

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

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Quarter Ended 31 December 2023

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
		31-Dec-23 RM'000	31-Dec-22 RM'000	31-Dec-23 RM'000	31-Dec-22 RM'000
Revenue		1,291	1,570	5,492	4,450
Cost of sales		(824)	(1,023)	(3,480)	(2,907)
Gross profit		467	547	2,012	1,543
Other income		2	-	136	4
Selling and marketing expenses		(5)	(5)	(20)	(15)
Administrative expenses		(347)	(348)	(1,426)	(1,397)
Other expenses		-	(100)	(167)	(100)
Operating profit		117	94	535	35
Interest income		35	14	103	40
Finance costs		(9)	(1)	(40)	(8)
Profit before tax		143	107	598	67
Income tax expense	B5	-	-	-	-
Profit net of tax		143	107	598	67
Attributable to :					
Equity holders of the parent		143	107	598	67
Profit per share attributable to equity holders of the parent:					
- Basic (sen)	B9	0.054	0.041	0.227	0.025
- Diluted (sen)		0.054	0.041	0.227	0.025

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 31 December 2023***(The figures have not been audited)*

	INDIVIDUAL QUARTER ENDED		CUMULATIVE PERIOD ENDED	
	31-Dec-23 RM'000	31-Dec-22 RM'000	31-Dec-23 RM'000	31-Dec-22 RM'000
Profit net of tax	143	107	598	67
Currency translation differences arising from consolidation	-	-	-	-
Revaluation of land and building	-	-	-	-
Total comprehensive income	143	107	598	67
Total comprehensive income attributable to :				
Equity holders of the parent	143	107	598	67

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 31 December 2023

(The figures have not been audited)

	Note	31-Dec-23 RM'000	31-Dec-22 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment		369	424
Right-of-use asset		651	868
Investment property		-	-
Inventories		36,403	36,403
Deferred tax asset		5	5
		<u>37,428</u>	<u>37,700</u>
Current Assets			
Inventories		2,744	2,941
Trade and other receivables		979	2,262
Asset held for sale		-	564
Contract assets		409	769
Tax refundable		21	17
Fixed deposits with licensed bank		4,060	2,312
Cash and bank balances		217	216
		<u>8,430</u>	<u>9,081</u>
Total Assets		<u>45,858</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		3,958	3,360
Total Equity		<u>43,543</u>	<u>42,945</u>
Non-current liabilities			
Lease liability		456	667
Long-term borrowings		-	-
Current Liabilities			
Lease liability		211	201
Trade and other payables		1,648	2,968
Contract liabilities		-	-
Short-term borrowings		-	-
		<u>1,859</u>	<u>3,169</u>
Total Liabilities		<u>2,315</u>	<u>3,836</u>
Total Equity and Liabilities		<u>45,858</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.

ABLEGROUP BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Quarter Ended 31 December 2023

(The figures have not been audited)

	← Non-distributable Other Reserves →				
	Share Capital RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total Equity 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

	← Non-distributable Other Reserves →				
	Share Capital RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
Balance as of 1 January 2023	39,585	-	-	3,360	42,945
Total comprehensive income for the period	-	-	-	598	598
Realisation of exchange reserve	-	-	-	-	-
Balance as of 31 December 2023	39,585	-	-	3,958	43,543

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.

ABLEGROUP BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Quarter Ended 31 December 2023

(The figures have not been audited)

	12 months ended	
	31-Dec-23 RM'000	31-Dec-22 RM'000
Cash Flows From/(For) Operating Activities		
Profit before taxation	598	67
<i>Adjustments for:-</i>		
Depreciation of property, plant and equipment	55	58
Depreciation of investment property	-	15
Depreciation of right-of-use assets	217	218
(Gain)/Loss on disposal of property, plant and equipment	-	(4)
(Gain)/Loss on disposal of asset held for sale	(166)	-
Provision of stock obsolescence	-	100
Impairment loss on trade receivables	167	-
Interest expenses	40	8
Interest income	(103)	(40)
	<u>808</u>	<u>422</u>
Operating Profit Before Working Capital Changes		
Decrease/(increase) in property development costs	-	91
Decrease/(increase) in inventories	197	(192)
Decrease/(increase) in contract assets	360	(97)
(Increase)/Decrease in trade and other receivables	1,116	(535)
(Decrease)/Increase in trade and other payables	(1,320)	1,123
	<u>1,161</u>	<u>812</u>
Cash For Operations		
Income tax refunded/(paid)	(4)	1
	<u>1,157</u>	<u>813</u>
Net Cash Flows From Operating Activities		
Cash Flows From/(For) Investing Activities		
Interest received	103	40
Proceeds from disposal of property, plant and equipment	-	4
Proceeds from disposal of asset held for sale	730	-
Purchase of property, plant and equipment	-	-
	<u>833</u>	<u>44</u>
Net Cash Flows From/(For) Investing Activities		
Cash Flows From/(For) Financing Activities		
Interest paid	(40)	(8)
(Decrease)/Increase in bills payable	-	-
Repayment of lease liabilities	(201)	(227)
Repayment of hire purchase obligations	-	-
	<u>(241)</u>	<u>(235)</u>
Net Cash Flows From/(For) Financing Activities		
Net Increase/(Decrease) in Cash and Cash Equivalents	1,749	622
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>4,277</u>	<u>2,528</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
	As at	As at
	31-Dec-23	31-Dec-22
	RM'000	RM'000
Fixed deposits	4,060	2,312
Cash and bank balances	217	216
Bank overdrafts	-	-
	<u>4,277</u>	<u>2,528</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 year ended 31 December 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 auditor's 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 31 December 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
12 Months Ended 31 December 2023

Segments	Segments			Consolidation adjustments	Group
	Building Material	Investment Holding	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	5,492	-	-	-	5,492
Profit/(Loss) After Tax	996	(350)	(48)	-	598
Total Assets	9,406	42,659	36,443	(42,650)	45,858

A8. Segmental Information (cont'd)
(a) Business Segments (cont'd)
12 Months Ended 31 December 2022

Segments	Segments			Consolidation adjustments	Group
	Building Material	Investment Holding	Property Development		
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	4,450	-	-	-	4,450
Profit/(Loss) After Tax	604	(488)	(49)	-	67
Total Assets	9,738	43,048	36,471	(42,476)	46,781

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 2023.

A12. Capital Commitment

The Group does not have any significant capital commitment as at 31 December 2023.

A13. Related Party Transactions

The significant related party transactions for the 12 months ended 31 December 2023 are as follows:

Company in which directors have interest

	31.12.2023 RM'000	31.12.2022 RM'000
Sales of stones and provision of contract workmanship and other related services	2,838	1,734

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 (%)
	31/12/2023	31/12/2022		31/12/2023	31/12/2022	
	RM'000	RM'000		RM'000	RM'000	
Revenue	1,291	1,570	-18%	5,492	4,450	23%
Operating Profit	117	94	24%	535	35	>100%
Profit before Tax	143	107	34%	598	67	>100%
Profit after Tax	143	107	34%	598	67	>100%
Profit per share attributable to Ordinary Equity Holders of the Parent	0.054 sen	0.041 sen	32%	0.227 sen	0.025 sen	>100%

4Q23 vs 4Q22

The Group reported revenue of RM1.291 million for the fourth quarter ended 31 December 2023 (4Q23+), a decrease of RM0.279 million or 18% from the RM1.570 million posted in the same quarter of 2022 (4Q22+). The decrease in revenue in 4Q23 is due to the completion of works for several supply and installation contracts including Techvance Hotel, MK27, business premises and a private residence that contributed more than RM1.176 million in 4Q22. The progressive billings of works for four (4) business premises contracts secured from previous quarter have contributed more than RM0.715 million in 4Q23 plus higher retail sales of RM0.177 million to RM0.417 million.

The Group recorded a net profit of RM0.143 million in 4Q23 as compared to the net profit of RM0.107 million in 4Q22 which included provision of stock obsolescence of RM0.100 million.

FYE23 vs FYE22

The Group reported revenue of RM5.492 million for the financial year ended 31 December 2023 (FYE23+), an increase of RM1.042 million or 23% from the revenue of RM4.450 million posted in the preceding financial year ended 31 December 2022 (FYE22+). The growth of revenue in FYE23 is mainly driven by the higher billing of works for Techvance Hotel, MK27, KL Eco City and the private residence in Ampang Hilir. Revenue from retail sales in FYE23 has also increased to RM1.305 million from RM1.035 million in FYE22.

With the higher revenue in FYE23 plus measures taken to control the operational costs, the Group recorded a net profit of RM0.598 million after impairment loss on trade receivables of RM0.167 million and a net gain on disposal of a unit of office suite of RM0.134 million as compared to the net profit of RM0.067 million in FYE22 which included provision of stock obsolescence of RM0.100 million.

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

	Current Quarter	Immediate Preceding Quarter	Changes	(%)
	31/12/2023	30/09/2023	Variance	
	RM'000	RM'000	RM'000	
Revenue	1,291	1,344	(53)	-4%
Operating Profit	117	335	(218)	-65%
Profit before Tax	143	354	(211)	-60%
Profit after Tax	143	354	(211)	-60%
Profit per share Attributable to Ordinary Equity Holders of the Parent	0.054 sen	0.134 sen	(0.080 sen)	-60%

The Group reported revenue of RM1.291 million for 4Q23, a slight decrease of 4% from previous quarter (3Q23) of RM1.344 million. The lower revenue in current quarter mainly resulted from the tapering of works for several supply and installation contracts including Techvance Hotel offset by the higher progress billings of works for three (3) business premises contracts located in Penang and Klang Valley.

The Group reported a lower net profit of RM0.143 million as compared to the net profit of RM0.354 million in 3Q23 due to lower profit margin in 4Q23.

B3. Prospects

According to the Bank Negara Malaysia, the country's economic momentum in 2024 is expected to improve with Gross Domestic Product set to grow between 4% to 5% driven by robust domestic demand.

For our building material business, the Group's outstanding order book stood at RM0.833 million at the end of 4Q23. The Group is bidding and negotiating for a number of jobs and is confident that it will secure some of these works which will have a positive contribution to the Group in the financial year 2024.

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 Per Share

i) Basic Earnings Per Share

	Individual Quarter Ended		Cumulative Period Ended	
	31.12.23 RM'000	31.12.22 RM'000	31.12.23 RM'000	31.12.22 RM'000
Profit attributable to equity holders of the company	143	107	598	67
Weighted average number of ordinary shares in issue (₹000)	263,900	263,900	263,900	263,900
Basic earnings per share attributable to equity holders of the company (Sen)	0.054	0.041	0.227	0.025

ii) Diluted Earnings Per Share

	Individual Quarter Ended		Cumulative Period Ended	
	31.12.23 RM'000	31.12.22 RM'000	31.12.23 RM'000	31.12.22 RM'000
Profit attributable to equity holders of the company	143	107	598	67
Weighted average number of ordinary shares in issue (₹000)	263,900	263,900	263,900	263,900
Diluted earnings per share attributable to equity holders of the company (Sen)	0.054	0.041	0.227	0.025

Basic earnings per share of the Group is calculated by dividing net profit 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.