

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

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Quarter Ended 30 June 2021

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
		30-Jun-21 RM'000 (Unaudited)	30-Jun-20 RM'000 (Unaudited)	30-Jun-21 RM'000 (Unaudited)	30-Jun-20 RM'000 (Unaudited)
Revenue		441	417	1,679	1,103
Cost of sales		(265)	(284)	(1,219)	(771)
Gross profit		176	133	460	332
Other income		-	-	-	-
Selling and marketing expenses		(2)	(1)	(5)	(3)
Administrative expenses		(386)	(472)	(785)	(1,033)
Other expenses		-	-	(1)	(1)
Operating (loss)/profit		(212)	(340)	(331)	(705)
Interest income		7	8	14	21
Finance costs		(5)	10	(11)	2
(Loss)/Profit before tax		(210)	(322)	(328)	(682)
Income tax expense	B5	-	-	-	-
(Loss)/Profit net of tax		(210)	(322)	(328)	(682)
Attributable to :					
Equity holders of the parent		(210)	(322)	(328)	(682)
Profit/ (Loss) per share attributable to equity holders of the parent:					
- Basic (sen)	B9	(0.080)	(0.122)	(0.124)	(0.258)
- Diluted (sen)		(0.080)	(0.122)	(0.124)	(0.258)

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 30 June 2021***(The figures have not been audited)*

	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
	30-Jun-21 RM'000 (Unaudited)	30-Jun-20 RM'000 (Unaudited)	30-Jun-21 RM'000 (Unaudited)	30-Jun-20 RM'000 (Unaudited)
Profit/(Loss), net of tax	(210)	(322)	(328)	(682)
Currency translation differences arising from consolidation	-	-	-	-
Revaluation of land and building	-	-	-	-
Total comprehensive income	(210)	(322)	(328)	(682)
Total comprehensive income attributable to :				
Equity holders of the parent	(210)	(322)	(328)	(682)

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.

ABLEGROUP BERHAD

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(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For The Quarter Ended 30 June 2021

(The figures have not been audited)

	30-Jun-21 RM'000 (Unaudited)	31-Dec-20 RM'000 (Unaudited)
	Note	
ASSETS		
Non-current Assets		
Property, plant and equipment	511	535
Right-of-use asset	327	435
Investment property	587	595
Inventories	36,495	36,494
Deferred tax asset	5	5
	37,925	38,064
Current Assets		
Inventories	2,896	2,930
Trade and other receivables	1,638	2,649
Contract assets	887	1,068
Tax refundable	15	12
Fixed deposits with licensed bank	1,500	1,800
Cash and bank balances	163	125
	7,099	8,584
Total Assets	45,024	46,648
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	39,585	39,585
Other reserves	(407)	(407)
Retained earnings	4,066	4,394
Total Equity	43,244	43,572
Non-current liabilities		
Lease liability	115	227
Long-term borrowings	-	-
	-	-
Current Liabilities		
Lease liability	221	216
Trade and other payables	1,444	2,633
Contract liabilities	-	-
Short-term borrowings	-	-
	1,665	2,849
Total Liabilities	1,780	3,076
Total Equity and Liabilities	45,024	46,648
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.16	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 2020 and the accompanying explanatory notes attached to the interim financial statements.

ABLEGROUP BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Quarter Ended 30 June 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	-	-	-	(682)	(682)
Realisation of exchange reserve	-	-	-	-	-
Balance as of 30 June 2020	39,585	-	(409)	4,305	43,481

	← 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	-	-	-	(328)	(328)
Realisation of exchange reserve	-	-	-	-	-
Balance as of 30 June 2021	39,585	-	(407)	4,066	43,244

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 30 June 2021

(The figures have not been audited)

	6 months ended	
	30-Jun-21 RM'000 (Unaudited)	30-Jun-20 RM'000 (Unaudited)
Cash Flows From/(For) Operating Activities		
Profit / (Loss) before taxation	(328)	(682)
<i>Adjustment for:-</i>		
Depreciation of property, plant and equipment	30	30
Depreciation of investment property	8	8
Depreciation of right-of-use assets	108	108
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	11	(2)
Interest income	(14)	(21)
Operating Loss Before Working Capital Changes	(184)	(558)
Decrease/(increase) in property development costs	(1)	(2)
Decrease/(increase) in inventories	34	(38)
Decrease/(increase) in contract assets	181	862
(Increase)/Decrease in trade and other receivables	1,010	734
(Decrease)/Increase in trade and other payables	(1,189)	(1,300)
Cash For Operations	(149)	(302)
Interest paid	(11)	2
Income tax refunded/(paid)	(3)	(3)
Net Cash Flows From Operating Activities	(163)	(303)
Cash Flows From/(For) Investing Activities		
Interest received	14	21
Proceeds from disposal of property, plant and equipment	-	-
Purchase of property, plant and equipment	(6)	-
Net Cash Flows From/(For) Investing Activities	8	21
Cash Flows From/(For) Financing Activities		
(Decrease)/Increase in bills payable	-	-
Repayment of lease liabilities	(107)	(101)
Repayment of hire purchase obligations	-	-
Net Cash Flows From/(For) Financing Activities	(107)	(101)
Net Increase in Cash and Cash Equivalents	(262)	(383)
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	1,663	1,976
Cash and cash equivalents at the end of the financial period comprise the following:		
	As at	As at
	30-Jun-21	30-Jun-20
	RM'000	RM'000
Fixed deposits	1,500	1,812
Cash and bank balances	163	164
Bank overdrafts	-	-
	<u>1,663</u>	<u>1,976</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 30 June 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 30 June 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
6 Months Ended 30 June 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	1,679	-	-	-	1,679
Profit/(Loss) After Tax	(90)	(215)	(23)	-	(328)
Total Assets	7,816	43,933	36,609	(43,334)	45,024

A8. Segmental Information (cont'd)
(a) Business Segments (cont'd)
6 Months Ended 30 June 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	1,103	-	-	-	1,103
Profit/(Loss) After Tax	(285)	(364)	(33)	-	(682)
Total Assets	8,152	44,384	36,617	(42,765)	46,388

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 last quarter up to 30 June 2021.

A12. Capital Commitment

The Group has not incurred significant capital commitment as at 30 June 2021.

A13. Related Party Transactions

The significant related party transactions for the 6 months ended 30 June 2021 are as follows:

Company in which directors have interest

	30.06.2021 RM'000	30.06.2020 RM'000
Sales of stones and provision of contract workmanship and other related services	359	215

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 Period (2 nd quarter)		Changes (%)	Cumulative Period		Changes (%)
	30/06/2021	30/06/2020		30/06/2021	30/06/2020	
	RM'000	RM'000		RM'000	RM'000	
Revenue	441	417	6%	1,679	1,103	52%
Operating Profit/(Loss)	(212)	(340)	38%	(331)	(705)	53%
Profit/(Loss) before Tax	(210)	(322)	35%	(328)	(682)	52%
Profit/(Loss) after Tax	(210)	(322)	35%	(328)	(682)	52%
Profit/(Loss) per share attributable to Ordinary Equity Holders of the Parent	(0.080 sen)	(0.122 sen)	35%	(0.124 sen)	(0.258 sen)	52%

2Q21 vs 2Q20

The Group reported revenue of RM0.441 million for the second quarter ended 30 June 2021 (2Q21+), an increase of 6% from the RM0.417 million posted in the same quarter of 2020 (2Q20+). The revenue in 2Q21 is contributed by the billing of works for Nihonkan Club plus other supply and installation projects in Klang Valley.

With measures taken to control the operational and administrative costs, the Group has recorded a lower net loss of RM0.210 million for 2Q21 as compared to the net loss of RM0.322 million for 2Q20.

1H21 vs 1H20

The Group reported revenue of RM1.679 million for the six months ended 30 June 2021 (1H21+), an increase of 52% from the same period of last year (1H20+) that posted RM1.103 million. The growth in revenue of 1H21 is mainly driven by the billing of works for a private residence project and three business premises projects in Klang Valley. The lower revenue of 1H20 was also due to the 6 weeks of operational halt as a result of the government mandated movement control order in mid-March 2020 to address the COVID-19 pandemic.

With the higher revenue in 1H21 plus measures taken to control administrative expenses and corporate overheads, the Group recorded a lower net loss of RM0.328 million as compared to the net loss of RM0.682 million in 1H20.

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

	Current Quarter	Immediate Preceding Quarter	Changes	(%)
	30/06/2021	31/03/2021	Variance	
	RM'000	RM'000	RM'000	
Revenue	441	1,238	(797)	-64%
Operating Profit/(Loss)	(212)	(119)	(93)	-78%
Profit/(Loss) before Tax	(210)	(118)	(92)	-78%
Profit/(Loss) after Tax	(210)	(118)	(92)	-78%
Profit/(Loss) per share Attributable to Ordinary Equity Holders of the Parent	(0.080 sen)	(0.045 sen)	(0.035 sen)	-78%

The Group reported revenue of RM0.441 million for 2Q21 which is equivalent to 36% of the amount of revenue recorded in the previous quarter (1Q21) on the back of the lower billing of works for the private residence project coupled with the temporary cessation of business operations as a result of the re-imposition of nationwide movement control by the government which commenced from 1 June 2021 to counter the resurgence in COVID-19 cases.

With the lower revenue in 2Q21, the Group has recorded a higher net loss of RM0.210 million as compared to the net loss of RM0.118 million for 1Q21.

B3. Prospects

The next six months of 2021 will continue to be challenging for our business in view of the re-imposition of stricter containment measures nationwide to curb the renewed surge in COVID-19 cases. The Group's outstanding order book for the building material business stands at RM8.406 million as of the end of the current quarter. The Board remains cautious that there could be delay or interruption to the execution of these secured jobs in the remaining quarters. The Group will continue to evaluate and take appropriate measures to minimise the effects 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 Quarter Ended		Cumulative Period Ended	
	30.06.21 RM'000	30.06.20 RM'000	30.06.21 RM'000	30.06.20 RM'000
Profit/ (Loss) attributable to equity holders of the company	(210)	(322)	(328)	(682)
Weighted average number of ordinary shares in issue (₹000)	263,900	263,900	263,900	263,900
Basic earnings/ (loss) per share attributable to equity holders of the company (Sen)	(0.080)	(0.122)	(0.124)	(0.258)

ii) Diluted Earnings Per Share

	Individual Quarter Ended		Cumulative Period Ended	
	30.06.21 RM'000	30.06.20 RM'000	30.06.21 RM'000	30.06.20 RM'000
Profit/ (Loss) attributable to equity holders of the company	(210)	(322)	(328)	(682)
Weighted average number of ordinary shares in issue (₹000)	263,900	263,900	263,900	263,900
Diluted earnings/ (loss) per share attributable to equity holders of the company (Sen)	(0.080)	(0.122)	(0.124)	(0.258)

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.