



ECOMATE HOLDINGS BERHAD

(Registration No. 202001036445 (1392766-X))

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR SECOND (2ND)
QUARTER ENDED 31 AUGUST 2021**

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	Individual Quarter		Cumulative Quarter	
	(Unaudited) Current Year Quarter 31/08/2021 RM'000	(Unaudited) Preceding Year Corresponding Quarter 31/08/2020 ⁽²⁾ RM'000	(Unaudited) Current Year To Date 31/08/2021 RM'000	(Unaudited) Preceding Year To Date 31/08/2020 ⁽²⁾ RM'000
Revenue	6,454	N/A	25,249	N/A
Cost of Sales	(6,013)	N/A	(19,799)	N/A
Gross Profit	441	N/A	5,450	N/A
Other Income	128	N/A	513	N/A
Administrative Expenses	(1,223)	N/A	(2,787)	N/A
Selling and Distribution Expenses	(276)	N/A	(807)	N/A
Other Expenses	(728)	N/A	(740)	N/A
Finance Costs	(150)	N/A	(289)	N/A
(Loss)/Profit Before Tax	(1,808)	N/A	1,340	N/A
Taxation	-	N/A	(750)	N/A
Total comprehensive (loss)/income	(1,808)	N/A	590	N/A
(Loss)/Profit After Tax Attributable To:				
Owners of the Company	(1,808)	N/A	590	N/A
Total Comprehensive Income Attributable To:				
Owners of the Company	(1,808)	N/A	590	N/A
Attributable to Equity Holders of the Company:				
Basic earnings per share (sen) ⁽³⁾	(0.60)	N/A	0.20	N/A
Diluted earnings per share (sen) ⁽⁴⁾	(0.60)	N/A	0.20	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Accountant's Report as disclosed in the Prospectus dated 15 October 2021 and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the second (2nd) quarter ended 31 August 2021 announced in compliance with the Listing requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.
- (3) Basic earnings per share is calculated based on the Company's share capital of 301,000,000 ordinary shares as at 31 August 2021.
- (4) Diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾

	Note	Unaudited As at 31/08/2021 RM'000	Audited As at 28/02/2021 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		5,761	4,856
Prepaid lease payments		6,900	6,900
Right-of-use assets		2,814	4,406
		<u>15,475</u>	<u>16,162</u>
Current Assets			
Inventories		8,342	10,161
Trade receivables		1,025	2,584
Other receivables, deposits and prepayments		3,242	1,519
Fixed deposits with a licensed bank		1,116	1,091
Cash and bank balances		5,265	7,322
		<u>18,990</u>	<u>22,677</u>
TOTAL ASSETS		<u>34,465</u>	<u>38,839</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		7,375	3,926
Merger reserve		(3,449)	-
Retained profits		8,653	8,063
TOTAL EQUITY		<u>12,579</u>	<u>11,989</u>
Non-Current Liabilities			
Bank borrowings	B8	7,286	7,517
Lease liabilities	B8	929	2,242
Deferred tax liabilities		710	517
		<u>8,925</u>	<u>10,276</u>
Current Liabilities			
Trade payables		-	5,652
Other payables and accruals		8,550	4,887
Amount owing to directors		-	48
Bank borrowings	B8	3,320	4,483
Lease liabilities	B8	1,044	1,254
Derivative liabilities		18	11
Current tax liabilities		29	239
		<u>12,961</u>	<u>16,574</u>
TOTAL LIABILITIES		<u>21,886</u>	<u>26,850</u>
TOTAL EQUITY AND LIABILITIES		<u>34,465</u>	<u>38,839</u>
NET ASSETS PER ORDINARY SHARE (RM) ⁽²⁾		<u>0.04</u>	<u>5.99</u>

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the Accountant's Report as disclosed in the Prospectus dated 15 October 2021 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the Company's number of ordinary shares at the end of the reporting year (2022: 301,000,000 shares; 2021: 2,000,000 shares)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY ⁽¹⁾

<u>Group</u>	<u>Non-distributable</u>			<u>Distributable</u>	<u>Total Equity</u>
	<u>Share Capital</u>	<u>Merger Reserve</u>	<u>Share Application Money</u>	<u>Retained Profits</u>	
	RM'000	RM'000	RM'000	RM'000	
<u>6 months ended 31 August 2021</u>					
As at 1 March 2021 (Audited)	3,926	-	-	8,063	11,989
Contributions by and distributions to owners of the Group					
- Issuance of shares	7,375	(7,375)	-	-	-
- Adjustment on acquisition of Ecomate	(3,926)	3,926	-	-	-
Total comprehensive income for the period	-	-	-	590	590
As at 31 August 2021 (Unaudited)	7,375	(3,449)	-	8,653	12,579
<u>Audited</u>					
As at 1 March 2020	1,500	-	2,188	4,782	8,470
Bonus issue	238	-	-	(238)	-
Issuance of shares	2,188	-	(2,188)	-	-
Total comprehensive income for the year	-	-	-	8,519	8,519
Contributions by and distributions to owners of the Group					
- Dividends	-	-	-	(5,000)	(5,000)
As at 28 February 2021	3,926	-	-	8,063	11,989

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Accountant's Report as disclosed in the Prospectus dated 15 October 2021 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS ⁽¹⁾

	Unaudited Current Year 6 Months Ended 31/08/2021 RM'000	Unaudited Preceding Corresponding 6 Months Ended 31/08/2020 RM'000
Cash Flow From Operating Activities		
Profit before tax	1,341	N/A
Adjustments for:		
Depreciation of property, plant and equipment	303	N/A
Depreciation of right-of-use assets	505	N/A
Loss on fair value derivative	7	N/A
Unrealised gain on foreign exchange	(54)	N/A
Interests on lease liabilities	89	N/A
Interest expenses	200	N/A
Interest income	(15)	N/A
Operating profit before working capital changes	2,376	N/A
Changes in working capital		
Inventories	1,819	N/A
Trade receivables	1,559	N/A
Other receivables, deposits and prepayments	(1,723)	N/A
Trade payables	(5,653)	N/A
Other payables and accruals	3,662	N/A
Amount due to directors	(48)	N/A
Cash From Operations	1,992	N/A
Interest paid	(289)	N/A
Interest received	15	N/A
Tax paid	(767)	N/A
Net Cash From Operating Activities	951	N/A
Cash Flows For Investing Activities		
Purchase of property, plant and equipment	(122)	N/A
Net Cash For Investing Activities	(122)	N/A
Cash Flows For Financing Activities		
Net increase in fixed deposits pledged	(25)	N/A
Net movement in bankers' acceptances	(1,173)	N/A
Net movement in lease liabilities	(1,522)	N/A
Repayment of term loans	(220)	N/A
Net Cash Flows For Financing Activities	(2,940)	N/A
Net Changes In Cash and Cash Equivalents	(2,111)	N/A
Effect of exchange differences	54	N/A
Cash and Cash Equivalents at Beginning of the Financial Period	7,322	N/A
Cash and Cash Equivalents at End of the Financial Period	5,265	N/A

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Accountant's Report as disclosed in the Prospectus dated 15 October 2021 and the accompanying explanatory notes attached to this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIA FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial statements of Ecomate Holdings Berhad (“**Ecomate**” or the “**Company**”) and its subsidiary (“**Group**”) are unaudited and have been prepared in accordance with Malaysia Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (“**MASB**”) and Chapter 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

This is the first interim financial report on the Company’s unaudited condensed consolidated financial results for the second (2nd) quarter ended 31 August 2021 announced in compliance with the listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding quarter.

The interim financial report should be read in conjunction with the Accountant’s Report as disclosed in the Prospectus dated 15 October 2021 and the accompanying explanatory note attached to this interim financial report.

2. Significant Accounting Policies

The significant accounting policies and presentation adopted for the interim financial statements are consistent with those adopted as disclosed in the Accountant’s Report in the Prospectus dated 15 October 2021, except for the adoption of the following new amendments to MFRSs:

MFRS and / or IC Interpretations (Including The Consequential Amendments)
Amendments to MFRS 3: Definition of a Business
Amendments to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9
Amendments to MFRS 9, MFRS139 and MFRS 7: Interest Rate Benchmark Reform
Amendments to MFRS 101 and MFRS 108: Definition of Material
Amendments to References to the Conceptual Framework in MFRS Standards

The Group has not applied in advanced any accounting standards and / or interpretations (including the consequential amendments. If any) that have been issued by the MASB but are yet effective for the financial year ended 28 February 2021.

3. Auditors’ Report on Preceding Annual Financial Statements

There was no qualified report issued by the auditors in the financial statements of the Group for the financial year ended 28 February 2021.

4. Seasonality or Cyclicity of Operations

There were no material seasonal or cyclical factors affecting the business operations of the Group in the current quarter.

5. Exceptional Items

There were no material exceptional items during the current financial quarter under review.

6. Material Changes in Estimates

There were no material changes in estimates amount that had a material effect for the current financial period under review.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

7. Debt and Equity Securities

On 9 June 2021, the Company issued a total of 309,999,998 new ordinary shares pursuant to the acquisition of the entire equity interest in Ecomate Sdn. Bhd. (“**ESB**”) in conjunction with its Initial Public Offering (“**IPO**”).

Save as disclosed above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

8. Dividend Paid

There were no dividends paid during the financial quarter under review.

9. Segment Information

The Group is principally engaged in manufacturing of furniture and furniture parts.

No products and services segment information is presented as the Group’s revenue and profit or loss are mainly confined to a single operating segment, namely furniture manufacturing.

Segment assets is not presented, as all non-current assets are located in Malaysia.

Segment revenue is presented based on the geographical location of the customers.

	Individual Quarter		Cumulative Quarter	
	Unaudited 31/08/2021 RM'000	Unaudited 31/08/2020 ⁽¹⁾ RM'000	Unaudited 31/08/2021 RM'000	Unaudited 31/08/2020 RM'000
Malaysia	120	N/A	8,618	N/A
Asia (excluding Malaysia)	3,185	N/A	6,801	N/A
North America	1,522	N/A	4,315	N/A
Europe	1,000	N/A	3,111	N/A
Australasia	627	N/A	2,404	N/A
Total	<u>6,454</u>	<u>N/A</u>	<u>25,249</u>	<u>N/A</u>

Note:

(1) This is the first interim financial report on the Company’s unaudited condensed consolidated financial results for the second (2nd) quarter ended 31 August 2021 announced in compliance with the Listing requirements and as such, there are no comparative figures for the preceding year’s corresponding quarter.

N/A – Not applicable

10. Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment in the current financial quarter under review.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

11. Capital Commitments

The material capital commitments of the Group as at 31 August 2021 are as follow:

	RM'000
Leasehold vacant industrial land	1,725
Additions of Property, Plant and Equipment	3,194

12. Material Subsequent Event

In conjunction with the Company's listing on the ACE Market of Bursa Securities, on 15 October 2021, the Company issued its Prospectus for its IPO entailing the following:

- (1) Public issue of 49,000,000 new shares ("**Issue Shares**") in the following manner:
 - (a) 17,500,000 new shares available for application by the Malaysian public;
 - (b) 8,750,000 new shares available for application by our eligible Directors and employees as well as persons who have contributed to the success of the Group;
 - (c) 22,750,000 new shares by way of private placement to selected investors; and

- (2) Offer for sales of 30,000,000 existing shares by way of private placement to selected investors,

At an IPO price of RM0.33 per share.

Upon completion of the IPO, the Company is expected to be admitted to the Official List of Bursa Securities and the Company's entire enlarged issued share capital of 350,000,000 shares shall be listed and quoted on the ACE Market of Bursa Securities.

The Group's operations has been disrupted by the imposition of Full Movement Control Order ("**FMCO**"), effective from 1 June 2021 and subsequently Phase One of the National Recovery Plan ("**Phase One of NRP**"). The Group's operations was suspended throughout the period when the FMCO and the Phase One of NRP were in effect. The said temporary disruption to the Group's operations during the FMCO and Phase One of NRP affected the Group's ability to fulfil its orders and result in production backlogs. The Group's manufacturing activities returned to operating at full capacity since 20 September 2021, after fulfilment of the vaccination requirement.

Save as disclosed above, there were no other material events subsequent to the end of the current financial period that have not been reflected in the interim financial reports for the said period as at the date of this report.

13. Changes in the Composition of the Group

On 9 June 2021, Ecomate had completed the acquisition of the entire equity interest in ESB at a purchase consideration of RM7,374,500, which was fully satisfied by the issuance of 300,999,998 new shares at an issue price of RM0.0245 per share.

14. Contingent Liabilities

There were no contingent assets and contingent liabilities as at the date of this interim financial report.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

15. Significant Related Party Transactions

	Individual Quarter		Cumulative Quarter	
	Unaudited 31/08/2021 RM'000	Unaudited 31/08/2020 ⁽¹⁾ RM'000	Unaudited 31/08/2021 RM'000	Unaudited 31/08/2020 ⁽¹⁾ RM'000
Purchases	-	N/A	88	N/A
Fire protection maintenance expense	*	N/A	3	N/A

Note:

(1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the second (2nd) quarter ended 31 August 2021 announced in compliance with the Listing requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

* Negligible

N/A – Not applicable

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UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Review of Performance

(a) Results for current quarter

The Group recorded a revenue of RM6.45 million and loss before tax of RM1.81 million for the current financial quarter ended 31 August 2021. The Group had incurred listing expenses of approximate RM0.69 million for the current financial quarter.

The Group's revenue was mainly derived from manufacture and sale of furniture and furniture parts. Asia (excluding Malaysia) was the largest regional market, which contributed approximately 49.35% to the Group's revenue in the current financial period.

(b) Results for financial year-to-date

The Group recorded a revenue of RM25.25 million and profit before tax of RM1.34 million for the six months ended 31 August 2021.

This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the second (2nd) quarter ended 31 August 2021 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

2. Comparison with Immediate Preceding Quarter's Results

The Group's performance for the second quarter ended 31 August 2021 (Q2FY2022) are tabled below:

Description	Q2FY2022 RM'000	Q1FY2022⁽¹⁾ RM'000	Variance %
Revenue	6,454	N/A	N/A
(Loss) before tax ("LBT")	(1,808)	N/A	N/A

Note:

(1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the second (2nd) quarter ended 31 August 2021 announced in compliance with the Listing requirements and as such, there are no comparative figures for the immediate preceding quarter results.

N/A – Not applicable

3. Prospects and Outlook for the Current Financial Year

Industry Outlook

As disclosed in the Prospectus of the Company dated 15 October 2021, the Covid-19 pandemic has caused many countries to impose mandatory movement control and business operation restrictions in order to curb the spread of the virus, halting economic and business activities, including furniture businesses. This has temporarily disrupted the supply of furniture as global supply chains were affected.

Nevertheless, as people increasingly purchase home furniture to improve their living space at home due to the movement controls imposed in their countries, the increase in the demand for home furniture driven by the abovementioned factor is expected to cushion the negative impact arising from the Covid-19 pandemic and to support global demand for furniture.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

Further, as furniture is an essential item for comfort and functional purposes to support daily activities, the global demand for furniture is expected to remain strong over the longer term. Premised on this, the furniture export industry in Malaysia is expected to recover when global supply chains resume, economic conditions recover and the impact of the Covid-19 pandemic subsides or ends. This will eventually benefit the furniture export industry players in Malaysia, including Ecomate Group, as industry players will be able to leverage on the resumption of growth in global demand for furniture to continue expanding their business.

Global consumption of furniture increased from USD340.2 billion in 2010 to USD495.7 billion in 2019 at a CAGR of 2.9%, but dipped to USD400.4 billion in 2020, with China, USA and Germany as the top 3 consuming nations globally. The decrease in global furniture consumption in 2020 is attributable to precautionary spending by consumers arising from the COVID-19 pandemic. Nonetheless, the longer-term prospects of the furniture industry remain positive with recovery anticipated with the resumption of business activities globally and improvement in consumer spending. Further, in 2016, global furniture e-commerce sales stood at USD28.6 billion, and accounted for 4.0% of global furniture sales.

Global furniture e-commerce sales then increased to USD32.8 billion in 2017, and is expected to further grow to USD50.0 billion in 2020 at a CAGR of 15.1%. While world furniture consumption is dipped from USD495.7 billion in 2019 to an estimated USD400.4 billion in 2020 (CAGR -19.2%), e-commerce sales of furniture rose from USD56.1 billion to an estimated USD72.3 billion (CAGR 28.9%) during the same period.

The furniture e-commerce industry is a growing industry due to the rapid growth in the number of Internet users and the corresponding rise in Internet usage as consumers are increasingly leveraging on the Internet to shop.

Source: IMR Report by Providence

E-commerce has become a major sales channel for ready-to-assemble furniture. In FPE 2022, we secured increased sales orders from several customers due to increased demand through e-commerce. This bodes well for the future prospects of our Group as through e-commerce platforms, the Group's furniture products are now accessible to consumers worldwide, thereby allowing the Group to reach a wider market.

Group Prospects

The Group operates within the furniture manufacturing industry in Malaysia. The Group is expected to benefit from the future plans and strategies as disclosed in the Prospectus of the Company dated 15 October 2021, as follows:

- (a) We plan to rent a new warehouse and purchase additional production line our current manufacturing plant to support our long term business growth;
- (b) We plan to construct a new factory, hostel and purchase new machineries to increase automation in our manufacturing process;
- (c) We will continue to expand our range of home furniture through our continuous D&D efforts; and
- (d) We plan to expand our customer base and export markets.

4. Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

5. Tax Expense

	Individual Quarter		Cumulative Quarter	
	Unaudited 31/08/2021 RM'000	Unaudited 31/08/2020 ⁽¹⁾ RM'000	Unaudited 31/08/2021 RM'000	Unaudited 31/08/2020 ⁽¹⁾ RM'000
Current tax expense	-	N/A	557	N/A
Deferred tax expense	-	N/A	193	N/A
	<u>-</u>	<u>N/A</u>	<u>750</u>	<u>N/A</u>

Note:

(1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the second (2nd) quarter ended 31 August 2021 announced in compliance with the Listing requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

N/A – Not applicable

6. Status of Corporate Proposals

There were no corporate proposals announced which remain uncompleted during the quarter under review as at the date of this report.

7. Utilisation of Proceeds Raised from the IPO

The gross proceeds from the IPO amounting to RM16.2 million is intended to be utilised in the following manner:

Details of Use of Proceeds	Proposed	Actual	Deviation	Estimated Timeframe for Utilisation Upon Listing ⁽¹⁾
	Utilisation	Utilisation		
	RM'000	RM'000	RM'000	
Machinery and equipment	6,000	-	-	Within 12 months
Factory and hostel construction	2,000	-	-	Within 24 months
Purchase of raw material	5,270	-	-	Within 6 months
Estimated listing expenses	2,900	-	-	Immediate
	<u>16,170</u>	<u>-</u>	<u>-</u>	

Note:

(1) From the date of listing of the Company on the ACE Market of Bursa Securities. The utilisation of proceed disclosed above should be read in conjunction with the Prospectus of the Company dated 15 October 2021. As at the date of this report, the IPO is pending completion and hence there was no utilisation of IPO proceeds.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

8. Group's Borrowings and Debt Securities

	Unaudited As At 31/08/2021 RM'000	Audited As At 28/02/2021 RM'000
Non-current		
Lease liabilities	929	2,242
Term loans	7,286	7,517
	<u>8,215</u>	<u>9,759</u>
Current		
Bankers' acceptances	2,865	4,038
Lease liabilities	1,044	1,254
Term loans	455	445
	<u>4,364</u>	<u>5,737</u>
Total borrowings	12,579	15,496

9. Financial Instruments - Derivatives

The Group uses derivative financial instruments, mainly foreign currency option forward contracts to hedge its exposure to fluctuations in foreign exchange arising from sales. The Group does not hold or issue derivative financial instruments for trading purposes.

	(Unaudited) As at 31/08/2021		(Unaudited) As at 31/08/2020 ⁽¹⁾	
	Contract/ Notional Amount RM'000	Fair Value - Net Loss Amount RM'000	Contract/ Notional Amount RM'000	Fair Value - Net Loss Amount RM'000
Forward currency contracts				
Less than one year	<u>11,484</u>	<u>18</u>	<u>N/A</u>	<u>N/A</u>

Note:

(1) This is the first interim financial report on the Company's unaudited condensed consolidated financial results for the second (2nd) quarter ended 31 August 2021 announced in compliance with the Listing requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

N/A – Not applicable

10. Material Litigation

There were no material litigation involving the Group as at 31 August 2021.

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 AUGUST 2021

11. Earnings Per Share

The basic and diluted earnings per share for the current financial quarter and financial year to date are computed as follows:

		Unaudited Current Quarter 31/08/2021 RM'000	Unaudited Current Year To Date 31/08/2021 RM'000
(Loss)/Profit after tax attributable to			
owners of the Company	(RM)	(1,808)	591
Number of ordinary shares ('000)	(shares)	301,000	301,000
Basic earnings per share ⁽¹⁾	(sen)	(0.60)	0.20
Diluted earnings per share ⁽²⁾	(sen)	(0.60)	0.20

Notes:

(1) Basic earnings per share is calculated based on the Company's share capital of 301,000,000 ordinary shares as at 31 August 2021.

(2) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

12. Notes to the Statement of Comprehensive Income:

Profit before tax for the period has been arrived at after (crediting) / charging:

	Unaudited Current Quarter 31/08/2021 RM'000	Unaudited Current Year To Date 31/08/2021 RM'000
Depreciation		
- property, plant and equipment	163	303
- right-of-use assets	241	505
Short term leases	8	56
Interest expenses	150	289
Loss on fair value derivative	-	7
Interest income	(1)	(15)
Unrealised gain on foreign exchange	(25)	(54)
	<u> </u>	<u> </u>

13. Proposed Dividends

The Board of Directors has not recommended any dividend for the current financial quarter under review.

BY ORDER OF THE BOARD

ECOMATE HOLDINGS BERHAD

3rd November 2021

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