



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 2022

INTERIM FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022

PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|--|---|--|--|
| | Current Year Quarter 31 Dec 2022 RM'000 | Preceding Year Corresponding Quarter 31 Dec 2021 RM'000 | Current Year To Date 31 Dec 2022 RM'000 | Preceding Year Corresponding Year To Date 31 Dec 2021 RM'000 |
| 1. Revenue | 19,173 | 15,946 | 19,173 | 15,946 |
| 2. Profit/(Loss) before taxation | 1,389 | (2,225) | 1,389 | (2,225) |
| 3. Profit/(Loss) and total comprehensive income for the financial year | 1,083 | (2,254) | 1,083 | (2,254) |
| 4. Profit/(Loss) and total comprehensive income for the period attributable to equity holders of the Company | 1,083 | (2,254) | 1,083 | (2,254) |
| 5. Basic/(Diluted) earnings per ordinary share (sen) | 0.98 | (2.03) | 0.98 | (2.03) |
| 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 | | 1.35 | |

PART A3 : ADDITIONAL INFORMATION

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---------------------------|--|---|--|--|
| | Current Year Quarter 31 Dec 2022 RM'000 | Preceding Year Corresponding Quarter 31 Dec 2021 RM'000 | Current Year To Date 31 Dec 2022 RM'000 | Preceding Year Corresponding Year To Date 31 Dec 2021 RM'000 |
| 1. Gross interest income | 421 | 259 | 421 | 259 |
| 2. Gross interest expense | (1) | (1) | (1) | (1) |

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|--|---|--|--|
| | Current Year Quarter 31 Dec 2022 RM'000 | Preceding Year Corresponding Quarter 31 Dec 2021 RM'000 | Current Year To Date 31 Dec 2022 RM'000 | Preceding Year Corresponding Year To Date 31 Dec 2021 RM'000 |
| Continuing Operations: | | | | |
| Revenue | 19,173 | 15,946 | 19,173 | 15,946 |
| Cost of sales | (14,786) | (10,740) | (14,786) | (10,740) |
| Gross profit | 4,387 | 5,206 | 4,387 | 5,206 |
| Other income / (expenses) | (249) | (4,510) | (249) | (4,510) |
| Operating expenses | (3,169) | (3,179) | (3,169) | (3,179) |
| Results from operating activities | 969 | (2,483) | 969 | (2,483) |
| Interest income | 421 | 259 | 421 | 259 |
| Finance costs | (1) | (1) | (1) | (1) |
| Operating profit/(loss) before taxation | 1,389 | (2,225) | 1,389 | (2,225) |
| Tax expense | (306) | (29) | (306) | (29) |
| Profit/(Loss) from continuing operations | 1,083 | (2,254) | 1,083 | (2,254) |
| Discontinued Operation: | | | | |
| Result from discontinued operation | - | - | - | - |
| Profit/(Loss) and total comprehensive income for the financial year | 1,083 | (2,254) | 1,083 | (2,254) |

| | | | | |
|--|--------------|----------------|--------------|----------------|
| Attributable to: | | | | |
| Equity holders of the Company | 1,083 | (2,254) | 1,083 | (2,254) |
| Minority interest | - | - | - | - |
| Profit/(Loss) and total comprehensive income for the financial year | 1,083 | (2,254) | 1,083 | (2,254) |

Earnings per ordinary share attributable to equity holders of the Company:

| | | | | |
|--|------|--------|------|--------|
| Basic/(Diluted) for profit and total comprehensive income for the financial year (sen) | 0.98 | (2.03) | 0.98 | (2.03) |
|--|------|--------|------|--------|

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 2022 RM'000 | As At 30 Sept 2022 RM'000 |
|--|--------------------------------|---------------------------------|
| ASSETS | | |
| Property, plant and equipment | 39,931 | 40,192 |
| Right of use assets | 17,564 | 17,677 |
| Other investment | 35 | 35 |
| Total non-current assets | 57,530 | 57,904 |
| Inventories | 700 | 677 |
| Receivables, deposits and prepayments | 38,558 | 31,656 |
| Short-term funds | 66,750 | 64,793 |
| Deposits, cash and cash equivalents | 5,944 | 15,568 |
| Total current assets | 111,952 | 112,694 |
| TOTAL ASSETS | 169,482 | 170,598 |
| EQUITY | | |
| Share capital | 112,875 | 112,875 |
| Treasury shares | (3,262) | (3,262) |
| Retained earnings | 44,379 | 43,296 |
| | 153,992 | 152,909 |
| Minority interest | - | - |
| Total equity attributable to equity holders of the Company | 153,992 | 152,909 |
| LIABILITIES | | |
| Deferred tax liabilities | 2,216 | 2,216 |
| Total non-current liabilities | 2,216 | 2,216 |
| Payables, accruals and provisions | 12,278 | 14,650 |
| Borrowings | 38 | 41 |
| Tax liabilities | 958 | 782 |
| Total current liabilities | 13,274 | 15,473 |
| Total liabilities | 15,490 | 17,689 |
| TOTAL EQUITY AND LIABILITIES | 169,482 | 170,598 |
| Net assets per ordinary share attributable to equity holders of the Company (RM) | 1.36 | 1.35 |

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

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

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

| | Current Year To Date 31 Dec 2022 | Preceding Year To Date 31 Dec 2021 |
|--|---|---|
| | RM'000 | RM'000 |
| Cash flows from operating activities | | |
| Profit/(loss) before taxation | 1,389 | (2,225) |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 705 | 738 |
| Interest expenses | 1 | 1 |
| Interest income | (421) | (259) |
| Net (gain)/loss on disposal of property, plant and equipment | (47) | 1 |
| Net loss of property, plant and equipment written off | - | 20 |
| Net (reversal)/provision impairment loss of trade receivable | - | 4,663 |
| Net fair value gain on other investment | (61) | (3) |
| Net unrealised loss/(gain) on foreign exchange | 44 | (20) |
| Operating profit before changes in working capital | 1,610 | 2,916 |
| Change in inventories | (23) | (14) |
| Change in receivables, deposits and prepayments | (6,945) | 99 |
| Change in payables, accruals and provisions | (2,373) | 3,720 |
| Net cash from operations | (7,731) | 6,721 |
| Interest received | 421 | 259 |
| Interest paid | (1) | (1) |
| Tax paid | (130) | (19) |
| Net cash (used in)/ from operating activities | (7,441) | 6,960 |
| Cash flows from investing activities | | |
| Acquisition of plant and equipment, representing net cash used in investing activities | (331) | (70) |
| Proceeds from disposal of property, plant and equipment | 48 | 6 |
| Purchase of other investments | (1,896) | (1,126) |
| Net cash (used in) investing activities | (2,179) | (1,190) |
| Cash flows from financing activity | | |
| Repayment of lease liabilities | (4) | (4) |
| Net cash (used in) financing activities | (4) | (4) |
| Net (decrease)/increase in cash and cash equivalents | (9,624) | 5,766 |
| Cash and cash equivalents at beginning of year | 15,568 | 22,531 |
| Cash and cash equivalents at end of year | 5,944 | 28,297 |
| Cash and cash equivalents comprise: | | |
| Cash and bank balances | 5,944 | 11,657 |
| Deposits placed with licensed banks | - | 16,640 |
| | 5,944 | 28,297 |

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

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

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 2022 | 112,875 | (3,262) | 43,296 | 152,909 |
| Total comprehensive income for the period | - | - | 1,083 | 1,083 |
| At 31 December 2022 | <u>112,875</u> | <u>(3,262)</u> | <u>44,379</u> | <u>153,992</u> |
| 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> |

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 2022 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 2022.

Annual Financial Statements for the financial year ended 30 September 2022 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 2022 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

| | <u>Fabrication</u> RM'000 | <u>Others</u> RM'000 | <u>Elimination</u> RM'000 | <u>Consolidated</u> RM'000 |
|---|------------------------------|-------------------------|------------------------------|-------------------------------|
| Financial Year Ended 31 Dec 2022 | | | | |
| Revenue | | | | |
| Total external revenue | 19,173 | - | - | 19,173 |
| Inter-segment revenue | - | - | - | - |
| Total segment revenue | 19,173 | - | - | 19,173 |
| Results | | | | |
| Segment profit/(loss) | 1,060 | (91) | - | 969 |
| Add: Interest income | | | | 421 |
| (Less): Finance costs | | | | (1) |
| Operating profit before taxation | | | | 1,389 |
| (Less): Tax expense | | | | (306) |
| Profit for the period | | | | 1,083 |

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 2022</u> RM'000 | Preceding Year Corresponding Quarter <u>31 Dec 2021</u> RM'000 | Current Year To Date <u>31 Dec 2022</u> RM'000 | Preceding Year Corresponding Year To Date <u>31 Dec 2021</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 | 16 | 11 | 16 | 11 |
| TTS Insu-Write Services Sdn Bhd - For marine cargo and general insurance | 22 | 23 | 22 | 23 |
| TTS Engineering Sdn Bhd - For services rendered on minor fabrication works and rental of factory premise | 8 | 7 | 8 | 7 |
| TTS Enterprise Sdn Bhd - For maintenance of equipment | 1 | 2 | 1 | 2 |

Mr. Yap Swee Sang 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 (1Q23) revenue grew by 20.2% from RM15.9 million in 1Q22 to RM19.2 million, however, gross profit margin decreased from 32.3% to 22.9% during the period mainly due to product mix. The higher revenue mainly resulted in a profit after taxation of RM1.1 million against a loss after taxation of RM2.3 million in 1Q22.

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

Revenue decreased by 3.9% from RM20.0 million to RM19.2 million in 1Q23, while gross profit margin decreased from 37.1% to 22.9% over the period. Profit after tax dropped from RM4.9 million last quarter to RM1.1 million for the current quarter. This is largely because there was a reversal of impairment loss in the preceding quarter.

17. Prospects

The outlook is improving with signs that capital spending in the fabrication sector has started to pick up.

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 2022</u> RM'000 | Preceding Year Corresponding Quarter <u>31 Dec 2021</u> RM'000 | Current Year To Date <u>31 Dec 2022</u> RM'000 | Preceding Year Corresponding Year To Date <u>31 Dec 2021</u> RM'000 |
| Profit/(loss) for the period is arrived at after crediting/(charging): | | | | |
| Depreciation of property, plant and equipment | (705) | (738) | (705) | (738) |
| Finance costs | (1) | (1) | (1) | (1) |
| Interest income | 421 | 259 | 421 | 259 |
| Net (loss)/gain on foreign exchange | (370) | 23 | (370) | 23 |
| Net impairment losses on trade receivables | - | (4,663) | - | (4,663) |
| Net gain on fair value of other investment | 61 | 3 | 61 | 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 2022</u> RM'000 | Preceding Year Corresponding Quarter <u>31 Dec 2021</u> RM'000 | Current Year To Date <u>31 Dec 2022</u> RM'000 | Preceding Year Corresponding Year To Date <u>31 Dec 2021</u> RM'000 |
| <u>Tax Expense</u> | | | | |
| Current year | (306) | (29) | (306) | (29) |

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 2022 RM'000 | As At 31 Dec 2021 RM'000 |
|-------------------|--------------------------------|--------------------------------|
| Borrowings | | |
| Lease liabilities | 38 | 53 |
| Total borrowings | <u>38</u> | <u>53</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. Earnings/(Loss) Per Share

Basic earnings/(loss) Per Ordinary Share

The calculation of basic earnings/(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 Dec 2022</u> | Preceding Year Corresponding Quarter <u>31 Dec 2021</u> | Current Year To Date <u>31 Dec 2022</u> | Preceding Year Corresponding Year To Date <u>31 Dec 2021</u> |
| Profit/(Loss) Attributable To Ordinary Shareholders (RM'000): | | | | |
| Net (loss)/profit attributable to ordinary shareholders | 1,083 | (2,254) | 1,083 | (2,254) |
| 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) | (1,990) | (1,990) | (1,990) |
| Weighted average number of ordinary shares | <u>110,885</u> | <u>110,885</u> | <u>110,885</u> | <u>110,885</u> |
| Basic earnings/(loss) per ordinary share (sen) | <u>0.98</u> | <u>(2.03)</u> | <u>0.98</u> | <u>(2.03)</u> |

26. Authorisation for Issue

The interim financial statements were authorised for issue by the Board on 24 February 2023.

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

CHEOK KIM CHEE (MACS 00139)
Company Secretary
24 February 2023