

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

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Quarter Ended 30 June 2023

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
		30-Jun-23 RM'000	30-Jun-22 RM'000	30-Jun-23 RM'000	30-Jun-22 RM'000
Revenue		1,405	702	2,857	1,702
Cost of sales		(1,011)	(470)	(2,018)	(1,095)
Gross profit		394	232	839	607
Other income		-	-	-	-
Selling and marketing expenses		(6)	(4)	(9)	(6)
Administrative expenses		(392)	(375)	(747)	(732)
Other expenses		-	-	-	-
Operating (loss)/profit		(4)	(147)	83	(131)
Interest income		21	8	39	15
Finance costs		(10)	(2)	(21)	(5)
Profit/(Loss) before tax		7	(141)	101	(121)
Income tax expense	B5	-	-	-	-
Profit/(Loss) net of tax		7	(141)	101	(121)
Attributable to :					
Equity holders of the parent		7	(141)	101	(121)
Profit/ (Loss) per share attributable to equity holders of the parent:					
- Basic (sen)	B9	0.003	(0.053)	0.038	(0.046)
- Diluted (sen)		0.003	(0.053)	0.038	(0.046)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2022 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 2023***(The figures have not been audited)*

	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
	30-Jun-23 RM'000	30-Jun-22 RM'000	30-Jun-23 RM'000	30-Jun-22 RM'000
Profit/(Loss), net of tax	7	(141)	101	(121)
Currency translation differences arising from consolidation	-	-	-	-
Revaluation of land and building	-	-	-	-
Total comprehensive income	7	(141)	101	(121)
Total comprehensive income attributable to :				
Equity holders of the parent	7	(141)	101	(121)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2022 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 30 June 2023

(The figures have not been audited)

	Note	30-Jun-23 RM'000	31-Dec-22 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment		396	424
Right-of-use asset		760	868
Investment property		-	-
Inventories		36,403	36,403
Deferred tax asset		5	5
		<u>37,564</u>	<u>37,700</u>
Current Assets			
Inventories		2,690	2,941
Trade and other receivables		1,438	2,262
Asset held for sale		564	564
Contract assets		397	769
Tax refundable		19	17
Fixed deposits with licensed bank		2,836	2,312
Cash and bank balances		137	216
		<u>8,081</u>	<u>9,081</u>
Total Assets		<u>45,645</u>	<u>46,781</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		39,585	39,585
Other reserves		-	-
Retained earnings		3,461	3,360
Total Equity		<u>43,046</u>	<u>42,945</u>
Non-current liabilities			
Lease liability		563	667
Long-term borrowings		-	-
Current Liabilities			
Lease liability		206	201
Trade and other payables		1,830	2,968
Contract liabilities		-	-
Short-term borrowings		-	-
		<u>2,036</u>	<u>3,169</u>
Total Liabilities		<u>2,599</u>	<u>3,836</u>
Total Equity and Liabilities		<u>45,645</u>	<u>46,781</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 2022 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 30 June 2023

(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 2022	39,585	-	-	3,293	42,878
Total comprehensive income for the period	-	-	-	(121)	(121)
Realisation of exchange reserve	-	-	-	-	-
Balance as of 30 June 2022	39,585	-	-	3,172	42,757

	← 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 2023	39,585	-	-	3,360	42,945
Total comprehensive income for the period	-	-	-	101	101
Realisation of exchange reserve	-	-	-	-	-
Balance as of 30 June 2023	39,585	-	-	3,461	43,046

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Quarter Ended 30 June 2023

(The figures have not been audited)

	6 months ended	
	30-Jun-23 RM'000	30-Jun-22 RM'000
Cash Flows From/(For) Operating Activities		
Profit/(Loss) before taxation	101	(121)
<i>Adjustment for:-</i>		
Depreciation of property, plant and equipment	28	29
Depreciation of investment property	-	8
Depreciation of right-of-use assets	108	109
(Gain)/Loss on disposal of property, plant and equipment	-	-
Provision of stock obsolescence	-	-
Impairment on trade and other receivables	-	-
Interest expenses	21	5
Interest income	(39)	(15)
	<u>219</u>	<u>15</u>
Operating Profit/(Loss) Before Working Capital Changes		
Decrease/(increase) in property development costs	-	91
Decrease/(increase) in inventories	251	6
Decrease/(increase) in contract assets	372	189
(Increase)/Decrease in trade and other receivables	824	661
(Decrease)/Increase in trade and other payables	(1,138)	(507)
	<u>528</u>	<u>455</u>
Cash For Operations		
Interest paid	(21)	(5)
Income tax refunded/(paid)	(2)	4
	<u>505</u>	<u>454</u>
Net Cash Flows From Operating Activities		
Cash Flows From/(For) Investing Activities		
Interest received	39	15
Proceeds from disposal of property, plant and equipment	-	-
Purchase of property, plant and equipment	-	-
	<u>39</u>	<u>15</u>
Net Cash Flows From/(For) Investing Activities		
Cash Flows From/(For) Financing Activities		
(Decrease)/Increase in bills payable	-	-
Repayment of lease liabilities	(99)	(112)
Repayment of hire purchase obligations	-	-
	<u>(99)</u>	<u>(112)</u>
Net Cash Flows From/(For) Financing Activities		
Net Increase/(Decrease) in Cash and Cash Equivalents	445	357
Effects on Foreign Exchange Rate Changes	-	-
Cash and Cash Equivalents as at beginning of year	2,528	1,906
Cash and Cash Equivalents as at end of period	<u>2,973</u>	<u>2,263</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
	As at	As at
	30-Jun-23	30-Jun-22
	RM'000	RM'000
Fixed deposits	2,836	2,000
Cash and bank balances	137	263
Bank overdrafts	-	-
	<u>2,973</u>	<u>2,263</u>

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

The financial statements of the Group for the financial period ended 30 June 2023 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 2022.

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 2022, 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 2022 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 2023.

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 2023

Segments	Segments			Consolidation adjustments	Group
	Building Material (Malaysia)	Investment Holding & Others	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	2,857	-	-	-	2,857
Profit/(Loss) After Tax	402	(276)	(25)	-	101
Total Assets	8,602	42,831	36,458	(42,246)	45,645

A8. Segmental Information (cont'd)
(a) Business Segments (cont'd)
6 Months Ended 30 June 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	1,702	-	-	-	1,702
Profit/(Loss) After Tax	186	(283)	(24)	-	(121)
Total Assets	7,141	43,248	36,488	(42,667)	44,210

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 2023.

A12. Capital Commitment

The Group does not have any significant capital commitment as at 30 June 2023.

A13. Related Party Transactions

The significant related party transactions for the 6 months ended 30 June 2023 are as follows:

Company in which directors have interest

	30.06.2023 RM'000	30.06.2022 RM'000
Sales of stones and provision of contract workmanship and other related services	964	371

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 (%)
	30/06/2023	30/06/2022		30/06/2023	30/06/2022	
	RM'000	RM'000		RM'000	RM'000	
Revenue	1,405	702	>100%	2,857	1,702	68%
Operating Profit/(Loss)	(4)	(147)	97%	83	(131)	N/A
Profit/(Loss) before Tax	7	(141)	N/A	101	(121)	N/A
Profit/(Loss) after Tax	7	(141)	N/A	101	(121)	N/A
Profit/(Loss) per share attributable to Ordinary Equity Holders of the Parent	0.003 sen	(0.053 sen)	N/A	0.038 sen	(0.046 sen)	N/A

2Q23 vs 2Q22

For the second quarter ended 30 June 2023 (2Q23+), the Group's revenue doubled to RM1.405 million from RM0.702 million for the same period in 2022 (2Q22+). The revenue in 2Q23 is contributed by the higher billing of works for Techvance Hotel, MK27 and KL Eco City by RM0.381 million plus a new contract for a business premise of RM0.291 million in Klang Valley.

With the higher revenue in 2Q23, the Group recorded a net profit of RM0.007 million as compared to the net loss of RM0.141 million in 2Q22.

1H23 vs 1H22

The Group reported revenue of RM2.857 million for the six months ended 30 June 2023 (1H23+), an increase of RM1.155 million or 68% from the same period of last year ended 30 June 2022 (1H22+) that posted RM1.702 million. The growth of revenue in 1H23 is mainly driven by the higher billing of works for several supply and installation contracts including Techvance Hotel, MK27, KL Eco City, a private residence in Ampang Hilir and a business premise contract in Klang Valley.

With the higher revenue in 1H23, the Group recorded a net profit of RM0.101 million as compared to the net loss of RM0.121 million in 1H22.

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

	Current Quarter	Immediate Preceding Quarter	Changes	(%)
	30/06/2023	31/03/2023	Variance	
	RM'000	RM'000	RM'000	
Revenue	1,405	1,452	(47)	-3%
Operating Profit/(Loss)	(4)	87	(91)	N/A
Profit before Tax	7	94	(87)	-93%
Profit after Tax	7	94	(87)	-93%
Profit per share Attributable to Ordinary Equity Holders of the Parent	0.003 sen	0.036 sen	(0.033 sen)	-92%

The Group reported revenue of RM1.405 million for 2Q23, a slight decrease of 3% from previous quarter (1Q23) of RM1.452 million. The lower revenue in current quarter was mainly resulted from the tapering of works for Techvance Hotel, MK27, KL Eco City and two private residence offset by several new supply and installation contracts for business premises located in Klang Valley.

The Group reported a lower net profit of RM0.007 million as compared to the net profit of RM0.094 million in 1Q23 due to higher corporate expenses in 2Q23.

B3. Prospects

With the addition of six new contracts worth a combined value of RM1.471 million involving supply and installation of stoneworks for business premises, the Group's business operation is supported by an outstanding order book of RM2.337 million as of the end of the current quarter. The Group will continue to pursue new contracts to replenish the order book.

Barring any unforeseen circumstances, the Board expects a better performance of the Group for the financial year ending 31 December 2023.

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	
	30.06.23 RM'000	30.06.22 RM'000	30.06.23 RM'000	30.06.22 RM'000
Profit/ (Loss) attributable to equity holders of the company	7	(141)	101	(121)
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)	0.003	(0.053)	0.038	(0.046)

ii) Diluted Earnings / (Loss) Per Share

	Individual Quarter Ended		Cumulative Period Ended	
	30.06.23 RM'000	30.06.22 RM'000	30.06.23 RM'000	30.06.22 RM'000
Profit/ (Loss) attributable to equity holders of the company	7	(141)	101	(121)
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)	0.003	(0.053)	0.038	(0.046)

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.