

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Comprehensive Income
For The Period Ended 31 March 2016

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
		31.03.2016	31.03.2015	31.03.2016	31.03.2015
		RM'000	RM'000	RM'000	RM'000
Revenue		19,509	53,837	132,559	392,201
Operating expenses	10	(24,240)	(39,038)	(144,145)	(258,718)
Other operating income	11	1,243	1,363	9,956	7,914
(Loss)/Profit from operations		<u>(3,488)</u>	<u>16,163</u>	<u>(1,630)</u>	<u>141,397</u>
Finance costs		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(Loss)/profit before tax		(3,488)	16,163	(1,630)	141,397
Taxation	21	(7,865)	(3,660)	(8,655)	(35,027)
(Loss)/profit for the period		<u>(11,353)</u>	<u>12,503</u>	<u>(10,285)</u>	<u>106,370</u>
Other Comprehensive Income :					
Foreign currency translation		-	(62)	143	(258)
Total comprehensive (loss)/income for the period		<u>(11,353)</u>	<u>12,441</u>	<u>(10,142)</u>	<u>106,112</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015)

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

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31.03.2016 RM'000	Preceding Year Corresponding Quarter 31.03.2015 RM'000	Current Year To Date 31.03.2016 RM'000	Preceding Year Corresponding Period 31.03.2015 RM'000
(Loss)/profit attributable to :					
Owners of the Parent		(8,524)	13,124	(4,481)	67,280
Non-controlling interest		(2,829)	(621)	(5,804)	40,610
		<u>(11,353)</u>	<u>12,503</u>	<u>(10,285)</u>	<u>107,890</u>
Total comprehensive income attributable to :					
Owners of the Parent		(8,524)	13,062	(4,338)	65,502
Non-controlling interest		(2,829)	(621)	(5,804)	40,610
		<u>(11,353)</u>	<u>12,441</u>	<u>(10,142)</u>	<u>106,112</u>
Earnings Per Share					
(a) Basic (sen)	27a	(5.23)	8.04	(2.75)	41.24
(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 2015)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Financial Position
As At 31 March 2016

	As at 31.03.2016 RM'000 unaudited	As at 31.03.2015 RM'000 audited
ASSETS		
Non-current assets		
Property, plant and equipment	98,044	109,047
Prepaid land lease payments	8,506	8,661
Land held for property development	17,297	44,519
Deferred tax assets	12,776	20,563
Goodwill on consolidation	11,005	18,790
	<u>147,628</u>	<u>201,580</u>
Current assets		
Property development costs	34,325	-
Inventories	201,641	212,199
Trade and other receivables	25,711	50,538
Other current assets	10,787	5,915
Current tax asset	893	604
Term deposits	50,268	43,604
Cash and bank balances	99,650	107,753
	<u>423,275</u>	<u>420,613</u>
TOTAL ASSETS	<u><u>570,903</u></u>	<u><u>622,193</u></u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Financial Position
As At 31 March 2016

	As at 31.03.2016 RM'000 unaudited	As at 31.03.2015 RM'000 audited
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	131,370	131,370
Treasury shares	(4,480)	(4,405)
Retained earnings	346,903	351,385
Capital reserves	266	122
	<u>474,059</u>	<u>478,472</u>
Non-controlling interest	<u>35,760</u>	<u>43,564</u>
Total equity	<u>509,819</u>	<u>522,036</u>
Current liabilities		
Short term borrowings	8,413	23,313
Trade and other payables	22,332	15,599
Other current liabilities	2,888	19,647
Current tax payable	-	15,715
	<u>33,633</u>	<u>74,274</u>
Non current liabilities		
Deferred tax liabilities	10,644	10,633
Term loan	16,807	15,250
	<u>27,451</u>	<u>25,883</u>
Total liabilities	<u>61,084</u>	<u>100,157</u>
TOTAL EQUITY AND LIABILITIES	<u>570,903</u>	<u>622,193</u>
Net asset per share	2.91	2.99

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Cash Flows
For The Period Ended 31 March 2016

	12 Months Ended	
	31.03.2016	31.03.2015
	RM'000	RM'000
	unaudited	audited
Operating activities		
Profit before tax	(1,630)	141,397
<u>Adjustments for :</u>		
Impairment loss to third party receivables	79	161
Impairment loss to associated companies	6	5
Bad debts written off	1	-
Inventory written-off	-	1
Reversal of impairment loss	-	(549)
Amortisation of prepaid land lease payments	156	156
Depreciation	11,068	11,256
Gain on disposal of property, plant and equipment	107	(91)
Interest expenses included in cost of sales	208	1,857
Interest expenses included in administrative expenses	-	-
Unrealised foreign exchange	(873)	(4)
Interest income	(4,242)	(3,736)
Goodwill written off	7,785	7,973
Property, plant and equipment written off	57	126
Total adjustments	14,352	17,155
Operating cash flows before changes in working capital	12,722	158,552
<u>Changes in working capital :</u>		
Decrease/(increase) in inventories	10,558	(35,058)
(Increase)/decrease in trade and other receivables	25,614	(10,188)
Decrease/(increase) in other current assets	(4,872)	(281)
Increase/(Decrease) in trade and other payables	6,873	(7,554)
Decrease in other current liabilities	(16,759)	(18,201)
Decrease/(increase) in land held for proeprty development	-	-
Decrease/(increase) in property development costs	(7,102)	51,192
Total changes in working capital	14,312	(20,090)
Cash flows from operation	27,034	138,461
Interest paid included in cost of sales	(208)	(2,066)
Interest paid included in administrative expenses	-	-
Tax paid, net of refund	(16,861)	(21,744)
Net cash flows from operating activities	9,965	114,651
Investing activities		
Interest received	4,242	3,736
Proceeds from disposal of property, plant and equipment	1,812	93
Purchase of property, plant and equipment	(2,040)	(997)
Net cash flows used in investing activities	4,014	2,832

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Cash Flows
For The Period Ended 31 March 2016

	12 Months Ended	
	31.03.2016	31.03.2015
	RM'000	RM'000
	unaudited	audited
Financing activities		
Dividend paid	-	-
Dividend paid to non-controlling interest	(2,000)	(29,200)
Purchase of treasury shares	(75)	(4,405)
Drawdown of term loan	1,557	17,318
Proceeds from short term borrowings, net of repayment	(14,900)	1,988
Net cash flows (used in)/from financing activities	<u>(15,418)</u>	<u>(14,299)</u>
Net increase/(decrease) in cash and cash equivalent	(1,439)	103,184
Cash and cash equivalents at 1 April	151,357	48,173
Cash and cash equivalents at 31 March	<u>149,918</u>	<u>151,357</u>
Analysis of cash and cash equivalents		
Fixed deposits	50,268	43,604
Cash and bank balances	99,650	107,753
	<u>149,918</u>	<u>151,357</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement Of Changes In Equity
For The Period Ended 31 March 2016

	← Non-Distributable		Attributable to owners of the Company			Distributable		Total RM'000
	Share Capital RM'000	Reserve arising on consolidation RM'000	Translation Reserve RM'000	Treasury Shares RM'000	Retained Profits RM'000	Equity attributable to the owners of the Company RM'000	Non- controlling interest RM'000	
Current Year To Date								
Ended 31 March 2016								
Opening balance at 1 April 2015	131,370	266	(143)	(4,405)	351,384	478,472	43,564	522,036
Total comprehensive income	-	-	143	-	(4,481)	(4,338)	(5,804)	(10,142)
Transactions with owners								
Purchase of treasury shares	-	-	-	(75)	-	(75)	-	(75)
Dividend paid	-	-	-	-	-	-	(2,000)	(2,000)
Total transactions with owners	-	-	-	(75)	-	(75)	(2,000)	(2,075)
Closing balance at 31 March 2016	131,370	266	-	(4,480)	346,903	474,059	35,760	509,819

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement Of Changes In Equity
For The Period Ended 31 March 2016

	← Non-Distributable		Attributable to owners of the Company			→		Total RM'000
	Share Capital RM'000	Reserve arising on consolidation RM'000	Translation Reserve RM'000	Treasury Shares RM'000	Retained Profits RM'000	Equity attributable to the owners of the Company RM'000	Non- controlling interest RM'000	
Preceding Year Corresponding Period Ended 31 March 2015								
Opening balance at 1 April 2014	131,370	266	115	-	285,009	416,760	32,769	449,529
Total comprehensive income	-	-	(258)	-	66,375	66,117	39,995	106,112
Transactions with owners								
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	131,370	266	(143)	(4,405)	351,384	478,472	43,564	522,036

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 March 2016**

1. Accounting policies and methods of computation

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group 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 ("FRS"), amendment to FRS and Issues Committee ("IC") Interpretations :

Amendments to FRS 119: Defined Benefit Plans:	
Employee Contributions	1 July 2014
Annual Improvements to FRSs 2010 - 2012 Cycle	1 July 2014
Annual Improvements to FRSs 2011 - 2013 Cycle	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
Annual Improvements to FRSs 2012 – 2014 Cycle	1 January 2016
Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 116 and FRS 141: Agriculture: Bearer Plants	1 January 2016
Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 101: Disclosure Initiative	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
FRS 14: Regulatory Deferral Accounts	1 January 2016
FRS 9: Financial Instruments	1 January 2018

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

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 March 2016**

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').

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, 65,000 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		
March 2016	65,000	RM 1.15	RM 1.15	RM 1.15	RM'000 75

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 March 2016**

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	
	31.03.16 RM'000	31.03.15 RM'000	31.03.16 RM'000	31.03.15 RM'000
Depreciation	2,728	2,788	11,068	11,256
Amortisation of prepaid land lease payments	39	39	156	156
Interest expenses included in cost of sales	-	924	208	1,875
Interest expenses included in administrative expenses	-	(765)	-	-
Property, plant and equipment written off	12	161	57	126
Gain on disposal of property, plant and equipment	-	-	107	(91)
Goodwill written off	-	1,272	7,785	7,973
Unrealised loss/(gain) in foreign exchange	986	-	(873)	13
Realised loss/(gain) in foreign exchange	6,925	-	-	(2,922)
Cost of sales	12,376	41,877	98,586	191,101
Marketing and distribution expenses	2,820	2,513	10,522	30,639
Administration expenses	(3,028)	(10,211)	13,583	17,915
Other expenses	1,381	440	2,946	677
Total operating expenses	24,239	39,038	144,145	258,718

11. Other operating income

	3 months Ended		9 Months Ended	
	31.03.16 RM'000	31.03.15 RM'000	31.03.16 RM'000	31.03.15 RM'000
Interest income	1,088	1,219	4,242	3,736
Miscellaneous income	155	249	5,715	4,179
Total other operating income	1,243	1,468	9,957	7,915

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 March 2016**
12. Segmental reporting

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

	Timber Operations RM'000	Trading RM'000	Property and Investment Holdings RM'000	Property Development RM'000	Eliminations RM'000	Consolidated RM'000
Segment Revenue						
External sales	130,108	-	51	2,400	-	132,559
Inter-segment sales	45,828	-	14,000	-	(59,828)	-
Total revenue	<u>175,936</u>	<u>-</u>	<u>14,051</u>	<u>2,400</u>	<u>(59,828)</u>	<u>132,559</u>
Operating profit/(loss) before interest and tax	3,051	(12)	(671)	1,539	(9,571)	(5,664)
Interest income	1,993	-	1,548	492	-	4,033
Income taxes	(7,833)	-	(6)	(816)	-	(8,655)
Net profit/(loss)	<u>(2,789)</u>	<u>(12)</u>	<u>871</u>	<u>1,215</u>	<u>(9,571)</u>	<u>(10,286)</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

Except as disclosed below, 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 the Company's request Scala Singapore Pte. Ltd. and Liaboc Concepts Pte Ltd, the Company's wholly-owned subsidiaries have been struck-off from the Register of Companies of Singapore on 21st April 2015 and 12th May 2015 respectively. As such, both companies have ceased to be subsidiaries of the Company. Both companies have been dormant for years.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 March 2016**

15. Capital commitments

As at 31 March 2016, 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:

	As at 31.03.2016 RM'000
Approved and contracted for:	
Land held for property development	16,222
	<u>16,222</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 2015. The contingent liabilities represent corporate guarantees in respect of banking facilities granted to subsidiary companies.

As at 31 March 2016, the amount of banking facilities utilised which were secured by corporate guarantees was RM25.2 million.

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

The Group's turnover and loss after taxation for the quarter under review are RM19.5 million and RM11.4 million respectively. In the corresponding quarter of the previous financial year, the Group's turnover and profit after taxation were RM53.8 million and RM12.5 million respectively.

The Group's turnover and loss after taxation for the current financial year are RM132.6 million and RM10.3million respectively. In the corresponding period of the previous financial year, the Group's turnover and profit after taxation were RM392.2 million and RM106.4 million respectively.

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

Timber

The timber division's turnover and loss after taxation for the quarter under review is RM19.5 million and RM9.9 million respectively. In the corresponding quarter of the previous financial year, the division's turnover and profit after taxation were RM36.5 million and RM4.3 million respectively.

The division's turnover and loss after taxation for the current financial year are RM130.1 million and RM2.8 million respectively. In the corresponding period of the previous financial year, the division's turnover and profit after taxation were RM217.0 million and RM13.9 million million respectively.

The lower turnover for the current quarter and year under review is mainly due to the lower production as the Group's mill in Sarawak which has suspended operations due to the shortage of logs in the state. Following that, certain tax assets were derecognised which gave rise to a deferred tax charge of RM7.8 million. This, together with lower sales resulted in losses for the division. A weaker USD in the quarter under review also contributed to the loss after tax for the quarter.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 March 2016**

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

Property Development

The division's profit after taxation for the quarter under review is RM0.9 million. There were no sales recorded for the quarter under review. In the corresponding quarter of the previous financial year, the division's turnover and profit after taxation were RM17.3 million and RM7.8 million respectively.

The division's turnover and loss after taxation for the current financial year are RM2.4 million and RM6.6 million respectively. Inclusive in tax loss for the year is a goodwill impairment amounting to RM7.6 million in respect of the Company's subsidiary, The Atmosphere Sdn. Bhd. The impact of the write down is partially offset by a reclassification of interest expense of a subsidiary company amounting to approximately RM1.3 million to property development cost. In the previous financial year, the division's turnover and profit after taxation were RM36.7 million and RM8.9 million respectively. The higher turnover and profit after taxation in the previous financial year was due to sales of shop offices to purchasers wanting to take advantage of savings before the implementation of GST in April 2015.

18. Review of the performance of the Group for the quarter under review and immediate preceding quarter

The Group's turnover and loss after taxation for the quarter under review are RM19.5 million and RM11.4 million respectively. In the immediate preceding quarter, the Group's turnover and profit after taxation were RM36.1 million and RM5.8 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 loss after taxation for the quarter under review are RM19.5 million and RM9.9 million respectively. In the immediate preceding quarter, the division's turnover and profit after taxation were RM36.1 million and RM5.2 million respectively.

The lower turnover for the current quarter and year under review is mainly due to the lower production as the Group's mill in Sarawak has suspended operations due to the shortage of logs in the state. Following that certain tax assets' derecognition was put through in the current quarter amounting to RM7.8 million. This, together with lower sales resulted in losses for the division. A weaker USD in the quarter under review also contributed to the tax losses for the quarter.

Property Development

The division's profit after taxation for the quarter under review is RM0.9 million. There were no sales recorded for the quarter under review as property market continues to be soft. In the immediate preceding quarter, the division's profit after taxation were RM0.4 million.

The higher profit after tax recorded in the current quarter under review is mainly due to the reversal of accruals on building cost in regards to the The Atmosphere project in which it is no longer required which amounted to approximately RM2.2 million during the quarter. The increase is however being offset with the corporate taxes to be incurred on the reversal of the accruals amounting to approximately RM0.4million and as well as other operating expenses.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 March 2016**

19. Prospects and Outlook

Timber

The plywood market is expected to continue to be soft as the Middle East which is our main market is affected by the fall in oil prices.

Property Development

The division is gearing towards launching its new development in Bukit Serdang, Selangor in 2017. This project is expected to contribute to the Group's earnings in the 2018 financial year.

Having considered the above and other factors, the Board expects the Group's earnings to be lower than the previous 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

	Current Quarter RM'000	Financial Period-to-date RM'000
Taxation		
- Current year charge	(76)	(865)
Deferred taxation		
- Current year	(7,789)	(7,790)
	<u>(7,865)</u>	<u>(8,655)</u>

22. Status of corporate proposal

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

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 March 2016

23. Group borrowings and debt securities

	As at 31.03.2016 RM'000
Short term borrowings - secured	8,413
Long term borrowings - secured	16,807
Total borrowings	<u>25,220</u>

All the above borrowings are denominated in Ringgit Malaysia .

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 2016.

26. Disclosure requirements pursuant to implementation of FRS 139

Part A: Disclosure of derivatives

As at 31 March 2016, 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 2016, the Group did not have any gains/losses arising from fair value changes of financial liabilities.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 March 2016**

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:

	As at 31.03.2016 RM'000
Total retained profits of the Company and its subsidiaries:	
- Realised	369,440
- Unrealised	<u>2,132</u>
	371,572
Add: Consolidation adjustments	<u>(24,669)</u>
Total group retained profits as per consolidated accounts	<u><u>346,903</u></u>

27. Earnings per share

The earnings per share is calculated as follows :

	Financial Period-to-date RM'000
a. Basic	
Net profit attributable to ordinary shareholders (RM'000)	<u>(4,481)</u>
Number of ordinary shares in issue (in thousand)	<u>163,128</u>
Basic profit per ordinary share (sen)	<u>(2.75)</u>
b. Diluted	
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

31 May 2016