

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

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Quarter Ended 31 March 2019

(The figures have not been audited)

	Note	INDIVIDUAL AND CUMULATIVE PERIOD ENDED	
		31-Mar-19	31-Mar-18
		RM'000 (Unaudited)	RM'000 (Unaudited)
Revenue		1,429	549
Cost of sales		<u>(1,156)</u>	<u>(402)</u>
Gross profit		273	147
Other income		<u>53</u>	<u>34</u>
		326	181
Selling and marketing expenses		(4)	(6)
Administrative expenses		(570)	(688)
Finance costs		<u>(18)</u>	<u>(9)</u>
Profit/ (Loss) before tax		(266)	(522)
Income tax expense	B5	<u>-</u>	<u>-</u>
Profit/ (Loss), net of tax		<u>(266)</u>	<u>(522)</u>
Attributable to :			
Equity holders of the parent		<u>(266)</u>	<u>(522)</u>
Profit/ (Loss) per share attributable to equity holders of the parent:			
- Basic (sen)	B10	(0.101)	(0.198)
- Diluted (sen)		(0.101)	(0.198)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2018 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 2019***(The figures have not been audited)*

	INDIVIDUAL AND CUMULATIVE PERIOD ENDED	
	31-Mar-19	31-Mar-18
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Profit/(Loss), net of tax	(266)	(522)
Currency translation differences arising from consolidation	-	-
Revaluation of land and building	-	-
Total comprehensive income	(266)	(522)
Total comprehensive income attributable to :		
Equity holders of the parent	(266)	(522)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2018 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 2019

(The figures have not been audited)

	31-Mar-19	31-Dec-18
	RM'000	RM'000
Note	(Unaudited)	(Unaudited)
ASSETS		
Non-current Assets		
Property, plant and equipment	695	724
Investment property	623	627
	1,318	1,351
Current Assets		
Inventories	2,581	2,757
Inventories - property development costs	36,462	36,309
Trade and other receivables	3,370	3,317
Contract assets	1,397	1,427
Tax refundable	8	15
Fixed deposits with licensed bank	3,331	3,562
Cash and cash balances	90	73
	47,239	47,460
Total Assets	48,557	48,811
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	39,585	39,585
Other reserves	(409)	(409)
Retained earnings	5,402	5,668
Total Equity	44,578	44,844
Non-current liabilities		
Long-term borrowings	B7 -	-
Current Liabilities		
Trade and other payables	3,287	3,193
Contract liabilities	-	-
Short-term borrowings	B7 692	774
	3,979	3,967
Total Liabilities	3,979	3,967
Total Equity and Liabilities	48,557	48,811
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.17	0.17

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2018 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 2019

(The figures have not been audited)

	← Non-distributable Other Reserves →				
	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 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

	← Non-distributable Other Reserves →				
	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 2019	39,585	-	(409)	5,668	44,844
Total comprehensive income for the period	-	-	-	(266)	(266)
Foreign currency translation	-	-	-	-	-
Balance as of 31 March 2019	39,585	-	(409)	5,402	44,578

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2018 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 2019

(The figures have not been audited)

	3 months ended	
	31-Mar-19 RM'000 (Unaudited)	31-Mar-18 RM'000 (Unaudited)
Cash Flows From/(For) Operating Activities		
Profit / (Loss) before taxation	(266)	(522)
<i>Adjustment for:-</i>		
Depreciation of property, plant and equipment	29	32
Depreciation of investment property	4	4
Bad debts written off	-	-
(Gain)/Loss on disposal of property, plant and equipment	-	-
Impairment on trade and other receivables	-	-
Provision of doubtful debts no longer required	(29)	-
Interest expenses	17	9
Interest income	(24)	(34)
Operating Loss Before Working Capital Changes	(269)	(511)
Decrease/(increase) in property development costs	(153)	(458)
Decrease/(increase) in inventories	176	(19)
Decrease/(increase) in contract assets	30	1,304
(Increase)/Decrease in trade and other receivables	(23)	2,046
(Decrease)/Increase in trade and other payables	94	(1,930)
Cash For Operations	(145)	432
Interest paid	(17)	(9)
Income tax refunded/(paid)	6	7
Net Cash Flows From Operating Activities	(156)	430
Cash Flows From/(For) Investing Activities		
Interest received	24	34
Proceeds from disposal of property, plant and equipment	-	-
Net Cash Flows From/(For) Investing Activities	24	34
Cash Flows From/(For) Financing Activities		
(Decrease)/Increase in bills payable	(78)	(117)
Repayment of hire purchase obligations	(4)	(6)
Net Cash Flows From/(For) Financing Activities	(82)	(123)
Net Increase in Cash and Cash Equivalents	(214)	341
Effects on Foreign Exchange Rate Changes	-	-
Cash and Cash Equivalents as at beginning of year	3,635	4,136
Cash and Cash Equivalents as at end of period	3,421	4,477
Cash and cash equivalents at the end of the financial period comprise the following:		
	As at	As at
	31-Mar-19	31-Mar-18
	RM'000	RM'000
Fixed deposits	3,331	4,258
Cash and bank balances	90	219
Bank overdrafts	-	-
	3,421	4,477

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2018 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 reporting requirements as set out in Malaysian Financial Reporting Standards (MFRS) 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 2018. 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 2018.

The financial statements of the Group for the financial period ended 31 March 2019 are prepared in accordance with the MFRS Framework. The date of transition to the MFRS Framework was on 1 January 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 2018 and there was no significant impact to the Group’s financial statements upon the adoption of MFRS.

The Group has also adopted all new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January 2018, and the adoption of these new and revised MFRSs and IC Interpretations did not have any significant impact on the financial statements of the Group.

A2. Audit Report of Preceding Annual Financial Statements

The auditors’ report on the annual audited financial statements for the financial year ended 31 December 2018 was not qualified.

A3. Seasonal or Cyclical Factors

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

A4. 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.

A5. 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.

A6. 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 2019.

A7. Dividends Paid

There were no dividends paid during the quarter under review.

A8. 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 2019

Segments	Segments			Consolidation adjustments	Group
	Building Material (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	1,429	-	-	-	1,429
Profit/(Loss) After Tax	(97)	(156)	(13)	-	(266)
Total Assets	10,628	44,222	36,655	(42,948)	48,557

A8. Segmental Information (cont'd)
(a) Business Segments (cont'd)
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

A9. 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.

A10. Changes in the Composition of the Group

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

A11. 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 2019.

A12. Capital Commitment

The Group has not incurred significant capital commitment as at 31 March 2019.

A13. Related Party Transactions

The significant related party transactions for the 3 months ended 31 March 2019 are as follows:

Company in which directors have interest

	31.03.2019 RM'000	31.03.2018 RM'000
Sales of stones and provision of contract workmanship and other related services	793	18

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	(%)
	31/03/2019	31/03/2018	Variance	
	RM'000	RM'000	RM'000	
Revenue	1,429	549	880	>100%
Operating Profit	(248)	(513)	265	52%
Profit/(Loss) before Tax	(266)	(522)	256	49%
Profit/(Loss) after Tax	(266)	(522)	256	49%
Profit/(Loss) per share attributable to Ordinary Equity Holders of the Parent	(0.101 sen)	(0.198 sen)	0.097	49%

The Group reported revenue of RM1.429 million for the first three (3) months ended 31 March 2019 (%Q19+) compared to the revenue of RM0.549 million reported in the corresponding period of preceding year ended 31 March 2018 (%Q18+). The revenue in 1Q19 is contributed by the contract billings of the building material segment from projects such as Quarza Residence and Heritage Trail 5 in Klang Valley plus other projects.

In line with the higher revenue in 1Q19, the Group has recorded a lower net loss of RM0.266 million as compared to the net loss of RM0.522 million for 1Q18.

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

	Current Quarter	Immediate Preceding Quarter	Changes	(%)
	31/03/2019	31/12/2018	Variance	
	RM'000	RM'000	RM'000	
Revenue	1,429	1,413	16	1%
Operating Profit	(248)	(47)	(201)	>100%
Profit/(Loss) before Tax	(266)	(70)	(196)	>100%
Profit/(Loss) after Tax	(266)	(70)	(196)	>100%
Profit/(Loss) per share Attributable to Ordinary Equity Holders of the Parent	(0.101 sen)	(0.027 sen)	(0.074 sen)	>100%

For 1Q19, the Group recorded revenue of RM1.429 million compared to the revenue of RM1.413 million reported in the immediate preceding quarter ended 31 December 2018 (%Q18+) on the back of the progress of Quarza Residence and Heritage Trail 5.

The Group recorded higher net loss of RM0.266 million for 1Q19 as compared to the net loss of RM0.070 million for 4Q18 largely due to lower profit generated from operations and higher administrative expenses.

B3. Prospects

The Group is pursuing new contracts to replenish the order book in the building material business. For the property development sector, the Board is of the view that property market remains soft, and will continue to evaluate the risk and return of launching the development of the 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 as the Company is not in a taxable position.

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 31.03.2019		Denominated in local currency As at 31.12.2018	
	Short-term RM'000	Long-term RM'000	Short-term RM'000	Long-term RM'000
Secured Borrowings:-				
Hire purchase payables	-	-	4	-
Bill payables	692	-	770	-
	692	-	774	-

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	
	31.03.19 RM'000	31.03.18 RM'000
Profit/ (Loss) attributable to equity holders of the company	(266)	(522)
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)	(0.101)	(0.198)

ii) Diluted Earnings Per Share

	Individual and Cumulative Quarter Ended	
	31.03.19 RM'000	31.03.18 RM'000
Profit/ (Loss) attributable to equity holders of the company	(266)	(522)
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)	(0.101)	(0.198)

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.