

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Comprehensive Income
For The 4th Financial Quarter Ended 31 March 2023

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
		31.03.2023 RM'000	31.03.2022 RM'000	31.03.2023 RM'000	31.03.2022 RM'000
Revenue		6,182	19,855	57,301	90,793
Operating expenses	A9.	(24,827)	(52,527)	(96,398)	(113,684)
Other operating income	A10.	10,623	2,419	19,078	8,822
Loss before tax		(8,022)	(30,253)	(20,019)	(14,069)
Taxation	B5.	561	(279)	423	(556)
Loss after tax		(7,461)	(30,532)	(19,596)	(14,625)
Loss net of tax, representing total comprehensive expense		(7,461)	(30,532)	(19,596)	(14,625)

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Comprehensive Income
For The 4th Financial Quarter Ended 31 March 2023

	Note	Individual Quarter		Cumulative Quarter	
		Current	Preceding	Current	Preceding
		Year	Year	Year	Year
		Quarter	Corresponding	To Date	Corresponding
		Quarter	Quarter	Period	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
		RM'000	RM'000	RM'000	RM'000
(Loss)/Profit attributable to :					
Owners of the Parent		(5,431)	(29,508)	(18,194)	(15,448)
Non-controlling interest		(2,030)	(1,024)	(1,402)	823
		<u>(7,461)</u>	<u>(30,532)</u>	<u>(19,596)</u>	<u>(14,625)</u>
Total comprehensive (expense)/income attributable to :					
Owners of the Parent		(5,431)	(29,508)	(18,194)	(15,448)
Non-controlling interest		(2,030)	(1,024)	(1,402)	823
		<u>(7,461)</u>	<u>(30,532)</u>	<u>(19,596)</u>	<u>(14,625)</u>
Loss Per Share					
(a) Basic (sen)	B11.	(3.36)	(18.27)	(11.27)	(9.57)
(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 2022)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Financial Position
As At 31 March 2023

	As at 31.03.2023 RM'000 Unaudited	As at 31.03.2022 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	35,038	43,319
Land held for property development	17,297	17,297
	<u>52,335</u>	<u>60,616</u>
Current assets		
Property development costs	-	32,537
Inventories	96,921	85,619
Trade and other receivables	14,928	18,064
Other current assets	1,534	23,266
Current tax asset	1,142	1,091
Investment in securities	191,835	190,305
Term deposits	10,824	18,975
Cash and bank balances	37,586	8,911
	<u>354,770</u>	<u>378,768</u>
TOTAL ASSETS	<u><u>407,105</u></u>	<u><u>439,384</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 2022)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Financial Position
As At 31 March 2023

	As at 31.03.2023 RM'000 Unaudited	As at 31.03.2022 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	231,112	249,306
	<u>359,126</u>	<u>377,320</u>
Non-controlling interest	19,742	21,144
Total equity	<u>378,868</u>	<u>398,464</u>
Current liabilities		
Short term borrowings	1,105	4,876
Trade and other payables	3,098	10,461
Other current liabilities	16,022	13,130
Current tax payable	512	1,164
Lease liability	2	37
	<u>20,739</u>	<u>29,668</u>
Non current liabilities		
Deferred tax liabilities	5,921	7,196
Term loan	1,577	4,056
	<u>7,498</u>	<u>11,252</u>
Total liabilities	<u>28,237</u>	<u>40,920</u>
TOTAL EQUITY AND LIABILITIES	<u>407,105</u>	<u>439,384</u>
Net asset per share	2.35	2.47

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement Of Changes In Equity
For The 4th Financial Quarter Ended 31 March 2023

	← Attributable to owners of the Company →				Non-controlling interest RM'000	Total RM'000
	Share Capital RM'000	Revenue Reserve RM'000	Treasury Shares RM'000	Equity attributable to the owners of the Company RM'000		
Current Year To Date						
<u>For The Period Ended 31 March 2023</u>						
Opening balance at 1 April 2022	131,370	249,306	(3,356)	377,320	21,144	398,464
Loss net of tax, representing total comprehensive expense	-	(18,194)	-	(18,194)	(1,402)	(19,596)
Transactions with owners						
Shares dividend distribution	-	-	-	-	-	-
Acquisition of non-controlling interest in a subsidiary	-	-	-	-	-	-
Closing balance at 31 March 2023	<u>131,370</u>	<u>231,112</u>	<u>(3,356)</u>	<u>359,126</u>	<u>19,742</u>	<u>378,868</u>
Preceding Year						
<u>Corresponding Period</u>						
<u>For The Period Ended 31 March 2022</u>						
Opening balance at 1 April 2021	131,370	264,754	(3,356)	392,768	20,321	413,089
(Loss)/profit net of tax, representing total comprehensive (expense)/income	-	(15,448)	-	(15,448)	823	(14,625)
Transactions with owners						
Shares dividend distribution	-	-	-	-	-	-
Acquisition of non-controlling interest in a subsidiary	-	-	-	-	-	-
Closing balance at 31 March 2022	<u>131,370</u>	<u>249,306</u>	<u>(3,356)</u>	<u>377,320</u>	<u>21,144</u>	<u>398,464</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 2022)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Cash Flows
For The 4th Financial Quarter Ended 31 March 2023

	12 Months Ended	
	31.03.2023	31.03.2022
	RM'000	RM'000
	Unaudited	Audited
Operating activities		
Loss before tax	(20,019)	(14,068)
<u>Adjustments for :</u>		
Depreciation	3,482	5,961
Gain on disposal of property, plant and equipment	(1,862)	(732)
Impairment of property, plant and equipment	5,076	3,759
Impairment of trade and other receivables	-	368
Interest expenses	287	1,012
Interest income	(4,872)	(2,753)
Inventories written off	-	166
Inventories written down	-	2,418
Property, plant and equipment written off	-	25
Dividend income from investment securities	(370)	(2)
Management fees for investment securities	1,114	-
Gain on foreign exchange	(9,628)	(3,398)
Loss on investment securities	16,640	8,605
Total adjustments	9,867	15,429
Operating cash flows before changes in working capital	(10,152)	1,361
<u>Changes in working capital :</u>		
Decrease in property development costs	32,537	11,205
(Increase)/decrease in inventories	(11,302)	16,629
Decrease/(increase) in trade and other receivables	3,137	(13,465)
Decrease/(Increase) in other current assets	21,732	(3,039)
(Decrease)/increase in trade and other payables	(7,362)	1,017
Increase/(decrease) in other current liabilities	2,892	(1,589)
Total changes in working capital	41,634	10,758
Cash flows from operations	31,482	12,119
Interest paid	(287)	(1,012)
Tax paid, net of refund	(1,520)	(539)
Net cash flows generated from operating activities	<u>29,675</u>	<u>10,568</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Cash Flows
For The 4th Financial Quarter Ended 31 March 2023

	12 Months Ended	
	31.03.2023	31.03.2022
	RM'000	RM'000
	Unaudited	Audited
Investing activities		
Interest received	483	416
Dividend received from short term funds	-	2
Investment in securities	(4,897)	(29,685)
Proceeds from disposal of property, plant and equipment	3,167	1,615
Purchase of property, plant and equipment	(1,617)	(134)
Net cash flows used in investing activities	<u>(2,864)</u>	<u>(27,786)</u>
Financing activities		
Repayment of lease liabilities, net	(35)	(8)
Repayment of short term borrowings, net of repayment	(2,582)	(9,028)
Withdrawal of fixed deposit pledged for bank guarantees	-	2
Net cash flows used in financing activities	<u>(2,617)</u>	<u>(9,034)</u>
Net increase/(decrease) in cash and cash equivalent	24,194	(26,252)
Cash and cash equivalents at the beginning of the financial year	<u>23,305</u>	<u>49,557</u>
Cash and cash equivalents at the end of the financial year	<u><u>47,499</u></u>	<u><u>23,305</u></u>
Analysis of cash and cash equivalents		
Term deposit	10,824	18,975
Cash and bank balances	37,586	8,911
Bank Overdraft	(530)	(4,199)
Deposit pledged for BG	(381)	(382)
	<u>47,499</u>	<u>23,305</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022)

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 2022. 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 2022.

A2. Changes in Accounting Policies

The audited financial statements of the Group for the year ended 31 March 2022 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 2022 except for the adoption of the following new and revised standards effective as at 1 January 2022:

	Effective for annual period beginning on or after
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022

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 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		12 Months Ended	
	31.03.2023 RM'000	31.03.2022 RM'000	31.03.2023 RM'000	31.03.2022 RM'000
Depreciation	881	974	3,482	5,961
Impairment of property, plant and equipment	5,076	3,759	5,076	3,759
Interest expenses	72	242	287	1,012
Property, plant and equipment written off	-	-	-	25
Inventories written off	-	166	-	166
Realised loss on foreign exchange	25	2,559	375	-
Realised loss on investment in securities	4,103	7,797	14,976	8,605
Unrealised loss on foreign exchange	-	1,576	-	-
Unrealised loss on investment in securities	-	8,379	1,664	-
Cost of sales	8,394	25,047	52,216	75,613
Marketing and distribution expenses	461	60	3,296	3,029
Administration and other expenses	5,815	1,968	15,026	15,514
Total operating expenses	24,827	52,527	96,398	113,684

A10. Other operating income

	3 Months Ended		12 Months Ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Realised gain on foreign exchange	8	-	77	-
Unrealised gain on foreign exchange	1,239	-	9,926	3,398
Unrealised gain on investment in securities	7,026	-	-	-
Rental income	409	-	1,027	1,034
Interest income	1,812	1,399	4,872	2,753
Miscellaneous income	129	1,020	3,176	1,637
Total other operating income	10,623	2,419	19,078	8,822

A11. Segmental reporting**For The Period Ended 31 March 2023**

	Plywood business RM'000	Property and Investment Holdings RM'000	Property Development RM'000	Eliminations RM'000	Consolidated RM'000
Segment Revenue					
External sales	22,129	8	35,164	-	57,301
Inter-segment sales	526	27,000	-	(27,526)	-
Total revenue	<u>22,655</u>	<u>27,008</u>	<u>35,164</u>	<u>(27,526)</u>	<u>57,301</u>
Segment Result					
Segment (loss)/profit	(11,129)	(12,255)	(2,957)	1,738	(24,603)
Interest expense	-	(223)	(1,423)	1,359	(287)
Interest income	284	5,666	280	(1,359)	4,871
Net loss before taxation					(20,019)
Income taxes					423
Net loss after taxation					<u>(19,596)</u>

A11. Segmental reporting (cont'd)**For The Period Ended 31 March 2022**

	Plywood business RM'000	Property and Investment Holdings RM'000	Property Development RM'000	Eliminations RM'000	Consolidated RM'000
Segment Revenue					
External sales	37,077	-	53,716	-	90,793
Inter-segment sales	459	10,000	-	(10,459)	-
Total revenue	<u>37,536</u>	<u>10,000</u>	<u>53,716</u>	<u>(10,459)</u>	<u>90,793</u>
Segment Result					
Segment (loss)/profit	(11,429)	(6,718)	5,218	(2,881)	(15,810)
Interest expense	(2)	(198)	(2,109)	1,297	(1,012)
Interest income	398	3,550	102	(1,297)	2,753
Net loss before taxation					(14,069)
Income taxes					(556)
Net loss after taxation					<u>(14,625)</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, and restructurings, with the exception of the discontinued plywood manufacturing operations on 1 January 2023, and having the manufacturing facilities leased out to a third party.

A14. Capital commitments

As at 31 March 2023, 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 2022. 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**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 (4th Quarter)		Variance (%)	Cumulative Quarter (4th Quarter)		Variance (%)
	31.03.2023 RM'000	31.03.2022 RM'000		31.03.2023 RM'000	31.03.2022 RM'000	
Revenue	6,182	19,855	-69%	57,301	90,793	-37%
Loss before interest and tax	(7,950)	(30,011)	74%	(19,732)	(13,057)	-51%
Loss before tax	(8,022)	(30,253)	73%	(20,019)	(14,069)	-42%
Loss after tax	(7,461)	(30,532)	76%	(19,596)	(14,625)	-34%
Loss attributable to ordinary equity holders of the owner	(5,431)	(29,508)	82%	(18,194)	(15,448)	-18%

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 business and property development divisions, which are its main operating divisions, were as follows:

Plywood business

The plywood business division's revenue and loss after taxation for the twelve months ended 31 March 2023 were RM22.1 million and RM10.9 million respectively. In the corresponding period of the previous financial year, the division's revenue and loss after taxation were RM37.1 million and RM10.6 million respectively.

The division recorded a revenue and loss after taxation for the quarter under review of RM2.7 million and RM6.7 million respectively. In the corresponding quarter and period of the previous financial year, the division's revenue and loss after taxation were RM7.6 million and RM4.9 million respectively.

The revenue for the quarter under review was lower than the corresponding quarter due to weak demand from the export markets. The loss after taxation for the quarter under review of RM 6.7 million includes an impairment of property, plant and equipment of RM 5.1 million.

Property Development

The division's revenue and loss after taxation for the twelve months ended 31 March 2023 were RM35.2 million and RM4.1 million respectively. In the corresponding period of the previous financial year, the division's revenue and profit after taxation were RM53.7 million and RM2.5 million respectively.

The division recorded a revenue and loss after taxation for the quarter under review of RM3.5 million and RM6.0 million respectively. In the corresponding quarter and period of the previous financial year, the division's revenue and loss after taxation were RM12.3 million and RM3.0 million. The loss for the quarter was largely due to the recognition of all anticipated contract cost only at the point of completion of project as per MFRS 15.

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 31.03.2023	Immediate Preceding Quarter 31.12.2022	Variance
	RM'000	RM'000	%
Revenue	6,182	8,507	-27%
Loss before interest and tax	(7,950)	(1,557)	-411%
Loss before tax	(8,022)	(1,627)	-393%
Loss after tax	(7,461)	(1,671)	-346%
Loss attributable to owner of the parent	(5,431)	(1,560)	-248%

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

Plywood business

The division recorded a revenue and loss after taxation for the quarter under review of RM2.7 million and RM6.7 million respectively. In the immediate preceding quarter, the division's revenue and loss after taxation were RM3.9 million and RM4.0 million respectively.

Property Development

The division recorded revenue and loss after taxation for the quarter under review of RM3.5 million and RM6.0 million respectively. In the immediate preceding quarter, the division's revenue and loss after taxation were RM4.6 million and RM0.3 million respectively.

B3. Prospects and Outlook

Plywood business

The plywood business operations of the Group are based in Sabah. The operating environment due to global economic uncertainty, inflationary pressures and supply of labour and raw materials remains unpredictable and challenging. Thus, the Group has on 1 January 2023 discontinued the plywood manufacturing operations and the plywood business factory has been leased out for a tenure of five (5) years.

The sale of the plywood inventory held will continue albeit with suppressed demand from the export markets due to the continuing Russia-Ukraine conflict and market uncertainty.

Property Development

With the continuing sales activities of Affiniti Residences, the inventories held is at a minimal. However, the industry is facing challenges in securing loans for purchasers, with rising interest rates. We continue to work with our supportive bankers to mitigate the issue.

The MRT station at Putra Permai commenced operations on 16 March 2023 and has resulted in a notable increase in footfall to The Atmosphere Commercial Park. This bodes well for our sales and leasing activities, with an increased in enquiries received.

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	(584)	(722)
- Overprovision in prior year	-	-
	<u>(584)</u>	<u>(722)</u>
Deferred taxation		
- Current deferred tax income	1,145	1,145
- Overprovision in prior year	-	-
	<u>561</u>	<u>423</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 31.03.2023 RM'000
Short term borrowings	
- secured	1,105
Long term borrowings	
- secured	1,577
Total borrowings	<u>2,682</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

There was no dividend declared or paid during the quarter under review.

B10. Disclosure requirements pursuant to implementation of FRS 139**Part A: Disclosure of derivatives**

As at 31 March 2023, 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 2023, 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	Preceding year quarter	Current year to date	Preceding year to date
	RM'000	RM'000	RM'000	RM'000
a. Basic				
Net loss attributable to ordinary shareholders (RM'000)	(5,431)	(29,508)	(18,194)	(15,448)
Number of ordinary shares in issue (in thousand)	161,480	161,480	161,480	161,480
Basic loss per ordinary share (sen)	(3.36)	(18.27)	(11.27)	(9.57)

b. Diluted

Not applicable

B12. Notes to Condensed Consolidated Statement of Comprehensive Income

	Current quarter	Current year to date
	RM'000	RM'000
Net loss is arrived at after the following items:		
a) Interest income	1,812	4,872
b) Other income	129	3,176
c) Rental income	409	1,027
d) Interest expense	(72)	(287)
e) Depreciation	(881)	(3,482)
f) Foreign exchange gain - unrealised	1,239	9,926
g) Foreign exchange loss - realised	(17)	(298)
h) Investment in securities gain/(loss) - unrealised	7,026	(1,664)
i) Investment in securities loss - realised	(4,103)	(14,976)

B13. Subsequent event

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

BY ORDER OF THE BOARD

Chua Siew Chuan
Lim Lih Chau
Company Secretaries

30 May 2023