

ABLEGROUP BERHAD (654188-H)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENT**

For The Quarter Ended 31 December 2015

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
		31-Dec-15 RM'000 (Unaudited)	31-Dec-14 RM'000 (Unaudited)	31-Dec-15 RM'000 (Unaudited)	31-Dec-14 RM'000 (Unaudited)
Revenue		7,094	7,736	27,726	18,749
Cost of sales		(6,281)	(6,689)	(25,073)	(16,111)
<b>Gross profit</b>		<b>813</b>	<b>1,047</b>	<b>2,653</b>	<b>2,638</b>
Other income		225	160	355	589
		1,038	1,207	3,008	3,227
Selling and marketing expenses		(5)	(5)	(18)	(12)
Administrative expenses		(765)	(631)	(2,814)	(2,756)
Other expenses		(1,013)	-	(1,023)	(37)
Finance costs		(139)	(63)	(578)	(177)
<b>Profit/ (Loss) before tax</b>		<b>(884)</b>	<b>508</b>	<b>(1,425)</b>	<b>245</b>
Income tax expense	B5	-	-	-	-
<b>Profit/ (Loss), net of tax</b>	A12	<b>(884)</b>	<b>508</b>	<b>(1,425)</b>	<b>245</b>
<b>Attributable to :</b>					
Equity holders of the parent		(884)	508	(1,425)	245
<b>Profit/ (Loss) per share attributable to equity holders of the parent:</b>					
- Basic (sen)	B10	(0.335)	0.192	(0.540)	0.093
- Diluted (sen)		(0.335)	0.192	(0.540)	0.093

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 31 December 2015

(The figures have not been audited)

	INDIVIDUAL AND CUMULATIVE PERIOD ENDED		CUMULATIVE PERIOD ENDED	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	RM'000	RM'000	RM'000	RM'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit/(Loss), net of tax	(884)	508	(1,425)	245
Currency translation differences arising from consolidation	-	-	-	-
Revaluation of land and building	-	-	-	-
<b>Total comprehensive income</b>	<b>(884)</b>	<b>508</b>	<b>(1,425)</b>	<b>245</b>
<b>Total comprehensive income attributable to :</b>				
Equity holders of the parent	(884)	508	(1,425)	245

*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 31 December 2015

*(The figures have not been audited)*

	31-Dec-15 RM'000 (Unaudited)	31-Dec-14 RM'000 (Unaudited)
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	1,165	1,275
Investment property	675	691
	<u>1,840</u>	<u>1,966</u>
<b>Current Assets</b>		
Inventories	3,598	4,314
Property Development Cost	33,943	32,075
Trade and other receivables	6,321	8,840
Amount owing by contract customers	5,857	2,548
Tax refundable	7	95
Fixed deposits with licensed bank	5,164	4,765
Cash and cash balances	262	640
	<u>55,152</u>	<u>53,277</u>
<b>Total Assets</b>	<u>56,992</u>	<u>55,243</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	39,585	39,585
Other reserves	569	572
Retained earnings	6,543	7,968
<b>Total Equity</b>	<u>46,697</u>	<u>48,125</u>
<b>Non-current liabilities</b>		
Long-term borrowings	B7 <u>51</u>	<u>73</u>
<b>Current Liabilities</b>		
Trade and other payables	4,266	2,059
Amount owing to contract customers	30	211
Short-term borrowings	B7 <u>5,948</u>	<u>4,775</u>
	<u>10,244</u>	<u>7,045</u>
<b>Total Liabilities</b>	10,295	7,118
<b>Total Equity and Liabilities</b>	<u>56,992</u>	<u>55,243</u>
<b>Net assets per share attributable to ordinary equity holders of the parent (RM)</b>	<u>0.18</u>	<u>0.18</u>

*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 31 December 2015

(The figures have not been audited)

	Non-distributable Other Reserves				Total Equity RM'000
	Share Capital RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	(Accumulated Losses)/Retained Earnings RM'000	
Balance as of 1 January 2014	39,585	1,636	(1,064)	7,723	47,880
Total comprehensive income for the period	-	-	-	245	245
Foreign currency translation	-	-	-	-	-
<b>Balance as of 31 December 2014</b>	<b>39,585</b>	<b>1,636</b>	<b>(1,064)</b>	<b>7,461</b>	<b>48,125</b>

	Non-distributable Other Reserves				Total Equity RM'000
	Share Capital RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	(Accumulated Losses)/Retained Earnings RM'000	
<b>Balance as of 1 January 2015</b>	<b>39,585</b>	<b>1,636</b>	<b>(1,064)</b>	<b>7,968</b>	<b>48,125</b>
Total comprehensive income for the period	-	-	-	(1,425)	(1,425)
Foreign currency translation	-	-	(3)	-	(3)
<b>Balance as of 31 December 2015</b>	<b>39,585</b>	<b>1,636</b>	<b>(1,067)</b>	<b>6,543</b>	<b>46,697</b>

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 31 December 2015

(The figures have not been audited)

	12 months ended	
	31-Dec-15 RM'000 (Unaudited)	31-Dec-14 RM'000 (Unaudited)
<b>Cash Flows From/(For) Operating Activities</b>		
Profit/(Loss) before taxation	(1,425)	245
<i>Adjustment for:-</i>		
Depreciation of property, plant and equipment	173	158
Depreciation of investment property	16	16
Bad debts recovered	(154)	(224)
Impairment loss on trade and other receivables	771	34
Allowance for slow moving inventories	221	-
(Gain)/Loss on disposal of property, plant and equipment	-	(10)
(Gain)/Loss on foreign exchange-unrealised	2	(22)
Write-back of impairment loss on trade receivables	-	(144)
Payables written back	-	-
Interest expenses	578	177
Interest income	(190)	(166)
<b>Operating Loss Before Working Capital Changes</b>	<b>(8)</b>	<b>64</b>
Decrease/(increase) in property development costs	(1,869)	(2,339)
Decrease/(increase) in inventories	495	188
Decrease/(increase) in amount due from/(to) contract customers	(3,490)	-
(Increase)/Decrease in trade and other receivables	1,902	(6,774)
(Decrease)/Increase in trade payables	2,205	1,346
<b>Cash For Operations</b>	<b>(765)</b>	<b>(7,515)</b>
Interest paid	(578)	(177)
Income tax refunded/(paid)	88	(9)
<b>Net Cash Flows From Operating Activities</b>	<b>(1,255)</b>	<b>(7,701)</b>
<b>Cash Flows From/(For) Investing Activities</b>		
Interest received	190	166
Proceeds from disposal of property, plant and equipment	-	10
Purchase of property, plant and equipment	(63)	(245)
<b>Net Cash Flows From/(For) Investing Activities</b>	<b>127</b>	<b>(69)</b>
<b>Cash Flows From/(For) Financing Activities</b>		
(Decrease)/Increase in bills payable	1,303	2,972
Repayment of hire purchase obligations	(26)	(96)
<b>Net Cash Flows From/(For) Financing Activities</b>	<b>1,277</b>	<b>2,876</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>149</b>	<b>(4,894)</b>
<b>Effects on Foreign Exchange Rate Changes</b>	<b>(2)</b>	<b>-</b>
<b>Cash and Cash Equivalents as at beginning of year</b>	<b>4,284</b>	<b>9,179</b>
<b>Cash and Cash Equivalents as at end of period</b>	<b>4,431</b>	<b>4,285</b>
Cash and cash equivalents at the end of the financial period comprise the following:		
	<b>As at</b>	<b>As at</b>
	<b>31-Dec-15</b>	<b>31-Dec-14</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed deposits	5,164	4,765
Cash and bank balances	262	640
Bank overdrafts	(995)	(1,120)
	<b>4,431</b>	<b>4,285</b>

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 31 December 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**
**12 months Ended 31 December 2015**

Segments	Segments			Consolidation adjustments	Group
	Manufacturing (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	27,726	-	-	-	27,726
Profit/(Loss) After Tax	(119)	(1,235)	(71)	-	(1,425)
Total Assets	26,013	64,665	35,185	(68,878)	56,985

**A7. Segmental Information (cont'd)**
**(a) Business Segments (cont'd)**
**12 months ended December 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	18,749	-	-	-	18,749
Profit/(Loss) After Tax	1,357	(1,051)	(59)	-	245
Total Assets	19,518	65,049	33,383	(62,804)	55,146

**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 31 December 2015.

**A12. Related Party Transactions**

The significant related party transactions for the 12 months ended 31 December 2015 are as follows:

Company in which a director has interest

	31.12.2015 RM'000	31.12.2014 RM'000
Sales of stones and provision of contract workmanship and other related services	311	993



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

**B1. Review of Performance**

**A) 4Q15 vs.4Q14**

Description	4Q15	4Q14	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	7,094	7,736	(642)	(8%)
(Loss)/ Profit After Tax	(884)	508	(1,392)	(274%)

**Note**

For the current quarter under review, the Group revenue was RM7.09 million, declined by RM0.64 million or about 8% over the previous year corresponding quarter revenue of RM7.74 million. The lower revenue was due to lower progress billings from on-going projects and nearly completion of 2 major projects.

The net loss of RM0.88 million in the current quarter compared to a profit of RM0.51 million in previous year corresponding quarter was due to impairment loss on trade receivables amounted RM0.77 million and another RM0.22 million was provided for slow moving inventories.

**B) FPE15 vs. FPE14**

Description	FPE15	FPE14	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	27,726	18,749	8,977	48
(Loss)/ Profit After Tax	(1,425)	245	(1,670)	(682)

The Group achieved revenue of about RM27.73 million for the financial period ended 31 December 2015 ("FPE15"), increased by 48% compared to the revenue of RM18.75 million for the financial period ended 31 December 2014 ("FPE14"). The increase in revenue for FPE15 is mainly attributed to the higher percentage of completion of major projects in current year,

For the current period to-date, the Group recorded Loss After Tax of RM1.43 million compared to the preceding period Profit After Tax of RM0.25 million. Despite a higher turnover registered for FPE15, the overall margin came down due to higher cost of material as result of currency weakness. During the year, the Malaysia currency has depreciated about 18% against the US currency. This has greatly impacted material cost which was priced in the contract at much lower currency rate.

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

Description	4Q2015	3Q2015	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Loss Before Tax	(884)	(297)	(587)	(197)

For the current quarter, the Group posted a loss before tax of RM0.88 million as compared to loss before tax of RM0.30 million for the immediate preceding quarter ended 30 September 2015. The loss in this quarter is mainly due to impairment loss on trade receivables and provision for slow moving inventories totalling RM0.99 million.

**B3. Prospects**

The Board is cautious that the continued uncertainties in volatility of material price and fluctuation of exchange rates are amongst factors that may impact the group's performance.

For the property development division, the Group is progressing with the development and will continue to evaluate the market conditions.

**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 31.12.2015**

	Short-term	Long-term
	RM'000	RM'000
<b>Secured borrowings:</b>		
Hire purchase payables	22	51
Bankers' acceptance	4,931	-
Bank overdraft	995	-
	<b>5,948</b>	<b>51</b>

**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	
	31.12.15 RM'000	31.12.14 RM'000	31.12.15 RM'000	31.12.14 RM'000
Profit/ (Loss) attributable to equity holders of the company	(884)	508	(1,425)	245
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)	(0.335)	0.192	(0.540)	0.093

**ii) Diluted Loss Per Share**

	Individual Quarter Ended		Cumulative Period Ended	
	31.12.15 RM'000	31.12.14 RM'000	31.12.15 RM'000	31.12.14 RM'000
Profit/ (Loss) attributable to equity holders of the company	(884)	508	(1,425)	245
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)	(0.335)	0.192	(0.540)	0.093

^ 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 31.12.2015	As at 31.12.2014
	RM'000	RM'000
- realised	2,456	3,904
- unrealised	2	(21)
	<hr/> 2,458	<hr/> 3,883
Add/(Less): consolidated adjustments	4,085	4,085
Total retained earnings	<hr/> 6,543	<hr/> 7,968

**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.