

MULTI-USAGE HOLDINGS BERHAD

(Company No. 228933-D)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the First Quarter Ended 31 Mar 2013 (UNAUDITED)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Unaudited Current Year Quarter 31/3/2013 RM'000	Preceding Year Corresponding Quarter 31/3/2012 RM'000 Restated	Unaudited Current Year To Date 31/3/2013 RM'000	Preceding Year Corresponding Period 31/3/2012 RM'000 Restated
Revenue		7,862	7,587	7,862	7,587
Cost of sales		(5,441)	(5,713)	(5,441)	(5,713)
Gross profit		2,421	1,874	2,421	1,874
Investment revenue		11	15	11	15
Other gains and losses		0	0	0	0
Administrative & other operating expenses		(762)	(804)	(762)	(804)
Distribution expenses		(6)	(46)	(6)	(46)
Profit from operations		1,665	1,040	1,665	1,040
Provision for Corporate Guarantee		-	(170)	-	(170)
Finance cost		(149)	(220)	(149)	(220)
Profit before tax		1,516	650	1,516	650
Income tax expenses	B5	(388)	(231)	(388)	(231)
Profit for the period / year		1,128	419	1,128	419
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		1,128	419	1,128	419
Profit for the year attributable to:					
Owners of the Company		1,128	419	1,128	419
Non-controlling interests		(0)	(0)	(0)	(0)
		1,128	419	1,128	419
Total comprehensive income attributable to:					
Owners of the Company		1,128	419	1,128	419
Non-controlling interests		(0)	(0)	(0)	(0)
		1,128	419	1,128	419
Earnings per ordinary share attributable to owners of the Company (sen) :	B10				
Basic		2.14	0.79	2.14	0.79

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 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 31/03/2013	Audited As at As at 31/12/2012
ASSETS	Note	RM ' 000	RM ' 000
Non-Current Assets			
Property, Plant & Equipment		5,144	5,177
Quoted Investment		1	1
Goodwill on Consolidation		7,400	7,400
Property Development Costs		11,402	11,380
Deferred tax assets		104	104
		<u>24,051</u>	<u>24,062</u>
Current Assets			
Inventories		3,517	3,906
Property Development Costs		33,222	30,922
Trade and Other Receivables		3,264	3,212
Refundable deposits		132	120
Short term deposits with licensed banks		219	219
Housing Development Accounts		1,379	1,962
Cash & Bank Balances		487	486
		<u>42,219</u>	<u>40,826</u>
TOTAL ASSETS		<u>66,270</u>	<u>64,888</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share Capital		52,728	52,728
Reserves		18,739	18,739
Accumulated losses		(28,903)	(30,031)
		<u>42,565</u>	<u>41,436</u>
Non-controlling interest		<u>85</u>	<u>86</u>
Total equity		<u>42,650</u>	<u>41,522</u>
Non-current liabilities			
Hire Purchase payable		103	110
Deferred Tax Liabilities		8	8
		<u>111</u>	<u>118</u>
Current Liabilities			
Trade and Other Payables		6,198	3,669
Loan Creditor		6,906	6,757
HP Creditor		28	28
Provision for Corporate Guarantee		7,742	7,742
Bank Overdrafts	B7	2,132	4,683
Tax Liabilities		504	369
		<u>23,509</u>	<u>23,248</u>
Total liabilities		<u>23,620</u>	<u>23,366</u>
TOTAL EQUITY AND LIABILITIES		<u>66,270</u>	<u>64,888</u>
Net Assets		42,565	41,436
Net Assets per share (RM)		0.81	0.79

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 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 First Quarter Ended 31 Mar 2013 (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 2012	52,728	17,043	1,696	(32,082)	90	39,476
-As previously Stated	-	-	-	419	(0)	419
Total Comprehensive Income for the period						
As at 31 March 2012	52,728	17,043	1,696	(31,663)	90	39,895

	<-----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 2013	52,728.00	17,043	1,696	(30,031)	86	41,522
Total Comprehensive Income For The Period	-	-	-	1,128	(0)	1,128
As at 31 March 2013	52,728	17,043	1,696	(28,903)	85	42,650

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 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 First Quarter Ended 31 Mar 2013 (UNAUDITED)

	Current Year To Date 31/3/2013 RM'000	Preceding Year Current Year To Date 31/3/2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,516	650
Adjustments for :		
Interest expenses recognised in profit or loss	-	98
Interest on loan creditor carried at amortised cost	149	122
Depreciation of property, plant and equipment	42	49
Property, plant and equipment written off	-	5
Provision for corporate guarantee	-	170
Interest income recognised in profit or loss	(11)	(6)
Operating profit before working capital changes	1,696	1,089
Movements in working capital:		
Decrease in inventories	389	140
(Increase)/Decrease in property development costs	(2,322)	1,551
(Increase) in trade and other receivables	(53)	(1,606)
Decrease in other assets	38	-
Increase / (Decrease) in trade and other payables	2,487	(229)
Cash generated from operations	2,235	944
Tax paid	(253)	(94)
Net cash generated from operating activities	1,982	850
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	11	6
Purchase of property, plant and equipment	(9)	(42)
Net cash generated from / (used in) investing activities	2	(36)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of bank loan	(2,550)	-
(Decrease) / Increase in amount owing to directors	(9)	(20)
Repayment to hire purchase payable	(7)	-
Interest paid	(1)	-
Short-term deposits held as security value	-	(41)
Net cash used in financing activities	(2,567)	(61)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(582)	754
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,447	1,146
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,865	1,900

CASH & CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statements consist of the following:

Short term deposits with licensed banks	219	257
Cash and bank balances	1,865	1,900
	2,084	2,157
Less: Fixed deposit pledged to licensed bank	(219)	(257)
	1,865	1,900

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

MULTI-USAGE HOLDINGS BERHAD

Company No:228933-D

Notes to the Unaudited Quarterly Report For the First Quarter Ended 31 March 2013

A1. Basis of Preparation

This quarterly report of Multi-Usage Holdings Berhad ("MUHB" or "Company") and its subsidiaries (MUHB and its subsidiaries are collectively referred to as the "Group") is 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 interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2012. 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 2012.

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 2012, 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:

		<u>Effective date</u>
Amendments to FRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 10	Consolidated Financial Statements	1 Jan 2013
FRS11	Joint Arrangements	1 Jan 2013
FRS 13	Fair Value Measurement	1 Jan 2013
FRS 119	Employee Benefits (2011)	1 Jan 2013
FRS 127	Separate Financial Statements (2011)	1 Jan 2013
Amendments to FRS 7	Financial Instruments: Disclosures – Offsetting	1 Jan 2013
	Financial Assets and Financial Liabilities	1 Jan 2013
Amendments to FRS 7	Financial Instruments: Disclosures – Mandatory	1 Jan 2013
	Date of FRS 9 and Transition Disclosures	1 Jan 2013

The Group has not adopted the following new/revised FRSs, Amendments and IC Interpretations that were in issued but not yet effective:

		<u>Effective date</u>
Amendments to FRS 10, Investment Entities		1 Jan 2014
FRS12 and FRS 127		
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities	1 Jan 2014

Malaysian Financial Reporting Standards (“MFRS Framework”)

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRS Framework”).

The MFRS framework is to be applied by all entities Other Than Private Entities for annual period beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called “Transitional Entities”).

On 4 July 2012, MASB has decided to allow the Transitioning Entities to defer the adoption of the MFRS Framework for another year. MFRS Framework will therefore be mandated for all companies for annual period beginning on or after 1 January 2014.

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the quarter ending 31 March 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

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 2012 was not subject to any qualification. However, the Auditors' Report has included the following comments:

Emphasis of Matter

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

Without qualifying our opinion, we draw attention to Note 2 to the financial statements. As of December 31, 2012, the Company's current liabilities exceeded current assets by RM22,620,447. This factor raises substantial doubt as to whether the Company will be able to continue as a going concern. However, the financial statements have been prepared on a going concern basis which assumes that the Group and the Company will continue to be in operational existence for the foreseeable future having adequate funds to meet their obligations as they fall due. The validity of this assumption is largely dependent upon the continued support from the shareholders, bankers and creditors of the Group and the Company, the successful implementation of all the debts settlement plans as mentioned in Notes 26 and 29 to the financial statements and the ability of the Group and of the Company to generate profits and positive cash flows to sustain their operations. Should these assumptions be negated, the basis of preparation of the financial statements on the going concern basis may no longer be appropriate.

A4. Seasonal or Cyclical Factors

There were no significant seasonal or cyclical factors that materially affected the business of the Group for the current year to date.

A5. Unusual items

There were no unusual items affecting the interim financial statements for the current year to date.

A6. Changes in Accounting Estimates

There were no changes in estimates that have had material effect in the current quarter and financial year to date.

A7. Debt and Equity Securities

There were no issuances, cancellation, repurchases, resale and repayment of debt and equity securities for the current quarter and financial year to date.

A8. Dividends Paid

There was no dividend paid during the current financial quarter.

A9. Segmental Reporting

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

The Group - 31.03.13	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	5,584	-	1,462	816	-	-	7,862
Inter-segment revenue	92	7,477	837	253	-	(8,659)	-
Total revenue	5,676	7,477	2,299	1069	-	(8,659)	7,862
Results							
Segment Profit / (Loss)	609	1004	27	73	(59)		1,654
Investment Revenue							11
Other gains and Losses							-
Provision for corporate guarantee							-
Finance costs							(149)
Profit before tax							1,516
Income tax Expense							(388)
Profit for year							1,128

**The Group -
31.03.12**

	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	4,979	-	1,492	1,116	-	-	7,587
Inter-segment revenue	95	2,186	808	38	-	(3,127)	-
Total revenue	5,074	2,186	2,300	1,154	-	(3,127)	7,587
Results							
Segment Profit / (Loss)	718	284	(36)	108	(49)	-	1,025
Investment Revenue							15
Other gains and Losses							0
Provision for corporate guarantee							(170)
Finance costs							(220)
Profit before tax							650
Income tax Expense							(231)
Profit for year							419

A10. Valuation of Property, Plant and Equipment

The values of property, plant and equipment have been brought forward without amendments from the previous financial statements for the year ended 31 December 2012.

A11. Material Subsequent Events

Save and except for announcements made by the Company on 3 April 2013 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 for the current quarter ended 31 March 2013.

A13. Gains/Losses arising on Financial Liabilities

There were no gains or losses arising from fair value changes of financial liabilities as all financial liabilities were measured at amortised cost. The net loss arising on loan creditor carried at amortised cost during the interim financial report ended 31 Mar 2013 was RM148,650

A14. Contingent Liabilities

	As at 31/03/2013 RM'000	As at 31/12/2012 RM'000
Financial guarantees granted for subsidiaries' credit facilities	<u>5,500</u>	<u>5,500</u>

There were no material changes in contingent liabilities since the last audited financial statement date.

A15. Capital Commitments

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

A16. Related Party Transaction

Related party transaction with directors and/or major shareholders (and/or persons connected to them) of the Company and of the Subsidiary companies during the current year to date.

- i. Sale of development property RM550,000

ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of Performance

For the current quarter under review, the Group recorded revenue of RM7.862 million, an increase of RM0.275 million or 3.62% compared to RM7.587 million recorded in the preceding year corresponding quarter.

The improvement in current quarter revenue was mainly contributed by better performance from Property development segments. The increase in revenue of property development segment is due to new development project (Alyssa) launches for sales and higher sales of the completed units. The Group's Contracting segment is emphasizing on internal projects to ensure higher profit margin and better control on quality of developed properties. There was no significant change in Manufacturing Segment. Trading segment's revenue was lower than preceding year corresponding quarter due to the decrease in the quantity of orders for bricks, blocks and a decrease in revenue for other building materials arising from our internal property development projects.

For the current quarter under review, the Group profit before tax increased by RM0.866 million or 133.23% to RM1.516 million as compared to profit before tax of RM0.650 million in the preceding year corresponding quarter. The higher profit before tax was mainly in tandem to increase revenue from property development and contracting segment couple with stop providing for overdraft interest and the crystallization of corporate guarantee upon signing the debt settlement arrangement with the lender as mentioned in Note B6.

B2. Comparison with Immediate Preceding Quarter

For the current period under review, the Group registered revenue of RM7.862 million, representing a decrease of RM1.478 million or 15.82% compared to the immediate preceding quarter of RM9.340 million. The decrease was mainly due to the sales of completed properties were RM1.430 million lower compared to the immediate preceding quarter. The manufacturing segment reported revenue of RM1.462 million, representing a decrease of RM0.047 million as compared to RM1.509 million the immediate preceding quarter mainly due to the decrease in the quantity of orders for bricks and blocks.

The Group recorded profit before tax of RM1.516 million, representing a decrease of RM0.251 million or 14.20%, against a profit before tax of RM1.767 million recorded in the immediate preceding quarter. This was mainly due to the decrease in profit from property development and contracting segments as a result of lesser number of completed units were sold. Profit before tax of Manufacturing segment increased by RM0.274 million despite lower revenue, mainly attributed to stop providing for overdraft interest upon signing the debt settlement arrangement with the lender as mentioned in Note B6.

B3. Current Year Prospects

The performance of property segment of the Group is expected to remain positive and the Group will continue to focus on its ongoing integrated Bandar Machang Bubok township in Bukit Mertajam. The Property segment is expected to continue leading in the Group's financial results for the current financial year.

The Manufacturing and Trading segments are expected to improve and contribute to the bulk of the Group's earnings in the current financial year.

Barring any unforeseen circumstances, we are committed to improve our performance in year 2013.

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	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation				
- Current year	388	231	388	231
- Prior year	-	-	-	-
Total	<u>388</u>	<u>231</u>	<u>388</u>	<u>231</u>

The effective tax rates of the Group for the current quarter is lower than the Malaysian statutory tax rate of 25% mainly due to utilisation of certain subsidiary companies' business losses brought forward from prior years.

B6. Status of Corporate Proposal

As mention in the audited financial statement for the year ended 31 December 2012, the proposed debts settlement plan were finalised with seven out of the eight lenders. During the current financial quarter, the Company and its subsidiary company, Multi-Usage Cement Products Sdn. Bhd. had entered into the debt settlement arrangement with the remaining lender for the settlement of the total outstanding amount due to the lender of RM12,689,300 as of February 28, 2013. Under the said settlement agreement, the claim sum of RM12,689,300 is to be settled in the following manner:

- An upfront payment of RM2,500,000 to be paid to the lender latest by March 31, 2013; and
- The remaining balance of RM1,500,000 to be payable by 13 monthly instalments of RM50,000 each and the payment of the last settlement of the balance RM850,000 is subject to further negotiation after the 13th monthly instalment.

The upfront payment of RM2,500,000 and first monthly instalment of RM50,000 had been paid by the Group on March 30, 2013.

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

B7. Group's Borrowings and Debt Securities

Total Group's borrowings as at 31 March 2013 are as follows:

	Current RM'000	Non current RM'000	Total RM'000
Unsecured Bank Overdrafts	2,132	-	2,132
Hire Purchase Payable	28	103	131
Total	<u>2,160</u>	<u>103</u>	<u>2,263</u>

The above borrowing is denominated in Ringgit Malaysia.

The Company and its subsidiary company had entered into the debt settlement arrangement with the lender for the settlement of total outstanding amount, including of unsecured bank overdrafts, due to the lender as mentioned in Note B6.

B8. Material Litigation

On March 4, 2013, the Company had been served with a writ of summons and statement of claim by Covenant Equity Consulting Sdn. Bhd. (“CEC”), claiming for an amount of RM2,986,045 together with interest at the rate of 8% per annum from the date of summon until the date of full settlement.

The Company is denying the claim and seeking legal advice as to the appropriate course of action in respect of the above.

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.

The Company have successfully obtained the Order from the Kuala Lumpur High Court to transfer the matter to Penang High Court on May 9, 2013.

B9. Dividends

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

B10. 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 31/03/2013	PRECEDING YEAR QUARTER ENDED 31/3/2012	CURRENT YEAR TO DATE ENDED 31/3/2013	PRECEDING YEAR TO DATE ENDED 31/3/2012
Profit attributable to equity holders of the company (RM'000)	1,128	419	1,128	419
Weighted average number of ordinary shares ('000)	52,728	52,728	52,728	52,728
Basic earnings per share (sen)	2.14	0.79	2.14	0.79

(ii) Diluted earnings per share

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

B11. Realised and Unrealised Profits/Losses Disclosure

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

	AS AT	AS AT
Total accumulated losses of the Company and its subsidiaries:	31/03/2013	31/12/2012
	(Unaudited)	(Audited)
	RM '000	RM '000
Realised	(4,448)	(5,724)
Unrealised	(7,494)	(7,346)
	<hr/>	<hr/>
	(11,942)	(13,070)
Add: Consolidation adjustments	(16,961)	(16,961)
	<hr/>	<hr/>
Total accumulated losses of the Group as per condensed statement of financial position	(28,903)	(30,031)
	<hr/>	<hr/>

B12. Notes to the Condensed Consolidated Statement of Comprehensive Income

Profit for the period is arrived at after charging / (Crediting):

	Individual Quarter		Year to date	
	31/3/2013	31/3/2012	31/3/2013	31/3/2012
	RM '000	RM '000	RM '000	RM '000
Depreciation of property, plant and equipment	42	49	42	49
Interest expense	-	98	-	98
Interest on loan creditor carried at amortised cost <i>(Included in finance cost)</i>	149	122	149	122
Property, Plant and Equipment written off	-	5		5
Interest income	(11)	(6)	(11)	(6)
Rental income	-	(9)	-	(9)

B13. 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 28 May 2013

BY ORDER OF THE BOARD

ANG KIM CHENG @ ANG TENG KOK
Group Managing Director

28 May 2013