

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Comprehensive Income
For The 3rd Financial Quarter Ended 31 December 2021

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
		31.12.2021	31.12.2020	31.12.2021	31.12.2020
		RM'000	RM'000	RM'000	RM'000
Revenue		18,935	20,258	70,938	30,623
Operating expenses	A9.	(15,837)	(24,191)	(73,671)	(42,921)
Other operating income	A10.	14,912	13,365	18,917	23,076
Profit before tax		18,010	9,432	16,184	10,778
Taxation	B5.	(148)	(61)	(277)	(285)
Profit from continuing operation		17,862	9,371	15,907	10,493
Gain from discontinued operation		-	-	-	-
Profit for the period		17,862	9,371	15,907	10,493
Other Comprehensive Income :					
Foreign currency translation		-	-	-	-
Profit net of tax, representing total comprehensive income		17,862	9,371	15,907	10,493

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2021)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Comprehensive Income
For The 3rd Financial Quarter Ended 31 December 2021

	Note	Individual Quarter		Cumulative Quarter	
		Current	Preceding	Current	Preceding
		Year	Year	Year	Year
		Quarter	Corresponding	To Date	Corresponding
		31.12.2021	31.12.2020	31.12.2021	31.12.2020
		RM'000	RM'000	RM'000	RM'000
Profit attributable to :					
Owners of the Parent		17,751	7,449	14,060	8,363
Non-controlling interest		111	1,922	1,847	2,130
		<u>17,862</u>	<u>9,371</u>	<u>15,907</u>	<u>10,493</u>
Total comprehensive income attributable to :					
Owners of the Parent		17,751	7,449	14,060	8,363
Non-controlling interest		111	1,922	1,847	2,130
		<u>17,862</u>	<u>9,371</u>	<u>15,907</u>	<u>10,493</u>
Earnings Per Share			-		
(a) Basic (sen)	B11.	10.99	4.66	8.71	5.23
(b) Diluted (sen)	B11.	-	-	-	-

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2021)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))**Unaudited Condensed Consolidated Statement of Financial Position****As At 31 December 2021**

	As at 31.12.2021 RM'000 Unaudited	As at 31.03.2021 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	48,563	53,814
Land held for property development	17,297	17,297
Deferred tax assets	1,313	1,313
	<u>67,173</u>	<u>72,424</u>
Current assets		
Property development costs	31,355	43,742
Inventories	91,511	104,832
Trade and other receivables	21,754	4,964
Other current assets	27,177	20,227
Current tax asset	824	949
Investment in securities	213,631	163,493
Term deposits	19,951	46,839
Cash and bank balances	4,890	7,653
	<u>411,093</u>	<u>392,699</u>
TOTAL ASSETS	<u><u>478,266</u></u>	<u><u>465,123</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 2021)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Financial Position
As At 31 December 2021

	As at 31.12.2021 RM'000 Unaudited	As at 31.03.2021 RM'000 Audited
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	131,370	131,370
Treasury shares	(3,356)	(3,356)
Retained earnings	278,814	264,754
	<u>406,828</u>	<u>392,768</u>
Non-controlling interest	22,168	20,321
Total equity	<u>428,996</u>	<u>413,089</u>
Current liabilities		
Short term borrowings	11,675	11,922
Trade and other payables	8,433	9,444
Other current liabilities	17,468	14,720
Current tax payable	386	363
Lease liability	45	45
	<u>38,007</u>	<u>36,494</u>
Non current liabilities		
Deferred tax liabilities	8,971	9,150
Term loan	2,292	6,390
	<u>11,263</u>	<u>15,540</u>
Total liabilities	<u>49,270</u>	<u>52,034</u>
TOTAL EQUITY AND LIABILITIES	<u>478,266</u>	<u>465,123</u>
Net asset per share	2.66	2.43
	-	-

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2021)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement Of Changes In Equity
For The 3rd Financial Quarter Ended 31 December 2021

	← Attributable to owners of the Company →				Equity attributable to the owners of the Company	Non- controlling interest	Total
	Share Capital RM'000	Capital Reserve RM'000	Revenue Reserve RM'000	Treasury Shares RM'000	RM'000	RM'000	RM'000
Current Year To Date							
<u>For The Period Ended 31 December 2021</u>							
Opening balance at 1 April 2021	131,370	-	264,754	(3,356)	392,768	20,321	413,089
Loss net of tax, representing total comprehensive income	-	-	14,060	-	14,060	1,847	15,907
Transactions with owners							
Disposal of an investment in a subsidiary company by non-controlling interest	-	-	-	-	-	-	-
Closing balance at 31 December 2021	<u>131,370</u>	<u>-</u>	<u>278,814</u>	<u>(3,356)</u>	<u>406,828</u>	<u>22,168</u>	<u>428,996</u>
Preceding Year							
<u>Corresponding Period</u>							
<u>For The Period Ended 31 December 2020</u>							
Opening balance at 1 April 2020	131,370	-	262,903	(5,319)	388,954	26,060	415,014
Profit net of tax, representing total comprehensive income	-	-	8,363	-	8,363	2,130	10,493
Transactions with owners							
Disposal of an investment in a subsidiary company by non-controlling interest	-	-	-	-	-	(6,700)	(6,700)
Closing balance at 31 December 2020	<u>131,370</u>	<u>-</u>	<u>271,266</u>	<u>(5,319)</u>	<u>397,317</u>	<u>21,490</u>	<u>418,807</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 2021)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Cash Flows
For The 3rd Financial Quarter Ended 31 December 2021

	9 Months Ended	
	31.12.2021	31.12.2020
	RM'000 Unaudited	RM'000 Audited
Operating activities		
Profit before tax	16,184	10,778
<u>Adjustments for :</u>		
Depreciation	4,987	7,047
Fair value changes in investment in securities	-	461
Gain on disposal of property, plant and equipment	(60)	(48)
Impairment of property, plant and equipment	-	(44)
Interest expenses	770	2,367
Interest income	(1,354)	(5,273)
Property, plant and equipment written off	25	-
Unrealised loss/(gain) on foreign exchange	(4,974)	4,653
Unrealised gain on investment	(8,379)	(10,381)
Total adjustments	(8,985)	(1,218)
Operating cash flows before changes in working capital	7,199	9,560
<u>Changes in working capital :</u>		
Decrease/(increase) in property development costs	12,387	(485)
Decrease in inventories	13,321	6,906
(Increase)/decrease in trade and other receivables	(16,790)	2,210
Increase in other current assets	(6,950)	(11,118)
(Decrease)/increase in trade and other payables	(1,011)	1,665
Increase/(decrease) in other current liabilities	2,748	(959)
Total changes in working capital	3,705	(1,781)
Cash flows from operations	10,904	7,779
Interest paid	(770)	(2,367)
Tax paid, net of refund	(308)	(340)
Net cash flows generated from operating activities	<u>9,826</u>	<u>5,072</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2021)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Cash Flows
For The 3rd Financial Quarter Ended 31 December 2021

	9 Months Ended	
	31.12.2021	31.12.2020
	RM'000	RM'000
	Unaudited	Audited
Investing activities		
Interest received	1,354	5,273
Investment in securities	(36,785)	(7,624)
Proceeds from disposal of property, plant and equipment	339	254
Purchase of property, plant and equipment	(40)	(21)
Net cash flows used in investing activities	<u>(35,132)</u>	<u>(2,118)</u>
Financing activities		
Proceeds from short term borrowings, net of repayment	(4,274)	879
Net cash flows generated from financing activities	<u>(4,274)</u>	<u>879</u>
Net (decrease)/increase in cash and cash equivalent	(29,580)	3,833
Cash and cash equivalents at the beginning of the financial year	<u>49,941</u>	<u>58,952</u>
Cash and cash equivalents at the end of the financial year	<u><u>20,361</u></u>	<u><u>62,785</u></u>
Analysis of cash and cash equivalents		
Term deposit	19,951	59,561
Cash and bank balances	4,890	8,009
Bank Overdraft	(4,480)	(4,785)
	<u>20,361</u>	<u>62,785</u>
	-	-

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2021)

PART A: EXPLANATION NOTES AS PER MFRS 134

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 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 2021. 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 2021.

A2. Changes in Accounting Policies

The audited financial statements of the Group for the year ended 31 March 2021 were prepared in accordance with Malaysian Financial Reporting Standards (MFRS). The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2021 except for the adoption of the following new and revised standards effective as at 1 January 2021:

	Effective for annual period beginning on or after
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021

The above standards, amendments and annual improvements do not have significant impact on the financial reporting of the Group.

A3. Disclosure of audit qualification

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

A4. Seasonality or cyclicity of interim operations

The plywood manufacturing 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.

A5. 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.

A6. 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.

A7. 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 period to date.

A8. Dividends paid

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

A9. Operating expenses

	3 Months Ended		9 Months Ended	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000
Depreciation	1,654	3,011	4,987	7,047
Interest expenses	145	1,333	770	2,367
Property, plant and equipment written off	-	-	25	-
Fair value changes in investment in securities	-	461	-	461
Realised (gain) on foreign exchange	(201)	-	-	-
Realised (gain)/loss on investment in securities	(111)	-	808	-
Unrealised (gain)/loss on foreign exchange	(4,751)	4,653	-	4,653
Cost of sales	12,177	12,695	50,566	20,293
Marketing and distribution expenses	2,254	664	2,969	1,352
Administration and other expenses	4,670	1,374	13,546	6,748
Total operating expenses	15,837	24,191	73,671	42,921
	-	-	-	-

A10. Other operating income

	3 Months Ended		9 Months Ended	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000
Realised gain on foreign exchange	2,559	607	2,559	979
Unrealised gain/(loss) on foreign exchange	4,974	(23)	4,974	-
Unrealised gain on investment in securities	6,423	4,863	8,379	10,381
Rental income	352	405	1,034	963
Interest income	122	2,381	1,354	5,273
Miscellaneous income	482	5,132	617	5,480
Total other operating income	14,912	13,365	18,917	23,076
	-	-	-	-

A11. Segmental reporting**For The Period Ended 31 December 2021**

	Plywood Manufacturing RM'000	Property and Investment Holdings RM'000	Property Development RM'000	Eliminations RM'000	Consolidated RM'000
Segment Revenue					
External sales	29,502	-	41,436	-	70,938
Inter-segment sales	319	-	-	(319)	-
Total revenue	<u>29,821</u>	<u>-</u>	<u>41,436</u>	<u>(319)</u>	<u>70,938</u>
Segment Result					
Operating (loss)/profit before interest and tax	(5,906)	14,475	7,030	-	15,599
Interest expense	-	(229)	(1,609)	1,068	(770)
Interest income	264	2,082	77	(1,068)	1,355
Income taxes	(80)	(191)	(6)	-	(277)
Net (loss)/profit	<u>(5,722)</u>	<u>16,137</u>	<u>5,492</u>	<u>-</u>	<u>15,907</u>

A11. Segmental reporting (cont'd)**For The Period Ended 31 December 2020**

	Plywood Manufacturing RM'000	Property and Investment Holdings RM'000	Property Development RM'000	Eliminations RM'000	Consolidated RM'000
Segment Revenue					
External sales	9,507	40	21,076	-	30,623
Inter-segment sales	226	-	-	(226)	-
Total revenue	<u>9,733</u>	<u>40</u>	<u>21,076</u>	<u>(226)</u>	<u>30,623</u>
Segment Result					
Operating (loss)/profit before interest and tax	(10,493)	10,114	7,164	1,087	7,872
Interest expense	(33)	(180)	(1,905)	(249)	(2,367)
Interest income	657	5,373	81	(838)	5,273
Income taxes	(104)	(180)	(1)	-	(285)
Net (loss)/profit	<u>(9,973)</u>	<u>15,127</u>	<u>5,339</u>	<u>-</u>	<u>10,493</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.

A12. 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.

A13. Changes in the composition of the Group

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

A14. Capital commitments

As at 31 December 2021, 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.

A15. 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 2021. The contingent liabilities represent corporate guarantees in respect of banking facilities granted to subsidiary companies.

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES
(PART A OF APPENDIX 9B)**

B1. Review of the performance of the Group for the period under review and financial year-to-date

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

	Individual Quarter (3rd Quarter)		Variance (%)	Cumulative Quarter (3rd Quarter)		Variance (%)
	31.12.2021 RM'000	31.12.2020 RM'000		31.12.2021 RM'000	31.12.2020 RM'000	
Revenue	18,935	20,258	-7%	70,938	30,623	132%
Profit before interest and tax	18,155	8,384	117%	15,599	7,872	98%
Profit before tax	18,010	9,432	91%	16,184	10,778	50%
Profit after tax	17,862	9,371	91%	15,907	10,493	52%
Profit attributable to ordinary equity holders of the owner	17,751	7,449	138%	14,060	8,363	68%

B1. Review of the performance of the Group for the period under review and financial year-to-date (cont'd)

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

Plywood manufacturing

The plywood manufacturing division's turnover and loss after taxation for the nine months ended 31 December 2021 were RM29.5 million and RM5.7 million respectively. In the corresponding period of the previous financial year, the division's turnover and loss after taxation were RM9.5 million and RM10.0 million respectively.

The division recorded a turnover and loss after taxation for the quarter under review of RM11.1 million and RM1.4 million respectively. In the corresponding quarter and period of the previous financial year, the division's turnover and loss after taxation were RM4.8 million and RM3.1 million respectively.

The turnover for the quarter under review was higher and the loss was lower than the corresponding quarter due to higher plywood prices and demand.

Property Development

The division's turnover and profit after taxation for the nine months ended 31 December 2021 were RM41.4 million and RM5.4 million respectively. In the corresponding period of the previous financial year, the division's turnover and profit after taxation were RM21.1 million and RM5.3 million respectively.

The division recorded a turnover and profit after taxation for the quarter under review of RM7.9 million and RM0.1 million respectively. In the corresponding quarter and period of the previous financial year, the division's turnover and profit after taxation were RM15.4 million and RM4.9 million. The revenue for the quarter included an amount of RM4.6 million from sale of commercial units of Russella Teguh Sdn Bhd. The revenue from Viva Paradise Sdn Bhd's Affiniti Residences project is based on the percentage of completion method.

B2. 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 31.12.2021	Immediate Preceding Quarter 30.09.2021	Variance
	RM'000	RM'000	%
Revenue	18,935	31,030	-39%
Profit/(loss) before interest and tax	18,155	(11,591)	257%
Profit/(loss) before tax	18,010	(10,869)	266%
Profit/(loss) after tax	17,862	(10,962)	263%
Profit/(loss) attributable to owner of the parent	17,751	(11,314)	257%

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

Plywood manufacturing

The division recorded a turnover and loss after taxation for the quarter under review of RM11.1 million and RM1.4 million respectively. In the immediate preceding quarter, the division's turnover and loss after taxation were RM8.5 million and RM2.1 million respectively.

The higher turnover and the lower loss for the current quarter as compared to immediate preceding quarter was due to an improvement in price and demand

Property Development

The division recorded a turnover and profit after taxation for the quarter under review of RM7.9 million and RM0.1 million respectively. In the immediate preceding quarter, the division's turnover and profit after taxation were RM22.5 million and RM1.1 million respectively. The revenue for the quarter included an amount of RM4.6 million from sale of commercial units of Russella Teguh Sdn Bhd. The revenue from Viva Paradise Sdn Bhd's Affiniti Residences project is based on the percentage of completion method.

B3. Prospects and Outlook

Plywood manufacturing

The plywood manufacturing operations of the Group are based in Sabah which has moved to Phase 4 of the National Recovery Plan, with fewer restrictions. However, the operating environment remain unpredictable and challenging despite the improvement in price and demand.

Property Development

Work at our development in Taman Bukit Serdang has ramped up since August 2021 as the government has relaxed SOPs. We have also relaunched sales and leasing operations at our commercial project, The Atmosphere. With the impending opening of the MRT station at Putra Permai we expect results will be positive going forward.

B4. Variance of actual profit from forecast profit

Not applicable.

B5. 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	(148)	(277)
- Overprovision in prior year	-	-
	<u>(148)</u>	<u>(277)</u>
Deferred taxation		
- Current deferred tax expense	-	-
- Overprovision in prior year	-	-
	<u>-</u>	<u>-</u>
	<u>(148)</u>	<u>(277)</u>
	-	-

B6. Status of corporate proposal

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

B7. Group borrowings and debt securities

	As at 31.12.2021 RM'000
Short term borrowings	
- secured	11,675
Long term borrowings	
- secured	2,292
Total borrowings	<u>13,967</u>

All the above borrowings are denominated in Ringgit Malaysia .

B8. Material litigation

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

B9. Proposed dividend

The Board of Directors does not presently recommend any interim dividend for the financial year ended 31 March 2022.

B10. Disclosure requirements pursuant to implementation of FRS 139

Part A: Disclosure of derivatives

As at 31 December 2021, 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 December 2021, the Group did not have any gains/losses arising from fair value changes of financial liabilities.

B11. Earnings per share

The earnings per share is calculated as follows :

	Current year quarter RM'000	Preceding year quarter RM'000	Current year to date RM'000	Preceding year to date RM'000
a. Basic				
Net gain attributable to ordinary shareholders (RM'000)	17,751	7,449	14,060	8,363
Number of ordinary shares in issue (in thousand)	161,480	159,881	161,480	159,881
Basic gain per ordinary share (sen)	10.99	4.66	8.71	5.23

b. Diluted

Not applicable

B12. Notes to Condensed Consolidated Statement of Comprehensive Income

	Current quarter RM'000	Current year to date RM'000
Net profit is arrived at after take in following items:		
a) Interest income	122	1,354
b) Other income	482	617
c) Rental income	352	1,034
d) Interest expense	(145)	(770)
e) Depreciation	(1,654)	(4,987)
f) Foreign exchange gain - realised and unrealised	12,485	7,533

B13. Subsequent event

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

BY ORDER OF THE BOARD

Goh Chooi Woan
Teo Soon Mei
Company Secretaries

23 February 2022