)		0.58	0.55
Net Assets		38,042	36,482
Net Assets per share (RM)		0.7215	0.6919

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

MULTI-USAGE HOLDINGS BERHAD

Company No:228933-D

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the Second Quarter Ended 30 June 2011 (UNAUDITED)

	<-----Attributable to the equity holders of the Company----->					
	Share Capital	Non-distributable Share Premium	Revaluation Reserve	Accumulated Profit/(Losses)	Non Controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2011, -As previously Stated	52,728	17,043	1,156	(34,446)	92	36,573
Total Comprehensive Income For The Period	-	-	-	1,560	(1)	1,559
As at 30 June 2011	52,728	17,043	1,156	(32,886)	91	38,132

	<-----Attributable to the equity holders of the Company----->					
	Share Capital	Non-distributable Share Premium	Revaluation Reserve	Accumulated Profit/(Losses)	Non Controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2010	52,728	17,043	1,156	(42,531)	93	28,489
-Effect of Adopting FRS 139 As restated	52,728	17,043	1,156	1,444	93	1,444
Total Comprehensive Income For The Period	-	-	-	9,468	(1)	9,467
As at 30 June 2010	52,728	17,043	1,156	(31,619)	92	39,400

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

MULTI-USAGE HOLDINGS BERHAD

Company No:228933-D

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the Second Quarter Ended 30 June 2011 (Unaudited)

	Current Year To Date 30/6/2011 RM'000	Preceding Year Corresponding Period 30/06/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit /(Loss) before tax	1,789	9,526
Adjustments for :		
Interest expenses	163	196
Depreciation of property, plant and equipment	105	120
Amortisation of prepaid lease payment	-	1
Reversal of impairment on trade receivables	-	(26)
(Gain) /Loss on disposal of property, plant and equipment	(34)	-
Provision for corporate guarantee	313	276
Interest income recognised in profit or loss	(3)	(4)
Waiver of debts	(2,577)	(1,989)
Waiver of interest from bank	-	(3,511)
Net Loss arising on loan creditor carried at amortised cost	1,133	-
	<u>889</u>	<u>4,589</u>
Movements in working capital:		
Decrease/ (Increase) in inventories	1,703	1,935
Decrease/ (Increase) in property development costs	(805)	(960)
Decrease/ (Increase) in trade and other receivables	530	1,301
Decrease/ (Increase) in other assets	6	(17)
(Decrease)/ Increase in trade and other payables	33	417
(Decrease)/ Increase in Due to contracts customer	-	145
Cash generated from/ (used in) operations	<u>2,356</u>	<u>7,410</u>
Tax paid	<u>(403)</u>	<u>(660)</u>
Net cash generated from/ (used in) operating activities	<u>1,953</u>	<u>6,750</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	115	(7)
Interest received	-	4
Purchase of property, plant and equipment	(62)	-
Proceed from disposal of Investment	-	0
Net cash (used in)/ generated from investing activities	<u>53</u>	<u>(3)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of bank loan	-	(501)
Repayment to loan creditor	(2,095)	(6,249)
Advance from directors	23	42
Interest paid	-	(9)
Net cash (used in)/ generated from financing activities	<u>(2,072)</u>	<u>(6,717)</u>
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	(66)	30
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	342	53
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>276</u>	<u>83</u>
<u>CASH & CASH EQUIVALENTS</u>		
Cash and cash equivalents included in the cash flow statements consist of the following:		
Short term deposits with licensed banks	216	207
Cash and bank balances	276	344
Bank overdrafts	(4,059)	(3,972)
	<u>(3,567)</u>	<u>(3,421)</u>
Less: Bank overdrafts (Under debts settlement plan)	4,059	3,711
Less: Fixed deposit pledged to licensed bank	(216)	(207)
	<u>276</u>	<u>83</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

MULTI-USAGE HOLDINGS BERHAD

Company No:228933-D

Notes to the Quarterly Report For the Second Quarter Ended 30 June 2011

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 and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2010. These explanatory notes attached to the quarterly condensed 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 Group since the financial year ended 31 December 2010.

A2.Changes in Accounting Policies

The significant accounting policies adopted are consistent with those adopted for the audited financial statements for the year ended 31 December 2010, except for the adoption of the following new Financial Reporting Standards (FRSs), amendments and interpretations were issued by the Malaysian Accounting Standards Board that are applicable for the current financial year:

Effective for annual periods beginning on or after 1 March 2010

FRS 132 Financial Instruments: Presentation (Amendment relating to classification of rights issue)

Effective for annual periods beginning on or after 1 July 2010

FRS 5 Non-current Assets Held for Sales and Discontinued Operations (Amendments relating to plan to sell controlling interest in a subsidiary)

FRS 127 Consolidated and Separate Financial Statements (revised)

FRS 138 Intangible Assets (Amendments relating to additional consequential amendments arising from revised FRS 3)

Effective for annual periods beginning on or after 1 January 2011

FRS 3 Business Combinations

FRS 7 Financial Instruments: Disclosures (Amendment relating to improving disclosures about financial instruments)

FRS 139 Financial Instruments: Recognition and Measurement (Amendments relating to additional consequential amendments arising from revised FRS 3 and revised FRS 127)

Amendments to FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters and Additional Exemptions for First-time Adopters.

Amendments to FRS 7 Improving Disclosures about Financial Instruments

IC Interpretation 17 Distributions of Non-cash Assets to Owners

IC Interpretation 18 Transfers of Assets From Customers

The initial application of the aforesaid applicable standards, amendments or interpretations are not expected to have any significant financial impact to the interim financial statements upon their first adoption.

A3. Qualification of Audit Report of the Preceding Annual Financial Statements

The auditors' report on the annual financial statements of the Group for the financial year ended 31 December 2010 was not subject to any qualification. However, the Auditors' Report has included the following comments:

Without qualifying our opinion, we draw your attention to the following:

- a. As mention in Notes 2 and 30 to the financial statements, the Group and the Company had defaulted in the repayment of principal and interest therein of certain bank borrowings; and
- b. The Group's and the Company's current liabilities exceeded current assets by RM4,250,354 and RM17,872,730 respectively.

The directors are making efforts to ensure that financial support from the bankers, creditors and shareholders 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 for its borrowings with banks. As of December 31, 2010, the proposed debts settlement plan were finalised with seven out of the eight lenders. Negotiation on the proposed debts settlement plan with the remaining lender by the Company and a subsidiary company is 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, to receive 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

A4. Seasonal or Cyclical Factors

During the quarter under review, the Group's principal business operations were not affected by any seasonal or cyclical factors.

A5. Unusual items

There were no unusual items in the quarterly financial statements under review.

A6. Changes in Accounting Estimates

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

A7. Debt and Equity Securities

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

A8. Dividends Paid

There were no dividends paid during the current financial quarter.

A9. Segmental Reporting

Segmental information in respect of the Group's business segments is as follows:-

The Group - 31.06.11	Property Development	Contracting	Manufacturing	Trading	Others	Elimination	Consolidation
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	3,634	-	2,439	448	-	-	6,521
Inter-segment revenue	-	385	268	277	-	(930)	-
Total revenue	3,634	385	2,707	725	-	(930)	6,521
Results							
Profit/(Loss) from Operation	947	(43)	(52)	17	(82)	-	787
Other gains and losses							2,613
Provision for corporate guarantee							(313)
Finance costs							(1,299)
Profit before tax							1,788
Income tax expense							(229)
Profit for period							1,559

The Group - 31.06.10	Property Development	Contracting	Manufacturing	Trading	Others	Elimination	Consolidation
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	3,008		2,591	531	-	-	6,130
Inter-segment revenue		812	935	228	-	(1,975)	-
Total revenue	3,008	812	3,526	759	-	(1,975)	6,130
Results							
Profit/(Loss) from Operation	195	2	2,958	724	6,119	-	9,998
Provision for corporate guarantee							(276)
Finance costs							(196)
Profit before tax							9,526
Income tax expense							(59)
Profit for period							9,467

A10. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without amendment from the audited financial statement for the year ended 31 December 2010.

A11. Material Events Subsequent to the Balance Sheet Date

Save and except for announcements made by the Company on 6 July 2011 and 8 August 2011 and the material litigation as disclosed herein page 11 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 quarterly report.

A12. Changes in the Composition of the Group

There were no changes in the composition of the group during the interim financial report ended 30 June 2011.

A13. Contingent Liabilities

	As at 30/6/2011 RM'000	As at 30/6/2010 RM'000
Financial guarantees granted for subsidiaries' credit facilities	5,500	6,700

There were no other changes in contingent liabilities since the last audited financial statement date to the date of this quarterly report.

A14. Capital Commitments

There were no outstanding capital commitments at the end of current quarter.

ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of Performance

The Group recorded revenue of RM3.868 million for the current quarter under review, representing an increase of RM0.798 million or 25.99% compared to RM3.070 million generated in the same quarter last year. On a cumulative six months ended 30 June 2011 basis, the Group recorded revenue of RM6.521 million, representing an increase of RM0.391 million or 6.37% compared to the corresponding period ended 30 June 2010 of RM6.130 million. The improvement is mainly contributed by better performance from property segment.

For the current quarter under review, the Group profit before tax decreased by RM8.378 million or 90.61% to RM0.868 million as compared to RM9.246 million in the previous corresponding quarter. On a cumulative six months basis, the Group recorded a profit before tax of RM1.790 million, a decrease of RM7.736 million or 81.21%, against a profit before tax of RM9.526 million in the previous corresponding financial year period. The decreased in profit before tax for the current quarter and year- to-date was mainly due to higher fair value adjustment and interest waived received from bank in previous corresponding quarter.

B2. Comparison with Immediate Preceding Quarter

For the current quarter ended 30 June 2011, the Group registered revenue of RM3.867 million, representing an increase of RM1.214 million or 45.76% compared to the immediate preceding quarter end 31 March 2011 of RM2.635 million. This was mainly due to the increase in revenue from property and manufacturing segment..

The Group recorded profit before tax of RM0.867 million is slightly lower compared to profit before tax of RM0.922 million recorded in the immediate preceding quarter. This is due to higher amount of discount received from loan creditor for early settlement in the preceding quarter.

B3. Current Year Prospects

The Group will continue to focus on its ongoing integrated Bandar Machang Bubok township in Bukit Mertajam and will explore for acquiring new potential development land for future development.

For manufacturing and trading segment, the group will continue to pursue enhancement in productivity, improvement in cost efficiencies and exploring for the overseas market.

Barring any unforeseen circumstances, the Board is cautiously optimistic that the Group's overall operations and financial results will be satisfactory

B4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was announced for the current financial year.

B5. Taxation

	Individual Quarter		Year to date	
	30/06/2011 RM'000	30/06/2010 RM'000	36/06/2011 RM'000	30/06/2010 RM'000
Current year	230	59	230	59
Under/(Over) Provision of taxation in prior year	-	-	(1)	-
Total	-	59	229	59

B6. Unquoted Investments and / or Properties

There were no purchases and disposals of unquoted investment and properties for the current quarter.

B7. Profit/Loss on Sale of Unquoted Investments and / or Properties

- a. There were no purchases and disposals of quoted securities for the current quarter; and
- b. Total investments in quoted securities as at 30 June 2011 are as follows:

	At Cost RM'000	At Book Value RM'000	At Market Value RM'000
Total quoted investment	20	1	1

B8. Status of Corporate Proposal

As mention in the audited financial statement for the year ended 31 December 2010, the Group and the Company had defaulted in principal and interest payments for certain bank borrowings. However, as mentioned in Note 30 of the audited financial statement for the year ended 31 December 2010, the directors of the Company had approached and initiated negotiations with banks on a proposed debts settlement plan. As of December 31, 2010, the proposed debts settlement plan were finalised with seven out of the eight lenders. Negotiation on the proposed debts settlement plan with the remaining lender by the Company and a subsidiary company is still ongoing.

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

B9. Group's Borrowings and Debt Securities

Total Group's borrowings as at 30 June 2011 are as follows :

Short Term	RM'000
Unsecured Bank Overdrafts	<u>4,059</u>

The above borrowing is denominated in Ringgit Malaysia.

B10. Off Balance Sheet Financial Instruments

During the financial year to date, the Group did not enter into any contracts involving off balance sheet financial instruments.

B11. Material Litigation

As at the date of this announcement, the pending material litigations of the Group, since the last annual balance sheet date, consist of the following :-

A sub-contractor of TF Land Sdn. Bhd. ("TF Land"), Syarikat Pembinaan DSR Sdn. Bhd. ("DSR") had on September 16, 2005 served a writ of summon and statement of claim against TF Land for an amount of RM2,994,821 together with interest thereon at a rate of 8% per annum from the date of the summon until the date of full settlement.

TF Land had disputed that it owed any sum to DSR and on October 20, 2005, filed its defence and counter claim against DSR for breach of the sub-contract which include inter-alia, for stopping and abandoning the works since April 22, 2004, defective works and for liquidated and ascertained damages in the sum of RM1,623,040 together with general damages to be assessed, interest and costs.

As the outcome of the legal suit is not presently known, 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, should there be any.

B12. Dividends

No interim dividend has been recommended for the current quarter under review.

B13. Earnings Per Share

(i) Basic earnings per share

The calculation of basic earnings per share for the financial period is based on the net profit attributable to equity holders of the parent company and divided by the weighted average number of ordinary shares outstanding during the financial period.

	CURRENT YEAR QUARTER ENDED 30/06/2011	PRECEDING YEAR QUARTER ENDED 30/06/2010	CURRENT YEAR QUARTER ENDED 30/06/2011	PRECEDING YEAR QUARTER ENDED 30/06/2010
Profit attributable to equity holders of the parent company (RM'000)	638	9,187	1,560	9,468
Weighted average number of ordinary shares ('000)	52,728	52,728	52,728	52,728
Basic earnings per share (sen)	1.21	17.42	2.96	17.96

(ii) Diluted earnings per share

No diluted earnings per share is calculated as there are no potential dilutive ordinary shares.

B14. Realised and Unrealised Profits/Losses Disclosure

The Group's realised and unrealised accumulated losses disclosure is as follows:

	AS AT 30/06/2011	AS AT 31/12/2010
	(Unaudited) RM '000	(Audited) RM '000
Total accumulated losses of the Company and its subsidiaries:		
Realised	(9,764)	(12,770)
Unrealised	(6,156)	(4,709)
	<hr/>	<hr/>
	(15,920)	(17,479)
Add: Consolidation adjustments	(16,966)	(16,967)
	<hr/>	<hr/>
Total accumulated losses of the Group as per condensed statement of financial position	(32,886)	(34,446)

B15. AUTHORISATION FOR ISSUE

The interim financial statement were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 23 August 2011

BY ORDER OF THE BOARD

**LAM VOON KEAN
COMPANY SECRETARY**

23 August 2011