

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

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Quarter Ended 31 March 2018

(The figures have not been audited)

	Note	INDIVIDUAL AND CUMULATIVE PERIOD ENDED	
		31-Mar-18 RM'000 (Unaudited)	31-Mar-17 RM'000 (Unaudited)
Revenue		549	1,513
Cost of sales		(402)	(1,200)
Gross profit		147	313
Other income		34	136
		181	449
Selling and marketing expenses		(6)	(7)
Administrative expenses		(688)	(746)
Other expenses		-	-
Finance costs		(9)	(6)
Profit/ (Loss) before tax		(522)	(310)
Income tax expense	B5	-	-
Profit/ (Loss), net of tax		(522)	(310)
Attributable to :			
Equity holders of the parent		(522)	(310)
Profit/ (Loss) per share attributable to equity holders of the parent:			
- Basic (sen)	B10	(0.198)	(0.117)
- Diluted (sen)		(0.198)	(0.117)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2017 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 2018***(The figures have not been audited)*

	INDIVIDUAL AND CUMULATIVE PERIOD ENDED	
	31-Mar-18 RM'000 (Unaudited)	31-Mar-17 RM'000 (Unaudited)
Profit/(Loss), net of tax	(522)	(310)
Currency translation differences arising from consolidation	-	-
Revaluation of land and building	-	-
Total comprehensive income	(522)	(310)
Total comprehensive income attributable to :		
Equity holders of the parent	(522)	(310)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2017 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 2018

(The figures have not been audited)

	Note	31-Mar-18 RM'000 (Unaudited)	31-Dec-17 RM'000 (Unaudited)
ASSETS			
Non-current Assets			
Property, plant and equipment		819	851
Investment property		639	643
		<u>1,458</u>	<u>1,494</u>
Current Assets			
Inventories		2,736	2,717
Property Development Cost		36,409	35,951
Trade and other receivables		2,065	4,111
Amount owing by contract customers		430	1,734
Tax refundable		-	7
Fixed deposits with licensed bank		4,258	3,972
Cash and cash balances		219	164
		<u>46,117</u>	<u>48,656</u>
Total Assets		<u>47,575</u>	<u>50,150</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		39,585	39,585
Other reserves		(409)	(409)
Retained earnings		6,133	6,655
Total Equity		<u>45,309</u>	<u>45,831</u>
Non-current liabilities			
Long-term borrowings	B7	<u>-</u>	<u>4</u>
Current Liabilities			
Trade and other payables		1,812	3,742
Amount owing to contract customers		-	-
Short-term borrowings	B7	454	573
		<u>2,266</u>	<u>4,315</u>
Total Liabilities		2,266	4,319
Total Equity and Liabilities		<u>47,575</u>	<u>50,150</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)		<u>0.17</u>	<u>0.17</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2017 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 2018

(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 2017	39,585	1,636	(1,067)	5,674	45,828
Total comprehensive income for the period	-	-	-	(310)	(310)
Foreign currency translation	-	-	-	-	-
Balance as of 31 March 2017	39,585	1,636	(1,067)	5,364	45,518

	← 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 2018	39,585	-	(409)	6,655	45,831
Total comprehensive income for the period	-	-	-	(522)	(522)
Foreign currency translation	-	-	-	-	-
Balance as of 31 March 2018	39,585	-	(409)	6,133	45,309

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2017 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 2018

(The figures have not been audited)

	3 months ended	
	31-Mar-18 RM'000 (Unaudited)	31-Mar-17 RM'000 (Unaudited)
Cash Flows From/(For) Operating Activities		
Profit / (Loss) before taxation	(522)	(310)
<i>Adjustment for:-</i>		
Depreciation of property, plant and equipment	32	43
Depreciation of investment property	4	4
Bad debts written off	-	-
Interest expenses	9	6
Interest income	(34)	(22)
Operating Loss Before Working Capital Changes	(511)	(279)
Decrease/(increase) in property development costs	(458)	(25)
Decrease/(increase) in inventories	(19)	261
Decrease/(increase) in amount owing by/(to) contracts customers	1,304	24
(Increase)/Decrease in trade and other receivables	3,130	532
(Decrease)/Increase in trade payables	(3,014)	(468)
Cash For Operations	432	45
Interest paid	(9)	(6)
Income tax refunded/(paid)	7	(9)
Net Cash Flows From Operating Activities	430	30
Cash Flows From/(For) Investing Activities		
Interest received	34	22
Proceeds from disposal of property, plant and equipment	-	-
Net Cash Flows From/(For) Investing Activities	34	22
Cash Flows From/(For) Financing Activities		
(Decrease)/Increase in bills payable	(117)	433
(Repayment/Loan to) / Advances from Director	-	-
Repayment of hire purchase obligations	(6)	(6)
Net Cash Flows From/(For) Financing Activities	(123)	427
Net Increase in Cash and Cash Equivalents	341	479
Effects on Foreign Exchange Rate Changes	-	-
Cash and Cash Equivalents as at beginning of year	4,136	3,224
Cash and Cash Equivalents as at end of period	4,477	3,703
Cash and cash equivalents at the end of the financial period comprise the following:		
	As at	As at
	31-Mar-18	31-Mar-17
	RM'000	RM'000
Fixed deposits	4,258	3,548
Cash and bank balances	219	155
Bank overdrafts	-	-
	4,477	3,703

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2017 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 2017. 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 2017.

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 2017.

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 2018.

A2. Seasonal or Cyclical Factors

The operations of the Group during the quarter were not 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 2018.

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 2018

Segments	Segments			Consolidation adjustments	Group
	Building Material (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	549	-	-	-	549
Profit/(Loss) After Tax	(269)	(244)	(9)	-	(522)
Total Assets	8,696	44,859	36,650	(42,630)	47,575

A7. Segmental Information (cont'd)
(a) Business Segments (cont'd)
3 Months Ended 31 March 2017

Segments	Segments			Consolidation adjustments	Group
	Building Material (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	1,513	-	-	-	1,513
Profit/(Loss) After Tax	(156)	(144)	(10)	-	(310)
Total Assets	16,123	65,539	36,271	(63,969)	53,964

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

There were no 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 end of last financial period up to 31 March 2018.

A11. Capital Commitment

The Group has not incurred significant capital commitment as at 31 March 2018.

A12. Related Party Transactions

The significant related party transactions for the 3 months ended 31 March 2018 are as follows:

Company in which directors have interest in

	31.03.2018 RM'000	31.03.2017 RM'000
Sales of stones and provision of contract workmanship and other related services	18	612

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

B1. Review of performance of the Company and its principal subsidiaries

Financial review for current quarter and financial year to date

	Individual and Cumulative Period Ended (1 st quarter – 3 months ended)		Changes	(%)
	31/03/2018	31/03/2017	Variance	
	RM'000	RM'000	RM'000	
Revenue	549	1,513	(964)	-64%
Operating Profit	(513)	(304)	(209)	-69%
Profit/(Loss) before Tax	(522)	(310)	(212)	-68%
Profit/(Loss) after Tax	(522)	(310)	(212)	-68%
Profit/(Loss) per share attributable to Ordinary Equity Holders of the Parent	(0.198 sen)	(0.117 sen)	(0.081)	-69%

The Group reported revenue of RM0.549 million for the first three (3) months ended 31 March 2018 (%Q18+), a decrease of 64% from its corresponding period of preceding year ended 31 March 2017 (%Q17+) that posted the revenue of RM1.513 million. The lower revenue in 1Q18 is associated with the lower recognition of contract revenue as most projects were completed during the last quarter of 2017. In addition, the newly secured projects amounting to RM1.455 million are still in the initial stage of implementation.

With the lower revenue recorded, the Group has recorded a higher net loss of RM0.522 million for 1Q18 as compared to the net loss of RM0.310 million for 1Q17.

B2. Material changes in the quarterly results compared to the results of the preceding quarter

	Current Quarter	Immediate Preceding Quarter	Changes	(%)
	31/03/2018	31/12/2017	Variance	
	RM'000	RM'000	RM'000	
Revenue	549	2,087	1,538	-74%
Operating Profit	(513)	78	(591)	-758%
Profit/(Loss) before Tax	(522)	66	(588)	-891%
Profit/(Loss) after Tax	(522)	66	(588)	-891%
Profit/(Loss) per share Attributable to Ordinary Equity Holders of the Parent	(0.198 sen)	0.025 sen	(0.223 sen)	-892%

For 1Q18, the Group recorded revenue of RM0.549 million compared to the revenue of RM2.087 million reported in the immediate preceding quarter ended 31 December 2017 (%Q17+). In tandem with the decrease in revenue, the Group has recorded a net loss of RM0.522 million in 1Q18 as compared to the net profit of RM0.066 million in 4Q17.

B3. Prospects

The Group is pursuing new contracts to the tune of RM5 million in the building material business. For the property development sector, the Group will continue to monitor the market condition before proceeding with the development on our land.

B4. Profit Forecast

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

B5. Income Tax Expense

There was no provision for taxation expenses for the current 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 31.03.2018		Denominated in local currency As at 31.12.2017	
	Short-term RM'000	Long-term RM'000	Short-term RM'000	Long-term RM'000
Secured Borrowings:-				
Hire purchase payables	22	-	24	4
Bill payables	432	-	549	-
	454	-	573	4

B8. Material Litigation

As at the date of this report, the Group is not involved in any material litigation either as plaintiff or defendant which will have a material effect on the financial position of the Group.

B9. Dividends

There were no dividends declared during the quarter under review.

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

	Individual and Cumulative Quarter Ended	
	31.03.18 RM'000	31.03.17 RM'000
Profit/ (Loss) attributable to equity holders of the company	(522)	(310)
Weighted average number of ordinary shares in issue (₹000)	263,900	263,900
Basic earnings/ (loss) per share attributable to equity holders of the company (Sen)	(0.198)	(0.117)

ii) Diluted Earnings Per Share

	Individual and Cumulative Quarter Ended	
	31.03.18 RM'000	31.03.17 RM'000
Profit/ (Loss) attributable to equity holders of the company	(522)	(310)
Weighted average number of ordinary shares in issue (₹000)	263,900	263,900
Diluted earnings/ (loss) per share attributable to equity holders of the company (Sen)	(0.198)	(0.117)

Basic earnings per share of the Group is calculated by dividing net profit / (loss) for the period attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares in issue during the period.

The computation of diluted earnings per share is the same as basic earnings per share as there were no new shares issued during the reported period.