



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 December 2021

INTERIM FINANCIAL STATEMENTS AS AT 31 DECEMBER 2021

PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Dec 2021 RM'000	Preceding Year Corresponding Quarter 31 Dec 2020 RM'000	Current Year To Date 31 Dec 2021 RM'000	Preceding Year Corresponding Year To Date 31 Dec 2020 RM'000
1. Revenue	15,946	14,788	15,946	14,788
2. (Loss)/Profit before taxation	(2,225)	1,058	(2,225)	1,058
3. (Loss)/Profit and total comprehensive income for the financial year	(2,254)	1,034	(2,254)	1,034
4. (Loss)/Profit and total comprehensive income for the period attributable to equity holders of the Company	(2,254)	1,034	(2,254)	1,034
5. (Diluted)/Basic earnings per ordinary share (sen)	(2.03)	0.93	(2.03)	0.93
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)	1.36		1.38	

PART A3 : ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Dec 2021 RM'000	Preceding Year Corresponding Quarter 31 Dec 2020 RM'000	Current Year To Date 31 Dec 2021 RM'000	Preceding Year Corresponding Year To Date 31 Dec 2020 RM'000
1. Gross interest income	259	291	259	291
2. Gross interest expense	(1)	(1)	(1)	(1)

APB RESOURCES BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Dec 2021 RM'000	Preceding Year Corresponding Quarter 31 Dec 2020 RM'000	Current Year To Date 31 Dec 2021 RM'000	Preceding Year Corresponding Year To Date 31 Dec 2020 RM'000
Continuing Operations:				
Revenue	15,946	14,788	15,946	14,788
Cost of sales	(10,740)	(10,779)	(10,740)	(10,779)
Gross profit	5,206	4,009	5,206	4,009
Other income / (expenses)	(4,510)	(94)	(4,510)	(94)
Operating expenses	(3,179)	(3,147)	(3,179)	(3,147)
Results from operating activities	(2,483)	768	(2,483)	768
Interest income	259	291	259	291
Finance costs	(1)	(1)	(1)	(1)
Operating (loss)/profit before taxation	(2,225)	1,058	(2,225)	1,058
Tax expense	(29)	(24)	(29)	(24)
(Loss)/Profit from continuing operations	(2,254)	1,034	(2,254)	1,034
Discontinued Operation:				
Result from discontinued operation	-	-	-	-
(Loss)/Profit and total comprehensive income for the financial year	(2,254)	1,034	(2,254)	1,034
Attributable to:				
Equity holders of the Company	(2,254)	1,034	(2,254)	1,034
Minority interest	-	-	-	-
(Loss)/Profit and total comprehensive income for the financial year	(2,254)	1,034	(2,254)	1,034
Earnings per ordinary share attributable to equity holders of the Company:				
(Diluted)/Basic for profit and total comprehensive income for the financial year (sen)	(2.03)	0.93	(2.03)	0.93

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 2021 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 Dec 2021 RM'000	As At 30 Sept 2021 RM'000
ASSETS		
Property, plant and equipment	41,523	42,105
Right of use assets	18,018	18,131
Other investment	35	35
Total non-current assets	59,576	60,271
Inventories	334	319
Receivables, deposits and prepayments	33,546	38,287
Short-term funds	48,993	47,864
Deposits, cash and cash equivalents	28,297	22,531
Total current assets	111,170	109,001
TOTAL ASSETS	170,746	169,272
EQUITY		
Share capital	112,875	112,875
Treasury shares	(3,262)	(3,262)
Retained earnings	43,554	45,808
	153,167	155,421
Minority interest	-	-
Total equity attributable to equity holders of the Company	153,167	155,421
LIABILITIES		
Deferred tax liabilities	2,146	2,146
Total non-current liabilities	2,146	2,146
Payables, accruals and provisions	15,354	11,633
Borrowings	53	56
Tax liabilities	26	16
Total current liabilities	15,433	11,705
Total liabilities	17,579	13,851
TOTAL EQUITY AND LIABILITIES	170,746	169,272
Net assets per ordinary share attributable to equity holders of the Company (RM)	1.36	1.38

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 2021 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 Dec 2021	Preceding Year To Date 31 Dec 2020
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	(2,225)	1,058
Adjustments for:		
Depreciation of property, plant and equipment	738	715
Interest expenses	1	1
Interest income	(259)	(291)
Net (loss)/gain on disposal of property, plant and equipment	1	(2)
Net loss of property, plant and equipment written off	20	-
Net gain on disposal short-term funds	-	(10)
Net provision impairment loss of trade receivable	4,663	-
Net fair value gain on other investment	(3)	-
Net unrealised gain/(loss) on foreign exchange	(20)	206
Operating profit before changes in working capital	2,916	1,677
Change in inventories	(14)	755
Change in receivables, deposits and prepayments	99	(4,083)
Change in payables, accruals and provisions	3,720	(1,075)
Net cash from/(used in) operations	6,721	(2,726)
Interest received	259	291
Interest paid	(1)	(1)
Tax paid	(19)	(22)
Tax refund	-	620
Net cash from/(used in) operating activities	6,960	(1,838)
Cash flows from investing activities		
Acquisition of plant and equipment, representing net cash used in investing activities	(70)	(72)
Proceeds from disposal of property, plant and equipment	6	4
Purchase of other investments	(1,126)	(1,547)
Proceeds from disposal of other investments	-	3,000
Net cash (used in)/from investing activities	(1,190)	1,385
Cash flows from financing activity		
Repayment of lease liabilities	(4)	(3)
Net cash (used in)/from financing activities	(4)	(3)
Net increase/ (decrease) in cash and cash equivalents	5,766	(456)
Cash and cash equivalents at beginning of year	22,531	14,081
Cash and cash equivalents at end of year	28,297	13,625
Cash and cash equivalents comprise:		
Cash and bank balances	11,657	4,389
Deposits placed with licensed banks	16,640	9,236
	28,297	13,625

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

APB RESOURCES BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Ordinary Share Capital	Treasury Shares	Retained Earnings	Total
	RM'000	RM'000	RM'000	RM'000
At 1 October 2021	112,875	(3,262)	45,808	155,421
Total comprehensive income for the period	-	-	(2,254)	(2,254)
At 31 December 2021	<u>112,875</u>	<u>(3,262)</u>	<u>43,554</u>	<u>153,167</u>
At 1 October 2020	112,875	(3,322)	51,126	160,679
Total comprehensive income for the period	-	-	1,034	1,034
At 31 December 2020	<u>112,875</u>	<u>(3,322)</u>	<u>52,160</u>	<u>161,713</u>

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 2021 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 2021.

Annual Financial Statements for the financial year ended 30 September 2021 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 2021 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
Financial Year Ended 31 Dec 2021					
Revenue					
Total external revenue	14,734	1,212	-	-	15,946
Inter-segment revenue	-	124	-	(124)	-
Total segment revenue	14,734	1,336	-	(124)	15,946
Results					
Segment profit/(loss)	(2,396)	38	(125)	-	(2,483)
Add: Interest income					259
(Less): Finance costs					(1)
Operating profit before taxation					(2,225)
(Less): Tax expense					(29)
Profit for the period					(2,254)

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 Dec 2021</u> RM'000	Preceding Year Corresponding Quarter <u>31 Dec 2020</u> RM'000	Current Year To Date <u>31 Dec 2021</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Dec 2020</u> RM'000
Peng Fah Engineering Sdn Bhd - For rental of factory premises	319	319	319	319
TTS Resources Sdn Bhd's subsidiary companies:				
TTS Transport Sdn Bhd - For transportation charges	11	18	11	18
TTS Insu-Write Services Sdn Bhd - For marine cargo and general insurance	23	14	23	14
TTS Engineering Sdn Bhd - For services rendered on minor fabrication works and rental of factory premise	7	3	7	3
TTS Enterprise Sdn Bhd - For maintenance of equipment	2	15	2	15

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 first quarter (1Q22) revenue increased by 8% from RM14.8 million in 1Q20 to RM15.9 million. Notwithstanding the improvement in revenue and profit margin, the provision of doubtful debts resulted in a loss after taxation of RM2.3 million against profit after taxation of RM1.0 million in 1Q21.

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

Revenue grew by 17.6% from RM13.6 million to RM15.9 million. The provisions for doubtful debts resulted in a loss after taxation of RM2.3 million against RM6.4 million loss in 4Q21.

17. Prospects

The outlook remains very challenging as there is no indication of pick up of capital spending in the fabrication sector despite higher commodity prices. The sector is still facing an overcapacity situation.

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 Dec 2021</u> RM'000	Preceding Year Corresponding Quarter <u>31 Dec 2020</u> RM'000	Current Year To Date <u>31 Dec 2021</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Dec 2020</u> RM'000
Profit/(loss) for the period is arrived at after crediting/(charging):				
Depreciation of property, plant and equipment	(738)	(715)	(738)	(715)
Finance costs	(1)	(1)	(1)	(1)
Interest income	259	291	259	291
Net gain/(loss) on foreign exchange	23	(344)	23	(344)
Net impairment losses on trade receivables	(4,663)	-	(4,663)	-
Net gain on fair value of other investment	3	-	3	-
Net loss on property, plant and equipment written off	(20)	-	(20)	-

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 Dec 2021</u> RM'000	Preceding Year Corresponding Quarter <u>31 Dec 2020</u> RM'000	Current Year To Date <u>31 Dec 2021</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Dec 2020</u> RM'000
<u>Tax Expense</u>				
Current year	(29)	(24)	(29)	(24)

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's borrowing as at the end of the reporting period are as follows:

	As At 31 Dec 2021 RM'000	As At 31 Dec 2020 RM'000
Borrowings		
Lease liabilities	53	67
Total borrowings	<u>53</u>	<u>67</u>

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. (Loss)/Earnings Per Share

Basic (loss)/earnings Per Ordinary Share

The calculation of basic (loss)/earnings 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 Dec 2021</u>	Preceding Year Corresponding Quarter <u>31 Dec 2020</u>	Current Year To Date <u>31 Dec 2021</u>	Preceding Year Corresponding Year To Date <u>31 Dec 2020</u>
(Loss)/Profit Attributable To Ordinary Shareholders (RM'000):				
Net (loss)/profit attributable to ordinary shareholders	<u>(2,254)</u>	<u>1,034</u>	<u>(2,254)</u>	<u>1,034</u>
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	<u>(2,030)</u>	<u>(2,030)</u>	<u>(2,030)</u>	<u>(2,030)</u>
Weighted average number of ordinary shares	<u>110,845</u>	<u>110,845</u>	<u>110,845</u>	<u>110,845</u>
Basic (loss)/earnings per ordinary share (sen)	<u>(2.03)</u>	<u>0.93</u>	<u>(2.03)</u>	<u>0.93</u>

26. Authorisation for Issue

The interim financial statements were authorised for issue by the Board on 23 February 2022.

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

CHEOK KIM CHEE (MACS 00139)
Company Secretary
23 February 2022