

MULTI-USAGE HOLDINGS BERHAD

(Company No. 228933-D)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the year ended 30 June 2017 (UNAUDITED)

	Note	Unaudited Current Year Quarter 30/6/2017 RM'000	Preceding Year Corresponding Quarter # 30/6/2016 RM'000	Unaudited Current Year To Date 30/6/2017 RM'000	Preceding Year Corresponding Period # 30/6/2016 RM'000
Revenue		7,088	N/A	17,370	N/A
Cost of sales		(5,808)	N/A	(12,685)	N/A
Gross profit		1,280	N/A	4,685	N/A
Investment revenue		74	N/A	514	N/A
Other gains and losses		124	N/A	131	N/A
Other income		47	N/A	154	N/A
Administrative and other expenses		(1,724)	N/A	(9,285)	N/A
Loss from operations		(199)	N/A	(3,801)	N/A
Finance cost		(1)	N/A	(5)	N/A
Loss before tax		(200)	N/A	(3,806)	N/A
Taxation	B5	(156)	N/A	13	N/A
Loss for the year		(356)	N/A	(3,793)	N/A
Other comprehensive income for the year					
Gain on revaluation of properties		-	N/A	1,853	N/A
Total comprehensive income for the year		(356)	N/A	(1,940)	N/A
(Loss)/Profit for the year attributable to:					
Owners of the Company		(355)	N/A	(3,789)	N/A
Non-controlling interests		(1)	N/A	(4)	N/A
		(356)	N/A	(3,793)	N/A
Total comprehensive income attributable to:					
attributable to:					
Owners of the Company		(355)	N/A	(1,936)	N/A
Non-controlling interests		(1)	N/A	(4)	N/A
		(356)	N/A	(1,940)	N/A
(Loss)/Earnings per ordinary share attributable to owners of the Company (sen) :					
Basic	B10	(0.63)	N/A	(6.72)	N/A

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year period 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

Note: In 2016, the Company changed its financial year ended from 31 December 2015 to 30 April and subsequently to 30 June 2016 and made up its financial statements for the 18 months period ended 30 June 2016.

As such, no comparative figures are presented for Statement of Comprehensive Income as there are no comparable interim periods (3 months ended 30 June 2016 and 12 months ended 30 June 2016) in the immediately preceding financial year. Comparative figures for the same financial year ended, ending 30 June will be available for interim financial reports for the financial year ending 30 June 2018 onwards.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited 30/6/2017 RM ' 000	Audited 30/6/2016 RM ' 000
ASSETS		
Non-Current Assets		
Property, plant & equipment	7,468	5,881
Other investment	3	1
Goodwill on consolidation	7,400	7,400
Property development costs	9,337	10,225
Deferred tax assets	1,708	1,584
	<u>25,916</u>	<u>25,091</u>
Current Assets		
Inventories	7,062	6,402
Property development costs	28,743	30,429
Trade and other receivables	5,646	3,115
Refundable deposits	1,360	297
Current tax assets	913	404
Short term deposits with licensed banks	6,042	14,771
Cash & bank balances	1,162	1,148
	<u>50,928</u>	<u>56,566</u>
Assets classified as held for sale	244	-
	<u>51,172</u>	<u>56,566</u>
TOTAL ASSETS	<u>77,088</u>	<u>81,657</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	73,420	56,419
Reserves	3,549	18,697
Accumulated losses	(3,996)	(207)
	<u>72,973</u>	<u>74,909</u>
Non-controlling interest	73	77
Total equity	<u>73,046</u>	<u>74,986</u>
Non-current liabilities		
Hire Purchase payable	-	12
	<u>-</u>	<u>12</u>
Current Liabilities		
Trade and other payables	4,027	6,480
Hire purchase creditor	12	28
Tax liabilities	3	151
	<u>4,042</u>	<u>6,659</u>
Total liabilities	<u>4,042</u>	<u>6,671</u>
TOTAL EQUITY AND LIABILITIES	<u>77,088</u>	<u>81,657</u>
Net Assets	72,973	74,909
Net Assets per share (RM)	1.29	1.33

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

MULTI-USAGE HOLDINGS BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2017 (UNAUDITED)

	<-----Attributable to the equity holders of the Company----->					Non Controlling	Total
	Share	Non-distributable	Revaluation	Accumulated	Total	Interest	Equity
	Capital	Share Premium	Reserve	Losses			
	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
As at 1 July 2016	56,419	17,001	1,696	(207)	74,909	77	74,986
Loss for the year	-	-	-	(3,789)	(3,789)	(4)	(3,792)
Other comprehensive income	-	-	1,853	-	1,853	-	1,853
Total comprehensive income for the year	-	-	1,853	(3,789)	(1,936)	(4)	(1,940)
Transfer from share premium in accordance with Section 618(2) of the Companies Act 2016	17,001	(17,001)	-	-	-	-	-
As at 30 June 2017	<u>73,420</u>	<u>-</u>	<u>3,549</u>	<u>(3,996)</u>	<u>72,973</u>	<u>73</u>	<u>73,046</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

Note: In 2016, the Company changed its financial year ended from 31 December 2015 to 30 April and subsequently to 30 June 2016 and made up its financial statements for the 18 months period ended 30 June 2016.

As such, no comparative figures are presented for Condensed Consolidated Statement of Changes in Equity as there are no comparable interim periods (12 months ended 30 June 2016) in the immediately preceding financial year. Comparative figures for the same financial year ended, ending 30 June will be available for interim financial reports for the financial year ending 30 June 2018 onwards.

* In accordance with Section 74 of the Companies Act 2016, the Company's shares no longer have a par or nominal value with effect from 31 January 2017. There is no impact on the number of shares in issue or the relative entitlement of any of the members as a result of this transition. In the accordance with the transitional provisions under Section 618 of the Companies Act, 2016, any amount standing to the credit of the share premium account becomes part of the Company's share capital. The Company have 24 months upon the commencement of the Companies Act, 2016 to utilise the credit. During the financial period, the Company has utilized none of the credit of the share premium account which have now become part of the share capital.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW For the year ended 30 June 2017 (UNAUDITED)

CASH FLOWS FROM OPERATING ACTIVITIES	RM'000
Loss before tax	(3,805)
Adjustments for :	
Interest expense	5
Depreciation of property, plant and equipment	342
Reversal of provision for fereseable loss (Net)	1,095
Property, plant and equipment written off	4
Bad debts written off	3
Impairment loss on trade receivables	8
Loss on disposal of property, plant and equipment	(2)
Reversal of impairment loss on other investment	(2)
Interest income	(540)
Operating loss before working capital changes	(2,892)
Movements in working capital:	
Increase in inventories	(660)
Decrease in property development costs	1,478
Increase in trade and other receivables	(2,641)
Increase in other assets	(1,062)
Decrease in trade and other payables	(2,449)
(Decrease)/ Increase in Due to contracts customer	
Cash used in operations	(8,226)
Tax refunded	925
Interest received	26
Income tax paid	(1,812)
Net cash used in operating activities	(9,087)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from disposal of property, plant and equipment	10
Interest received	610
Purchase of property, plant and equipment	(236)
Net cash generated from investing activities	384
CASH FLOWS FROM FINANCING ACTIVITIES	
Net(repayment to)/advance from directors	16
Repayment to hire purchase payable	(28)
Interest paid	(5)
Net cash used in financing activities	(17)
Net decrease in cash and cash equivalents	(8,720)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	15,662
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	6,942
<u>CASH & CASH EQUIVALENTS</u>	
Short term deposits with licensed banks	6,042
Cash and bank balances	1,162
	7,204
Less: Fixed deposit pledged to licensed bank	(262)
	6,942

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2016 and the accompanying explanatory notes attached to the interim financial statements.

Note: In 2016, the Company changed its financial year ended from 31 December 2015 to 30 April and subsequently to 30 June 2016 and made up its financial statements for the 18 months period ended 30 June 2016.

As such, no comparative figures are presented for Condensed Consolidated Statemnet of Cash Flow as there are no comparable interim periods (12 months ended 30 June 2016) in the immediately preceding financial year. Comparative figures for the same financial year ended, ending 30 June will be available for interim financial reports for the financial year ending 30 June 2018 onwards.

MULTI-USAGE HOLDINGS BERHAD

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Notes to the Unaudited Quarterly Report for the year ended 30 June 2017

PART A - DISCLOSURE NOTES PURSUANT TO FINANCIAL REPORTING STANDARDS

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 Main Market 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 period ended 30 June 2016. These explanatory notes attached to the 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 period ended 30 June 2016.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those adopted for the audited financial statements for the year period ended 30 June 2016, except for the adoption of the relevant new FRSs, amendments to FRSs and IC interpretations were issued by the Malaysian Accounting Standards Board ("MASB") that are applicable to the Group for the current financial period beginning 1 July 2016.

The adoption of the above new FRSs, amendments to FRSs and IC Interpretations does not have any 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").

According to an announcement made by the MASB on 8 September 2015, all Transitioning Entities shall adopt the MFRS financial statements for annual periods beginning on or after 1 January 2018.

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 year ending 30 June 2019. 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 period ended 30 June 2016 was qualified and the details of the qualification are as described belows:-

Basis of Qualified Opinion

As disclosed in Note 35(b) to the financial statements, in prior years, Multi-Usage Holdings Berhad (“the Company” or “MUH”), Multi-Usage Cement Products Sdn. Bhd. (“MUCP”), Multi-Usage Cement Products (Johore) Sdn. Bhd. (“MUJ”), Multi-Usage Trading Sdn. Bhd. (“MUT”) and Multi-Mix Sdn. Bhd. (“MMX”) [collectively known as “MUH and its Relevant Subsidiaries”] had difficulty in servicing their outstanding debts totalling RM36,130,358 owing to certain lenders. In years 2008 and 2009, MUH carried out debt restructuring exercises to clear all the outstanding debts owing by MUH and its Relevant Subsidiaries to the lenders by entering into debt settlement agreements, novation agreements and/or guarantor agreements with a Special Purpose Vehicle (“SPV”) involved in the debt restructuring exercises, and its lenders.

As mentioned in Note 35(b) to the financial statements, during the financial period, a special audit was conducted by a professional service firm in response to complaints filed against certain directors of the Company and of the Group, including the allegation that a director of the Company has benefited from the debt restructuring exercises. The special audit report was issued on February 25, 2016 and the special auditor provided its observations relating to those allegations. As reported by the special auditor, it does not have sufficient information to ascertain whether any of MUH’s directors and/or any persons connected with the directors have any interest in the profit gained by the SPV in connection with the debt restructuring exercises. It has also reported that, however, RM4,909,018 of the total settlement sum of RM9,817,291 paid by SPV to the lenders were paid on behalf by a company in which certain directors of MUH are also directors. The special auditor noted that a director of MUH appeared to have signed on the SPV’s general cash vouchers and letter containing SPV’s cheque information issued to a financial institution; and the SPV helped a director of MUH to settle his personal guarantee with a financial institution. The special auditor recommended that the management take serious consideration to identify any transactions that may give rise to potential conflict of interest and assess whether there are any breaches of relevant legislations.

Also as mentioned in Note 35(b) to the financial statements, the Company appointed a legal advisor to assess whether the Company controls the SPV, whether the SPV’s accounts have to be consolidated into MUH Group’s consolidated accounts and whether the transactions between the Group and the SPV were considered related party transactions. Based on the legal advisor’s assessment, majority of the directors concluded that the Company had no control over the SPV on the grounds that there was no evidence to show that the activities of the SPV were conducted by MUH for its specific business needs so that MUH obtained benefits from it; that MUH had no decision-making power in the SPV; that MUH had no rights to obtain majority of the benefits of the SPV; and that nothing showed that MUH retained majority of the residual or ownership risk related to the SPV or its assets in order to obtain benefits from its activities and/or transactions. Based on the legal advice, majority of the directors also concluded that unless there is direct evidence proving that the said directors have any interest in the SPV, it was insufficient to conclude that the funds transferred to the SPV by a company in which certain directors of the Company are also directors of this company rendered the transactions between MUH and its Relevant Subsidiaries with the SPV as related party transactions based on the findings of the special audit report.

We were unable to obtain sufficient appropriate audit evidence to determine the nature and extent of relationship that may exist between the Company and the SPV by virtue of the said transactions and the debt restructuring exercises. Consequently, we were unable to reach a conclusion to support the assertions made by the directors in Note 35(b) to the financial statements that the Company had no control over the SPV; that the transactions between the Group and SPV are not related party transactions and that the matters highlighted in the special audit report have no immediate financial impact to MUH Group since these matters are all historical events.

Qualified Opinion

In our opinion, except for the effects of the matters, if any, as described in the Basis for Qualified Opinion paragraph, the financial statements give a true and fair view of the financial position of the Group and of the Company as of June 30, 2016 and of their financial performance and cash flows for the financial period from January 1, 2015 to June 30, 2016 in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

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 financial period/year ended 30 June 2017.

A6. Changes in Accounting Estimates

There were no significant change in estimates that have had material effect in the financial period/year ended 30 June 2017.

A7. Debt and Equity Securities

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

A8. Dividends Paid

There was no dividend paid during the current financial period ended/year 30 June 2017.

A9. Segmental Reporting

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

12 months ended 30.06.2017	Property Development RM'000	Contracting RM'000	Manufacturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External revenue	15,095	176	1,472	627	-	-	17,370
Inter-segment revenue	168	6,633	287	389	47	(7,524)	
Total revenue	15,263	6,809	1,759	1,016	47	(7,524)	17,370
Results							
Segment Loss	(643)	(579)	(900)	(140)	(2,247)	63	(4,446)
Investment Revenue							514
Other gains and Loss							131
Finance costs							(5)
Loss before tax							(3,806)
Taxation							13
Loss for the year							(3,793)
Preceding 12 months ended 30.06.2016							
	Property Development RM'000	Contracting RM'000	Manufacturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External revenue	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Inter-segment revenue	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total revenue	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Results							
Segment Profit / (Loss)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Investment revenue							N/A
Other gains and Loss							N/A
Finance costs							N/A
Profit before tax							N/A
Taxation							N/A
Profit for the year							N/A

A10. Material Events Subsequent to the end of the Reporting Period

There were no material events subsequent to the end of financial period except for announcement made by the Company on events disclosed in Note B8.

A11. Changes in the Composition of the Group

There were no changes in the composition of the group for the current financial period/year ended 30 June 2017.

A12. Contingent Liabilities

- (i) On 18 March 2016, a wholly-owned subsidiary, TF Land Sdn. Bhd. ("TFLSB") received a letter from Mahkamah Perusahaan Malaysia notifying TFLSB that the hearing pertaining to the dispute between former director of TFLSB in relation to the termination of him as executive director of TFLSB. The details of the case are disclosed in Note B8(b).
- (ii) On 4 July 2016, Multi-Usage Property Sdn. Bhd. ("MUP") received a sealed copy of the Writ and Statement of Claim dated 13 June 2016 from Team Four Sdn. Bhd. ("the Plaintiff"). MUP is required within 14 days from the date of receipt of the Writ and Statement of Claim to enter appearance, failing which, the Plaintiff will proceed to obtain judgement against MUP without further notice. The details of the case are disclosed in Note B8(e).
- (iii) On 13 December 2016, the Company announced that MUH had on 7 December 2016 been served with a Kuala Lumpur High Court Originating Summons No. WA-24NCC-510-12/2016 dated 5 December 2016 filed by A director of the Company ("the Plaintiff") against MUH & 7 others ("the Defendants") seeking inter alia for declaration that the decision by the Board of Directors on 28 November 2016 in suspending the Plaintiff as a Non-Independent and Non-Executive director is ultra vires, against the law, invalid and void and other consequential relief. The details of the case are disclosed in Note B8(i)
- (iv) On 19 December 2016, the Company announced that MUH has been served with a Originating Summons No. WA 24-NCC-2-12/2016: Najmi Dawami bin Abdul Hamid @ Mohd Akib (Plaintiff) v MUH (Defendant) by the Plaintiffs pursuant to a suit filed in the Kuala Lumpur High Court on 16 December 2016. The details of the civil suit are disclosed in Note B8(j).

As the outcome of the above legal suits are not presently known, the financial impact can not be estimated or ascertained with reasonable certainty. Therefore, the Group is unable to quantify the financial impact or expected losses, should there be any.

- (v) On 17 November 2015, the Company appointed a professional service firm to carry out a special audit on specific transactions and/or payments made by the Group and the Company. Based on the findings of the special audit, the potential financial and legal impact would be a possible claim by the SPV in the event the Group is unable to produce valid titles for the five properties used in the set-off RM1,225,000 debts owing by MUH and its relevant subsidiaries to the SPV.

A13. Property, plant and equipment

The freehold land was revalued by the directors on 30 December 2016 based on a valuation carried out by Messrs. Mark Saw Khay Liang, MRICS, FRISM, a registered valuer of PPC International Penang Sdn. Bhd., an independent firm of professional valuers, using the comparison method of valuation. The resulting properties revaluation surplus has been credited to revaluation reserve account. All other property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

A14. Capital Commitments

Capital Commitments not provided for in the financial statements as at 30 June 2017 are as follows:

- Contractual commitment to purchase development land. The details are disclosed in Noted B6(A).

**PART B - DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF
BURSA MALAYSIA SECURITIES BERHAD**

B1. Review of Performance

For the current quarter ended 30 June 2017, the Group recorded revenue of RM7.088 million and loss before tax of RM0.200 million.

Current Quarter	Revenue	Loss before tax
Property Development	6,844	426
Contracting	117	66
Manufacturing	96	(251)
Trading	31	(39)
Others	-	(402)
Total	7,088	(200)

For the current financial year ended 30 June 2017, the Group recorded revenue of RM17.370 million and loss before tax of RM3.806 million.

Cumulative Quarter	Revenue	Loss before tax
Property Development	15,095	(426)
Contracting	176	(310)
Manufacturing	1,472	(736)
Trading	627	(138)
Others	-	(2,196)
Total	17,370	(3,806)

Due to the change in the previous financial year end from 31 December 2015 to 30 April 2016 and subsequently to 30 June 2016, there were no comparative financial information available for the 3 months and 12 months financial period/year ended 30 June 2016.

B2. Comparison with Immediate Preceding Quarter

The Group revenue increase by RM6.662 million to RM7.088 million as compared to a revenue of RM0.426 million achieved in the immediate preceding quarter ended 31 March 2017.

	Current Quarter	Preceding Quarter	Variance
Revenue	30/6/2017	31/3/2017	
Property Development	6,844	60	6,784
Contracting	117	57	60
Manufacturing	96	205	(109)
Trading	31	104	(73)
Total	7,088	426	6,662

The increased in revenue from the property development segments by RM6.784 million was mainly due to higher sales of completed inventories and higher progressive billings recognition for on going developments.

Loss before tax of RM2.707 million recorded in immediate preceding quarter improved to a loss before tax of RM0.200 million in the current quarter mainly due to higher revenue recorded from property development division and lower administrative and other operating expenses.

B3. Prospects

Going forward, the Group will continue to focus on and develop its major business segment which is property development segment in Machang Bubok, Bukit Mertajam. The Group is still actively pursuing to increase its land bank through acquisitions and/or joint ventures and continues to seek for new business opportunities that will contribute positively to the Group.

For the Manufacturing segment, the Group will continue to pursue enhancement in productivity of high margin products as well as implementing cost efficiencies.

B4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was announced.

B5. Taxation

	Current Quarter 30/6/2017 RM'000	Current year to date 30/6/2017 RM'000
Current year	169	(5)
- (Over)/Under Provision in prior year	5	(203)
Deferred tax	(330)	221
Total	<u>(156)</u>	<u>13</u>

The effective tax rates of the Group is higher than the Malaysian statutory tax rate of 24% mainly due to losses of certain subsidiaries which cannot be set off against taxable profits of other subsidiaries and certain expenses which were disallowed as deductions for tax purposes.

B6. Status of Corporate Proposal

The following are the corporate proposals that have been announced by the company which were not completed as at 29 August 2017.

(A) Related Party Transaction

On 19 February 2016, the company announced the proposed acquisition of a freehold land held under title No. GM 288, Lot 822, Mukim 16, Daerah Seberang Perai Tengah, Pulau Pinang ("the Property") for a cash consideration of Ringgit Malaysia Eight Million Four Hundred Eighty Three Thousand Seven Hundred Forty Four and Sen Seventy Two (RM8,483,744.72) or based on Ringgit Malaysia Forty (RM40) per square foot ("Purchase Price") by Multi-Usage Property Sdn Bhd ("MUP"), a wholly-owned subsidiary of MUH from Team Four Sdn. Bhd. ("Team Four").

Both Ang Hwei Chyn and Ang Ai, two directors of MUH are shareholders of Team Four and collectively have direct and indirect shareholdings of 20.28% in Team Four. Tan Chew Hua, a director of MUH, has a total indirect equity interest of 22.85% in Team Four. As certain directors and major shareholder of MUH are directors and major shareholders of Team Four, the Proposed acquisition is deemed a Related Party Transaction.

The transaction is subject to shareholders approval and the Company had on 18 April 2016 applied to Bursa Malaysia for an extension of time of three months from 20 April 2016 until 19 July 2016 for MUH to submit the draft Circular to Bursa Malaysia. Bursa Malaysia had on 9 May 2016 approved for extension of time until 19 July 2016 to comply with Para 9.33 (1)(a) of the Main Market Listing Requirements.

Subsequently, the Company had on July 18, 2016 applied to Bursa Securities for a further extension of twelve months from July 19, 2016 to July 19, 2017 for the submission of the draft circular. Bursa Securities vide its letter dated July 29, 2016 had resolved to grant a further extension of time up to January 19, 2017 for the submission of the draft circular to Bursa Securities.

On 4 July 2016, MUP has been served with a Writ of Summons from Team Four Sdn. Bhd. The details of the case are disclosed in Note B8(e).

On 21 February 2017, the Company announced that the Property has been auctioned off by OSK Capital Sdn Bhd ("OSK"), the proposed acquisition is no longer valid and therefore, the related party transaction is ceased.

On 20 June 2017, an originating Summons No.: PA-24NCVC-499-06/2017 together with an Affidavit in Support affirmed by Goh Choon Aik both dated 15 June 2017 from Messrs BP Ang & Tan, the solicitors of GTM Property Management Sdn. Bhd. were served to MUP. The details of the case are disclosed in Note B8(o).

On 8 August 2017, the Company announced that on 3 August 2017, Multi-Usage Property Sdn Bhd ("MUP" or "the Plaintiff"), a wholly-owned subsidiary of the Company has filed a sealed copy of an Originating Summons No.: PA-22NCvC-157-08/2017 together with an Affidavit In Support affirmed by a Director of MUH with the Penang High Court.

As the outcome of the above legal suits are not presently known, the status of the proposed acquisition is pending final disposal of the above legal cases and/or further Orders deem fit by Honourable Court.

(B) Status of utilisation of proceeds raised from Private Placement

A total of 3,691,000 Placement Shares were placed out at RM1.01 per Placement Share and were listed on 11 June 2015. The gross proceeds raised from the proposed Private Placement was RM3,727,910 while the placement of the remaining of up to 1,581,800 Placement Shares will not be implemented following the resolution in relation to the authority to issue shares pursuant to Section 132D of the Companies Act, 1965 was not approved by the shareholders at the Company's twenty-third (23rd) Annual General Meeting held on 29 June 2015.

The status of utilisation of the proceeds from the private placement as at **9 June 2017** is as follows:-

Purpose	<u>Gross Proceeds</u>	<u>Amount</u> <u>Utilised</u>	<u>Amount</u> <u>Unutilised</u>	<u>Time frame for utilisation</u>
	RM'000	RM'000	RM'000	
To finance acquisition of land	3,648	-	3,648	Within 24 months
Corporate proposal expenses	79	(79)	-	Within 2 weeks
	<u>3,728</u>	<u>(79)</u>	<u>3,648</u>	

On 9 June 2017, MUH announced that the Board of Directors has agreed to utilise the unutilised proceeds amounting to RM3,648,443 as working capital for development expenditure.

B7. Group's Borrowings and Debt Securities

Total Group's borrowings are as follows:

	As at 30/6/2017 RM'000	As at 30/6/2016 RM'000
Hire Purchase Payable		
Non current	-	12
Current	12	28
	<u>12</u>	<u>40</u>

The above borrowing is denominated in Ringgit Malaysia.

B8. Material Litigation

Save for the following, the Group was not engaged in any other material litigations as at 22 August 2017, a date not earlier than 7 days from the issuance of this interim financial report.

(a) On 2 July 2015, the Company announced that MUH has been served with a Writ of Summons No. 24NCVC-574-06/2015: Cheah Chian Chong & 10 others (the Plaintiffs) v Multi-Usage Holdings Bhd ("MUH") & 4 others (the "Defendants") by the Plaintiffs pursuant to a suit filed in the Penang High Court on 26 June 2015, claiming for the followings:-

- 1 The Annual General Meeting ("AGM") of the 1st Defendant which was fixed on 29 June 2015 is not valid or be cancelled immediately;
- 2 A Court Order that all resolutions approved in the AGM of the 1st Defendant be cancelled or set aside immediately;
- 3 An Order for the Court to carry out the powers under (but not limited to) Section 150 of the Companies Act, 1965 to direct the convening of a fresh AGM of 1st Defendant and issue directives for the 2nd to 5th Defendants to hold the AGM within 30 days from the date of Court Order;
- 4 An Order that all resolutions as proposed by the Plaintiffs in the written requisition dated 27 April 2015 be tabled in the fresh AGM;
- 5 An Order for compensation be assessed and be paid by the current Directors of 1st Defendant and the 2nd to 5th Defendants to the Plaintiffs;
- 6 Costs of the proceedings be paid by the current Directors of 1st Defendant and the 2nd to 5th Defendants to the Plaintiffs; and
- 7 Other reliefs deemed fit and proper by the Court.

Pursuant to a Court order dated 24 November 2015, the Plaintiffs' claim against the 2nd to 5th Defendants was stuck off with cost, thereby leaving Multi-Usage Holdings Berhad as the sole remaining defendant. MUHB have filed an application dated 18 February 2016 to strike out the Plaintiffs' claim. On 2 June 2016, the Judge has dismissed the Company's application with cost of RM3,000 to be paid to the Plaintiffs.

On 13 June 2016, the Company announced the following actions were taken by the Company on 10 June 2016:-

- 1 Appeal against the Penang High Court's decision in dismissing the Company's striking out application on 2 June 2016; and
- 2 Application by the Company for a stay of proceedings of the above stated matter in the High Court pending disposal of the appeal in the Court of Appeal.

On 1 November 2016, the Company announced that the Court of Appeal has allowed the said appeal and awarded cost of RM15,000.00, subject to payment of allocatur. The effect of this decision is that order in terms for the Defendant's striking out application as encapsulated in Enclosure 38 has been granted and the Plaintiffs' Amended Originating Summons in the Penang High Court has been struck off.

On 1 December 2016, The Penang High Court has directed the Plaintiffs to refund the sum of RM3,000/- paid by the Defendant as costs awarded in the striking out application in the Penang High Court to the Plaintiff within thirty (30) days from 1 December 2016.

- (b) On 18 March 2016, a wholly-owned subsidiary, TF Land Sdn. Bhd. ("TFLSB") received a letter from Mahkamah Perusahaan Malaysia notifying TFLSB that the hearing pertaining to the dispute between former director of TFLSB in relation to the termination of him as executive director of TFLSB. The case is fixed for hearing at Industrial Court Penang on 8th and 9th January 2018.
- (c) On 30 March 2016, the Company announced there was a civil suit filed in the Penang High Court on 23 March 2016 by certain directors of the Company against certain corporate shareholder, certain individual shareholders and the Company.

In respect of the following claims:-

A) Writ of Summons dated 23 March 2016

- (1) A declaration that the 2nd to the 7th Defendants, whether together and/or individually:-
 - Are conducting the affairs of the 1st Defendant and/or the powers of the directors are being exercised in a manner that is oppressive to and/or in disregard of the interests of the members of the 1st Defendant, including the Plaintiffs; and/ or
 - Are threatening further acts and/or resolutions proposed which unfairly discriminate against or which is and/or will be otherwise prejudicial to members of the 1st Defendant, including the Plaintiffs.
- (2) An injunction restraining the 1st to 7th Defendants or any one of them by themselves or through their servants or agents and/or anyone in any manner whatsoever from holding and proceeding with the 2016 Extraordinary General Meeting ("EGM") Notice dated 2 March 2016 including attending, voting at the 2016 EGM on 7 April 2016 or any adjournment thereof and passing any resolution pursuant to the 2016 EGM Notice which include the removal of any directors of MUH and/ or appointment of any new directors of MUH in any way whatsoever;
- (3) All cost occasioned by or incidental to this Originating Summons be borne by the 2nd to the 7th Defendants, jointly and/or severally; and
- (4) Such further and/or other relief as the Honourable Court shall deem fit and proper.

B) Notice of Application (Inter Partes)

The Notice of Application against the Defendants is in respect of the following claims:-

- (1) An Injunction Order restraining the 1st to 7th Defendants by themselves and/or through their employees, servants, officers, agents, assistants and/ or anyone in any manner whatsoever from holding and proceeding with the 2016 EGM Notice dated 2 March 2016 including attending, voting at the 2016 EGM on 7 April 2016 or any adjournment thereof and passing any resolution pursuant to the 2016 EGM Notice which include the removal of any directors of MUH and/ or appointment of any new directors of MUH in any way whatsoever until final disposal of the Originating Summons filed herein and/or until further Orders deem fit by the Honourable Court.
- (2) Costs; and
- (3) Other reliefs and/or Orders deem fit and proper by this Honourable Court.

On 11 April 2016, the Company announced an injunction order restraining the 1st to 7th Defendants by themselves and/or through their employees, servants, officers, agents, assistants and/or anyone in any manner whatsoever from holding and proceeding with the 2016 Extraordinary General Meeting (“EGM”) Notice dated 2.3.2016 including attending, voting at the 2016 EGM on 7.4.2016 or any adjournment thereof and passing any resolution pursuant to the 2016 EGM Notice which include the removal of any directors of Multi-Usage Holdings Berhad (“MUH”) and/or appointment of any new directors of MUH in any way whatsoever until final disposal of the Originating Summons filed herein and/or until further Orders deem fit by Honourable Court.

On 5 April 2017 the Company announced that the Court has allowed the Stay Application and the Orders granted are as per the Sealed Order.

- (d) On 16 June 2016, the Company announced that MUHB and its subsidiary, TF Land Sdn Bhd have commenced a suit against one of the Company’s director in Penang High Court Suit No. PA-22NCVC-110-06/2016.

The said suit is in relation to the Director’s transaction of 5 properties in 2002 and 2007 respectively. The Plaintiffs are claiming for the following reliefs:-

- (1) a declaration of breach of fiduciary duties;
- (2) that the Director is to be removed as the Company’s director immediately and be barred from being a director of the Company for 5 years from the judgment date;
- (3) reliefs under Section 100 (1) of the Securities Industry Act 1983;
- (4) special damages of RM84,380.00;
- (5) special damages of RM19,015.00;
- (6) general damages;
- (7) interest; and
- (8) cost.

On 15 November 2016, the Court has given directions for parties to file their written submissions (in respect of the striking out and amendment applications) by 20 December 2016. On 24 January 2017, the Penang High Court has dismissed defendant’s application to strike out the claim and allowed plaintiffs’ application to amend the statement of claim to include damages of RM3.0 million. The Learned High Court Judge had on 8 August 2017 heard the applications filed by the Defendant for discovery and further particulars. The Court fixed 5 September 2017 for decision and case management.

- (e) On 4 July 2016, MUP (“the Defendant”) received a sealed copy of the Writ and Statement of Claim dated 13 June 2016 from Team Four Sdn. Bhd. (“the Plaintiff”). The Defendant is required within 14 days from the date of receipt of the Writ and Statement of Claim to enter appearance, failing which, the Plaintiff will proceed to obtain judgement against the Defendant without further notice.

Pursuant to the Writ and Statement of Claim, the Plaintiff claims the following from the Defendant:

- 1 Specific performance in order to compel the Defendant to fulfil all their obligations relating to Sale and Purchase Agreement dated 21 January 2016 on the land known as Lot No. 822, Mukim 16, Daerah Seberang Perai Tengah, Pulau Pinang (“Lot 822”) with a purchase consideration of RM8,483,744 (“Purchase Consideration”) to be paid by the Defendant to the Plaintiff’s Solicitors within 14 days from the date of the Judgement to allow redemption of Lot 822 from OSK Capital Sdn. Bhd. (“OSK”) and settle the balance of the Purchase Consideration to the Plaintiff within 7 days from the date of the registration of the transfer to the Defendant at the Land office.
- 2 General damages, cost and other incidental costs as well as the special damages claim and aggravated damages which will be agreed by the Court.
- 3 In the event Lot 822 is sold to OSK, the Defendant to pay the Plaintiff on any loss and damages incurred by the Plaintiff and damages as assessed by the Court.
- 4 Aggravated damages.
- 5 Plaintiff to be given the freedom to apply.
- 6 Legal cost to be borne by the Company and be set-off against the balance of the Purchase Consideration.
- 7 Any other relief that the Honourable Court deem fit and proper.

On 13 December 2016, the Penang High Court has allowed the Plaintiff's application for summary judgment with cost of RM3000.00 to be paid to the Plaintiff.

On 19 December 2016, the following actions were taken by MUP: -

- 1 Notice of Appeal was file by MUP to appeal against the Penang High Court's decision.
- 2 Application for a stay of proceeding application was file at the Penang High Court to stay the Court Order dated 13 December 2016.

On 20 December 2016, the Penang High Court has allowed the stay application with cost of RM1,000.00 to be paid to the Plaintiff for the preparation work that the Plaintiff has done for the auction.

On 21 February 2017, the Company announced that the Property has been auctioned off by OSK Capital Sdn Bhd ("OSK"), the proposed acquisition is no longer valid and therefore, the related party transaction is ceased.

On 22 May 2017, the Court of Appeal has set aside the Order of the High Court dated 13 December 2016 for among others, specific performance and damages against MUP. The Court of Appeal further set aside the cost of RM3,000 granted by the High Court and ordered cost of RM10,000 to be given to MUP.

On 22 August 2017, the Court has instructed the Defendant to file and serve the amended Defence by 4 September 2017 provided the Plaintiff has no objection to the proposed amendment. If the Plaintiff objects to the amendment, the Defendant will have to file an application for amendment. The Court has fixed the case management on 6 September 2017.

- (f) On 9 August 2016, the Company announced that MUH had, on 8 August 2016, been served with the following documents filed by certain individual shareholders ("the Plaintiff") against the Company, corporate secretaries and certain directors of the Company:-

- A) Sealed Originating Summon dated 2 August 2016; and
- B) Affidavit in Support affirmed by Louis Edward Van Buerle on 2 August 2016.

A) Originating Summon

- 1 That within three (3) days from the date of the court order, the defendants listed from the second to the twelfth of the List of Defendants as stated in the Originating Summon, are required to furnish the notice of all six (6) resolutions dated 25 July 2016 proposed by the Plaintiffs pursuant to the Section 151 of the Companies Act, 1965 to the shareholders who are entitled to receive notice of Annual General Meeting of the Company for the year 2016 ("AGM 2016").
- 2 An order requesting the defendants listed from the second to the twelfth of the List of Defendants as stated in the Originating Summon, to table all the six (6) ordinary resolutions proposed by the Plaintiffs at the AGM 2016 for consideration and voting.
- 3 An order that the service of the order for this action is exempted.
- 4 Legal cost of this action is fixed and to be paid by the Defendants to the Plaintiffs.
- 5 Any other relief that the Honourable Court may deem fit and proper.

On 19 September 2016, The Company announced that the Plaintiffs during the Hearing of the 1st Defendant and 2nd, 3rd, 4th, 5th, 7th, 8th & 9th Defendants' Application to Cross-Examine applied to withdraw the Originating Summons with liberty to file a writ action. The Originating Summons is struck out with costs.

- (g) On 6 September 2016, the Company announced that MUH had on 5 September 2016 been served with a Penang High Court Originating Summons No. PA-24NCVC-792-08/2016 dated 23 August 2016 filed by Louis Edward Van Buerle against a Director of the Company & 7 Ors seeking inter alia for declaration that the appointment of the 2nd and 3rd Defendants as directors of the Company on 29 June 2015 is invalid, null and void and other consequential relief.

On 23 January 2017, the 1st, 2nd, 3rd, 6th, 7th and 8th Defendant's Application for Cross-Examination has been dismissed by the Penang High Court with costs of RM2,000.00 to be paid to the Plaintiff.

On 14 March 2017, the Company announced that the Plaintiff withdraws their Application for an Interim Injunction with cost of RM5,000 to be paid to the 1st, 2nd, 3rd, 6th, 7th and 8th Defendant and a separate costs of RM5,000 to be paid to the 4th and 5th Defendant. The 4th and 5th Defendant's application to Strike Out the Originating Summons is dismissed with costs of RM4,000 to be paid to the Plaintiff and the Plaintiff's application to Amend the Originating Summons is allowed with costs of RM1,500 to the 1st, 2nd, 3rd, 6th, 7th and 8th Defendant and costs of RM500 to the 4th and 5th Defendant.

On August 2017, the application to cross examine Louis Edward Van Buerle, the Plaintiff in this Originating Summons was allowed by the Court with cost and the above cross examination will be conducted on 27 October 2017.

- (h) On 2 December 2016, the Company announced that MUH ("the Plaintiff") had filed the Originating Summons No: 24NCVC-1091-11/2016 in the Penang High Court on 23 November 2016 against Khor Chun Mooi ("the Defendant"). The cause papers which were extracted by the Penang High Court on 25th November 2016 are namely:-

- 1 Originating Summons dated 23 November 2016;
- 2 Affidavits in support of Originating Summons affirmed by a director of the Company dated 22 November 2016.

A. Originating Summons dated 23 November 2016

- a) The defendant is required to provide a show cause of the identity of the Plaintiff's Confidential Documents provider including the full name and identification card number within 14 days from the date of the Order;
- b) The Defendant is required to return the original Confidential Documents including all the documents related to the Plaintiff which are under the possession of the Defendant without the knowledge of the Plaintiff, within 14 days from the date of the Order;
- c) That a mandatory injunction to prohibit the Defendant from disclosing and/ or providing the Confidential Documents of the Plaintiff including any other documents which were obtained by the Defendant without Plaintiff's permission and knowledge;
- d) that general damages to be assessed by the Honourable Court ;
- e) costs of his application; and
- f) Such further and/or other relief as the Honourable Court shall deem fit and proper.

On 28 April 2017, the Company announced that the Defendant's Stay Application is dismissed with cost of RM3,000.

On 26 May 2017, the Company announced that the Plaintiff's following applications have been granted by the court with no order as to costs from the Defendant:-

- a) The defendant is required to provide a show cause of the identity of the Plaintiff's Confidential Documents provider including the full name and identification card number within 14 days from the date of the Order;
- b) The Defendant is required to return the original Confidential Documents including all the documents related to the Plaintiff which are under the possession of the Defendant without the knowledge of the Plaintiff, within 14 days from the date of the Order; and
- c) That a mandatory injunction to prohibit the Defendant from disclosing and/ or providing the Confidential Documents of the Plaintiff including any other documents which were obtained by the Defendant without Plaintiff's permission and knowledge.

An appeal: P-02 (NCVC) (A) - 1137-06/2017 filed by the Defendant is fixed for hearing on the 7 November 2017.

- (i) On 13 December 2016, the Company announced that MUH had on 7 December 2016 been served with a Kuala Lumpur High Court Originating Summons No. WA-24NCC-510-12/2016 dated 5 December 2016 filed by A director of the Company ("the Plaintiff") against MUH and certain directors of the Company ("the Defendants") seeking inter alia for declaration that the decision by the Board of Directors on 28 November 2016 in suspending the Plaintiff as a Non-Independent and Non-Executive director is ultra vires, against the law, invalid and void and other consequential relief.

On 19 December 2016, the Kuala Lumpur High Court has allowed the Defendants' application to Transfer this action from Kuala Lumpur High Court to Penang High Court (PA-24NCC-1168-12/2016) without any order for injunction.

The Plaintiff's application for an Ad-Interim Injunction to uplift his suspension pending disposal of this action is refused by the Court on 21 December 2016.

On 2 August 2017, the Court has ordered the Originating Summons to be converted into a Writ Action. The next case management is fixed on 18 September 2017 for the parties to file the pleadings.

(j) On 19 December 2016, the Company announced that MUH received the Originating Summons No: WA-24NCC-2-12/2016 which was filed in the Kuala Lumpur High Court on 16 December 2016 by Najmi Dawami bin Abdul Hamid @ Mohd Akib (Plaintiff) against MUH ("the Defendant"):-

- 1 Originating Summons dated 16 December 2016;
- 2 Unsealed Notice of Application (Application for Interim Injunction) dated 19 December 2016; and
- 3 Notice of Intention to Refer to Affidavit dated 19 December 2016.

A. Originating Summons dated 16 December 2016

- 1 A declaration that the Defendant's conduct and/or action in delaying and/or refusal to circulate the Notice of Candidature of the Plaintiff as a Director of the Defendant dated 15 December 2016 ("Notice of Candidature") is contrary to Paragraph 7.28 of Chapter 7 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements read together with the Articles of Association of the Defendant;
- 2 A mandatory injunction to direct the Defendant and/ or its Directors, officers, servants, employees, agents, representatives and/ or the Company Secretary to circulate the resolution to elect the Plaintiff as a Director of the Defendant as per the Notice of Candidature for consideration by members of the Defendant at the forthcoming 24th Annual General Meeting of the Defendant and to give effect on the same;
- 3 That the costs of this Originating Summons be paid to the Plaintiff by the Defendant; and
- 4 Any further or other relief which this Honourable Court may deem fit and fair in the circumstances of this case.

On 20 December 2016, the Company announced that MUH received the sealed Notice of Application (Application for Interim Injunction) dated 19 December 2016.

Notice of Application

- a) An interim injunction to refrain the forthcoming 24th Annual General Meeting scheduled to be held on 21 December 2016 until the full disposal of the Originating Summons;
- b) An interim injunction restraining the Defendant, and/ or their Directors, officer, servants, employees, agents, representatives and/ or the Company Secretary from proposing and/ or to vote for any agendas and/ or to carry out or give effect to any resolution at the forthcoming 24th Annual General Meeting of the Defendant until the full disposal of this action;
- c) That the costs of this application be paid to the Plaintiff by the Defendant;
- d) The parties be given liberty to apply to the Court for consequential orders; and
- e) Any further or other relief which this Honourable Court may deem fit and fair in the circumstances of this case.

The Court allowed Prayer 1 of the Plaintiff's Originating Summons with costs of RM4,000 on 13 July 2017.

An appeal: P-02(NCC)(A)-1572-08/2017 filed by the Company is fixed for Case Management on the 5 September 2017.

(k) On 21 December 2016, the Company announced that MUH has on 21 December 2016, received a Notice of Application dated 13 December 2016 which was filed in Penang High Court on 13 December 2016 by certain directors of the Company & others ("the Plaintiff") against certain individual shareholders, certain corporate shareholder and the Company, claiming for the followings:-

- 1 That the Defendants No. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 14 ("the Defendants"), within 14 days after the Court Order which will be made by here, are to make a mandatory/ general offer and to take other actions as set out in the Consent Judgement dated 19 November 2015;
- 2 That the Defendants are to settle the cost of application and other cost that may be incurred by Plaintiff No. 2;
- 3 Any further or other relief which this Honourable Court may deem fit and fair in the circumstances of this case.

On 4 April 2017, The Company announced that the court has made the direction that all directions given for specific performance are vacated.

- (l) On 16 January 2017, the Company announced that MUH has been served with a Writ of Summons No. 24NCVC-38-01/2017 which was filed in the Penang High Court on 11 January 2017 by A director of the Company and Khoo Yik Chou ("Plaintiffs") against two directors of the Company and MUH ("Defendants"). The details are as follows:-

Application for reliefs

- 1 A declaration that Ang Kim Cheng @ Ang Teng Kok ("Defendant No. 1") and Ang Hwei Chyn ("Defendant No. 2") are no longer Directors of the Company since the conclusion of the Company's Annual General Meeting held on 21 December 2016;
- 2 An order forbidding the Defendant No. 1 and Defendant No. 2 from appointing new Directors for MUH;
- 3 An order forbidding any persons appointed as Directors of MUH by the Defendant No. 1 and Defendant No. 2 and any persons appointed as Directors of MUH by the Directors appointed by Defendant No. 1 and Defendant No. 2;
- 4 A declaration that any persons appointed as the Directors of MUH by the Defendant No. 1 and Defendant No. 2 and any persons appointed as Directors of MUH by the Directors appointed by the Defendant No. 1 and Defendant No. 2, are null and void;
- 5 A declaration that Tan Chew Hua ("Plaintiff No. 1") has the power to appoint Khoo Yik Chou ("Plaintiff No. 2") or any eligible persons as Directors of MUH in accordance with Article 104 of the Articles of Association of the Company;
- 6 An declaration that the Plaintiffs are the valid Directors of MUH and an order that directs the Company Secretaries of MUH to take and perform all valid actions as required by the Plaintiffs in relation to the company secretarial matters;
- 7 An order that forbids Defendant No. 1 and Defendant No. 2 from utilising any of Defendant No. 3's funds or any of its subsidiaries to finance any legal costs arising from this Originating Summons or any legal actions relating to Defendant No. 1 and Defendant No. 2;
- 8 All cost occasioned by or incidental to this Originating Summons be borne by Defendant No. 1 and Defendant No. 2 personally and the Plaintiffs be indemnified in full;
- 9 That no order in relation to the cost against Multi-Usage Holdings Berhad ("Defendant No. 3"); and
- 10 Such further and/or other relief as the Honourable Court shall deem fit and proper.

On 2 August 2017, the Court has ordered the Originating Summons to be converted into a Writ Action. The next case management is fixed on 18 September 2017 for the parties to file the pleadings.

- (m) On 16 February 2017, the Company announced that MUH ("the Plaintiff") had on 10 February 2017, filed an Originating Summons No.: 24NCVC-129-02/2017 in the Penang High Court against a Director of the Company, Khoo Yik Chou and Companies Commission of Malaysia ("the Defendants"). The details are as follows:-

- 1 A declaration that the Form 49 dated 21 December 2016 ("Form 49") of the Plaintiff and the letter to MUH's company secretary dated 22 December 2016 purportedly signed by the 1st Defendant are illegal, null and void and of no effect;
- 2 A declaration that any appointment of directors as reflected in the Form 49 is unlawful and is null and void;
- 3 An injunction restraining the first Defendant from holding himself and/ or acting as director of MUH until the suspension by MUH since 28 November 2016 is withdrawn or set aside;
- 4 A mandatory injunction to compel the 3rd Defendant and/ or their officers and/or their servants and/ or their employees and/ their agents to reject the Form 49;
- 5 An injunction to restrain the 3rd Defendant and/ or their officers and/ or their servants and/ or their employees and/ or their agents from giving effect to the Form 49;
- 6 An injunction restraining the 2nd Defendant from holding himself and/ or acting as a director of MUH;
- 7 Damages to be assessed;
- 8 Costs of this action be borne by the 1st and 2nd Defendant; and
- 9 Further order and/ or other relief which this Honourable Court may deem fit and fair in the circumstances of this case.

On 2 August 2017, the Court has ordered the Originating Summons to be converted into a Writ Action. The next case management is fixed on 18 September 2017 for the parties to file the pleadings.

- (n) On 27 Feb 2017, the company announced that the company had instructed its solicitors, Messrs Lim, Chong, Phang & Amy to file an application in the high court for leave to commence committal proceedings against Defendant 1 to 12 and 14 (please refer to the sealed copy of ex-parte application to insert all their names) for breach of their undertaking recorded by the court on 19.11.2015 ("the undertaking"). The defendants had undertaken not to act in concert via the undertaking. the learned high court judge had granted leave to the company to commence committal proceedings against the 13 defendants as they are, on prima facie, in breach of the undertaking by acting in concert.

On 4 April 2017, the Company announced that the Court has made the following directions:-

- (i) Exchange of Affidavits in relation to Enclosures 79 (contempt proceedings), 81 (6th, 11th and 12th Defendants' application for setting aside the leave for contempt), 84 (1st, 4th, 5th, 7th and 8th Defendants' application for setting aside the leave for contempt), 89 (Plaintiffs' application for severance of representation) and 93 (14th Defendant's application for setting aside the leave for contempt) is stayed;
- (ii) All directions given for Enclosure 64 (the Plaintiffs' application for "specific performance") are vacated; and

On 11 May 2017, the Court has given the following directions:

- 1 the Defendants' (except the 13th Defendant) application to set aside the ex parte leave order in Encls. 81, 84, 93 and the 13th Defendant's stay application in Encl. 101 to be heard together;
- 2 for Encls. 81 and 84, the Applicants to file affidavit in reply by 2 June 2017;
- 3 for Encl. 93, 13th Defendant to file affidavit in reply by 2 June 2017 and Applicant (14th Defendant) to file affidavit in reply by 16 June 2017;
- 4 for Encl. 101, Defendants to file affidavit in reply by 2 June 2017 and 13th Defendant to file affidavit in reply by 16 June 2017;
- 5 written submissions to be filed by 10 July 2017;
- 6 submissions in reply to be filed by 24 July 2017;
- 7 28 July 2017 for hearing of Encl. 81, 84, 93 and 101; and
- 8 28 July 2017 for case management of your application in Encl. 64, the 13th Defendant's application for committal orders in Encl. 79, your severance application in Encl. 89 and your stay application in Encl. 103 and exchange of affidavits are stayed pending further direction.

On 22 June 2017, the Company announced that MUH had applied to withdraw the Contempt Proceedings in the High Court in Penang Suit No. 22NCVC-180-12/2014 against Tan Seik Lang, Khoo Teng Lye, Yee Ching Sang, Leong Kam Hoi, Chuah Chee Shyuan, Ooi Ah Luan, Lum Wai Kuan, Chuah Chee Wann, Lei Eng How, Ong Tin Phin, Tan Chew Hua, Tan Chiew Ching and Topazvest Temasek Sdn Bhd ("Respondents") via a Notice of Application dated 14.6.2017 ("Withdrawal Application").

The Withdrawal Application is premised on the following facts:

- 1 On 27.2.2017, the Learned High Court Judge ("LHCJ") had granted leave to commence Committal Proceedings against the Respondents ("Leave") and this was duly announced by the Company via its announcement dated 27.2.2017 bearing ref no: GA1-27022017-00058
- 2 Henceforth, the Company had filed Notice of Application against the Respondents pursuant to the Leave;
- 3 The purpose of the Company in seeking the Leave was to protect the interest of the Company as well as its shareholders at large, and to give rise to the spirit of good corporate governance;
- 4 4. The Company is of the view that the Company had done what is necessary and it is now up to any other aggrieved parties to decided what to do next.

The LHCJ had allowed the Withdrawal Application on 19 June 2017 and order costs totalling RM24,000.00 to be paid to the Respondents.

- (o) On 20 June 2017, the Company announced that on 15 June 2017, a sealed copy of an Originating Summons No.: PA-24NCvC-499-06/2017 together with an Affidavit In Support affirmed by Goh Choon Aik both dated 15 June 2017 from Messrs BP Ang & Tan, the solicitors of the Plaintiff, were served to Multi-Usage Property Sdn Bhd, a wholly-owned subsidiary of the Company.

The Plaintiff's claims are as follows:-

- 1 An Order to remove the Private Caveat vide Presentation No.0701B2016000953 that was lodged on a piece of land known as No. Lot 822, Mukim 16, Daerah Seberang Perai Tengah, Pulau Pinang held under GM 288 ("the said Property") by the Defendant;

- 2 The Registrar of Titles shall take the necessary action to remove the Private Caveat lodged on the said Property by the Defendant vide Presentation No.0701B2016000953 ;
- 3 The Defendant is restrained whether through themselves and/or representative and/or the Defendant's agent from lodging any caveat on the said Property without the written consent from the Plaintiff;
- 4 That the Defendant and/or representative and/or the Defendant's agent is restrained from encroaching the said Property;
- 5 Cost of this application and this action including the legal cost shall be assessed and borne by the Defendant; and
- 6 Such further and/or other relief deemed fit and appropriate by this Honourable Court.

On 22 August 2017, the Court has agreed that MUP has caveat able interest on Lot 822 and the status quo ought to be maintained pending the disposal of the two civil suits No.PA-22NCVC-114-06/2016 and No.PA-22NCVC-157-08/2017. The Court dismissed the Enclosure 1 with cost of RM3,000.00 to be paid by GTM to MUP.

- (p) On 8 August 2017, the Company announced that on 3 August 2017, Multi-Usage Property Sdn Bhd ("MUP" or "the Plaintiff"), a wholly-owned subsidiary of the Company has filed a sealed copy of an Originating Summons No.: PA-22NCvC-157-08/2017 together with an Affidavit In Support affirmed by a Director of MUH with the Penang High Court.

The Plaintiff claims against the Defendants for the following reliefs:-

- 1 A declaration that the Plaintiff is a valid purchaser for Lot No.822, Mukim 16, Daerah Seberang Perai Tengah, Pulau Pinang held under Grant GM 288 ("the said property") pursuant to the Sale and Purchase Agreement dated 21.1.2016;
- 2 A declaration that the Plaintiff has priority in terms of right and interest on the said property over the Second Defendant;
- 3 A declaration that the Second Defendant is not a bona fide purchaser without notice in relation to the said property;
- 4 A declaration that the Second Defendant and the Third Defendant had acted in procuring and/or causing the First Defendant to breach the Sale and Purchase Agreement dated 21.1.2016;
- 5 A declaration that the Defendants had acted together via collusion/conspiracy and caused the Plaintiff to suffer loss and damages on the said property;
- 6 An Order that the purchase of the said property by the Second Defendant via public auction dated 21.12.2016 is void and invalid;
- 7 An Order that the Private Caveat with the registration number 0701B2016000953 registered on 31.5.2016 by the Plaintiff on the said property is maintained until the final disposal of this Suit and the Suit No.PA-22NCVC-114-06/2016;
- 8 An Order of damages and damages to be assessed and paid by the First Defendant to the Plaintiff for breach of the said Sale and Purchase Agreement;
- 9 In addition, an Order of damages and damages to be assessed and paid by the Second Defendant and Third Defendant to the Plaintiff premised upon their action/conduct in causing the First Defendant to breach the said Sale and Purchase Agreement;
- 10 In addition, an Order of damages and damages to be assessed and paid by the Defendants to the Plaintiff premised upon their action/conduct/collusion/conspiracy;
- 11 An Order of specific performance against the First Defendant in relation to the sale and purchase of the said property pursuant to the terms of the Sale and Purchase Agreement dated 21.1.2016 in particular, clause 15 concerning the subdivision of the said property to 83 lots including taking all the actions but not limited to redeem the said property and to extract the 83 titles of the lots which had been subdivided and to transfer to the Plaintiff, failing which, the Registrar of the High Court of Penang shall be empowered to sign the transfer forms for the said 83 lots;
- 12 An Order that the Third Defendant and the First Defendant to return the monies received by them from the Second Defendant to the Second Defendant in respect of the purchase of said property via public auction;

- 13 An Injunction Order preventing and/or restraining the First Defendant by themselves and/or through their agents and/or their assistants from disposing the balance sum received from the sale of the said property from the Second Defendant in any manner whatsoever;
- 14 Cost; and
- 15 Other reliefs and/or Orders deem fit and proper by this Honourable Court.

The Court has fixed the case management on 4 September 2017.

B9. Dividends

No interim or final dividend has been declared for the financial period/year ended 30 June 2017.

B10. Earnings Per Share

(i) Basic earnings per share

The calculation of basic earnings per share for the financial year 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 year.

	Current Quarter 30/6/2017	Cumulative Quarter 30/6/2017
Loss for the period attributable to equity holders of the company (RM'000)	(355)	(3,789)
Weighted average number of ordinary shares ('000)	56,419	56,419
Basic loss per share (sen)	(0.63)	(6.72)

(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 retained earnings / (accumulated losses) disclosure is as follows:

	As at 30/6/2017 (Unaudited) RM '000	As at 30/6/2016 (Audited) RM '000
Total retained earnings / (accumulated losses) of the Company and its subsidiaries:		
Realised	17,095	21,273
Unrealised	(98)	(324)
	<hr/> 16,997	<hr/> 20,949
Add: Consolidation adjustments	(20,993)	(21,156)
Total Group accumulated losses as per condensed statement of financial position	<hr/> (3,995)	<hr/> (207)

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

B12. Notes to the Condensed Consolidated Statement of Comprehensive Income

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

	Current Quarter 30/6/2017 RM '000	Current year to date 30/6/2017 RM '000
Interest expense	1	5
Depreciation of property, plant and equipment	84	342
Reversal of provision for foreseeable losses (net)	1,198	1,095
Liquidated ascertained damages	213	2,377
Bad debts written off	-	3
Property, plant and equipment written off	4	4
Impairment loss on trade receivables	8	8
Loss on disposal of property, plant and equipment	-	(2)
Interest income	(100)	(540)
Reversal of impairment loss on other investment	(2)	(2)

B13. AUTHORISATION FOR ISSUE

The interim financial statement was authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 August 2017.

BY ORDER OF THE BOARD

ANG KIM CHENG @ ANG TENG KOK
Executive Chairman