

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

**CONDENSED CONSOLIDATED INCOME STATEMENT**

**For The Quarter Ended 31 March 2016**

*(The figures have not been audited)*

	Note	INDIVIDUAL AND CUMULATIVE PERIOD ENDED	
		31-Mar-16 RM'000 (Unaudited)	31-Mar-15 RM'000 (Unaudited)
<b>Continued Operations</b>			
Revenue		3,873	7,856
Cost of sales		(3,287)	(6,543)
<b>Gross profit/(loss)</b>		<b>586</b>	<b>1,313</b>
Other income		52	28
		638	1,341
Selling and marketing expenses		(4)	(2)
Administrative expenses		(774)	(768)
Other expenses		-	-
Finance costs		(30)	(151)
<b>Profit/(Loss) before tax</b>		<b>(170)</b>	<b>420</b>
Income tax expense	B5	-	-
<b>Profit/(Loss), net of tax</b>		<b>(170)</b>	<b>420</b>
<b>Attributable to :</b>			
Equity holders of the parent		(170)	420
<b>Earning/(Loss) per share from continuing operations attributable to equity holders of the parent:</b>			
- Basic (sen)	B10	(0.064)	0.159
- Diluted (sen)		(0.064)	0.159

*The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2015 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 March 2016***(The figures have not been audited)*

	INDIVIDUAL AND CUMULATIVE PERIOD ENDED	
	31-Mar-16 RM'000 (Unaudited)	31-Mar-15 RM'000 (Unaudited)
Profit/(Loss), net of tax	(170)	420
Currency translation differences arising from consolidation	-	-
Revaluation of land and building	-	-
<b>Total comprehensive income</b>	<b>(170)</b>	<b>420</b>
<b>Total comprehensive income attributable to :</b>		
Equity holders of the parent	(170)	420

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2015 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 March 2016**

*(The figures have not been audited)*

	31-Mar-16 RM'000 (Unaudited)	31-Dec-15 RM'000 (Unaudited)
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	1,123	1,165
Investment property	671	675
	1,794	1,840
<b>Current Assets</b>		
Inventories	3,430	3,598
Property Development Cost	34,639	33,943
Trade and other receivables	8,711	5,634
Amount owing by contract customers	1,440	5,857
Tax refundable	9	7
Fixed deposits with licensed bank	7,003	5,164
Cash and cash balances	377	262
	55,609	54,465
<b>Total Assets</b>	57,403	56,305
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	39,585	39,585
Other reserves	570	570
Retained earnings/(Accumulated losses)	6,373	6,543
<b>Total Equity</b>	46,528	46,698
<b>Non-current liabilities</b>		
Long-term borrowings	B7 45	51
<b>Current Liabilities</b>		
Trade and other payables	6,449	3,578
Amount owing to contract customers	7	30
Short-term borrowings	B7 4,374	5,948
	10,830	9,556
<b>Total Liabilities</b>	10,875	9,607
<b>Total Equity and Liabilities</b>	57,403	56,305
<b>Net assets per share attributable to ordinary equity holders of the parent (RM)</b>	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 2015 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 March 2016

(The figures have not been audited)

	3 months ended	
	31-Mar-16 RM'000 (Unaudited)	31-Mar-15 RM'000 (Unaudited)
<b>Cash Flows From/(For) Operating Activities</b>		
Profit/ (Loss) before taxation	(170)	420
<i>Adjustment for:-</i>		
Depreciation of property, plant and equipment	42	40
Depreciation of investment property	4	4
(Gain)/Loss on foreign exchange-unrealised	(1)	-
(Gain)/Loss on disposal of property, plant and equipment	-	-
Interest expenses	30	151
Interest income	(52)	(26)
<b>Operating Loss Before Working Capital Changes</b>	<b>(147)</b>	<b>589</b>
Decrease/(increase) in property development costs	(695)	(503)
Decrease/(increase) in inventories	168	152
Decrease/(increase) in amount owing by/(to) contracts customers	4,394	2,476
(Increase)/Decrease in trade and other receivables	(3,078)	(2,364)
(Decrease)/Increase in trade payables	2,872	187
<b>Cash For Operations</b>	<b>3,514</b>	<b>537</b>
Interest paid	(30)	(151)
Income tax paid	(2)	(2)
<b>Net Cash Flows From Operating Activities</b>	<b>3,482</b>	<b>384</b>
<b>Cash Flows From/(For) Investing Activities</b>		
Interest received	52	26
Purchase of property, plant and equipment	-	(2)
<b>Net Cash Flows From/(For) Investing Activities</b>	<b>52</b>	<b>24</b>
<b>Cash Flows From/(For) Financing Activities</b>		
(Decrease)/Increase in bills payable	(1,541)	(2,026)
Repayment of hire purchase obligations	(5)	(10)
<b>Net Cash Flows From/(For) Financing Activities</b>	<b>(1,546)</b>	<b>(2,036)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>1,988</b>	<b>(1,628)</b>
<b>Effects on Foreign Exchange Rate Changes</b>	<b>(1)</b>	<b>(220)</b>
<b>Cash and Cash Equivalents as at beginning of year</b>	<b>4,431</b>	<b>4,284</b>
<b>Cash and Cash Equivalents as at end of period</b>	<b>6,418</b>	<b>2,436</b>
Cash and cash equivalents at the end of the financial period comprise the following:		
	<b>As at 31-Mar-16 RM'000</b>	<b>As at 31-Mar-15 RM'000</b>
Fixed deposits	7,003	5,183
Cash and bank balances	377	3,158
	<u>7,380</u>	<u>8,341</u>
Bank overdraft	(962)	(5,905)
	<u>6,418</u>	<u>2,436</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2015 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 March 2016

*(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	
<b>Balance as of 1 January 2015</b>	39,585	1,636	(1,064)	7,968	48,125
Total comprehensive income for the period	-	-	-	420	420
Foreign currency translation	-	-	(3)	-	(3)
<b>Balance as of 31 March 2015</b>	<b>39,585</b>	<b>1,636</b>	<b>(1,067)</b>	<b>8,388</b>	<b>48,542</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 2016</b>	39,585	1,636	(1,066)	6,543	46,698
Total comprehensive income for the period	-	-	-	(170)	(170)
Foreign currency translation	-	-	-	-	-
<b>Balance as of 31 March 2016</b>	<b>39,585</b>	<b>1,636</b>	<b>(1,066)</b>	<b>6,373</b>	<b>46,528</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 2015 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 2015. 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 2015.

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 2015.

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 March 2016.

**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**
**3 Months Ended 31 March 2016**

Segments	Segments			Consolidation adjustments	Group
	Manufacturing (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	3,873	-	-	-	3,873
Profit/(Loss) After Tax	168	(330)	(8)	-	(170)
Total Assets	17,728	63,611	35,656	(59,601)	57,394

**A7. Segmental Information (cont'd)**
**(a) Business Segments (cont'd)**
**3 Months Ended 31 March 2015**

Segments	Segments			Consolidation adjustments	Group
	Manufacturing (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	7,856	-	-	-	7,856
Profit/(Loss) After Tax	802	(373)	(9)	-	420
Total Assets	22,386	64,707	33,879	(62,471)	58,501

**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 other than as disclosed in B6.

**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 March 2016.

**A11. Capital Commitment**

There Group has not incurred significant capital commitment as at 31 March 2016.

**A12. Related Party Transactions**

The significant related party transactions for the 3 months ended 31 March 2016 are as follows:

Company in which directors have interest in

	31.03.2016 RM'000	31.03.2015 RM'000
Sales of stones and provision of contract workmanship and other related services	535	192



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

**B1. Review of Performance**

**A) 1Q16 vs.1Q15**

Description	1Q16	1Q15	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	3,873	7,856	(3,983)	(51%)
Profit/(Loss) After Tax	(170)	420	(590)	(140%)

**Note**

The Group reported revenue of RM3.87 million for the quarter ended 31 March 2016 ("1Q16"), a decrease of 51% as compared to the revenue of RM7.86 million for the quarter ended 31 March 2015 ("1Q15"). The lower result was mainly due to the reduction in revenue recognition for existing projects which had reached completion stage and newly secured projects which are still in the initial stages of implementation. In addition, some unexpected additional cost on certain ongoing project also contributed to the decline.

As such, the Group recorded a net loss of RM0.17 million for the 1Q16 as compared to a net profit of RM0.42 million for the 1Q15.

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

Description	1Q2016	4Q2015	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Loss After Tax ("LAT")	(170)	(884)	714	(20.93%)

For the current quarter, the Group posted a loss before tax of RM0.17 million as compared to loss before tax of RM0.88 million for the immediate preceding quarter ended 31 December 2015. The lower LAT registered for 1Q16 was due to impairment loss on trade receivables amounted RM0.77 million and another RM0.22 million was provided for slow moving inventories in preceding quarter.

### B3. Prospects

First quarter of 2016 is a challenging quarter for the Group and the board expects the second quarter of 2016 to be even more challenging. The three major existing projects had reached its completion stage while new major projects are expected take off within third quarter of 2016. Nevertheless, the board will continue monitor the factors that may impact the groups' performance.

On the other hand, the property division has been working hard in obtaining approvals from relevant authorities to increase the development density of the project. The Board is confident that there is a market for competitively priced properties. The envisaged increase in density is expected to make the project more saleable and contribute substantially to the project's profitability upon launch.

### 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 31.03.2016**

	<b>Short-term</b>	<b>Long-term</b>
<b>Secured borrowings:</b>	<b>RM'000</b>	<b>RM'000</b>
Hire purchase payables	22	45
Bankers' acceptance	3,390	-
Bank Overdraft	962	-
	<b>4,374</b>	<b>45</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 Earning/(Loss) Per Share**

	<b>Individual and Cumulative Quarter Ended</b>	
	<b>31.03.16 RM'000</b>	<b>31.03.15 RM'000</b>
Profit/(Loss) attributable to equity holders of the company	<b>(170)</b>	<b>420</b>
Weighted average number of ordinary shares in issue('000)	263,900	263,900
Basic profit/(loss) per share attributable to equity holders of the company	<b>(0.064)</b>	<b>0.159</b>

**ii) Diluted Loss Per Share**

	<b>Individual and Cumulative Quarter Ended</b>	
	<b>31.03.16 RM'000</b>	<b>31.03.15 RM'000</b>
Profit/(Loss) attributable to equity holders of the company	<b>(170)</b>	<b>420</b>
Weighted average number of ordinary shares in issue('000)	263,900	263,900
Effect of dilution('000)	-^	-^
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	263,900	263,900
Diluted profit/(loss) per share attributable to equity holders of the company	<b>(0.064)</b>	<b>0.159</b>

^ 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 31.03.2016	As at 31.03.2015
	RM'000	RM'000
- realised	2,287	<b>4,303</b>
- unrealised	1	-
	<hr/> 2,288	<hr/> 4,303
Add/(Less): consolidated adjustments	4,085	<b>4,085</b>
Total retained earnings	<b>6,373</b>	<b>8,388</b>

**B12. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2015 was unqualified.