

BERTAM ALLIANCE BERHAD

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR TO DATE ENDED 31 DECEMBER 2022**

	INDIVIDUAL QUARTERS		CUMULATIVE QUARTERS	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.022 RM'000	31.12.2021 RM'000
Revenue	8,735	2,376	21,516	3,506
Cost of sales	(8,491)	(2,067)	(18,762)	(3,002)
Gross Profit / (Loss)	244	309	2,754	504
Other items of income	3,819	166	3,879	317
Other items of expenses	-	-	-	-
Administrative expenses	(3,968)	(2,953)	(6,083)	(4,909)
Finance costs	(17)	(7)	(59)	(40)
Profit / (Loss) before tax	78	(2,485)	491	(4,128)
Income tax expenses	13,457	(462)	13,456	(698)
Profit / (Loss) after tax	13,535	(2,947)	13,947	(4,826)
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income / (loss)	13,535	(2,947)	13,947	(4,826)
Profit / (Loss) attributable to:				
Owners of the parent	13,537	(2,947)	13,949	(4,487)
Non-controlling interests	(2)	-	(2)	339
	13,535	(2,947)	13,947	(4,826)
Total comprehensive income/(loss) attributable to:				
Owners of the parent	13,537	(2,947)	13,949	(4,487)
Non-controlling interests	(2)	-	(2)	(339)
	13,535	(2,947)	13,947	(4,826)
Earnings / (Loss) per share attributable to owners of the parent (Sen per share):				
Basic	6.43	(1.40)	6.62	(2.13)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31
DECEMBER 2022**

	AS AT END OF CURRENT QUARTER (UNAUDITED)	AS AT END OF PRECEDING FINANCIAL YEAR (AUDITED)
	31.12.2022 RM'000	31.12.2021 RM'000
Assets		
Non-current assets		
Property, plant and equipment	443	302
Investment properties	-	-
Land held for property development	147,927	147,927
Goodwill on consolidation	-	-
	148,370	148,229
Current assets		
Inventories	-	-
Trade and other receivable	7,820	2,426
Tax recoverable	61	-
Deposit, cash and bank balances	536	644
	8,417	3,070
Total assets	156,787	151,299
Equity and liabilities		
Capital and Reserves		
Share capital	210,598	210,598
Retained earnings / (Accumulated losses)	(80,186)	(94,135)
Equity attributable to equity holders of the Company	130,412	116,463
Non-controlling interests	(495)	(493)
Total equity	129,917	115,970
Non-current liabilities		
Loans and borrowings	-	-
Finance lease payable	-	14
	-	14
Current liabilities		
Trade and other payables	23,310	20,373
Amount due to director	350	-
Tax payables	-	14,057
Loans and borrowings	3,210	794
Finance lease payable	-	91
	26,870	35,315
Net current assets / (liabilities)	(18,453)	(32,245)
Total liabilities	26,870	35,329
Net assets	129,917	115,970
Total equity and liabilities	156,787	151,299
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.62	0.55

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.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022

	Current Year ended 31.12.2022 RM'000	Preceding Year ended 31.12.2021 RM'000
Cash Flows From Operating Activities		
Net profit / (loss) before tax	491	(4,128)
Adjustments for:-		
Depreciation	181	166
Interest/Investment income	(49)	-
Interest expense	59	40
Impairment loss on land held for property development	-	2,348
(Gain) / Loss on disposal of fixed assets	(65)	(28)
(Gain)/ Loss on disposal of quoted shares	-	-
Impairment loss on trade and other receivables	-	(282)
Reversal of allowance for impairment on receivables	314	-
Operating cash flows before changes in working capital	931	(1,884)
Changes in working capital:		
(Increased) / Decreased in inventories	-	-
(Increased)/ Decreased in trade and other receivables	(5,708)	(211)
Increased/ (Decreased) in trade and other payables	3,287	(1,448)
Net cash flows used in operations	(1,490)	(3,543)
Interest paid	(59)	(40)
Interest Income	49	-
Income taxes paid, net of refunded	(663)	399
Net cash flows used in operating activities	(2,163)	(3,184)
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(322)	(63)
Additional to land held for property development	-	(142)
Proceeds from disposal of other investments	-	-
Proceeds from disposal of property, plant and equipment	65	28
Net cash flows generated from investing activities	(257)	(177)
Cash Flows from Financing Activities		
Proceeds from issuance of Private Placement	-	3,842
Repayment of hire purchase	(105)	(113)
Repayment of borrowings	-	(608)
Net cash used in financing activities	(105)	3,121
Net Increase/ (decrease) in cash and cash equivalents	(2,525)	(240)
Cash and cash equivalents at beginning of the period	(149)	91
Cash and cash equivalents at end of year	(2,674)	(149)
Cash and cash equivalents comprise the following:		
Cash and short term deposits	(2,674)	(149)
Less: Fixed deposit pledged with licensed banks	-	-
	(2,674)	(149)

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.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022

	Attributable to owners of the Company			Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Non-distributable	Distributable (Accumulated Losses) / Retained Earnings RM'000				
	Share Capital RM'000	Other Reserve 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)	-	-	13,949	13,949	(2)	13,947
At 31 December 2022	210,598	-	(80,186)	130,412	(495)	129,917
At 1 January 2021	206,756	-	(89,648)	117,108	(153)	16,955
Prior year adjustments	3,842	-	-	3,842	-	3,842
Total comprehensive income / (loss)	-	-	(4,487)	(4,487)	(340)	(4,827)
At 31 December 2021	210,598	-	(94,135)	116,463	(493)	115,970

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.

PART A: NOTES TO THE INTERIM FINANCIAL REPORT

1. Basic of Preparation

The interim financial statements are unaudited and have 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 (“Listing Requirements”)(“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 2021.

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 debts and equity securities during the financial period under review.

7. Dividend paid

There were no dividends 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 RM'000	Construction RM'000	Trading of Building Materials RM'000	Corporate and others RM'000	Total RM'000
31.12.2022					
Revenue					
External sales	-	21,516	-	-	21,516
Segment results	414	1,365	-	(1,048)	731
Depreciation	-	(89)	-	(92)	(181)
Finance costs	-	(7)	-	(52)	(59)
(Loss) / Profit before tax	414	1,269	-	(1,192)	491
Tax expenses	13,457	(1)	-	-	13,456
(Loss) / Profit after tax	13,871	1,268	-	(1,192)	13,947

9. Land Held for Property Development

Group	Land RM'000	Development cost RM'000	Total 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 31 December 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 Nyeau 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 Listing Requirements:
 - (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.

On 17 February 2023 on behalf of the Board of Directors of Bertam, Mercury Securities Sdn Bhd had announced that the Company proposes to undertake the Proposed Share Capital Reduction which entails the reduction of RM90.00 million of the Company’s issued share capital pursuant to Section 116 of the Companies Act 2016. The Proposed Share Capital Reduction will form part of the Proposed Regularisation Plan.

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 31 December 2022 were as follows:

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

The Company as the corporate guarantor for the facility as mentioned shall pay the loan installments from internal generated funds as they fall due.

14. Trade and Other Receivables

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

	31.12.2022 RM'000	31.12.2021 RM'000
Trade receivables – third parties, net of impairments	6,011	242
Other receivables		
-Sundry receivables, net of impairments	1,731	2,107
-Prepayment	49	49
-Refundable deposits	29	28
	1,809	2,184
Total trade and other receivables	7,820	2,426

15. Related Party Transactions

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

	Current Year Quarter 31.12.2022	Preceding Year Corresponding 31.12.2021	Current Year to date 31.12.2022	Preceding Year Corresponding 31.12.2021
	RM'000	RM'000	RM'000	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/Person connected to a Director of the Company</u>				
-advances received	350	(130)	350	203

The related party transactions have been entered into 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:

	As at 1.1.2022 RM'000	Financing cash Flow RM'000	New finance lease RM'000	As at 31.12.2022 RM'000
Group				
Amount due to Directors	-	350	-	350
Finance lease liabilities	105	(105)	-	-
Term loans	-	-	-	-
	105	(245)	-	350
Company				
Overdraft	(794)	(2,416)	-	(3,210)

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

1. Operating Segment Review

4th Quarter 2022 vs 4th Quarter 2021

	Individual quarter			
	Current year Quarter	Preceding Year Corresponding Quarter	Changes	
	RM'000	RM'000	RM'000	%
Revenue				
Property for sale / Property Development	-	-	-	-
Construction	8,735	2,376	6,359	268%
Trading of Building Materials	-	-	-	-
Corporate and others	-	-	-	-
	<u>8,735</u>	<u>2,376</u>	<u>6,359</u>	<u>268%</u>
Profit/(Loss) before tax				
Property for sale/Property Development	414	(1,797)	2,211	123%
Construction	138	299	(161)	-54%
Trading of Building Materials	-	(495)	495	100%
Corporate and others	(474)	(492)	18	4%
	<u>78</u>	<u>(2,485)</u>	<u>2,563</u>	<u>103%</u>
Profit/(Loss) after tax				
Property for sale/Property Development	13,871	(2,201)	16,072	730%
Construction	138	299	(161)	-54%
Trading of Building Materials	-	(495)	495	100%
Corporate and others	(474)	(550)	76	14%
	<u>13,535</u>	<u>(2,947)</u>	<u>16,482</u>	<u>559%</u>

Group

The revenue recorded was RM8.7 million in current year's quarter compared to RM2.4 million 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 31 December 2022, this segment recorded profit before tax of RM414,000 as compared to loss before tax of RM1.8 million 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 2 years at Penampang ("Kiawayan"); (6) Perkhidmatan Pembersihan Laut, Pantai dan Lagun di Kawasan Bandaraya Kota Kinabalu ("DBKK").

No	Project Name	Contract Sum RM'000	Claim during the 4th Quarter RM'000
1	SPRM	27,157	963
2	NRW	15,756	2,420
3	Tawau Dam	4,858	1,061
4	Timpangoh	10,465	2,953
5	Kiawayan	2,910	688
6	DBKK	4,900	486
7	Other Material Income	-	164

The revenue recorded was RM8.7 million in current year's quarter compared to RM2.4 million in the preceding year corresponding quarter.

For the current quarter ended 31 December 2022, this segment recorded a profit before tax of RM138,000 as compared to loss before tax of RM229,000 in the previous year corresponding quarter.

Trading of building materials segment

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

For the current quarter ended 31 December 2022, no profit recorded for the segment as compared to the loss before tax of RM495,000 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 31 December 2022, the segment recorded a loss before tax of RM474,000 as compared to loss before tax of RM492,000 in the previous year's corresponding quarter.

Year to date 31.12.2022 vs 31.12.2021

	Cumulative period			
	Current year to date	Preceding Year Corresponding period	Changes	
	RM'000	RM'000	RM'000	%
Revenue				
Property for sale / Property Development	-	-	-	NA
Construction	21,516	3,363	18,153	540%
Trading of Building Materials	-	143	(143)	-100%
Corporate and others	-	-	-	NA
	<u>21,516</u>	<u>3,506</u>	<u>18,010</u>	<u>514%</u>
(Loss) / Profit before tax				
Property for sale / Property Development	414	(2,574)	2,988	116%
Construction	1,269	338	931	275%
Trading of Building Materials	-	(365)	365	100%
Corporate and others	(1,192)	(1,475)	283	19%
	<u>491</u>	<u>(4,076)</u>	<u>4,567</u>	<u>112%</u>
(Loss) / Profit after tax				
Property for sale / Property Development	13,871	(2,978)	16,849	566%
Construction	1,268	338	930	275%
Trading of Building Materials	-	(365)	365	100%
Corporate and others	(1,192)	(1,900)	708	37%
	<u>13,947</u>	<u>(4,905)</u>	<u>18,852</u>	<u>384%</u>

Group

The revenue recorded was RM21.5 million in current year to date compared to RM3.5 million in the preceding year corresponding period.

The Group recorded profit before tax of RM491,000 as compared to loss before tax of RM4.1 million in the previous year's corresponding period.

Property for sale / Property development segment

There was no revenue recorded for current year to date and previous year's corresponding period. For the current year to date as at 31 December 2022, this segment recorded a profit RM414,000 as compared to loss before tax of RM2.6 million in the previous year's corresponding period.

Construction segment

The revenue recorded was RM21.5 million in current year to date compared to RM3.4 million in the previous year's corresponding period.

For the current year to date as at 31 December 2022, this segment recorded a profit before tax of RM1.3 million as compared to profit before tax of RM338,000 in the previous year's corresponding period.

Trading of building materials segment

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

For the current year to date as at 31 December 2022, no profit recorded for the segment as compared to the loss before tax of RM365,000 in the previous year's corresponding period.

Corporate and others

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

For the current year to date as at 31 December 2022, the segment recorded a loss before tax of RM1.2 million as compared to loss before tax of RM1.5 million in the previous year's 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	8,735	5,110	3,625	71%
Trading of Building Materials	-	-	-	N/A
Corporate and others	-	-	-	NA
	<u>8,735</u>	<u>5,110</u>	<u>3,625</u>	<u>71%</u>
(Loss) / Profit before tax				
Property for sale / Property Development	414	-	414	100%
Construction	138	575	(437)	-76%
Trading of Building Materials	-	-	-	NA
Corporate and others	(474)	(213)	(261)	-123%
	<u>78</u>	<u>362</u>	<u>(284)</u>	<u>-78%</u>
(Loss) / Profit after tax				
Property for sale / Property Development	13,871	-	13,871	100%
Construction	138	574	(438)	-76%
Trading of Building Materials	-	-	-	NA
Corporate and others	(474)	(213)	(261)	-123%
	<u>13,535</u>	<u>361</u>	<u>13,174</u>	<u>3649%</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.

For the past 12 months, the Group has been actively tendering and securing construction contracts to improve the Group's revenue and profitability. The Group has 6 ongoing construction projects namely the SPRM, NRW, Tawu Dam, Timpangoh, Kiawayan and DBKK, with an outstanding order book of approximately RM40.77 million as at 31 December 2022. The Group is currently focusing on securing more construction contracts as the construction revenue is expected to 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
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Tax expenses				
-current year provision	-	74	1	74
-(under) / over provision in prior years	(13,457)	(536)	(13,457)	(903)
	<u>(13,457)</u>	<u>(462)</u>	<u>(13,456)</u>	<u>(829)</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>(13,457)</u>	<u>(462)</u>	<u>(13,456)</u>	<u>(829)</u>

6. Finance Costs

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year to Date	Preceding Year Corresponding Period
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Interest expenses				
Term Loan	-	(8)	-	(35)
Bank Overdrafts	(11)	-	(52)	-
Finance lease payables	(6)	(1)	(7)	(5)
	<u>(17)</u>	<u>(7)</u>	<u>(59)</u>	<u>(40)</u>
Less:				
Interest capitalised in property development costs	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Interest expenses for the financial period	<u>(17)</u>	<u>(7)</u>	<u>(59)</u>	<u>(40)</u>

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			
Term loans	-	-	-
Overdraft	3,210	-	3,210
Obligations under finance lease	-	-	-
As at 31 December 2022	<u>3,210</u>	<u>-</u>	<u>3,210</u>
	Current RM'000	Non-Current RM'000	Total RM'000
Secured			
Term loans	-	-	-
Overdraft	794	-	794
Obligations under finance lease	91	14	105
As at 31 December 2021	<u>885</u>	<u>14</u>	<u>899</u>

8. Material Litigation

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

MV Properties Sdn. Bhd. ("MVSBS"), 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 MVSBS amounting to RM7,655,014.19 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").

On 19 December 2022, a letter has been issued by LHDNM to MVSBS whereby the reassessment of outstanding tax payable has been made and LHDNM has agreed and approved MVSBS's offer of RM4,633,000.00 as the outstanding tax payable inclusive of penalties to be payable by MVSBS. On 31 January 2023, a letter has been issued by LHDNM to MVSBS whereby the outstanding tax payable inclusive of penalties of RM4,633,000.00 has been fully settled by MVSBS.

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 Listing Requirements.

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 Listing Requirements, 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, 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 Securities on 30 March 2022 as elaborated in Part A – paragraph 11.

On 17 February 2023, an announcement was made that that the Company proposes to undertake the Proposed Share Capital Reduction which will form part of the Proposed Regularisation Plan. A revised application for the Proposed Regularisation Plan was submitted to Bursa Securities on 21 February 2023.

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:

	Quarter ended		Year to date	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
(Loss)/Profit attributable to owners of the Company (RM'000)	13,537	(2,947)	13,949	(4,487)
Number of ordinary shares in issue ('000 shares)	210,598	210,598	210,598	210,598
Basic earnings/(loss) per share (Sen)	6.43	(1.40)	6.62	(2.13)

The diluted earnings per share are 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 followings items have been included in arriving at (loss) / profit before tax:

	Quarter ended		Year to date	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Interest income	54	-	54	1
Rental income	9	6	30	6
Interest expenses	(17)	(7)	(49)	(40)
Depreciation	(42)	(41)	(181)	(166)
Gain/(Loss) on disposal of quoted shares	-	-	-	-
Gain/(Loss) on disposal of fixed assets	25	28	63	28

14. Retained Earnings

	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000
	Realised	13,947
Unrealised	-	-
	<hr/>	<hr/>
	13,947	(4,826)
Consolidation adjustments	-	-
Retained earnings	<hr/>	<hr/>
	13,947	(4,826)