

## APPENDIX I

### STATUS OF MATERIAL LITIGATIONS AS AT 31 MARCH 2006

#### *Legal Action against Mercus Holdings Berhad ("MHB")*

(i) ***Raja Eleena Siew Ang & Associates vs CCM Bioscience Bhd (now known as MHB)***  
***Kuala Lumpur High Court Suit No. S-22-1474-2002***

Plaintiff filed a claim against MHB on 19 December 2002 for RM373,478.10 for work done, services rendered, disbursements and expenses incurred at the request of MHB in respect to the Sale and Purchase Agreement dated 13 March 1999 between Wide Heritage (M) Sdn Bhd and CCM Bioscience Bhd (now known as MHB) for the purchase of the entire equity interest in Mercus Builders Sdn Bhd ("MBSB") which was completed during the tenure of the previous Board and Management of MHB. Plaintiff had on 24 January 2003 obtained a summary judgment for the claim and Defendant was served with a statutory notice pursuant to Section 218 of the Companies Act, 1965 on 7 April 2003. Defendant is preparing for appeal. Both parties have agreed to settle the matter amicably.

**Status:** Plaintiff had agreed to refrain from enforcing and stay all execution proceedings against the Defendant until 31 December 2004 upon settlement of RM265,000.00 as full and final sum by the Defendant.

(ii) ***Southern Bank Berhad vs MHB***  
***Kuala Lumpur High Court Suit No. D1-22-374-2003***

Plaintiff had on 11 March 2003 filed a claim against MHB for RM3,684,441.17 (Overdraft) and RM5,168,496.46 (Revolving Credit) being the recalled amounts due pursuant to Overdraft of RM5,000,000.00 and Revolving Credit of RM3,500,000.00 granted to MHB on 10 May 2001. Plaintiff obtained Summary Judgment on 3 December 2003. There was no bidder for the auction property on 23 June 2004. Plaintiff has been granted another order to auction the property on 15 December 2004 at a reserve price of RM12,800,000.00. Decision for winding up petition set on 26<sup>th</sup> January 2005. On 26<sup>th</sup> January 2005, Plaintiff had withdrawn the case pending settlement.

(iii) ***Concrete Engineering Products Berhad v. MHB***  
***Kuala Lumpur High Court Winding Up Petition No: D4-28-766-2003***

Petitioner had on 29 July 2003 filed a winding up petition against MHB for a claim of RM758,994.03 being the judgment sum, interest and costs due as at 18 May 2003 pursuant to Judgment obtained from the Shah Alam High Court by the Petitioner on 6 November 2003 pertaining to the claim of RM545,859.15 as at 17 March 2001 against the wholly owned subsidiary, Mercus Builders Sdn Bhd and MHB as Corporate Guarantor of MBSB, for the supply of pre-stressed spun concrete piles by the Petitioner to MBSB in relation to the Likas Sport Complex Project in Kota Kinabalu, Sabah. MBSB had on 11 November 2002 filed in Notice of Appeal for the matter to be heard before Judge in Chambers and the matter has been fixed for hearing on 5 August 2004. MBSB had entered into instalment settlement with Petitioner, Petitioner had withdrawn the Notice of the Winding up Petition to the Court and the matter has been struck off on the hearing of the Petition on 14 November 2003. To-date, all instalment payments has been fully settled.

**Status:** MBSB's appeal has been further adjourned to 21 November 2006.

***Legal Action against Mercedes Builders Sdn Bhd ("MBSB")***

**(i) *Prime Angle Sdn Bhd v. MBSB***

***Shah Alam Sessions Court Summons No. 1-52-1256-1999***

Plaintiff filed a claim against MBSB on 31 March 1999 claiming for RM114,616.00 being outstanding charges for labour and material for painting work under the sub-contract for a project at Lot PT5, Seksyen 7 Pekan Sungai Besi & PT 2241 Mukim Petaling Kuala Lumpur. One of the defences raised by the Defendant was that the painting work was only 96% completed.

**Status:** Defendant's lawyer filed in appeal and stay of execution against the judgment in July 2005. Waiting for hearing date.

**(ii) *Glass Technology & Construction Sdn Bhd v. MBSB and Liang Court Wanisara Sdn Bhd***

***Kuching High Court Suit No. 22-58-2000-1***

Plaintiff was appointed as a sub-contractor by MBSB to carry out works for aluminium glazed windows, doors and curtain walls for a project via Letter of Award dated 12 January 1998 whilst the 2<sup>nd</sup> Defendant was the Developer of the project. Plaintiff was paid progressively in accordance with the work done. The project was subsequently not completed on time. Plaintiff claimed that the work was not able to complete on scheduled due to the fault of the Defendants and sustained losses in terms of the daily fixed costs incurred in relation to the project. Plaintiff therefore on 26 May 2000 filed a claim against MBSB for a total sum of RM1,194,667.24 consists of RM808,433.38 for work done, RM300,003.20 for special damages and RM86,230.66 being 5% retention sum paid. However, the maximum exposure to liabilities will depend, among others, on any determination against the Defendants (if any) with respect to general damages. Defendants had filed an application to strike out Plaintiff's action for want of prosecution.

**(iii) *Honeywell Machinery v. MBSB & Bennes Engineering Sdn Bhd***

***Ampang Session Court Summons No. 52-533-2000***

Plaintiff had on 25 August 2002 filed a claim for a sum of RM84,371.24 being outstanding rental charges of 6-wheel lorries and labour charges as at 13 February 1999 for a project at Lot PT5, Seksyen 7 Pekan Sungai Besi and PT 2241 Mukim Petaling, Kuala Lumpur.

**(iv) *AGK Services & Supplies Sdn Bhd v. MBSB***

***Kuching Sessions Court Summons No. 52-291-2001-I***

Plaintiff had on 18 June 2001 filed a claim against MBSB for a sum of RM50,266.94 for the supply of labour and tools for resurfacing and polishing of counter top black marble toilets and cleaning of glass partition, window, curtain wall, cement and sand screed floor, staircase, granite and marble tile floor, ceramic floor at the Proposed 24-16 Storey Office Tower cum Hotel/Service Apartment at Jalan Bukit Mata, Kuching, Sarawak via Letters of Award dated 1 November 2000 and 17 November 2000. Plaintiff had commenced the execution proceedings to recover the judgment sum together with interest and costs. Defendant had on 1 November 2002 proposed to contra the claim by transfer of a property and at the same time prepare to file an Application for Leave to Appeal. Judgement entered by plaintiff.

**Status:** Negotiation for settlement in progress.

(v) ***Concrete Coating Technology Sdn Bhd v. MBSB***  
***Kuching Sessions Court Summons No. 52-375-2001-I***

Plaintiff had on 7 August 2001 filed a claim against MBSB for a sum of RM124,233.00 for sub-contract work for the supply and install painting work for the Proposed 24-16 Storey Office Tower cum Hotel/Service Apartment at Jalan Bukit Mata, Kuching, Sarawak pursuant to an agreement dated 13 May 1999. Statement of Defence had been filed by MBSB. Court had on 16 August 2002 ruled that Defendant has raised triable issues and dismissed Plaintiff's Notice of Application for summary judgment with costs to Defendant. Matter will be set down for trial by Plaintiff.

**Status:** Trial date has been further adjourned to 9 March 2006.

(vi) ***Skoy Trading & Aluminium Sdn Bhd v. Bennes Engineering Sdn Bhd & MBSB***

***Kuala Lumpur Sessions Court Summons No. 10-52-10499-01***

Plaintiff had on 25 September 2001 filed a claim against Defendants for a sum of RM146,091.41 being outstanding amount due for the supply of various goods and services principally to do aluminium and glazing works for the Proposed Development of Apartments known as Sri Bendahara, Sri Pahlawan and Sri Panglima at Bukit Saujana, Johor Bahru, Johor pursuant to letter of award dated 28 March 1994. Plaintiff's application under Order 26A of the Subordinate Courts Rules 1980 has been heard on 9 May 2003. The Honourable Judge has requested for written submissions for Plaintiff's application and has fixed 9 July 2003 for decision. Court had on 9 July 2003 dismissed Plaintiff's summary judgment application with costs.

(vii) ***Concrete Engineering Products Berhad v. MBSB and Mercedes Holdings Berhad***  
***Shah Alam High Court (Civil Section) Writ Summons No: MT5-24-876-2001***

Plaintiff had on 27 November 2001 filed a claim for sums of RM545,859.15 as at 17 March 2001 against MBSB and RM500,000.00 against Mercedes Holdings Berhad as Corporate Guarantor of MBSB for the supply of pre-stressed spun concrete piles by the Plaintiff to MBSB in relation to the Likas Sport Complex Project in Kota Kinabalu, Sabah. Memorandum of Appearance and Statement of Defences were properly filed by MBSB and MHB. Plaintiff had on 6 November 2002 obtained the summary judgment from the Court to recover the judgment sum together with interest and costs. Defendant had on 11 November 2002 filed an Application for Leave to Appeal. Plaintiff had on 29 May 2003 served a statutory notice pursuant to Section 218 of the Companies Act, 1965 to MBSB requested for a sum of RM758,994.03 being judgment sum together with interest and costs. Plaintiff had on 22 September 2003 served a Winding Up Petition against MHB for the Judgment Sum, interest and costs of RM758,994.03 (please refer to Page 4 Paragraph (iii) of this Appendix I). Both parties has then on 16 October 2003 agreed a settlement arrangement for the judgment sum of RM545,859.15 by 5 equal monthly instalment commencing from October 2003.

**Status:** Court has fixed 21 November 2006 for hearing of defendant's appeal and Plaintiff application to strike out Defendant's notice of appeal.

(viii) ***ICP Marketing Sdn Bhd v. MBSB & Lee Hock Soon & Mercedes Holdings Berhad***  
***Shah Alam High Court Suit No. 22-209-2002***

Plaintiff had on 26 March 2002 filed a claim for RM854,369.37 in respect of goods sold (pretentioned spun concrete piles) and delivered in relation to Likas Sport Complex Project at Kota Kinabalu, Sabah against MBSB and Lee Hock Soon as Personal Guarantor of MBSB and RM500,000.00 against Mercedes Holdings Berhad as Corporate Guarantor of MBSB. Statement of Defence has been filed by MBSB. Plaintiff obtained summary judgment for the claim.

*ICP Marketing Sdn Bhd*                      -- *Petitioner*  
*Merces Holding Berhad*            -- *Respondent*  
*Kuala Lumpur High Court Winding up No. D3-28-548-04*

*ICP Marketing Sdn Bhd*                      -- *Petitioner*  
*MBSB*    -- *Respondent*  
*Kuala Lumpur High Court Winding up No. D6-28-296-05*

**Status:**    Petitioner served winding-up petition on MBSB received on 17 June 2005.  
                  Hearing for winding up petition of MBSB adjourned to 26 October 2005.

- (ix)    *Hong Leong Bank Berhad v. MBSB, MHB, Loy Yeng Foo @ Looi Yeng Foo, Sim Kiang Chiok, Low Kok Hean and Pang Tee Yau*  
         *Kuala Lumpur High Court Suit No.D4-22-2054-2002*

Plaintiff had on 19 December 2002 filed a claim for RM3,128,987.99 and RM130,151.20 against MBSB, MHB as Corporate Guarantor and the Personal Guarantors as named above, for the recalled amount due pursuant to Overdraft of RM3,000,000.00 million and Trade Line of RM120,000.00 granted to MBSB. MBSB had on 28 January 2003 filed a Memorandum of Appearance. Plaintiff had obtained a summary judgment for the claim. MBSB is preparing for appeal. Plaintiff had offered a restructuring of the banking facilities on 3 June 2003 and MBSB had on 9 June 2003 accepted the offer. MBSB had on 16 June 2003 executed the Consent Judgment on the claim.

**Status:**    MBSB had submitted a proposal on restructuring of credit facilities and industrial hire purchase facilities on 22 February 2005 to Hong Leong Bank Berhad. Instalment settlement in progress.

- (x)    *Hong Leong Bank Berhad v. MBSB, Low Kok Hean, Loy Yeng Foo @ Looi Yeng Foo, Pang Tee Yau, and Lee Chwee Say.*  
         *Kuala Lumpur High Court Suit No.D8-22-380-05*

Plaintiff had on 30 May 2005 filed a claim against MBSB and the Personal Guarantors as named above for RM501,275.95 and outstanding interest for Industrial Hire Purchase Facilities. Plaintiff had offered a restructuring of the outstanding facilities on 22 February 2005 and MBSB has been making instalment payment as proposed.

**Status:**    Defendant lawyer has been instructed to file in defence.

- (xi)    *Hatah Haskota Engineering Sdn Bhd v. MBSB*  
         *Kuching Sessions Court Summons No. 52-554-2003-II*

Plaintiff had on 18 September 2003 filed a claim against MBSB for RM76,351.11 being the balance sum owing by MBSB for Fire Fighting Services provided in respect of the project of Amalgamation and ACTV for 24-16 Storey Office Tower cum Services Apartment Development at Jalan Bukit Mata, Kuching. MBSB had submitted a counter claim for Liquidated and Ascertained Damages(LAD) totaled to RM543,900.00. Plaintiff obtained summary judgment against defendant.

**Status:** Defendant won the appeal against the summary judgement, however defendant was ordered to pay RM26,323.78 and balance claim sum by Plaintiff need to proceed for trial.

***Legal Action By Mercedes Holdings Berhad ( formerly CCM Bio Science Berhad)***

**(i) *CCM Bio Science Berhad v. Foyin Development Sdn Bhd*  
*Kuching High Court Suit No: 22-80-96-II***

The case was discontinued with cost against Plaintiff.

**Status:** Review of taxation of cost fixed on 17 August 2005. At the meantime, Plaintiff received winding up notice in June 2005. Our solicitors from Kuala Lumpur instructed to file in injunction on the winding up matter.

**(ii) *Mercedes Holdings Berhad v. Pow Tuck Weng*  
*Kuala Lumpur High Court Suit No: D2-22-1134-2004***

MHB demand the refund of RM391,255.25 from Defendant for his failed, neglect, and/or refused to fulfill their obligations.

**Status:** Defendant filed in application for further and better particulars. Hearing for this application fixed on 17 August 2005.

***Legal Action By Mercedes Builders Sdn Bhd ("MBSB")***

**(i) *MBSB v. Danau Kota Development Sdn Bhd ("DKD")***

***Statutory Notice Pursuant to Section 218 of Companies Act, 1965 issued by MBSB.***

A Statutory Notice under Section 218, Companies Act, 1965 had on 5 June 1998 served to Danau Kota Development Sdn Bhd for a claim of RM358,597.52 being outstanding sums due to MBSB for Danau Kota Development Project at Danau Kota, Setapak, Kuala Lumpur. Special Administrators have been appointed in Danau Kota Development Sdn Bhd on 6 July 2000 by Pengurusan Danaharta Nasional Berhad under Section 24 of the Pengurusan Danaharta Nasional Berhad (Amendment) Act 2000.

**Status:** MBSB had on 29 January 2003 received a letter from Defendant notified that the transfer of all unsecured debts and liabilities as at 30 June 1999 of DKD to Explicit Vantage Sdn Bhd ("EVS") and the claim shall now be enforceable against EVS.

**(ii) *MBSB v. Likas Cemerlang Sdn Bhd & Swimmates Sdn Bhd***

***In the High Court in Sabah and Sarawak at Kota Kinabalu Suit No. K22-143 of 2002***

MBSB had on July 2002 filed a claim against Defendant for a sum of RM263,736.00 being outstanding sum due to MB(S) for the supply of spun piles for the construction of sport facilities at the Likas Sports Complex in Kota Kinabalu, Sabah. Judgment in Default of Appearance dated 9 September 2002 has been served to both Defendants. MBSB had obtained Summary Judgment against the Defendants on 30 October 2002. A Statutory Notice pursuant to Section 218 of the Companies Act, 1965 was subsequently issued to the Defendants on 30 December 2002. Since no reply was received by MBSB, MBSB's Application for Garnishing Proceedings against the 1<sup>st</sup> Judgment Debtor had been granted on 20 February 2003. MBSB had on 19 May 2003

served a Garnishing Order to Show Cause to the Defendants and Demirama Sdn Bhd (the Garnishee). The matter was heard on 20 June 2003 and the Garnishee Order to Show Cause was then withdrawn based on the Affidavit of the Garnishee and MBSB was had paid costs to the solicitor of the Garnishee on 28 July 2003.

**Status:** MBSB is in the process of applying for garnishing proceedings against judgment debtor.

**(iii) *MBSB v. Fountain View Corporation Sdn Bhd & Dato' Chin Chan Leong & Karuppannan a/l Palaniappan***  
***Kuala Lumpur High Court Suit No. D8-22-1877-03***

MBSB had on 16 December 2003 filed a claim against Defendants for a sum of RM6,234,852.25 being costs incurred on the Likas Sport Complex Project at Kota Kinabalu together with loss of profit and damages.

**Status:** MBSB filed defence on Fountain View's counter claim. Waiting for trial date to be fixed

***Legal Action against Mercedes Builders (S) Sdn Bhd ("MB(S)")***

**(i) *Bentahara Sdn Bhd v. MB(S)***  
***Kota Kinabalu Sessions Court Summons No. 52-541 of 2001***

Plaintiff had on 12 July 2001 filed a claim for the sum of RM126,288.56 against MB(S) being goods and services supplied and provided to MB(S). Judge had on 11 July 2002 dismissed Plaintiff's application with costs and MB(S) be given leave to defend. Both parties have agreed to settle the matter amicably.

**Status:** Notice of demand received on 5th May 2006,. Negotiations for t settlement still in progress.

**(ii) *Cannon Construction Sdn Bhd v. MB(S)***  
***Sibu Sessions Court Summons No. SB-52-135-2001***

Plaintiff had on 1 November 2001 filed a claim for the sum of RM188,687.40 against MB(S) being balance of the contract sum for the works done pursuant to the contracts awarded by MB(S) in respect of the Proposed Sibu Low Cost Housing Scheme at RPR Sibu, Sarawak. MB(S) counterclaimed for the defect work of the Project amounting to RM1,492,803.60 against the Plaintiff. Both parties are considering settling the matter amicably.

**(iii) *Syarikat Hebat Hasil v. MB(S)***  
***Kota Kinabalu Magistrates Court in the State of Sabah, (Civil) Summons No. 72-266 of 2002***

Plaintiff had on 26 February 2002 filed a claim for the sum of RM19,132.00 against MB(S) being balance price for the supply and delivery of river sand and other construction materials to MB(S) for Kinarut Low Cost Housing Project at South Papar. Statement of Defences filed by MB(S) and put the Plaintiff to strict proof. Copy of the Defence duly endorsed by the Court and Third Party Notice has been filed by MB(S).

(iv) ***Shing Long Construction Sdn Bhd v. MB(S)***

***Kota Kinabalu High Court Suit No. K22-76 of 2002***

Plaintiff was appointed as sub-contractor pursuant to Sub-Contract Agreements on 20 September 2000, 13 November 2000 and 10 February 2001 for South Papar Housing Project in Kinarut. Plaintiff had on 30 March 2002 filed a claim for the sum of RM1,345,216.39 for the work done for the Project. Statement of Defences dated 24 April 2002 filed by MB(S). Third Party Proceedings was granted and copy of Third Party Notice has been served. Hearing for Notice of Application of Order 14 by the Plaintiff was dismissed on 14 February 2003. Notice of Appeal was then filed by the Plaintiff.

(v) ***Pan Sarawak Co. Sdn Bhd v. MB(S) and Mercedes Holdings Berhad***

***Kota Kinabalu Sessions Court Summons No. 52-317 of 2002***

Plaintiff had on 22 April 2002 filed a claim for RM173,604.68 being price of goods sold and delivered to MB(S). Plaintiff also filed a claim against Mercedes Holdings Berhad as Corporate Guarantor for MB(S). Statement of Defence has been filed by MB(S). Plaintiff had on 25 April 2003 obtained a summary judgment against Defendants. Plaintiff had on 29 May 2003 demanded for a sum of RM227,556.80 being the judgment sum together with interest and costs. Plaintiff had on 6 August 2003 issued a statutory notice pursuant to Section 218 of the Companies Act, 1965 to the Defendants respectively.

**Status:** Negotiation for settlement in progress.

(vi) ***Government of Malaysia v. MB(S)***

***Kuching High Court Suit No. S-22-120-2002-III(II)***

***Statutory Notice pursuant to Section 218 of the Companies Act, 1965.***

Plaintiff had on 24 December 2002 served a summons to MB(S) claiming for RM5,115,909.53 in respect of the outstanding payment of income tax for Years of Assessment 1999, 1999 (Additional) and 2000. Plaintiff had on 1 August 2003 obtained an Order for Summary Judgment against MB(S) for the sum of RM5,115,909.53 together with interest thereon at the rate of 8% per annum from the date of Judgment until the date of full realization and costs. MB(S) had then made some payments to Plaintiff and at the same time proposed a payment schedule for Plaintiff's consideration. MB(S) has yet to receive reply from the Plaintiff as at to-date.

**Status:** Lembaga Hasil Dalam Negeri Sarawak had via a letter dated 8 July 2004 agreed to an instalment settlement by MB(S).

(vii) ***Law Khim Ai (f) v. MB(S)***

***Kuching High Court Suit No. 22-19-2003-I***

Plaintiff had on 21 March 2003 served a summons to MB(S) claiming that MB(S) had breach of the terms of the Sale and Purchase Agreement entered between both parties on 31 December 1998 for the purchase of a double storey semi-detached house at Muara Tebas, Kuching known as Tabuan Park Housing Scheme and claiming for the refund of RM102,278.00 together with agreed pre-estimated liquidated damages of RM102,278.00 from MB(S). Statement of Defence has been filed by the Defendant.

**Status:** Pending Court to fix a date for Plaintiff's application.

(viii) ***Titan (Sarawak) Sdn Bhd v. MB(S)***

***Kuching Sessions Court Summons No. 52-438-2002-III***

Plaintiff had on 23 August 2002 filed a claim against MB(S) for RM58,105.47 being balance of amount owing for goods sold and delivered to MB(S). Judgment was awarded to Plaintiff on 3 October 2003 for RM58,105.47 as at 15 August 2001 plus interest at 1.5% per month and cost. Defendant had appeal against the judgment.

(ix) ***Kinnang Land and Marine Electrical Sdn Bhd Vs MB(S)***

***Kota Kinabalu Sessions Court Summons No.52-566-2004***

Claim for outstanding payment for electrical work done for Taman Sri Indah Project amounting to RM89,778.00. Developer is Winmart Sdn Bhd.

**Status:** Defendant filed defence on 16 August 2004.

(x) ***John & Partners Construction Sdn Bhd Vs. Mercedes Builders (S) Sdn Bhd***

***Originating Summons No: 24-105-2004-111(1)***

Plaintiff signed Sale & Purchase Agreement with Defendant for purchase of one piece of land meant for petrol kiosk operation. Plaintiff is claiming for vacant possession of the land and claim for LAD amounting to RM150,300.00 and claim that late delivery charges to setoff against balance purchase price. Defendant is claiming that Plaintiff have not settled last 5% of payment amounting to RM161,390.14 plus late payment interest.

***Legal Action By Mercedes Builders (S) Sdn Bhd ("MB(S)")***

(i) ***MB(S) v. Ragam Handal Sdn Bhd***

***Kota Kinabalu High Court Suit No. K22-131-2000***

MB(S) was appointed as main contractor for South Papar Housing Project in Kinarut by a Novation Agreement dated 1 March 1999 from MBSB who was originally awarded the Project by the Defendant. The Project was subsequently delayed due to no fault of MB(S) and the Defendant had granted extension of time for completion of the Project till 31 March 2002 to MB(S). However, the Defendant failed / refused to make the progress claim of RM6,546,849.20 and caused MB(S) being served numerous demands and summons by its sub-contractors for payment. Defendant had then on 27 August 2001 unfairly and without any justification, discontinued the contract works and forced MB(S) to move out from the Project site within 3 days from 3 September 2001. Hence, MB(S) had on 19 June 2002 filed a claim against the Defendant for a sum of RM6,546,849.20 for the work done for the Project and damages for wrongful termination of contract and the loss of profit of RM3,721,955.38 against the Defendant. The total amount claimed against the Defendant is RM10,268,804.58. Defendant had filed a Statement of Defence and Counterclaim. MB(S) had on 9 August 2002 filed a Reply to Defence and Counterclaim. Plaintiff had on 25 April 2003 filed an Affidavit Verifying the Lists of Documents together with the Lists of Documents.

**Status:** Waiting for court to fix a trial date.



(ii) ***MB(S) v. Winmart Sdn Bhd***

***In the High Court in Sabah and Sarawak at Kota Kinabalu Suit No. K22-132-2002***

MB(S) was appointed as main contractor for Kuala Menggatal Housing Project in Kota Kinabalu, Sabah via letter of award dated 25 November 1996. The Project was subsequently delayed due to no fault of MB(S) and MB(S) had via letters dated 11 March 2000, 30 August 2000 and 20 February 2001 requested for extension of time until 30 April 2001 which was also supported by the Project's Prime Consultants, Herman Lee & Associates Sdn Bhd vide their letter dated 23 February 2001. However, the Defendant failed / refused to make the progress claim of RM4,961,451.50 and caused MB(S) unable to pay its sub-contractors and suppliers and therefore the suppliers stopped the supply of materials and the sub-contractors stopped work at the Project site and MB(S) was unable to continue with the contract works. Defendant had subsequently on 27 July 2001 unfairly and without any justification, discontinued the contract works and forced MB(S) to move out from the Project site within 3 days from 3 August 2001. Hence, MB(S) had on 19 June 2002 filed a claim against the Defendant for a sum of RM4,961,451.50 for the work done for the Project and damages for wrongful termination of contract and the loss of profit of RM2,176,738.50 against the Defendant. The total amount claimed against the Defendant is RM7,138,190.00. Defendant had filed a Statement of Defence and Counterclaim. A Reply to Defence and Counterclaim has been filed by MB(S).

(iii) ***MB(S) v. Dato' Wong Yit Ming***

***In the High Court in Sabah and Sarawak at Kota Kinabalu Suit No. K22-46-2003***

MB(S) had on 19 March 2003 filed a claim against the Defendant for RM1,745,000.00 being the sum advanced to the Defendant. Defendant had on 8 May 2003 filed a Statement of Defence. A Reply to the Defence and Defence to Counterclaim was filed by Plaintiff on 20 June 2003. Defendant had on 28 August 2003 filed the Summons in Chambers together with Affidavit in Support to the Court. Defendant's application for Order 20 Rule 5 RHC 1980 was heard on 2 October 2003 and the Court ordered Defendant at liberty to amend the Defence and Counterclaim which had then been filed on 7 October 2003 by Defendant. All bundles of document has been filed by MB(S)

**Status:** Court fixed trial date on 10 May 2006.

(iv) ***MB(S), MBSB Vs Winmart Sdn Bhd***

***Kota Kinabalu High Court case No: KK22-91-2004***

MB(S) claim for advances given to Winmart Sdn Bhd for their project amounting to RM880,920.92. Writ of summons served on defendant.

**Status:** Trial fixed on 23 June 2009 (standby on 16 October 2007)

(ii) ***MB(S), MBSB Vs Ragam Handal Sdn Bhd***

***Kota Kinabalu High Court case No: KK22-92-2004***

MB(S) claim for advances given to Ragam Handal Sdn Bhd for their project amounting to RM3,474,064.36. Writ of summons served on defendant.

**Status:** Plaintiff's solicitors amending Writ of Summons.

***Legal Action against Sierra Estates Sdn Bhd ("SESB")***

- (i) ***Lembaga Pembangunan Perumahan Dan Bandar v. Sierra Estates Sdn Bhd***  
***In the High Court of Sabah and Sarawak at Kota Kinabalu Suit No. K22-06 of 2001***  
SESB was appointed to design, construct, finance, manage, complete, market and sell a Residential Housing Project on the land held in title Wilayah Persekutuan Country Lease No. 205357688 described as Phase IV, Taman Ranca Ranca, Labuan measuring approximately 5.67 hectares by an Agreement dated 14 February 1997 and a Supplementary Agreement dated 14 January 1999. SESB shall pay to the Plaintiff the entitlement in the sum of RM3,789,163.00. Plaintiff now claims for the outstanding sum of RM1,880,884.00 inclusive interest against SESB. SESB had negotiated with Plaintiff and Plaintiff has agreed to resolve the matter amicably. A letter of rescheduling was submitted again to Plaintiff on 18 February 2003 for consideration and the steering committee of Plaintiff had on 7 March 2003 agreed in principle with the proposal and requested for further assurance on payment of entitlement. LPPB's Board had on 11 April 2003 approved the reschedule of LPPB's entitlement and required MHB to execute a Corporate Guarantee in respect of the payment.

**Status:** Relevant documents had been executed and Plaintiff agreed to withhold all legal action against Defendant.

***Legal Action by Sierra Estate Sdn Bhd ("SESB")***

- (i) ***Sierra Estate Sdn Bhd v. Wong Yit Ming***  
***Kota Kinabalu Sessions Court Summons No. 52-276-2003***  
SESB claimed for a sum of RM30,000.00 being advance made to Datuk Wong Yit Ming.

***Legal Action against Mitsuden Manufacturing (M) Sdn Bhd ("MMSB")***

- (i) ***Malayan Banking Berhad v. MMSB & Bennes Engineering Sdn Bhd & Poh Soon Seng & Tan Hai Yeen & Law Kok Hong***  
***Kuala Lumpur High Court Writ of Summons No. D8-22-1018-2002***  
Plaintiff had on 3 July 2002 filed a claim against MMSB for an amount of RM4,209,690.74 as at 31 December 2001 for the termination of the banking facilities of RM3.75 million granted by Plaintiff to MMSB on 3 July 1995. Plaintiff also claim against Bennes Engineering Sdn Bhd as Corporate Guarantor; Poh Soon Seng, Tan Hai Yeen and Law Kok Hong as Personal Guarantors of MMSB for the said amount. Statement of Defence has been filed by the Defendant. MMSB has submitted a restructuring proposal to Plaintiff and is currently pending consideration.

**Status:** This matter has been further adjourned to a later date.