

BERTAM ALLIANCE BERHAD

[Registration No. 199401019851 (Company No. 305530-A)]

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHE
INCOME FOR THE QUARTER AND YEAR TO DATE ENDED 30 JUNE 2022**

	INDIVIDUAL QUARTERS		CUMULATIVE QUARTERS	
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
Revenue	5,602	20	7,671	1,130
Cost of sales	(4,527)	-	(6,324)	(935)
Gross Profit / (Loss)	1,075	20	1,347	195
Other items of income	47	-	53	12
Other items of expenses				
Administration expenses	(783)	(845)	(1,324)	(1,409)
Finance costs	(16)	(11)	(24)	(22)
Profit / (Loss) before tax	323	(836)	52	(1,224)
Income tax expenses	-	(367)	-	(367)
Profit / (Loss) after tax	323	(1,203)	52	(1,591)
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income / (loss)	323	(1,203)	52	(1,591)
Profit / (Loss) attributable to:				
Owners of the parent	323	(1,203)	52	(1,591)
Non-controlling interests	-	-	-	-
	323	(1,203)	52	(1,591)
Total comprehensive income/(loss) attributable to:				
Owners of the parent	323	(1,203)	52	(1,591)
Non-controlling interests	-	-	-	-
	323	(1,203)	52	(1,591)
Earnings / (Loss) per share attributable to owners of the parent (sen per share):				
Basic	0.15	(0.57)	0.02	(0.76)

BERTAM ALLIANCE BERHAD
[Registration No. 199401019851 (Company No. 305530-A)]

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 June 2022

	AS AT END OF CURRENT QUARTER (UNAUDITED) 30/06/2022 RM'000	AS AT END OF PRECEDING FINANCIAL YEAR (AUDITED) 31/12/2021 RM'000
Assets		
Non-current assets		
Property, plant and equipment	340	302
Investment properties	-	-
Land held for property development	147,927	147,927
Goodwill on consolidation	-	-
	<u>148,267</u>	<u>148,229</u>
Current assets		
Inventories	-	-
Trade and other receivables	9,553	2,426
Tax recoverable	-	-
Deposit, cash and bank balances	170	644
	<u>9,723</u>	<u>3,070</u>
Total assets	<u>157,990</u>	<u>151,299</u>
Equity and liabilities		
Capital and Reserves		
Share capital	210,598	210,598
Retained earnings / (Accumulated losses)	(94,082)	(94,135)
Equity attributable to equity holders of the Company	116,516	116,463
Non-controlling interests	(493)	(493)
Total equity	<u>116,023</u>	<u>115,970</u>
Non-current liabilities		
Loans and borrowings	-	-
Finance lease payable	14	14
	<u>14</u>	<u>14</u>
Current liabilities		
Trade and other payables	25,287	20,373
Amount due to director	-	-
Tax payables	14,189	14,057
Loans and borrowings	2,428	794
Finance lease payable	49	91
	<u>41,953</u>	<u>35,315</u>
Net current assets / (liabilities)	<u>(32,230)</u>	<u>(32,245)</u>
Total liabilities	<u>41,967</u>	<u>35,329</u>
Net assets	<u>116,023</u>	<u>115,970</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.55</u>	<u>0.55</u>

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 2021 and the accompanying explanatory notes attached to these interim financial statements.

BERTAM ALLIANCE BERHAD [Registration No. 199401019851 (Company No. 305530-A)]

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 June 2022**

	← 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	RM'000	RM'000	RM'000	RM'000
At 1 January 2022	210,598	-	(94,135)	116,463	(493)	115,970
Proceeds from issuance of Private Placement	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	52	52	-	52
At 30 June 2022	<u>210,598</u>	<u>-</u>	<u>(94,083)</u>	<u>116,515</u>	<u>(493)</u>	<u>116,022</u>
At 1 January 2021	206,756	-	(89,648)	117,108	(153)	116,955
Prior year adjustments	3,842	-	-	3,842	-	3,842
Total comprehensive income/(loss)	-	-	(4,487)	(4,487)	(340)	(4,827)
At 31 December 2021	<u>210,598</u>	<u>-</u>	<u>(94,135)</u>	<u>116,463</u>	<u>(493)</u>	<u>115,970</u>

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 2021 and the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30 June 2022**

	Current Year ended 30/06/2022 RM'000	Preceding Year ended 30/06/2021 RM'000
Cash Flows From Operating Activities		
Net profit / (loss) before tax	52	(1,224)
Adjustments for:-		
Depreciation	87	84
Interest / Investment income	-	-
Interest expense	23	22
Impairment loss on land held for property development	-	137
(Gain) / Loss on disposal of fixed assets	(38)	-
(Gain) / Loss on disposal of quoted shares	-	-
Impairment loss on trade and other receivables	-	12
Reversal of allowance for impairment on receivables	-	-
Operating cash flows before changes in working capital	<u>124</u>	<u>(969)</u>
Changes in working capital:		
(Increased)/Decreased in inventories	-	-
(Increased)/Decreased in trade and other receivables	(7,126)	(1,617)
Increased/(Decreased) in trade and other payables	<u>4,914</u>	<u>(876)</u>
Net cash flows used in operations	<u>(2,088)</u>	<u>(3,462)</u>
Interest paid	(23)	(22)
Interest income	-	-
Income taxes paid, net of refunded	131	399
Net cash used in operating activities	<u>(1,980)</u>	<u>(3,085)</u>
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(127)	(18)
Additional to land held for property development	-	(102)
Proceeds from disposal of other investments	-	-
Proceeds from disposal of property, plant and equipment	40	-
Net cash flows generated from investing activities	<u>(87)</u>	<u>(120)</u>
Cash Flows from Financing Activities		
Proceeds from issuance of Private Placement	-	3,842
Repayment of hire purchase	(42)	-
Repayment of borrowings	-	(24)
Net cash used in financing activities	<u>(42)</u>	<u>3,818</u>
Net Increase/(decrease) in cash and cash equivalents	(2,109)	613
Cash and cash equivalents at beginning of the period	(149)	91
Cash and cash equivalents at end of year	<u>(2,258)</u>	<u>704</u>
Cash and cash equivalents comprise the following:		
	RM'000	RM'000
Cash and short term deposits	<u>(2,258)</u>	<u>91</u>
Less : Fixed deposit pledged with licensed banks	-	-
	<u>(2,258)</u>	<u>91</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 2021 and the accompanying explanatory notes attached to these interim financial statements.

PART A: NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial statements are unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ('Bursa Securities').

The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2021.

2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the audited financial statement for the year ended 31 December 2020.

The financial statements of the Group have been prepared in accordance with Malaysia Financial Reporting Standard ("MFRS") and the requirements of the Companies Act 2016.

The following are accounting standards, amendments and interpretations that has been issued by the Malaysian Accounting Standard Board ("MASB") and effective during the financial year:-

	Effective Date
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 Interest Rate Benchmark Reform-Phase 2	1 January 2021

The application of the above Amendments to MFRSs did not result in any significant changes in accounting policies and presentation of the financial results of the Group.

3. Seasonal or Cyclical Factors

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

4. 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.

5. 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.

6. 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.

7. Dividend paid

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

8. 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	Construction	Trading of Building Materials	Corporate and others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
30.06.2022					
Revenue					
External sales	-	7,671	-	-	7,671
Segment results	-	599	-	(435)	164
Depreciation	-	(42)	-	(46)	(88)
Finance costs	-	-	-	(24)	(24)
(Loss) / Profit before tax	-	557	-	(505)	52
Tax expenses	-	-	-	-	-
(Loss) / Profit after tax	-	557	-	(505)	52

9. Land Held for Property Development

Group	Land	Development	Total
	RM'000	cost RM'000	RM'000
Costs			
At 1 January 2021	144,965	2,962	147,927
Addition	-	-	-
Allowance for impairment	-	-	-
At 31 December 2021	144,965	2,962	147,927
Addition	-	-	-
Allowance for impairment	-	-	-
At 30 June 2022	144,965	2,962	147,927

10. 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.

11. Status of Corporate Proposals:-

There is no other outstanding corporate proposal announced but not completed as at the date of this report except for the following:-

On behalf of the Board of Directors of Bertam, Mercury Securities Sdn Bhd had on 27 December 2021 announced that the Company:

(i) had entered into conditional subscription agreements with Richard Ling Do Nyeen and Law Ngia Meng respectively (collectively referred to as "Subscribers") for the proposed issuance of 74,431,000 new ordinary shares in Bertam ("Bertam Shares") to the Subscribers ("Proposed Shares Issuance"); and

(ii) proposes to undertake the Proposed Regularisation Plan which is comprised of the following to regularise its financial condition in accordance with Paragraph 8.04(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad:

(a) the Proposed Shares Issuance; and

(b) proposed renounceable rights issue of up to 161,268,748 new Bertam Shares ("Rights Shares") on the basis of 1 Rights Share for every 2 existing Bertam Shares held, together with up to 161,268,748 free detachable warrants in Bertam ("Warrants") on the basis of 1 Warrant for every 1 Rights Share subscribed for on an entitlement date to be determined and announced later ("Proposed Rights Issue of Shares with Warrants").

The Company submitted the above proposal to Bursa on 30 March 2022 and currently pending for Bursa's approval.

12. Changes in composition of the Group

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

13. Contingent Liabilities

The contingent liabilities of the Company and the Group as at 30 June 2022 were as follows:

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

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

14. Trade and Other Receivables

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

	30.06.2022	31.12.2021
	RM'000	RM'000
Trade receivables - third parties, net of impairments	5,315	242
Other receivables		
- Sundry receivables, net of impairments	4,160	2,107
- Prepayment	49	49
- Refundable deposits	29	28
	4,238	2,184
Total trade and other receivables	9,553	2,426

15. Related Party Transactions

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

	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding 30.06.2021 RM'000	Current Year to date 30.06.2022 RM'000	Preceding Year Corresponding 30.06.2021 RM'000
<u>Transaction with companies in which the Director of the Company have substantial financial interest</u>				
- rental income on premises	-	-	-	-
<u>Transaction with a Director/Persons connected to a Director of the Company</u>				
- advances received	-	-	-	-

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

16. 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 June 2022
	RM'000	RM'000	RM'000	RM'000
Group				
Amount due to directors	-	-	-	-
Finance lease liabilities	105	(42)	-	63
Term loans	-	-	-	-
	105	(42)	-	63
Company				
Overdraft	794	(1,634)	-	2,428

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENT
OF BURSA MALAYSIA SECURITIES BERHAD**

1. Operating Segment Review

2nd Quarter 2022 vs 2nd Quarter 2021

	Individual quarter		Changes	
	Current year Quarter	Preceding Year Corresponding Quarter	RM'000	%
Revenue				
Property for sale / Property Development	-	-	-	NA
Construction	5,602	-	5,602	NA
Trading of Building Materials	-	20	(20)	100%
Corporate and others	-	-	-	NA
	<u>5,602</u>	<u>20</u>	<u>5,582</u>	<u>-27910%</u>
Profit/(Loss) before tax				
Property for sale / Property Development	-	(384)	384	100%
Construction	514	(9)	523	5811%
Trading of Building Materials	-	8	(8)	-100%
Corporate and others	(191)	(451)	260	58%
	<u>323</u>	<u>(836)</u>	<u>1,159</u>	<u>139%</u>
Profit/(Loss) after tax				
Property for sale / Property Development	-	(384)	384	100%
Construction	514	(9)	523	5811%
Trading of Building Materials	-	8	(8)	-100%
Corporate and others	(191)	(818)	627	77%
	<u>323</u>	<u>(1,203)</u>	<u>1,526</u>	<u>127%</u>

Group

The revenue recorded was RM5.6 million in current year's quarter compared to RM20,000 in the preceding year corresponding quarter.

Property for sales / Property development segment

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

For the current quarter ended 30 June 2022, no segment recorded as compared to loss before tax of RM384,000 in the previous year corresponding quarter.

Construction segment

During the period, the group had claimed the contract Income based on % of completion for the followings contract:- 1) Pembinaan Kompleks Pejabat Pencegahan Rasuah Malaysia Sabah (SPRM). (2) Non-Revenue Water Nasional Pendekatan 1 Negeri Sabah - Pakej 2 Skop: Penggantian/Pembaikan Tangki (Bahagian Keningau, Beaufort dan Ranau) (NRW). (3) Skim Bekalan Air Tawau Fasa III - Rekabentuk dan Pembinaan Empangan Air Tawau (TawauDam). (4) Pembaikan Cerun Di KM 0.850 Dan KM 1.151 Jalan Mesej Timpangoh, Penampang, Sabah (Timpangoh) (5) Maintenance of Water supply for 2years at Penampang (Kiawayan).

	Project Name	Contract Sum	Claim during the 2nd Quarter RM'000
1	SPRM	27,156,950	2,027
2	NRW	15,755,646	1,689
3	Tawau Dam	4,858,181	1124
4	Timpangoh	10,465,043	723
5	Kiawayan	2,910,000	-
6	Other Material Income	-	39

The revenue recorded was RM5.6 million in current year's quarter compared to Nil in the preceding year corresponding quarter.

For the current quarter ended 30 June 2022, the segment recorded a profit before tax of RM514,000 as compared to loss before tax of RM9,000 in the previous year corresponding quarter.

Trading of building materials segment

There was no revenue recorded for current year's quarter compared to RM20,000 in the preceding year corresponding quarter.

For the current quarter ended 30 June 2022, no segment recorded as compared to profit before tax of RM8,000 in the previous year's corresponding quarter.

Corporate and others

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

For the current quarter ended 30 June 2022, the segment recorded a loss before tax of RM191,000 as compared to loss before tax of RM451,000 in the previous year's corresponding quarter.

Year to date 30.06.2022 vs 30.06.2021

	Cumulative period		Changes	
	Current year to date	Preceding Year Corresponding period	RM'000	%
	RM'000	RM'000	RM'000	
Revenue				
Property for sale / Property Development	-	-	-	NA
Construction	7,671	987	6,684	-677%
Trading of Building Materials	-	143	(143)	100%
Corporate and others	-	-	-	NA
	<u>7,671</u>	<u>1,130</u>	<u>6,541</u>	<u>-579%</u>
(Loss) / Profit before tax				
Property for sale / Property Development	-	(666)	666	100%
Construction	557	42	515	-1226%
Trading of Building Materials	-	131	(131)	-100%
Corporate and others	(505)	(731)	226	31%
	<u>52</u>	<u>(1,224)</u>	<u>1,276</u>	<u>104%</u>
(Loss) / Profit after tax				
Property for sale / Property Development	-	(666)	666	100%
Construction	557	42	515	-1226%
Trading of Building Materials	-	131	(131)	-100%
Corporate and others	(505)	(1,098)	593	54%
	<u>52</u>	<u>(1,591)</u>	<u>1,643</u>	<u>103%</u>

Group

The revenue recorded was RM7.6 million in current year to date compared to RM1.1million in the preceding year corresponding period.

The Group recorded profit before tax of RM52,000 as compared to loss before tax of RM1.2 million in the previous year's corresponding period.

Property for sale / Property development segment

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 2022, no segment recorded as compared to loss before tax of RM666,000 in the previous year corresponding period.

Construction segment

The revenue recorded was RM7.6 million in current year to date compared to RM987,000 in the previous year corresponding period.

For the current year to date as at 30 June 2022, the segment recorded a profit before tax of RM557,000 as compared to profit before tax of RM42,000 in the previous year corresponding period.

Trading of building materials segment

The was no revenue recorded in current year to date compared to RM143,000 in the previous year corresponding period.

For the current year to date as at 30 June 2022, no segment recorded as compared to profit before tax of RM131,000 in the previous 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 2022, the segment recorded a loss before tax of RM505,000 as compared to loss before tax of RM731,000 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	5,602	-	5,602	NA
Trading of Building Materials	-	20	(20)	-100%
Corporate and others	-	-	-	NA
	<u>5,602</u>	<u>20</u>	<u>5,582</u>	<u>-100%</u>
(Loss)/Profit before tax				
Property for sale / Property Development	-	(384)	384	100%
Construction	514	(9)	523	-5811%
Trading of Building Materials	-	8	(8)	-100%
Corporate and others	(191)	(451)	260	58%
	<u>323</u>	<u>(836)</u>	<u>1,159</u>	<u>139%</u>
(Loss)/Profit after tax				
Property for sale / Property Development	-	(384)	384	100%
Construction	514	(9)	523	-5811%
Trading of Building Materials	-	8	(8)	-100%
Corporate and others	(191)	(818)	627	77%
	<u>323</u>	<u>(1,203)</u>	<u>1,526</u>	<u>127%</u>

3. Prospects

In view of the global covid-19 pandemic which had significantly affected the global as well as local economy and the property demand, the property market outlook is expected to remain challenging in the year ahead. Depending on the market condition, the Group will resume the development of the affordable residential, namely Idaman Residence, properties in Kepayan, Kota Kinabalu, Sabah with the estimated Gross Development Value of approximately RM150 million when the property market demand improve.

For the past 12 months, the Group has been continuously to secure construction contracts to improve the Group's revenue and profitability. As at todate, the Group has 3 ongoing construction projects, namely the SPRM Complex Project, Sabah Water Project and Tawau Water Dam Project, with outstanding order book of approximately RM44.47 million. The Group currently is focusing on more construction contracts as construction revenue will be the main income of the Group for the near future

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	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
Tax expenses				
- current year provision	-	-	-	-
- (under)/over provision in prior years	-	(367)	-	(367)
	<u>-</u>	<u>(367)</u>	<u>-</u>	<u>(367)</u>
Deferred tax:				
- Origination and reversal of temporary differences	-	-	-	-
- Over provision in prior years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Tax expenses for the financial period	<u>-</u>	<u>(367)</u>	<u>-</u>	<u>(367)</u>

6. Finance Costs

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Interest expenses				
Term loans	-	(9)	-	(18)
Bank overdrafts	-	-	-	-
Finance lease payables	-	(2)	-	(4)
	-	(11)	-	(22)
Less:				
Interest capitalised in property dev. costs	-	-	-	-
	-	-	-	-
Interest expenses for the financial period	-	(11)	-	(22)

7. Borrowings

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

	Current RM'000	Non Current RM'000	Total RM'000
Secured			
Overdraft	2,428	-	2,428
Obligations under finance lease	49	14	63
As at 30 June 2022	2,477	14	2,491
	Current RM'000	Non Current RM'000	Total RM'000
Secured			
Overdraft	593	-	593
Obligations under finance lease	99	110	209
As at 30 June 2021	692	110	802

8. Material Litigation

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

MV Properties Sdn. Bhd. ("MVSB"), an indirect wholly-owned subsidiary, had on 19 August 2020 received a Writ of Summons dated 5 August 2020 and Statement of Claim dated 5 August 2020 ("the Summons") served by Lembaga Hasil Dalam Negeri Malaysia for and on behalf of Government of Malaysia ("Plaintiff") issued by the Kuala Lumpur High Court.

The Summons demanding for the settlement of the outstanding payable inclusive of penalties by MVSB amounting to RM17,655,014.19 for the year of assessment of 2017.

On 30 March 2021, the learned Judge had allowed the Defendant to do the reassessment of taxation until 21 May 2021, failing which the amount stated in the Summary Judgement will stand. Nevertheless, the Defendant had on 17 May 2021, via its solicitors, proposed for an out-of-court settlement with LHDNM with a reduced tax payable amount including penalties of RM11,000,000.00 over 48 instalments ("Proposed Settlement"). As at todate, LHDNM has yet to accept and agree to the Proposed Settlement.

The company has been closely liaised with LHDN for an out of court settlement, as at todate, the company is still awaiting for the settlement confirmation from LHDN and expecting it to be agreed upon in due course.

9. Significant Events

On 4 April 2018, the Company is classified as an affected listed issuer pursuant to Paragraph 8.04(2) and Paragraph 2.1(c) of Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The PN17 criteria was triggered by the Winding-Up Order made against Bertam Development Sdn. Bhd. ("BDSB"), a wholly-owned subsidiary company of the Company, which accounts for more than 50% of the total assets employed of the Group on a consolidated basis ("Winding-up Order"). This winding-up order was terminated in June 2019 following the full settlement of the liabilities being claimed. Additionally, the Group's financial result for the financial year ended 31 December 2020 has further triggered Paragraph 8.03A(2)(b) of the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), whereby the Group has an insignificant business or operations due to its revenue for the financial year ended 31 December 2020 being less than 5% of its share capital.

In compliance with paragraph 4.1 of PN17, the Company is required to submit the Regularisation Plan to the relevant authorities for which the Company is required to announce the details of the Regularisation Plan ("Requisite Announcement") and sufficient information to demonstrate that the Company is able to comply with all the requirements set out in Paragraph 5.0 of PN17 after implementation of the Regularisation Plan, which shall include a timetable for the complete implementation of the Regularisation Plan. The Requisite Announcement must be made by the Company's Principal Adviser.

On 4 October 2021, the Company has submitted an application for a further extension of time up to 3 April 2022 to comply with Paragraph 8.04(3) of the Listing Requirements ("6th EOT Application"). Bursa Securities has vide its letter dated 1 December 2021 decided to grant the Company an extension of time of 6 months up to 3 April 2022 to submit the Regularisation Plan to the regulatory authorities, subject to the Requisite Announcement being made by 31 December 2021.

As at the date of this report, the Company had submitted the regularisation plan to Bursa on 30 March 2022 as elaborated in Part A - paragraph 11.

10. Dividend Payable

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

11. 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:

	2nd Quarter		Year to date	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
(Loss) / Profit attributable to owners of the Company (RM'000)	323	(1,203)	52	(1,591)
Number of ordinary shares in issue ('000 shares)	210,598	210,598	210,598	210,598
Basic earnings/(loss) per share (sen)	0.15	(0.57)	0.02	(0.76)

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

12. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2021 was subject to qualifications with disclaimer of opinion.

13. (Loss)/Profit Before Tax

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

	Quarter ended		Year to date	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Interest income	-	-	-	-
Rental income	8	-	14	-
Interest expense	(16)	(11)	(24)	(22)
Depreciation	(47)	(42)	(88)	(84)
Gain/(Loss) on disposal of quoted shares	-	-	-	-
Gain/(Loss) on disposal of fixed assets	-	-	38	-

14. Retained Earnings

	As at	As at
	30.06.2022	30.06.2021
	RM'000	RM'000
Realised	10	(1,591)
Unrealised	-	-
	10	(1,591)
Consolidation adjustments	-	-
Retained earnings	10	(1,591)