

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Comprehensive Income
For The Period Ended 30 June 2017

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
		30.06.2017	30.06.2016	30.06.2017	30.06.2016
		RM'000	RM'000	RM'000	RM'000
Revenue		49,310	17,898	49,310	17,898
Operating expenses	10	(59,389)	(26,444)	(59,389)	(26,444)
Other operating income	11	1,550	1,714	1,550	1,714
Loss before tax		<u>(8,529)</u>	<u>(6,832)</u>	<u>(8,529)</u>	<u>(6,832)</u>
Taxation	21	(271)	(112)	(271)	(112)
Loss for the period		<u>(8,800)</u>	<u>(6,944)</u>	<u>(8,800)</u>	<u>(6,944)</u>
Other Comprehensive Income :					
Foreign currency translation		-	-	-	-
Loss net of tax, representing total comprehensive income		<u><u>(8,800)</u></u>	<u><u>(6,944)</u></u>	<u><u>(8,800)</u></u>	<u><u>(6,944)</u></u>

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Comprehensive Income
For The Period Ended 30 June 2017

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30.06.2017 RM'000	Preceding Year Corresponding Quarter 30.06.2016 RM'000	Current Year To Date 30.06.2017 RM'000	Preceding Year Corresponding Period 30.06.2016 RM'000
Loss attributable to :					
Owners of the Parent		(8,610)	(4,988)	(8,610)	(4,988)
Non-controlling interest		(190)	(1,956)	(190)	(1,956)
		<u>(8,800)</u>	<u>(6,944)</u>	<u>(8,800)</u>	<u>(6,944)</u>
Total comprehensive income attributable to :					
Owners of the Parent		(8,610)	(4,988)	(8,610)	(4,988)
Non-controlling interest		(190)	(1,956)	(190)	(1,956)
		<u>(8,800)</u>	<u>(6,944)</u>	<u>(8,800)</u>	<u>(6,944)</u>
Earnings Per Share					
(a) Basic (sen)	27a	(5.35)	(3.06)	(5.35)	(3.06)
(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 2017)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Financial Position
As At 30 June 2017

	As at 30.06.2017 RM'000 Unaudited	As at 31.03.2017 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	84,587	87,240
Prepaid land lease payments	8,311	8,350
Land held for property development	17,297	17,297
Deferred tax assets	9,758	9,758
Goodwill on consolidation	4,735	4,735
	<u>124,688</u>	<u>127,380</u>
Current assets		
Property development costs	39,146	38,772
Inventories	153,827	188,973
Trade and other receivables	37,890	20,947
Other current assets	1,000	866
Current tax asset	1,542	1,515
Term deposits	115,486	114,447
Cash and bank balances	67,173	59,799
	<u>416,064</u>	<u>425,319</u>
TOTAL ASSETS	<u><u>540,752</u></u>	<u><u>552,699</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 2017)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Financial Position
As At 30 June 2017

	As at 30.06.2017 RM'000 Unaudited	As at 31.03.2017 RM'000 Audited
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	131,370	131,370
Treasury shares	(4,485)	(4,485)
Retained earnings	328,857	337,467
Capital reserves	266	266
	<u>456,008</u>	<u>464,618</u>
Non-controlling interest	33,068	33,258
Total equity	<u>489,076</u>	<u>497,876</u>
Current liabilities		
Short term borrowings	10,409	10,068
Trade and other payables	4,288	9,650
Other current liabilities	12,460	10,520
Current tax payable	79	56
	<u>27,236</u>	<u>30,294</u>
Non current liabilities		
Deferred tax liabilities	10,545	10,538
Term loan	13,895	13,991
	<u>24,440</u>	<u>24,529</u>
Total liabilities	<u>51,676</u>	<u>54,823</u>
TOTAL EQUITY AND LIABILITIES	<u>540,752</u>	<u>552,699</u>
Net asset per share	2.83	2.89

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement Of Changes In Equity
For The Period Ended 30 June 2017

	← Attributable to owners of the Company →							
	Share Capital RM'000	Capital Reserve RM'000	Revenue Reserve RM'000	Treasury Shares RM'000	Equity attributable to the owners of the Company RM'000	Non- controlling interest RM'000	Total RM'000	
Current Year To Date								
<u>For The Period Ended 30 June 2017</u>								
Opening balance at 1 April 2017	131,370	266	337,467	(4,485)	464,618	33,258	497,876	
Loss net of tax, representing total comprehensive income	-	-	(8,610)	-	(8,610)	(190)	(8,800)	
Closing balance at 30 June 2017	131,370	266	328,857	(4,485)	456,008	33,068	489,076	
Preceding Year								
<u>Corresponding Period</u>								
<u>For The Period Ended 30 June 2016</u>								
Opening balance at 1 April 2016	131,370	266	347,166	(4,480)	474,322	35,755	510,077	
Loss net of tax, representing total comprehensive income	-	-	(4,988)	-	(4,988)	(1,956)	(6,944)	
Closing balance at 30 June 2016	131,370	266	342,178	(4,480)	469,334	33,799	503,133	

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Cash Flows
For The Period Ended 30 June 2017

	3 Months Ended	
	30.06.2017	30.06.2016
	RM'000	RM'000
	Unaudited	Unaudited
Operating activities		
Loss before tax	(8,529)	(6,832)
<u>Adjustments for :</u>		
Amortisation of prepaid land lease payments	39	39
Depreciation	2,666	2,726
Gain on disposal of property, plant and equipment	-	(9)
Goodwill impairment	-	6,270
Interest expenses included in cost of sales	21	-
Interest expenses included in administrative expenses	169	139
Interest income	(1,143)	(1,079)
Property, plant and equipment written off	1	-
Total adjustments	1,753	8,086
Operating cash flows before changes in working capital	(6,776)	1,254
<u>Changes in working capital :</u>		
Increase in property development costs	(163)	(521)
Decrease/(Increase) in inventories	35,147	(7,511)
(Increase)/Decrease in trade and other receivables	(16,943)	20,421
Increase in other current assets	(133)	(4,865)
Decrease in trade and other payables	(5,362)	(4,695)
Increase/(Decrease) in other current liabilities	1,940	(860)
Total changes in working capital	14,486	1,969
Cash flows from operation	7,710	3,223
Interest paid	(402)	(139)
Tax paid, net of refund	(267)	(132)
Net cash flows generated from operating activities	<u>7,041</u>	<u>2,952</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017)

EKSONS CORPORATION BERHAD (205814-V)
Condensed Consolidated Statement of Cash Flows
For The Period Ended 30 June 2017

	3 Months Ended	
	30.06.2017	30.06.2016
	RM'000	RM'000
	Unaudited	Unaudited
Investing activities		
Interest received	1,143	1,079
Proceeds from disposal of property, plant and equipment	-	9
Purchase of property, plant and equipment	(14)	(71)
Net cash flows generated from investing activities	<u>1,129</u>	<u>1,017</u>
Financing activity		
Proceeds from short term borrowings, net of repayment	(350)	(2,096)
Net cash flows used in financing activity	<u>(350)</u>	<u>(2,096)</u>
Net increase in cash and cash equivalent	7,820	1,873
Cash and cash equivalents at the beginning of the financial period	171,837	149,918
Cash and cash equivalents at the end of the financial period	<u><u>179,657</u></u>	<u><u>151,791</u></u>
Analysis of cash and cash equivalents		
Fixed deposits	115,486	42,326
Cash and bank balances	67,173	109,465
Bank Overdraft	(3,002)	-
	<u>179,657</u>	<u>151,791</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2017**

1. Basis of Preparation

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 2017. 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 2017.

2. Changes in Accounting Policies

Companies Act 2016

The Companies Act 2016 ("New Act") was enacted to replace the Companies Act 1965 became effective on 31 January 2017. Amongst the key changes introduced in the New Act which will affect the financial statements of the Group includes:

- a) Removal of the authorised share capital
- b) Shares of the Company will cease to have par or nominal value

The adoption of the New Act did not have any financial impact to the financial statements of the Group, if applicable, the effect of adoption will be disclosed in the annual report.

Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2017 except for the adoption of the following new and revised Financial Reporting Standards ("FRS"), amendment to FRS and Issues Committee ("IC") Interpretations :

	Effective for annual periods beginning on or after
Amendments to FRS 107: Disclosure Initiative	1 January 2017
Amendments to FRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Annual Improvements to FRSs 2014 - 2016 Cycle -Amendments to FRS 12: Disclosure of Interests in Other Entities	1 January 2017

The adoption of the above standards, amendments and annual improvements did not have any material effect on the financial performance or position of the Group.

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 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to FRS 4: Applying FRS 9, Financial Instruments with FRS 4, Insurance Contracts	1 January 2018
Amendments to FRS 40: Investment Property	1 January 2018
FRS 9: Financial Instruments (2014)	1 January 2018
Annual Improvements to FRSs 2014 - 2016 Cycle -Amendments to FRS 1: First-time Adoption of MFRS -Amendments to FRS 128: Investment in Associates and Joint Ventures	1 January 2018

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2017**

2. Changes in Accounting Policies (cont'd)

MFRS 15: Revenue from Contracts with Customers	1 January 2018
MFRS 16: Leases	1 January 2019

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').

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 2019. 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.

EKSONS CORPORATION BERHAD (205814-V)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2017**

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

There were no issuances, cancellations, repurchases, resale and repayments of debt, treasury shares and equity securities of the Company for the current financial year to date.

9. Dividends paid

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

10. Operating expenses

	3 Months Ended	
	30.06.2017	30.06.2016
	RM'000	RM'000
Amortisation of prepaid land lease payments	39	39
Depreciation	2,666	2,726
Goodwill impairment	-	6,270
Gain on disposal of property, plant and equipment	-	-
Interest expenses included in cost of sales	21	28
Interest expenses included in administrative expenses	169	111
Property, plant and equipment written off	1	-
Realised loss on foreign exchange	-	-
Unrealised loss on foreign exchange	-	-
Cost of sales	49,440	14,125
Marketing and distribution expenses	5,229	989
Administration expenses	1,374	1,755
Other expenses	450	401
Total operating expenses	59,389	26,444

11. Other operating income

	3 Months Ended	
	30.06.2017	30.06.2016
	RM'000	RM'000
Realised gain on foreign exchange	12	345
Unrealised gain on foreign exchange	4	42
Interest income	1,143	1,079
Miscellaneous income	391	248
Total other operating income	1,550	1,714

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2017

12. Segmental reporting

For The Period Ended 30 June 2017

	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	49,296	-	14	-	-	49,310
Inter-segment sales	1,484	-	-	-	(1,484)	-
Total revenue	<u>50,780</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>(1,484)</u>	<u>49,310</u>
Segment Result						
Operating profit/(loss) before interest and tax	(8,968)	(2)	(64)	(448)	-	(9,482)
Interest expense	(21)	-	(92)	(77)	-	(190)
Interest income	531	-	590	22	-	1,143
Income taxes	(201)	-	(63)	(7)	-	(271)
Net profit/(loss)	<u>(8,659)</u>	<u>(2)</u>	<u>371</u>	<u>(510)</u>	<u>-</u>	<u>(8,800)</u>

For The Period Ended 30 June 2016

	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	17,884	-	14	-	-	17,898
Inter-segment sales	1,702	-	-	-	(1,702)	-
Total revenue	<u>19,586</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>(1,702)</u>	<u>17,898</u>
Segment Result						
Operating profit/(loss) before interest and tax	3,401	(2)	(45)	(756)	(10,369)	(7,771)
Interest expense	-	-	(102)	(37)	-	(139)
Interest income	654	-	378	46	-	1,078
Income taxes	(104)	-	(8)	-	-	(112)
Net profit/(loss)	<u>3,951</u>	<u>(2)</u>	<u>223</u>	<u>(747)</u>	<u>(10,369)</u>	<u>(6,944)</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 for 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 29 September 2016, the Company's subsidiary, Primary Project Management Sdn Bhd has filed for striking off pursuant to Section 308 of the Companies Act 1965 as it has ceased operation. The subsidiary's financial result was not consolidated in the Group's financial result.

15. Capital commitments

As at 30 June 2017, 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.

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 2017. The contingent liabilities represent corporate guarantees in respect of banking facilities granted to subsidiary companies.

As at 30 June 2017, the amount of banking facilities utilised which were secured by corporate guarantees was RM24.3 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 and current financial year ended 30 June 2017 are RM49.3 million and RM8.8 million respectively. In the corresponding quarter and period of the previous financial year, the Group's turnover and loss after taxation were RM17.9 million and RM6.9 million respectively.

The quarter sees the inventories of the Group moving from RM189.0 million to RM153.8 million due to plywood sales. As a result, trade and other receivables increased by RM16.9 million. The Group's cash and bank balances has also increased from the previous quarter by RM8.4 million to RM182.7 million. There were no other significant movements in the Consolidated Statement of Financial Position.

Apart from the normal operating activities, the Consolidated Statement of Cash Flows were not affected by any unusual transactions.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2017**17. Review of the performance of the Group for the period under review and financial year-to-date (cont'd)**

The Group's financial results for current quarter and financial year to date are summarised as below:

	Individual Quarter (1st Quarter)		Variance (%)	Cumulative Quarter		Variance (%)
	30.06.2017 RM'000	30.06.2016 RM'000		30.06.2017 RM'000	30.06.2016 RM'000	
Revenue	49,310	17,898	176%	49,310	17,898	176%
Loss before interest and tax	(9,482)	(7,771)	22%	(9,482)	(7,771)	22%
Loss before tax	(8,529)	(6,832)	25%	(8,529)	(6,832)	25%
Loss after tax	(8,800)	(6,944)	27%	(8,800)	(6,944)	27%
Loss attributable to ordinary equity holders of the owner	(8,610)	(4,988)	73%	(8,610)	(4,988)	73%

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

Timber

The timber division's turnover and loss after taxation for the quarter under review and current financial year ended 30 June 2017 are RM49.2 million and RM8.7 million respectively. In the corresponding quarter and period of the previous financial year, the division's turnover and loss after taxation were RM17.9 million and RM2.3 million respectively.

The division's sales were higher compared to the previous corresponding quarter, however the division was disposing its lower priced utility grade plywood thus bringing down its margins. The quarter also saw a slowdown in logs supply due to inclement weather conditions. This had led to higher production cost per m3 of plywood, leading to a loss for the period.

Property Development

The division's loss after taxation for the quarter under review and current financial year ended 30 June 2017 is RM0.5 million. In the corresponding quarter and period of the previous financial year, the division's loss after taxation were RM4.8 million.

The loss in the previous quarter were mainly due to reassessment of cost allocated to saleable area amounting to RM4.1 million which was taken to the Consolidated Statement of Comprehensive Income.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2017

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

The Group's financial results for current quarter compared with immediate preceding quarter are summarised as below:

	Current Quarter 30.06.2017	Immediate Preceding Quarter 31.03.2017	Variance
	RM'000	RM'000	%
Revenue	49,310	29,528	67%
Loss before interest and tax	(7,771)	(1,986)	291%
Loss before tax	(8,529)	(216)	3849%
Loss after tax	(8,800)	(3,606)	144%
Loss attributable to owner of the parent	(8,610)	(3,500)	146%

The Group's turnover and loss after taxation for the quarter under review are RM49.3 million and RM8.8 million respectively. In the immediate preceding quarter, the Group's turnover and loss after taxation were RM29.5 million and RM3.6 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 RM49.2 million and RM8.7 million respectively. In the immediate preceding quarter, the division's turnover and loss after taxation were RM29.5 million and RM3.2 million respectively.

The division's sales were higher compared to the immediate preceding quarter, however the division was disposing its lower priced utility grade plywood thus bringing down its margins. The quarter also saw a slowdown in logs supply due to inclement weather conditions. This had led to higher production cost per m3 of plywood, causing a further erosion to margins which led to a loss for the period.

Property Development

The division's loss after taxation for the quarter under review is RM0.5 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 loss after taxation were RM0.7 million. The expenses incurred were mainly for project management and administrative cost.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2017

19. Prospects and Outlook

Timber

The current plywood market is not stable and as such we are looking into new strategies to improve operations and mitigate losses.

Property Development

The division will launch its new development in Bukit Serdang Selangor in 2018. The project is expected to contribute to the Group's revenue in the 2019 financial year.

After considering the above and other factors, the Board does not expect the Group's performance to improve materially in the near term. However, we are looking at various strategies to improve its performance in the longer term. We shall also continue to look for new businesses for the Group.

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 tax expense	(264)	(264)
- Underprovision in prior year	-	-
	<u>(264)</u>	<u>(264)</u>
Deferred taxation		
- Current deferred tax expense	-	-
- Overprovision in prior year	(7)	(7)
	<u>(7)</u>	<u>(7)</u>
	<u>(271)</u>	<u>(271)</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 30 JUNE 2017

23. Group borrowings and debt securities

	As at 30.06.2017 RM'000
Short term borrowings - secured	10,409
Long term borrowings - secured	13,895
Total borrowings	<u>24,304</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 30 June 2017.

26. Disclosure requirements pursuant to implementation of FRS 139

Part A: Disclosure of derivatives

As at 30 June 2017, the Group did not hold any financial derivatives.

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

As at 30 June 2017, the Group did not have any gains/losses arising from fair value changes of financial liabilities.

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 30.06.2017 RM'000
Total retained profits of the Company and its subsidiaries:	
- Realised	361,985
- Unrealised	<u>(783)</u>
	361,202
Add: Consolidation adjustments	<u>(32,345)</u>
Total group retained profits as per consolidated accounts	<u>328,857</u>

EKSONS CORPORATION BERHAD (205814-V)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2017**

27. Earnings per share

The earnings per share is calculated as follows :

	Financial Period-to-date RM'000
a. Basic	
Net loss attributable to ordinary shareholders (RM'000)	<u>(8,610)</u>
Number of ordinary shares in issue (in thousand)	<u>160,929</u>
Basic loss per ordinary share (sen)	<u>(5.35)</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

Kimberly Ong Sweet Ee
Company Secretary

25 August 2017