

ETI TECH CORPORATION BERHAD (667845-M)
(Incorporated in Malaysia)
QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 31 AUGUST 2013

The Board of Directors of ETI TECH Corporation Berhad ("ETICB" or "Company") is pleased to announce the following unaudited consolidated results for the second quarter ended 31 August 2013.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.08.2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.08.2012 RM'000	CURRENT YEAR TO DATE 31.08.2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.08.2012 RM'000
Revenue	10	33,694	145	48,223
Other operating income	7	950	20	1,028
Operating expenses	(2,269)	(42,923)	(3,810)	(56,833)
Finance costs	(569)	(459)	(1,131)	(809)
(Loss) / Profit before taxation	(2,821)	(8,738)	(4,776)	(8,391)
Taxation	-	406	-	406
(Loss) / Profit for the period	(2,821)	(8,332)	(4,776)	(7,985)
Gain/(Loss) from discontinued operation	62	-	(566)	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	(2,759)	(8,332)	(5,342)	(7,985)
(Loss) / Profit for the period attributable to :				
Owners of the parent	(2,759)	(8,332)	(5,342)	(7,985)
Non-controlling interest	-	-	-	-
	(2,759)	(8,332)	(5,342)	(7,985)
Total comprehensive income attributable to :				
Owners of the parent	(2,759)	(8,332)	(5,342)	(7,985)
Non-controlling interest	-	-	-	-
	(2,759)	(8,332)	(5,342)	(7,985)
Earnings per share (sen)				
1) from continuing operations	(0.40)	(1.18)	(0.69)	(1.13)
2) from discontinued operation	0.01	-	(0.08)	-

Notes:-

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the eighteen months financial period ended 28 February 2013 and the accompanying explanatory notes of this interim financial report.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 31 AUGUST 2013

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31.08.2013 RM'000	AUDITED AS AT 28.02.2013 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	8,565	9,340
Development expenditure	24,392	26,653
	<u>32,957</u>	<u>35,993</u>
CURRENT ASSETS		
Inventories	-	-
Trade receivables	149	82
Other receivables	109	141
Short-term deposits with a licensed bank	33	875
Cash and cash equivalents	5	5
	<u>296</u>	<u>1,103</u>
Assets of disposal group classified as held for sale	45,717	45,690
	<u>46,013</u>	<u>46,793</u>
TOTAL ASSETS	<u>78,970</u>	<u>82,786</u>
EQUITY		
Share capital	70,627	70,627
Share premium	1,785	1,785
Accumulated losses	(24,941)	(19,599)
Equity attributable to owners of the Parent	<u>47,471</u>	<u>52,813</u>
Non controlling interest	3	3
TOTAL EQUITY	<u>47,474</u>	<u>52,816</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	-	-
Hire purchase payables	-	-
Bank borrowings	-	-
	<u>-</u>	<u>-</u>
CURRENT LIABILITIES		
Trade payables	155	207
Other payables	2,866	1,519
Amount owing to directors	83	79
Hire purchase payables	2,959	2,959
Bank borrowings	23,751	24,039
	<u>29,814</u>	<u>28,803</u>
Liabilities directly associated with disposal group classified as held for sale	1,682	1,167
TOTAL LIABILITIES	<u>31,496</u>	<u>29,970</u>
TOTAL EQUITY AND LIABILITIES	<u>78,970</u>	<u>82,786</u>
Net assets per share (RM)	<u>0.07</u>	<u>0.07</u>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the eighteen months financial period ended 28 February 2013 and the accompanying explanatory notes of this interim financial report.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 31 AUGUST 2013

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	CURRENT YEAR TO DATE 31.08.2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 28.02.2013 RM'000
Cash flows from operating activities		
Loss before tax from continuing operation	(4,776)	(35,750)
Loss before tax from discontinued operation	(566)	(20,984)
Adjustments for:		
Non-cash items	3,037	8,274
Non operating items	1,131	54,918
Operating (loss)/profit before working capital changes	<u>(1,174)</u>	<u>6,458</u>
Changes in working capital:		
Net changes in current assets	(71)	(16,735)
Net changes in current liabilities	1,814	(115)
Net changes in interco balances	-	-
Cash generated / (used in) from operations	<u>569</u>	<u>(10,392)</u>
Interest received	-	25
Interest paid	(1,131)	(1,800)
Net cash used in operating activities	<u>(562)</u>	<u>(12,167)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	-	(112)
Proceed from disposal of property, plant and equipment	-	-
Development expenditure	-	(1,470)
Net cash used in investing activities	<u>-</u>	<u>(1,582)</u>
Cash flows from financing activities		
Proceed from hire purchase creditor	-	-
Proceed from public share issue	-	4,335
Repayment of short term bank borrowings (net)	-	(8,262)
Repayment of hire purchase	-	(671)
Repayment of term loans	-	(223)
Short-term deposits held as security	842	(23)
Net cash generated / (used in) from financing activities	<u>842</u>	<u>(4,844)</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	280	(18,593)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	(12,195)	6,398
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>(11,915)</u>	<u>(12,195)</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD COMPRISES		
Cash and bank balances		
- Continuing operations	5	5
- Discontinued operation	-	9
Bank overdraft	(11,920)	(12,209)
	<u>(11,915)</u>	<u>(12,195)</u>

The unaudited condensed consolidated statement of cashflows should be read in conjunction with the audited financial statements for the eighteen months financial period ended 28 February 2013 and the accompanying explanatory notes of this interim financial report.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 31 AUGUST 2013

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	RETAINED PROFITS RM'000	TOTAL RM'000	NON CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
2nd quarter ended 31 August 2013						
Balance at 1.3.2013	70,627	1,785	(19,599)	52,813	3	52,816
Public share issue	-	-	-	-		-
Total comprehensive income for the period	-	-	(5,342)	(5,342)		(5,342)
Balance at 31.08.2013	<u>70,627</u>	<u>1,785</u>	<u>(24,941)</u>	<u>47,471</u>	<u>3</u>	<u>47,474</u>
Eighteen months period ended 28 February 2013						
Balance at 1.9.2011	68,077	-	36,349	104,426	-	104,426
Public share issue	2,550	1,785	-	4,335		4,335
Total comprehensive income for the period	-	-	(55,948)	(55,948)	3	(55,945)
Balance at 28.02.2013	<u>70,627</u>	<u>1,785</u>	<u>(19,599)</u>	<u>52,813</u>	<u>3</u>	<u>52,816</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the eighteen months financial period ended 28 February 2013 and the accompanying explanatory notes of this interim financial report.

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