

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Comprehensive Income
For The 3rd Financial Quarter Ended 31 December 2023

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
		31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Revenue		1,906	8,507	19,128	51,119
Operating expenses	A9.	(9,543)	(31,530)	(30,840)	(78,597)
Other operating income	A10.	11,705	21,396	22,875	15,481
Profit/(loss) before tax		4,068	(1,627)	11,163	(11,997)
Taxation	B5.	(279)	(44)	(213)	(138)
Profit/(loss) after tax		3,789	(1,671)	10,950	(12,135)
Profit/(loss) net of tax, representing total comprehensive income/(expense)		3,789	(1,671)	10,950	(12,135)

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2023)

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	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
		31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Profit/(loss) attributable to :					
Owners of the Parent		3,844	(1,560)	11,057	(12,763)
Non-controlling interest		(55)	(111)	(107)	628
		<u>3,789</u>	<u>(1,671)</u>	<u>10,950</u>	<u>(12,135)</u>
Total comprehensive income/(expense) attributable to :					
Owners of the Parent		3,844	(1,560)	11,057	(12,763)
Non-controlling interest		(55)	(111)	(107)	628
		<u>3,789</u>	<u>(1,671)</u>	<u>10,950</u>	<u>(12,135)</u>
Profit/(loss) Per Share					
(a) Basic (sen)	B11.	2.38	(0.97)	6.85	(7.90)
(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 2023)

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

	As at 31.12.2023 RM'000 Unaudited	As at 31.03.2023 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	20,983	22,703
Investment properties	12,059	12,344
Land held for property development	17,297	17,297
Trade and other receivables	-	971
	<u>50,339</u>	<u>53,315</u>
Current assets		
Inventories	80,274	96,921
Trade and other receivables	7,956	16,323
Other current assets	147	198
Current tax assets	717	1,384
Investment in securities	250,784	191,835
Term deposits	12,930	10,824
Cash and bank balances	10,509	37,586
	<u>363,317</u>	<u>355,071</u>
TOTAL ASSETS	<u><u>413,656</u></u>	<u><u>408,386</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 2023)

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

	As at 31.12.2023 RM'000 Unaudited	As at 31.03.2023 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	241,453	231,354
	<u>369,467</u>	<u>359,368</u>
Non-controlling interest	19,635	19,742
Total equity	<u>389,102</u>	<u>379,110</u>
Current liabilities		
Short term borrowings	-	1,105
Trade and other payables	2,655	4,156
Other current liabilities	15,618	15,993
Current tax payable	348	512
Lease liability	10	10
	<u>18,631</u>	<u>21,776</u>
Non current liabilities		
Deferred tax liabilities	5,921	5,921
Term loan	-	1,577
Lease liability	2	2
	<u>5,923</u>	<u>7,500</u>
Total liabilities	<u>24,554</u>	<u>29,276</u>
TOTAL EQUITY AND LIABILITIES	<u>413,656</u>	<u>408,386</u>
Net asset per share	2.41	2.35

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2023)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement Of Changes In Equity
For The 3rd Financial Quarter Ended 31 December 2023

	← Attributable to owners of the Company →					
	Share Capital 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 31 December 2023</u>						
Opening balance at 1 April 2023	131,370	231,354	(3,356)	359,368	19,742	379,110
Profit net of tax, representing total comprehensive income	-	11,057	-	11,057	(107)	10,950
Transactions with owners						
Redemption of preference share	-	(958)	-	(958)	-	(958)
	<u>131,370</u>	<u>241,453</u>	<u>(3,356)</u>	<u>369,467</u>	<u>19,635</u>	<u>389,102</u>
Preceding Year						
<u>Corresponding Period</u>						
<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	-	(17,952)	-	(17,952)	(1,402)	(19,354)
Closing balance at 31 March 2023	<u>131,370</u>	<u>231,354</u>	<u>(3,356)</u>	<u>359,368</u>	<u>19,742</u>	<u>379,110</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 2023)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Cash Flows
For The 3rd Financial Quarter Ended 31 Decemeber 2023

	9 Months Ended	
	31.12.2023	31.03.2023
	RM'000 Unaudited	RM'000 Audited
Operating activities		
Profit/(loss) before tax	11,163	(20,019)
<u>Adjustments for :</u>		
Bad debts writtten off	-	2
Depreciation	2,135	3,517
Gain on disposal of property, plant and equipment	-	(1,862)
Impairment of property, plant and equipment	-	4,760
Impairment of investment properties	-	316
Interest expenses	93	255
Dividend income from short term funds	(210)	-
Interest income	(5,740)	(4,872)
Inventories written down	26	-
Reversal of allowance on trade and other receivables	-	(14)
Gain on foreign exchange	(7,443)	(9,927)
Fair value (gain)/loss on investment securities	(7,713)	15,901
Total adjustments	(18,852)	8,076
Operating cash flows before changes in working capital	(7,689)	(11,943)
<u>Changes in working capital :</u>		
Decrease in property development costs	-	29,521
Decrease/(increase) in inventories	16,621	(11,303)
Decrease in trade and other receivables	9,342	794
Decrease in other current assets	51	26,084
Decrease in trade and other payables	(1,499)	(6,305)
(Decrease)/increase in other current liabilities	(375)	2,862
Total changes in working capital	24,140	41,653
Cash flows from operations	16,451	29,710
Interest received	231	289
Interest paid	-	(83)
Tax paid, net of refund	290	(1,555)
Net cash flows generated from operating activities	<u>16,972</u>	<u>28,361</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2023)

EKSONS CORPORATION BERHAD (199001014145 (205814-V))
Unaudited Condensed Consolidated Statement of Cash Flows
For The 3rd Financial Quarter Ended 31 Decemeber 2023

	9 Months Ended	
	31.12.2023	31.03.2023
	RM'000 Unaudited	RM'000 Audited
Investing activities		
Interest received	5,504	209
Redemption of preference share	(958)	-
Dividend received from investment securities	210	371
Investment in securities	(12,414)	(3,515)
Proceeds from disposal of property, plant and equipment	-	2,765
Purchase of property, plant and equipment	(130)	(1,215)
Net cash flows used in investing activities	<u>(7,788)</u>	<u>(1,385)</u>
Financing activities		
Repayment of lease liabilities, net	-	(31)
Repayment of short term borrowings, net of repayment	(2,153)	(2,581)
Withdrawal of fixed deposit pledged for bank guarantees	-	2
Interest paid	(93)	(172)
Net cash flows used in financing activities	<u>(2,246)</u>	<u>(2,782)</u>
Net increase in cash and cash equivalent	6,938	24,194
Cash and cash equivalents at the beginning of the financial year	47,500	23,305
Effect of exchange differences	19	1
Cash and cash equivalents at the end of the financial year	<u>54,457</u>	<u>47,500</u>
Analysis of cash and cash equivalents		
Term deposit	12,930	10,824
Cash and bank balances	10,509	37,586
Bank Overdraft	-	(530)
Money market funds	31,398	-
Deposit pledged for BG	(380)	(380)
	<u>54,457</u>	<u>47,500</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2023)

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 2023. 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 2023.

Changes in Accounting Policies

The audited financial statements of the Group for the year ended 31 March 2023 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 2023 except for the adoption of the following new and revised standards effective as at 1 January 2023:

	Effective for annual period beginning on or after
MFRS 17 Insurance Contracts	1 January 2023
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 16: Lease Liability in a Sale and Leaseback	1 January 2024
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
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendment to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendment to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
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 112: International Tax Reform – Pillar Two Model Rules	1 January 2023

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		9 Months Ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Depreciation	708	873	2,135	2,601
Interest expenses	11	70	93	215
Realised loss on foreign exchange	7	-	-	350
Realised loss on investment in securities	543	7,134	2,116	10,873
Unrealised loss on foreign exchange	4,583	9,855	-	-
Unrealised loss on investment in securities	-	-	-	8,690
Cost of sales	936	8,567	15,291	43,822
Marketing and distribution expenses	130	979	2,992	2,835
Administration and other expenses	2,625	4,052	8,213	9,211
Total operating expenses	9,543	31,530	30,840	78,597

A10. Other operating income

	3 Months Ended		9 Months Ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Realised gain on foreign exchange	-	287	58	69
Realised gain on investment in securities	2,590	-	-	-
Unrealised gain on foreign exchange	-	-	7,487	8,687
Unrealised gain on investment in securities	6,606	19,577	7,713	-
Rental income	317	196	1,162	618
Interest income	1,917	1,107	5,928	3,060
Miscellaneous income	275	229	527	3,047
Total other operating income	11,705	21,396	22,875	15,481

A11. Segmental reporting**For The Period Ended 31 December 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	12,661	32	6,435	-	19,128
Inter-segment sales	-	14,900	-	(14,900)	-
Total revenue	<u>12,661</u>	<u>14,932</u>	<u>6,435</u>	<u>(14,900)</u>	<u>19,128</u>
Segment Result					
Segment (loss)/profit	(5,422)	23,705	(67)	(12,888)	5,328
Interest expense	-	(93)	(516)	516	(93)
Interest income	104	6,086	254	(516)	5,928
Net profit before taxation					11,163
Income taxes					(213)
Net profit after taxation					<u>10,950</u>

A11. Segmental reporting (cont'd)**For The Period Ended 31 December 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	19,441	-	31,678	-	51,119
Inter-segment sales	526	-	-	(526)	-
Total revenue	<u>19,967</u>	<u>-</u>	<u>31,678</u>	<u>(526)</u>	<u>51,119</u>
Segment Result					
Segment (loss)/profit	(4,341)	(13,230)	2,751	(22)	(14,842)
Interest expense	-	(155)	(1,011)	951	(215)
Interest income	178	3,710	123	(951)	3,060
Net loss before taxation					(11,997)
Income taxes					(138)
Net loss after taxation					<u>(12,135)</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 December 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 2023. 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 (3rd Quarter)		Variance (%)	Cumulative Quarter (3rd Quarter)		Variance (%)
	31.12.2023 RM'000	31.12.2022 RM'000		31.12.2023 RM'000	31.12.2022 RM'000	
Revenue	1,906	8,507	-78%	19,128	51,119	-63%
Profit/(loss) before interest and tax	4,079	(1,557)	362%	11,256	(11,782)	196%
Profit/(loss) before tax	4,068	(1,627)	350%	11,163	(11,997)	193%
Profit/(loss) after tax	3,789	(1,671)	327%	10,950	(12,135)	190%
Profit/(loss) attributable to ordinary equity holders of the owner	3,844	(1,560)	346%	11,057	(12,763)	187%

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 nine months ended 31 December 2023 were RM12.7 million and RM5.5 million respectively. In the corresponding period of the previous financial year, the division's revenue and loss after taxation were RM19.4 million and RM4.2 million respectively.

The revenue for the period under review was lower than the corresponding period due to weak demand from the export markets.

Property Development

The division's revenue and loss after taxation for the nine months ended 31 December 2023 were RM6.4 million and RM0.4 million respectively. In the corresponding period of the previous financial year, the division's revenue and profit after taxation were RM31.7 million and RM1.9 million respectively.

The revenue for the period under review was mainly from the sale of the Affiniti Residence project, for which vacant possession was delivered in January 2023.

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 31.12.2023	Immediate Preceding Quarter 30.9.2023	Variance
	RM'000	RM'000	%
Revenue	1,906	11,961	-84%
Profit/(loss) before interest and tax	4,079	(3,583)	214%
Profit/(loss) before tax	4,068	(3,613)	213%
Profit/(loss) after tax	3,789	(2,947)	229%
Profit/(loss) attributable to owner of the parent	3,844	(2,175)	277%

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 RM0.5 million and RM1.2 million respectively. In the immediate preceding quarter, the division's revenue and loss after taxation were RM11.8 million and RM2.3 million respectively.

The loss for the quarter under review was due to weaker selling price.

Property Development

The division recorded revenue and loss after taxation for the quarter under review of RM1.3 million and RM0.2 million respectively. In the immediate preceding quarter, the division's revenue and loss after taxation were RM0.2 million and RM2.4 million respectively.

B3. Prospects and Outlook

Plywood business

The market for plywood remains weak globally. The sale of the plywood inventory held will continue albeit with suppressed demand from the export markets due to the continuing Russia-Ukraine conflict, Israel-Palestinian conflict, Red Sea crisis and economic uncertainty in China.

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 and the rise in occupancy rates.

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	(279)	(213)
- Overprovision in prior year	-	-
	<u>(279)</u>	<u>(213)</u>
Deferred taxation		
- Current deferred tax income	-	-
- Overprovision in prior year	-	-
	<u>(279)</u>	<u>(213)</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 31.12.2023 RM'000
Short term borrowings	
- secured	-
Long term borrowings	
- secured	-
Total borrowings	-

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 December 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 December 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
a. Basic				
Net profit/(loss) attributable to ordinary shareholders (RM'000)	3,844	(1,560)	11,057	(12,763)
Number of ordinary shares in issue (in thousand)	161,480	161,480	161,480	161,480
Basic profit/(loss) per ordinary share (RM'sen)	2.38	(0.97)	6.85	(7.90)

b. Diluted

Not applicable

B12. Notes to Condensed Consolidated Statement of Comprehensive Income

	Current quarter RM'000	Current year to date RM'000
Net loss is arrived at after the following items:		
a) Interest income	1,917	5,928
b) Other income	275	527
c) Rental income	317	1,162
d) Interest expense	(11)	(93)
e) Depreciation	(708)	(2,135)
f) Foreign exchange (loss)/gain - unrealised	(4,583)	7,487
g) Foreign exchange (loss)/gain - realised	(7)	58
h) Investment in securities gain - unrealised	6,606	7,713
i) Investment in securities gain/(loss) - realised	2,047	(2,116)

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

22 February 2024