



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 30 June 2023

INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2023

PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30 Jun 2023 RM'000	Preceding Year Corresponding Quarter 30 Jun 2022 RM'000	Current Year To Date 30 Jun 2023 RM'000	Preceding Year Corresponding Year To Date 30 Jun 2022 RM'000
1. Revenue	20,348	23,673	53,531	58,068
2. Profit before taxation	2,547	4,294	4,180	3,797
3. Profit and total comprehensive income for the financial year	1,994	4,288	3,278	3,739
4. Profit and total comprehensive income for the period attributable to equity holders of the Company	1,994	4,288	3,278	3,739
5. Basic earnings per ordinary share (sen)	1.80	3.87	2.96	3.37
6. Declared dividend per ordinary share (sen)	-	10.0	-	10.0
	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)	1.38		1.35	

PART A3 : ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30 Jun 2023 RM'000	Preceding Year Corresponding Quarter 30 Jun 2022 RM'000	Current Year To Date 30 Jun 2023 RM'000	Preceding Year Corresponding Year To Date 30 Jun 2022 RM'000
1. Gross interest income	546	303	1,442	800
2. Gross interest expense	(1)	(1)	(2)	(2)

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30 Jun 2023 RM'000	Preceding Year Corresponding Quarter 30 Jun 2022 RM'000	Current Year To Date 30 Jun 2023 RM'000	Preceding Year Corresponding Year To Date 30 Jun 2022 RM'000
Continuing Operations:				
Revenue	20,348	23,673	53,531	58,068
Cost of sales	(15,714)	(18,426)	(41,359)	(44,628)
Gross profit	4,634	5,247	12,172	13,440
Other income / (expenses)	753	2,169	684	(370)
Operating expenses	(3,385)	(3,424)	(10,116)	(10,071)
Results from operating activities	2,002	3,992	2,740	2,999
Interest income	546	303	1,442	800
Finance costs	(1)	(1)	(2)	(2)
Operating profit before taxation	2,547	4,294	4,180	3,797
Tax expense	(553)	(6)	(902)	(58)
Profit from continuing operations	1,994	4,288	3,278	3,739
Discontinued Operation:				
Result from discontinued operation	-	-	-	-
Profit and total comprehensive income for the financial year	1,994	4,288	3,278	3,739
Attributable to:				
Equity holders of the Company	1,994	4,288	3,278	3,739
Minority interest	-	-	-	-
Profit and total comprehensive income for the financial year	1,994	4,288	3,278	3,739
Earnings per ordinary share attributable to equity holders of the Company:				
Basic for profit and total comprehensive income for the financial year (sen)	1.80	3.87	2.96	3.37

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 2022 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 30 Jun 2023 RM'000	As At 30 Sept 2022 RM'000
ASSETS		
Property, plant and equipment	38,796	40,192
Right of use assets	17,337	17,677
Other investment	35	35
Total non-current assets	56,168	57,904
Inventories	626	677
Receivables, deposits and prepayments	29,608	31,656
Short-term funds	77,651	64,793
Deposits, cash and cash equivalents	7,552	15,568
Total current assets	115,437	112,694
TOTAL ASSETS	171,605	170,598
EQUITY		
Share capital	112,875	112,875
Treasury shares	(3,262)	(3,262)
Retained earnings	46,574	43,296
Minority interest	156,187	152,909
Total equity attributable to equity holders of the Company	156,187	152,909
LIABILITIES		
Deferred tax liabilities	2,216	2,216
Total non-current liabilities	2,216	2,216
Payables, accruals and provisions	11,709	14,650
Borrowings	30	41
Tax liabilities	1,463	782
Total current liabilities	13,202	15,473
Total liabilities	15,418	17,689
TOTAL EQUITY AND LIABILITIES	171,605	170,598
Net assets per ordinary share attributable to equity holders of the Company (RM)	1.38	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 30 Jun 2023	Preceding Year To Date 30 Jun 2022
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	4,180	3,797
Adjustments for:		
Depreciation of property, plant and equipment	2,095	2,238
Interest expenses	2	2
Interest income	(1,442)	(800)
Net gain on disposal of property, plant and equipment	(48)	(138)
Net loss of property, plant and equipment written off	-	20
Loss on disposal of a subsidiary company	-	323
Net provision impairment loss of trade receivable	-	756
Net provision for liquidated and ascertained damages	398	-
Net fair value gain on other investment	(207)	(74)
Net unrealised gain on foreign exchange	(791)	(102)
Operating profit before changes in working capital	4,187	6,022
Change in inventories	51	3
Change in receivables, deposits and prepayments	2,841	(1,761)
Change in payables, accruals and provisions	(3,339)	1,382
Net cash from operations	3,740	5,646
Interest received	1,442	800
Interest paid	(2)	(2)
Tax paid	(221)	(162)
Net cash from operating activities	4,959	6,282
Cash flows from investing activities		
Acquisition of plant and equipment, representing net cash used in investing activities	(360)	(1,323)
Proceeds from disposal of property, plant and equipment	48	147
Proceed from disposal of a subsidiary company	-	1,900
Purchase of other investments	(28,151)	(18,747)
Proceeds from disposal of other investments	15,500	100
Net cash (used in) investing activities	(12,963)	(17,923)
Cash flows from financing activity		
Repayment of lease liabilities	(12)	(11)
Net cash (used in) financing activities	(12)	(11)
Net (decrease) in cash and cash equivalents	(8,016)	(11,652)
Cash and cash equivalents at beginning of year	15,568	22,531
Cash and cash equivalents at end of year	7,552	10,879
Cash and cash equivalents comprise:		
Cash and bank balances	4,002	6,288
Deposits placed with licensed banks	3,550	4,591
	7,552	10,879

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	-	-	3,278	3,278
At 30 June 2023	112,875	(3,262)	46,574	156,187
At 1 October 2021	112,875	(3,262)	45,803	155,416
Total comprehensive income for the period	-	-	3,739	3,739
At 30 June 2022	112,875	(3,262)	49,542	159,155

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.

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

	Fabrication RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Financial Year Ended 30 Jun 2023				
Revenue				
Total external revenue	53,531	-	-	53,531
Inter-segment revenue	-	-	-	-
Total segment revenue	53,531	-	-	53,531
Results				
Segment profit/(loss)	3,060	(320)	-	2,740
Add: Interest income				1,442
(Less): Finance costs				(2)
Operating profit before taxation				4,180
(Less): Tax expense				(902)
Profit for the period				3,278

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>30 Jun 2023</u> RM'000	Preceding Year Corresponding Quarter <u>30 Jun 2022</u> RM'000	Current Year To Date <u>30 Jun 2023</u> RM'000	Preceding Year Corresponding Year To Date <u>30 Jun 2022</u> RM'000
Peng Fah Engineering Sdn Bhd				
- For rental of factory premises	376	319	1,089	957
TTS Resources Sdn Bhd's subsidiary companies:				
TTS Transport Sdn Bhd				
- For transportation charges	3	19	23	53
TTS Insu-Write Services Sdn Bhd				
- For marine cargo and general insurance	25	20	194	205
TTS Engineering Sdn Bhd				
- For services rendered on minor fabrication works and rental of factory premise	9	8	30	68
TTS Enterprise Sdn Bhd				
- For maintenance of equipment	0	1	3	3

Mr. Yap Swee Sang is substantial shareholder and Director of TTS Resources Sdn Bhd.

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

15. Review of Performance

The third quarter (3Q23) revenue decreased by 14.0% from RM23.7 million in 3Q22 to RM20.3 million while gross profit was almost flat at 22.8% due to product mix of projects completed. This quarter registered a foreign exchange gain of RM677K as compared to gain of RM206K in 3Q22. The Group achieved a profit after taxation of RM2.0 million in 3Q23 as compared to profit after taxation of RM4.3 million which was mainly due to the net reversal of impairment losses RM2.1 million on trade receivables in 3Q22.

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

Revenue grew by 45.2% from RM14.0 million to RM20.3 million in 3Q23, while gross profit margin was almost flat at 22.8%. Higher revenue resulted profit after tax improved from RM201K last quarter to RM2.0million for the current 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>30 Jun 2023</u> RM'000	Preceding Year Corresponding Quarter <u>30 Jun 2022</u> RM'000	Current Year To Date <u>30 Jun 2023</u> RM'000	Preceding Year Corresponding Year To Date <u>30 Jun 2022</u> RM'000
Profit/(loss) for the period is arrived at after crediting/(charging):				
Depreciation of property, plant and equipment	(690)	(748)	(2,095)	(2,238)
Finance costs	(1)	(1)	(2)	(2)
Interest income	546	303	1,442	800
Net gain on foreign exchange	677	206	398	308
Net impairment losses on trade receivables	-	2,093	-	(756)
Net gain on fair value of other investment	67	34	207	74
Net loss on disposal of a subsidiary company	-	(323)	-	(323)
Net provision for liquidated and ascertained damages	(398)	-	(398)	-

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>30 Jun 2023</u> RM'000	Preceding Year Corresponding Quarter <u>30 Jun 2022</u> RM'000	Current Year To Date <u>30 Jun 2023</u> RM'000	Preceding Year Corresponding Year To Date <u>30 Jun 2022</u> RM'000
Tax Expense				
Current year	(553)	(6)	(902)	(58)

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 30 Jun 2023 RM'000	As At 30 Jun 2022 RM'000
<u>Borrowings</u>		
Lease liabilities	30	45
Total borrowings	<u>30</u>	<u>45</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 Per Share

Basic earnings Per Ordinary Share

The calculation of basic 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>30 Jun 2023</u>	Preceding Year Corresponding Quarter <u>30 Jun 2022</u>	Current Year To Date <u>30 Jun 2023</u>	Preceding Year Corresponding Year To Date <u>30 Jun 2022</u>
Profit Attributable To Ordinary Shareholders (RM'000):				
Net profit attributable to ordinary shareholders	<u>1,994</u>	<u>4,288</u>	<u>3,278</u>	<u>3,739</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	(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 per ordinary share (sen)	<u>1.80</u>	<u>3.87</u>	<u>2.96</u>	<u>3.37</u>

26. Authorisation for Issue

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

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