

ABLEGROUP BERHAD

Registration No. 200401015685 (654188-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Quarter Ended 31 March 2021

(The figures have not been audited)

	Note	INDIVIDUAL AND CUMULATIVE PERIOD ENDED	
		31-Mar-21 RM'000 (Unaudited)	31-Mar-20 RM'000 (Unaudited)
Revenue		1,238	686
Cost of sales		(954)	(487)
Gross profit		284	199
Other income		-	-
Selling and marketing expenses		(3)	(2)
Administrative expenses		(399)	(561)
Other expenses		(1)	(1)
Operating (loss)/profit		(119)	(365)
Interest income		7	13
Finance costs		(6)	(8)
(Loss)/Profit before tax		(118)	(360)
Income tax expense	B5	-	-
(Loss)/Profit net of tax		(118)	(360)
Attributable to :			
Equity holders of the parent		(118)	(360)
Profit/ (Loss) per share attributable to equity holders of the parent:			
- Basic (sen)	B9	(0.045)	(0.136)
- Diluted (sen)		(0.045)	(0.136)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**For The Quarter Ended 31 March 2021***(The figures have not been audited)*

	INDIVIDUAL AND CUMULATIVE PERIOD ENDED	
	31-Mar-21	31-Mar-20
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Profit/(Loss), net of tax	(118)	(360)
Currency translation differences arising from consolidation	-	-
Revaluation of land and building	-	-
Total comprehensive income	(118)	(360)
Total comprehensive income attributable to :		
Equity holders of the parent	(118)	(360)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For The Quarter Ended 31 March 2021

(The figures have not been audited)

	31-Mar-21 RM'000 (Unaudited)	31-Dec-20 RM'000 (Unaudited)
	Note	
ASSETS		
Non-current Assets		
Property, plant and equipment	526	535
Right-of-use asset	381	435
Investment property	591	595
Inventories - property development costs	36,495	36,494
Deferred tax asset	5	5
	<u>37,998</u>	<u>38,064</u>
Current Assets		
Inventories	2,828	2,930
Trade and other receivables	1,589	2,649
Contract assets	912	1,068
Tax refundable	14	12
Fixed deposits with licensed bank	2,100	1,800
Cash and cash balances	80	125
	<u>7,523</u>	<u>8,584</u>
Total Assets	<u>45,521</u>	<u>46,648</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	39,585	39,585
Other reserves	(407)	(407)
Retained earnings	4,276	4,394
Total Equity	<u>43,454</u>	<u>43,572</u>
Non-current liabilities		
Lease liability	171	227
Long-term borrowings	-	-
Current Liabilities		
Lease liability	219	216
Trade and other payables	1,677	2,633
Contract liabilities	-	-
Short-term borrowings	-	-
	<u>1,896</u>	<u>2,849</u>
Total Liabilities	<u>2,067</u>	<u>3,076</u>
Total Equity and Liabilities	<u>45,521</u>	<u>46,648</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.16</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 2020 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**For The Quarter Ended 31 March 2021***(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 2020	39,585	-	(409)	4,987	44,163
Total comprehensive income for the period	-	-	-	(360)	(360)
Foreign currency translation	-	-	-	-	-
Balance as of 31 March 2020	39,585	-	(409)	4,627	43,803

	← 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 2021	39,585	-	(407)	4,394	43,572
Total comprehensive income for the period	-	-	-	(118)	(118)
Foreign currency translation	-	-	-	-	-
Balance as of 31 March 2021	39,585	-	(407)	4,276	43,454

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

ABLEGROUP BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Quarter Ended 31 March 2021

(The figures have not been audited)

	3 months ended	
	31-Mar-21 RM'000 (Unaudited)	31-Mar-20 RM'000 (Unaudited)
Cash Flows From/(For) Operating Activities		
Profit / (Loss) before taxation	(118)	(360)
<i>Adjustment for:-</i>		
Depreciation of property, plant and equipment	15	15
Depreciation of investment property	4	4
Depreciation of right-of-use asset	54	54
Bad debts written off	-	-
(Gain)/Loss on disposal of property, plant and equipment	1	1
Impairment on trade and other receivables	-	-
Provision of doubtful debts no longer required	-	-
Interest expenses	6	8
Interest income	(7)	(13)
Operating Loss Before Working Capital Changes	(45)	(291)
Decrease/(increase) in property development costs	(1)	(2)
Decrease/(increase) in inventories	102	5
Decrease/(increase) in contract assets	156	451
(Increase)/Decrease in trade and other receivables	1,059	538
(Decrease)/Increase in trade and other payables	(956)	(771)
Cash For Operations	315	(70)
Interest paid	(6)	(8)
Income tax refunded/(paid)	(2)	(2)
Net Cash Flows From Operating Activities	307	(80)
Cash Flows From/(For) Investing Activities		
Interest received	7	13
Proceeds from disposal of property, plant and equipment	-	-
Purchase of property, plant and equipment	(6)	-
Net Cash Flows From/(For) Investing Activities	1	13
Cash Flows From/(For) Financing Activities		
(Decrease)/Increase in bills payable	-	-
Repayment of lease liabilities	(53)	(50)
Repayment of hire purchase obligations	-	-
Net Cash Flows From/(For) Financing Activities	(53)	(50)
Net Increase in Cash and Cash Equivalents	255	(117)
Effects on Foreign Exchange Rate Changes	-	-
Cash and Cash Equivalents as at beginning of year	1,925	2,359
Cash and Cash Equivalents as at end of period	2,180	2,242
Cash and cash equivalents at the end of the financial period comprise the following:		
	As at	As at
	31-Mar-21	31-Mar-20
	RM'000	RM'000
Fixed deposits	2,100	1,765
Cash and bank balances	80	477
Bank overdrafts	-	-
	<u>2,180</u>	<u>2,242</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2020 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 2020. 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 2020.

The financial statements of the Group for the financial period ended 31 March 2021 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 2020.

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 2020 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 2021.

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 2021

Segments	Segments			Consolidation adjustments	Group
	Building Material (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	1,238	-	-	-	1,238
Profit/(Loss) After Tax	4	(110)	(12)	-	(118)
Total Assets	8,270	44,007	36,619	(43,375)	45,521

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

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 2021.

A12. Capital Commitment

The Group has not incurred significant capital commitment as at 31 March 2021.

A13. Related Party Transactions

The significant related party transactions for the 3 months ended 31 March 2021 are as follows:

Company in which directors have interest

	31.03.2021 RM'000	31.03.2020 RM'000
Sales of stones and provision of contract workmanship and other related services	351	106

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	(%)
	31/03/2021	31/03/2020	Variance	
	RM'000	RM'000	RM'000	
Revenue	1,238	686	552	80%
Operating Profit/(Loss)	(119)	(365)	246	67%
Profit/(Loss) before Tax	(118)	(360)	242	67%
Profit/(Loss) after Tax	(118)	(360)	242	67%
Profit/(Loss) per share attributable to Ordinary Equity Holders of the Parent	(0.045 sen)	(0.136 sen)	0.092 sen	67%

The Group reported revenue of RM1.238 million for the first three (3) months ended 31 March 2021 (%Q21+), an increase of 80% from the same period of last year ended 31 March 2020 (%Q20+) that posted a revenue of RM0.686 million. The growth in revenue of 1Q21 is mainly driven by the billing of works for a private residence project and two business premises projects in Klang Valley.

With the higher revenue recorded plus measures taken to control the operational and administrative costs, the Group has recorded a net loss of RM0.118 million for 1Q21 as compared to the net loss of RM0.360 million for 1Q20.

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

	Current Quarter	Immediate Preceding Quarter	Changes	(%)
	31/03/2021	31/12/2020	Variance	
	RM'000	RM'000	RM'000	
Revenue	1,238	1,462	(224)	-15%
Operating Profit/(Loss)	(119)	130	(249)	N/A
Profit/(Loss) before Tax	(118)	132	(250)	N/A
Profit/(Loss) after Tax	(118)	132	(250)	N/A
Profit/(Loss) per share Attributable to Ordinary Equity Holders of the Parent	(0.045 sen)	0.050 sen	(0.095 sen)	N/A

For 1Q21, the Group reported revenue of RM1.238 million compared to the revenue of RM1.462 million reported in the immediate preceding quarter ended 31 December 2020 (%Q20+). The lower revenue in the current quarter mainly resulted from the tapering of works for the two business premises projects in the Klang Valley.

With the lower revenue recorded, the Group has recorded a net loss of RM0.118 million for 1Q21 as compared to the net profit of RM0.132 million for 4Q20.

B3. Prospects

The year 2021 continues to be challenging for our business in view of the many uncertainties surrounding the COVID-19 pandemic. The Group's business operation is presently supported by an outstanding order book of RM8.800 million as of the end of the current quarter. The Board is cautious that there could be delay or interruption to the execution of these secured jobs in the coming quarters resulting from the reintroduction of restrictions to curb the renewed surge in virus infections. Nevertheless, the Group will continue to evaluate and take appropriate measures to minimise the risks that the pandemic may have on the Group's business operations and financial performance.

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

	Individual and Cumulative Quarter Ended	
	31.03.21 RM'000	31.03.20 RM'000
Profit/ (Loss) attributable to equity holders of the company	(118)	(360)
Weighted average number of ordinary shares in issue (₹00)	263,900	263,900
Basic earnings/ (loss) per share attributable to equity holders of the company (Sen)	(0.045)	(0.136)

ii) Diluted Earnings / (Loss) Per Share

	Individual and Cumulative Quarter Ended	
	31.03.21 RM'000	31.03.20 RM'000
Profit/ (Loss) attributable to equity holders of the company	(118)	(360)
Weighted average number of ordinary shares in issue (₹00)	263,900	263,900
Diluted earnings/ (loss) per share attributable to equity holders of the company (Sen)	(0.045)	(0.136)

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.