

ABLEGROUP BERHAD

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

CONDENSED CONSOLIDATED INCOME STATEMENT**For The Quarter Ended 31 December 2022***(The figures have not been audited)*

	Note	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
		31-Dec-22 RM'000	31-Dec-21 RM'000	31-Dec-22 RM'000	31-Dec-21 RM'000
Revenue		1,570	1,200	4,450	3,231
Cost of sales		(1,023)	(895)	(2,907)	(2,296)
Gross profit		547	305	1,543	935
Other income		-	30	4	30
Selling and marketing expenses		(5)	(4)	(15)	(11)
Administrative expenses		(348)	(752)	(1,397)	(1,906)
Other expenses		(100)	(167)	(100)	(168)
Operating profit/(loss)		94	(588)	35	(1,120)
Interest income		14	7	40	26
Finance costs		(1)	(4)	(8)	(7)
Profit/(Loss) before tax		107	(585)	67	(1,101)
Income tax expense	B5	-	-	-	-
Profit/(Loss) net of tax		107	(585)	67	(1,101)
Attributable to :					
Equity holders of the parent		107	(585)	67	(1,101)
Profit/ (Loss) per share attributable to equity holders of the parent:					
- Basic (sen)	B9	0.041	(0.222)	0.025	(0.417)
- Diluted (sen)		0.041	(0.222)	0.025	(0.417)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2021 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 December 2022***(The figures have not been audited)*

	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
	31-Dec-22 RM'000	31-Dec-21 RM'000	31-Dec-22 RM'000	31-Dec-21 RM'000
Profit/(Loss), net of tax	107	(585)	67	(1,101)
Currency translation differences arising from consolidation	-	-	-	-
Revaluation of land and building	-	-	-	-
Total comprehensive income	107	(585)	67	(1,101)
Total comprehensive income attributable to :				
Equity holders of the parent	107	(585)	67	(1,101)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 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 December 2022

(The figures have not been audited)

	Note	31-Dec-22 RM'000	31-Dec-21 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment		424	482
Right-of-use asset		868	218
Investment property		-	579
Inventories		36,403	36,494
Deferred tax asset		5	5
		<u>37,700</u>	<u>37,778</u>
Current Assets			
Inventories		2,941	2,849
Trade and other receivables		2,262	1,727
Asset held for sale		564	-
Contract assets		769	672
Tax refundable		17	18
Fixed deposits with licensed bank		2,312	1,700
Cash and bank balances		216	206
		<u>9,081</u>	<u>7,172</u>
Total Assets		<u>46,781</u>	<u>44,950</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		39,585	39,585
Other reserves		-	-
Retained earnings		3,360	3,293
Total Equity		<u>42,945</u>	<u>42,878</u>
Non-current liabilities			
Lease liability		667	-
Long-term borrowings		-	-
Current Liabilities			
Lease liability		201	227
Trade and other payables		2,968	1,845
Contract liabilities		-	-
Short-term borrowings		-	-
		<u>3,169</u>	<u>2,072</u>
Total Liabilities		<u>3,836</u>	<u>2,072</u>
Total Equity and Liabilities		<u>46,781</u>	<u>44,950</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)		<u>0.16</u>	<u>0.16</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 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 December 2022

(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	Retained Profits RM'000	
Balance as of 1 January 2021	39,585	-	(407)	4,394	43,572
Total comprehensive income for the period	-	-	-	(1,101)	(1,101)
Realisation of exchange reserve	-	-	407	-	407
Balance as of 31 December 2021	39,585	-	-	3,293	42,878

	← Non-distributable Other Reserves →				Total Equity RM'000
	Share Capital RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	Retained Profits RM'000	
Balance as of 1 January 2022	39,585	-	-	3,293	42,878
Total comprehensive income for the period	-	-	-	67	67
Realisation of exchange reserve	-	-	-	-	-
Balance as of 31 December 2022	39,585	-	-	3,360	42,945

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Quarter Ended 31 December 2022

(The figures have not been audited)

	12 months ended	
	31-Dec-22 RM'000	31-Dec-21 RM'000
Cash Flows From/(For) Operating Activities		
Profit/(Loss) before taxation	67	(1,101)
<i>Adjustment for:-</i>		
Depreciation of property, plant and equipment	58	58
Depreciation of investment property	15	16
Depreciation of right-of-use assets	218	217
Equipment written off	-	1
(Gain)/Loss on disposal of property, plant and equipment	(4)	(30)
Loss on disposal of subsidiary company	-	404
Provision of stock obsolescence	100	-
Impairment on trade and other receivables	-	167
Interest expenses	8	7
Interest income	(40)	(26)
Operating Profit/(Loss) Before Working Capital Changes	422	(287)
Decrease/(increase) in property development costs	91	-
Decrease/(increase) in inventories	(192)	81
Decrease/(increase) in contract assets	(97)	396
(Increase)/Decrease in trade and other receivables	(535)	755
(Decrease)/Increase in trade and other payables	1,123	(788)
Cash For Operations	812	157
Interest paid	(8)	(7)
Income tax refunded/(paid)	1	(6)
Net Cash Flows From Operating Activities	805	144
Cash Flows From/(For) Investing Activities		
Interest received	40	26
Proceeds from disposal of property, plant and equipment	4	30
Purchase of property, plant and equipment	-	(6)
Net cash outflow from disposal of subsidiary company	-	(7)
Net Cash Flows From/(For) Investing Activities	44	43
Cash Flows From/(For) Financing Activities		
(Decrease)/Increase in bills payable	-	-
Repayment of lease liabilities	(227)	(216)
Repayment of hire purchase obligations	-	-
Net Cash Flows From/(For) Financing Activities	(227)	(216)
Net Increase/(Decrease) in Cash and Cash Equivalents	622	(29)
Effects on Foreign Exchange Rate Changes	-	10
Cash and Cash Equivalents as at beginning of year	1,906	1,925
Cash and Cash Equivalents as at end of period	2,528	1,906
Cash and cash equivalents at the end of the financial period comprise the following:		
	As at	As at
	31-Dec-22	31-Dec-21
	RM'000	RM'000
Fixed deposits	2,312	1,700
Cash and bank balances	216	206
Bank overdrafts	-	-
	2,528	1,906

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2021 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 2021. 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 2021.

The financial statements of the Group for the financial year ended 31 December 2022 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 2021.

The Group has also adopted all new MFRS and Amendments to MFRS that are relevant and effective for accounting periods beginning on or after 1 January 2021, and the adoption of these new MFRS and Amendments to MFRS 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 2021 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 December 2022.

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
12 Months Ended 31 December 2022

Segments	Segments			Consolidation adjustments	Group
	Building Material (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	4,450	-	-	-	4,450
Profit/(Loss) After Tax	614	(500)	(47)	-	67
Total Assets	9,738	43,048	36,471	(42,476)	46,781

A8. Segmental Information (cont'd)
(a) Business Segments (cont'd)
12 Months Ended 31 December 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	3,231	-	-	-	3,231
Profit/(Loss) After Tax	(182)	(639)	(48)	(232)	(1,101)
Total Assets	7,767	43,497	36,596	(42,910)	44,950

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 31 December 2022.

A12. Capital Commitment

The Group has not incurred significant capital commitment as at 31 December 2022.

A13. Related Party Transactions

The significant related party transactions for the 12 months ended 31 December 2022 are as follows:

Company in which directors have interest

	31.12.2022 RM'000	31.12.2021 RM'000
Sales of stones and provision of contract workmanship and other related services	1,734	1,382

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 (4 th quarter)		Changes (%)	Cumulative Period		Changes (%)
	31/12/2022	31/12/2021		31/12/2022	31/12/2021	
	RM'000	RM'000		RM'000	RM'000	
Revenue	1,570	1,200	31%	4,450	3,231	38%
Operating Profit/(Loss)	94	(588)	N/A	35	(1,120)	N/A
Profit/(Loss) before Tax	107	(585)	N/A	67	(1,101)	N/A
Profit/(Loss) after Tax	107	(585)	N/A	67	(1,101)	N/A
Profit/(Loss) per share attributable to Ordinary Equity Holders of the Parent	0.041 sen	(0.222 sen)	N/A	0.025 sen	(0.417 sen)	N/A

4Q22 vs 4Q21

The Group reported revenue of RM1.570 million for the quarter ended 31 December 2022 (4Q22+), an increase of 31% from the RM1.200 million posted in the same quarter of 2021 (4Q21+). The growth of revenue in 4Q22 is mainly contributed by the higher billing of works for several supply and installation projects including Techvance Hotel, MK27, a new project at Plaza Berjaya and others in addition to the retail sales of RM0.240 million.

With the higher revenue plus the continuous measures taken to control the operational and administrative costs, the Group recorded a net profit of RM0.107 million in 4Q22 as compared to a net loss of RM0.585 million in 4Q21 which was mainly due to the impairment loss on trade receivables of RM0.167 million and loss on disposal of a subsidiary company Montana Madencilik Mermer Sanayi Insaat Ve Ticaret Limited Sirketi of RM0.404 million.

FYE22 vs FYE21

The Group reported revenue of RM4.450 million for the financial year ended 31 December 2022 (FYE22+), an increase of RM1.219 million or 38% from the revenue of RM3.231 million posted in the preceding financial year ended 31 December 2021 (FYE21+). The growth of revenue in FYE22 is mainly contributed by the higher retail sales of RM0.771 million to RM1.035 million. Revenue from contracted works amounted to RM3.415 million is contributed by the higher billing of works for several new projects in FYE22 including private residences, hotel, business premises and others located in Klang Valley.

With the higher revenue plus measures taken to control the operational and administrative costs in FYE22, the Group recorded a net profit of RM0.067 million as compared to the net loss of RM1.101 million in FYE21 which included impairment loss on trade receivables and loss on disposal of a subsidiary totalling RM0.571 million.

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

	Current Quarter	Immediate Preceding Quarter	Changes	(%)
	31/12/2022	30/09/2022	Variance	
	RM'000	RM'000	RM'000	
Revenue	1,570	1,178	392	33%
Operating Profit	94	72	22	31%
Profit before Tax	107	81	26	32%
Profit after Tax	107	81	26	32%
Profit per share Attributable to Ordinary Equity Holders of the Parent	0.041 sen	0.031 sen	0.010 sen	32%

The Group's revenue for the quarter increased to RM1.570 million from RM1.178 million posted in the previous quarter on the back of higher billing of works for the supply and installation projects such as Techvance Hotel, MK27, the new project at Plaza Berjaya and others located in Klang Valley.

The Group recorded a net profit of RM0.107 million after provision of stock obsolescence of RM0.100 million in 4Q22 as compared to the net profit of RM0.081 million in 3Q22.

B3. Prospects

Stepping into 2023, Malaysia's economy is expected to moderate as the growth environment faces more global and domestic headwinds arising from inflationary pressures, rising interest rate, albeit at a slower pace, to manage inflationary pressures and other cost of living pressures. The Board is cautiously optimistic on the prospect and outlook of the Group.

The Group's outstanding order book for the building material business stood at RM2.725 million at the end of 4Q22, with the addition of three new contracts worth a combined value of RM0.356 million. These three new jobs involve the supply and installation of stoneworks for business premises. The Group will continue to bid and negotiate for more contracts to replenish the order book while continuing to improve operational and cost efficiencies.

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	
	31.12.22 RM'000	31.12.21 RM'000	31.12.22 RM'000	31.12.21 RM'000
Profit/ (Loss) attributable to equity holders of the company	107	(585)	67	(1,101)
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)	0.041	(0.222)	0.025	(0.417)

ii) Diluted Earnings / (Loss) Per Share

	Individual Quarter Ended		Cumulative Period Ended	
	31.12.22 RM'000	31.12.21 RM'000	31.12.22 RM'000	31.12.21 RM'000
Profit/ (Loss) attributable to equity holders of the company	107	(585)	67	(1,101)
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)	0.041	(0.222)	0.025	(0.417)

Basic earnings/ (loss) 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/ (loss) per share is the same as basic earnings/ (loss) per share as there were no new shares issued during the reported period.