



## APB RESOURCES BERHAD

(Company No.: 564838-V)  
(Incorporated in Malaysia under the Companies Act, 1965)

### INTERIM FINANCIAL STATEMENTS

The Directors are pleased to present the Interim Financial Statements for the period ended 31 March 2021

#### INTERIM FINANCIAL STATEMENTS AS AT 31 March 2021

#### PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Mar 2021 RM'000	Preceding Year Corresponding Quarter 31 Mar 2020 RM'000	Current Year To Date 31 Mar 2021 RM'000	Preceding Year Corresponding Year To Date 31 Mar 2020 RM'000
1. Revenue	18,259	27,124	33,047	54,916
2. Profit before taxation	2,151	727	3,209	1,285
3. Profit and total comprehensive income for the financial year	2,138	710	3,172	1,251
4. Profit and total comprehensive income for the period attributable to equity holders of the Company	2,138	710	3,172	1,251
5. Basic earnings per ordinary share (sen)	1.93	0.64	2.86	1.13
6. Declared dividend per ordinary share (sen)	-	-	-	-
	AS AT END OF CURRENT PERIOD		AS AT PRECEDING FINANCIAL YEAR END	
7. Net assets per ordinary share attributable to equity holders of the Company (RM)	1.45		1.42	

#### PART A3 : ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Mar 2021 RM'000	Preceding Year Corresponding Quarter 31 Mar 2020 RM'000	Current Year To Date 31 Mar 2021 RM'000	Preceding Year Corresponding Year To Date 31 Mar 2020 RM'000
1. Gross interest income	274	437	565	921
2. Gross interest expense	(1)	(16)	(2)	(16)

**APB RESOURCES BERHAD**  
(COMPANY NO.: 564838-V)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Mar 2021 RM'000	Preceding Year Corresponding Quarter 31 Mar 2020 RM'000	Current Year To Date 31 Mar 2021 RM'000	Preceding Year Corresponding Year To Date 31 Mar 2020 RM'000
<b>Continuing Operations:</b>				
Revenue	18,259	27,124	33,047	54,916
Cost of sales	(13,445)	(23,122)	(24,224)	(47,019)
Gross profit	4,814	4,002	8,823	7,897
Other income / (expenses)	513	251	419	126
Operating expenses	(3,449)	(3,947)	(6,596)	(7,643)
Results from operating activities	1,878	306	2,646	380
Interest income	274	437	565	921
Finance costs	(1)	(16)	(2)	(16)
Operating profit before taxation	2,151	727	3,209	1,285
Tax expense	(13)	(17)	(37)	(34)
Profit from continuing operations	2,138	710	3,172	1,251
<b>Discontinued Operation:</b>				
Result from discontinued operation	-	-	-	-
<b>Profit and total comprehensive income for the financial year</b>	<b>2,138</b>	<b>710</b>	<b>3,172</b>	<b>1,251</b>
<b>Attributable to:</b>				
Equity holders of the Company	2,138	710	3,172	1,251
Minority interest	-	-	-	-
<b>Profit and total comprehensive income for the financial year</b>	<b>2,138</b>	<b>710</b>	<b>3,172</b>	<b>1,251</b>
<b>Earnings per ordinary share attributable to equity holders of the Company:</b>				
Basic for profit and total comprehensive income for the financial year (sen)	1.93	0.64	2.86	1.13

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the Year Ended 30 September 2020 and the accompanying notes attached to the interim financial statements.

**APB RESOURCES BERHAD**  
(COMPANY NO.: 564838-V)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	As At 31 Mar 2021 RM'000	As At 30 Sept 2020 RM'000
<b>ASSETS</b>		
Property, plant and equipment	42,609	41,975
Right of use assets	18,358	18,585
Other investment	35	35
<b>Total non-current assets</b>	<b>61,002</b>	<b>60,595</b>
Inventories	528	1,297
Receivables, deposits and prepayments	57,952	56,338
Tax assets	-	599
Short-term funds	43,240	40,832
Deposits, cash and cash equivalents	13,836	14,081
<b>Total current assets</b>	<b>115,556</b>	<b>113,147</b>
<b>TOTAL ASSETS</b>	<b>176,558</b>	<b>173,742</b>
<b>EQUITY</b>		
Share capital	112,875	112,875
Treasury shares	(3,322)	(3,322)
Retained earnings	54,298	51,126
Minority interest	163,851	160,679
<b>Total equity attributable to equity holders of the Company</b>	<b>163,851</b>	<b>160,679</b>
<b>LIABILITIES</b>		
Deferred tax liabilities	1,954	1,954
<b>Total non-current liabilities</b>	<b>1,954</b>	<b>1,954</b>
Payables, accruals and provisions	10,676	11,039
Borrowings	64	70
Tax liabilities	13	-
<b>Total current liabilities</b>	<b>10,753</b>	<b>11,109</b>
<b>Total liabilities</b>	<b>12,707</b>	<b>13,063</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>176,558</b>	<b>173,742</b>
Net assets per ordinary share attributable to equity holders of the Company (RM)	1.45	1.42

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements of the Company for the Year Ended 30 September 2020 and the accompanying notes attached to the interim financial statements.

**APB RESOURCES BERHAD**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	Current Year To Date 31 Mar 2021 RM'000	Preceding Year To Date 31 Mar 2020 RM'000
<b>Cash flows from operating activities</b>		
Profit before taxation	3,209	1,285
Adjustments for:		
Depreciation of property, plant and equipment	1,449	1,510
Interest expenses	2	16
Interest income	(565)	(921)
Net gain on disposal of plant and equipment	(2)	(40)
Net gain on disposal short-term funds	(10)	(20)
Net provision for liquidated and ascertained damages	-	140
Net unrealised gain on foreign exchange	(72)	(39)
<b>Operating profit before changes in working capital</b>	4,011	1,931
Change in inventories	769	(162)
Change in receivables, deposits and prepayments	(1,542)	(15,440)
Change in payables, accruals and provisions	(363)	6,945
<b>Net cash from/(used in) operations</b>	2,875	(6,726)
Interest received	565	921
Interest paid	(2)	(13)
Tax paid	(45)	(65)
Tax refund	620	1,791
<b>Net cash from/(used in) operating activities</b>	4,013	(4,092)
<b>Cash flows from investing activities</b>		
Acquisition of plant and equipment, representing net cash used in investing activities	(1,860)	(738)
Proceeds from disposal of property, plant and equipment	4	54
Purchase of other investments	(5,746)	(20,008)
Proceeds from disposal of other investments	3,351	25,500
<b>Net cash (used in)/from investing activities</b>	(4,251)	4,808
<b>Cash flows from financing activity</b>		
Proceeds from short-term borrowing		1,740
Repayment of lease liabilities	(7)	-
<b>Net cash (used in)/from financing activities</b>	(7)	1,740
<b>Net (decrease)/increase in cash and cash equivalents</b>	(245)	2,456
<b>Cash and cash equivalents at beginning of year</b>	14,081	10,278
<b>Cash and cash equivalents at end of year</b>	13,836	12,734
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	4,353	5,211
Deposits placed with licensed banks	9,483	7,523
	13,836	12,734

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements of the Company for the Year Ended 30 September 2020 and the accompanying notes attached to the interim financial statements.

**APB RESOURCES BERHAD**  
(COMPANY NO.: 564838-V)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	<b>Ordinary Share Capital</b>	<b>Treasury Shares</b>	<b>Retained Earnings</b>	<b>Total</b>
	RM'000	RM'000	RM'000	RM'000
<b>At 1 October 2020</b>	112,875	(3,322)	51,126	160,679
Total comprehensive income for the period	-	-	3,172	3,172
<b>At 31 March 2021</b>	112,875	(3,322)	54,298	163,851
<b>At 1 October 2019</b>	112,875	(3,322)	47,311	156,864
Total comprehensive income for the period	-	-	1,251	1,251
<b>At 31 March 2020</b>	112,875	(3,322)	48,562	158,115

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the Year Ended 30 September 2020 and the accompanying notes attached to the interim financial statements.

**APB RESOURCES BERHAD**  
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**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**PART A: DISCLOSURE NOTES AS REQUIRED UNDER FRS 134 - INTERIM FINANCIAL REPORTING**

**1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with applicable disclosure provisions of paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting as issued by Malaysian Accounting Standards Board ("MASB") and International Financial Reporting Standards ("IFRSs").

The preparation of an interim financial statement in conformity with MFRS 134: Interim Financial Reporting requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

The interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include 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 Annual Financial Statements for 2020.

Annual Financial Statements for the financial year ended 30 September 2020 are available from the Company's registered office.

**2. Changes in Accounting Policies**

The Group's financial statements for annual period beginning on 1 October 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") issued by the MASB and International Financial Reporting Standards ("IFRSs").

**3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the Company's Annual Financial Statements for the financial year ended 30 September 2020 was not subjected to any qualification.

**4. Comments about Seasonal and / or Cyclical Factors**

The Group's business operations are not materially affected by any major seasonal or cyclical factors.

**5. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year-to-date.

**6. Material Changes in Estimates**

There were no material changes in estimates of amount reported in prior financial year that have a material effect on the current quarter and financial year-to-date.

**7. Issuance and Repayment of Debt and Equity Securities**

There were no issuance or repayment of debt and equity securities during the current quarter and financial year-to-date.

**8. Dividend**

There were no dividend proposed or paid during the current quarter and financial year-to-date.

## 9. Segmental Information

### Business Segments

	Fabrication RM'000	Non-Destructive Testing ("NDT") RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>Financial Year Ended 31 Mar 2021</b>					
<u>Revenue</u>					
Total external revenue	31,000	2,047	-	-	33,047
Inter-segment revenue	-	227	-	(227)	-
Total segment revenue	31,000	2,274	-	(227)	33,047
<u>Results</u>					
Segment (loss)/profit	2,885	101	(340)	-	2,646
Add: Interest income					565
(Less): Finance costs					(2)
Operating loss / loss before taxation					3,209
(Less): Tax expense					(37)
Loss for the period					3,172

Please refer to Notes No. 15 and No. 16 below for an analysis of the performance of the business segments of the Group.

## 10. Subsequent Material Events

There were no material events subsequent to the end of the current quarter.

## 11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year-to-date.

## 12. Contingent Liabilities

There were no material contingent liabilities for the Group as at the date of this announcement.

## 13. Capital Commitments

There were no significant capital commitments as at the end of the current quarter.

## 14. Significant Related Party Transactions

Related party transactions for the current quarter and financial year-to-date are as follows:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter <u>31 Mar 2021</u> RM'000	Preceding Year Corresponding Quarter <u>31 Mar 2020</u> RM'000	Current Year To Date <u>31 Mar 2021</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Mar 2020</u> RM'000
Peng Fah Engineering Sdn Bhd - For rental of factory premises	319	376	638	751
TTS Resources Sdn Bhd's subsidiary companies:				
TTS Transport Sdn Bhd - For transportation charges	6	103	24	235
TTS Insu-Write Services Sdn Bhd - For marine cargo and general insurance	138	148	152	170
TTS Engineering Sdn Bhd - For services rendered on minor fabrication works and rental of factory premise	37	89	40	143
TTS Enterprise Sdn Bhd - For maintenance of equipment	6	8	21	37

Mr. Yap Kow @ Yap Kim Fah and Mr. Yap Kau @ Yap Yeow Ho are substantial shareholders and Directors of TTS Resources Sdn Bhd.

**PART B: EXPLANATORY NOTES PURSUANT TO LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**15. Review of Performance**

The second quarter (2Q21) revenue dropped by 32.7% from RM27.1 million in 2Q20 to RM18.3 million, however gross profit margin improved from 14.8% to 26.4% arising from better product mix. This quarter registered a foreign exchange gain of RM410K as compared to gain of 210K in 2Q20. The high profit margin mainly accounted for the rise in profit after tax to RM2.1 million from RM0.70 million previously.

**16. Review of Current Quarter's Results against Preceding Quarter's Results**

Revenue increased by 23.5% from RM14.8 million in 1Q21 to RM18.3 million, while gross profit margin was only marginally lower at 26.4% against 27.1% in the prior quarter. This quarter registered a foreign exchange gain of RM410K as compared to foreign exchange loss of RM344K, together with higher revenue resulted in a profit after tax of RM2.1 million against RM1.0 million in 1Q21.

**17. Prospects**

The prevailing COVID-19 will continue to impact on the availability of projects in the process equipment industry.

**18. Variance of Actual and Forecast Profit**

There was no profit forecast or profit guarantee announced during the current quarter and financial year-to-date.

**19. Profit/(loss) for the Period**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter <u>31 Mar 2021</u> RM'000	Preceding Year Corresponding Quarter <u>31 Mar 2020</u> RM'000	Current Year To Date <u>31 Mar 2021</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Mar 2020</u> RM'000
Profit/(loss) for the period is arrived at after crediting/(charging):				
Depreciation of property, plant and equipment	(734)	(745)	(1,449)	(1,510)
Finance costs	(1)	(16)	(2)	(16)
Interest income	274	437	565	921
Net gain on foreign exchange	410	210	66	18
Net provision for liquidated and ascertained damages	-	(34)	-	(140)

Save as disclosed above, the other items as required under Appendix 9B, Part A(16) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

**20. Tax Expense**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter <u>31 Mar 2021</u> RM'000	Preceding Year Corresponding Quarter <u>31 Mar 2020</u> RM'000	Current Year To Date <u>31 Mar 2021</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Mar 2020</u> RM'000
<u>Tax Expense</u>				
Current year	(13)	(17)	(37)	(34)

**21. Unquoted Investments and/or Properties**

The Group has not made any investment in or disposed of any unquoted investments and / or properties during the current quarter and financial year-to-date.

**22. Quoted and Marketable Securities**

The Group has not made any investment in or disposed of any quoted and marketable securities during the current quarter and financial year-to-date.



### 23. Group's Borrowings

The Group borrowing as at the end of the current quarter and financial year-to-date are as follows :

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter <u>31 Mar 2021</u> RM'000	Preceding Year Corresponding Quarter <u>31 Mar 2020</u> RM'000	Current Year To Date <u>31 Mar 2021</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Mar 2020</u> RM'000
<u>Borrowings</u>				
Foreign currency loan against imports (FCY LAI)	-	1,740	-	1,740
Lease liabilities	64	-	64	-
Total borrowings	64	1,740	64	1,740

### 24. Changes in Material Litigation

Neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or any of its subsidiaries, and the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or any of its subsidiaries.

### 25. Earnings Per Share

#### Basic earnings Per Ordinary Share

The calculation of basic loss per ordinary share was based on the loss attributable to ordinary shareholders and the weighted average number of ordinary shares, calculated as follows:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter <u>31 Mar 2021</u>	Preceding Year Corresponding Quarter <u>31 Mar 2020</u>	Current Year To Date <u>31 Mar 2021</u>	Preceding Year Corresponding Year To Date <u>31 Mar 2020</u>
Profit Attributable To Ordinary Shareholders (RM'000):				
Net loss attributable to ordinary shareholders	2,138	710	3,172	1,251
Weighted Average Number Of Ordinary Shares ('000):				
Issued ordinary shares at beginning of period	112,875	112,875	112,875	112,875
(Less): Effect of treasury shares held	(2,030)	(2,030)	(2,030)	(2,030)
Weighted average number of ordinary shares	110,845	110,845	110,845	110,845
Basic earnings/(loss) per ordinary share (sen)	1.93	0.64	2.86	1.13

### 26. Authorisation for Issue

The interim financial statements were authorised for issue by the Board on 27 May 2021.

By Order of the Board of Directors  
**APB RESOURCES BERHAD (564838-V)**

CHEOK KIM CHEE (MACS 00139)  
Company Secretary  
27 May 2021