

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 30 JUNE 2023**

	INDIVIDUAL QUARTERS		CUMULATIVE QUARTERS	
	30.06.2023 RM'000	30.06.2022 RM'000	30.06.2023 RM'000	30.06.2022 RM'000
Revenue	6,064	5,602	10,362	7,671
Cost of sales	(5,171)	(4,527)	(8,126)	(6,324)
Gross Profit	893	1,075	2,236	1,347
Other items of income	3,603	47	3,615	53
Other items of expenses	-	-	-	-
Administrative expenses	(861)	(783)	(1,683)	(1,324)
Finance costs	(33)	(16)	(62)	(24)
Profit / (Loss) before tax	3,602	323	4,106	52
Income tax expenses	-	-	-	-
Profit / (Loss) after tax	3,602	323	4,106	52
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income / (loss)	3,602	323	4,106	52
Profit / (Loss) attributable to:				
Owners of the parent	3,602	323	4,106	52
Non-controlling interests	-	-	-	-
	3,602	323	4,106	52
Total comprehensive income/(loss) attributable to:				
Owners of the parent	3,602	323	4,106	52
Non-controlling interests	-	-	-	-
	3,602	323	4,106	52
Earnings / (Loss) per share attributable to owners of the parent (Sen per share):				
Basic	1.71	0.15	1.95	0.02

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2023

	AS AT END OF CURRENT QUARTER (UNAUDITED)	AS AT END OF PRECEDING FINANCIAL YEAR (AUDITED)
	30.06.2023 RM'000	31.12.2022 RM'000
Assets		
Non-current assets		
Property, plant and equipment	466	443
Land held for property development	148,087	147,927
	148,553	148,370
Current assets		
Trade and other receivable	10,359	7,452
Deposit, cash and bank balances	567	1,231
	10,926	8,683
Total assets	159,479	157,053
Equity and liabilities		
Capital and Reserves		
Share capital	210,598	210,598
Accumulated losses	(74,718)	(78,824)
Equity attributable to equity holders of the Company	135,880	131,774
Non-controlling interests	(495)	(495)
Total equity	135,385	131,279
Non-current liabilities		
Loans and borrowings	-	-
	-	-
Current liabilities		
Trade and other payables	20,697	22,323
Tax payables	241	241
Loans and borrowings	3,156	3,210
	24,094	25,774
Net current liabilities	(13,168)	(17,091)
Total liabilities	24,094	25,774
Net assets	135,385	131,279
Total equity and liabilities	159,479	157,053
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.64	0.62

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 2022 and the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

	Current Year ended 30.06.2023 RM'000	Preceding Year ended 30.06.2022 RM'000
Cash Flows From Operating Activities		
Net profit / (loss) before tax	4,106	52
Adjustments for:-		
Depreciation	62	87
Interest/Investment income	-	-
Interest expense	61	23
(Gain) / Loss on disposal of fixed assets	-	(38)
Operating cash flows before changes in working capital	4,229	124
Changes in working capital:		
(Increased) / Decreased in inventories	-	-
(Increased)/ Decreased in trade and other receivables	(2,907)	(7,126)
Increased/ (Decreased) in trade and other payables	(1,626)	4,914
Net cash flows used in operations	(304)	(2,088)
Interest paid	(61)	(23)
Interest Income	-	-
Income taxes paid, net of refunded	-	131
Net cash flows used in operating activities	(365)	(1,980)
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(85)	(127)
Additional to land held for property development	(160)	-
Proceeds from disposal of property, plant and equipment	-	40
Net cash flows generated from investing activities	(245)	(87)
Cash Flows from Financing Activities		
Proceeds from issuance of Private Placement	-	-
Repayment of hire purchase	-	(42)
Repayment of borrowings	-	-
Net cash used in financing activities	-	(42)
Net Increase/ (decrease) in cash and cash equivalents	(610)	(2,109)
Cash and cash equivalents at beginning of the period	(1,979)	(149)
Cash and cash equivalents at end of year	(2,589)	(2,258)
Cash and cash equivalents comprise the following:		
Cash and bank balances	567	(2,258)
Bank overdrafts	(3,156)	-
	(2,589)	(2,258)

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 2022 and the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

	← 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 2023	210,598	-	(78,824)	131,774	(495)	131,279
Proceeds from issuance of Private Placement	-	-	-	-	-	-
Total comprehensive income / (loss)	-	-	4,106	4,106	-	4,106
At 30 June 2023	210,598	-	(74,718)	135,880	(495)	135,385
At 1 January 2022	210,598	-	(94,135)	116,463	(493)	115,970
Prior year adjustments	-	-	-	-	-	-
Total comprehensive income / (loss)	-	-	15,311	15,311	(2)	15,309
At 31 December 2022	210,598	-	(78,824)	131,774	(495)	131,279

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 2022 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 2022. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2022.

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 2022 save for the adoption of the following:

Effective for financial periods beginning on or after 1 January 2022:-

Annual Improvements to MFRS Standards 2018-2020 covers amendments to:-

- MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards (Subsidiary as a First-time adopter)
- MFRS 3: Business Combinations - Reference to the Conceptual Framework
- MFRS 9: Financial Instruments - clarifies the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.
- Illustrative Examples accompanying MFRS 16 Leases (Lease Incentives)
- MFRS 116: Property, Plant and Equipment
- MFRS 137: Provisions, Contingent Liabilities and Contingent Assets
- MFRS 141 Agriculture (Taxation in Fair Value Measurements)

Effective for financial periods beginning on or after 1 January 2023:-

Amendments to:-

- MFRS 101: Disclosure of Accounting Policies
- MFRS 101: Classification of Liabilities as Current or Non-Current
- MFRS 108: Definition of Accounting Estimates
- MFRS112: Deferred tax related to Assets and Liabilities arising from a Single Transaction

The adoption of the new standards and amendments to MFRs does not have any material impact on the financial statements 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	Corporate and others RM'000	Total RM'000
30.06.2023				
Revenue				
External sales	-	10,362	-	10,362
Segment results	(68)	1,012	3,285	4,229
Depreciation	-	(36)	(26)	(62)
Finance costs	-	-	(61)	(61)
(Loss) / Profit before tax	(68)	976	3,198	4,106
Tax expenses	-	-	-	-
(Loss) / Profit after tax	(68)	976	3,198	4,106

9. Land Held for Property Development

Group	Land RM'000	Development cost RM'000	Total RM'000
Costs			
At 1 January 2022	144,965	2,962	147,927
Addition	-	-	-
Allowance for impairment	-	-	-
At 31 December 2022	144,965	2,962	147,927
Addition	-	160	160
Allowance for impairment	-	-	-
At 30 June 2023	144,965	3,122	148,087

10. Material Events Subsequent to the End of the Interim Period

In the opinion of the directors, there are no material event which likely to affect substantially the result of the Group between the end of the current quarter and the date of the announcement.

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 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

There were no contingent liabilities for the Company and the Group as at 30 June 2023.

14. Trade and Other Receivables

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

	30.06.2023	31.12.2022
	RM'000	RM'000
Trade receivables – third parties, net of impairments	8,103	6,042
Other receivables		
-Sundry receivables, net of impairments	751	903
-Prepayment	49	49
-Refundable deposits	1,456	458
	<u>2,256</u>	<u>1,410</u>
Total trade and other receivables	<u>10,359</u>	<u>7,452</u>

15. Related Party Transactions

There are no other significant related party transactions.

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 1.1.2023 RM'000	Financing cash Flow RM'000	New finance lease RM'000	As at 30.06.2023 RM'000
<u>Group</u>				
Finance lease liabilities	-	-	-	-
	-	-	-	-
<u>Company</u>				
Overdraft	(3,210)	54	-	(3,156)

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

1. Operating Segment Review

2nd Quarter 2023 vs 2nd Quarter 2022

	Individual quarter			
	Current year Quarter	Preceding Year Corresponding Quarter	Changes	
	RM'000	RM'000	RM'000	%
Revenue				
Property for sale / Property Development	-	-	-	-
Construction	6,064	5,602	462	8%
Corporate and others	-	-	-	-
	<u>6,064</u>	<u>5,602</u>	<u>462</u>	<u>8%</u>
Profit/(Loss) before tax				
Property for sale/Property Development	(26)	-	(26)	100%
Construction	240	514	(274)	(53%)
Corporate and others	3,388	(191)	3,579	1874%
	<u>3,602</u>	<u>323</u>	<u>3,279</u>	<u>1015%</u>
Profit/(Loss) after tax				
Property for sale/Property Development	(26)	-	(26)	100%
Construction	240	514	(274)	(53%)
Corporate and others	3,388	(191)	3,579	1874%
	<u>3,602</u>	<u>323</u>	<u>3,279</u>	<u>1015%</u>

Group

The revenue recorded was RM6.0 million in current year's quarter compared to RM5.6 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 30 June 2023, this segment recorded a loss before tax of RM26,000 as compared to no profit recorded 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"); (7) Clearing of Main Intake System at Tenom Pangi Hydroelectric Power Station ("Hydro").

No	Project Name	Contract Sum RM'000	Claim during the 2nd quarter RM'000
1	SPRM	27,157	1,630
2	NRW	15,756	259
3	Tawau Dam	4,858	738
4	Timpangoh	10,465	1,604
5	Kiawayan	2,910	211
6	DBKK	4,900	263
7	Hydro	4,231	900
8	Other Material Income	-	459
	Total	<u>70,277</u>	<u>6,064</u>

The revenue recorded was RM6.0 million in current year's quarter compared to RM5.6 million in the preceding year corresponding quarter.

For the current quarter ended 30 June 2023, this segment recorded a profit before tax of RM240,000 as compared to a profit before tax of RM514,000 in the previous year 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 2023, this segment recorded a profit before tax of 3.4 million as compared to loss before tax of RM191,000 in the previous year's corresponding quarter. The increase is mainly due to the reversal of GST amounting to RM3.59 million.

Year to date 30.06.2023 vs 30.06.2022

	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	10,362	7,671	2,691	35%
Corporate and others	-	-	-	-
	<u>10,362</u>	<u>7,671</u>	<u>2,691</u>	<u>35%</u>
(Loss) / Profit before tax				
Property for sale / Property Development	(68)	-	(68)	100%
Construction	976	557	419	75%
Corporate and others	3,198	(505)	3,703	733%
	<u>4,106</u>	<u>52</u>	<u>4,054</u>	<u>7796%</u>
(Loss) / Profit after tax				
Property for sale / Property Development	(68)	-	(68)	100%
Construction	976	557	419	75%
Corporate and others	3,198	(505)	3,703	733%
	<u>4,106</u>	<u>52</u>	<u>4,054</u>	<u>7796%</u>

Group

The revenue recorded was RM10.4 million in current year to date compared to RM7.7 million in the preceding year corresponding period.

The Group recorded profit before tax of RM4.1 million as compared to a profit before tax of RM52,000 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 30 June 2023, this segment recorded a loss before tax of RM68,000 as compared to no profit recorded in the previous year's corresponding period.

Construction segment

The revenue recorded was RM10.4 million in current year to date compared to RM7.7 million in the previous year's corresponding period. For the current year to date as at 30 June 2023, this segment recorded a profit before tax of RM976,000 as compared to profit before tax of RM557,000 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 30 June 2023, this segment recorded a profit before tax of RM3.2 million as compared to loss before tax of RM505,000 in the previous year's corresponding period. The increase is mainly due to the reversal of GST amounting to RM3.59 million.

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	-	-	-	-
Construction	6,064	4,298	1,766	41%
Corporate and others	-	-	-	-
	<u>6,064</u>	<u>4,298</u>	<u>1,766</u>	<u>41%</u>
(Loss) / Profit before tax				
Property for sale / Property Development	(26)	(42)	16	38%
Construction	240	736	(496)	(67%)
Corporate and others	3,388	(190)	3,578	1883%
	<u>3,602</u>	<u>504</u>	<u>3,098</u>	<u>615%</u>
(Loss) / Profit after tax				
Property for sale / Property Development	(26)	(42)	16	38%
Construction	240	736	(496)	(67%)
Corporate and others	3,388	(190)	3,578	1883%
	<u>3,602</u>	<u>504</u>	<u>3,098</u>	<u>615%</u>

3. Prospects

The Board is of the opinion that the property market outlook is expected to remain challenging in the year ahead in view of the increase in interest rate and weakening of purchasing power by inflation.

However, 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 7 ongoing construction projects namely the SPRM, NRW, Tawau Dam, Timpangoh, Kiawayan, DBKK and Hydro with an outstanding order book of approximately RM37.3 million as at 30 June 2023. 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 remaining quarters of the financial year.

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
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	RM'000	RM'000	RM'000	RM'000
Tax expenses				
-current year provision	-	-	-	-
-(under) / over provision in prior years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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>-</u>	<u>-</u>	<u>-</u>

6. Finance Costs

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year to Date	Preceding Year Corresponding Period
	30.06.2023 RM'000	30.06.2022 RM'000	30.06.2023 RM'000	30.06.2022 RM'000
Interest expenses				
Term Loan	-	-	-	-
Bank Overdrafts	(32)	(16)	(61)	(24)
Finance lease payables	-	-	-	-
	<u>(32)</u>	<u>(16)</u>	<u>(61)</u>	<u>(24)</u>
Less:				
Interest capitalised in property development costs	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Interest expenses for the financial period	<u>(32)</u>	<u>(16)</u>	<u>(61)</u>	<u>(24)</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	3,156	-	3,156
Obligations under finance lease	-	-	-
As at 30 June 2023	<u>3,156</u>	<u>-</u>	<u>3,156</u>
	Current RM'000	Non-Current RM'000	Total RM'000
Secured			
Term loans	-	-	-
Overdraft	2,428	-	2,428
Obligations under finance lease	49	14	63
As at 30 June 2022	<u>2,477</u>	<u>14</u>	<u>2,491</u>

8. Material Litigation

As at the date of this report, the Group is not engaged in any material litigation.

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 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	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
(Loss)/Profit attributable to owners of the Company (RM'000)	3,602	323	4,106	52
Number of ordinary shares in issue ('000 shares)	210,598	210,598	210,598	210,598
Basic earnings/(loss) per share (Sen)	1.71	0.15	1.95	0.02

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 Group's audited financial statement for the financial year ended 31 December 2022 reported material uncertainty related to going concern. However, the auditors' report was not subject to any qualification.

13. (Loss)/Profit Before Tax

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

	Quarter ended		Year to date	
	30.06.2023 RM'000	30.06.2022 RM'000	30.06.2023 RM'000	30.06.2022 RM'000
Interest income	-	-	2	-
Rental income	7	8	16	14
Interest expenses	(32)	(16)	(61)	(24)
Depreciation	(22)	(47)	(62)	(88)
Gain/(Loss) on disposal of quoted shares	-	-	-	-
Gain/(Loss) on disposal of fixed assets	-	38	-	38

14. Retained Earnings

	As at 30.06.2023 RM'000	As at 30.06.2022 RM'000
Realised	4,106	52
Unrealised	-	-
	4,106	52
Consolidation adjustments	-	-
Retained earnings	4,106	52