

**ABLEGROUP BERHAD**

Registration No. 200401015685 (654188-H)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENT**

For The Quarter Ended 31 March 2020

*(The figures have not been audited)*

	Note	INDIVIDUAL AND CUMULATIVE PERIOD ENDED	
		31-Mar-20 RM'000 (Unaudited)	31-Mar-19 RM'000 (Unaudited)
Revenue		686	1,429
Cost of sales		(487)	(1,156)
<b>Gross profit</b>		<b>199</b>	<b>273</b>
Other income		13	53
		212	326
Selling and marketing expenses		(2)	(4)
Administrative expenses		(561)	(570)
Other expenses		(1)	-
Finance costs		(8)	(18)
<b>Profit/ (Loss) before tax</b>		<b>(360)</b>	<b>(266)</b>
Income tax expense	B5	-	-
<b>Profit/ (Loss), net of tax</b>		<b>(360)</b>	<b>(266)</b>
<b>Attributable to :</b>			
Equity holders of the parent		(360)	(266)
<b>Profit/ (Loss) per share attributable to equity holders of the parent:</b>			
- Basic (sen)	B9	(0.136)	(0.101)
- Diluted (sen)		(0.136)	(0.101)

*The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.*

**ABLEGROUP BERHAD (654188-H)**

Registration No. 200401015685 (654188-H)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****For The Quarter Ended 31 March 2020***(The figures have not been audited)*

	INDIVIDUAL AND CUMULATIVE PERIOD ENDED	
	31-Mar-20	31-Mar-19
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Profit/(Loss), net of tax	(360)	(266)
Currency translation differences arising from consolidation	-	-
Revaluation of land and building	-	-
<b>Total comprehensive income</b>	<b>(360)</b>	<b>(266)</b>
<b>Total comprehensive income attributable to :</b>		
Equity holders of the parent	(360)	(266)

*The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.*

**ABLEGROUP BERHAD**

Registration No. 200401015685 (654188-H)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

For The Quarter Ended 31 March 2020

*(The figures have not been audited)*

	31-Mar-20	31-Dec-19
	RM'000	RM'000
Note	(Unaudited)	(Unaudited)
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	579	594
Right-of-use asset	599	653
Investment property	607	611
Inventories - property development costs	36,469	36,467
Deferred tax asset	5	5
	<u>38,259</u>	<u>38,330</u>
<b>Current Assets</b>		
Inventories	2,797	2,802
Trade and other receivables	2,958	3,496
Contract assets	1,027	1,478
Tax refundable	7	6
Fixed deposits with licensed bank	1,765	1,753
Cash and cash balances	477	606
	<u>9,031</u>	<u>10,141</u>
<b>Total Assets</b>	<u>47,290</u>	<u>48,471</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	39,585	39,585
Other reserves	(409)	(409)
Retained earnings	4,627	4,987
<b>Total Equity</b>	<u>43,803</u>	<u>44,163</u>
<b>Non-current liabilities</b>		
Lease liability	390	443
Long-term borrowings	-	-
	<u>-</u>	<u>-</u>
<b>Current Liabilities</b>		
Lease liability	208	205
Trade and other payables	2,889	3,660
Contract liabilities	-	-
Short-term borrowings	-	-
	<u>3,097</u>	<u>3,865</u>
<b>Total Liabilities</b>	<u>3,487</u>	<u>4,308</u>
<b>Total Equity and Liabilities</b>	<u>47,290</u>	<u>48,471</u>
<b>Net assets per share attributable to ordinary equity holders of the parent (RM)</b>	<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 2019 and the accompanying explanatory notes attached to the interim financial statements.*

## ABLEGROUP BERHAD

Registration No. 200401015685 (654188-H)

(Incorporated in Malaysia)

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Quarter Ended 31 March 2020

*(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 2019</b>	39,585	-	(409)	5,668	44,844
Total comprehensive income for the period	-	-	-	(266)	(266)
Foreign currency translation	-	-	-	-	-
<b>Balance as of 31 March 2019</b>	<b>39,585</b>	<b>-</b>	<b>(409)</b>	<b>5,402</b>	<b>44,578</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 2020</b>	39,585	-	(409)	4,987	44,163
Total comprehensive income for the period	-	-	-	(360)	(360)
Foreign currency translation	-	-	-	-	-
<b>Balance as of 31 March 2020</b>	<b>39,585</b>	<b>-</b>	<b>(409)</b>	<b>4,627</b>	<b>43,803</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 2019 and the accompanying explanatory notes attached to the interim financial statements.*

**ABLEGROUP BERHAD**  
Registration No. 200401015685 (654188-H)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

**For The Quarter Ended 31 March 2020**

*(The figures have not been audited)*

	3 months ended	
	31-Mar-20 RM'000 (Unaudited)	31-Mar-19 RM'000 (Unaudited)
<b>Cash Flows From/(For) Operating Activities</b>		
Profit / (Loss) before taxation	(360)	(266)
<i>Adjustment for:-</i>		
Depreciation of property, plant and equipment	15	29
Depreciation of investment property	4	4
Depreciation of right-of-use asset	54	-
Bad debts written off	-	-
(Gain)/Loss on disposal of property, plant and equipment	1	-
Impairment on trade and other receivables	-	-
Provision of doubtful debts no longer required	-	(29)
Interest expenses	8	17
Interest income	(13)	(24)
<b>Operating Loss Before Working Capital Changes</b>	<b>(291)</b>	<b>(269)</b>
Decrease/(increase) in property development costs	(2)	(153)
Decrease/(increase) in inventories	5	176
Decrease/(increase) in contract assets	451	30
(Increase)/Decrease in trade and other receivables	538	(23)
(Decrease)/Increase in trade and other payables	(771)	94
<b>Cash For Operations</b>	<b>(70)</b>	<b>(145)</b>
Interest paid	(8)	(17)
Income tax refunded/(paid)	(2)	6
<b>Net Cash Flows From Operating Activities</b>	<b>(80)</b>	<b>(156)</b>
<b>Cash Flows From/(For) Investing Activities</b>		
Interest received	13	24
Proceeds from disposal of property, plant and equipment	-	-
Purchase of property, plant and equipment	-	-
<b>Net Cash Flows From/(For) Investing Activities</b>	<b>13</b>	<b>24</b>
<b>Cash Flows From/(For) Financing Activities</b>		
(Decrease)/Increase in bills payable	-	(78)
Repayment of lease liabilities	(50)	-
Repayment of hire purchase obligations	-	(4)
<b>Net Cash Flows From/(For) Financing Activities</b>	<b>(50)</b>	<b>(82)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(117)</b>	<b>(214)</b>
<b>Effects on Foreign Exchange Rate Changes</b>	<b>-</b>	<b>-</b>
<b>Cash and Cash Equivalents as at beginning of year</b>	<b>2,359</b>	<b>3,635</b>
<b>Cash and Cash Equivalents as at end of period</b>	<b>2,242</b>	<b>3,421</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-Mar-20</b>	<b>31-Mar-19</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed deposits	1,765	3,331
Cash and bank balances	477	90
Bank overdrafts	-	-
	<u>2,242</u>	<u>3,421</u>

*The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 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 2019. 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 2019.

The financial statements of the Group for the financial period ended 31 March 2020 are prepared in accordance with the MFRS Framework. 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 2019.

The Group has also adopted all new MFRS, Amendments to MFRS and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January 2020, and the adoption of these new MFRS, Amendments and IC Interpretations does 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 2019 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 2020.

**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 2020**

Segments	Segments			Consolidation adjustments	Group
	Building Material (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	686	-	-	-	686
Profit/(Loss) After Tax	(174)	(174)	(12)	-	(360)
Total Assets	10,068	43,500	36,624	(42,902)	47,290

**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

#### **A9. Material Events Subsequent to the End of the Reporting Period**

On 11 March 2020, the World Health Organisation declared the Coronavirus (COVID-19) outbreak as a pandemic in recognition of its rapid spread across the globe. On 16 March 2020, the Malaysian Government has imposed the Movement Control Order (MCO) starting from 18 March 2020 to curb the spread of the COVID-19 outbreak in Malaysia. The COVID-19 outbreak also resulted in travel restriction, lockdown and other precautionary measures imposed in various countries. The emergence of the COVID-19 outbreak since early 2020 has brought significant economic uncertainties in Malaysia and other parts of the world.

The Group are unable to reasonably estimate the financial impact of COVID-19 for the financial year ending 31 December 2020 as the situation is still evolving and the uncertainty of the outcome of the current events. It is however certain that the local and worldwide measures against the spread of the COVID-19 will have adverse effects on the Group's sales, operations and supply chains. The Group will continuously monitor the impact of COVID-19 on its operations and its financial performance. The Group will also be taking appropriate and timely measures to minimise the impact of the outbreak on the Group's operations.

#### **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 2020.

#### **A12. Capital Commitment**

The Group has not incurred significant capital commitment as at 31 March 2020.

#### **A13. Related Party Transactions**

The significant related party transactions for the 3 months ended 31 March 2020 are as follows:

##### Company in which directors have interest

	<b>31.03.2020</b>	<b>31.03.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Sales of stones and provision of contract workmanship and other related services	106	793



**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 <sup>st</sup> quarter – 3 months ended)		Changes	(% )
	31/03/2020	31/03/2019	Variance	
	RM'000	RM'000	RM'000	
Revenue	686	1,429	(743)	-52%
Operating Profit	(352)	(248)	(104)	-42%
Profit/(Loss) before Tax	(360)	(266)	(94)	-35%
Profit/(Loss) after Tax	(360)	(266)	(94)	-35%
Profit/(Loss) per share attributable to Ordinary Equity Holders of the Parent	(0.136 sen)	(0.101 sen)	(0.035)	-35%

The Group reported revenue of RM0.686 million for the first three (3) months ended 31 March 2020 (%Q20+), a decrease of 52% from the same period of last year ended 31 March 2019 (%Q19+) that posted a revenue of RM1.429 million. The decline in revenue in the current quarter is due to lower billing of works from the Heritage Trail 5 project as well as the completion of Quarza Residence and other projects. The Group's 1Q20 result was also impacted by the government mandated MCO in mid-March 2020 to address the COVID-19 pandemic requiring all businesses and government agencies to be temporarily closed.

With the lower revenue recorded, the Group has recorded a net loss of RM0.360 million for 1Q20 as compared to the net loss of RM0.266 million for 1Q19.

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

	Current Quarter	Immediate Preceding Quarter	Changes	(% )
	31/03/2020	31/12/2019	Variance	
	RM'000	RM'000	RM'000	
Revenue	686	1,892	(1,206)	-64%
Operating Profit	(352)	77	(429)	N/A
Profit/(Loss) before Tax	(360)	27	(387)	N/A
Profit/(Loss) after Tax	(360)	32	(392)	N/A
Profit/(Loss) per share Attributable to Ordinary Equity Holders of the Parent	(0.136 sen)	0.012 sen	(0.148 sen)	N/A

For 1Q20, the Group reported revenue of RM0.686 million compared to the revenue of RM1.892 million reported in the immediate preceding quarter ended 31 December 2019 (%Q19+). The lower revenue in the current quarter is due to the lower billing of works from projects such as Heritage Trail 5, Opero Hotel in Southkey Johor Bahru and Pusat Kawalan Trafik Udara in KLIA coupled with the imposition of the MCO by the Malaysian Government.

**B2. Material changes in the quarterly results compared to the results of the preceding quarter (cont'd)**

With the lower revenue in 1Q20, the Group has recorded a net loss of RM0.360 million as compared to the net profit of RM0.032 million for 4Q19.

**B3. Prospects**

The year 2020 will be a more challenging and demanding year as the COVID-19 pandemic has adversely affected the Malaysian economy including the construction sector. After 47 days of a complete standstill as a result of the MCO imposed on 18 March 2020 to counter the spread of COVID-19, restarting work pace has been slow due to the new conditions and standard operating procedures imposed by the various government ministries and local councils on the contractors for the construction sector.

Considering the unprecedented difficult times filled with uncertainty, the prospects and impact of this crisis on the Group's business activities for the remaining of the year 2020 could not be determined at this juncture. Nonetheless, the Group will continue to strive hard to pursue new contracts to replenish the order book in the building material business while also exercised prudence and extra caution in the management of the Group's financial matters and operations. Effective cash and financial management were the immediate response in dealing with these challenges while focusing on strategic planning, resource allocations and cost reductions in preparation for the challenging months and years ahead.

**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. 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.

**B8. Dividends**

There were no dividends declared during the quarter under review.

**B9. Earnings / (Loss) Per Share**
**i) Basic Earnings / (Loss) Per Share**

	<b>Individual and Cumulative Quarter Ended</b>	
	<b>31.03.20 RM'000</b>	<b>31.03.19 RM'000</b>
Profit/ (Loss) attributable to equity holders of the company	(360)	(266)
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)	(0.136)	(0.101)

**ii) Diluted Earnings Per Share**

	<b>Individual and Cumulative Quarter Ended</b>	
	<b>31.03.20 RM'000</b>	<b>31.03.19 RM'000</b>
Profit/ (Loss) attributable to equity holders of the company	(360)	(266)
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)	(0.136)	(0.101)

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.