

MULTI-USAGE HOLDINGS BERHAD

(Company No. 228933-D)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the third quarter ended 30 September 2014 (UNAUDITED)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Unaudited Current Year Quarter 30/9/2014 RM'000	Preceding Year Corresponding Quarter 30/9/2013 RM'000	Unaudited Current Year To Date 30/9/2014 RM'000	Preceding Year Corresponding Period 30/9/2013 RM'000
Revenue		13,514	10,130	43,360	24,322
Cost of sales		(8,236)	(7,216)	(27,107)	(16,823)
Gross profit		5,278	2,914	16,254	7,499
Investment revenue		46	2	85	18
Other gains and losses		687	1	8,887	19
Administrative & other operating expenses		(1,198)	(801)	(3,346)	(2,676)
Profit from operations		4,813	2,117	21,880	4,861
Finance cost		(1)	(1)	(4)	(303)
Profit before tax		4,812	2,115	21,875	4,558
Income tax expenses	B5	(1,031)	(495)	(3,446)	(1,164)
Profit for the period		3,781	1,620	18,430	3,393
Other comprehensive income for the period		0	0	0	0
Total comprehensive income for the period		3,781	1,620	18,430	3,393
Profit for the year attributable to:					
Owners of the Company		3,781	1,621	18,432	3,395
Non-controlling interests		(0)	(1)	(3)	(1)
		3,781	1,620	18,430	3,393
Total comprehensive income attributable to:					
Owners of the Company		3,781	1,621	18,432	3,394
Non-controlling interests		(0)	(1)	(3)	(1)
		3,781	1,620	18,430	3,393
Earnings per ordinary share attributable to owners of the Company (sen) :	B10				
Basic		7.17	3.07	34.96	6.44

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 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)

	Note	Unaudited	Audited
		As at As at 30/09/2014	As at As at 31/12/2013
ASSETS		RM ' 000	RM ' 000
Non-Current Assets			
Property, Plant & Equipment		5,335	5,110
Quoted Investment		1	1
Goodwill on Consolidation		7,400	7,400
Property Development Costs		11,911	11,551
Deferred tax assets		984	1,076
		<u>25,631</u>	<u>25,138</u>
Current Assets			
Inventories		2,624	1,615
Property Development Costs		27,357	30,535
Trade and Other Receivables		2,654	3,541
Refundable deposits		223	119
Short term deposits with licensed banks		231	231
Cash & Bank Balances		12,167	426
		<u>45,257</u>	<u>36,467</u>
TOTAL ASSETS		<u>70,888</u>	<u>61,605</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		(10,976)	(29,408)
		<u>60,492</u>	<u>42,059</u>
Non-controlling interest		<u>81</u>	<u>84</u>
Total equity		<u>60,573</u>	<u>42,143</u>
Non-current liabilities			
Hire Purchase payable		61	82
		<u>61</u>	<u>82</u>
Current Liabilities			
Trade and Other Payables		8,064	9,103
Loan Creditor		0	0
Hire Purchase Creditor		28	28
Provision for Corporate Guarantee		0	7,742
Bank Overdrafts	B7	0	1,682
Tax Liabilities		2,162	826
		<u>10,254</u>	<u>19,380</u>
Total liabilities		<u>10,315</u>	<u>19,462</u>
TOTAL EQUITY AND LIABILITIES		<u>70,888</u>	<u>61,605</u>
Net Assets		60,492	42,059
Net Assets per share (RM)		1.15	0.80

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 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 third quarter ended 30 September 2014 (UNAUDITED)

	<-----Attributable to the equity holders of the Company----->				Non Controlling Interest	Total Equity
	Share Capital	Non-distributable Share Premium	Revaluation Reserve	Accumulated Profit /(Losses)		
	RM'000	RM'000	RM'000	RM'000		
As at 1 January 2013						
-As previously Stated	52,728	17,043	1,696	(30,031)	86	41,522
Total Comprehensive Income for the period	-	-	-	3,395	(1)	3,393
As at 30 September 2013	52,728	17,043	1,696	(26,637)	84	44,915

	<-----Attributable to the equity holders of the Company----->				Non Controlling Interest	Total Equity
	Share Capital	Non-distributable Share Premium	Revaluation Reserve	Accumulated Profit /(Losses)		
	RM'000	RM'000	RM'000	RM'000		
As at 1 January 2014	52,728	17,043	1,696	(29,408)	84	42,143
Total Comprehensive Income For The Period	-	-	-	18,432	(3)	18,430
As at 30 september 2014	52,728	17,043	1,696	(10,976)	81	60,573

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 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 third quarter ended 30 September 2014 (UNAUDITED)

	Current Year To Date 30/9/2014 RM'000	Preceding Year Current Year To Date 30/9/2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	21,875	4,558
Adjustments for :		
Interest expenses recognised in profit or loss	4	3
Interest on loan creditor carried at amortised cost	-	300
Depreciation of property, plant and equipment	107	113
(Gain) /Loss on disposal of property, plant and equipment	3	(17)
Reversal of provision for corporate guarantee	(7,742)	-
Interest income recognised in profit or loss	(85)	(18)
Waiver of bank overdraft	(682)	-
Operating profit before working capital changes	13,480	4,939
Movements in working capital:		
(Increase) / Decrease in inventories	(1,009)	1,744
Decrease / (Increase) in property development costs	2,819	(4,321)
Decrease in trade and other receivables	886	86
(Increase) / Decrease in other assets	(104)	20
(Decrease) / Increase in trade and other payables	(905)	5,692
Cash generated from operations	15,166	8,161
Income tax paid	(2,018)	(630)
Net cash generated from operating activities	13,148	7,530
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	24
Interest received	85	18
Purchase of property, plant and equipment	(335)	(71)
Net cash used in investing activities	(250)	(29)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of bank loan /overdraft	(1,000)	(2,850)
Repayment to loan creditor	-	(7,057)
Net(repayment to)/advance from directors	(133)	(12)
Repayment to hire purchase payable	(21)	(21)
Interest paid	(4)	(4)
Net cash used in financing activities	(1,158)	(9,944)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	11,741	(2,443)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	426	2,447
CASH AND CASH EQUIVALENTS AT END OF PERIOD	12,167	5
<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	231	219
Cash and bank balances	12,167	5
	12,398	223
Less: Fixed deposit pledged to licensed bank	(231)	(219)
	12,167	5

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013 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 Third Quarter Ended 30 September 2014

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 interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013. 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 2013.

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 2013, except for the adoption of the following new Financial Reporting Standards (FRSs), amendments and IC interpretations were issued by the Malaysian Accounting Standards Board ("MASB") that are applicable for the current financial year:

FRSs, amendments to FRSs and IC Interpretations

Amendments to FRS 10, FRS 12 & FRS 127	- Investment Entities
Amendments to FRS201	- Property Development Activities
Amendments to FRS 132	- Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 136	- Recoverable Amount Disclosures for Non-Financial Assets
IC Interpretation 21	- Levies

The adoption of the above revised FRSs, amendments and IC Interpretations are expected to have no significant impact on the financial statements of the Group.

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. MASB further announced on 7 August 2013 to extend the transitional period for another year. On 2 September 2014, MASB further announced that Transitioning Entities shall be required to apply the MFRS Framework for annual periods beginning on or after 1 January 2017.

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 2013 was not subject to any qualification. However, the Auditors' Report has included the following comments:

Emphasis of Matter

We draw attention to Note 2 to the financial statements. As of December 31, 2013, the Company's current liabilities exceeded current assets by RM23,029,313. 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 the debts settlement plan as mentioned in Note 29 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. Our opinion is not qualified in respect of the matter.

A4. Seasonal or Cyclical Factors

The business operations of the Group during the financial period under review were not materially affected by any seasonal or cyclical factors.

A5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows 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 year to date.

A7. Debt and Equity Securities

There were no issuances, cancellation, repurchases, resale and repayment of debt and equity securities for the financial period ended 30 Sept 2014.

A8. Dividends Paid

There was no dividend paid during the financial period ended 30 Sept 2014.

A9. Segmental Reporting

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

The Group - 30.9.2014	Property Development	Contracting	Manufacturing	Trading	Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	36,216	-	4,837	2,308	-	-	43,360
Inter-segment revenue	(496)	18,999	1,278	2,253	78	(22,111)	0
Total revenue	35,719	18,999	6,115	4,560	78	(22,111)	43,360
Results							
Segment Profit / (Loss)	11,558	1,080	170	259	(299)	140	12,908
Investment Revenue							85
Other gains and Loss							8,887
Finance costs							(4)
Profit before tax							21,875
Income tax expense							(3,446)
Profit for period							18,430

The Group - 30.9.2013	Property Development	Contracting	Manufacturing	Trading	Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	18,532	-	3,922	1,868	-	-	24,322
Inter-segment revenue	841	16,407	1,792	829	246	(20,115)	0
Total revenue	19,373	16,407	5,714	2,697	246	(20,115)	24,322
Results							
Segment Profit	2,947	1,628	22	168	58		4,824
Investment Revenue							18
Other gains and Loss							19
Finance costs							(303)
Profit before tax							4,557
Income tax expense							(1,164)
Profit for period							3,393

A10. Material Subsequent Events

There were no material events subsequent to the end of the financial period.

A11. Changes in the Composition of the Group

There were no changes in the composition of the group during the interim financial report ended 30 Sept 2014.

A12. Contingent Liabilities

	As at	As at
	30/9/2014	31/12/2013
	RM'000	RM'000
Financial guarantees granted for subsidiaries' credit facilities	5,500	5,500

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

A13. 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

For the current financial period ended 30 Sept 2014, the Group recorded revenue of RM 43.36 million, representing an increase of RM19.038 million or 78.28 % compared to corresponding period ended 30 Sept 2013 of RM24.322 million. The increase in revenue was contributed from all operating segments.

The Group recorded profit before tax of RM21.875 million, representing an increase of RM17.318 million or approximately 380% compared to profit before tax of RM4.558 million in previous corresponding period ended 30 Sept 2013. The improvement in profit before tax was mainly due to contribution from sales of completed properties and higher work progress at on going projects such as Garden Residency, TF21 and TF65, reversal of provision for corporate guarantee recognised in the Company and waiver of bank overdraft.

B2. Comparison with Immediate Preceding Quarter

For the current quarter under review, the Group registered a revenue RM13.514 million, which was RM4.184 million or 23.647% lower than the immediate preceding quarter of RM 17.698 million. The decrease in revenue was mainly attributable to the lower sales recorded by property segment.

The current quarter has also recorded lower profit before tax of RM4.812 million compared to profit before tax of RM13.238 million recorded in the immediate preceding quarter which was mainly attributable to the lower revenue achieved in property segments and reversal of provision for corporate guarantee of RM7.742million recorded in the immediate preceding quarter.

B3. Current Year Prospects

The Group will continue to focus on affordable housing and landed properties in our township in Machang Bubok, Bukit Mertajam. The property development projects which are in progress and newly launched project (TF 39) are expected to continue to contribute positively to the earnings of the Group for the remainder of the year.

B4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was announced.

B5. Taxation

	Individual Quarter		Year to date	
	30/9/2014	30/9/2013	30/9/2014	30/9/2013
	RM'000	RM'000	RM'000	RM'000
- Current year	1,087	482	3,354	1,119
- (Over)/Under Provision in prior year	-	1	-	1
Deferred tax	(56)	12	92	44
Total	1,031	495	3,446	1,164

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 deferred tax assets to be off set against taxable profits and utilisation of certain subsidiary companies' business losses brought forward from prior years.

Deferred taxation is mainly due to utilisation of unabsorbed business losses from a subsidiary of which deferred tax asset were recognised previously.

B6. Status of Corporate Proposal

As mentioned in the audited financial statement for the year ended 31 December 2013, 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:

- a) An upfront payment of RM2,500,000 to be paid to the lender latest by March 31, 2013; and
- b) 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 was paid by the Group on March 30, 2013 and ten monthly installments of RM50,000 each were paid in the financial year ended December 31, 2013. On March 17, 2014, the Company obtained the approval from the lender to reschedule the payment of the last installment of the balance RM850,000, to be paid by five (5) monthly installments of RM170,000 each effective April 2014. In the event the Company fails to comply with any of the scheduled repayments, the lender reserves the right to proceed with whatsoever actions it deems fit against the Group to recover all the outstanding liabilities owing by Multi-Usage Cement Products Sdn. Bhd. and Perlis Concrete Products Sdn. Bhd. to the lender without any further reference.

During the current quarter under review, the Group and the Company have fully settled the amount due to the remaining lender.

B7. Group's Borrowings and Debt Securities

Total Group's borrowings as at 30 Sept 2014 are as follows:

	Current RM'000	Non current RM'000	Total RM'000
Unsecured Bank Overdrafts	0	-	0
Hire Purchase Payable	28	61	89
Total	28	61	89

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 as disclosed in Note B6.

B8. Material Litigation

There were no pending material litigation at the date of issuance of this report.

B9. Dividends

No interim dividend has been recommended for the financial period ended 30 Sept 2014.

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 30/9/2014	Preceding Year Quarter Ended 30/9/2013	Current Year to date 30/9/2014	Preceding Year to date 30/9/2013
Profit attributable to equity holders of the company (RM'000)	3,781	1,621	18,432	3,394
Weighted average number of ordinary shares ('000)	52,728	52,728	52,728	52,728
Basic earnings per share (sen)	7.17	3.07	34.96	6.44

(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:

Total accumulated profit / (losses) of the Company and its subsidiaries:	As at 30/9/2014 (Unaudited) RM '000	As at 31/12/2013 (Audited) RM '000
Realised	9,973	(1,459)
Unrealised	(1,512)	(8,374)
	8,461	(9,833)
Add: Consolidation adjustments	(19,437)	(19,576)
Total accumulated losses of the Group as per condensed consolidated statement of financial position	(10,976)	(29,408)

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	
	30/9/2014 RM '000	30/9/2013 RM '000	30/9/2014 RM '000	30/9/2013 RM '000
Depreciation of property, plant and equipment	41	35	107	113
Interest expense	1	1	4	3
Interest on loan creditor carried at amortised cost (Included in finance cost)	-	-	-	300
(Gain)/Loss on disposal of property, plant and equipment	-	-	3	(17)
Reversal of provision for corporate guarantee	-	-	(7,742)	-
Interest income	(46)	(2)	(85)	(18)
Waiver of bank overdraft	(682)	-	(682)	-

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 27 November 2014.

BY ORDER OF THE BOARD

ANG KIM CHENG @ ANG TENG KOK
Group Managing Director