

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS**FOR THE SECOND QUARTER ENDED 31 MARCH 2024****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at 31.03.2024 (Unaudited) RM'000	As at 30.9.2023 (Audited) RM'000
ASSETS		
Non-Current Assets		
Intangible assets	62,608	63,873
Property, plant and equipment	63,964	71,091
	126,572	134,964
Current Assets		
Inventories	24,188	4,393
Trade and other receivables	17,818	10,137
Tax refundable	1,216	5,579
Deposit with a licensed bank	-	92
Cash and bank balances	19,682	16,435
	62,904	36,636
TOTAL ASSETS	189,476	171,600

(The rest of this page is intentionally left blank)

BAHVEST RESOURCES BERHAD
Registration no. 200401011001 (649504-D)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 MARCH 2024

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)

	As at 31.03.2024 (Unaudited) RM'000	As at 30.9.2023 (Audited) RM'000
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Issued Share capital	70,824	70,824
Retained earnings	73,206	52,649
Total equity	144,030	123,473
Non-Current Liabilities		
Borrowings	9,324	11,578
Deferred tax liabilities	2,718	2,718
	12,042	14,296
Current Liabilities		
Trade and other payables	28,220	26,775
Borrowings	5,182	7,054
Taxation	2	2
	33,404	33,831
TOTAL LIABILITIES	45,446	48,127
TOTAL EQUITY AND LIABILITIES	189,476	171,600
Net asset per share attributable to ordinary equity holder	sen	11.62
		9.96

Note:

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial period from 1 April 2022 to 30 September 2023 ("FPE2023") and the accompanying explanatory notes to the interim financial statements.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS**FOR THE SECOND QUARTER ENDED 31 MARCH 2024****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Quarter ended		Year-to-Date	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
Revenue	44,852	-	64,705	-
Cost of sales	(30,297)	-	(34,216)	-
Gross profit	14,555	-	30,489	-
Other income	443	-	1,162	-
Other expenses	(638)	-	(1,272)	-
Administrative expenses	(1,471)	-	(2,356)	-
Operating profit	12,889	-	28,023	-
Finance costs	(270)	-	(571)	-
Profit before tax	12,619	-	27,452	-
Taxation	(3,150)	-	(6,895)	-
Profit after tax/Total comprehensive income for the period	9,469	-	20,557	-
Profit after tax/Total comprehensive income attributable to owners of the Company	9,469	-	20,557	-
Earnings per share attributable to owners of the Company:				
- Basic	sen	0.76	-	1.66
- Diluted	sen	0.76	-	1.66

Note:

1. The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the FPE2023 and the accompanying explanatory notes to the interim financial statements.
2. The Company's fiscal year-end has been changed from 31 March 2023 to 30 September 2023. Consequently, there are no comparable figures available for the corresponding period in the preceding year.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS**FOR THE SECOND QUARTER ENDED 31 MARCH 2024****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Issued Share Capital	Retained Earnings	Total
	RM'000	RM'000	RM'000
As at 1 October 2023	70,824	52,649	123,473
Total comprehensive profit for the period	-	20,557	20,557
As at 31 March 2024	<u>70,824</u>	<u>73,206</u>	<u>144,030</u>

Note:

1. The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the FPE2023 and the accompanying explanatory notes to the interim financial statements.
2. The Company's fiscal year-end has been changed from 31 March 2023 to 30 September 2023. Consequently, there are no comparable figures available for the corresponding period in the preceding year.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS**FOR THE SECOND QUARTER ENDED 31 MARCH 2024****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Quarter ended	
	31.03.2024	31.03.2023
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	27,452	-
Adjustment for:		
Non cash items	8,061	-
Operating profit before working capital changes	35,513	-
Net changes in current assets	(27,384)	-
Net changes in current liabilities	1,444	-
Net cash generated from operations	9,573	-
Income tax paid	(2,531)	-
Interest paid	(571)	-
Interest received	90	-
Net cash from operating activities	6,561	-
CASH FLOWS USED IN INVESTING ACTIVITIES		
Proceeds from disposals of plant and equipments	2,884	-
Purchase of plant and equipment	(2,072)	-
Net cash used in investing activities	812	-
CASH FLOWS USED IN FINANCING ACTIVITIES		
Repayment of lease liability	(4,126)	-
Net cash used in financing activities	(4,126)	-
Net increase / (decrease) in cash and cash equivalents	3,247	-
Cash and cash equivalents at beginning of period	16,435	-
Cash and cash equivalents at end of period	19,682	-

Note:

1. The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the FPE2023 and the accompanying explanatory notes to the interim financial statements.
2. The Company's fiscal year-end has been changed from 31 March 2023 to 30 September 2023. Consequently, there are no comparable figures available for the corresponding period in the preceding year.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2024

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Basis of Preparation and Accounting Policies

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 - Interim Financial Reporting and the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ACE Market Listing Requirement.

The interim financial statements should be read in conjunction with the audited financial statements for the period ended 30 September 2023. These explanatory notes attached to the interim financial statements provides an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Bahvest Resources Berhad ("Company" or "Bahvest") and its subsidiaries ("Group") since the period ended 30 September 2023.

Change in Financial Year End

The Company had on 30 June 2023, announced that it had changed the financial year end of the Company from 31 March 2023 to 30 September 2023. The next set of audited financial statement shall be made from 1 April 2022 to 30 September 2023 covering a period of 18 months and thereafter, the financial year end of the Company shall end on 30 September for the subsequent years.

2. Change in Accounting Policy

The significant accounting policies adopted are consistent with those of the audited financial statements for the period ended 30 September 2023, except for the adoption of the following amendments / improvements to MFRSs during the current financial year:

Amendments / Improvements to MFRSs

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 3	Business Combinations
MFRS 9	Financial Instruments
MFRS 116	Property, Plant and Equipment
MFRS 137	Provision, Contingent Liabilities and Contingent Assets
MFRS 141	Agriculture

The adoption of the above amendments / improvements to MFRSs did not have any significant effect on the financial effect on the interim financial statements of the Group.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 MARCH 2024****2. Change in Accounting Policy (cont'd)**

The Group have not adopted the following new MFRS and Amendments / Improvements to MFRSs that have been issued, but yet to be effective:

Description	Effective for financial periods Beginning on or after
<u>New MFRS</u>	
MFRS 17 Insurance Contracts	1 January 2023
<u>Amendments / Improvements to MFRSs</u>	
MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards	1 January 2023#
MFRS 3 Business Combinations	1 January 2023#
MFRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 January 2023#
MFRS 7 Financial Instruments : Disclosures	1 January 2023#/1 January 2024
MFRS 9 Financial Instruments	1 January 2023#
MFRS 10 Consolidated Financial Statements	Deferred
MFRS 15 Revenue from Contracts with Customers	1 January 2023#
MFRS 16 Leases	1 January 2024
MFRS 17 Insurance Contracts	1 January 2023
MFRS 101 Presentation of Financial Statements	1 January 2023#/1 January 2023#/ 1 January 2024
MFRS 107 Statements of Cash Flow	1 January 2023#/1 January 2024
MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112 Income Tax	1 January 2023
MFRS 116 Property, Plant and Equipment	1 January 2023#
MFRS 119 Employee Benefits	1 January 2023#
MFRS 121 The Effects of Changes in Foreign Exchange Rate	1 January 2025
MFRS 128 Investment in Associates and Joint Ventures	Deferred/1 January 2023#
MFRS 132 Financial Instruments : Presentation	1 January 2023#
MFRS 136 Impairment of Assets	1 January 2023#
MFRS 137 Provision, Contingent Liabilities and Contingent Assets	1 January 2023#
MFRS 138 Intangible Assets	1 January 2023#
MFRS 140 Investment Property	1 January 2023#

Note:

- Amendments as to the consequence of effective of MFRS 17 Insurance Contracts

The Group will apply the above MFRS and Amendments to MFRSs that are applicable when they become effective.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE SECOND QUARTER ENDED 31 MARCH 2024

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial period ended 30 September 2023 was not qualified.

4. Seasonal and Cyclical Factors

The results of the Group were not materially affected by any significant seasonal and cyclical factors during the quarter under review.

5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter under review.

6. Changes in Estimates

There were no changes in estimates of amounts that have a material effect in the current quarter results.

7. Debts and Equity Securities

Save for the shares issued pursuant to the exercise of the Employees Share Options Scheme, there were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities for the current financial year-to-date.

8. Dividend Paid

No dividends were declared or paid during the quarter under review.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS**FOR THE SECOND QUARTER ENDED 31 MARCH 2024****9. Segmental Reporting****9.1 Segment review for current quarter compared with immediate preceding quarter**

	Current Quarter			Immediate Preceding Quarter		
	Mining RM'000	Others RM'000	Consolidated RM'000	Mining RM'000	Others RM'000	Consolidated RM'000
Revenue	44,852	-	44,852	19,853	-	19,853
Cost of sales	(30,297)	-	(30,297)	(3,919)	-	(3,919)
Gross profit/(loss)	14,555	-	14,555	15,934	-	15,934
Other income	428	15	443	656	63	719
Other expenses	(6)	(632)	(638)	(2)	(632)	(634)
Administrative expenses	(1,219)	(252)	(1,471)	(681)	(204)	(885)
Operating profit/(loss)	13,758	(869)	12,889	15,907	(773)	15,134
Finance costs	(270)	-	(270)	(301)	-	(301)
Profit/(loss) before tax	13,488	(869)	12,619	15,606	(773)	14,833
Taxation	(3,150)	-	(3,150)	(3,745)	-	(3,745)
Profit/(loss) after tax attributable to the owners of the Company	10,338	(869)	9,469	11,861	(773)	11,088

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS**FOR THE SECOND QUARTER ENDED 31 MARCH 2024****9. Segmental Reporting (cont'd)****9.2 Segment review for financial year to date**

	Cumulative Period					
	01.10.2023 - 31.03.2024			01.10.2022 - 31.03.2023		
	Mining RM'000	Others RM'000	Consolidated RM'000	Mining RM'000	Others RM'000	Consolidated RM'000
Revenue	64,705	-	64,705	-	-	-
Cost of sales	(34,216)	-	(34,216)	-	-	-
Gross profit	30,489	-	30,489	-	-	-
Other income	1,084	78	1,162	-	-	-
Other expenses	(8)	(1,264)	(1,272)	-	-	-
Administrative expenses	(1,900)	(456)	(2,356)	-	-	-
Operating profit/(loss)	29,665	(1,642)	28,023	-	-	-
Finance costs	(571)	-	(571)	-	-	-
Profit/(loss) before tax	29,094	(1,642)	27,452	-	-	-
Taxation	(6,895)	-	(6,895)	-	-	-
Profit/(loss) after tax attributable to the owners of the Company	22,199	(1,642)	20,557	-	-	-

10. Subsequent Events

There were no material events subsequent to the end of current quarter that has not been reflected in the interim financial statements.

11. Changes in Composition of the Group

There were no changes in the composition of the Group during the quarter under review.

12. Contingent Liabilities and Contingent Assets

There were no contingent liabilities and contingent assets as at 31 March 2024.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS**FOR THE SECOND QUARTER ENDED 31 MARCH 2024****13. Profit Before Taxation****13.1 Financial review for current quarter and financial year to date**

	Individual Period			Cumulative Period		
	Current Year Quarter	Preceding Year Quarter	Changes	Current Year-to-Date	Preceding Year-to-Date	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	44,852	-	-	64,705	-	-
Gross profit	14,555	-	-	30,489	-	-
Profit before interests and tax	12,889	-	-	28,023	-	-
Profit before tax	12,619	-	-	27,452	-	-
Profit after tax attributable to the owners of the Company	9,469	-	-	20,557	-	-

13.2 Financial review for current quarter compared with immediate preceding quarter

	Current Quarter	Immediate Preceding Quarter	Changes
	RM'000	RM'000	%
Revenue	44,852	19,853	125.92
Gross profit	14,555	15,934	(8.65)
Profit before interests and tax	12,889	15,134	(14.83)
Profit before tax	12,619	14,833	(14.93)
Profit after tax attributable to the owners of the Company	9,469	11,088	(14.60)

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2024

14. Review of Performance

The Group changed its financial year-end from 31 March to the new date of 30 September as approved by Suruhanjaya Syarikat Malaysia ("SSM") on 7 August 2023. Consequently, the inaugural audited consolidated financial statements for the extended period from 1 April 2022 to 30 September 2023 were issued on 31 January 2024. Moving forward, the Group's next financial year is from 1 October 2023 to 30 September 2024 ("FYE2024").

For the quarter concluded on 31 March 2024 ("2Q2024"), our Group achieved a revenue of RM44.85 million and a gross profit of RM14.56 million. The achieved revenue and gross profit were attributed to the sale of:

- 133.56 kgs of gold at prices ranging from RM326,000 to RM344,000 per kg; and
- 186.12 kgs of silver at RM3,200.00 per kg.

The robust sales figures during the current quarter reflect our Group's ability to capitalize on favourable market conditions and our commitment to delivering exceptional results. We remain focused on optimizing our operations, explore strategic opportunities and implement innovative strategies to further strengthen our market position and deliver sustainable growth for our stakeholders.

During the first half of the FYE2024 ("1H2024"), our Group achieved a production milestone, yielding over 260 kilograms of gold. Out of this production volume, we strategically sold 199.43 kilograms of gold during the 1H2024 period. The decision to retain the remaining balance as inventory was guided by comprehensive administrative considerations and carefully integrated into our strategic operational planning. This inventory management allows us to position ourselves advantageously to capitalize on market opportunities as they arise.

For 2Q2024, our Group's robust performance continued with profit after tax of RM9.47 million, after accounting for all operational expenses. The cumulative profit after tax for the 1H2024 reached RM20.56 million.

This achievement underscores our Group's resilience, strategic execution, and unwavering focus on delivering sustainable growth and profitability.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS**FOR THE SECOND QUARTER ENDED 31 MARCH 2024****15. Profit Before Taxation**

The following items have been included in arriving at profit before taxation: -

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Quarter	Current Year-to-Date	Preceding Year-to-Date
	RM'000	RM'000	RM'000	RM'000
Interest income	15	-	90	-
Other income including investment income	428	-	1,072	-
Interest expense	(270)	-	(571)	-
Depreciation and amortisation	(4,157)	-	(8,354)	-
Net realised and unrealised foreign exchange loss	-	-	-	-

16. Comments on Material Change in other income and expenses

	Individual Period			Cumulative Period		
	Current Year Quarter	Preceding Year Quarter	Changes	Current Year-to-Date	Preceding Year-to-Date	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Other income	443	-	-	1,162	-	-
Other expenses	(638)	-	-	(1,272)	-	-
Administrative expenses	(1,471)	-	-	(2,356)	-	-
Finance costs	(270)	-	-	(571)	-	-

Other expenses represent amortisation of mining rights pursuant to MFRS 138.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS**FOR THE SECOND QUARTER ENDED 31 MARCH 2024****17. Income Tax Expense**

	Current Quarter	Current Year- to-Date
	RM'000	RM'000
Current year	(3,150)	(6,895)

Income tax is calculated at the Malaysian statutory rate of 24% of the estimated assessable profit from mining business for the fiscal year.

18. Variance on Profit Forecast

No profit forecast was announced or published by the Group, hence, no comparison is made between actual and forecast results.

19. Material Impairment of Assets

There is no material impairment to be recognised during the quarter under review.

20. Trade Receivables

	Current	1 month	2 months	> 3 months	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Trade Receivable	5,289	-	-	14,689	19,978
Allowance for Impairment loss in previous financial year					(12,331)
Total					7,647

Trade receivables are non-interest bearing and the normal credit terms granted by the Group are ranging from 7 to 270 days. They were recognised at their original invoiced amounts which represent their fair values on initial recognition.

BAHVEST RESOURCES BERHAD
Registration no. 200401011001 (649504-D)
(Incorporated in Malaysia)
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 MARCH 2024

21. Other Receivables

Other Receivables consists of the following: -

	Other receivables	Deposit	Prepayment	Total
	RM'000	RM'000	RM'000	RM'000
Other receivables, deposit and prepayment	2,373	7,574	280	10,227
Allowance for Impairment loss in previous financial year	(56)	-	-	(56)
Total	2,317	7,574	280	10,171

22. Loan and Borrowings

The Group has no unsecured loan and borrowings, all the secured loan and borrowing are as follows:

	As at 31.03.2024 (Unaudited)		
	Long-term	Short-term	Total
	RM'000	RM'000	RM'000
Hire purchase	8,312	5,086	13,398
Lease liabilities	1,012	96	1,108
Total	9,324	5,182	14,506
	As at 30.09.2023 (Audited)		
	Long-term	Short-term	Total
	RM'000	RM'000	RM'000
Hire purchase	10,519	6,957	17,476
Lease liabilities	1,059	97	1,156
Total	11,578	7,054	18,632

As compared to preceding corresponding period up to 30 September 2023, there was a net decrease in total borrowings of RM4.126 million decrease in hire purchase facilities for the purchase of heavy machineries and equipment by Wullersdorf Resources Sdn Bhd, to carry out the Group's mining operation at Bukit Mantri, Tawau, Sabah.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE SECOND QUARTER ENDED 31 MARCH 2024

23. Company's Prospects

In the midst of global challenges that tested the resilience of the industry, our Group navigated market volatility, regulatory changes, and rapid technological evolution with a newly appointed management team. This team, appointed midway through 2023, has been a beacon of innovation and commitment, steering the Group towards a promising future while staying true to our corporate ethos of pursuing excellence.

The introduction of new leadership was a strategic decision aimed at revitalizing our operations and recommitting to our core values. The transition has already led to significant improvements across all key business metrics. Initiatives such as optimizing productivity-enhancing equipment, implementing efficient blasting techniques, and reducing hauling time have streamlined operations and boosted gold production, evidenced by the strong financial performance in the 1H2024.

The achieved financial results for the 1H2024 serves as a resounding testament to the effectiveness of our strategies and the unwavering commitment of our team. These remarkable achievements are a clear manifestation of our dedication to operational excellence, prudent resource management, and our ability to adapt to dynamic market conditions proactively.

The impressive financial performance during this period is tangible evidence of our Group's resilience, strategic execution, and relentless pursuit of sustainable growth and profitability. These results not only validate the soundness of our approach but also reinforce our confidence in our ability to maintain this positive trajectory, capitalizing on emerging opportunities and leveraging our competitive advantages to drive long-term success.

With a strong foundation built on our core competencies, innovative mindset, and dedicated workforce, we are well-positioned to navigate the challenges ahead and continue delivering outstanding results, solidifying our position as a leader in the industry while creating enduring value for our stakeholders.

Looking forward, we are optimistic about our ability to maintain this upward trajectory. We are committed to an effective exploration program focused on understanding the epithermal deposit system and conducting comprehensive geology mapping to uncover new significant deposits. Furthermore, we plan to continue enhancing mine production by optimizing equipment and techniques, and ensuring the milling of high-grade ore to minimize dilution and maximize gold output.

Our aim is to not only solidify our standing as a leading gold mining group in Malaysia but also to leverage our competitive advantages for long-term success. With the current management's integrity and commitment, alongside a positive outlook on resolving ongoing land disputes, we are poised for improved mining efficiency and profitability in the future. This year promises to be pivotal as we consolidate our gains, explore new growth opportunities, and continue setting new industry standards.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE SECOND QUARTER ENDED 31 MARCH 2024

24. Corporate Proposals

There was no corporate proposal that has been announced but has not been completed as at the date of this report.

25. Material Litigation

Saved as disclosed below, as at the date of this report, there are no other material litigation.

The Company had on 28 June 2023 taken out a Writ of Summons and Statement of Claim in the High Court at Sandakan against Datuk Lo Fui Ming (“LFM”), Lo Teck Yong (“LTY”), Chong Khing Chung (“CKC”) and Southsea Gold Sdn Bhd (“Defendants”) under Suit No. SDK-22NCvC-11-6/2023 arising from certain wrongdoings committed by them in relation to the mining operations of Wullersdorf Resources Sdn Bhd (“Wullersdorf” or “WRSB”).

As set out in the Writ of Summons and Statement of Claim, the Company and Wullersdorf (“Plaintiff”) are seeking and claiming from the Defendants the following reliefs:

- a) a declaration that LFM and LTY and/or either of them have breached their fiduciary duties, duty of care and statutory duties towards Bahvest and/or otherwise exercised their powers for an improper purpose;
- b) a declaration that LFM, LTY and CKC and/or either of them have breached their fiduciary duties, duty of care and statutory duties towards WRSB and/or otherwise exercised their powers for an improper purpose;
- c) a declaration that the Temporary Resolution between WRSB and Southsea Gold Sdn. Bhd. (“Southsea”) is null and void;
- d) that the RM6,000,000.00 paid by WRSB to Southsea on 10 May 2023 be returned to WRSB;
- e) that Southsea be restrained, either by itself or through its directors, associated, officers, servants, agents, nominees or anyone else, from taking any further steps in respect of the Southsea’s Demand dated 2 May 2023 and/or the purported Temporary Resolution between WRSB and Southsea, including requesting and/or receiving any payment;
- f) that Southsea be restrained, either by itself or through its directors, associates, officers, servants, agents, nominees or anyone else from removing WRSB from Southsea’s land and/or otherwise hindering the operations of WRSB;
- g) in the interim, that Southsea be restrained, either by itself or through its directors, associates, officers, servants, agents, nominees or anyone else from carrying out any action set out in prayers (e) and (f) above until full disposal of this action;
- h) general damages to be assessed against the Defendants jointly and/or severally;
- i) exemplary damages and aggravated damages against the LFM and/or LTY jointly and/or severally;
- j) interest at the rate of 5% per annum on the judgement sum calculated from the date of judgement until the date of full settlement;
- k) costs; and
- l) such further or other reliefs that the Honourable Court deems just and proper.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE SECOND QUARTER ENDED 31 MARCH 2024

25. Material Litigation (cont'd)

The Plaintiffs obtained an ex parte interim order against Southsea on 4 July 2023 to restrain them from taking further steps in respect of the Southsea's Demand and the Temporary Resolution pending the inter parte hearing. The Interim Order also restrained Southsea from removing Wullersdorf from Southsea's land and/or hindering its operations. Southsea has filed an application to set aside the Interim Order. On the 14 July 2023 the parties recorded an agreement before the High Court Judge for Wullersdorf to continue with its operations pending the disposal of the two applications. The matter is fixed for e-review by the Court on 28 August 2023 for further directions.

Southsea has subsequently filed a separate suit against the Company and Wullersdorf in the High Court at Tawau on 5 July 2023 under Suit No. TWU-22NCvC-12-7/2023 to claim for the remaining balance of the Temporary Resolution amounting to RM7,000,000 and the removal of the fixtures and plants erected on the Southsea's mining land measuring 150 acres. The claim was premised on the allegation that Wullersdorf was occupying that portion the land illegally. The Company and Wullersdorf have filed a Defence to dispute the entirety of the claim. The occupation of the 150 acres was based on the Letter of Consent dated 18 September 2015 issued by Southsea to Wullersdorf at the material time.

Pending disposal of the 2 applications, the parties agreed that:

- (1) on the gate pass, Wullersdorf will provide Southsea with the names, identity numbers and vehicles of all the employees, servants, agents and suppliers who need to have access to the CL land by 17 July and Southsea will issue the gate passes by 18 July;
- (2) interim order under para 1 of the ex-parte order dated 4 July is maintained.

The Court further ordered that Wullersdorf shall have exclusive use of the water source marked A & B in Exhibit "LFM-20". As for the water source marked C, Wullersdorf shall allow Southsea to use the water subject to Southsea sending an email request and Wullersdorf shall respond within 2 hours of the email request.

On the 4 December 2023 the Sandakan High Court in Civil Suit No. SDK-22NCvCvC-11-6/2023 (Sandakan Suit) has granted an inter parties injunction order against Southsea along the following terms:-

- (a) that Southsea be restrained, either by itself or through its directors, associates, officers, servants, agents, nominees or anyone else, from taking any further steps in respect of Southsea's Demand, including requesting and/or receiving any payment until the disposal of this action;
- (b) that Southsea be restrained, either by itself or through its directors, associates, officers, servants, agents, nominees or anyone else, from hindering the operations of Wullersdorf including Wullersdorf's use and enjoyment of the land as provided for in the sublease agreement between Southsea and Wullersdorf dated 1 October 2015 and the use of the facilities built for the purpose of Wullersdorf's operations until the full disposal of this action.

The Sandakan Suit is being set down for trial and we are awaiting the High Court to fix the trial dates. Parties have filed and exchanged their witness statements.

BAHVEST RESOURCES BERHAD

Registration no. 200401011001 (649504-D)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS**FOR THE SECOND QUARTER ENDED 31 MARCH 2024****25. Material Litigation (cont'd)**

On 31 January 2024, the Sandakan High Court ordered the case to be transferred to the Tawau High Court upon the application by the Defendants. Following the transfer order, the case was reassigned with a new number, i.e. Suit No. TWU-22NCvC-5-2/2024. After the transfer was made, the resident Tawau High Court Judge, YA Datuk Duncan Sikodol informed parties that he has to recuse himself from handling the case because he knows LFM. The case was subsequently re-assigned to the Sandakan Judicial Commissioner, YA Tuan Saiful Azian Mokhtar.

The case is now waiting for the Court to fix the trial dates since all the pre-trial procedures like the bundle of documents and witness statements have been completed.

There is a pending contempt proceedings taken by the Plaintiffs against the directors of Southsea for disobeying the Injunction Order dated 4 December 2023. On 8 March 2024, YA Tuan Saiful Azian Mokhtar granted leave to the Plaintiffs to initiate the contempt proceedings against Southsea. The hearing of the inter partes contempt proceedings was fixed on 18 April 2024. however, the hearing has to be adjourned as it was unable to serve the contempt papers on all the directors of Southsea personally. The Court has now adjourned the hearing to 12 June 2024.

The above litigations is not expected to have any material financial and operational impact on the Group.

26. Profit Per Share

		Individual Period		Cumulative Period	
		Current Year Quarter	Preceding Year Quarter	Current Year-to-Date	Preceding Year-to-Date
Profit for the period	RM'000	9,469	-	20,557	-
Weighted average number of ordinary shares in issue	'000	1,239,780	-	1,239,780	-
Basic profit per share	sen	0.76	-	1.66	-
Diluted profit per share	sen	0.76	-	1.66	-

As at the end of the period, there was only one class of shares in issue, and they rank equally with each other.

BY ORDER OF THE BOARD
BAHVEST RESOURCES BERHAD
29 May 2024