

ECOBUILT HOLDINGS BERHAD
(Registration No. 200301033338 (635759-U))
Condensed Consolidated Statement Of Profit or Loss and Other Comprehensive Income
For The Period Ended 31 August 2020
(The figures have not been audited)

	(Unaudited) Current Qtr Ended 31/8/20 RM'000	(Unaudited) Comparative Qtr Ended 31/8/19 RM'000	(Unaudited) Cumulative YTD 31/8/20 RM'000	(Unaudited) Cumulative YTD 31/8/19 RM'000
<u>Continuing operations</u>				
Revenue	40,864	20,484	40,864	20,484
Purchases and other direct costs	(37,668)	(19,365)	(37,668)	(19,365)
Gross profit	3,196	1,119	3,196	1,119
Gain on disposal of an associate	-	7	-	7
Interest income	36	31	36	31
Other operating income	29 12	-	12	-
Depreciation and amortisation	29 (956)	(236)	(956)	(236)
Other operating expenses	29 (481)	(603)	(481)	(603)
Profit from operations	1,807	318	1,807	318
Finance costs	(79)	(53)	(79)	(53)
Profit before taxation	1,728	265	1,728	265
Taxation	21 (436)	(187)	(436)	(187)
Profit for the period from continuing operations	1,292	78	1,292	78
<u>Discontinued operations</u>				
Profit for the period from discontinued operations	-	500	-	500
Profit for the period	1,292	578	1,292	578
<i>Other comprehensive income</i>				
<u>Continuing operations</u>				
Items that may be reclassified subsequently to profit or loss:				
- Fair value gain on financial assets at fair value through other comprehensive income	13,184	-	13,184	-
Other comprehensive income, net of tax from continuing operations	13,184	-	13,184	-
<u>Discontinued operations</u>				
Other comprehensive income, net of tax from discontinued operations	-	-	-	-
Other comprehensive income, net of tax	13,184	-	13,184	-
Total comprehensive income for the period	14,476	578	14,476	578

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	(Unaudited) Current Qtr Ended 31/8/20 RM'000	(Unaudited) Comparative Qtr Ended 31/8/19 RM'000	(Unaudited) Cumulative YTD 31/8/20 RM'000	(Unaudited) Cumulative YTD 31/8/19 RM'000
<u>Profit / (Loss) for the period attributable to:</u>				
Owners of the Company				
- Continuing operations	1,125	(58)	1,125	(58)
- Discontinued operations	-	500	-	500
	1,125	442	1,125	442
Non-controlling interests				
- Continuing operations	167	136	167	136
	1,292	578	1,292	578
<u>Total comprehensive income / (loss) for the period attributable to:</u>				
Owners of the Company				
- Continuing operations	14,309	(58)	14,309	(58)
- Discontinued operations	-	500	-	500
	14,309	442	14,309	442
Non-controlling interests				
- Continuing operations	167	136	167	136
	14,476	578	14,476	578
Basic / Diluted Earnings / (Loss) per Share Attributable to Equity holders of the Company (sen):				
- Continuing operations	28	0.36	(0.03)	0.36
- Discontinued operations	28	-	0.24	-
		0.36	0.21	0.36
		0.21	0.36	0.21

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 May 2020 and the accompanying explanatory notes attached to the interim financial statements.

ECOBUILT HOLDINGS BERHAD
(Registration No. 200301033338 (635759-U))
Condensed Consolidated Statement Of Financial Position
As At 31 August 2020

	Note	(Unaudited) As At 31/08/2020 RM'000	(Audited) As At 31/05/2020 RM'000
ASSETS			
Non-current Assets			
Property, plant & equipment		17,492	18,069
Goodwill on consolidation		32,737	32,737
Other investments	23	26,884	13,701
Right-of-use assets		224	337
Other receivable		4,800	4,800
Deferred tax assets		301	301
		82,438	69,945
Current Assets			
Trade receivables		75,776	55,951
Contract assets		14,557	12,970
Other receivables, deposits & prepayments		6,697	7,349
Tax recoverable		1,343	759
Cash and cash equivalents		9,380	17,019
		107,753	94,048
TOTAL ASSETS		190,191	163,993
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital		54,484	54,484
Fair value reserves		11,891	(1,293)
Retained earnings		52,459	51,334
Equity attributable to owners of the Company		118,834	104,525
Non-controlling interests		1,967	1,800
Total Equity		120,801	106,325
Non-current Liabilities			
Borrowings	25	1,416	1,419
Lease liabilities		2,535	2,623
Deferred tax liabilities		544	544
		4,495	4,586
Current Liabilities			
Trade payables		59,721	49,084
Contract liabilities		698	322
Other payables and accrued expenses		3,007	1,851
Borrowings	25	69	63
Lease liabilities		1,400	1,581
Tax Payable		-	181
		64,895	53,082
Total Liabilities		69,390	57,668
TOTAL EQUITY AND LIABILITIES		190,191	163,993
Net Assets Per Share Attributable to Equity holders of the Company (Sen)		37.90	64.24

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 May 2020 and the accompanying explanatory notes attached to the interim financial statements.

ECOBUILT HOLDINGS BERHAD
(Registration No. 200301033338 (635759-U))
Condensed Consolidated Statement of Changes in Equity
For The Period Ended 31 August 2020
(The figures have not been audited)

	<-- Attributable to owners of the Company -->		Sub-Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000	
	Non-Distributable	Distributable				
	Share Capital RM'000	Fair Value Reserve RM'000	Retained Earnings RM'000			
At 1 June 2020	54,484	(1,293)	51,334	104,525	1,800	106,325
Profit for the period	-	-	1,125	1,125	167	1,292
Other comprehensive income	-	13,184	-	13,184	-	13,184
Total comprehensive income for the period	-	13,184	1,125	14,309	167	14,476
At 31 August 2020	54,484	11,891	52,459	118,834	1,967	120,801
At 1 June 2019	17,525	-	54,181	71,706	1,209	72,915
Profit / Total comprehensive income for the period	-	-	442	442	136	578
Issuance of shares during the period	11,959	-	-	11,959	-	11,959
At 31 August 2019	29,484	-	54,623	84,107	1,345	85,452

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 May 2020 and the accompanying explanatory notes attached to the interim financial statements.

ECOBUILT HOLDINGS BERHAD
(Registration No. 200301033338 (635759-U))
Condensed Consolidated Statement of Cash Flows
For The Period Ended 31 August 2020
(The figures have not been audited)

	(Unaudited) 3 months Ended 31/08/2020 RM'000	(Unaudited) 3 months Ended 31/08/2019 RM'000
Cash Flows from Operating Activities		
Profit before taxation		
- Continuing operations	1,728	265
- Discontinued operations	-	500
	1,728	765
Adjustments for:		
Amortisation of intangible assets for discontinued operations	-	11
Depreciation of property, plant and equipment		
- Continuing operations	949	236
- Discontinued operations	-	93
Depreciation of right-of-use assets	56	-
Finance costs	79	53
Gain on disposal of an associate	-	(7)
Gain on derecognise of right-of-use assets	(1)	-
Interest income		
- Continuing operations	(36)	(31)
- Discontinued operations	-	(73)
	2,775	1,047
Operating profit before changes in working capital	2,775	1,047
Receivables	(20,760)	(5,092)
Payables	12,171	5,645
	(5,814)	1,600
Cash (used in) / generated from operations	(5,814)	1,600
Tax refund	-	114
Tax paid	(1,200)	(660)
	(7,014)	1,054
Net cash (used in) / generated from operating activities	(7,014)	1,054
Cash flows from investing activities		
Additions in intangible assets	-	(3)
Purchase of property, plant and equipment	(72)	(350)
Net cash inflow arising from disposal of an associate	-	7
Interest received	36	104
	(36)	(242)
Net cash used in investing activities	(36)	(242)
Cash flows from financing activities		
Proceeds from issuance of share capital	-	11,959
Drawdown of term loans	3	-
Repayment of term loans	-	(12)
Additions of lease liabilities	-	533
Repayment of lease liabilities	(513)	-
Finance cost paid	(79)	(53)
	(589)	12,427
Net cash (used in) / generated from financing activities	(589)	12,427

ECOBUILT HOLDINGS BERHAD
(Registration No. 200301033338 (635759-U))
Condensed Consolidated Statement of Cash Flows
For The Period Ended 31 August 2020
(The figures have not been audited)

	Note	(Unaudited) 3 months Ended 31/08/2020 RM'000	(Unaudited) 3 months Ended 31/08/2019 RM'000
Net (decrease) / increase in cash and cash equivalents		(7,639)	13,239
Effect of exchange rate changes		-	-
Cash and cash equivalents at the beginning of the financial year		17,019	18,784
Cash and cash equivalents at the end of the financial period		<u>9,380</u>	<u>32,023</u>
Cash and cash equivalents at the end of the financial period comprise the following:			
Short-term deposit with fund management companies		5,983	10,324
Fixed deposit with licensed banks		32	-
Cash and bank balances		<u>3,365</u>	<u>21,699</u>
		<u>9,380</u>	<u>32,023</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 May 2019 and the accompanying explanatory notes attached to the interim financial statements.

Part A - Explanatory Notes Pursuant to MFRS 134 - 31 August 2020

1. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting and Chapter 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements and should be read in conjunction with the Group's audited financial statements for the year ended 31 May 2020. The consolidated financial statements of the Group as at and for the year ended 31 May 2020 were prepared in accordance with Malaysian Financial Reporting Standards ("MFRS").

2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 May 2020 except for the adoption of the following Amendments and Annual improvements to Standards:

Effective for financial periods beginning on or after 1 June 2020:

The Conceptual Framework for Financial Reporting (Revised 2018)	
Amendments to MFRS 3	Business Combinations
Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement

The adoption of the above pronouncements does not have any material impact on the financial statements of the Group.

As at the date of authorisation of the interim financial report, the following MFRSs, amendments to MFRSs, IC Interpretations and amendments to IC Interpretations were issued but not yet effective and have not been adopted by the Group:-

		<u>Effective dates for financial periods beginning on or after</u>
MFRS 17	Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date yet to be determined by the Malaysian Accounting Standards Board

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have a material impact to the financial statements of the Group upon their initial recognition.

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 May 2020 was not subjected to any audit qualification.

4. Segmental Information

	←----- Continuing ----->			Discontinued Contents & Value Added Services	
	Construction RM'000	Investment Holding RM'000	Elimination RM'000		Total Consolidated RM'000
Year ended 31 August 2020					
Total external revenue	40,864	-	-	40,864	-
Inter-segment revenue	20,046	-	(20,046)	-	-
Total segment revenue	<u>60,910</u>	<u>-</u>	<u>(20,046)</u>	<u>40,864</u>	<u>-</u>
Segment results	1,873	(66)	-	1,807	-
Finance costs	(79)	-	-	(79)	-
Profit before taxation	1,794	(66)	-	1,728	-
Taxation	(436)	-	-	(436)	-
Net Profit after taxation	<u>1,358</u>	<u>(66)</u>	<u>-</u>	<u>1,292</u>	<u>-</u>

4. Segmental Information (Continued)

	←----- Continuing ----->			Discontinued Contents & Value Added Services	
	Construction RM'000	Investment Holding RM'000	Elimination RM'000		Total Consolidated RM'000
Year ended 31 August 2019					
Total external revenue	20,484	-	-	20,484	3,386
Inter-segment revenue	6,637	-	(6,637)	-	-
Total segment revenue	<u>27,121</u>	<u>-</u>	<u>-</u>	<u>20,484</u>	<u>3,386</u>
Segment results	615	(297)	-	318	500
Finance costs	(53)	-	-	(53)	-
Profit before taxation	562	(297)	-	265	500
Taxation	(187)	-	-	(187)	-
Net Profit after taxation	<u>375</u>	<u>(297)</u>	<u>-</u>	<u>78</u>	<u>500</u>

As at 31 August 2020

Total segment assets	147,607	99,537	(56,953)	190,191	-
Total segment liabilities	116,882	222	(47,714)	69,390	-
Depreciation and amortisation	936	20	-	956	-
Non-cash expenses other than depreciation and amortisation	-	-	-	-	-

As at 31 August 2019

Total segment assets	74,926	73,305	(52,690)	95,541	19,301
Total segment liabilities	65,925	477	(45,685)	20,717	8,673
Depreciation and amortisation	216	20	-	236	104
Non-cash expenses other than depreciation and amortisation	-	-	-	-	-

5. Unusual Items due to their Nature, Size or Event

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the three months ended 31 August 2020.

6. Changes in Estimates

There were no changes in accounting estimates made that would materially affect the accounts of the Group for the three months ended 31 August 2020.

7. Seasonal or Cyclical Factors

The interim operations of the Group were not affected by any significant seasonal or cyclical factors during the three months ended 31 August 2020.

8. Dividends Paid

There were no dividends paid during the three months ended 31 August 2020.

9. Valuation of Property, Plant and Equipment

Property, plant and equipment of the Group were not revalued during the three months ended 31 August 2020.

10. Debt And Equity Securities

There were no issuance, cancellation, resale and repayment of debt and equity securities for the three months ended 31 August 2020.

11. Changes in Composition of the Group

There were no changes to the composition of the Group for the three months ended 31 August 2020.

12. Capital Commitments

There were no capital commitments for the purchase of any property, plant and equipment or any other expenses that were not accounted for in the financial statements as at 31 August 2020.

13. Changes in Contingent Liabilities and Contingent Assets

Details of contingent liabilities of the Company are as follows:

	31 August 2020 RM'000	31 May 2020 RM'000
Corporate guarantees in favour of customers of its wholly-owned subsidiary, E&J Builders Sdn. Bhd. for performance obligation of a project awarded to the subsidiary	10,533	10,533
Corporate guarantees in favour of suppliers of its indirect subsidiary, Gabungan EJB Konstrukt Sdn. Bhd. for the supply of goods	7,274	7,274
Corporate guarantees in favour of suppliers of its wholly owned subsidiary, Rexallent Construction Sdn. Bhd. for the supply of goods	1,600	1,600
Corporate guarantees in favour of licensed banks for repayment of the following:		
- fixed rate industrial hire purchase facilities granted to its wholly owned subsidiary, E&J Builders Sdn. Bhd. to part finance the purchase of machineries and equipment	8,000	8,000
- industrial hire purchase facility granted to its wholly owned subsidiary, E&J Builders Sdn. Bhd. to part finance the purchase of one unit of tower crane	520	520
- trade finance facility granted to its wholly owned subsidiary, E&J Builders Sdn. Bhd. to finance certified amount of the invoice/payment certificate/progress claim for contracts certified by the customer	-	-
- hire purchase facilities granted to its indirect subsidiary, Gabungan EJB Konstrukt Sdn. Bhd. to part finance the purchase of two units of passenger hoist	435	435
- hire purchase facility granted to its wholly owned subsidiary, E&J Builders Sdn. Bhd. to part finance the purchase of two units of tower crane	1,521	1,521
- term loan facility granted to its wholly owned subsidiary, E&J Builders Sdn. Bhd. to finance the purchase of properties	1,540	1,540
- domestic recourse factoring facility to its wholly owned subsidiary, E&J Builders Sdn. Bhd. to finance approved certified progress claims by the customer	35,000	35,000
	<u>66,423</u>	<u>66,423</u>

Other than the above, there were no changes in contingent assets of the Group during the three months ended 31 August 2020.

14. Subsequent Material Events

There were no material events subsequent to the end of the current quarter up to 21 October 2020 (being the last practicable date from the date of issue of this report) that are expected to have an operational or financial impact on the Group.

15. Significant Related Party Transactions

There were no significant related party transactions during the three months ended 31 August 2020.

16. Fair Value of Financial Instruments

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data.

The following table analyses the fair value hierarchy for financial instruments carried at fair value in the statement of financial position:

	As at 31 August 2020 Level 1 Fair Value RM'000	As at 31 May 2020 Level 1 Fair Value RM'000
Financial asset		
Financial assets at fair value through other comprehensive income	<u>26,884</u>	<u>13,701</u>

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad For the MAIN Market

17. Review of Performance - Comparison with Corresponding Results of Last Year Quarter

Financial review for the current quarter and financial year to date compared with the corresponding periods last year.

The results of the Group are tabulated below:

	Individual Quarter		Cumulative YTD	
	31 August 2020 RM'000	31 August 2019 RM'000	31 August 2020 RM'000	31 August 2019 RM'000
<u>Continuing operations</u>				
Revenue				
- Construction	40,864	20,484	40,864	20,484
- Investment Holding	-	-	-	-
	<u>40,864</u>	<u>20,484</u>	<u>40,864</u>	<u>20,484</u>
Profit / (Loss) Before Taxation				
- Construction	1,794	562	1,794	562
- Investment Holding	(66)	(297)	(66)	(297)
	<u>1,728</u>	<u>265</u>	<u>1,728</u>	<u>265</u>
<u>Discontinued operations</u>				
Revenue				
- Contents & Value Added Services	-	3,386	-	3,386
	<u>-</u>	<u>3,386</u>	<u>-</u>	<u>3,386</u>
Profit Before Taxation				
- Contents & Value Added Services	-	500	-	500
	<u>-</u>	<u>500</u>	<u>-</u>	<u>500</u>

Overall Performance

The Group had recorded a profit before taxation from continuing operations of RM1.73 million in the current quarter under review as compared to preceding year's corresponding period profit before taxation from continuing operations of RM0.27 million. The increase in profit before taxation was mainly contributed from the newly acquired subsidiary.

Construction

Construction business had recorded a profit before taxation of RM1.79 million in the current quarter under review compared to preceding year's corresponding period profit before taxation of RM0.56 million. The increase in profit before taxation was mainly contributed from the newly acquired subsidiary.

Contents & Value Added Services

No contribution from contents & value added services business in the quarter due to it being discontinued earlier.

Investment Holding

Investment holding business had recorded a loss before taxation of RM0.07 million in the current quarter under review compared with a loss before taxation RM0.30 million reported in the preceding year's corresponding period.

18. Review of Performance - Comparison with Corresponding Results of Preceding Quarter

	Current Quarter 31 August 2020 RM'000	Immediate Preceding Quarter 31 May 2020 RM'000
<u>Continuing operations</u>		
Revenue		
- Construction	40,864	13,314
- Investment Holding	-	-
	40,864	13,314
Profit / (Loss) Before Taxation		
- Construction	1,794	(6,592)
- Investment Holding	(66)	(65)
	1,728	(6,657)

Overall Performance

The Group had recorded a profit before taxation from continuing operations of RM1.73 million in the current quarter under review compared with the loss before taxation from continuing operations of RM6.66 million reported in the immediate preceding quarter. The loss before taxation in the immediate preceding quarter was mainly due to the impairment loss on goodwill of RM6.51 million arising from the acquisition of a subsidiary company.

Construction

Construction business had recorded a profit before taxation of RM1.79 million in the current quarter under review compared with the loss before taxation of RM6.59 million reported in the immediate preceding quarter. The loss before taxation in the immediate preceding quarter was mainly due to the impairment loss on goodwill of RM6.51 million arising from the acquisition of a subsidiary company.

Investment Holding

The investment holding business had recorded a loss before taxation of RM0.07 million in the current quarter under review compared with the loss before taxation of RM0.07 million reported in the immediate preceding quarter.

19. Current Year Prospects

The global economy is expected to contract weighed by the unprecedented lockdown taken to contain the pandemic and coupled by the weak oil price and ongoing international trade conflicts. These uncertainties have caused substantial declines, the deepest in recent times anyone has witnessed. So long as the aforesaid matters haven't been resolved, short and mid term prospects remain dire and affecting business confidence and sentiments.

20. Variance of Profit Forecast

Not applicable as the Group has not announced profit forecast in a public document.

21. Taxation

	Individual Quarter		Cumulative YTD	
	31 August 2020 RM'000	31 August 2019 RM'000	31 August 2020 RM'000	31 August 2019 RM'000
Current Tax	436	187	436	187
Deferred Tax	-	-	-	-
	436	187	436	187

The Group's effective tax rate is higher than the statutory tax rate, primarily due to certain expenses are not tax deductible and deferred tax assets not recognised in certain subsidiaries.

22. Sale of Unquoted Investment and Properties

There were no sale of unquoted investments and/or properties during the three months ended 31 August 2020.

23. Quoted Securities

	As at 31 August 2020 RM'000	As at 31 May 2020 RM'000
Financial assets at fair value through other comprehensive income - Quoted shares in Malaysia	26,884	13,701
Analysed as follows:		
Non-Current	26,884	13,701

24. Status of Corporate Proposals

(a) On 13 April 2020, UOB Kay Hian Securities (M) Sdn. Bhd. on behalf of the Board of Directors of Ecobuilt announced that the Company proposes to undertake a private placement of up to 10% of the total number of issued shares of ECOBUILT ("Proposed Private Placement") to third party investors to be identified later.

On 16 April 2020, UOB Kay Hian Securities (M) Sdn. Bhd. on behalf of the Board of Directors of Ecobuilt announced that the listing application pursuant to the Proposed Private Placement has been submitted to Bursa Malaysia Securities Berhad.

On 17 April 2020, UOB Kay Hian Securities (M) Sdn. Bhd. on behalf of the Board of Directors of Ecobuilt announced additional information in relation to Section 2.6 of the Announcement, as follows:

2.6 Utilisation of proceeds

Based on the indicative issue price of RM0.0840 per Placement Share, and the indicative number of Placement Shares of 31,356,316, the Proposed Private Placement is expected to raise gross proceeds of up to approximately RM2.63 million. The proceeds are intended to be utilised by Ecobuilt and its subsidiary companies ("ECOBUILT Group" or the "Group") in the manner set out below:-

<u>Details of utilisation</u>	<u>Timeframe for utilisation</u>	<u>Amount</u> RM'000
Full/ partial payment for a piece of land intended as the Group's new storage or warehouse	Within 12 months from the receipt of placement funds	2,337
General working capital	Within 6 months from the receipt of placement funds	250
Estimated expenses for the Proposed Private Placement	Upon completion	47
		<u>2,634</u>

On 21 April 2020, UOB Kay Hian Securities (M) Sdn. Bhd. ("UOBKH") on behalf of the Board of Directors of Ecobuilt announced that Bursa Malaysia Securities Berhad ("Bursa Securities") had, vide its letter dated 20 April 2020 (the approval letter was received on 21 April 2020), resolved to approve the listing and quotation of up to 31,356,316 Placement Shares to be issued pursuant to the Proposed Private Placement, subject to the following conditions:-

- (i) Ecobuilt and UOBKH must fully comply with the relevant provisions under the Main Market Listing Requirements of Bursa Securities pertaining to the implementation of the Proposed Private Placement;
- (ii) Ecobuilt and UOBKH to inform Bursa Securities upon the completion of the Proposed Private Placement; and
- (iii) Ecobuilt to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed.

On 21 September 2020, UOB Kay Hian Securities (M) Sdn. Bhd. on behalf of the Board of Directors of Ecobuilt announced that Board had on 21 September 2020 resolved to fix the issue price for the Proposed Private Placement at RM0.1490 per Placement Share. The issue price of RM0.1490 per Placement Share represents a discount of approximately 9.97% to the 5-day VWAP of Ecobuilt Shares up to and including 18 September 2020, being the last traded day of Ecobuilt Shares immediately preceding the price-fixing date of RM0.1655 per Ecobuilt Share.

On 2 October 2020, UOB Kay Hian Securities (M) Sdn. Bhd. on behalf of the Board of Directors of Ecobuilt announced that the Placement Shares of 31,356,300 issued pursuant to the Private Placement were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad with effect from 9.00 a.m. on Friday, 2 October 2020, which marks the completion of the Private Placement.

25. Group Borrowings and Debt Securities

The Group borrowings and debt securities as at 31 August 2020 were denominated in Ringgit Malaysia and are as follows:-

	As at 31 August 2020 RM'000	As at 31 May 2020 RM'000
Secured		
Current:		
- Term Loans	69	63
Non-Current:		
- Term Loans	1,416	1,419
	<u>1,485</u>	<u>1,482</u>

26. Material Litigation

(a) Chong Cheng Voon vs Safetags Solution Sdn. Bhd. ("Safetag") & Rexallent Construction Sdn. Bhd. ("Rexallent") & Dexon Electrical Engineering Sdn. Bhd. ("Dexon") & Cytrix Engineering Sdn. Bhd. ("Cytrix Engineering") (collectively referred as the "Defendants")

On 4 July 2018, Chong Cheng Voon ("CCV"), an employee of Cytrix brought an action against the Defendants claiming damages for pain and suffering, medical expenses and loss of future earnings as a result of injuries whilst engaged at work at the 3 Element project construction site of which Safetags, Rexallent, Dexon and Cytrix were the developer, main contractor, nominated sub-contractor and sub-sub contractor respectively.

In undertaking the work, Dexon and Rexallent had separately procured a Workmen Compensation Insurance Policy from MSIG and Berjaya Sompoo respectively. All the four named defendants are insured person in the policy for their respective rights and interests.

The points of defense raised so far as Rexallent is concerned are as follows:

- (i) Rexallent had put in place adequate health and safety measures at the work site to the letter of the law;
- (ii) CCV who was not wearing a proper and approved safety helmet, was wholly or partly responsible for the injuries; and
- (iii) CCV is eligible to SOCSO protection and his employer, Cytrix is a contributor. As such, CCV's remedies lie solely under the Employees' Social Security Act 1969.

In view of the legal advice, the Board of Directors of the Company is of the opinion that the Company is in a position to dispute the claim or any part thereof.

Other than the above, there was no pending material litigation as at 31 August 2020.

27. Dividends Payable

The Board of Directors does not recommend any dividend for the reporting quarter.

28. Earnings Per Share (EPS)

(a) *Basic / Diluted per share*

Basic earnings per share figures are computed by dividing profit / (loss) for the period attributable to Equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative YTD	
	31 August 2020	31 August 2019	31 August 2020	31 August 2019
Profit / (Loss) attributable to Equity holders of the Company (RM'000)				
- Continuing operations	1,125	(58)	1,125	(58)
- Discontinued operations	-	500	-	500
	<u>1,125</u>	<u>442</u>	<u>1,125</u>	<u>442</u>
Weighted average number of ordinary shares in issue	313,563,166	211,522,350	313,563,166	211,522,350
Basic / Diluted earnings / (loss) per share (sen)				
- Continuing operations	0.36	(0.03)	0.36	(0.03)
- Discontinued operations	-	0.24	-	0.24
	<u>0.36</u>	<u>0.21</u>	<u>0.36</u>	<u>0.21</u>

29. Notes to the Statement of Profit or Loss and Other Comprehensive Income

	Individual Quarter		Cumulative YTD	
	31 Aug 2020 RM'000	31 Aug 2019 RM'000	31 Aug 2020 RM'000	31 Aug 2019 RM'000
Amortisation of intangible assets for discontinued operations	-	(11)	-	(11)
Depreciation of property, plant and equipment				
- Continuing operations	(949)	(236)	(949)	(236)
- Discontinued operations	-	(93)	-	(93)
Depreciation of right-of-use assets	(56)	-	(56)	-
Gain on derecognise of right-of-use assets	-	-	1	-

30. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 October 2020.