

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

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Quarter Ended 30 September 2021

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
		30-Sep-21 RM'000 (Unaudited)	30-Sep-20 RM'000 (Unaudited)	30-Sep-21 RM'000 (Unaudited)	30-Sep-20 RM'000 (Unaudited)
Revenue		352	993	2,031	2,096
Cost of sales		(182)	(656)	(1,401)	(1,427)
Gross profit		170	337	630	669
Other income		-	-	-	-
Selling and marketing expenses		(2)	(3)	(7)	(6)
Administrative expenses		(369)	(379)	(1,154)	(1,412)
Other expenses		-	-	(1)	(1)
Operating (loss)/profit		(201)	(45)	(532)	(750)
Interest income		5	9	19	30
Finance costs		8	(7)	(3)	(5)
(Loss)/Profit before tax		(188)	(43)	(516)	(725)
Income tax expense	B5	-	-	-	-
(Loss)/Profit net of tax		(188)	(43)	(516)	(725)
Attributable to :					
Equity holders of the parent		(188)	(43)	(516)	(725)
Profit/ (Loss) per share attributable to equity holders of the parent:					
- Basic (sen)	B9	(0.071)	(0.016)	(0.196)	(0.275)
- Diluted (sen)		(0.071)	(0.016)	(0.196)	(0.275)

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.

ABLEGROUP BERHAD

Registration No. 200401015685 (654188-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**For The Quarter Ended 30 September 2021***(The figures have not been audited)*

	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
	30-Sep-21 RM'000 (Unaudited)	30-Sep-20 RM'000 (Unaudited)	30-Sep-21 RM'000 (Unaudited)	30-Sep-20 RM'000 (Unaudited)
Profit/(Loss), net of tax	(188)	(43)	(516)	(725)
Currency translation differences arising from consolidation	-	-	-	-
Revaluation of land and building	-	-	-	-
Total comprehensive income	(188)	(43)	(516)	(725)
Total comprehensive income attributable to :				
Equity holders of the parent	(188)	(43)	(516)	(725)

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

Registration No. 200401015685 (654188-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**For The Quarter Ended 30 September 2021***(The figures have not been audited)*

	30-Sep-21 RM'000 (Unaudited)	31-Dec-20 RM'000 (Unaudited)
Note		
ASSETS		
Non-current Assets		
Property, plant and equipment	497	535
Right-of-use asset	272	435
Investment property	583	595
Inventories	36,495	36,494
Deferred tax asset	5	5
	<u>37,852</u>	<u>38,064</u>
Current Assets		
Inventories	2,884	2,930
Trade and other receivables	1,924	2,649
Contract assets	655	1,068
Tax refundable	16	12
Fixed deposits with licensed bank	1,500	1,800
Cash and bank balances	323	125
	<u>7,302</u>	<u>8,584</u>
Total Assets	<u>45,154</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	3,878	4,394
Total Equity	<u>43,056</u>	<u>43,572</u>
Non-current liabilities		
Lease liability	58	227
Long-term borrowings	-	-
Current Liabilities		
Lease liability	224	216
Trade and other payables	1,816	2,633
Contract liabilities	-	-
Short-term borrowings	-	-
	<u>2,040</u>	<u>2,849</u>
Total Liabilities	<u>2,098</u>	<u>3,076</u>
Total Equity and Liabilities	<u>45,154</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.

ABLEGROUP BERHAD

Registration No. 200401015685 (654188-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**For The Quarter Ended 30 September 2021***(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 2020	39,585	-	(409)	4,987	44,163
Total comprehensive income for the period	-	-	-	(725)	(725)
Realisation of exchange reserve	-	-	-	-	-
Balance as of 30 September 2020	39,585	-	(409)	4,262	43,438

	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 2021	39,585	-	(407)	4,394	43,572
Total comprehensive income for the period	-	-	-	(516)	(516)
Realisation of exchange reserve	-	-	-	-	-
Balance as of 30 September 2021	39,585	-	(407)	3,878	43,056

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.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Quarter Ended 30 September 2021

(The figures have not been audited)

	9 months ended	
	30-Sep-21	30-Sep-20
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Cash Flows From/(For) Operating Activities		
Profit / (Loss) before taxation	(516)	(725)
<i>Adjustment for:-</i>		
Depreciation of property, plant and equipment	44	44
Depreciation of investment property	12	12
Depreciation of right-of-use assets	163	163
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	3	5
Interest income	(19)	(30)
Operating Loss Before Working Capital Changes	(312)	(530)
Decrease/(increase) in property development costs	(1)	(27)
Decrease/(increase) in inventories	46	(170)
Decrease/(increase) in contract assets	413	629
(Increase)/Decrease in trade and other receivables	724	1,351
(Decrease)/Increase in trade and other payables	(817)	(1,366)
Cash For Operations	53	(113)
Interest paid	(3)	(5)
Income tax refunded/(paid)	(4)	(5)
Net Cash Flows From Operating Activities	46	(123)
Cash Flows From/(For) Investing Activities		
Interest received	19	30
Proceeds from disposal of property, plant and equipment	-	-
Purchase of property, plant and equipment	(6)	-
Net Cash Flows From/(For) Investing Activities	13	30
Cash Flows From/(For) Financing Activities		
(Decrease)/Increase in bills payable	-	-
Repayment of lease liabilities	(161)	(153)
Repayment of hire purchase obligations	-	-
Net Cash Flows From/(For) Financing Activities	(161)	(153)
Net Increase in Cash and Cash Equivalents	(102)	(246)
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	1,823	2,113
Cash and cash equivalents at the end of the financial period comprise the following:		
	As at	As at
	30-Sep-21	30-Sep-20
	RM'000	RM'000
Fixed deposits	1,500	1,912
Cash and bank balances	323	201
Bank overdrafts	-	-
	1,823	2,113

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 September 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 September 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
9 Months Ended 30 September 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	2,031	-	-	-	2,031
Profit/(Loss) After Tax	(124)	(356)	(36)	-	(516)
Total Assets	7,951	43,857	36,602	(43,256)	45,154

A8. Segmental Information (cont'd)
(a) Business Segments (cont'd)
9 Months Ended 30 September 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	2,096	-	-	-	2,096
Profit/(Loss) After Tax	(204)	(484)	(37)	-	(725)
Total Assets	8,974	44,195	36,633	(43,575)	46,227

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 September 2021.

A12. Capital Commitment

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

A13. Related Party Transactions

The significant related party transactions for the 9 months ended 30 September 2021 are as follows:

Company in which directors have interest

	30.09.2021 RM'000	30.09.2020 RM'000
Sales of stones and provision of contract workmanship and other related services	908	753

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 (3 rd quarter)		Changes (%)	Cumulative Period		Changes (%)
	30/09/2021	30/09/2020		30/09/2021	30/09/2020	
	RM'000	RM'000		RM'000	RM'000	
Revenue	352	993	-65%	2,031	2,096	-3%
Operating Profit/(Loss)	(201)	(45)	>100%	(532)	(750)	29%
Profit/(Loss) before Tax	(188)	(43)	>100%	(516)	(725)	29%
Profit/(Loss) after Tax	(188)	(43)	>100%	(516)	(725)	29%
Profit/(Loss) per share attributable to Ordinary Equity Holders of the Parent	(0.071 sen)	(0.016 sen)	>100%	(0.196 sen)	(0.275 sen)	29%

3Q21 vs 3Q20

The Group reported revenue of RM0.352 million for the third quarter ended 30 September 2021 (3Q21+) which is equivalent to 35% of the amount of revenue recorded in the same quarter of last year (3Q20+) caused by re-imposition of nationwide movement control for most part of the quarter. The revenue in 3Q21 is contributed by the resumption of billing of works in September 2021 for Nihonkan Club and two private residence projects in Klang Valley.

With the lower revenue recorded, the Group has recorded a net loss of RM0.188 million for 3Q21 as compared to the net loss of RM0.043 million for 3Q20.

FPE21 vs FPE20

The Group reported revenue of RM2.031 million for the nine months ended 30 September 2021 (FPE21+), a slight decrease of 3% from the same period of last year ended 30 September 2020 (FPE20+) that posted RM2.096 million. The revenue of FPE21 is contributed by the progressive billings of works for the private residence projects plus several new supply and installation projects in Klang Valley including Nihonkan Club. The revenue of FPE20 was derived from several completed projects including Lower Perak Club in Teluk Intan, Opero Hotel in Southkey Johor Bahru and Pusat Kawalan Trafik Udara in KLIA.

With measures taken to control the administrative expenses and corporate overheads, the Group recorded a lower net loss of RM0.516 million as compared to the net loss of RM0.725 million in FPE20.

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

	Current Quarter	Immediate Preceding Quarter	Changes	(%)
	30/09/2021	30/06/2021	Variance	
	RM'000	RM'000	RM'000	
Revenue	352	441	(89)	-20%
Operating Profit/(Loss)	(201)	(212)	11	5%
Profit/(Loss) before Tax	(188)	(210)	22	10%
Profit/(Loss) after Tax	(188)	(210)	22	10%
Profit/(Loss) per share Attributable to Ordinary Equity Holders of the Parent	(0.071 sen)	(0.080 sen)	0.009 sen	10%

The Group's revenue for this quarter was down by 20% to RM0.352 million from RM0.441 million in the previous quarter on lower billing of works for Nihonkan Club and three business premises projects in Klang Valley. The decrease in revenue for this quarter is reflective of the impact of the extended mandated lockdown to counter the resurgence in COVID-19 cases as business operations were mostly halted during this period.

Net loss for the quarter narrowed to RM0.188 million from RM0.210 million of net loss in previous quarter is attributable to cost control measures.

B3. Prospects

The COVID-19 outbreak has brought significant economic uncertainties to many sectors including the construction sector. As Malaysia has achieved the targeted vaccination rate, the government has gradually reopened more economic and social activities in the fourth quarter of 2021. 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 for the financial year ending 31 December 2021.

The Group's outstanding order book for the building material business currently stands at RM8.949 million, with the addition of two new projects worth combined value of RM0.646 million secured in 3Q21. These two new jobs involve supply and installation of stoneworks in Klang Valley. The Group will continue to take cognitive measures to mitigate risk and exposure in replenishment of its order book by securing new jobs that meet our criteria.

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	
	30.09.21	30.09.20	30.09.21	30.09.20
	RM'000	RM'000	RM'000	RM'000
Profit/ (Loss) attributable to equity holders of the company	(188)	(43)	(516)	(725)
Weighted average number of ordinary shares in issue (₹00)	263,900	263,900	263,900	263,900
Basic earnings/ (loss) per share attributable to equity holders of the company (Sen)	(0.071)	(0.016)	(0.196)	(0.275)

ii) Diluted Earnings Per Share

	Individual Quarter Ended		Cumulative Period Ended	
	30.09.21	30.09.20	30.09.21	30.09.20
	RM'000	RM'000	RM'000	RM'000
Profit/ (Loss) attributable to equity holders of the company	(188)	(43)	(516)	(725)
Weighted average number of ordinary shares in issue (₹00)	263,900	263,900	263,900	263,900
Diluted earnings/ (loss) per share attributable to equity holders of the company (Sen)	(0.071)	(0.016)	(0.196)	(0.275)

B9. Earnings / (Loss) Per Share (cont'd)

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.