

ABLEGROUP BERHAD (654188-H)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Quarter Ended 30 September 2015

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
		30-Sep-15 RM'000 (Unaudited)	30-Sep-14 RM'000 (Unaudited)	30-Sep-15 RM'000 (Unaudited)	30-Sep-14 RM'000 (Unaudited)
Revenue		7,052	3,893	20,632	11,013
Cost of sales		(6,672)	(3,264)	(18,792)	(9,422)
Gross profit		380	629	1,840	1,591
Other income		50	262	130	394
		430	891	1,970	1,985
Selling and marketing expenses		(8)	-	(13)	-
Administrative expenses		(624)	(643)	(2,050)	(2,125)
Other expenses		(3)	-	(10)	(9)
Finance costs		(92)	(56)	(439)	(113)
Profit/ (Loss) before tax		(297)	192	(541)	(262)
Income tax expense	B5	-	-	-	-
Profit/ (Loss), net of tax	A12	(297)	192	(541)	(262)
Attributable to :					
Equity holders of the parent		(297)	192	(541)	(262)
Profit/ (Loss) per share attributable to equity holders of the parent:					
- Basic (sen)	B10	(0.113)	0.073	(0.205)	(0.099)
- Diluted (sen)		(0.113)	0.073	(0.205)	(0.099)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

ABLEGROUP BERHAD (654188-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Quarter Ended 30 September 2015

(The figures have not been audited)

	INDIVIDUAL AND CUMULATIVE		CUMULATIVE PERIOD ENDED	
	PERIOD ENDED			
	30-Sep-15	30-Sep-14	30-Sep-15	30-Sep-14
	RM'000	RM'000	RM'000	RM'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit/(Loss), net of tax	(297)	192	(541)	(262)
Currency translation differences arising from consolidation	-	-	-	-
Revaluation of land and building	-	-	-	-
Total comprehensive income	(297)	192	(541)	(262)
Total comprehensive income attributable to :				
Equity holders of the parent	(297)	192	(541)	(262)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

ABLEGROUP BERHAD (654188-H)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For The Quarter Ended 30 September 2015

(The figures have not been audited)

	30-Sep-15 RM'000 (Unaudited)	31-Dec-14 RM'000 (Unaudited)
ASSETS		
Non-current Assets		
Property, plant and equipment	1,218	1,275
Investment property	679	691
	1,897	1,966
Current Assets		
Inventories	3,758	4,314
Property Development Cost	33,548	32,075
Trade and other receivables	10,732	8,840
Amount owing by contract customers	3,612	2,548
Tax refundable	50	95
Fixed deposits with licensed bank	6,613	4,765
Cash and cash balances	110	640
	58,423	53,277
Total Assets	60,320	55,243
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	39,585	39,585
Other reserves	569	572
Retained earnings	7,427	7,968
Total Equity	47,581	48,125
Non-current liabilities		
Long-term borrowings	B7 56	73
Current Liabilities		
Trade and other payables	6,638	2,059
Amount owing to contract customers	-	211
Short-term borrowings	B7 6,045	4,775
	12,683	7,045
Total Liabilities	12,739	7,118
Total Equity and Liabilities	60,320	55,243
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.18	0.18

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

ABLEGROUP BERHAD (654188-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Quarter Ended 30 September 2015

(The figures have not been audited)

	Share Capital RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	(Accumulated Losses)/Retained Earnings RM'000	Total Equity RM'000
Balance as of 1 January 2014	39,585	1,636	(1,064)	7,723	47,880
Total comprehensive income for the period	-	-	-	(262)	(262)
Foreign currency translation	-	-	(3)	-	(3)
Balance as of 30 September 2014	39,585	1,636	(1,067)	7,461	47,615

	Share Capital RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	(Accumulated Losses)/Retained Earnings RM'000	Total Equity RM'000
Balance as of 1 January 2015	39,585	1,636	(1,064)	7,968	48,125
Total comprehensive income for the period	-	-	(3)	(541)	(544)
Foreign currency translation	-	-	-	-	-
Balance as of 30 September 2015	39,585	1,636	(1,067)	7,427	47,581

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

ABLEGROUP BERHAD (654188-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Quarter Ended 30 September 2015

(The figures have not been audited)

	9 months ended	
	30-Sep-15 RM'000 (Unaudited)	30-Sep-14 RM'000 (Unaudited)
Cash Flows From/(For) Operating Activities		
Loss before taxation	(541)	(262)
<i>Adjustment for:-</i>		
Depreciation of property, plant and equipment	120	118
Depreciation of investment property	12	12
(Gain)/Loss on disposal of property, plant and equipment	-	(10)
(Gain)/Loss on foreign exchange-unrealised	2	(2)
Provision of bad debts no longer required	-	(144)
Payables written back	-	(9)
Interest expenses	439	113
Interest income	(113)	(139)
Operating Loss Before Working Capital Changes	(81)	(323)
Decrease/(increase) in property development costs	(1,474)	(2,001)
Decrease/(increase) in inventories	557	549
Decrease/(increase) in amount due from/(to) contract customers	(1,275)	-
(Increase)/Decrease in trade and other receivables	(1,891)	(4,091)
(Decrease)/Increase in trade payables	4,575	1,233
Cash For Operations	411	(4,633)
Interest paid	(439)	(113)
Income tax refunded/(paid)	45	(7)
Net Cash Flows From Operating Activities	17	(4,754)
Cash Flows From/(For) Investing Activities		
Interest received	113	139
Proceeds from disposal of property, plant and equipment	-	10
Purchase of property, plant and equipment	(63)	(299)
Net Cash Flows From/(For) Investing Activities	50	(150)
Cash Flows From/(For) Financing Activities		
(Decrease)/Increase in bills payable	1,630	(118)
Drawdown of term loan	764	-
Repayment of hire purchase obligations	(20)	(75)
Net Cash Flows From/(For) Financing Activities	2,374	(193)
Net Increase in Cash and Cash Equivalents	2,441	(5,097)
Effects on Foreign Exchange Rate Changes	(2)	38
Cash and Cash Equivalents as at beginning of year	4,284	9,179
Cash and Cash Equivalents as at end of period	6,723	4,120
Cash and cash equivalents at the end of the financial period comprise the following:		
	As at	As at
	30-Sep-15	30-Sep-14
	RM'000	RM'000
Fixed deposits	6,613	3,546
Cash and bank balances	110	1,751
Bank overdrafts	-	(1,177)
	6,723	4,120

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134-INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014. These explanatory notes attached to the interim financial statements provide 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 the year ended 31 December 2014.

The significant accounting policies and presentation adopted by the Group in this interim financial statements are consistent with those of the Group’s consolidated audited financial statements for the year ended 31 December 2014.

On 19 November 2011, MASB announced the adoption of the Malaysian Financial Reporting Standards (“MFRS Framework”). The MFRS framework is effective from 1 January 2012 and is to facilitate convergence with the International Financial Reporting Standards (“IFRS”). Nevertheless, the Group is allowed by MASB to defer the adoption of these new accounting standards to financial year ending 31 December 2013 as the Group now (*after proposed diversification of the business of the Group into property development which has been approved by shareholders of the Company at an Extraordinary General Meeting held on 22 June 2012*) is within the scope of IC Interpretation 15 Agreements for Construction of Real Estate.

Subsequently the MASB decided to allow the deferment to all transitioning entities for the adoption of the MFRS framework to year 2017.

Upon adoption of these new accounting standards, the impact on the financial position and performance of the Group has yet to be determined as the Group is in the process of assessing the financial effects of the differences between FRS and accounting standards under the MFRS Framework.

In presenting its first MFRS financial statements, the Group will be required to restate the financial position as at 1 January 2013 to amounts reflecting the application of MFRS Framework.

The Group falls within the definition of “Transitional Entities” and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2017.

A2. Seasonal or Cyclical Factors

The operations of the Group during the quarter have not been affected by any material seasonal or cyclical factors.

A3. 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.

A4. Material Changes in Estimates

There were no changes in the estimates of amounts reported in prior interim periods of the current financial quarter or in prior financial years that have a material effect on the results in the quarter under review.

A5. Debts and Equity Securities

The Group did not undertake any issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current period ended 30 September 2015.

A6. Dividends Paid

There were no dividends paid during the quarter under review.

A7. Segmental Information

Segmental information is provided in accordance to business segments, assets and liabilities which are common and cannot be allocated to the segments are presented under unallocated expenses, assets and liabilities, respectively, if any.

(a) Business Segments
9 Months Ended 30 September 2015

Segments	Segments			Consolidation adjustments	Group
	Manufacturing (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	20,632	-	-	-	20,632
Profit/(Loss) After Tax	499	(1,011)	(29)	-	(541)
Total Assets	22,745	64,085	34,984	(61,543)	60,271

A7. Segmental Information (cont'd)
(a) Business Segments (cont'd)
9 Months Ended 30 September 2014

Segments	Continuing Operations			Consolidation adjustments	Group
	Manufacturing (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	11,013	-	-	-	11,013
Profit/(Loss) After Tax	628	(862)	(28)	-	(262)
Total Assets	15,983	65,302	33,110	(62,890)	51,505

A8. Material Events Subsequent to the End of the Reporting Period

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

A9. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A10. Changes in Contingent Liabilities or Contingent Assets

There were no significant changes in the contingent liabilities or contingent assets of the Group since the last financial year as at 31 December 2014.

A11. Capital Commitment

There Group has not incurred significant capital commitment as at 30 September 2015.

A12. Related Party Transactions

The significant related party transactions for the 9 months ended 30 September 2015 are as follows:

Company in which a director has interest

	30.09.2015 RM'000	30.09.2014 RM'000
Sales of stones and provision of contract workmanship and other related services	216	672

B. ADDITIONAL EXPLANATORY NOTES IN COMPLIANCE WITH BURSA MALAYSIA LISTING REQUIREMENTS UNDER PART A OF APPENDIX 9B

B1. Review of Performance

A) 3Q15 vs.3Q14

Description	3Q15	3Q14	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	7,052	3,893	3,160	81%
Profit/(Loss) After Tax	(297)	192	(489)	(255%)

Note

For the current quarter under review, the Group revenue was RM7.05 million, an increase of RM3.16 million or 81% over the previous year corresponding quarter revenue of RM3.89 million. The higher revenue was due to higher percentage of works completed.

The net loss of RM0.30 million in the current quarter compared to a profit of RM0.19 million in previous year corresponding quarter was due to higher cost of imported materials because of the weak Ringgit.

B) FPE15 vs. FPE14

Description	FPE15	FPE14	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	20,632	11,013	9,619	87%
Loss After Tax ("LAT")	(541)	(262)	(279)	106%

The Group achieved revenue of about RM20.63 million for the financial period ended 30 September 2015 ("FPE15"), an increase of 87% compared to the revenue of RM11.01 million for the financial period ended 30 September 2014 ("FPE14"). The increase in revenue for FPE15 is mainly due to higher percentage of works done.

For the current period to-date, the Group recorded LAT of RM0.54 million, compared to the preceding period LAT of RM0.26 million. The weakening of Malaysia currency since the beginning of year has eroded the profitability of the on-going projects due to higher cost of imported material. The margins of the projects are significantly affected by the higher costs.

B2. Material Change in Profit Before Taxation of Current Quarter Compared with Preceding Quarter

Description	3Q2015	2Q2015	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Profit/(Loss) Before Tax	(297)	(664)	367	(55.30%)

For the current quarter, the Group posted a loss before tax of RM0.30 million as compared to loss before tax of RM0.66 million for the immediate preceding quarter ended 30 June 2015. The losses are lower in this quarter due to higher percentage of works completed and better margins compared to immediate preceding quarter.

B3. Prospects

The higher cost of imported materials will continue to impact the Group in the next quarter. Meantime, the Group will monitor and control costs where possible on the contracts.

For the property development division, the Group will continue to monitor the property market before launching the project.

B4. Profit Forecast

The Company did not issue any profit forecast or profit guarantee for the year.

B5. Income Tax Expense

No provision for taxation expenses for the quarter due to utilisation of unabsorbed tax loss and unutilised tax allowances of certain companies within the Group.

B6. Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this report.

B7. Borrowings

Denominated in local currency
as at 30.09.2015

	Short-term	Long-term
	RM'000	RM'000
Secured borrowings:		
Hire purchase payables	22	56
Loan	764	-
Bankers' acceptance	5,259	-
	6,045	56

B8. Material Litigation

As at the date of this report, the Group is not engaged in any material litigation which in the opinion of the Board of Directors will have a material effect on the financial position or the business of the Group.

B9. Dividends

There were no dividends declared during the quarter under review.

B10. Earnings /(Loss) Per Share
i) Basic Earnings Per Share

	Individual Quarter Ended		Cumulative Period Ended	
	30.09.15 RM'000	30.09.14 RM'000	30.09.15 RM'000	30.09.14 RM'000
Profit/ (Loss) attributable to equity holders of the company	(297)	192	(541)	(262)
Weighted average number of ordinary shares in issue('000)	263,900	263,900	263,900	263,900
Basic earnings/ (loss) per share attributable to equity holders of the company (Sen)	(0.113)	0.073	(0.205)	(0.099)

ii) Diluted Loss Per Share

	Individual Quarter Ended		Cumulative Period Ended	
	30.09.15 RM'000	30.09.14 RM'000	30.09.15 RM'000	30.09.14 RM'000
Profit/ (Loss) attributable to equity holders of the company	(297)	192	(541)	(262)
Weighted average number of ordinary shares in issue('000)	263,900	263,900	263,900	263,900
Effect of dilution('000)	^	^	^	^
Adjusted weighted average number of ordinary shares in issue and issuable('000)	263,900	263,900	263,900	263,900
Diluted earnings/ (loss) per share attributable to equity holders of the company (Sen)	(0.113)	0.073	(0.205)	(0.099)

^ As the exercise price for the Warrants 2012/2017 is higher than average market price for the current quarter under review, it is assumed that the holders of the warrants will not exercise the warrants.

B11. Realised and Unrealised Profits/Losses

	As at 30.09.2015	As at 30.09.2014
	RM'000	RM'000
- realised	3,340	4,303
- unrealised	2	-
	<hr/> 3,342	<hr/> 4,303
Add/(Less): consolidated adjustments	4,085	4,085
Total retained earnings	<hr/> 7,427	<hr/> 8,388

B12. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2014 was unqualified.