

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

| | UNAUDITED INDIVIDUAL QUARTER 3 MONTHS ENDED | | UNAUDITED CUMULATIVE PERIOD 9 MONTHS ENDED | |
|--|---|----------------------|--|----------------------|
| | 30.09.2023 RM'000 | 30.09.2022 RM'000 | 30.09.2023 RM'000 | 30.09.2022 RM'000 |
| Revenue | 7,036 | 5,110 | 17,398 | 12,781 |
| Cost of sales | (6,094) | (3,947) | (14,220) | (10,271) |
| Gross profit | 942 | 1,163 | 3,178 | 2,510 |
| Other items of income | 9 | 7 | 3,624 | 60 |
| Administrative expenses | (652) | (791) | (2,335) | (2,115) |
| Finance costs | (31) | (18) | (93) | (42) |
| Profit before taxation | 268 | 361 | 4,374 | 413 |
| Income tax expenses | 1 | (1) | 1 | (1) |
| Profit for the financial period/Total comprehensive profit | 269 | 360 | 4,375 | 412 |
| Profit / (loss) attributable to: | | | | |
| Owners of the Company | 272 | 360 | 4,378 | 412 |
| Non-controlling interests | (3) | - | (3) | - |
| | 269 | 360 | 4,375 | 412 |
| Profit per share attributable to owners of the Company (Sen per share): | | | | |
| Basic and diluted | 0.11 | 0.17 | 1.76 | 0.20 |

The condensed consolidated statement of profit and loss and other comprehensive income for the quarter and financial period ended 30 September 2023 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 FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

| | (UNAUDITED) AS AT END OF CURRENT QUARTER 30.09.2023 RM'000 | (AUDITED) AS AT END OF PRECEDING FINANCIAL YEAR 31.12.2022 RM'000 |
|---|---|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 476 | 443 |
| Land held for property development | 148,087 | 147,927 |
| | 148,563 | 148,370 |
| Current assets | | |
| Trade and other receivables | 12,142 | 7,452 |
| Cash and bank balances | 80 | 1,231 |
| | 12,222 | 8,683 |
| TOTAL ASSETS | 160,785 | 157,053 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company | | |
| Share capital | 210,598 | 210,598 |
| Accumulated losses | (74,446) | (78,824) |
| | 136,152 | 131,774 |
| Non-controlling interests | (498) | (495) |
| TOTAL EQUITY | 135,654 | 131,279 |
| Current liabilities | | |
| Trade and other payables | 21,408 | 22,323 |
| Tax payables | 228 | 241 |
| Loans and borrowings | 3,495 | 3,210 |
| | 25,131 | 25,774 |
| Total liabilities | 25,131 | 25,774 |
| TOTAL EQUITY AND LIABILITIES | 160,785 | 157,053 |
| Net assets per share attributable to ordinary equity holders of the Company (RM) | 0.55 | 0.53 |

The condensed consolidated statement 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 STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

| | Attributable to the owners of the Company | | | Total Equity RM'000 |
|---|---|--|-------------------------------------|------------------------|
| | Non-distributable Share Capital RM'000 | Distributable Accumulated Losses RM'000 | Non-controlling Interests RM'000 | |
| Current year to date (Unaudited) | | | | |
| At 1 January 2023 | 210,598 | (78,824) | (495) | 131,279 |
| <u>Non-owner changes in equity</u> | | | | |
| Total comprehensive income | - | 4,378 | (3) | 4,375 |
| At 30 September 2023 | 210,598 | (74,446) | (498) | 135,654 |
| Previous year corresponding period (Unaudited) | | | | |
| At 1 January 2022 | 210,598 | (94,135) | (493) | 115,970 |
| <u>Non-owner changes in equity</u> | | | | |
| Total comprehensive income | - | 412 | - | 412 |
| At 30 September 2022 | 210,598 | (93,723) | (493) | 116,382 |

The condensed consolidated statement 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.

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

| | Unaudited Current year ended 30.09.2023 RM'000 | Unaudited Preceding year ended 30.09.2022 RM'000 |
|--|--|--|
| Cash flows from operating activities | | |
| Net profit before tax | 4,374 | 413 |
| Adjustments for: | | |
| Depreciation | 87 | 139 |
| Interest expense | 93 | 42 |
| Interest income | (2) | - |
| Gain on disposal of fixed assets | - | (38) |
| Operating profit before changes in working capital | 4,552 | 556 |
| Changes in working capital | | |
| Increased in receivables | (4,690) | (7,851) |
| (Decreased)/increased in payables | (915) | 5,280 |
| Net cash flows used in operations | (1,053) | (2,015) |
| Interest paid | (93) | (42) |
| Interest income | 2 | - |
| Income taxes paid, net of refund | (12) | 130 |
| Net cash used in operating activities | (1,156) | (1,927) |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (120) | (206) |
| Additional to land held for property development | (160) | - |
| Proceeds from disposal of property, plant and equipment | - | 40 |
| Net cash used in investing activities | (280) | (166) |
| Cash flows from financing activity | | |
| Repayment of hire purchase | - | (71) |
| Net cash used in financing activity | - | (71) |
| Net decrease in cash and cash equivalents | (1,436) | (2,164) |
| Cash and cash equivalents at beginning of the period | (1,979) | (149) |
| Cash and cash equivalents at end of year | (3,415) | (2,313) |
| Cash and cash equivalents comprise the following: | | |
| Cash and bank balances | 80 | 184 |
| Bank overdraft | (3,495) | (2,497) |
| | (3,415) | (2,313) |

The above condensed consolidated statement 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.

PART A: EXPLANATORY NOTES TO MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS 134):

A1. Basic of preparation

The Group has prepared its financial statements using the Malaysian Financial Reporting Standards ("MFRS") for the financial period ended 30 September 2023.

The interim financial statements are unaudited and have been prepared in accordance with the 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 statements 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.

A2. Change in 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 2023:

MFRS 17: Insurance Contracts
Amendments to MFRS 17: Insurance Contracts
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
Amendments to MFRS 101: Disclosure of Accounting Policies
Amendments to MFRS 108: Definition of Accounting Estimates
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules

The adoption of the new standards and amendments to standards did not have any significant impact on the financial statements of the Group.

Certain new accounting standards and interpretation (including the consequential amendments, if any) have been issued but not yet effective for the current reporting periods and have not been early adopted by the Group as follows:

| <u>MFRSs and/or IC Interpretations (including the Consequential Amendments)</u> | <u>Effective Date</u> |
|---|------------------------------|
| Amendments to MFRS 16: Lease Liability in a Sale and Leaseback | 1 January 2024 |
| Amendments to MFRS 101: Non-current Liabilities with Covenant | 1 January 2024 |
| Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred |

These amendments and standards are not expected to have a material impact on the financial statements of the Group in the current or future reporting periods.

A3. Auditors' Report on preceding annual financial statements

The Group's audited financial statements for the financial year ended 31 December 2022 reported material uncertainty related to going concern. However, the auditors' report was not qualified.

A4. Items of unusual nature and amount

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

A5. 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.

A6. Issuance, cancellations, repurchase, resale and repayments of debts and equity securities

There was no issuance, cancellations, repurchase and repayments of debts and equity securities during the financial period under review.

A7. Dividends paid

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

A8. Segmental information

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

| Period ended 30.09.2023 (unaudited) | Property Development RM'000 | Construction RM'000 | Corporate and others RM'000 | Total RM'000 |
|--|-----------------------------------|------------------------|-----------------------------------|-----------------|
| Revenue | | | | |
| - External sales | - | 17,398 | - | 17,398 |
| Segment results | (120) | 1,173 | 3,501 | 4,554 |
| Depreciation | - | (58) | (29) | (87) |
| Finance costs | - | - | (93) | (93) |
| (Loss)/profit before tax | (120) | 1,115 | 3,379 | 4,374 |
| Tax expenses | 1 | - | - | 1 |
| (Loss)/profit after tax | (119) | 1,115 | 3,379 | 4,375 |

For comparison purposes, the segment revenue and segment results for the corresponding financial period ended 30 September 2022 are as follows:

| Period ended 30.09.2022 (unaudited) | Property Development RM'000 | Construction RM'000 | Corporate and others RM'000 | Total RM'000 |
|--|-----------------------------------|------------------------|-----------------------------------|-----------------|
| Revenue | | | | |
| - External sales | - | 12,781 | - | 12,781 |
| Segment results | - | 1,201 | (607) | 594 |
| Depreciation | - | (70) | (69) | (139) |
| Finance costs | - | - | (42) | (42) |
| Profit/(loss) before tax | - | 1,131 | (718) | 413 |
| Tax expenses | - | (1) | - | (1) |
| Profit/(loss) after tax | - | 1,130 | (718) | 412 |

A9. Land held for property development

| | Land RM'000 | Development cost RM'000 | Total RM'000 |
|--------------------------------------|----------------|----------------------------|-----------------|
| Costs | | | |
| At 1 January 2023 | 177,946 | 18,826 | 196,772 |
| Addition | - | 160 | 160 |
| At 30 September 2023 | 177,946 | 18,986 | 196,932 |
| Accumulated Impairment losses | | | |
| At 1 January 2023 | (35,193) | (13,652) | (48,845) |
| Charged for the period | - | 160 | 160 |
| At 30 September 2023 | (35,193) | (13,652) | (48,845) |
| Carrying value | | | |
| At 30 September 2023 | 76,095 | 5,334 | 81,429 |
| At fair value less cost to sell | 66,658 | - | 66,658 |
| At 30 September 2023 | 142,753 | 5,334 | 148,087 |

There was no fair value adjustment to the land held for property development, since the last annual audited financial statements.

A10. Changes in composition of the Group

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

A11. Commitments

There were no material capital commitments for capital expenditure, contracted for or known to be contracted by the Group which might have a material impact on the financial position of the Group for the period under review of the Group during the financial period under review.

A12. Contingent liabilities

There were no contingent liabilities for the Group as at 30 September 2023.

A13. Related party transactions

There aggregate value of material transactions of the related parties of the Group were as follows:

| | Quarter ended | | Period to date | |
|--------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 30.09.2023 RM'000 | 30.09.2022 RM'000 | 30.09.2023 RM'000 | 30.09.2022 RM'000 |
| Group | | | | |
| Type of transaction: | | | | |
| Entities under common controls | | | | |
| - Contract revenue | 2,293 | 4,981 | 9,832 | 12,602 |
| - Contract cost | 401 | 877 | 2,415 | 2,045 |

With a director/persons connected to a director

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

| | | | | |
|-------------------------|---|---|-------|-------|
| - Advances received | - | - | 30 | 3,000 |
| - Repayment of advances | - | - | 350 | 320 |
| | | | <hr/> | <hr/> |

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

B1. Review of Performance

3rd Quarter 2023 vs 3rd Quarter 2022

| | Unaudited Individual Quarter | | Changes | |
|--------------------------|---|---|---------|------|
| | Current Year Quarter 30.09.2023 RM'000 | Preceding Year Quarter 30.09.2022 RM'000 | RM'000 | % |
| | Revenue | | | |
| - Construction | 7,036 | 5,110 | 1,926 | 38 |
| (Loss)/profit before tax | | | | |
| - Property development | (52) | - | (52) | -100 |
| - Construction | 490 | 574 | (84) | -15 |
| - Corporate and others | (170) | (213) | (43) | -20 |
| | 268 | 361 | (93) | -26 |

Group

The revenue recorded was RM7.0 million in current year's quarter compared to RM5.1 million in the preceding year corresponding quarter.

Property development segment

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

For the current quarter ended 30 September 2023, this segment recorded a loss before tax of RM52,000 as compared to no profit recorded in the previous year corresponding quarter.

Construction segment

The revenue recorded for construction segment was RM7.0 million in current year's quarter compared to RM5.1 million in the preceding year corresponding quarter. During the current year third quarter, a new Hotel project contributed an additional RM2.4 million revenue. In addition, other new projects contributed an increase of RM1.0 million and existing projects recorded a decrease of RM1.5 million when compared with preceding year corresponding quarter.

For the current quarter ended 30 September 2023, this segment recorded a profit before tax of RM0.49 million as compared to a profit before tax of RM0.57 million in the previous year corresponding quarter.

Corporate and others

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

For the current quarter ended 30 September 2023, this segment recorded a loss before tax of RM0.17 million as compared to loss before tax of RM0.21 million in the previous year's corresponding quarter.

B2. Comparison with preceding quarter's results

Year to date 30.09.2023 vs 30.09.2022

| | Unaudited Cumulative Period | | Changes | |
|--------------------------|--|--|----------------|----------|
| | Current Year To date RM'000 | Preceding Year To date RM'000 | RM'000 | % |
| Revenue | | | | |
| - Construction | 17,738 | 12,781 | 4,942 | 39 |
| (Loss)/profit before tax | | | | |
| - Property development | (120) | - | (120) | -100 |
| - Construction | 1,466 | 1,131 | 335 | 30 |
| - Corporate and others | 3,028 | (718) | 3,746 | 5,217 |
| | <u>4,374</u> | <u>413</u> | 3,961 | 959 |

Group

The cumulative revenue recorded was RM17.7 million in current year compared to RM12.8 million in the preceding year corresponding period.

The recorded accumulative profit before tax of RM4.4 million as compared to a profit before tax of RM0.4 million in the previous year's corresponding period.

Property development segment

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

For the current period ended 30 September 2023, this segment recorded a loss before tax of RM0.1 million as compared to RM Nil (loss)/profit recorded in the previous year's corresponding period.

Construction segment

The revenue recorded was RM17.7 million in current year to date compared to RM12.8 million in the previous year's corresponding period. The improved revenue was mainly driven by new contracts recorded from hotel project amounting to RM2.6 million and other new contracts of RM4.1 million. Existing projects recorded a decrease of RM2.1 million when compared with preceding year's corresponding period.

For the current year to date up to 30 September 2023, this segment recorded a profit before tax of RM1.5 million as compared to profit before tax of RM1.1 million 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 up to 30 September 2023, this segment recorded a profit before tax of RM3.0 million as compared to loss before tax of RM0.7 million in the previous year's corresponding period. The increase was mainly due to the reversal of GST amounting to RM3.6 million recorded in current year to date up to 30 September 2023.

B3. Current year prospect and outlook

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 eight (8) ongoing construction projects with an outstanding order book of approximately RM111.01 million as at 30 September 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 quarter of the financial year.

B4. Achievement of revenue/profit estimates, forecasts and/or internal targets

Not applicable as the Company did not provide any revenue or profit estimate, forecast or projection, and did not publish any internal targets, in any public domain.

B5. 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.

B6. Finance costs

| | Current Year Quarter 30.09.2023 RM'000 | Preceding Year Corresponding Quarter 30.09.2022 RM'000 | Current Year to date 30.09.2023 RM'000 | Preceding Year Corresponding Period to date 30.09.2022 RM'000 |
|--------------------------|---|---|---|--|
| Interest expense | | | | |
| - Bank overdraft | (31) | (17) | (93) | (41) |
| - Finance lease payables | - | (1) | - | (1) |
| | <u>(31)</u> | <u>(18)</u> | <u>(93)</u> | <u>(42)</u> |

B7. Trade and other receivables

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

| | 30.09.2023 RM'000 | 31.12.2022 RM'000 |
|---|------------------------------|------------------------------|
| Trade receivables – third parties, net of impairments | <u>7,826</u> | <u>5,630</u> |
| Other receivables | | |
| -Sundry receivables, net of impairments | 639 | 903 |
| -Prepayment | 49 | 49 |
| -Refundable deposits | 1,868 | 458 |
| | <u>2,556</u> | <u>1,410</u> |
| Contract asset | <u>1,760</u> | <u>412</u> |
| Total trade and other receivables | <u><u>12,142</u></u> | <u><u>7,452</u></u> |

B8. Borrowing

The Group's borrowing (denominated in Ringgit Malaysia) is as follows:

| | Current RM'000 | Non-Current RM'000 | Total RM'000 |
|--------------------------------|---------------------------|-------------------------------|-------------------------|
| Secured | | | |
| Overdraft | 3,495 | - | 3,495 |
| As at 30 September 2023 | <u><u>3,495</u></u> | <u><u>-</u></u> | <u><u>3,495</u></u> |

B9. Significant event

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 dated 30 November 2017 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”). 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.

The abovementioned Winding-up Order was terminated in June 2019 following the full settlement of the liabilities being claimed. Subsequently, the Company had further triggered the criteria prescribed under Paragraph 2.1(d) of PN17, whereby the auditors have expressed an adverse or disclaimer opinion in our Company’s latest audited financial statements for the FYE 31 December 2019.

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.

The Company submitted the regularisation plan to Bursa Securities on 30 March 2022.

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.

On 2 November 2023, Mercury Securities had, on behalf of our Board, announced that Bursa Securities has, vide its letter dated 1 November 2023, approved the Proposed Regularisation Plan

The Proposed Regularisation Plan and approval announced by Bursa Securities are elaborated in B10 *Status of corporate proposal*.

B10. Status of corporate proposal

The following is the status of corporate proposals that have been announced by the Company but has not been completed as at 25 November 2023, being the latest practicable date, which is not earlier than 7 days from the date of issuance of this interim financial statement:

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 Nyeon 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

B10. Status of corporate proposal (cont'd)

- (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.

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. Subsequently on 22 February 2023, Mercury Securities had, on behalf of our Board announced that the revised application has been submitted to Bursa Securities on 21 February 2023.

On 2 November 2023, Mercury Securities had, on behalf of our Board, announced that Bursa Securities has, vide its letter dated 1 November 2023, approved the following:

- (i) Proposed shares issuance of 74,431,000 new ordinary shares in Bertam ("Bertam Shares") to the Subscribers ("Proposed Shares Issuance") to Richard Ling Do Nyeen and Law Ngia Meng (collectively referred to as "Subscribers") at the subscription price of RM0.075 per Subscription Share ("Proposed Shares Issuance");
- (ii) Proposed reduction of RM90.00 million of issued share capital of Bertam pursuant to Section 116 of the Companies Act 2016 ("Proposed Capital Reduction"); and
- (iii) 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 with Warrants").

Bursa has also resolved to approve the listing and quotation, on the Main market of Bursa Securities, for:

- (i) 74,431,000 Subscription Shares pursuant to the proposed Shares issuance;
- (ii) up to 161,268,748 Rights Shares and up to 161,268,748 Warrants to be issued pursuant to the Proposed Rights Issue with Warrants; and
- (iii) up to 161,268,748 new Bertam Shares to be issued pursuant to the exercise of the Warrants.

B11. Dividend payable

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

BERTAM ALLIANCE BERHAD [Registration No. 199401019851 (305530-A)]**B12. Earnings per share**

The basic earnings per share have been calculated by dividing the Group's profit for the period attributable to owners of the Company by weighted average number of shares in issue.

| | Current Period To date 30.09.2023 | Preceding Period To date 30.09.2022 |
|---|--|--|
| Profit attributable to owners of the Company (RM'000) | 4,378 | 412 |
| Weighted number of ordinary shares in issue ('000 shares) | 248,106 | 210,598 |
| Basic earnings per share (Sen) | <u>1.76</u> | <u>0.20</u> |

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

B13. Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

The followings items have been included in arriving at profit before tax:

| | Quarter ended | | Period to date | |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 30.09.2023 RM'000 | 30.09.2022 RM'000 | 30.09.2023 RM'000 | 30.09.2022 RM'000 |
| Interest income | - | - | 2 | - |
| Rental income | 7 | 7 | 23 | 21 |
| Interest expenses | (31) | (18) | (93) | (42) |
| Rental expense | 1,160 | - | 1,160 | - |
| Depreciation | (25) | (51) | (87) | (139) |
| Gain on disposal of property, plant and equipment | - | - | - | <u>38</u> |

B14. Authority for issue

The interim financial statements were reviewed by the Audit Committee of the Company and duly authorized for the issue by the Board of Directors in accordance with a resolution of the Directors dated 29 November 2023.