

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR TO DATE ENDED 30 JUNE 2019

	INDIVIDUAL QUARTERS		CUMULATIVE QUARTERS	
	30.06.19 RM'000	30.06.18 RM'000	30.06.19 RM'000	30.06.18 RM'000
<b>Revenue</b>	2,048	-	4,641	-
Cost of sales	(1,851)	-	(4,071)	-
<b>Gross Profit / (Loss)</b>	<u>197</u>	<u>-</u>	<u>570</u>	<u>-</u>
<b>Other items of income</b>	211	4,270	413	4,563
<b>Other items of expenses</b>				
Administration expenses	(776)	(2,525)	(2,321)	(4,231)
Other operating expenses	-	-	-	-
Selling expenses	-	-	-	-
Finance costs	110	(94)	(162)	(186)
<b>Profit / (Loss) before tax</b>	<u>(258)</u>	<u>1,651</u>	<u>(1,500)</u>	<u>146</u>
Income tax expenses	-	-	-	(2)
<b>Profit / (Loss) after tax</b>	<u>(258)</u>	<u>1,651</u>	<u>(1,500)</u>	<u>144</u>
Other comprehensive income / (loss)	-	-	-	-
<b>Total comprehensive income / (loss)</b>	<u><u>(258)</u></u>	<u><u>1,651</u></u>	<u><u>(1,500)</u></u>	<u><u>144</u></u>
<b>Profit / (Loss) attributable to:</b>				
Owners of the parent	(258)	1,651	(1,500)	144
Non-controlling interests	-	-	-	-
	<u><u>(258)</u></u>	<u><u>1,651</u></u>	<u><u>(1,500)</u></u>	<u><u>144</u></u>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the parent	(258)	1,651	(1,500)	144
Non-controlling interests	-	-	-	-
	<u><u>(258)</u></u>	<u><u>1,651</u></u>	<u><u>(1,500)</u></u>	<u><u>144</u></u>
<b>Earnings / (Loss) per share attributable to owners of the parent (sen per share):</b>				
Basic	<u><u>(0.12)</u></u>	<u><u>0.80</u></u>	<u><u>(0.73)</u></u>	<u><u>0.07</u></u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**As at 30 June 2019**

	AS AT END OF CURRENT QUARTER (UNAUDITED)	AS AT END OF PRECEDING FINANCIAL YEAR (AUDITED)
	30.06.2019	31.12.2018
	RM'000	RM'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	9,224	9,530
Land held for property development	81,304	80,999
Goodwill on consolidation	90	90
Other investments	-	539
Club memberships		
	<b>90,618</b>	<b>91,158</b>
<b>Current assets</b>		
Property development cost	128,438	127,811
Inventories	1,258	1,258
Trade and other receivables	5,263	3,376
Tax recoverable	2,557	2,841
Deposit, cash and bank balances	924	26,012
	<b>138,440</b>	<b>161,298</b>
<b>Total assets</b>	<b>229,058</b>	<b>252,456</b>
<b>Equity and liabilities</b>		
<b>Capital and Reserves</b>		
Share capital	206,756	206,756
Other reserves	-	-
Retained earnings / (Accumulated losses)	(22,010)	(20,510)
Equity attributable to equity holders of the Company	184,746	186,246
Non-controlling interests	(149)	(149)
<b>Total equity</b>	<b>184,597</b>	<b>186,097</b>
<b>Non-current liabilities</b>		
Loans and borrowings	7,944	19,718
Finance lease payable	93	252
Deferred tax liabilities	-	-
	<b>8,037</b>	<b>19,970</b>
<b>Current liabilities</b>		
Trade and other payables	13,639	14,146
Amount due to director	-	-
Tax payables	17,119	17,119
Loans and borrowings	5,461	15,035
Finance lease payable	205	89
	<b>36,424</b>	<b>46,389</b>
<b>Net current assets / (liabilities)</b>	<b>102,016</b>	<b>114,909</b>
<b>Total liabilities</b>	<b>44,461</b>	<b>66,359</b>
<b>Net assets</b>	<b>184,597</b>	<b>186,097</b>
<b>Total equity and liabilities</b>	<b>229,058</b>	<b>252,456</b>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<b>0.89</b>	<b>0.90</b>

The above condensed consolidated statements of financial position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

**BERTAM ALLIANCE BERHAD** (Company No. 305530-A)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019**

	← Attributable to owners of the Company →		(Accumulated Losses) / Retained Earnings RM'000	Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Non-distributable	Distributable				
	Share Capital RM'000	Other Reserve RM'000				
At 1 January 2019	206,756	-	(20,510)	186,246	(149)	186,097
Transfer	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	(1,500)	(1,500)	-	(1,500)
At 30 June 2019	206,756	-	(22,010)	184,746	(149)	184,597
At 1 January 2018	206,756	(14,865)	14,764	206,655	(147)	206,508
Transfer	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	144	144	-	144
At 30 June 2018	206,756	(14,865)	14,908	206,799	(147)	206,652

*The above condensed consolidated statements of changes in equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.*

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019**

	Current Year ended 30.06.2019 RM'000	Preceding Year ended 30.06.2018 RM'000
<b>Cash Flows From Operating Activities</b>		
Net profit / (loss) before tax	(1,500)	146
Adjustments for:-		
Depreciation	307	337
Interest / Investment income	(175)	(1,898)
Interest expense	162	186
Loss on disposal of fixed assets	7	-
(Gain) / Loss on disposal of quoted shares	113	(2,619)
Operating cash flows before changes in working capital	<u>(1,086)</u>	<u>(3,848)</u>
Changes in working capital:		
(Increased)/Decreased in inventories	-	-
(Increased)/Decreased in property development costs	(627)	(1,277)
(Increased)/Decreased in trade and other receivables	(1,887)	(5,755)
Increased/(Decreased) in trade and other payables	<u>(507)</u>	<u>(6,449)</u>
Net cash flows used in operations	(4,107)	(17,329)
Interest paid	(162)	(1,633)
Interest income	175	1,898
Income taxes paid, net of refunded	284	-
<b>Net cash used in operating activities</b>	<u>(3,810)</u>	<u>(17,064)</u>
<b>Cash Flows from Investing Activities</b>		
Acquisition of property, plant and equipment	(12)	(46)
Additional to land held for property development	(305)	(266)
Proceeds from disposal of quoted shares	426	5,322
Proceeds from disposal of property, plant and equipment	4	-
Net cash flows generated from investing activities	<u>113</u>	<u>5,010</u>
<b>Cash Flows from Financing Activities</b>		
Repayment to a director	-	(11)
Repayment of borrowings	(21,391)	(7,767)
Net cash used in financing activities	<u>(21,391)</u>	<u>(7,778)</u>
Net Increase/(decrease) in cash and cash equivalents	(25,088)	(19,832)
Cash and cash equivalents at beginning of the period	26,012	43,213
Cash and cash equivalents at end of year	<u>924</u>	<u>23,381</u>
<b>Cash and cash equivalents comprise the following:</b>		
	<u>RM'000</u>	<u>RM'000</u>
Cash and short term deposits	924	39,637
Less : Fixed deposit pledged with licensed banks	-	(16,256)
	<u>924</u>	<u>23,381</u>

The above condensed consolidated statements of cash flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

## **BERTAM ALLIANCE BERHAD (Company No. 305530-A)**

### **PART A: NOTES TO THE INTERIM FINANCIAL REPORT**

#### **1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirement of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2018.

#### **2. Accounting Policies**

The significant accounting policies, method of computation and basis of consolidation applied in the consolidated condensed interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2018, except for the adoption of MFRS framework effective for the financial year beginning on 1 January 2019.

On 19 November 2011, the MASB issued a new MASB approved accounting framework, MFRS. The MFRSs Framework is mandatory for adoption by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 Agriculture and/or MFRS 15 Revenue from Contracts with Customers (“Transitioning Entities”).

The Transitioning Entities are given option to defer the adoption of MFRSs Framework. Transitioning Entities also include those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual period beginning on or after 1 January 2012.

The Group and the Company fall within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in their first MFRS financial statements for the financial year ending 31 December 2018. In presenting their first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of the MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

The Group and the Company consider that they are achieving their schedule milestone and expect to be in the position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2018. Certain subsidiary companies of the Group which do not fall within the scope of Transitioning Entities have adopted the MFRS Framework. Accordingly, reconciliations have been performed for the different financial reporting frameworks. However, the difference did not have significant impact to these consolidated financial statements. The effect on the adoption of MFRS framework as follows:

#### **MFRS 9: Financial Instruments**

MFRS 9 introduces an approach for classification and measurement of the financial assets which is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments and expected-loss impairment model that will require more timely recognition of expected credit losses which replaces the "incurred loss" model in MFRS 139.

#### **MFRS 15: Revenue from Contract**

The core principal of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. An entity recognises revenue in accordance with the core principle by applying the following steps:

- (i) identify the contracts with a customer;
- (ii) identify the performance obligation in the contract;
- (iii) determine the transaction price;
- (iv) allocate the transaction price to the performance obligations in the contract; and
- (v) recognise revenue when (or as) the entity satisfies a performance obligation.

MFRS 15 also includes new disclosures that would result in an entity providing users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

The following MFRSs and IC Interpretations will be withdrawn on the application of MFRS 15:

MFRS 111	Construction Contracts
MFRS 118	Revenue
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 131	Revenue - Barter Transactions Involving Advertising Services

### 3. Audit Opinion on 2018 Financial Statements

The auditors' report on the financial statements of the Group for the year ended 31 December 2018 was not subject to any audit qualification or modified opinion.

### 4. Seasonal or Cyclical Factors

The business operations of the Group were not significantly affected by seasonal or cyclical factors.

### 5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flows during the financial period under review.

### 6. Material Changes in Estimates

There were no material changes in estimates of amounts that have had a material effect in the results during the financial period under review.

### 7. Issuances, Cancellation, Repurchases, Resale and Repayment of Debts and Equity Securities

There were no issues, repurchases and repayments of debt and equity securities during the financial period under review.

### 8. Dividend paid

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

### 9. Segmental Information

The Group's activities include property for sale, property development, construction and provision of corporate management services to the companies within the Group which are carried out in Malaysia as follows:

Current year to date	Property for Sale/ Property Development/ RM'000	Construction/ Trading of Building Materials RM'000	Corporate and others RM'000	Total RM'000
<b>30.06.2019</b>				
Revenue				
External sales	-	4,641	-	4,641
Segment results	(703)	553	(882)	(1,032)
Depreciation	(127)	-	(179)	(306)
Finance costs	(8)	-	(154)	(162)
(Loss) / Profit before tax	(838)	553	(1,215)	(1,500)
Tax expenses	-	-	-	-
<b>(Loss) / Profit after tax</b>	<b>(838)</b>	<b>553</b>	<b>(1,215)</b>	<b>(1,500)</b>

### 10. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward, without amendment from the previous annual financial statements.

### 11. Material Events Subsequent to the End of the Interim Period

In the opinion of the directors, there has not arisen in the interval between the end of the current quarter and date of the announcement, any item, transaction or event of a material and unusual nature likely to affect substantially the result of the Group.

### 12. Status of Corporate Proposals:-

There is no other outstanding corporate proposal announced but not completed as at the date of this report.

### 13. Changes in composition of the Group

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

### 14. Contingent Liabilities

The contingent liabilities of the Company and the Group as at 30 June 2019 were as follows:

	Group RM'000	Company RM'000
(i) Guarantees to financial institutions for banking facilities granted to a subsidiary company, Bertam Development Sdn Bhd (BDSB)	-	8,151

The Company as the Corporate guarantor for the facility as mentioned, shall pay the loan instalments from internal generated funds as they fall due.

## 15. Trade and Other Receivables

The trade and other receivables of the Group were as follows:

	<b>30.06.2019</b>	<b>30.06.2018</b>
	RM'000	RM'000
Trade receivables - third parties, net of impairments	3,333	3,150
Other receivables		
- Sundry receivables, net of impairments	179	167
- Prepayment	107	191
- Refundable deposits	1,644	16,970
	<u>1,930</u>	<u>17,328</u>
Total trade and other receivables	<u>5,263</u>	<u>20,478</u>

## 16. Related Party Transactions

There are no other significant related party transactions except for the followings:

	Current Year Quarter	Preceding Year	Current Year to	Preceding Year
	30.06.2019	30.06.2018	date	Corresponding Period
	RM'000	RM'000	30.06.2019	30.06.2018
			RM'000	RM'000
Transaction with companies in which the Director of the Company have substantial financial interest				
- rental income on premises	-	10	-	20

The related party transactions have been entered into in the normal course of business under negotiated terms.

## 17. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

	At 1 January	Financing cash flow	New finance lease	At 30 Jun 2019
	RM'000	RM'000	RM'000	RM'000
<b><u>Group</u></b>				
Amount due to directors	-	-	-	-
Finance lease liabilities	342	(44)	-	298
Term loans	34,753	(21,348)	-	13,405
	<u>35,095</u>	<u>(21,392)</u>	-	<u>13,703</u>
<b><u>Company</u></b>				
Term loans	5,502	(242)	-	5,260

**BERTAM ALLIANCE BERHAD (Company No. 305530-A)****PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD****1. Operating Segment Review****2nd Quarter 2019 vs 2nd Quarter 2018**

	Individual quarter	Preceding Year	Changes	
	Current year Quarter	Corresponding Quarter	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue				
Property for sale / Property Development	-	-	-	NA
Construction / Trading of Building Materials	2,048	-	2,048	NA
Corporate and others	-	-	-	NA
	<u>2,048</u>	<u>-</u>	<u>2,048</u>	<u>-</u>
Profit/(Loss) before tax				
Property for sale / Property Development	(794)	(157)	(637)	-406%
Construction / Trading of Building Materials	578	(19)	597	-3142%
Corporate and others	(42)	1,827	(1,869)	102%
	<u>(258)</u>	<u>1,651</u>	<u>(1,909)</u>	<u>116%</u>
Profit/(Loss) after tax				
Property for sale / Property Development	(794)	(157)	(637)	-406%
Construction / Trading of Building Materials	578	(19)	597	-3142%
Corporate and others	(42)	1,827	(1,869)	102%
	<u>(258)</u>	<u>1,651</u>	<u>(1,909)</u>	<u>116%</u>

**Group**

The revenue recorded was RM2.0 million in current year's quarter compared to no revenue recorded in the preceding year corresponding quarter.

**Property for sales / Property development segment**

There was no revenue recorded for current quarter and previous year's corresponding quarter.

For the current quarter ended 30 June 2019, the segment recorded a loss before tax of RM794,000 as compared to loss before tax of RM157,000 in the previous year corresponding quarter.

**Construction / Trading of building materials segment**

The revenue recorded was RM2.0 million in current year's quarter compared to no revenue recorded in the preceding year corresponding quarter.

For the current quarter ended 30 June 2019, the segment recorded a profit before tax of RM578,000 as compared to loss before tax of RM19,000 in the previous year's corresponding quarter.

**Corporate and others**

There was no revenue recorded for current quarter and previous year's corresponding quarter.

For the current quarter ended 30 June 2019, the segment recorded a loss before tax of RM42,000 as compared to profit before tax of RM1.8 million in the previous year's corresponding quarter.



**Year to date 30.06.2019 vs 30.06.2018**

	Cumulative period		RM'000	Changes	
	Current year to date RM'000	Preceding Year Corresponding period RM'000		RM'000	%
Revenue					
Property for sale / Property Development	-	-	-		NA
Construction / Trading of Building Materials	4,641	-	4,641		NA
Corporate and others	-	-	-		NA
	4,641	-	4,641		
(Loss) / Profit before tax					
Property for sale / Property Development	(838)	(1,004)	166		17%
Construction / Trading of Building Materials	553	(27)	580		-2148%
Corporate and others	(1,215)	1,177	(2,392)		203%
	(1,500)	146	(1,646)		1127%
(Loss) / Profit after tax					
Property for sale / Property Development	(838)	(1,006)	168		17%
Construction / Trading of Building Materials	553	(27)	580		-2148%
Corporate and others	(1,215)	1,177	(2,392)		203%
	(1,500)	144	(1,644)		1142%

**Group**

The revenue recorded was RM4.6 million in current year's quarter compared to no revenue recorded in the preceding year corresponding quarter.

The Group recorded loss before tax of RM1.5 million as compared to profit before tax of RM146,000 in the previous year's corresponding period.

**Property for sale / Property development segment**

There was no revenue recorded for current quarter and previous year's corresponding period.

For the current year to date as at 30 June 2019, the segment recorded loss before tax of RM838,000 as compared to loss before tax of RM1.0 million in the previous year corresponding period.

**Construction / Trading of building materials segment**

The revenue recorded was RM4.6 million in current year's quarter compared to no revenue recorded in the previous year corresponding quarter.

For the current year to date as at 30 June 2019, the segment recorded profit before tax of RM553,000 as compared to loss before tax of RM27,000 in the previous year corresponding period.

**Corporate and others**

There was no revenue recorded for current to date and previous year's corresponding period.

For the current year to date as at 30 June 2019, the segment recorded a loss before tax of RM1.2 million as compared to profit before tax of RM1.2 million in the previous corresponding period.

**2. Review of Current Quarter Profitability against Immediate Preceding Quarter**

	Current Quarter	Immediate Preceding Quarter	Changes	
	RM'000	RM'000	RM'000	%
Revenue				
Property for sale / Property Development	-	-	-	NA
Construction / Trading of Building Materials	2,048	2,593	(545)	-21%
Corporate and others	-	-	-	NA
	2,048	2,593	(545)	-21%
(Loss)/Profit before tax				
Property for sale / Property Development	(794)	(44)	(750)	-1705%
Construction / Trading of Building Materials	578	(25)	603	-2412%
Corporate and others	(42)	(1,173)	1,131	96%
	(258)	(1,242)	984	79%
(Loss)/Profit before tax				
Property for sale / Property Development	(794)	(44)	(750)	-1705%
Construction / Trading of Building Materials	578	(25)	603	-2412%
Corporate and others	(42)	(1,173)	1,131	96%
	(258)	(1,242)	984	79%

### 3. Prospects

In the midst of rising costs due to inflation and the uncertainties in global economy coupled with the tighten lending conditions which affect property demand, the property market outlook is expected to remain challenging in the year ahead. Despite these challenges, the Group will continue to focus on the development of the affordable residential and commercial properties in Kepayan, Kota Kinabalu, Sabah over the next 3 years with the estimated Gross Development Value of approximately RM150 million.

On 2<sup>nd</sup> October 2018, the Ministry of Local Government and Housing Sabah has granted a conditional approval to Wow Land Sdn. Bhd. for the Advertising Permit and Developers License for Idaman Residence subject to the submission of a Bank Guarantee.

The Group is currently looking into the Kepayan lands on development in residential and commercial properties, the proposals are currently in progress and pending approvals. The Group will take necessary steps for the developments of those lands in order to sustain the operation of the Group.

### 4. Explanatory Note for Variance of Actual Profit from Profit Forecast and Profit Guarantee

The Group did not issue any profit forecast or profit guarantee for the period under review.

### 5. Tax expenses

	Current Year Quarter <b>30.06.2019</b> RM'000	Preceding Year Corresponding Quarter <b>30.06.2018</b> RM'000	Current Year To Date <b>30.06.2019</b> RM'000	Preceding Year Corresponding Period <b>30.06.2018</b> RM'000
Tax expenses				
- current year provision	-	-	-	(2)
- (under)/over provision in prior years	-	-	-	-
				(2)
Deferred tax:				
- Origination and reversal of temporary differences	-	-	-	-
- Over provision in prior years	-	-	-	-
				-
Tax expenses for the financial period	-	-	-	(2)

### 6. Finance Costs

	Current Year Quarter <b>30.06.2019</b> RM'000	Preceding Year Corresponding Quarter <b>30.06.2018</b> RM'000	Current Year To Date <b>30.06.2019</b> RM'000	Preceding Year Corresponding Period <b>30.06.2018</b> RM'000
Interest expenses				
Term loans	115	(794)	(154)	(1,614)
Bank overdrafts	-	(2)	-	(2)
Finance lease payables	(5)	(8)	(8)	(17)
	110	(804)	(162)	(1,633)
Less:				
Interest capitalised in property dev. costs	-	710	-	1,447
	-	710	-	1,447
Interest expenses for the financial period	110	(94)	(162)	(186)

### 7. Borrowings

The Group's borrowings (all denominated in Ringgit Malaysia) are as follows:

	Current RM'000	Non Current RM'000	Total RM'000
<b>Secured</b>			
Term loans	5,461	7,944	13,405
Obligations under finance lease	205	93	298
<b>As at 30 June 2019</b>	<b>5,666</b>	<b>8,037</b>	<b>13,703</b>
	Current RM'000	Non Current RM'000	Total RM'000
<b>Secured</b>			
Term loans	37,457	5,186	42,643
Obligations under finance lease	262	423	685
<b>As at 30 June 2018</b>	<b>37,719</b>	<b>5,609</b>	<b>43,328</b>

## 8. Material Litigation

There are no other pending material litigation as at reporting date except for the following:

On 20 December 2017, Messrs. T G Lee & Associates, solicitors acting for R&C Cergas Teguh Sdn Bhd (RCT) served a sealed copy of the Winding Up by Court dated 30 November 2017 (Winding-up Order) and Sealed Allocator dated 19 November 2017 against BDSB, which is a major subsidiary of Bertam.

The particulars of the Winding-up Order are as follows:-

- (i) That Bertam Development Sdn Bhd (BDSB) will be wound up by the High Court of Malaya at Kuala Lumpur under the provisions of the Act;
- (ii) That the official receiver be appointed as liquidator of BDSB; and
- (iii) Cost of RM5,000.00 payable to the allocator.

The circumstances leading to the Winding-up Order against BDSB was due to default of outstanding payment of RM4,568,203.47 as at 25 July 2017 and continuing interest at the rate of 7.65% per annum on RM4,111,267.73 from 26 July 2017 until full and final realisation of the total sum due and owing to the Petitioner for payments claimed for construction work pursuant to the decision by Adjudicator on 19 February 2017 ("Adjudicator's Decision").

On 21 September 2018, the Malaysian Department of Insolvency ("MDI") advertised for the creditors to come forward and file proof of Debts ("POD") within 21 days from the date of the advertisement, which has lapsed on 12 October 2018. On 12 December 2018, MDI via its letter on even date, informed Bertam that the debts due by BDSB to six (6) creditors amounted to RM6.96 million with incidental miscellaneous expenses.

After resolving the proof of debts and complying with all the liquidation procedures, the Winding-up Order had been terminated by MDI on 16 June 2019.

## 9. Dividend Payable

The Board of Directors does not recommend any payment of dividend in respect of the financial period under review.

## 10. Earnings/(Loss) per share

The basic earnings per share has been calculated by dividing the Group's profit/(loss) for the period attributable to owners of the Company by weighted average number of shares in issue. The weighted number of shares in issue is calculated as follows:

	Quarter ended		Year to date	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
(Loss) / Profit attributable to owners of the Company (RM'000)	(258)	1,651	(1,500)	144
Number of ordinary shares in issued ('000 shares)	206,756	206,756	206,756	206,756
Basic earnings/(loss) per share (sen)	<u>(0.12)</u>	<u>0.80</u>	<u>(0.73)</u>	<u>0.07</u>

The diluted earnings per share is the same as basic earnings per share as there are no dilutive potential ordinary shares outstanding.

## 11. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2018 were not subject to any qualifications or modified opinion.

## 12. (Loss)/Profit Before Tax

The following items have been included in arriving at (loss) / profit before tax:

	Quarter ended		Year to date	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	RM'000	RM'000	RM'000	RM'000
Interest income	61	1,415	175	1,435
Rental income	96	17	184	33
Investment Income	-	207	-	463
Interest expense	110	(94)	(162)	(186)
Depreciation	(195)	(178)	(307)	(337)
Gain/(Loss) on disposal of quoted shares	-	2,619	(113)	2,619
Gain/(Loss) on disposal of fixed assets	(7)	-	(7)	-

## 13. Retained Earnings

	As at	As at
	30.06.2019	31.12.2018
	RM'000	RM'000
Realised	(1,500)	10,870
Unrealised	-	(95)
	<u>(1,500)</u>	<u>10,775</u>
Consolidation adjustments	-	-
Retained earnings	<u>(1,500)</u>	<u>10,775</u>

## 14. Authorised For Issue

The Interim Financial Statements were authorised for issue by the Board in accordance with a resolution of the Directors on 22 February 2019.