

APFT BERHAD (“APFT” OR “THE COMPANY”)

Type : Announcement
Subject : Material Litigation
Description : APFT Berhad (“APFT” or “the Company”)
Kuala Lumpur High Court Suit No. WA-22NCVC-314-06/2017
Lembaga Kumpulan Wang Simpanan Pekerja (“KWSP” or “Plaintiff”) vs
Asia Pacific Flight Training Sdn Bhd (“APFTSB” or “the Defendant”)

1, Date of Received of the Writ of Summons and Statement of Claim

The Board of Directors of APFT Berhad (“APFT” or “the Company”) wishes to announce that an indirect wholly-owned subsidiary, Asia Pacific Flight Training Sdn Bhd (“APFTSB” or “the Defendant”) had on 12 July 2017 received a sealed Writ of Summons dated 22 June 2017 (“the Writ”) and Statement of Claim dated 22 June 2017 (“Statement of Claim”) from the solicitors of KWSP (“the Plaintiff”).

2, The particulars of the claim under the Writ and Statement of Claim, including the amount claimed for and the interest rate

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

- i) The sum of RM1,939,330.00 for unpaid contributions for the period of March 2014 to June 2015 and August 2015 to March 2016;
- ii) Interest on the total unpaid contributions sum of RM2,691,590.00 at the interest rate as follows:-
 - (a) 7.35% per annum calculated from 16.03.2014 until 7.02.2015;
 - (b) 7.75% per annum calculated from 8.02.2015 until 20.02.2016;
 - (c) 7.40% per annum calculated from 21.02.2016 until 31.08.2016.
- iii) Late penalty charge on the total unpaid contributions sum of RM2,691,590.00 at the interest rate as follows:-
 - (a) 7.40% per annum calculated from 01.09.2016 until 17.02.2017;
 - (b) 6.70% per annum calculated from 18.02.2017 until the date fixed by KWSP under Section 49 of the KWSP Act 1991 and/or
 - (c) Subsequent late penalty charge declared by KWSP from the date of overdue until the date of full settlement;
- iv) Cost; and
- iv) Any other relief that the Honourable Court deem fit and proper.

The Court has fixed for case management on 25 August 2017.

3, Details of the default or circumstances leading to the filing of the Writ and Statement of Claim against APFTSB

The circumstances leading to the filing of the Writ and Statement of Claim against APFTSB was due to the fact the APFTSB had apparently failed to pay the unpaid contributions for the period of March 2014 to March 2016 together with the interest amounting to RM1,939,330.00.

4, A confirmation as to whether APFTSB is a major subsidiary

APFTSB is a major subsidiary of APFT.

5, The cost of investment in APFTSB

The total cost of investment in APFTSB is RM25,000,000.

6, The financial and operational impact of the Writ and Statement of Claim on the Group

There is no financial and operational impact on the Group.

7, The expected losses, if any, arising from the Writ and Statement of Claim on the Group

Save and except for the outstanding payment sum due and the legal cost in defending against the Plaintiff's Writ, the Company is not expected to incur any further losses arising from the Writ.

8, Steps taken and proposed to be taken in respect of the Writ and Statement of Claim on the Group

The Company is negotiating with KWSP for settlement via monthly instalment.

Further announcement on the development of the above matter will be made to Bursa Malaysia Securities Berhad in due course.

This announcement is dated 24 July 2017.