



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 2022

INTERIM FINANCIAL STATEMENTS AS AT 31 MARCH 2022

PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Mar 2022 RM'000	Preceding Year Corresponding Quarter 31 Mar 2021 RM'000	Current Year To Date 31 Mar 2022 RM'000	Preceding Year Corresponding Year To Date 31 Mar 2021 RM'000
1. Revenue	18,449	18,259	34,395	33,047
2. Profit/(Loss) before taxation	1,728	2,151	(497)	3,209
3. Profit/(Loss) and total comprehensive income for the financial year	1,705	2,138	(549)	3,172
4. Profit/(Loss) and total comprehensive income for the period attributable to equity holders of the Company	1,705	2,138	(549)	3,172
5. Basic/(Diluted) earnings per ordinary share (sen)	1.54	1.93	(0.50)	2.86
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)	1.37		1.38	

PART A3 : ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Mar 2022 RM'000	Preceding Year Corresponding Quarter 31 Mar 2021 RM'000	Current Year To Date 31 Mar 2022 RM'000	Preceding Year Corresponding Year To Date 31 Mar 2021 RM'000
1. Gross interest income	238	274	497	565
2. Gross interest expense	-	(1)	(1)	(2)

APB RESOURCES BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Mar 2022 RM'000	Preceding Year Corresponding Quarter 31 Mar 2021 RM'000	Current Year To Date 31 Mar 2022 RM'000	Preceding Year Corresponding Year To Date 31 Mar 2021 RM'000
Continuing Operations:				
Revenue	18,449	18,259	34,395	33,047
Cost of sales	(15,462)	(13,445)	(26,202)	(24,224)
Gross profit	2,987	4,814	8,193	8,823
Other income / (expenses)	1,971	513	(2,539)	419
Operating expenses	(3,468)	(3,449)	(6,647)	(6,596)
Results from operating activities	1,490	1,878	(993)	2,646
Interest income	238	274	497	565
Finance costs	-	(1)	(1)	(2)
Operating (loss)/profit before taxation	1,728	2,151	(497)	3,209
Tax expense	(23)	(13)	(52)	(37)
Profit/(Loss) from continuing operations	1,705	2,138	(549)	3,172
Discontinued Operation:				
Result from discontinued operation	-	-	-	-
Profit/(Loss) and total comprehensive income for the financial year	1,705	2,138	(549)	3,172
Attributable to:				
Equity holders of the Company	1,705	2,138	(549)	3,172
Minority interest	-	-	-	-
Profit/(Loss) and total comprehensive income for the financial year	1,705	2,138	(549)	3,172
Earnings per ordinary share attributable to equity holders of the Company:				
Basic/(Diluted) for profit and total comprehensive income for the financial year (sen)	1.54	1.93	(0.50)	2.86

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 Mar 2022 RM'000	As At 30 Sept 2021 RM'000
ASSETS		
Property, plant and equipment	41,662	42,105
Right of use assets	17,904	18,131
Other investment	35	35
Total non-current assets	59,601	60,271
Inventories	303	319
Receivables, deposits and prepayments	38,101	38,287
Short-term funds	55,560	47,864
Deposits, cash and cash equivalents	20,051	22,531
Total current assets	114,015	109,001
TOTAL ASSETS	173,616	169,272
EQUITY		
Share capital	112,875	112,875
Treasury shares	(3,262)	(3,262)
Retained earnings	45,254	45,803
	154,867	155,416
Minority interest	-	-
Total equity attributable to equity holders of the Company	154,867	155,416
LIABILITIES		
Deferred tax liabilities	2,146	2,146
Total non-current liabilities	2,146	2,146
Payables, accruals and provisions	16,529	11,638
Borrowings	49	56
Tax liabilities	25	16
Total current liabilities	16,603	11,710
Total liabilities	18,749	13,856
TOTAL EQUITY AND LIABILITIES	173,616	169,272
Net assets per ordinary share attributable to equity holders of the Company (RM)	1.37	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 Mar 2022	Preceding Year To Date 31 Mar 2021
	RM'000	RM'000
Cash flows from operating activities		
(Loss)/Profit before taxation	(497)	3,209
Adjustments for:		
Depreciation of property, plant and equipment	1,490	1,449
Interest expenses	1	2
Interest income	(497)	(565)
Net gain on disposal of property, plant and equipment	(22)	(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	2,849	-
Net fair value gain on other investment	(40)	-
Net unrealised gain on foreign exchange	(12)	(72)
Operating profit before changes in working capital	3,292	4,011
Change in inventories	16	769
Change in receivables, deposits and prepayments	(2,651)	(1,542)
Change in payables, accruals and provisions	4,891	(363)
Net cash from/(used in) operations	5,548	2,875
Interest received	497	565
Interest paid	(1)	(2)
Tax paid	(43)	(45)
Tax refund	-	620
Net cash from/(used in) operating activities	6,001	4,013
Cash flows from investing activities		
Acquisition of plant and equipment, representing net cash used in investing activities	(850)	(1,860)
Proceeds from disposal of property, plant and equipment	31	4
Purchase of other investments	(7,755)	(5,746)
Proceeds from disposal of other investments	100	3,351
Net cash (used in)/from investing activities	(8,474)	(4,251)
Cash flows from financing activity		
Repayment of lease liabilities	(7)	(7)
Net cash (used in)/from financing activities	(7)	(7)
Net increase/ (decrease) in cash and cash equivalents	(2,480)	(245)
Cash and cash equivalents at beginning of year	22,531	14,081
Cash and cash equivalents at end of year	20,051	13,836
Cash and cash equivalents comprise:		
Cash and bank balances	12,398	4,353
Deposits placed with licensed banks	7,653	9,483
	20,051	13,836

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)	45,803	155,416
Total comprehensive income for the period	-	-	(549)	(549)
At 31 March 2022	112,875	(3,262)	45,254	154,867
At 1 October 2020	112,875	(3,322)	51,126	160,679
Total comprehensive income for the period	-	-	3,172	3,172
At 31 March 2021	112,875	(3,322)	54,298	163,851

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
(COMPANY NO.: 564838-V)

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 Mar 2022					
Revenue					
Total external revenue	32,179	2,216	-	-	34,395
Inter-segment revenue	-	253	-	(253)	-
Total segment revenue	32,179	2,469	-	(253)	34,395
Results					
Segment profit/(loss)	(826)	131	(298)	-	(993)
Add: Interest income					497
(Less): Finance costs					(1)
Operating profit before taxation					(497)
(Less): Tax expense					(52)
Profit for the period					(549)

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 2022</u> RM'000	Preceding Year Corresponding Quarter <u>31 Mar 2021</u> RM'000	Current Year To Date <u>31 Mar 2022</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Mar 2021</u> RM'000
Peng Fah Engineering Sdn Bhd - For rental of factory premises	319	319	638	638
TTS Resources Sdn Bhd's subsidiary companies:				
TTS Transport Sdn Bhd - For transportation charges	23	6	34	24
TTS Insu-Write Services Sdn Bhd - For marine cargo and general insurance	162	138	185	152
TTS Engineering Sdn Bhd - For services rendered on minor fabrication works and rental of factory premise	53	37	60	40
TTS Enterprise Sdn Bhd - For maintenance of equipment	0	6	2	21

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 (2Q22) revenue was flat yoy at RM18.4 million while gross profit margin slipped from 26.4% to 16.2% over the period. Despite the lower margin, the write back of provision for doubtful debts resulted a profit after taxation of RM1.7 million versus RM2.1 million in 2Q21.

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

Revenue grew by 15.7% from RM15.9 million to RM18.4 million and with the write back of provisions for doubtful debts, the Group achieved a profit after taxation of RM1.7 million versus a loss after taxation of RM2.3 million in previous quarter.

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 Mar 2022</u> RM'000	Preceding Year Corresponding Quarter <u>31 Mar 2021</u> RM'000	Current Year To Date <u>31 Mar 2022</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Mar 2021</u> RM'000
Profit/(loss) for the period is arrived at after crediting/(charging):				
Depreciation of property, plant and equipment	(752)	(734)	(1,490)	(1,449)
Finance costs	-	(1)	(1)	(2)
Interest income	238	274	497	565
Net gain on foreign exchange	79	410	102	66
Net impairment losses on trade receivables	1,814	-	(2,849)	-
Net gain on fair value of other investment	37	-	40	-
Net loss on property, plant and equipment written off	-	-	(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 Mar 2022</u> RM'000	Preceding Year Corresponding Quarter <u>31 Mar 2021</u> RM'000	Current Year To Date <u>31 Mar 2022</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Mar 2021</u> RM'000
<u>Tax Expense</u>				
Current year	(23)	(13)	(52)	(37)

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 Mar 2022 RM'000	As At 31 Mar 2021 RM'000
Borrowings		
Lease liabilities	49	64
Total borrowings	<u>49</u>	<u>64</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 Mar 2022</u>	Preceding Year Corresponding Quarter <u>31 Mar 2021</u>	Current Year To Date <u>31 Mar 2022</u>	Preceding Year Corresponding Year To Date <u>31 Mar 2021</u>
(Loss)/Profit Attributable To Ordinary Shareholders (RM'000):				
Net (loss)/profit attributable to ordinary shareholders	1,705	2,138	(549)	3,172
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	(1,990)	(2,030)	(1,990)	(2,030)
Weighted average number of ordinary shares	<u>110,885</u>	<u>110,845</u>	<u>110,885</u>	<u>110,845</u>
Basic (loss)/earnings per ordinary share (sen)	<u>1.54</u>	<u>1.93</u>	<u>(0.50)</u>	<u>2.86</u>

26. Authorisation for Issue

The interim financial statements were authorised for issue by the Board on 26 May 2022.

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

CHEOK KIM CHEE (MACS 00139)
Company Secretary
26 May 2022