

# MULTI-USAGE HOLDINGS BERHAD

(Company No. 228933-D)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial period ended 31 March 2020

(The figures have not been audited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Year Quarter 31/3/2020 RM'000	Preceding Year Corresponding Quarter 31/3/2019 RM'000	Current Year To Date 31/3/2020 RM'000	Preceding Year Corresponding Period 31/3/2019 RM'000
Revenue	536	2,790	3,705	8,781
Cost of sales	(194)	(1,938)	(2,596)	(6,055)
<b>Gross profit</b>	<b>342</b>	<b>852</b>	<b>1,109</b>	<b>2,726</b>
Other income including investment income	21	44	446	241
Administrative and distribution expenses	(1,164)	(1,287)	(3,740)	(4,288)
Other expenses	-	(4)	-	(4)
<b>Loss from operations</b>	<b>(801)</b>	<b>(395)</b>	<b>(2,185)</b>	<b>(1,325)</b>
Finance cost	(1)	-	(6)	-
<b>Loss before tax</b>	<b>(802)</b>	<b>(395)</b>	<b>(2,191)</b>	<b>(1,325)</b>
Tax income/(expense)	(97)	(162)	85	(315)
<b>Loss for the financial period</b>	<b>(899)</b>	<b>(557)</b>	<b>(2,106)</b>	<b>(1,640)</b>
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the financial period</b>	<b>(899)</b>	<b>(557)</b>	<b>(2,106)</b>	<b>(1,640)</b>
<b>Loss for the financial period / Total comprehensive loss attributable to:</b>				
Owners of the Company	(898)	(557)	(2,105)	(1,640)
Non-controlling interests	(1)	-	(1)	-
	<b>(899)</b>	<b>(557)</b>	<b>(2,106)</b>	<b>(1,640)</b>
<b>Loss per ordinary share attributable to owners of the Company (sen) :</b>				
Basic	(1.59)	(0.99)	(3.73)	(2.91)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(The figures have not been audited)

	<b>As at 31/3/2020 RM'000 Unaudited</b>	<b>As at 30/6/2019 RM'000 Audited</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	6,892	7,066
Right-of-use asset	167	-
Other investment	2	2
Goodwill	7,400	7,400
Inventories - Land held for property development	9,184	7,544
Deferred tax assets	1,661	1,557
	<u>25,306</u>	<u>23,569</u>
<b>Current assets</b>		
Inventories	33,240	33,560
Inventories - Property development costs	6,225	3,069
Trade and other receivables	1,452	2,396
Contract assets	-	1,013
Current tax assets	77	52
Short term deposits with licensed banks	232	4,827
Cash & bank balances	903	695
	<u>42,129</u>	<u>45,612</u>
<b>TOTAL ASSETS</b>	<u>67,435</u>	<u>69,181</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	73,420	73,420
Accumulated losses	(8,985)	(6,880)
	<u>64,435</u>	<u>66,540</u>
<b>Non-controlling interests</b>	70	71
<b>TOTAL EQUITY</b>	<u>64,505</u>	<u>66,611</u>
<b>Non-current liability</b>		
Lease liability	65	-
<b>Total non-current liability</b>	<u>65</u>	<u>-</u>
<b>Current liabilities</b>		
Trade and other payables	2,643	2,560
Lease liability	80	-
Contract liabilities	139	-
Current tax liabilities	3	10
	<u>2,865</u>	<u>2,570</u>
<b>TOTAL LIABILITIES</b>	<u>2,930</u>	<u>2,570</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>67,435</u>	<u>69,181</u>
<b>Net assets per share (RM)</b>	1.14	1.18

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2019 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 financial period ended 31 March 2020

(The figures have not been audited)

<----Attributable to the equity holders of the Company---->

<-----Non-distributable----->

	Share Capital RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
As at 1 July 2019	73,420	-	(6,880)	66,540	71	66,611
<b>Total comprehensive loss for financial year</b>						
Total comprehensive loss for the financial period	-	-	(2,105)	(2,105)	(1)	(2,106)
As at 31 March 2020	73,420	-	(8,985)	64,435	70	64,505
As at 1 July 2018	73,420	3,549	(10,002)	66,967	72	67,039
Effects of adoption of the MFRS Framework		(3,549)	3,646	97	-	97
As at 1 July 2018 (restated)	73,420	-	(6,356)	67,064	72	67,136
Total comprehensive loss for the financial period	-	-	(1,640)	(1,640)	-	(1,640)
As at 31 March 2019	73,420	-	(7,996)	65,424	72	65,496

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2019 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 financial period ended 31 March 2020

(The figures have not been audited)

	<b>Current Year To Date 31/3/2020 RM'000</b>	<b>Preceding Year To Date 31/3/2019 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(2,191)	(1,325)
Adjustments for :		
Depreciation of property, plant and equipment	155	197
Depreciation of right-of-use assets	56	-
Interest on lease liability	6	-
Provision for foreseeable loss	-	21
Provision for liquidated ascertained damages	-	510
Property, plant and equipment written off	-	4
Gain on disposal of plant and equipment	(94)	-
Interest income	(132)	(172)
Reversal of inventories written down	(200)	-
Reversal of provision for foreseeable loss	(64)	(475)
Waiver of debts	-	(55)
Operating loss before working capital changes	(2,464)	(1,295)
Changes in working capital:		
- Inventories	520	1,323
- Inventories - property development costs	(4,731)	(890)
- Contract assets	1,013	1,461
- Receivables	948	(1,370)
- Payables	83	(340)
- Contract liabilities	139	-
Cash used in operations	(4,492)	(1,111)
Interest received	18	30
Lease interest paid	(6)	-
Tax paid	(51)	(91)
Tax refunded	-	301
Net cash used in operating activities	(4,531)	(871)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of plant and equipment	140	-
Interest received	110	135
Purchase of property, plant and equipment	(28)	(41)
Net cash generated from investing activities	222	94
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liability	(78)	-
Net cash used in financing activities	(78)	-
<b>Net decrease in cash and cash equivalents</b>	(4,387)	(777)
<b>Cash and cash equivalents at the beginning of the period</b>	5,290	5,531
<b>Cash and cash equivalents at the end of the period</b>	903	4,754
<b>CASH &amp; CASH EQUIVALENTS</b>		
Short term deposits with licensed banks	232	3,037
Cash and bank balances	903	1,991
	1,135	5,028
Less: Fixed deposit pledged to licensed bank	(232)	(274)
	903	4,754

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2019 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 financial period ended 31 March 2020

### 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 Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements ("MMLR") 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 30 June 2019. 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 year ended 30 June 2019.

#### A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those adopted for the audited financial statements for the year ended 30 June 2019, except for the adoption of the relevant new MFRSs, amendments to MFRSs and IC interpretations were issued by the Malaysian Accounting Standards Board ("MASB") that are applicable to the Group for the current financial year beginning 1 July 2019.

The adoption of the above new MFRSs, amendments to MFRSs and IC Interpretations does not have any significant impact on the financial statements of the Group except for the adoption of MFRS 16 as disclosed below:

MFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value items. The right-of-use assets were recognised based on the amount equal to the lease liabilities. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the estimated incremental borrowing rate.

And as permitted by the transitional provision of MFRS 16, the Group has applied modified retrospective approach on the initial application of the standard and comparatives are not restated.

The impact arising from initial application of MFRS 16 on 1 July 2019 are as follows:

	Audited 30 Jun 2019	Effects of adoption MFRS 16	Restated
Group	RM'000	RM'000	RM'000
<b>1-Jul-2019</b>			
<b>ASSETS</b>			
Right-of-use assets	-	222	222
<b>LIABILITIES</b>			
<b>Non-current liability</b>			
Lease liability	-	104	104
<b>Current liabilities</b>			
Lease liability	-	118	118

#### 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 2019 was qualified and the details of the qualification are as described belows:-

##### Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2019, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

## Basis of Qualified Opinion

On 24 October 2017, the Auditors' Report on the Financial Statements of the Group and of the Company for the financial period ended 30 June 2017 was issued. The said report contains a qualified opinion by the Company's external auditors, Messrs. Baker Tilly Monteiro Heng as detailed in Note 33.

We are unable to obtain sufficient appropriate audit evidence to determine the nature and extent of relationship that may exist between the Company and its Relevant Subsidiary Companies and the Special Purpose Vehicle ("SPV") by virtue of the said transactions and the debt restructuring exercises. Consequently, we were unable to determine whether the Company had control over the SPV; and the completeness of the comparative disclosures relating to the related party transactions between the Group and the SPV.

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Further to the Company's announcement dated 17 October 2019, the Company's External Auditors, Messrs. UHY had expressed the above qualified opinion in the Company's Audited Financial Statements for the financial year ended 30 June 2019, the Board is unable to take any further steps to address the key audit matters that relates to the qualified opinion, pending appeal in the Court of Appeal Civil Appeal No. P-02(NCVC)(W)-2286-11/2018.

### 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 during the financial period under review.

### A6. Changes in Accounting Estimates

There were no significant change in estimates that have had material effect in the financial period ended 31 March 2020.

### A7. Debt and Equity Securities

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

### A8. Dividends Paid

There was no dividend paid during the financial period under review.

### A9. Segmental Reporting

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

9 months ended 31.03.2020	Property Development RM'000	Contracting RM'000	Manufacturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>							
External revenue	2,639	1	509	556	-	-	3,705
Inter-segment revenue	13	3,981	-	61	60	(4,115)	-
Total revenue	2,652	3,982	509	617	60	(4,115)	3,705
<b>Results</b>							
Segment loss	(1,291)	(10)	(418)	(97)	(280)	(424)	(2,520)
Depreciation							(155)
Interest income							132
Other gains and loss							94
Net reversal of provision for foreseeable losses							64
Reversal of inventories written down							200
Finance costs							(6)
Loss before tax							(2,191)
Taxation							85
Loss for the period							(2,106)

9 months ended 31.03.2019	Property Development RM'000	Contracting RM'000	Manufacturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>							
External revenue	6,811	-	433	1,537	-	-	8,781
Inter-segment revenue	181	3,715	-	1	3,271	(7,168)	-
Total revenue	6,992	3,715	433	1,538	3,271	(7,168)	8,781
<b>Results</b>							
Segment profit/(loss)	446	(727)	(416)	(69)	2,722	(3,251)	(1,295)
Depreciation							(197)
Interest income							172
Other gains and loss							51
Net reversal of provision for foreseeable losses							454
Provision for liquidated ascertained damages							(510)
Loss before tax							(1,325)
Taxation							(315)
Loss for the period							(1,640)

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

There were no material events subsequent to the end of financial period under review up to the date of this announcement that have not been disclosed in this quarterly financial statements.

#### **A11. Changes in the Composition of the Group**

There were no changes in the composition of the group during the financial period under review.

#### **A12. Contingent Liabilities**

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(I).

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.

#### **A13. Property, plant and equipment**

The valuations property, plant and equipment stated in the previous audited financial statements have been brought forward without amendments.

#### **A14. Related Party Transaction**

There was no material related party transaction for the current financial period under review.

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

**B1. Review of Performance**

**Current Quarter vs. Corresponding Quarter of Previous Year**

For the current quarter ended 31 March 2020, the Group recorded a revenue of RM0.536 million and loss before tax of RM0.802 million compared with revenue of RM2.790 million and loss before tax of RM0.395 million in the corresponding quarter in the previous financial year, representing a decrease of RM2.254 million in revenue and increase in loss before tax of RM0.407 million. The decrease in revenue and profitability was mainly due to lower revenue recorded from all segments as a result of closure of business operations since the implementation of Movement Control Order (MCO) by the government and low sales of completed units/inventories for Property and Manufacturing segments.

SEGMENT	REVENUE			PROFIT/(LOSS) BEFORE TAX		
	Q3-31/03/2020	Q3-31/03/2019	Changes	Q3-31/03/2020	Q3-31/03/2019	Changes
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property	185	2,119	(1,934)	(477)	84	(561)
Contracting	-	-	-	(42)	(181)	139
Manufacturing	91	155	(64)	(176)	(184)	8
Trading	260	516	(256)	(31)	(27)	(4)
Others	-	-	-	(76)	(87)	11
Total	536	2,790	(2,254)	(802)	(395)	(407)

**a) Property development**

In the current quarter, the property development segment revenue was RM0.185 million compared to RM2.119 million in preceding year corresponding quarter. The segment recorded loss before tax of RM0.477 million compared to the profit before tax of RM0.084 million in preceding year corresponding quarter. The decreased in revenue and profitability of RM1.934 million and RM0.561 million respectively for the current quarter was mainly due to lower progressive recognition from on-going projects and adjustment for development cost arising from the finalisation of account for on-going projects.

**b) Contracting**

The Group's Contracting segment is emphasizing on internal/in-house projects to ensure higher profit margin and better control on quality of developed properties.

**c) Manufacturing**

In the current quarter, the manufacturing segment posted revenue of RM0.091 million, representing a decrease of RM0.064 million compared to revenue of RM0.155 million in the corresponding quarter in the previous financial year mainly due to lower sales of bricks to the sub-contractors for in-house projects.

**d) Trading**

In the current quarter, the trading segment posted a revenue of RM0.260 million, representing a decrease of RM0.256 million compared to a revenue of RM0.516 million in the corresponding quarter in the previous financial year mainly due to lower sales of building materials to the sub-contractors for in-house projects.

**e) Others**

Others segment, consist of Investment holding and inactive companies. There was no significant change in loss before tax compared to the corresponding quarter in the previous financial year.



### **Current Year to Date vs. Corresponding Year to date of Previous Year**

For the 9 months financial period ended 31 March 2020, the Group's revenue of RM3.705 million and loss before tax of RM2.191 million compared with revenue of RM8.781 million and loss before tax of RM1.325 million, representing a decrease of RM5.076 million in revenue and loss before tax of RM0.866 million.

<b>SEGMENT</b>	<b>REVENUE</b>			<b>PROFIT/(LOSS) BEFORE TAX</b>		
	<b>9 months ended</b>			<b>9 months ended</b>		
	<b>31/3/2020</b>	<b>31/3/2019</b>	<b>Variance</b>	<b>31/3/2020</b>	<b>31/3/2019</b>	<b>Variance</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Property	2,639	6,811	(4,172)	(1,430)	426	(1,856)
Contracting	1	-	1	32	(796)	828
Manufacturing	509	433	76	(477)	(421)	(56)
Trading	556	1,537	(981)	(92)	(69)	(23)
Others	-	-	-	(224)	(465)	241
<b>Total</b>	<b>3,705</b>	<b>8,781</b>	<b>(5,076)</b>	<b>(2,191)</b>	<b>(1,325)</b>	<b>(866)</b>

**a) Property development**

The decrease in revenue and profit/(loss) before tax is mainly due to lower contribution from the on-going projects and lower sales of completed units.

**b) Contracting**

The Group's Contracting segment is emphasizing on internal/in-house projects to ensure higher profit margin and better control on quality of developed properties. There was no significant change in revenue compared to the corresponding period in the previous financial year.

**c) Manufacturing**

The manufacturing segment posted revenue of RM0.509 million, representing an increase of RM0.076 million compared to revenue of RM0.433 million in the corresponding period in the previous financial year mainly due to higher sales of bricks to the sub-contractors for in-house projects. Despite the increase in revenue, loss before tax was increased by RM0.056 million to RM0.477 million, due to debts waiver received in corresponding period in the previous financial year and higher production cost.

**d) Trading**

The decrease in revenue was mainly due to less building materials and trading goods supply to the sub-contractors for in-house project.

**e) Others**

The decrease in loss before tax for the Others segments was mainly due to lower administrative expenses.

### **B2. Comparison with Immediate Preceding Quarter**

The Group recorded a revenue of RM0.536 million in the current quarter compared to RM1.058 million recorded in the immediate preceding quarter, representing a decrease of RM0.522 million mainly due to lower progressive recognition from on going projects and low sales of completed low cost flat from property development segment.

<b>Revenue</b>	<b>Current Quarter</b>	<b>Preceding Quarter</b>	<b>Changes</b>
	<b>31/3/2020</b>	<b>31/12/2019</b>	<b>Changes</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Property Development	185	727	(542)
Contracting	-	-	-
Manufacturing	91	184	(93)
Trading	260	147	113
Others	-	-	-
<b>Total</b>	<b>536</b>	<b>1,058</b>	<b>(522)</b>

The Group recorded loss before tax of RM0.802 million in the current quarter compared to loss before tax of RM0.576 million in the immediate preceding quarter mainly due to reversal of inventories written down in the immediate preceding quarter and adjustment for development cost arising from the finalisation of account for nearly completed projects.

<b>Profit/(Loss) Before Tax</b>	<b>3m 31/03/20</b>	<b>3m 31/12/19</b>	<b>Changes</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Property Dev	(477)	(395)	(82)
Contract	(42)	127	(169)
Manufacturing	(176)	(165)	(11)
Trading	(31)	(28)	(3)
Others	(76)	(115)	39
<b>Total</b>	<b>(802)</b>	<b>(576)</b>	<b>(226)</b>

### B3. Prospects

The existing land bank in Machang Bubok will be exhausted within the next few years. The company is therefore seeking to acquire additional land and/or enter into joint ventures for future development. These acquisitions may involve funds raising of equity and/or bank borrowings in the future. Property development will continue to drive growth within the Group. The Group will continue to sell the remaining completed properties of shop offices, semi-detached houses and bungalow as well as the newly launched 2 and 3 storeys shop offices.

Construction works for 44 units of 2 storey shop offices has been commenced in August 2018 and another 15 units of 3 storey shop offices has commenced in early November 2018. The construction sites had been closed in compliance with the Movement Control Order (MCO) that was effective from 18 March 2020 and resumed progressively after complying with the relevant standard operating procedures and guidelines. The continued practice of complying with relevant standard operating procedures and guidelines will continue to impact on construction progress.

The development of 2 blocks of apartment with commercial lots at the lower levels has obtained planning approval in 2018. Management is fine tuning the details of the project and initially planned to launch it in 2019. However, the launching will continue to be delayed due to the COVID-19 pandemic.

On the Manufacturing end, the Group will continue to improve on its quality and efficiency. The move towards utilising of IBS system will augur well with the group's activities. More effort will be taken to drive growth in its blocks product including retaining wall blocks as well as the interlocking pavers.

The overall property market is expected to remain challenging and uncertain as the eventual impact of the Covid-19 pandemic has not been ascertained, the group are anticipating a very challenging business environment moving forward.

### B4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was announced.

### B5. Taxation

	<b>Current Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>31/3/2020</b>	<b>31/3/2019</b>	<b>31/3/2020</b>	<b>31/3/2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Income Tax				
- Current year	(6)	-	(11)	(23)
- prior year	(8)	32	(8)	32
Deferred tax	(83)	(194)	104	(324)
<b>Total</b>	<b>(97)</b>	<b>(162)</b>	<b>85</b>	<b>(315)</b>

The effective tax rates of the Group is higher than the Malaysian statutory tax rate of 24% mainly due to recognised deferred tax assets arising from unrealised profit and certain expenses which were disallowed as deductions for tax purposes.

### B6. Status of Corporate Proposal

As at 31 March 2020, there were no outstanding corporate proposals.

### B7. Group's Borrowings and Debt Securities

As at 31 March 2020, there were no outstanding borrowing.

## B8. Material Litigation

Save for the following, the Group was not engaged in any other material litigations as at **18 Jun 2020**, a date not earlier than 7 days from the issuance of this interim financial report.

(I) **Tan Chew Hua (“Claimant”) and TF Land Sdn. Bhd. (“Respondent”) – Industrial Court Case No: 9/4-184/16**

On 18 March 2016, a wholly-owned subsidiary, TF Land Sdn. Bhd. (“TFL”) received a letter from Mahkamah Perusahaan Malaysia notifying TFL that the hearing pertaining to the dispute between former director of TFL in relation to the termination of him as executive director of TFL (Industrial Court Case No.: 9/4/184/16). On 8 January 2018, the Court has further instructed the following: -

- a) Hearing which was scheduled on 9 January 2018 be vacated;
- b) both parties to file Written Submissions simultaneously on or before 19 February 2018; and
- c) both parties to file Submissions in Reply, if any, on or before 5 March 2018.

On 23 July 2018, the Company’s lawyers, Messr Aswandi Hashim & Co., received two (2) letters dated 16 July 2018 from the Industrial Court of Malaysia (Penang branch) enclosing the interim awards pertaining to Industrial Court Case No. : 9/4-184/16.

**Award No. 1612/2018**

The application by the respondent to strike out the case was dismissed without cost.

**Award No. 1617/2018**

The Industrial Court considered the view that the claimant was indeed dismissed but without just cause or excuse and also finds that the claimant was indeed employed on a month to month basis. The question of reinstatement does not arise as the Claimant was not a permanent worker. The respondent was ordered to pay the claimant the sum of RM34,000 less statutory deductions, if any, within 30 days from 13th July 2018, being the date of the awards.

On 1 November 2018, the Company announced that the Company, had on 1 November 2018, received a letter dated 30 October 2018 from the Claimant’s solicitors stating that the Claimant has applied for Judicial Review at the Penang High Court to quash the Award No. 1617/18. The Respondent’s cheque amounting to RM24,455.50 had been returned by the Claimant’s solicitors. The applicant had passed away and ,according to Applicant’ solicitors, the Applicant’s estate had filed an application to appoint Land Administrator at Penang High Court.

On 26 November 2019, The Company announced that the existing Judge for the matter had been transferred.

Further to case management held on 23 January 2020 before Registrar, the Board of Directors of MUH wishes to announce the following:-

- (a) The Judge had granted order in terms of the hearing of the Applicant’s estate application to substitute the name of deceased Tan Chew Hua with Tan Syn Wei as the personal representative of deceased Tan Chew Hua.
- (b) The Judge has given the following instructions pertaining the substantial application (Enclosure 6) for both parties to comply:
  - (i) The Respondent are to file Affidavit In Reply on or before 2 March 2020;
  - (ii) The Applicant is to file an Affidavit In Reply on or before 19 March 2020;
  - (iii) Both parties are to file and serve on each other their representative Written Submission on or before 16 April 2020; and
  - (iv) Both parties are to file and serve on each other their representative Written Submission in Reply (if any) on or before 30 April 2020.

The Court has fixed a clarification on 21 July 2020 to allow both parties to get further instructions from the Court pertaining to the issue of discrepancy in the intitulement of the Order in the Applicant’s estate application to substitute the name of the deceased Tan Chew Hua with Tan Syn Wei as personal representative of deceased Tan Chew Hua (Enclosure 13) and the substantial application (Enclosure 6) before Judge Y.A. Tuan George Varughese.

(II) **Multi-Usage Property Sdn. Bhd. (the “Plaintiff”) against Team Four Sdn. Bhd, GTM Property Management Sdn. Bhd. & OSK Capital Sdn. Bhd. (the “Defendants”) – Case No: PA-22NCvC-157-08/2017**

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.

On 11 September 2017, the Company announced that solicitors of Team Four Sdn Bhd ("1st Defendant") and GTM Property Sdn Bhd ("2nd Defendant") have informed the Court that they will file an application to strike out the action and the Company also informed the Court that an application was filed to consolidate the Suit No. PA-22NCVC-114-06/2016 with this action.

On 9 October 2017, the Third Defendant has also filed a striking-out application (Enclosure 15) on Friday, 6 October 2017 and will be filing the Affidavit in Support by 10 October 2017.

On 8 November 2017, the Company announced that the Second Defendant and Third Defendant have informed the Court that they will file an application to seek leave from the Court to file a Rejoinder.

On 24 January 2018, the Company announced that the Court has given leave to the Plaintiff to file the Additional Affidavit and the First Defendant and Third Defendants are directed to file reply two (2) weeks from 24 January 2018.

On 5 July 2018, the Company announced that the Court has given the following Orders:

- 1 The Plaintiff to withdraw the Suit against the 2nd Defendant (GTM Property Management Sdn Bhd) with no order as to costs and without liberty to refile. The 2nd Defendant does not seek damages against the Plaintiff in consequential of the caveat lodged by the Plaintiff on Lot 822;
- 2 The Plaintiff to pay RM5,000 costs to the 3rd Defendant (OSK Capital Sdn Bhd) for withdrawing the suit against the 3rd Defendant without liberty to refile and the 3rd Defendant also withdrew its counter claim against the Plaintiff without liberty to refile. The striking out application was struck out with RM3,000 costs to be paid to the 3rd Defendant;
- 3 The striking out application was struck out with RM2,000 costs to be paid to the 1st Defendant (Team Four Sdn Bhd); and
- 4 Suit No. PA-22NCVC-114-06/2016 is withdrawn with costs in the cause.

On 2 August 2018, the Company announced that the Plaintiff has obtained leave from the Court to file Reply to the rejoinder filed by the first Defendant.

On 9 October 2018, the Court has dismissed the recusal applications (enclosure 58 and 60) filed by both parties with costs of RM2,000.00 and The plaintiff has filed the pre-trial documents and bundles of documents as directed by the Court. The Defendants has filed an appeal (P-02(IM)(NCVC)-2100-10/2018) to the Court of Appeal against the High Court in respect of Enclosure 58 and the Plaintiff filed an appeal (P-02(IM)(NCVC)-2111-10/2018) against the decision of the High Court in respect of Enclosure 60.

On 4 January 2019, the Company announced the Court of Appeal's decision is as follows:

- 1 The Court of Appeal dismissed the Appeal No. P-02(IM)(NCVC)-2100-10/2018 with costs of RM7,000.00 and affirmed the decision of the High Court; and
- 2 The Court of Appeal allowed the Appeal No. P-02(IM)(NCVC)-2111-10/2018 with costs of RM7,000.00 and set aside the decision of the High Court.

The Court has fixed the trial date on 26 September 2019 and the other trial dates fixed on 7, 8, 19 and 20 August 2019 are maintained. The Witness Statement has to be filed and served by 31 July 2019. There is no further case management date fixed by the Court. Subsequent to the trial proceeding on 20 August 2019, the Court has vacated the next trial date from 26 September 2019 to 17 October 2019, 22 October 2019, 19 November 2019 and 26 November 2019.

Subsequent to the trial proceeding on 20 November 2019, the proceeding will continue on 10 February 2020, 17 February 2020, 18 February 2020 and 4 March 2020.

On 13 May 2020, the Company announced that due to the Conditional Movement Order that has been extended to 6 June 2020, the Court has vacated the trial dates fixed on 13 May 2020 and 4 June 2020. The new trial dates are 26 – 28 October 2020 and 16-18 November 2020.

(III) **TF Land Sdn. Bhd. (the "Plaintiff") against Shengbao Enterprise Sdn. Bhd. and OSK Capital Sdn. Bhd. (the "Defendants") – Case No: PA-38-341-08/2017**

On 20 October 2017, the Company announced that the Company had on 16 October 2017 received an application from the 2nd Defendant, OSK Capital Sdn Bhd (Now known as PA-38-341-08/2017), seeking order for sale to sell the five (5) properties registered in the name of TF Land Sdn Bhd to recover the balance judgement sum due from the Plaintiff pursuant to a Court Order dated 9 October 2014. Despite the fact that the properties were already been disposed off in 2008, the 2nd Defendant prays, amongst others, the followings:-

- 1 That a property known as Lot 3513, GM 2421, (previously known as HSM 1129), Mukim 16, Daerah Seberang Perai Tengah, Negeri Pulau Pinang (hereinafter referred to as "the said Property") and is bound by a lienholder's caveat dated 20.3.1998 and entered on 28.3.1998 under No.11/98, Volume No.2, Folio No.36 for the 2nd Defendant to be sold through public auction in order to pay the debts of RM5,566,424.25 (excluding the cost) which is owing and ought to be paid as at 9.10.2014 by the 1st Defendant to the 2nd Defendant in accordance with the Order dated 19.5.2006 at the Penang High Court via Civil Suit No. 22-412-2005 (MT3) together with interest at the rate of 12% per annum on RM2,305,484.19 (RM757.97 per day) thereon from the date of the Order until full and final settlement;
- 2 That the public action shall be handled under the instruction of the Deputy Registrar or Senior Assistant Registrar of this Honourable Court on a date set by this Honourable Court;
- 3 That the amount due and ought to be paid as at the date of the said Order (9.10.2014) by the 1st Defendant shall pay the 2nd Defendant in accordance with the Order dated 19.5.2006 at the Penang High Court via Civil Suit No. 22-412-2005 (MT3) together with interest at the rate of 12% per annum on RM2,305,484.19 (RM757.97 per day) thereon from the date of the Order until full and final settlement;
- 4 That the balance of the total due and ought to be paid under the said Order by the 1st Defendant to the 2nd Defendant pursuant to this Order on the date of this Application is in the sum of RM1,646,392.75 (excluding the cost); and
- 5 That the Deputy Registrar or Senior Assistant Registrar of this Honourable Court shall set a reserved price for the said Property for the purpose of public auction, which the price is the same with the estimated market value of the said Property.

On 25 October 2017, the Court has consolidated all the following five (5) applications into a single application:-

- (a) Penang High Court Civil Suit No: PA-38-341-08/2017
- (b) Penang High Court Civil Suit No: PA-38-343-08/2017
- (c) Penang High Court Civil Suit No: PA-38-344-08/2017
- (d) Penang High Court Civil Suit No: PA-38-393-09/2017
- (e) Penang High Court Civil Suit No: PA-38-394-09/2017

On 22 January 2018, the Plaintiff, the Company has filed a sealed copy of a Writ of Civil Suit No. 22NCVC-13-01/2018 against the Defendants with the Penang High Court. The Plaintiff prays for the following reliefs:-

- 1 A Declaration Order that the interest rate that can be sought in the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 is fixed at the rate of 12% per annum on the total sum of RM2,305,484.19 for a period of six (6) years only from 4.1.2005;
- 2 An Order that the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 which provides that the sum owing to the Second Defendant and the First Defendant pursuant to the Judgment of the Penang High Court dated 19.5.2006 under the Civil Suit No.22-412-2005 as at 9.10.2014 which is RM5,566,424.25 (exclusive of costs) together with the interest at the rate of 12% per annum on the total sum of RM2,305,484.19 from the date of the Judgment (9.10.2014) until the date of the full settlement is a nullity, illegal and must be set aside;
- 3 An Order that all proceedings in relation to the execution on Lot 3512, Lot 3513, Lot 3514, Lot 3515, and Lot 3516, Daerah Seberang Perai Tengah held under Suratan Hakmilik Sementara HS(M) 1128, 1129, 1130, 1131 and 1132, Penang to be stayed until the full and final disposal of this Action;
- 4 Cost; and
- 5 Such further and/or other relief as the Honourable Court shall deem fit and proper.

On 8 June 2018, the Company announced that the Court has allowed the Stay Application filed by TF Land with costs in the cause. The next case management is fixed on 12 September 2018 for parties to update the status of the Civil Suit No.PA-22NCVC-13-01/2018.

On 26 October 2018, the Company announced the following:

- 1 Enclosure 8 filed by the Plaintiff under Order 14A is allowed with costs of RM3,000.00; and
- 2 Enclosure 16 filed by OSK Capital is dismissed with costs of RM3,000.00.

OSK Capital Sdn Bhd has filed an appeal against the decision of the High Court Judge on 26 October 2018 to the Court of Appeal. On 1 August 2019, the Company announced that the decision of the Court of Appeal as follows:

- 1 Civil Appeal No. P-02(IM)(NCVC)-2384-11/2018 is dismissed by the Court with no order as to costs; and
- 2 As for Civil Appeal No. P-02(IM)(NCVC)-2375-11/2018, the High Court decision dated 26 October 2018 was affirmed by the Court of Appeal with a variation on the computation date of interest stated in the High Court Order dated 26 October 2018.

TF Land Sdn Bhd had filed a leave motion to the Federal Court on 30 August 2019. the hearing date for the Leave Motion is fixed on 16 January 2020 and the Notice of Appeal which was filed at the Federal Court on 20 January 2020, has been received by the Federal Court on 20 January 2020. The Federal Court has fixed a case management on 18 August 2020 pending the release of the Grounds of Judgement of the Court of Appeal.

The Penang High Court has granted a Stay Order until the disposal of the Leave Motion pending at the Federal Court. The next case management is fixed on 10 April 2020 for the parties to update the High Court on the status of the appeal proper at the Federal Court. The High Court has adjourned the case management to 20 July 2020 based on the new schedule issued by the Court.

**(IV) TF Land Sdn. Bhd. (the "Plaintiff") against Shengbao Enterprise Sdn. Bhd. and OSK Capital Sdn. Bhd. (the "Defendants") – Case No: PA-38-343-08/2017**

On 20 October 2017, the Company announced that the Company had on 16 October 2017 received an application from the 2nd Defendant, OSK Capital Sdn Bhd (Now known as PA-38-343-08/2017), seeking order for sale to sell the five (5) properties registered in the name of TF Land Sdn Bhd to recover the balance judgement sum due from the Plaintiff pursuant to a Court Order dated 9 October 2014. Despite the fact that the properties were already been disposed off in 2008, the 2nd Defendant prays, amongst others, the followings:-

- 1 That a property known as Lot 3512, GM 2420, (previously known as HSM 1128), Mukim 16, Daerah Seberang Perai Tengah, Negeri Pulau Pinang (hereinafter referred to as "the said Property") and is bound by a lienholder's caveat dated 20.3.1998 and entered on 28.3.1998 under No.11/98, Volume No.2, Folio No.36 for the 2nd Defendant to be sold through public auction in order to pay the debts of RM5,566,424.25 (excluding the cost) which is owing and ought to be paid as at 9.10.2014 by the 1st Defendant to the 2nd Defendant in accordance with the Order dated 19.5.2006 at the Penang High Court via Civil Suit No. 22-412-2005 (MT3) together with interest at the rate of 12% per annum on RM2,305,484.19 (RM757.97 per day) thereon from the date of the Order until full and final settlement;
- 2 That the public action shall be handled under the instruction of the Deputy Registrar or Senior Assistant Registrar of this Honourable Court on a date set by this Honourable Court;
- 3 That the amount due and ought to be paid as at the date of the said Order (9.10.2014) by the 1st Defendant shall pay the 2nd Defendant in accordance with the Order dated 19.5.2006 at the Penang High Court via Civil Suit No. 22-412-2005 (MT3) together with interest at the rate of 12% per annum on RM2,305,484.19 (RM757.97 per day) thereon from the date of the Order until full and final settlement;

- 4 That the balance of the total due and ought to be paid under the said Order by the 1st Defendant to the 2nd Defendant pursuant to this Order on the date of this Application is in the sum of RM1,646,392.75 (excluding the cost); and
- 5 That the Deputy Registrar or Senior Assistant Registrar of this Honourable Court shall set a reserved price for the said Property for the purpose of public auction, which the price is the same with the estimated market value of the said Property.

On 25 October 2017, the Court has consolidated all the following five (5) applications into a single application:-

- (a) Penang High Court Civil Suit No: PA-38-334-08/2017
- (b) Penang High Court Civil Suit No: PA-38-343-08/2017
- (c) Penang High Court Civil Suit No: PA-38-344-08/2017
- (d) Penang High Court Civil Suit No: PA-38-393-09/2017
- (e) Penang High Court Civil Suit No: PA-38-394-09/2017

On 22 January 2018, the Plaintiff, the Company has filed a sealed copy of a Writ of Civil Suit No. 22NCVC-13-01/2018 against the Defendants with the Penang High Court. The Plaintiff prays for the following reliefs:-

- 1 A Declaration Order that the interest rate that can be sought in the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 is fixed at the rate of 12% per annum on the total sum of RM2,305,484.19 for a period of six (6) years only from 4.1.2005;
- 2 An Order that the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 which provides that the sum owing to the Second Defendant and the First Defendant pursuant to the Judgment of the Penang High Court dated 19.5.2006 under the Civil Suit No.22-412-2005 as at 9.10.2014 which is RM5,566,424.25 (exclusive of costs) together with the interest at the rate of 12% per annum on the total sum of RM2,305,484.19 from the date of the Judgment (9.10.2014) until the date of the full settlement is a nullity, illegal and must be set aside;
- 3 An Order that all proceedings in relation to the execution on Lot 3512, Lot 3513, Lot 3514, Lot 3515, and Lot 3516, Daerah Seberang Perai Tengah held under Suratan Hakmilik Sementara HS(M) 1128, 1129, 1130, 1131 and 1132, Penang to be stayed until the full and final disposal of this Action;
- 4 Cost; and
- 5 Such further and/or other relief as the Honourable Court shall deem fit and proper.

On 8 June 2018, the Company announced that the Court has allowed the Stay Application filed by TF Land with costs in the cause. The next case management is fixed on 12 September 2018 for parties to update the status of the Civil Suit No.PA-22NCVC-13-01/2018.

On 26 October 2018, the Company announced the following:

- 1 Enclosure 8 filed by the Plaintiff under Order 14A is allowed with costs of RM3,000.00; and
- 2 Enclosure 16 filed by OSK Capital is dismissed with costs of RM3,000.00.

OSK Capital Sdn Bhd has filed an appeal against the decision of the High Court Judge on 26 October 2018 to the Court of Appeal. On 1 August 2019, the Company announced that the decision of the Court of Appeal as follows:

- 1 Civil Appeal No. P-02(IM)(NCVC)-2384-11/2018 is dismissed by the Court with no order as to costs; and
- 2 As for Civil Appeal No. P-02(IM)(NCVC)-2375-11/2018, the High Court decision dated 26 October 2018 was affirmed by the Court of Appeal with a variation on the computation date of interest stated in the High Court Order dated 26 October 2018.

TF Land Sdn Bhd had filed a leave motion to the Federal Court on 30 August 2019. the hearing date for the Leave Motion is fixed on 16 January 2020 and the Notice of Appeal which was filed at the Federal Court on 20 January 2020, has been received by the Federal Court on 20 January 2020. The Federal Court has fixed a case management on 18 August 2020 pending the release of the Grounds of Judgement of the Court of Appeal.

The Penang High Court has granted a Stay Order until the disposal of the Leave Motion pending at the Federal Court. The next case management is fixed on 10 April 2020 for the parties to update the High Court on the status of the appeal proper at the Federal Court. The High Court has adjourned the case management to 20 July 2020 based on the new schedule issued by the Court.

(V) **TF Land Sdn. Bhd. (the “Plaintiff”) against Shengbao Enterprise Sdn. Bhd. and OSK Capital Sdn. Bhd. (the “Defendants”) – Case No: PA-38-344-08/2017**

On 20 October 2017, the Company announced that the Company had on 16 October 2017 received an application from the 2nd Defendant, OSK Capital Sdn Bhd (Now known as PA-38-344-08/2017), seeking order for sale to sell the five (5) properties registered in the name of TF Land Sdn Bhd to recover the balance judgement sum due from the Plaintiff pursuant to a Court Order dated 9 October 2014. Despite the fact that the properties were already been disposed off in 2008, the 2nd Defendant prays, amongst others, the followings:-

- 1 That a property known as Lot 3516, GM 2424, (previously known as HSM 1132), Mukim 16, Daerah Seberang Perai Tengah, Negeri Pulau Pinang (hereinafter referred to as “the said Property”) and is bound by a lienholder’s caveat dated 20.3.1998 and entered on 28.3.1998 under No.11/98, Volume No.2, Folio No.36 for the 2nd Defendant to be sold through public auction in order to pay the debts of RM5,566,424.25 (excluding the cost) which is owing and ought to be paid as at 9.10.2014 by the 1st Defendant to the 2nd Defendant in accordance with the Order dated 19.5.2006 at the Penang High Court via Civil Suit No. 22-412-2005 (MT3) together with interest at the rate of 12% per annum on RM2,305,484.19 (RM757.97 per day) thereon from the date of the Order until full and final settlement;
- 2 That the public action shall be handled under the instruction of the Deputy Registrar or Senior Assistant Registrar of this Honourable Court on a date set by this Honourable Court;
- 3 That the amount due and ought to be paid as at the date of the said Order (9.10.2014) by the 1st Defendant shall pay the 2nd Defendant in accordance with the Order dated 19.5.2006 at the Penang High Court via Civil Suit No. 22-412-2005 (MT3) together with interest at the rate of 12% per annum on RM2,305,484.19 (RM757.97 per day) thereon from the date of the Order until full and final settlement;
- 4 That the balance of the total due and ought to be paid under the said Order by the 1st Defendant to the 2nd Defendant pursuant to this Order on the date of this Application is in the sum of RM1,646,392.75 (excluding the cost); and
- 5 That the Deputy Registrar or Senior Assistant Registrar of this Honourable Court shall set a reserved price for the said Property for the purpose of public auction, which the price is the same with the estimated market value of the said Property.

On 25 October 2017, the Court has consolidated all the following five (5) applications into a single application:-

- (a) Penang High Court Civil Suit No: PA-38-334-08/2017
- (b) Penang High Court Civil Suit No: PA-38-343-08/2017
- (c) Penang High Court Civil Suit No: PA-38-344-08/2017
- (d) Penang High Court Civil Suit No: PA-38-393-09/2017
- (e) Penang High Court Civil Suit No: PA-38-394-09/2017

On 22 January 2018, the Plaintiff, the Company has filed a sealed copy of a Writ of Civil Suit No. 22NCVC-13-01/2018 against the Defendants with the Penang High Court. The Plaintiff prays for the following reliefs:-

- 1 A Declaration Order that the interest rate that can be sought in the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 is fixed at the rate of 12% per annum on the total sum of RM2,305,484.19 for a period of six (6) years only from 4.1.2005;
- 2 An Order that the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 which provides that the sum owing to the Second Defendant and the First Defendant pursuant to the Judgment of the Penang High Court dated 19.5.2006 under the Civil Suit No.22-412-2005 as at 9.10.2014 which is RM5,566,424.25 (exclusive of costs) together with the interest at the rate of 12% per annum on the total sum of RM2,305,484.19 from the date of the Judgment (9.10.2014) until the date of the full settlement is a nullity, illegal and must be set aside;
- 3 An Order that all proceedings in relation to the execution on Lot 3512, Lot 3513, Lot 3514, Lot 3515, and Lot 3516, Daerah Seberang Perai Tengah held under Surat Hakmilik Sementara HS(M) 1128, 1129, 1130, 1131 and 1132, Penang to be stayed until the full and final disposal of this Action;
- 4 Cost; and
- 5 Such further and/or other relief as the Honourable Court shall deem fit and proper.

On 8 June 2018, the Company announced that the Court has allowed the Stay Application filed by TF Land with costs in the cause. The next case management is fixed on 12 September 2018 for parties to update the status of the Civil Suit No.PA-22NCVC-13-01/2018.

On 26 October 2018, the Company announced the following:

- 1 Enclosure 8 filed by the Plaintiff under Order 14A is allowed with costs of RM3,000.00; and
- 2 Enclosure 16 filed by OSK Capital is dismissed with costs of RM3,000.00.



OSK Capital Sdn Bhd has filed an appeal against the decision of the High Court Judge on 26 October 2018 to the Court of Appeal. On 1 August 2019, the Company announced that the decision of the Court of Appeal as follows:

- 1 Civil Appeal No. P-02(IM)(NCVC)-2384-11/2018 is dismissed by the Court with no order as to costs; and
- 2 As for Civil Appeal No. P-02(IM)(NCVC)-2375-11/2018, the High Court decision dated 26 October 2018 was affirmed by the Court of Appeal with a variation on the computation date of interest stated in the High Court Order dated 26 October 2018.

TF Land Sdn Bhd had filed a leave motion to the Federal Court on 30 August 2019. The hearing date for the Leave Motion is fixed on 16 January 2020 and the Notice of Appeal which was filed at the Federal Court on 20 January 2020, has been received by the Federal Court on 20 January 2020. The Federal Court has fixed a case management on 18 August 2020 pending the release of the Grounds of Judgement of the Court of Appeal.

The Penang High Court has granted a Stay Order until the disposal of the Leave Motion pending at the Federal Court. The next case management is fixed on 10 April 2020 for the parties to update the High Court on the status of the appeal proper at the Federal Court. The High Court has adjourned the case management to 20 July 2020 based on the new schedule issued by the Court.

(VI) **TF Land Sdn. Bhd. (the “Plaintiff”) against Shengbao Enterprise Sdn. Bhd. and OSK Capital Sdn. Bhd. (the “Defendants”) – Case No: PA-38-393-09/2017**

On 20 October 2017, the Company announced that the Company had on 16 October 2017 received an application from the 2nd Defendant, OSK Capital Sdn Bhd (Now known as PA-38-393-09/2017), seeking order for sale to sell the five (5) properties registered in the name of TF Land Sdn Bhd to recover the balance judgement sum due from the Plaintiff pursuant to a Court Order dated 9 October 2014. Despite the fact that the properties were already been disposed off in 2008, the 2nd Defendant prays, amongst others, the followings:-

- 1 That a property known as Lot 3515, GM 2423, (previously known as HSM 1131), Mukim 16, Daerah Seberang Perai Tengah, Negeri Pulau Pinang (hereinafter referred to as “the said Property”) and is bound by a lienholder’s caveat dated 20.3.1998 and entered on 28.3.1998 under No.11/98, Volume No.2, Folio No.36 for the 2nd Defendant to be sold through public auction in order to pay the debts of RM5,566,424.25 (excluding the cost) which is owing and ought to be paid as at 9.10.2014 by the 1st Defendant to the 2nd Defendant in accordance with the Order dated 19.5.2006 at the Penang High Court via Civil Suit No. 22-412-2005 (MT3) together with interest at the rate of 12% per annum on RM2,305,484.19 (RM757.97 per day) thereon from the date of the Order until full and final settlement;
- 2 That the public action shall be handled under the instruction of the Deputy Registrar or Senior Assistant Registrar of this Honourable Court on a date set by this Honourable Court;
- 3 That the amount due and ought to be paid as at the date of the said Order (9.10.2014) by the 1st Defendant shall pay the 2nd Defendant in accordance with the Order dated 19.5.2006 at the Penang High Court via Civil Suit No. 22-412-2005 (MT3) together with interest at the rate of 12% per annum on RM2,305,484.19 (RM757.97 per day) thereon from the date of the Order until full and final settlement;
- 4 That the balance of the total due and ought to be paid under the said Order by the 1st Defendant to the 2nd Defendant pursuant to this Order on the date of this Application is in the sum of RM1,646,392.75 (excluding the cost); and
- 5 That the Deputy Registrar or Senior Assistant Registrar of this Honourable Court shall set a reserved price for the said Property for the purpose of public auction, which the price is the same with the estimated market value of the said Property.

On 25 October 2017, the Court has consolidated all the following five (5) applications into a single application:-

- (a) Penang High Court Civil Suit No: PA-38-334-08/2017
- (b) Penang High Court Civil Suit No: PA-38-343-08/2017
- (c) Penang High Court Civil Suit No: PA-38-344-08/2017
- (d) Penang High Court Civil Suit No: PA-38-393-09/2017
- (e) Penang High Court Civil Suit No: PA-38-394-09/2017

On 22 January 2018, the Plaintiff, the Company has filed a sealed copy of a Writ of Civil Suit No. 22NCVC-13-01/2018 against the Defendants with the Penang High Court. The Plaintiff prays for the following reliefs:-

- 1 A Declaration Order that the interest rate that can be sought in the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 is fixed at the rate of 12% per annum on the total sum of RM2,305,484.19 for a period of six (6) years only from 4.1.2005;

- 2 An Order that the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 which provides that the sum owing to the Second Defendant and the First Defendant pursuant to the Judgment of the Penang High Court dated 19.5.2006 under the Civil Suit No.22-412-2005 as at 9.10.2014 which is RM5,566,424.25 (exclusive of costs) together with the interest at the rate of 12% per annum on the total sum of RM2,305,484.19 from the date of the Judgment (9.10.2014) until the date of the full settlement is a nullity, illegal and must be set aside;
- 3 An Order that all proceedings in relation to the execution on Lot 3512, Lot 3513, Lot 3514, Lot 3515, and Lot 3516, Daerah Seberang Perai Tengah held under Suratan Hakmilik Sementara HS(M) 1128, 1129, 1130, 1131 and 1132, Penang to be stayed until the full and final disposal of this Action;
- 4 Cost; and
- 5 Such further and/or other relief as the Honourable Court shall deem fit and proper.

On 8 June 2018, the Company announced that the Court has allowed the Stay Application filed by TF Land with costs in the cause. The next case management is fixed on 12 September 2018 for parties to update the status of the Civil Suit No.PA-22NCVC-13-01/2018.

On 26 October 2018, the Company announced the following:

- 1 Enclosure 8 filed by the Plaintiff under Order 14A is allowed with costs of RM3,000.00; and
- 2 Enclosure 16 filed by OSK Capital is dismissed with costs of RM3,000.00.

OSK Capital Sdn Bhd has filed an appeal against the decision of the High Court Judge on 26 October 2018 to the Court of Appeal. On 1 August 2019, the Company announced that the decision of the Court of Appeal as follows:

- 1 Civil Appeal No. P-02(IM)(NCVC)-2384-11/2018 is dismissed by the Court with no order as to costs; and
- 2 As for Civil Appeal No. P-02(IM)(NCVC)-2375-11/2018, the High Court decision dated 26 October 2018 was affirmed by the Court of Appeal with a variation on the computation date of interest stated in the High Court Order dated 26 October 2018.

TF Land Sdn Bhd had filed a leave motion to the Federal Court on 30 August 2019. the hearing date for the Leave Motion is fixed on 16 January 2020 and the Notice of Appeal which was filed at the Federal Court on 20 January 2020, has been received by the Federal Court on 20 January 2020. The Federal Court has fixed a case management on 18 August 2020 pending the release of the Grounds of Judgement of the Court of Appeal.

The Penang High Court has granted a Stay Order until the disposal of the Leave Motion pending at the Federal Court. The next case management is fixed on 10 April 2020 for the parties to update the High Court on the status of the appeal proper at the Federal Court. The High Court has adjourned the case management to 20 July 2020 based on the new schedule issued by the Court.

**(VII) TF Land Sdn. Bhd. (the “Plaintiff”) against Shengbao Enterprise Sdn. Bhd. and OSK Capital Sdn. Bhd. (the “Defendants”) – Case No: PA-38-394-09/2017**

On 20 October 2017, the Company announced that the Company had on 16 October 2017 received an application from the 2nd Defendant, OSK Capital Sdn Bhd (Now known as PA-38-394-08/2017), seeking order for sale to sell the five (5) properties registered in the name of TF Land Sdn Bhd to recover the balance judgement sum due from the Plaintiff pursuant to a Court Order dated 9 October 2014. Despite the fact that the properties were already been disposed off in 2008, the 2nd Defendant prays, amongst others, the followings:-

- 1 That a property known as Lot 3514, GM 2422, (previously known as HSM 1130), Mukim 16, Daerah Seberang Perai Tengah, Negeri Pulau Pinang (hereinafter referred to as “the said Property”) and is bound by a lienholder’s caveat dated 20.3.1998 and entered on 28.3.1998 under No.11/98, Volume No.2, Folio No.36 for the 2nd Defendant to be sold through public auction in order to pay the debts of RM5,566,424.25 (excluding the cost) which is owing and ought to be paid as at 9.10.2014 by the 1st Defendant to the 2nd Defendant in accordance with the Order dated 19.5.2006 at the Penang High Court via Civil Suit No. 22-412-2005 (MT3) together with interest at the rate of 12% per annum on RM2,305,484.19 (RM757.97 per day) thereon from the date of the Order until full and final settlement;
- 2 That the public action shall be handled under the instruction of the Deputy Registrar or Senior Assistant Registrar of this Honourable Court on a date set by this Honourable Court;
- 3 That the amount due and ought to be paid as at the date of the said Order (9.10.2014) by the 1st Defendant shall pay the 2nd Defendant in accordance with the Order dated 19.5.2006 at the Penang High Court via Civil Suit No. 22-412-2005 (MT3) together with interest at the rate of 12% per annum on RM2,305,484.19 (RM757.97 per day) thereon from the date of the Order until full and final settlement;
- 4 That the balance of the total due and ought to be paid under the said Order by the 1st Defendant to the 2nd Defendant pursuant to this Order on the date of this Application is in the sum of RM1,646,392.75 (excluding the cost); and

- 5 That the Deputy Registrar or Senior Assistant Registrar of this Honourable Court shall set a reserved price for the said Property for the purpose of public auction, which the price is the same with the estimated market value of the said Property.

On 25 October 2017, the Court has consolidated all the following five (5) applications into a single application:-

- (a) Penang High Court Civil Suit No: PA-38-334-08/2017
- (b) Penang High Court Civil Suit No: PA-38-343-08/2017
- (c) Penang High Court Civil Suit No: PA-38-344-08/2017
- (d) Penang High Court Civil Suit No: PA-38-393-09/2017
- (e) Penang High Court Civil Suit No: PA-38-394-09/2017

On 22 January 2018, the Plaintiff, the Company has filed a sealed copy of a Writ of Civil Suit No. 22NCVC-13-01/2018 against the Defendants with the Penang High Court. The Plaintiff prays for the following reliefs:-

- 1 A Declaration Order that the interest rate that can be sought in the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 is fixed at the rate of 12% per annum on the total sum of RM2,305,484.19 for a period of six (6) years only from 4.1.2005;
- 2 An Order that the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 which provides that the sum owing to the Second Defendant and the First Defendant pursuant to the Judgment of the Penang High Court dated 19.5.2006 under the Civil Suit No.22-412-2005 as at 9.10.2014 which is RM5,566,424.25 (exclusive of costs) together with the interest at the rate of 12% per annum on the total sum of RM2,305,484.19 from the date of the Judgment (9.10.2014) until the date of the full settlement is a nullity, illegal and must be set aside;
- 3 An Order that all proceedings in relation to the execution on Lot 3512, Lot 3513, Lot 3514, Lot 3515, and Lot 3516, Daerah Seberang Perai Tengah held under Suratan Hakmilik Sementara HS(M) 1128, 1129, 1130, 1131 and 1132, Penang to be stayed until the full and final disposal of this Action;
- 4 Cost; and
- 5 Such further and/or other relief as the Honourable Court shall deem fit and proper.

On 8 June 2018, the Company announced that the Court has allowed the Stay Application filed by TF Land with costs in the cause. The next case management is fixed on 12 September 2018 for parties to update the status of the Civil Suit No.PA-22NCVC-13-01/2018.

On 26 October 2018, the Company announced the following:

- 1 Enclosure 8 filed by the Plaintiff under Order 14A is allowed with costs of RM3,000.00; and
- 2 Enclosure 16 filed by OSK Capital is dismissed with costs of RM3,000.00.

OSK Capital Sdn Bhd has filed an appeal against the decision of the High Court Judge on 26 October 2018 to the Court of Appeal. On 1 August 2019, the Company announced that the decision of the Court of Appeal as follows:

- 1 Civil Appeal No. P-02(IM)(NCVC)-2384-11/2018 is dismissed by the Court with no order as to costs; and
- 2 As for Civil Appeal No. P-02(IM)(NCVC)-2375-11/2018, the High Court decision dated 26 October 2018 was affirmed by the Court of Appeal with a variation on the computation date of interest stated in the High Court Order dated 26 October 2018.

TF Land Sdn Bhd had filed a leave motion to the Federal Court on 30 August 2019. the hearing date for the Leave Motion is fixed on 16 January 2020 and the Notice of Appeal which was filed at the Federal Court on 20 January 2020, has been received by the Federal Court on 20 January 2020. The Federal Court has fixed a case management on 18 August 2020 pending the release of the Grounds of Judgement of the Court of Appeal.

The Penang High Court has granted a Stay Order until the disposal of the Leave Motion pending at the Federal Court. The next case management is fixed on 10 April 2020 for the parties to update the High Court on the status of the appeal proper at the Federal Court. The High Court has adjourned the case management to 20 July 2020 based on the new schedule issued by the Court.

**(VIII) TF Land Sdn. Bhd. (the "Plaintiff") against Shengbao Enterprise Sdn. Bhd. and OSK Capital Sdn. Bhd. (the "Defendants") – Case No: 22NCVC-13-01/2018**

On 24 January 2018, the Company announced that, on 22 January 2018, the Plaintiff, a subsidiary of the Company has filed a sealed copy of a Writ of Civil Suit No. 22NCVC-13-01/2018 against the Defendants with the Penang High Court.

The Plaintiff prays for the following reliefs:-

- 1 A Declaration Order that the interest rate that can be sought in the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 is fixed at the rate of 12% per annum on the total sum of RM2,305,484.19 for a period of six (6) years only from 4.1.2005;

- 2 An Order that the Judgment of the Penang High Court dated 9.10.2014 under the Civil Suit No.22NCVC-507-07/2012 which provides that the sum owing to the Second Defendant and the First Defendant pursuant to the Judgment of the Penang High Court dated 19.5.2006 under the Civil Suit No.22-412-2005 as at 9.10.2014 which is RM5,566,424.25 (exclusive of costs) together with the interest at the rate of 12% per annum on the total sum of RM2,305,484.19 from the date of the Judgment (9.10.2014) until the date of the full settlement is a nullity, illegal and must be set aside;
- 3 An Order that all proceedings in relation to the execution on Lot 3512, Lot 3513, Lot 3514, Lot 3515, and Lot 3516, Daerah Seberang Perai Tengah held under Suratan Hakmilik Sementara HS(M) 1128, 1129, 1130, 1131 and 1132, Penang to be stayed until the full and final disposal of this Action;
- 4 Cost; and
- 5 Such further and/or other relief as the Honourable Court shall deem fit and proper.

On 26 October 2018, the Company announced the following:

- 1 Enclosure 8 filed by the Plaintiff under Order 14A is allowed with costs of RM3,000.00; and
- 2 Enclosure 16 (Striking Out) filed by OSK Capital is dismissed with costs of RM3,000.00

OSK Capital Sdn Bhd has filed an appeal against the decision of the High Court Judge on 26 October 2018 to the Court of Appeal.

The Court of Appeal has fixed the case management on 2 April 2019 pending the extraction of the High Court's sealed Order by the Appellant (OSK Capital Sdn Bhd).

On 1 August 2019, the Company announced that the decision of the Court of Appeals, on 31 July 2019, as follows:

- 1 Civil Appeal No. P-02(IM)(NCVC)-2384-11/2018 is dismissed by the Court with no order as to costs; and
- 2 As for Civil Appeal No. P-02(IM)(NCVC)-2375-11/2018, the High Court decision dated 26 October 2018 was affirmed by the Court of Appeal with a variation on the computation date of interest stated in the High Court Order dated 26 October 2018.

TF Land Sdn Bhd had filed a leave motion to the Federal Court on 30 August 2019. the hearing date for the Leave Motion is fixed on 16 January 2020 and the Notice of Appeal which was filed at the Federal Court on 20 January 2020, has been received by the Federal Court on 20 January 2020. The Federal Court has fixed a case management on 18 August 2020 pending the release of the Grounds of Judgement of the Court of Appeal.

The Penang High Court has granted a Stay Order until the disposal of the Leave Motion pending at the Federal Court. The next case management is fixed on 10 April 2020 for the parties to update the High Court on the status of the appeal proper at the Federal Court. The High Court has adjourned the case management to 20 July 2020 based on the new schedule issued by the Court.

## B9. Dividends

No interim or final dividend has been declared for the financial period ended 31 March 2020.

## B10. Loss Per Share

### (i) Basic loss per share

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

	Current Quarter 3 months ended		Cumulative Quarter 9 months ended	
	31/3/2020	31/3/2019	31/3/2020	31/3/2019
Loss for the period attributable to equity holders of the Company (RM'000)	(898)	(557)	(2,105)	(1,640)
Weighted average number of ordinary shares ('000)	56,419	56,419	56,419	56,419
Basic loss per share (sen)	(1.59)	(0.99)	(3.73)	(2.91)

### (ii) Diluted loss per share

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

**B11. Notes to the Condensed Consolidated Statement of Comprehensive Income**

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

	Current Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	31/3/2020	31/3/2019	31/3/2020	31/3/2019
	RM '000	RM '000	RM '000	RM '000
Depreciation of property, plant and equipment	48	66	155	197
Depreciation of right-of-use assets	18	-	56	-
Interest on lease liability	1	-	6	-
Provision for foreseeable losses	-	-	-	21
Provision for liquidated ascertained damages	-	178	-	510
Property, plant and equipment written off	-	4	-	4
Gain on disposal of property, plant and equipment	-	-	(94)	-
Interest income	(17)	(43)	(132)	(172)
Reversal of Inventories written down	-	-	(200)	-
Reversal of provision for foreseeable losses	(28)	(196)	(64)	(475)
Waiver of debts	-	-	-	(55)

**B12. 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 25 June 2020.

**BY ORDER OF THE BOARD**

**ANG KIM CHENG @ ANG TENG KOK**  
**Executive Chairman**