

ECOBUILT HOLDINGS BERHAD
(Registration No. 200301033338 (635759-U))
Condensed Consolidated Statement Of Profit or Loss and Other Comprehensive Income
For The Year Ended 31 May 2021
(The figures have not been audited)

	(Unaudited) Current Qtr Ended 31/05/21 RM'000	(Unaudited) Comparative Qtr Ended 31/05/20 RM'000	(Unaudited) Cumulative YTD 31/05/21 RM'000	(Audited) Cumulative YTD 31/05/20 RM'000
<u>Continuing operations</u>				
Revenue	61,176	13,314	213,266	115,236
Purchases and other direct costs	(55,982)	(13,035)	(196,376)	(107,027)
Gross profit	5,194	279	16,890	8,209
Gain on disposal of an associate	-	-	-	7
Interest income	73	65	446	167
Other operating income	29 157	59	277	141
Depreciation and amortisation	29 (1,108)	(1,089)	(4,242)	(2,808)
Impairment loss on goodwill	-	(6,515)	-	(6,515)
Other operating expenses	29 (2,314)	623	(3,921)	(1,679)
Profit / (Loss) from operations	2,002	(6,578)	9,450	(2,478)
Finance costs	(105)	(79)	(351)	(263)
Profit / (Loss) before taxation	1,897	(6,657)	9,099	(2,741)
Taxation	21 (422)	(270)	(2,508)	(1,387)
Profit / (Loss) for the period / year from continuing operations	1,475	(6,927)	6,591	(4,128)
<u>Discontinued operations</u>				
Profit for the period / year from discontinued operations	29 -	-	-	1,872
Profit / (Loss) for the period / year	1,475	(6,927)	6,591	(2,256)
<i>Other comprehensive income / (loss)</i>				
<u>Continuing operations</u>				
Items that may be reclassified subsequently to profit or loss:				
- Fair value gain / (loss) on financial assets at fair value through other comprehensive income	(776)	(259)	5,687	(1,293)
Other comprehensive income / (loss), net of tax from continuing operations	(776)	(259)	5,687	(1,293)
<u>Discontinued operations</u>				
Other comprehensive income, net of tax from discontinued operations	-	-	-	-
Other comprehensive income / (loss), net of tax	(776)	(259)	5,687	(1,293)
Total comprehensive income / (loss) for the period / year	699	(7,186)	12,278	(3,549)

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	(Unaudited) Current Qtr Ended 31/05/21 RM'000	(Unaudited) Comparative Qtr Ended 31/05/20 RM'000	(Unaudited) Cumulative YTD 31/05/21 RM'000	(Audited) Cumulative YTD 31/05/20 RM'000
<u>Profit / (Loss) for the period / year attributable to:</u>				
Owners of the Company				
- Continuing operations	1,298	(6,961)	6,089	(4,719)
- Discontinued operations	-	-	-	1,872
	1,298	(6,961)	6,089	(2,847)
Non-controlling interests				
- Continuing operations	177	34	502	591
	1,475	(6,927)	6,591	(2,256)
<u>Total comprehensive income / (loss) for the period / year attributable to:</u>				
Owners of the Company				
- Continuing operations	522	(7,220)	11,776	(6,012)
- Discontinued operations	-	-	-	1,872
	522	(7,220)	11,776	(4,140)
Non-controlling interests				
- Continuing operations	177	34	502	591
	699	(7,186)	12,278	(3,549)
Basic / Diluted Earnings / (Loss) per Share Attributable to Equity holders of the Company (sen):				
- Continuing operations	28	0.38	(2.22)	1.77
- Discontinued operations	28	-	-	0.60
		0.38	(2.22)	1.77
		-	-	(0.91)

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 May 2021

	Note	(Unaudited) As At 31/05/2021 RM'000	(Audited) As At 31/05/2020 RM'000
ASSETS			
Non-current Assets			
Property, plant & equipment		23,153	18,069
Goodwill on consolidation		32,737	32,737
Other investments	23	19,388	13,701
Right-of-use assets		629	337
Other receivable		3,600	4,800
Deferred tax assets		511	301
		80,018	69,945
Current Assets			
Trade receivables		108,570	55,951
Contract assets		12,351	12,970
Other receivables, deposits & prepayments		6,065	7,349
Tax recoverable		1,641	759
Cash and cash equivalents		4,635	17,019
		133,262	94,048
TOTAL ASSETS		213,280	163,993
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital		59,156	54,484
Fair value reserves		4,394	(1,293)
Retained earnings		57,423	51,334
Equity attributable to owners of the Company		120,973	104,525
Non-controlling interests		2,302	1,800
Total Equity		123,275	106,325
Non-current Liabilities			
Borrowings	25	1,390	1,419
Lease liabilities		3,948	2,623
Deferred tax liabilities		860	544
		6,198	4,586
Current Liabilities			
Trade payables		72,228	49,084
Contract liabilities		2,246	322
Other payables and accrued expenses		7,115	1,851
Borrowings	25	73	63
Lease liabilities		2,145	1,581
Tax Payable		-	181
		83,807	53,082
Total Liabilities		90,005	57,668
TOTAL EQUITY AND LIABILITIES		213,280	163,993
Net Assets Per Share Attributable to Equity holders of the Company (Sen)		35.07	33.33

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 Year Ended 31 May 2021
(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 year	-	-	6,089	6,089	502	6,591
Other comprehensive income	-	5,687	-	5,687	-	5,687
Total comprehensive income for the year	-	5,687	6,089	11,776	502	12,278
Issuance of shares during the year	4,672	-	-	4,672		4,672
At 31 May 2021	59,156	4,394	57,423	120,973	2,302	123,275
At 1 June 2019	17,525	-	54,181	71,706	1,209	72,915
Loss for the year	-	-	(2,847)	(2,847)	591	(2,256)
Other comprehensive loss	-	(1,293)	-	(1,293)	-	(1,293)
Total comprehensive loss for the year	-	(1,293)	(2,847)	(4,140)	591	(3,549)
Issuance of shares during the year	36,959	-	-	36,959	-	36,959
At 31 May 2020	54,484	(1,293)	51,334	104,525	1,800	106,325

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 Year Ended 31 May 2021
(The figures have not been audited)

	(Unaudited) 12 months Ended 31/05/2021 RM'000	(Audited) 12 months Ended 31/05/2020 RM'000
Cash Flows from Operating Activities		
Profit / (Loss) before taxation		
- Continuing operations	9,099	(2,741)
- Discontinued operations	-	1,872
	9,099	(869)
Adjustments for:		
Amortisation of intangible assets for discontinued operations	-	35
Depreciation of property, plant and equipment		
- Continuing operations	4,213	2,794
- Discontinued operations	-	326
Depreciation of right-of-use assets	315	230
Finance costs	351	277
Impairment loss on goodwill	-	6,515
Loss on disposal of subsidiary companies	-	1,231
Net expected credit loss allowance	115	652
Provision for compensation	72	-
Gain on disposal of property, plant and equipment	(8)	-
Gain on disposal of an associate	-	(7)
Dividend income	-	(78)
Gain on derecognise of right-of-use assets	(1)	-
Interest income		
- Continuing operations	(446)	(167)
- Discontinued operations	-	(240)
	13,710	10,699
Operating profit before changes in working capital	13,710	10,699
Receivables	(49,516)	34,814
Payables	30,171	(19,785)
	(5,635)	25,728
Cash (used in) / generated from operations	(5,635)	25,728
Tax refund	260	963
Tax paid	(3,738)	(2,246)
	(9,113)	24,445
Net cash (used in) / generated from operating activities	(9,113)	24,445
Cash flows from investing activities		
Additions in intangible assets	-	(20)
Purchase of property, plant and equipment	(5,908)	(10,985)
Proceeds from disposal of property, plant and equipment	19	-
Net cash inflow arising from disposal of an associate	-	7
Net cash outflow arising on acquisition of subsidiary company	-	(18,852)
Net cash outflow arising on disposal of subsidiary companies	-	(6,896)
Dividend received	-	78
Interest received	446	407
	(5,443)	(36,261)
Net cash used in investing activities	(5,443)	(36,261)
Cash flows from financing activities		
Proceeds from issuance of share capital	4,672	11,959
Repayment of term loans	(19)	(43)
Repayment of lease liabilities	(2,130)	(1,588)
Finance cost paid	(351)	(277)
	2,172	10,051
Net cash generated from financing activities	2,172	10,051

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Condensed Consolidated Statement of Cash Flows
For The Year Ended 31 May 2021
(The figures have not been audited)

	(Unaudited) 12 months Ended 31/05/2021 RM'000	(Audited) 12 months Ended 31/05/2020 RM'000
Net decrease in cash and cash equivalents	(12,384)	(1,765)
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 year	4,635	17,019
Cash and cash equivalents at the end of the financial year comprise the following:		
Short-term deposit with fund management companies	3,719	10,947
Fixed deposit with licensed banks	32	-
Cash and bank balances	884	6,072
	4,635	17,019

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 2020 and the accompanying explanatory notes attached to the interim financial statements.

Part A - Explanatory Notes Pursuant to MFRS 134 - 31 May 2021

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:

- Amendments to References to the Conceptual Framework in MFRS Standards
- Amendments to MFRS 3 Business Combinations
(Definition of a Business)
- Amendments to MFRS Standards arising from Definition of Material:
 - Amendments to MFRS 101 Presentation of Financial Statements
 - Amendments to MFRS 108 Accounting Policies, Changes in Accounting
Estimates and Errors
- Amendments to MFRS Standards arising from Interest Rate Benchmark Reform:
 - Amendments to MFRS 7 Financial Instruments: Disclosures
 - Amendments to MFRS 9 Financial Instruments
 - Amendments to MFRS 139 Financial Instruments: Recognition and Measurement
- Amendments to MFRS 4 Insurance Contracts
(Extension of the Temporary Exemption from Applying MFRS 9)

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>
- Amendments to MFRS Standards arising from Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)	1 January 2021
- Amendment to MFRS 16 Leases (Covid-19-Related Rent Concessions beyond 30 June 2021)	1 April 2021
- Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
- Amendments to MFRS 3 Business Combinations (Reference to the Conceptual Framework)	1 January 2022
- Amendments to MFRS 116 Property, Plant and Equipment (Proceeds before Intended Use)	1 January 2022
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets (Cost of Fulfilling a Contract)	1 January 2022
- MFRS 17 Insurance Contracts	1 January 2023
- Amendments to MFRS 17 Insurance Contracts	1 January 2023
- Amendments to MFRS 101 Presentation of Financial Statements (Classification of Liabilities as Current or Non-current) (Disclosure of Accounting Policies)	1 January 2023
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
- Amendments to MFRS 112 Income Taxes (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	1 January 2023
- 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 May 2021					
Total external revenue	213,266	-	-	213,266	-
Inter-segment revenue	94,167	-	(94,167)	-	-
Total segment revenue	<u>307,433</u>	<u>-</u>	<u>(94,167)</u>	<u>213,266</u>	<u>-</u>
Segment results	9,387	63	-	9,450	-
Finance costs	(351)	-	-	(351)	-
Profit before taxation	9,036	63	-	9,099	-
Taxation	(2,508)	-	-	(2,508)	-
Net Profit after taxation	<u>6,528</u>	<u>63</u>	<u>-</u>	<u>6,591</u>	<u>-</u>
Year ended 31 May 2020					
Total external revenue	115,236	-	-	115,236	8,673
Inter-segment revenue	26,478	-	(26,478)	-	-
Total segment revenue	<u>141,714</u>	<u>-</u>	<u>(26,478)</u>	<u>115,236</u>	<u>8,673</u>
Segment results	3,695	1,218	(7,391)	(2,478)	1,872
Finance costs	(265)	-	2	(263)	-
Profit / (Loss) before taxation	3,430	1,218	(7,389)	(2,741)	1,872
Taxation	(1,325)	38	(100)	(1,387)	-
Net Profit / (Loss) after taxation	<u>2,105</u>	<u>1,256</u>	<u>(7,489)</u>	<u>(4,128)</u>	<u>1,872</u>
As at 31 May 2021					
Total segment assets	181,903	105,451	(74,074)	213,280	-
Total segment liabilities	153,423	1,335	(64,753)	90,005	-
Depreciation and amortisation	4,179	63	-	4,242	-
Non-cash expenses other than depreciation and amortisation	-	-	-	-	-
As at 31 May 2020					
Total segment assets	133,790	99,652	(69,449)	163,993	-
Total segment liabilities	117,524	271	(60,127)	57,668	-
Depreciation and amortisation	2,728	80	-	2,808	361
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 year ended 31 May 2021.

6. Changes in Estimates

There were no changes in accounting estimates made that would materially affect the accounts of the Group for the year ended 31 May 2021.

7. Seasonal or Cyclical Factors

The interim operations of the Group were not affected by any significant seasonal or cyclical factors during the year ended 31 May 2021.

8. Dividends Paid

There were no dividends paid during the year ended 31 May 2021.

9. Valuation of Property, Plant and Equipment

Property, plant and equipment of the Group were not revalued during the year ended 31 May 2021.

10. Debt And Equity Securities

On 2 October 2020, the issued and fully paid-up capital of the Company increased from 313,563,166 ordinary shares to 344,919,466 ordinary shares through private placement of 31,356,300 ordinary shares at an exercise price of RM0.149 per share. The newly issued ordinary shares ranked pari passu in all respect with the existing shares.

Other than the above, there were no issuance, cancellation, resale and repayment of debt and equity securities for the year ended 31 May 2021.

11. Changes in Composition of the Group

There were no changes to the composition of the Group for the year ended 31 May 2021.

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 May 2021.

13. Changes in Contingent Liabilities and Contingent Assets

Details of contingent liabilities of the Company are as follows:

	31 May 2021 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	9,274	7,274
Corporate guarantees in favour of suppliers of its wholly owned subsidiary, Rexallent Construction Sdn. Bhd. for the supply of goods	7,600	1,600
Corporate guarantees in favour of licensed banks for repayment of the following:		
- islamic banking facilities granted to its wholly owned subsidiary, Rexallent Construction Sdn. Bhd. to part finance the purchase of machineries and equipment	3,000	-
- 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
- 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>77,423</u>	<u>66,423</u>

Other than the above, there were no changes in contingent assets of the Group during the year ended 31 May 2021.

14. Subsequent Material Events

There were no material events subsequent to the end of the current quarter up to 20 August 2021 (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 year ended 31 May 2021.

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 May 2021 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>19,388</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 May 2021 RM'000	31 May 2020 RM'000	31 May 2021 RM'000	31 May 2020 RM'000
<u>Continuing operations</u>				
Revenue				
- Construction	61,176	13,314	213,266	115,236
- Investment Holding	-	-	-	-
	<u>61,176</u>	<u>13,314</u>	<u>213,266</u>	<u>115,236</u>
Profit / (Loss) Before Taxation				
- Construction	1,896	(77)	9,036	4,610
- Investment Holding	1	(6,580)	63	(7,351)
	<u>1,897</u>	<u>(6,657)</u>	<u>9,099</u>	<u>(2,741)</u>
<u>Discontinued operations</u>				
Revenue				
- Contents & Value Added Services	-	-	-	8,673
	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,673</u>
Profit Before Taxation				
- Contents & Value Added Services	-	-	-	1,872
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,872</u>

Overall Performance

The Group had recorded a profit before taxation from continuing operations of RM1.90 million in the current quarter under review compared to a loss before taxation from continuing operations of RM6.66 million reported in the preceding year's corresponding period.

Construction

Construction business had recorded a profit before taxation of RM1.90 million in the current quarter under review compared to a loss before taxation of RM0.08 million reported in the preceding year's corresponding period. Both revenue and profit before taxation for the current quarter were higher than the preceding year corresponding quarter mainly attributed from progressive revenue recognition from ongoing construction progress for our existing projects.

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 profit before taxation of RM1.00 thousand in the current quarter under review compared to a loss before taxation of RM6.58 million reported in the preceding year's corresponding period. The increase in profit before taxation was mainly attributable from the absence of impairment loss on goodwill from the acquisition of the subsidiary company during the current quarter under review.

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

	Current Quarter 31 May 2021 RM'000	Immediate Preceding Quarter 28 February 2021 RM'000
<u>Continuing operations</u>		
Revenue		
- Construction	61,176	53,276
- Investment Holding	-	-
	<u>61,176</u>	<u>53,276</u>
Profit Before Taxation		
- Construction	1,896	3,111
- Investment Holding	1	178
	<u>1,897</u>	<u>3,289</u>

Overall Performance

The Group had recorded a profit before taxation from continuing operations of RM1.90 million in the current quarter under review which is 42.2% lower than the profit before taxation from continuing operations of RM3.29 million reported in the immediate preceding quarter.

Construction

Construction business had recorded a profit before taxation of RM1.90 million in the current quarter under review which is 38.9% lower than the profit before taxation of RM3.11 million reported in the immediate preceding quarter. Both revenue and profit before taxation for the current quarter were lower than the immediate preceding quarter mainly due to lower progressive revenue recognition from ongoing construction progress for our existing projects. In addition, there are additional regulatory compliance costs incurred during various stages of Movement Control Orders.

Investment Holding

Investment holding business had recorded a profit before taxation of RM1.00 thousand in the current quarter under review compared to a profit before taxation of RM0.18 million reported in the immediate preceding quarter. The reduction in profit before taxation was mainly due to the lower interest income during the current quarter under review.

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 May 2021 RM'000	31 May 2020 RM'000	31 May 2021 RM'000	31 May 2020 RM'000
Current Tax	327	(13)	2,413	1,104
Deferred Tax	95	283	95	283
	<u>422</u>	<u>270</u>	<u>2,508</u>	<u>1,387</u>

The Group's effective tax rate is higher than the statutory tax rate, primarily due to certain expenses are not tax deductible.

22. Sale of Unquoted Investment and Properties

There were no sale of unquoted investments and/or properties during the year ended 31 May 2021.

23. Quoted Securities

	As at 31 May 2021 RM'000	As at 31 May 2020 RM'000
Financial assets at fair value through other comprehensive income - Quoted shares in Malaysia	19,388	13,701
Analysed as follows:		
Non-Current	19,388	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 May 2021 were denominated in Ringgit Malaysia and are as follows:-

	As at 31 May 2021 RM'000	As at 31 May 2020 RM'000
Secured		
Current:		
- Term Loans	73	63
Non-Current:		
- Term Loans	1,390	1,419
	1,463	1,482

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.

On 23 April 2021, a judgement sum amounting to RM299,033 together with interest and costs has been awarded against Rexallent. Rexallent and other defendants are in the process of compiling and filing of common Record of Appeal. The Shah Alam High Court had fixed the appeal for further case management on 23 September 2021 pending the filing of the Record of Appeal. As at 31 May 2021, the Company recognised a provision on the judgement sum amounting to RM299,033 together with interest and costs has been awarded against Rexallent.

Other than the above, there was no pending material litigation as at 31 May 2021.

27. Dividends Payable

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

28. Earnings / (Loss) Per Share (EPS)

(a) Basic / Diluted per share

Basic earnings / (loss) 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 May 2021	31 May 2020	31 May 2021	31 May 2020
Profit / (Loss) attributable to Equity holders of the Company (RM'000)				
- Continuing operations	1,298	(6,961)	6,089	(4,719)
- Discontinued operations	-	-	-	1,872
	1,298	(6,961)	6,089	(2,847)
Weighted average number of ordinary shares in issue	344,919,466	313,563,166	344,919,466	313,563,166
Basic / Diluted earnings / (loss) per share (sen)				
- Continuing operations	0.38	(2.22)	1.77	(1.50)
- Discontinued operations	-	-	-	0.60
	0.38	(2.22)	1.77	(0.91)

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

	Individual Quarter		Cumulative YTD	
	31 May 2021 RM'000	31 May 2020 RM'000	31 May 2021 RM'000	31 May 2020 RM'000
Amortisation of intangible assets for discontinued operations	-	-	-	(35)
Depreciation of property, plant and equipment				
- Continuing operations	(1,101)	(1,075)	(4,213)	(2,794)
- Discontinued operations	-	-	-	(326)
Depreciation of right-of-use assets	(153)	(230)	(315)	(230)
Loss on disposal of subsidiary companies for discontinued operations	-	-	-	(1,231)
Net expected credit loss allowance	(115)	(652)	(115)	(652)
Provision for compensation	(72)	-	(72)	-
Dividend income	-	-	-	78
Gain on disposal of property, plant and equipment	6	-	8	-
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 27 August 2021.