

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement of Comprehensive Income**  
**For The Period Ended 31 March 2015**

|  | Note | Individual Quarter   |                                      | Cumulative Quarter    |                                     |
|--|------|----------------------|--------------------------------------|-----------------------|-------------------------------------|
|  |      | Current Year Quarter | Preceding Year Corresponding Quarter | Current Year To Date  | Preceding Year Corresponding Period |
|  |      | 31.03.2015           | 31.03.2014                           | 31.03.2015            | 31.03.2014                          |
|  |      | RM'000               | RM'000                               | RM'000                | RM'000                              |
| Revenue  |      | 53,837               | 33,550                               | 392,685               | 248,135                             |
| Operating expenses                               | 10   | (39,038)             | (37,079)                             | (255,572)             | (227,297)                           |
| Other operating income                           | 11   | 1,363                | 3,853                                | 4,424                 | 6,102                               |
| Profit from operations                           |      | <u>16,162</u>        | <u>324</u>                           | <u>141,537</u>        | <u>26,940</u>                       |
| Finance costs                                    |      | <u>-</u>             | <u>-</u>                             | <u>-</u>              | <u>-</u>                            |
| Profit before tax                                |      | 16,162               | 324                                  | 141,537               | 26,940                              |
| Taxation   | 21   | (3,660)              | 54                                   | (33,647)              | (4,282)                             |
| <b>Profit for the period</b>                     |      | <u>12,502</u>        | <u>379</u>                           | <u>107,890</u>        | <u>22,659</u>                       |
| <b>Other Comprehensive Income :</b>              |      |                      |                                      |                       |                                     |
| Foreign currency translation                     |      | (62)                 | (15)                                 | (80)                  | (6)                                 |
| <b>Total comprehensive income for the period</b> |      | <u><u>12,440</u></u> | <u><u>363</u></u>                    | <u><u>107,810</u></u> | <u><u>22,652</u></u>                |

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement of Comprehensive Income**  
**For The Period Ended 31 March 2015**

|  | Note | Individual Quarter |               | Cumulative Quarter |               |
|--|------|--------------------|---------------|--------------------|---------------|
|  |      | Current            | Preceding     | Current            | Preceding     |
|  |      | Year               | Year          | Year               | Year          |
|  |      | Quarter            | Corresponding | To Date            | Corresponding |
|  |      | Quarter            | Quarter       | Period             |               |
|  |      | 31.03.2015         | 31.03.2014    | 31.03.2015         | 31.03.2014    |
|  |      | RM'000             | RM'000        | RM'000             | RM'000        |
| Profit attributable to :                     |      |                    |               |                    |               |
| Owners of the Parent                         |      | 8,469              | 1,000         | 67,280             | 18,936        |
| Non-controlling interest                     |      | 4,033              | (621)         | 40,610             | 3,722         |
|  |      | <u>12,502</u>      | <u>379</u>    | <u>107,890</u>     | <u>22,659</u> |
| Total comprehensive income attributable to : |      |                    |               |                    |               |
| Owners of the Parent                         |      | 8,407              | 984           | 67,200             | 18,930        |
| Non-controlling interest                     |      | 4,033              | (621)         | 40,610             | 3,722         |
|  |      | <u>12,440</u>      | <u>363</u>    | <u>107,810</u>     | <u>22,652</u> |
| Earnings Per Share                           |      |                    |               |                    |               |
| (a) Basic (sen)                              | 27a  | 5.19               | 0.61          | 41.24              | 11.53         |
| (b) Diluted (sen)                            | 27b  | -                  | -             | -                  | -             |

**(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014)**

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement of Financial Position**  
**As At 31 March 2015**

|                                    | <b>As at<br/>31.03.2015<br/>RM'000<br/>unaudited</b> | <b>As at<br/>31.03.2014<br/>RM'000<br/>audited</b> |
|------------------------------------|--|--|
| <b>ASSETS</b>                      |  |  |
| <b>Non-current assets</b>          |  |  |
| Property, plant and equipment      | 109,172  | 119,434  |
| Prepaid land lease payments        | 8,661  | 8,817  |
| Land held for property development | 69,463   | 60,966   |
| Deferred tax assets                | 20,563   | 20,563   |
| Goodwill on consolidation          | 18,790   | 26,763   |
|                                    | <u>226,650</u>                                       | <u>236,543</u>                                     |
| <b>Current assets</b>              |  |  |
| Property development costs         | -  | 33,988   |
| Inventories                        | 187,255  | 177,142  |
| Trade and other receivables        | 50,537   | 40,509   |
| Other current assets               | 5,915  | 5,635  |
| Current tax asset                  | 604  | 1,374  |
| Term deposits                      | 43,604   | 7,982  |
| Cash and bank balances             | 107,753  | 50,942   |
|                                    | <u>395,668</u>                                       | <u>317,572</u>                                     |
| <b>TOTAL ASSETS</b>                | <u><u>622,319</u></u>                                | <u><u>554,115</u></u>                              |

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with**

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement of Financial Position**  
**As At 31 March 2015**

|   | <b>As at<br/>31.03.2015<br/>RM'000<br/>unaudited</b> | <b>As at<br/>31.03.2014<br/>RM'000<br/>audited</b> |
|---|--|--|
| <b>EQUITY AND LIABILITIES</b>                       |  |  |
| <b>Equity attributable to owners of the Company</b> |  |  |
| Share capital                                       | 131,370  | 131,370  |
| Treasury shares                                     | (4,405)  | -  |
| Retained earnings                                   | 352,289  | 285,009  |
| Capital reserves                                    | 301  | 381  |
|   | <u>479,555</u>                                       | <u>416,760</u>                                     |
| <b>Non-controlling interest</b>                     | 44,179   | 32,769   |
| <b>Total equity</b>                                 | <u>523,733</u>                                       | <u>449,529</u>                                     |
| <b>Current liabilities</b>                          |  |  |
| Short term borrowings                               | 16,987   | 30,010   |
| Trade and other payables                            | 15,526   | 22,894   |
| Other current liabilities                           | 19,529   | 37,848   |
| Current tax payable                                 | 15,715   | 10   |
|   | <u>67,757</u>  | <u>90,762</u>                                      |
| <b>Non current liabilities</b>                      |  |  |
| Deferred tax liabilities                            | 9,253  | 13,824   |
| Term loan   | 21,576   | -  |
|   | <u>30,829</u>  | <u>13,824</u>                                      |
| <b>Total liabilities</b>                            | <u>98,586</u>  | <u>104,586</u>                                     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 | <u>622,319</u>                                       | <u>554,115</u>                                     |
| Net asset per share                                 | 2.97   | 2.54   |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement of Cash Flows**  
**For The Period Ended 31 March 2015**

|   | <b>12 Months Ended</b> |                   |
|---|------------------------|-------------------|
|   | <b>31.03.2015</b>      | <b>31.03.2014</b> |
|   | <b>RM'000</b>          | <b>RM'000</b>     |
|   | <b>unaudited</b>       | <b>Audited</b>    |
| <b>Operating activities</b>                                   |                        |                   |
| Profit before tax   | 141,537                | 26,940            |
| <u>Adjustments for :</u>                                      |                        |                   |
| Amortisation of prepaid land lease payments                   | 156                    | 156               |
| Advances to associated company                                |                        | 5                 |
| Depreciation  | 11,256                 | 11,435            |
| Gain on disposal of property, plant and equipment             | (91)                   | (1)               |
| Impairment loss on land held for development                  | -                      | 549               |
| Interest expenses included in cost of sales                   | 1,381                  | 567               |
| Interest expenses included in administrative expenses         | -                      | -                 |
| Interest income   | (3,736)                | (1,794)           |
| Goodwill written off  | 7,973                  | -                 |
| Net unrealised (gain)/loss on foreign exchange                | -                      | (428)             |
| Property, plant and equipment written off                     | 162                    | 4                 |
| Total adjustments   | 17,101                 | 10,493            |
| <b>Operating cash flows before changes in working capital</b> | <b>158,638</b>         | <b>37,433</b>     |
| <u>Changes in working capital :</u>                           |                        |                   |
| Decrease/(increase) in inventories                            | 9,068                  | (95,170)          |
| (Increase)/decrease in trade and other receivables            | (10,188)               | 49,301            |
| Increase in other current assets                              | (281)                  | (0)               |
| (Decrease)/increase in trade and other payables               | (7,449)                | (3,132)           |
| Decrease in other current liabilities                         | (18,319)               | 6,242             |
| Increase/(decrease) in property development costs             | 31,253                 | (8,030)           |
| Total changes in working capital                              | 4,084                  | (50,789)          |
| Cash flows from operation                                     | 162,722                | (13,355)          |
| Interest paid included in cost of sales                       | (1,381)                | (567)             |
| Interest paid included in administrative expenses             | -                      | -                 |
| Tax paid, net of refund                                       | (21,744)               | (2,337)           |
| Net cash flows from operating activities                      | 139,597                | (16,260)          |
| <b>Investing activities</b>                                   |                        |                   |
| Interest received   | 3,736                  | 1,794             |
| Proceeds from disposal of property, plant and equipment       | 93                     | 32                |
| Purchase of property, plant and equipment                     | (998)                  | (1,530)           |
| Net cash flows used in investing activities                   | 2,831                  | 295               |

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014)**

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement of Cash Flows**  
**For The Period Ended 31 March 2015**

|  | <b>12 Months Ended</b> |                      |
|--|------------------------|----------------------|
|  | <b>31.03.2015</b>      | <b>31.03.2014</b>    |
|  | <b>RM'000</b>          | <b>RM'000</b>        |
|  | <b>unaudited</b>       | <b>Audited</b>       |
| <b>Financing activities</b>                                |                        |                      |
| Dividend paid  | -                      | (4,926)              |
| Dividend paid to non-controlling interest                  | (29,200)               | (3,000)              |
| Purchase of treasury shares                                | (4,405)                | -                    |
| Drawdown of term loan                                      | 21,576                 | -                    |
| Proceeds from short term borrowings, net of repayment      | (13,023)               | 8,281                |
| Net cash flows (used in)/from financing activities         | <u>(25,052)</u>        | <u>355</u>           |
| <b>Net increase/(decrease) in cash and cash equivalent</b> | <b>117,376</b>         | <b>(15,609)</b>      |
| <b>Cash and cash equivalents at 1 April</b>                | <b>58,924</b>          | <b>74,534</b>        |
| <b>Cash and cash equivalents at 31 March</b>               | <b><u>176,300</u></b>  | <b><u>58,925</u></b> |
| <b>Analysis of cash and cash equivalents</b>               |                        |                      |
| Fixed deposits   | 43,604                 | 7,983                |
| Cash and bank balances                                     | 107,753                | 50,942               |
|  | <u>151,357</u>         | <u>58,925</u>        |

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014)**

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement Of Changes In Equity**  
**For The Period Ended 31 March 2015**

|                                   | ← Attributable to owners of the Company → |  |                                  |                              |                               |   |               | Non-controlling interest<br>RM'000 | Total<br>RM'000 |
|-----------------------------------|---|--|----------------------------------|------------------------------|-------------------------------|---|---------------|------------------------------------|-----------------|
|                                   | Non-Distributable                         |  |                                  | Distributable                |                               |   |               |                                    |                 |
|                                   | Share<br>Capital<br>RM'000                | Reserve<br>arising on<br>consolidation<br>RM'000 | Translation<br>Reserve<br>RM'000 | Treasury<br>Shares<br>RM'000 | Retained<br>Profits<br>RM'000 | Equity<br>attributable to<br>the owners of<br>the Company<br>RM'000 |               |                                    |                 |
| <b>Current Year To Date</b>       |   |  |                                  |                              |                               |   |               |                                    |                 |
| <b><u>Ended 31 March 2015</u></b> |   |  |                                  |                              |                               |   |               |                                    |                 |
| Opening balance at 1 April 2014   | 131,370                                   | 266  | 115                              | -                            | 285,009                       | 416,760   | 32,769        | 449,529                            |                 |
| <b>Total comprehensive income</b> | <u>-</u>                                  | <u>-</u>   | <u>(80)</u>                      | <u>-</u>                     | <u>67,280</u>                 | <u>67,200</u>   | <u>40,610</u> | <u>107,810</u>                     |                 |
| <b>Transactions with owners</b>   |   |  |                                  |                              |                               |   |               |                                    |                 |
| Purchase of treasury shares       | -   | -  | -                                | (4,405)                      | -                             | (4,405)   | -             | (4,405)                            |                 |
| Dividend paid                     | -   | -  | -                                | -                            | -                             | -   | (29,200)      | (29,200)                           |                 |
| Total transactions with owners    | -   | -  | -                                | (4,405)                      | -                             | (4,405)   | (29,200)      | (33,605)                           |                 |
| Closing balance at 31 March 2015  | <u>131,370</u>                            | <u>266</u>                                       | <u>35</u>                        | <u>(4,405)</u>               | <u>352,289</u>                | <u>479,555</u>  | <u>44,179</u> | <u>523,733</u>                     |                 |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014)

**EKSONS CORPORATION BERHAD (205814-V)**  
**Condensed Consolidated Statement Of Changes In Equity**  
**For The Period Ended 31 March 2015**

|  | ← Attributable to owners of the Company → |  |                               |                            |  |               | Non-controlling interest | Total |
|--|---|--|-------------------------------|----------------------------|--|---------------|--------------------------|-------|
|  | Non-Distributable                         |  |                               | Distributable              |  |               |                          |       |
|  | Share Capital<br>RM'000                   | Reserve arising on consolidation<br>RM'000 | Translation Reserve<br>RM'000 | Retained Profits<br>RM'000 | Equity attributable to the owners of the Company<br>RM'000 | RM'000        | RM'000                   |       |
| <b>Preceding Year Corresponding Period Ended 31 March 2014</b> |   |  |                               |                            |  |               |                          |       |
| Opening balance at 1 April 2013                                | 131,370                                   | 266  | 121                           | 271,049                    | 402,806  | 31,997        | 434,803                  |       |
| <b>Total comprehensive income</b>                              | <u>-</u>                                  | <u>-</u>                                   | <u>(6)</u>                    | <u>18,886</u>              | <u>18,880</u>  | <u>3,772</u>  | <u>22,652</u>            |       |
| <b>Transactions with owners</b>                                |   |  |                               |                            |  |               |                          |       |
| Dividend paid  | -   | -  | -                             | (4,926)                    | (4,926)  | (3,000)       | (7,926)                  |       |
| Total transactions with owners                                 | -   | -  | -                             | (4,926)                    | (4,926)  | (3,000)       | (7,926)                  |       |
| Closing balance at 31 March 2014                               | <u>131,370</u>                            | <u>266</u>                                 | <u>115</u>                    | <u>285,009</u>             | <u>416,760</u>   | <u>32,769</u> | <u>449,529</u>           |       |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014)



## EKSONS CORPORATION BERHAD (205814-V)

### EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

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#### 1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 March 2015. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2015.

#### 2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2015 except for the adoption of the following new and revised Financial Reporting Standards ("FRSs") and amendment to FRS:

|  |             |
|--|-------------|
| Amendments to FRS 2, FRS 3, FRS 8, FRS 116, FRS 124 and FRS 138, Annual Improvements 2010-2012 Cycle | 1 July 2014 |
| Amendments to FRS 3, FRS 13, FRS 140, Annual Improvements 2011-2013 Cycle                            | 1 July 2014 |
| Amendments to FRS 119, Defined Benefits Plans: Employee Contributions                                | 1 July 2014 |

The adoption of the above FRSs did not have any significant impact on the financial statements upon their initial application.

The Group has not early adopted the following FRS and IC Interpretations which have effective dates as follow:

|   | Effective for annual periods beginning on or after |
|---|--|
| Amendments to FRS 116 and FRS 138, Clarification of Acceptable Methods of Depreciation and Amortisation | 1 January 2016                                     |
| Amendments to FRS 11, Accounting for Acquisition of Interest in Joint Operations                        | 1 January 2016                                     |
| FRS 14 Regulatory Deferral Accounts   | 1 January 2016                                     |

The FRS and Interpretation above are expected to have no significant impact on the financial statements of the Group upon their initial application.

#### 3. Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

## EKSONS CORPORATION BERHAD (205814-V)

### EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

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#### 3. Malaysian Financial Reporting Standards (continued)

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be preparing its financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 March 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

#### 4. Disclosure of audit qualification

There was no qualification on the audit report of the preceding audited financial statements.

#### 5. Seasonality or cyclicity of interim operations

The timber business of the Group is affected by the world demand and supply of plywood. The other operations of the Group are not materially affected by any seasonality or cyclicity factors.

#### 6. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

#### 7. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years.

#### 8. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

During the current quarter, 230,200 ordinary shares of RM0.80 each were purchased and retained as treasury shares. The monthly breakdown of shares bought back were as follows:

| Month         | No. of shares  | Purchase price per share |             | Average price per share | Total cost |
|---------------|----------------|--------------------------|-------------|-------------------------|------------|
|               |                | Lowest                   | Highest     |                         |            |
| January 2015  | 147,500        | RM 1.35                  | RM 1.37     | RM 1.36                 | RM'000 202 |
| February 2015 | 57,000         | 1.42                     | 1.43        | 1.43                    | 82         |
| March 2015    | 25,700         | 1.40                     | 1.44        | 1.42                    | 37         |
| <b>Total</b>  | <b>230,200</b> | <b>1.35</b>              | <b>1.44</b> | <b>1.37</b>             | <b>321</b> |

**EKSONS CORPORATION BERHAD (205814-V)****EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 31 MARCH 2015****8. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities (continued)**

All the shares purchased to-date were held as treasury shares in accordance with the requirements of Section 67A of Companies Act 1965. There has been no resale or cancellation of treasury shares during the period under review.

Apart from the above, there were no issuances and repayments of debt and equity securities for the period under review.

**9. Dividends paid**

There was no dividend paid during the financial period to date.

**10. Operating expenses**

|   | 3 months Ended     |                      | 12 Months Ended    |                      |
|---|--------------------|----------------------|--------------------|----------------------|
|   | 31.03.15<br>RM'000 | 31.03.2014<br>RM'000 | 31.03.15<br>RM'000 | 31.03.2014<br>RM'000 |
| Depreciation  | 2,788              | 2,829                | 11,256             | 11,435               |
| Amortisation of prepaid land lease payments           | 39                 | 39                   | 156                | 156                  |
| Interest expenses included in cost of sales           | 924                | 132                  | 1,381              | 567                  |
| Interest expenses included in administrative expenses | (765)              | (1)                  | -                  | (1)                  |
| Property, plant and equipment written off             | 161                | 3                    | 162                | 4                    |
| Gain on disposal of property, plant and equipment     | -                  | (1)                  | (91)               | (1)                  |
| Goodwill written off                                  | 1,272              | 549                  | 7,973              | 549                  |
| Realised loss on foreign exchange                     | -                  | -                    | -                  | 5                    |
| Cost of sales   | 41,877             | 39,047               | 204,232            | 186,773              |
| Marketing and distribution expenses                   | 2,513              | 1,350                | 27,619             | 26,199               |
| Administration expenses                               | (10,211)           | (6,987)              | 1,150              | 368                  |
| Other expenses  | 440                | 119                  | 1,734              | 1,243                |
| <b>Total operating expenses</b>                       | <b>39,038</b>      | <b>37,079</b>        | <b>255,572</b>     | <b>227,297</b>       |

**11. Other operating income**

|                                     | 3 months Ended     |                      | 12 Months Ended    |                      |
|-------------------------------------|--------------------|----------------------|--------------------|----------------------|
|                                     | 31.03.15<br>RM'000 | 31.03.2014<br>RM'000 | 31.03.15<br>RM'000 | 31.03.2014<br>RM'000 |
| Interest income                     | 419                | 396                  | 3,736              | 1,794                |
| Miscellaneous income                | 3,435              | 225                  | 688                | 4,309                |
| <b>Total other operating income</b> | <b>3,853</b>       | <b>621</b>           | <b>4,424</b>       | <b>6,102</b>         |

## EKSONS CORPORATION BERHAD (205814-V)

### EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2015

#### 12. Segmental reporting

The Group's segmental report for the financial period to date is as follows :

| <b>Segment Revenue</b>                             | <b>Timber<br/>Operations<br/>RM'000</b> | <b>Trading<br/>RM'000</b> | <b>Property<br/>and<br/>Investment<br/>Holdings<br/>RM'000</b> | <b>Property<br/>Development<br/>RM'000</b> | <b>Eliminations<br/>RM'000</b> | <b>Consolidated<br/>RM'000</b> |
|--|---|---------------------------|--|--|--------------------------------|--------------------------------|
| External sales                                     | 217,006                                 | -                         | 50   | 175,629                                    | -                              | 392,685                        |
| Inter-segment sales                                | 132,048                                 | -                         | 118,800  | 109,372                                    | (360,220)                      | -                              |
| Total revenue                                      | <u>349,053</u>                          | <u>-</u>                  | <u>118,850</u>   | <u>285,001</u>                             | <u>(360,220)</u>               | <u>392,685</u>                 |
| <b>Segment Result</b>                              |   |                           |  |  |                                |                                |
| Operating profit/(loss)<br>before interest and tax | 12,377                                  | (21)                      | (426)  | 125,871                                    | -                              | 137,801                        |
| Interest income                                    | 1,543                                   | -                         | 943  | 1,250                                      | -                              | 3,736                          |
| Income taxes                                       | (15)                                    | -                         | 156  | (33,789)                                   | -                              | (33,647)                       |
| Net profit/(loss)                                  | <u>13,905</u>                           | <u>(21)</u>               | <u>673</u>   | <u>93,332</u>                              | <u>-</u>                       | <u>107,889</u>                 |

No geographical segmental analysis is presented as the Group operates principally in Malaysia.

All inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

#### 13. Valuations of property, plant and equipment

The valuation of property, plant and equipment have been bought forward without any amendments from the previous annual financial statements.

#### 14. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial year to date, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.

On 8th of May 2015, Scala Singapore Pte. Ltd., the Company's wholly-owned subsidiary has been struck-off from the Register of Companies of Singapore on 21st April 2015. As such, Scala Singapore Pte. Ltd. has ceased to be a subsidiary of the Company. Scala Singapore Pte Ltd has been dormant for several years.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT  
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**15. Capital commitments**

As at 31 March 2015, there were no material capital commitments for capital expenditure by the Group which might have a material impact on the financial position or business of the Group except as disclosed below:

|                                    | <b>As at<br/>31.03.2015<br/>RM'000</b> |
|------------------------------------|--|
| Approved and contracted for:       |  |
| Land held for property development | <u>16,222,411</u>                      |
|                                    | <u>16,222,411</u>                      |

**16. Changes in contingent liabilities since the last annual balance sheet date**

There were no changes in contingent liabilities of the Company since the last annual balance sheet date as at 31 March 2014. The contingent liabilities represent corporate guarantees in respect of banking facilities granted to subsidiary companies.

As at 31 March 2015, the amount of banking facilities utilised which were secured by corporate guarantees was RM38.6 million.

**17. Review of the performance of the Group for the period under review and financial year-to-date**

The Group's turnover and profit after taxation for the quarter under review are RM53.8 million and RM12.4 million respectively. In the corresponding quarter of the previous financial year, the division's turnover and profit after taxation were RM33.5 million and RM0.03 million respectively.

The Group's turnover and profit after taxation for the current financial year are RM392.7 million and RM107.8 million respectively. In the corresponding period of the previous financial year, the Group's turnover and profit after taxation were RM248.1 million and RM22.6 million respectively.

The performance of the Group's timber and property development divisions, which are the Group's main operating divisions, are as follow:

*Timber*

The timber division's turnover and profit after taxation for the quarter under review are RM36.6 million and RM4.2 million respectively. In the corresponding quarter of the previous financial year, the division's turnover and loss after taxation were RM74.5 million and RM 1.4 million respectively.

The higher turnover and profit for the quarter under review is mainly due to a higher volume of plywood sold.

The division's turnover and profit after taxation for the the current financial year are RM217.0 million and RM13.9 million respectively. In the corresponding period of the previous financial year, the division's turnover and profit after taxation were RM205.0 million and RM7.2 million respectively.

The higher profit after taxation for the current financial year compared to the previous financial year is mainly due to higher average selling prices.

**17. Review of the performance of the Group for the period under review and financial year-to-date (Continued)**

*Property Development*

The division's turnover and profit after taxation for the quarter under review are RM17.2 million and RM7.9 million respectively. In the corresponding quarter of the previous financial year, the division's turnover and loss after taxation were RM5.4 million and RM0.05 million respectively. The higher turnover and profit after taxation recorded for the quarter is mainly due to purchasers taking up units ahead of goods and service tax on which came into effect on 1st April 2015.

The division's turnover and profit after taxation for the current financial year are RM175.6 million and RM93.3 million respectively. In the previous financial year, the division's turnover and profit after taxation were RM42.1 million and RM8.4 million respectively. The higher turnover and profit after taxation for the period under review is mainly due to the sale of land measuring approximately 14.64 acres which was part of the Group's The Atmosphere project.

**18. Material changes in the results of the current quarter compared to the results of the the preceding quarter**

The Group's turnover and profit after taxation for the quarter under review are RM53.8 million and RM12.4 million respectively. In the immediate preceding quarter, the Group's turnover and profit after taxation were RM118.7 million and RM11.7 million respectively.

The performance of the Group's timber and property development divisions, which are the Group's main operating divisions are as follows:

*Timber*

The timber division's turnover and profit after taxation for the quarter under review are RM36.6 million and RM4.2million respectively. In the immediate preceding quarter, the division's turnover and profit after taxation were RM74.5 million and RM1.4 million respectively.

The higher margins recorded for the current quarter is due to higher plywood prices compared to the immediate preceding quarter.

*Property Development*

The division's turnover and profit after taxation for the quarter under review are RM17.2 million and RM7.9 million respectively. In the immediate preceding quarter, the division's turnover and loss after taxation were RM9.7 million and RM24.2 million respectively.

The higher turnover and profit after taxation recorded in the immediate quarter is mainly due to recognition of turnover upon the handing over of the last phase of shop offices under The Atmosphere.

## EKSONS CORPORATION BERHAD (205814-V)

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#### 19. Prospects and Outlook

##### *Timber*

Trading conditions are expected to remain challenging in the months ahead due to logs shortage in Sarawak and worsening conflict in the Middle East. The implementation of the Malaysian Goods and Services Tax will have an impact on production costs. However, the division is expected to be able to weather out the effects of the above.

##### *Property Development*

The division is gearing towards launching its new development in Bukit Serdang, Selangor by the end of 2015. This project is expected to contribute to the Group's earnings in the 2016 financial year.

Having considered the above and other factors, the Board expects the Group's earnings to be positive for the 2015 financial year.

#### 20. Variance of actual profit from forecast profit

Not applicable.

#### 21. Breakdown of tax charge and explanation on variance between effective and statutory tax rate for the current quarter and financial period-to-date

|                       | <b>Current<br/>Quarter<br/>RM'000</b> | <b>Financial<br/>Period-to-date<br/>RM'000</b> |
|-----------------------|---------------------------------------|--|
| Taxation              |                                       |  |
| - Current year charge | 4,209                                 | 38,219   |
| Deferred taxation     |                                       |  |
| - Current year        | <u>(729)</u>                          | <u>(4,752)</u>                                 |
|                       | <u>3,480</u>                          | <u>33,467</u>                                  |

The Group's effective tax rate for the financial year to date is lower than the statutory tax rate principally due to the double deduction of freight charges incurred on exports of plywood and tax incentives available to some subsidiary companies.

#### 22. Status of corporate proposal

There was no corporate proposal not completed at the date of this report.

**EKSONS CORPORATION BERHAD (205814-V)**

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**23. Group borrowings and debt securities**

|                       | <b>As at<br/>31.03.2015<br/>RM'000</b> |
|-----------------------|--|
| Short term borrowings |  |
| - secured             | 16,987                                 |
| Long term borrowings  |  |
| - secured             | 21,576                                 |
| Total borrowings      | <u>38,563</u>                          |

All the above borrowings are denominated in local currency.

**24. Material litigation**

There was no material litigation against the Group as at the reporting date.

**25. Proposed dividend**

The Board of Directors does not recommend any interim dividend for the financial quarter ended 31 March 2015.

**26. Disclosure requirements pursuant to implementation of FRS 139**

**Part A: Disclosure of derivatives**

As at 31 March 2015, the Group did not hold any financial derivatives.

**Part B: Disclosure of gains/losses arising from fair value changes of financial liabilities**

As at 31 March 2015, the Group did not have any gains/losses arising from fair value changes of financial liabilities.



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**26. Disclosure requirements pursuant to implementation of FRS 139 (continued)**

**Part C: Disclosure of breakdown of realised and unrealised profits or losses**

The Group's realised and unrealised retained profits are as follows:

|   | <b>As at<br/>31.03.2015<br/>RM'000</b> |
|---|--|
| Total retained profits of the Company and its subsidiaries: |  |
| - Realised  | 354,358                                |
| - Unrealised  | <u>11,310</u>                          |
|   | 365,668                                |
| Add: Consolidation adjustments                              | <u>(17,096)</u>                        |
| Total group retained profits as per consolidated accounts   | <u><u>348,572</u></u>                  |

**27. Earnings per share**

The earnings per share is calculated as follows :

|   | <b>Financial<br/>Period-to-date<br/>RM'000</b> |
|---|--|
| <b>a. Basic</b>   |  |
| Net profit attributable to ordinary shareholders (RM'000) | <u>67,280</u>                                  |
| Number of ordinary shares in issue (in thousand)          | <u>163,133</u>                                 |
| Basic profit per ordinary share (sen)                     | <u>41.24</u>                                   |
| <b>b. Diluted</b>   |  |
| Not applicable  |  |

**28. Subsequent event**

There was no material event subsequent to the end of the current quarter.

BY ORDER OF THE BOARD

Emily Yeo Swee Ming  
Company Secretary

28 March 2015