

**ECOBUILT HOLDINGS BERHAD**  
**(Registration No. 200301033338 (635759-U))**  
Condensed Consolidated Statement Of Profit or Loss and Other Comprehensive Income  
For The Period Ended 30 November 2021  
(The figures have not been audited)

|   | Note | (Unaudited)<br>Current<br>Qtr Ended<br>30/11/21<br>RM'000 | (Unaudited)<br>Comparative<br>Qtr Ended<br>30/11/20<br>RM'000 | (Unaudited)<br>Cumulative<br>YTD<br>30/11/21<br>RM'000 | (Unaudited)<br>Cumulative<br>YTD<br>30/11/20<br>RM'000 |
|---|------|---|---|--|--|
| Revenue   |      | 48,116  | 57,950  | 70,808   | 98,814   |
| Purchases and other direct costs  |      | (44,162)  | (54,315)  | (64,965)   | (91,983)   |
| <b>Gross profit</b>   |      | <b>3,954</b>  | <b>3,635</b>  | <b>5,843</b>   | <b>6,831</b>   |
| Interest income   |      | 67  | 52  | 137  | 88   |
| Other operating income  | 29   | 180   | 64  | 250  | 124  |
| Depreciation and amortisation   | 29   | (1,483)   | (1,102)   | (2,732)  | (2,154)  |
| Other operating expenses  | 29   | (712)   | (393)   | (1,113)  | (826)  |
| <b>Profit from operations</b>   |      | <b>2,006</b>  | <b>2,256</b>  | <b>2,385</b>   | <b>4,063</b>   |
| Finance costs   |      | (134)   | (71)  | (245)  | (150)  |
| <b>Profit before taxation</b>   |      | <b>1,872</b>  | <b>2,185</b>  | <b>2,140</b>   | <b>3,913</b>   |
| Taxation  | 21   | (362)   | (521)   | (378)  | (957)  |
| <b>Profit for the period</b>  |      | <b>1,510</b>  | <b>1,664</b>  | <b>1,762</b>   | <b>2,956</b>   |
| <i>Other comprehensive (loss) / income</i>  |      |   |   |  |  |
| Items that may be reclassified subsequently to profit or loss:                                  |      |   |   |  |  |
| - Fair value (loss) / gain on financial assets at fair value through other comprehensive income |      | (4,912)   | (4,911)   | (5,946)  | 8,273  |
| <b>Other comprehensive (loss) / income, net of tax</b>  |      | <b>(4,912)</b>  | <b>(4,911)</b>  | <b>(5,946)</b>   | <b>8,273</b>   |
| <b>Total comprehensive (loss) / income for the period</b>                                       |      | <b>(3,402)</b>  | <b>(3,247)</b>  | <b>(4,184)</b>   | <b>11,229</b>  |
| <b>Profit for the period attributable to:</b>   |      |   |   |  |  |
| Owners of the Company   |      | 1,427   | 1,597   | 1,685  | 2,722  |
| Non-controlling interests   |      | 83  | 67  | 77   | 234  |
|   |      | <b>1,510</b>  | <b>1,664</b>  | <b>1,762</b>   | <b>2,956</b>   |
| <b>Total comprehensive (loss) / income for the period attributable to:</b>                      |      |   |   |  |  |
| Owners of the Company   |      | (3,485)   | (3,314)   | (4,261)  | 10,995   |
| Non-controlling interests   |      | 83  | 67  | 77   | 234  |
|   |      | <b>(3,402)</b>  | <b>(3,247)</b>  | <b>(4,184)</b>   | <b>11,229</b>  |
| <b>Earnings per share</b>   |      |   |   |  |  |
| Basic earnings per share (sen)  | 28   | 0.40  | 0.46  | 0.48   | 0.79   |

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 2021 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 30 November 2021

|  | Note | (Unaudited)<br>As At<br>30/11/2021<br>RM'000 | (Audited)<br>As At<br>31/05/2021<br>RM'000 |
|--|------|--|--|
| <b>ASSETS</b>  |      |  |  |
| <b>Non-current Assets</b>  |      |  |  |
| Property, plant & equipment                                      |      | 26,759                                       | 23,153                                     |
| Goodwill on consolidation  |      | 32,737                                       | 32,737                                     |
| Other investments  | 23   | 13,442                                       | 19,387                                     |
| Right-of-use assets  |      | 295  | 629  |
| Other receivable   |      | 3,600  | 3,600                                      |
| Deferred tax assets  |      | 652  | 328  |
|  |      | 77,485                                       | 79,834                                     |
| <b>Current Assets</b>  |      |  |  |
| Trade receivables  |      | 105,327                                      | 108,542                                    |
| Contract assets  |      | 18,776                                       | 10,842                                     |
| Other receivables, deposits & prepayments                        |      | 7,837  | 7,602                                      |
| Tax recoverable  |      | 1,842  | 1,703                                      |
| Cash and cash equivalents  |      | 6,143  | 4,635                                      |
|  |      | 139,925                                      | 133,324                                    |
| <b>TOTAL ASSETS</b>  |      | <b>217,410</b>                               | <b>213,158</b>                             |
| <b>EQUITY AND LIABILITIES</b>                                    |      |  |  |
| <b>Capital and Reserves</b>                                      |      |  |  |
| Share capital  |      | 65,052                                       | 59,156                                     |
| Fair value reserves  |      | (1,551)                                      | 4,395                                      |
| Retained earnings  |      | 59,641                                       | 57,956                                     |
| Equity attributable to owners of the Company                     |      | 123,142                                      | 121,507                                    |
| Non-controlling interests  |      | 2,378  | 2,301                                      |
| <b>Total Equity</b>  |      | <b>125,520</b>                               | <b>123,808</b>                             |
| <b>Non-current Liabilities</b>                                   |      |  |  |
| Borrowings   | 25   | 1,352  | 1,390                                      |
| Lease liabilities  |      | 7,260  | 3,746                                      |
| Deferred tax liabilities   |      | 46   | 256  |
|  |      | 8,658  | 5,392                                      |
| <b>Current Liabilities</b>                                       |      |  |  |
| Trade payables   |      | 72,488                                       | 72,267                                     |
| Contract liabilities   |      | 1,042  | 1,883                                      |
| Other payables and accrued expenses                              |      | 6,048  | 7,388                                      |
| Borrowings   | 25   | 75   | 73   |
| Lease liabilities  |      | 3,579  | 2,347                                      |
|  |      | 83,232                                       | 83,958                                     |
| <b>Total Liabilities</b>   |      | 91,890                                       | 89,350                                     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                              |      | <b>217,410</b>                               | <b>213,158</b>                             |
| Net Assets Per Share Attributable to Owners of the Company (Sen) |      | 32.20  | 35.23                                      |

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 2021 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 30 November 2021  
(The figures have not been audited)

|  | <-- Attributable to owners of the Company --> |                                 |                                |                     |   |                           |
|--|---|---------------------------------|--------------------------------|---------------------|---|---------------------------|
|  | Non-Distributable                             | Distributable                   |                                |                     |   |                           |
|  | Share<br>Capital<br>RM'000                    | Fair Value<br>Reserve<br>RM'000 | Retained<br>Earnings<br>RM'000 | Sub-Total<br>RM'000 | Non-<br>Controlling<br>Interest<br>RM'000 | Total<br>Equity<br>RM'000 |
| <b>At 1 June 2021</b>                              | 59,156  | 4,395                           | 57,956                         | 121,507             | 2,301                                     | 123,808                   |
| Profit for the period                              | -   | -                               | 1,685                          | 1,685               | 77  | 1,762                     |
| Other comprehensive loss                           | -   | (5,946)                         | -                              | (5,946)             | -   | (5,946)                   |
| Total comprehensive (loss) / income for the period | -   | (5,946)                         | 1,685                          | (4,261)             | 77  | (4,184)                   |
| Issuance of shares during the period               | 5,896   | -                               | -                              | 5,896               | -   | 5,896                     |
| <b>At 30 November 2021</b>                         | <b>65,052</b>                                 | <b>(1,551)</b>                  | <b>59,641</b>                  | <b>123,142</b>      | <b>2,378</b>                              | <b>125,520</b>            |
| <b>At 1 June 2020</b>                              | 54,484  | (1,293)                         | 51,334                         | 104,525             | 1,800                                     | 106,325                   |
| Profit for the period                              | -   | -                               | 2,722                          | 2,722               | 234                                       | 2,956                     |
| Other comprehensive income                         | -   | 8,273                           | -                              | 8,273               | -   | 8,273                     |
| Total comprehensive income for the period          | -   | 8,273                           | 2,722                          | 10,995              | 234                                       | 11,229                    |
| Issuance of shares during the period               | 4,672   | -                               | -                              | 4,672               | -   | 4,672                     |
| <b>At 30 November 2020</b>                         | <b>59,156</b>                                 | <b>6,980</b>                    | <b>54,056</b>                  | <b>120,192</b>      | <b>2,034</b>                              | <b>122,226</b>            |

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 2021 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 30 November 2021  
(The figures have not been audited)

|  | <b>(Unaudited)</b><br><b>6 months</b><br><b>Ended</b><br><b>30/11/2021</b><br><b>RM'000</b> | <b>(Unaudited)</b><br><b>6 months</b><br><b>Ended</b><br><b>30/11/2020</b><br><b>RM'000</b> |
|--|---|---|
| <b>Cash Flows from Operating Activities</b>                                    |   |   |
| Profit before taxation   | 2,140   | 3,913   |
| Adjustments for:   |   |   |
| Depreciation of property, plant and equipment                                  | 2,399   | 1,998   |
| Depreciation of right-of-use assets  | 333   | 156   |
| Finance costs  | 252   | 154   |
| Property, plant and equipment written off                                      | 25  | -   |
| Gain on disposal of property, plant and equipment                              | -   | (2)   |
| Interest income  | (137)   | (88)  |
| Remeasurement of lease liabilities   | (171)   | (48)  |
|  | <hr/>   | <hr/>   |
| Operating profit before changes in working capital                             | 4,841   | 6,083   |
| Receivables  | (4,954)   | (34,738)  |
| Payables   | (1,960)   | 24,657  |
|  | <hr/>   | <hr/>   |
| Cash used in operations  | (2,073)   | (3,998)   |
| Tax refund   | 727   | 260   |
| Tax paid   | (1,778)   | (1,697)   |
|  | <hr/>   | <hr/>   |
| Net cash used in operating activities  | (3,124)   | (5,435)   |
| <b>Cash flows from investing activities</b>                                    |   |   |
| Purchase of property, plant and equipment                                      | (236)   | (1,337)   |
| Proceeds from disposal of property, plant and equipment                        | -   | 2   |
| Interest received  | 137   | 88  |
|  | <hr/>   | <hr/>   |
| Net cash used in investing activities  | (99)  | (1,247)   |
| <b>Cash flows from financing activities</b>                                    |   |   |
| Proceeds from issuance of share capital  | 5,896   | 4,672   |
| Drawdown of term loans   | -   | 14  |
| Repayment of term loans  | (36)  | -   |
| Repayment of lease liabilities   | (877)   | (943)   |
| Interest paid  | (252)   | (154)   |
|  | <hr/>   | <hr/>   |
| Net cash generated from financing activities                                   | 4,731   | 3,589   |
| Net increase / (decrease) in cash and cash equivalents                         | 1,508   | (3,093)   |
| Cash and cash equivalents at the beginning of the financial year               | 4,635   | 17,019  |
|  | <hr/>   | <hr/>   |
| Cash and cash equivalents at the end of the financial period                   | 6,143   | 13,926  |
|  | <hr/>   | <hr/>   |
| <b>Cash and cash equivalents at the end of the financial period comprises:</b> |   |   |
| Short-term deposits with fund management companies                             | 2,548   | 10,184  |
| Fixed deposit with licensed banks  | 1,684   | -   |
| Cash and bank balances   | 1,911   | 3,742   |
|  | <hr/>   | <hr/>   |
|  | 6,143   | 13,926  |
|  | <hr/>   | <hr/>   |

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 2021 and the accompanying explanatory notes attached to the interim financial statements.

**Part A - Explanatory Notes Pursuant to MFRS 134 - 30 November 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 2021. The consolidated financial statements of the Group as at and for the year ended 31 May 2021 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 2021 except for the adoption of the following Amendments and Annual improvements to Standards:

Effective for financial periods beginning on or after 1 June 2021:

- Amendments to MFRS Standards arising from Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139)

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>              |
|--|---|
| - Annual Improvements to MFRS Standards 2018 - 2020<br>(Amendments to MFRS 101, MFRS 9, MFRS 16 and MFRS 141)  | 1 January 2022  |
| - Amendments to MFRS 3<br>Business Combinations<br>(Reference to the Conceptual Framework)   | 1 January 2022  |
| - Amendments to MFRS 116<br>Property, Plant and Equipment<br>(Proceeds before Intended Use)  | 1 January 2022  |
| - Amendments to MFRS 137<br>Provisions, Contingent Liabilities and Contingent Assets (Cost of Ful lling a Contract)  | 1 January 2022  |
| - MFRS 17<br>Insurance Contracts   | 1 January 2023  |
| - Amendments to MFRS 17<br>Insurance Contracts   | 1 January 2023  |
| - Amendments to MFRS 101<br>Presentation of Financial Statements<br>(Classification of Liabilities as Current or Non-current)<br>(Disclosure of Accounting Policies) | 1 January 2023  |
| - Amendments to MFRS 108<br>Accounting Policies, Changes in Accounting Estimates and Errors  | 1 January 2023  |
| - Amendments to MFRS 112<br>Income Taxes<br>(Deferred Tax related to Assets and Liabilities arising from a Single Transaction)                                       | 1 January 2023  |
| - Amendments to MFRS 10<br>and MFRS 128<br>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 2021 was not subjected to any audit qualification.

**4. Segmental Information**

There was no segmental reporting as the Group is currently involved primarily in a single operating segment, namely general construction work of a related activities.

**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 six months ended 30 November 2021.

**6. Changes in Estimates**

There were no changes in accounting estimates made that would materially affect the accounts of the Group for the six months ended 30 November 2021.

**7. Seasonal or Cyclical Factors**

The interim operations of the Group were not affected by any significant seasonal or cyclical factors during the six months ended 30 November 2021.

**8. Dividends Paid**

There were no dividends paid during the six months ended 30 November 2021.

**9. Valuation of Property, Plant and Equipment**

Property, plant and equipment of the Group were not revalued during the six months ended 30 November 2021.

**10. Debt And Equity Securities**

On 15 October 2021, the issued and fully paid-up capital of the Company increased from 344,919,466 ordinary shares to 382,471,804 ordinary shares through private placement of 37,552,338 ordinary shares at an exercise price of RM0.157 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 six months ended 30 November 2021.

**11. Changes in Composition of the Group**

There were no changes to the composition of the Group for the six months ended 30 November 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 30 November 2021.

**13. Changes in Contingent Liabilities and Contingent Assets**

There were no contingent assets. Details of contingent liabilities of the Company are as follows:

|  | 30 November<br>2021<br>RM'000 | 31 May<br>2021<br>RM'000 |
|--|-------------------------------|--------------------------|
| Corporate guarantees in favour of customers of its wholly-owned subsidiary, Eko Bina Sdn. Bhd. for performance obligation of a project awarded to the subsidiary   | 35,683                        | 35,683                   |
| Corporate guarantees in favour of suppliers of its indirect subsidiary, Gabungan Eko Construkt Sdn. Bhd. for the supply of goods   | 9,274                         | 9,274                    |
| Corporate guarantees in favour of suppliers of its wholly owned subsidiary, Rexallent Construction Sdn. Bhd. for the supply of goods   | 8,200                         | 8,200                    |
| Corporate guarantees in favour of government, statutory bodies and/or other parties of its wholly owned subsidiary, Rexallent Construction Sdn. Bhd. as tender bonds, performance bonds, payment of excise duty, sales tax and earnest money for tender/security deposits and other non-financial guarantees | 3,000                         | -                        |
| Corporate guarantees in favour of licensed banks for repayment of the following:   |                               |                          |
| - fixed rate industrial hire purchase facilities granted to its wholly owned subsidiary, Eko Bina Sdn. Bhd. to part finance the purchase of machineries and equipment  | 8,000                         | 8,000                    |
| - fixed rate industrial hire purchase facilities granted to its wholly owned subsidiary, Rexallent Construction Sdn. Bhd. to part finance the purchase of machineries and equipment  | 5,000                         | -                        |
| - industrial hire purchase facility granted to its wholly owned subsidiary, Eko Bina Sdn. Bhd. to part finance the purchase of one unit of tower crane   | 520                           | 520                      |
| - hire purchase facilities granted to its indirect subsidiary, Gabungan Eko Construkt Sdn. Bhd. to part finance the purchase of two units of passenger hoist   | 383                           | 435                      |
| - hire purchase facility granted to its wholly owned subsidiary, Eko Bina Sdn. Bhd. to part finance the purchase of machineries  | 3,390                         | 3,390                    |
| - hire purchase facility granted to its wholly owned subsidiary, Rexallent Construction Sdn. Bhd. to part finance the purchase of machinery  | 569                           | -                        |
| - term loan facility granted to its wholly owned subsidiary, Eko Bina Sdn. Bhd. to finance the purchase of properties  | 1,540                         | 1,540                    |
| - domestic recourse factoring facility to its wholly owned subsidiary, Eko Bina Sdn. Bhd. to finance approved certified progress claims by the customer  | -                             | 35,000                   |
| - domestic recourse factoring facility to its wholly owned subsidiary, Rexallent Construction Sdn. Bhd. to finance approved certified progress claims by the customer  | 30,000                        | -                        |
|  | <u>105,559</u>                | <u>102,042</u>           |

**13. Changes in Contingent Liabilities and Contingent Assets (Continued)**

Other than the above, there were no changes in contingent liabilities of the Group during the six months ended 30 November 2021.

**14. Subsequent Material Events**

There were no material events subsequent to the end of the current quarter up to 20 January 2022 (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 six months ended 30 November 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:

|   | <b>As at<br/>30 November<br/>2021<br/>Level 1<br/>Fair Value<br/>RM'000</b> | <b>As at<br/>31 May<br/>2021<br/>Level 1<br/>Fair Value<br/>RM'000</b> |
|---|---|--|
| Financial asset   |   |  |
| Financial assets at fair value through other comprehensive income | 13,442  | 19,387   |

**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             |                            |
|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|                        | 30 November 2021<br>RM'000 | 30 November 2020<br>RM'000 | 30 November 2021<br>RM'000 | 30 November 2020<br>RM'000 |
| Revenue                | 48,116                     | 57,950                     | 70,808                     | 98,814                     |
| Gross Profit           | 3,954                      | 3,635                      | 5,843                      | 6,831                      |
| Profit Before Taxation | 1,872                      | 2,185                      | 2,140                      | 3,913                      |

For the current quarter ended 30 November 2021, the Group had recorded a profit before taxation of RM1.87 million on the back of revenue RM48.12 million as compared to a profit before taxation of RM2.19 million and revenue of RM57.95 million reported in the preceding year's corresponding quarter. Both revenue and profit before taxation in current quarter were lower than the preceding year's corresponding quarter mainly due to implementation of National Recovery Plan (NPR) since June 2021 resulted lower revenue recognition in current quarter.

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

|                        | Current Quarter            | Immediate Preceding Quarter |
|------------------------|----------------------------|-----------------------------|
|                        | 30 November 2021<br>RM'000 | 31 August 2021<br>RM'000    |
| Revenue                | 48,116                     | 22,692                      |
| Gross Profit           | 3,954                      | 1,889                       |
| Profit Before Taxation | 1,872                      | 268                         |

For the current quarter ended 30 November 2021, the Group had recorded a profit before taxation of RM1.87 million on the back of revenue RM48.12 million as compared to a profit before taxation of RM0.27 million and revenue of RM22.69 million reported in the immediate preceding quarter. Both revenue and profit before taxation in current quarter were higher than the immediate preceding quarter mainly due to resumption of construction activities at Phase 2 of National Recovery Plan (NPR) resulted higher revenue recognition in current quarter.

**19. Current Year Prospects**

The global economy is expected to contract weighed by the unprecedented lockdown taken to contain the pandemic and coupled with the 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             |                            |
|--------------|----------------------------|----------------------------|----------------------------|----------------------------|
|              | 30 November 2021<br>RM'000 | 30 November 2020<br>RM'000 | 30 November 2021<br>RM'000 | 30 November 2020<br>RM'000 |
| Current Tax  | 696                        | 521                        | 912                        | 957                        |
| Deferred Tax | (334)                      | -                          | (534)                      | -                          |
|              | <u>362</u>                 | <u>521</u>                 | <u>378</u>                 | <u>957</u>                 |

The Group's effective tax rate is higher than the statutory tax rate primarily due to certain expenses which are not tax deductible coupled with the utilisation of deferred tax assets recognised previously.

**22. Sale of Unquoted Investment and Properties**

There were no sale of unquoted investments and/or properties during the six months ended 30 November 2021.



## 23. Quoted Securities

|   | As at<br>30 November<br>2021<br>RM'000 | As at<br>31 May<br>2020<br>RM'000 |
|---|--|-----------------------------------|
| Financial assets at fair value through other comprehensive income |  |                                   |
| - Quoted shares in Malaysia                                       | 13,442                                 | 19,387                            |
| Analysed as follows:  |  |                                   |
| Non-Current   | 13,442                                 | 19,387                            |

## 24. Status of Corporate Proposals

There were no corporate proposals announced but not completed by the Group during the current interim period under review.

## 25. Group Borrowings and Debt Securities

The Group borrowings and debt securities as at 30 November 2021 were denominated in Ringgit Malaysia and are as follows:-

|              | As at<br>30 November<br>2021<br>RM'000 | As at<br>31 May<br>2020<br>RM'000 |
|--------------|--|-----------------------------------|
| Secured      |  |                                   |
| Current:     |  |                                   |
| - Term Loans | 75                                     | 73                                |
| Non-Current: |  |                                   |
| - Term Loans | 1,352                                  | 1,390                             |
|              | 1,427                                  | 1,463                             |

## 26. Material Litigation

(a) Chong Cheng Voon vs Safetags Solution Sdn. Bhd. ("Safetags") & 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 Sompo 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 RM299,034 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, which subsequently extended to 23 December 2021 and subsequently to 4 March 2022. As at 31 May 2021, the Company recognised a provision on the judgement sum amounting to RM299,034 together with interest and costs has been awarded against Rexallent.

Other than the above, there was no pending material litigation as at 30 November 2021.

## 27. Dividends Payable

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

**28. Earnings Per Share****(a) Basic earnings per share**

Basic earnings per share figures is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares of the Company in issue during the period.

|  | Individual Quarter  |                     | Cumulative YTD      |                     |
|--|---------------------|---------------------|---------------------|---------------------|
|  | 30 November<br>2021 | 30 November<br>2020 | 30 November<br>2021 | 30 November<br>2020 |
| Profit attributable to the Owners<br>of the Company (RM'000) | 1,427               | 1,597               | 1,685               | 2,722               |
| Weighted average number of<br>ordinary shares in issued      | 354,564,056         | 344,919,466         | 354,564,056         | 344,919,466         |
| Basic earnings per share (sen)                               | 0.40                | 0.46                | 0.48                | 0.79                |

**(b) Diluted earnings per share**

There is no diluted earnings per share as the Company does not have any dilutive potential ordinary of shares during the period.

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

|   | Individual Quarter            |                               | Cumulative YTD                |                               |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|   | 30 November<br>2021<br>RM'000 | 30 November<br>2020<br>RM'000 | 30 November<br>2021<br>RM'000 | 30 November<br>2020<br>RM'000 |
| Depreciation of property, plant and equipment     | (1,261)                       | (1,049)                       | (2,399)                       | (1,998)                       |
| Depreciation of right-of-use assets               | (222)                         | (53)                          | (333)                         | (156)                         |
| Property, plant and equipment written off         | -                             | -                             | (25)                          | -                             |
| Gain on disposal of property, plant and equipment | -                             | 2                             | -                             | 2                             |
| Remeasurement of lease liabilities                | 171                           | -                             | 171                           | 48                            |

**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 January 2022.