

**EITA RESOURCES BERHAD**

(Company No. 398748-T)

(Incorporated in Malaysia)

**INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31ST DECEMBER 2012**

The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.12.2012 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.12.2011 RM'000	CURRENT YEAR TO DATE 31.12.2012 RM'000	PRECEDING CORRESPONDING YEAR TO DATE 31.12.2011 RM'000
<b>Revenue</b>	44,004	37,248	194,052	151,318
<b>Results from operating activities</b>	4,391	3,638	19,435	17,699
Finance costs	(250)	(323)	(1,191)	(918)
Finance income	37	55	309	113
Net finance costs	(213)	(268)	(882)	(805)
<b>Profit Before Taxation</b>	4,178	3,370	18,553	16,894
Tax expense	(968)	(770)	(4,760)	(4,219)
<b>Profit for the year</b>	3,210	2,600	13,793	12,675
<b>Other comprehensive income net of tax</b>				
Foreign currency translation differences for foreign operations	6	(19)	71	45
Total other comprehensive (loss) / income for the year	6	(19)	71	45
<b>Total comprehensive income for the year</b>	3,216	2,581	13,864	12,720
<b>Profit attributable to:</b>				
Owners of the company	3,206	2,575	13,747	12,512
Non-controlling interest	4	25	46	163
<b>Profit for the year</b>	3,210	2,600	13,793	12,675
<b>Total comprehensive income attributable to:</b>				
Owners of the company	3,211	2,558	13,811	12,553
Non-controlling interest	5	23	53	167
	3,216	2,581	13,864	12,720
<b>Earnings per share (sen) :-</b>				
Basic	2.58	2.08	11.08	10.09
Diluted	2.58	2.08	11.08	10.09

*(The condensed consolidated statements of profit or loss and comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated financial statements).*

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(Company No. 398748-T)

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**INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31ST DECEMBER 2012****The figures have not been audited****CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	(UNAUDITED) AS AT 31.12.2012 RM'000	(AUDITED) AS AT 31.12.2011 RM'000	(AUDITED) AS AT 1.1.2011 RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Plant and equipment	8,568	8,519	5,701
Intangible assets	2,714	2,231	1,761
Investment properties	193	195	465
Other investments	10	10	10
Deferred tax assets	1,665	1,676	1,644
	<u>13,150</u>	<u>12,631</u>	<u>9,581</u>
<b>Current Assets</b>			
Inventories	40,947	32,546	28,835
Trade and other receivables	66,682	60,780	53,088
Deposits and prepayments	1,247	3,401	2,242
Assets classified as held for sale	-	263	-
Current tax assets	-	52	-
Cash and cash equivalents	35,437	17,127	18,771
	<u>144,313</u>	<u>114,169</u>	<u>102,936</u>
<b>TOTAL ASSETS</b>	<u><u>157,463</u></u>	<u><u>126,800</u></u>	<u><u>112,517</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	65,000	53,500	12,698
Reserves	38,072	23,818	52,067
Total equity attributable to owners of the Company	103,072	77,318	64,765
Non-controlling interest	445	550	383
<b>Total Equity</b>	<u>103,517</u>	<u>77,868</u>	<u>65,148</u>
<b>Non-Current Liabilities</b>			
Loans and borrowings	363	621	1,043
Deferred tax liabilities	381	198	313
	<u>744</u>	<u>819</u>	<u>1,356</u>
<b>Current Liabilities</b>			
Loans and borrowings	16,962	16,675	13,961
Trade and other payables, including derivative	33,423	28,619	24,533
Deferred income	2,765	2,819	3,476
Dividend payable	-	-	3,517
Current tax liabilities	52	-	526
	<u>53,202</u>	<u>48,113</u>	<u>46,013</u>
<b>Total Liabilities</b>	<u>53,946</u>	<u>48,932</u>	<u>47,369</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>157,463</u></u>	<u><u>126,800</u></u>	<u><u>112,517</u></u>
Net assets per share attributable to ordinary equity holders of the company (RM)	<u>0.80</u>	<u>0.60</u>	<u>0.50</u>

*(The condensed consolidated statements of financial position should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated financial statements).*

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**INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31ST DECEMBER 2012**

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Share capital RM'000	Non-Distributable		Distributable	Total RM'000	Non-controlling Interests RM'000	Total equity RM'000
		Share Premium RM'000	Translation Reserve RM'000	Retained earnings RM'000			
<b><u>12 months ended 31st December 2012</u></b>							
At 1st January 2012	53,500	-	62	23,756	77,318	550	77,868
Total comprehensive income	-	-	64	13,747	13,811	53	13,864
Additional acquisition of share from non-controlling interest				41	41	(151)	(110)
Dividend to owners of the Company	-	-	-	(3,900)	(3,900)	-	(3,900)
Dividend to non-controlling interest	-	-	-	-	-	(7)	(7)
Share issue	11,500	5,980	-	-	17,480	-	17,480
Share issue expenses	-	(1,678)	-	-	(1,678)	-	(1,678)
<b>At 31st December 2012</b>	<b>65,000</b>	<b>4,302</b>	<b>126</b>	<b>33,644</b>	<b>103,072</b>	<b>445</b>	<b>103,517</b>
<b><u>12 months ended 31st December 2011</u></b>							
At 1st January 2011	12,698	1,782	21	50,264	64,765	383	65,148
Total comprehensive income	-	-	41	12,512	12,553	167	12,720
Bonus issue	40,802	(1,782)	-	(39,020)	-	-	-
<b>At 31st December 2011</b>	<b>53,500</b>	<b>-</b>	<b>62</b>	<b>23,756</b>	<b>77,318</b>	<b>550</b>	<b>77,868</b>

*(The condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated financial statements).*

## INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31ST DECEMBER 2012

The figures have not been audited

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

	(UNAUDITED) CURRENT YEAR TO DATE ENDED 31.12.2012 RM'000	(AUDITED) CORRESPONDING YEAR TO DATE ENDED 31.12.2011 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	18,553	16,894
Adjustments for:		
Amortisation of investment properties	2	7
Amortisation of development costs	197	35
Allowance for liquidated and ascertained damages	35	207
Provision for foreseeable losses	298	304
Depreciation of plant and equipment	1,213	1,108
Finance costs	1,191	918
Finance income	(309)	(113)
Plant and equipment written off	28	39
Unrealised foreign exchange loss	97	17
Operating profit before working capital changes	21,305	19,416
Changes in inventories	(8,366)	(3,685)
Changes in trade and other receivables, deposits and prepayments	(5,678)	(9,301)
Changes in trade and other payables and deferred income	4,609	3,328
Cash generated from operations	11,870	9,758
Income taxes paid	(4,464)	(4,944)
Interest paid	(1,144)	(845)
Interest received	309	113
Net cash generated from operating activities	6,571	4,082
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease in deposits placed with licensed banks, net	2,269	74
Proceeds from disposal of plant and equipment	11	2
Proceeds from disposal of investment property	263	-
Purchase of plant and equipment	(1,229)	(3,966)
Increase in development costs	(681)	(505)
Net cash generated from / (used in) investing activities	633	(4,395)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from / (repayment of) loans and borrowings	4,298	(2,115)
Proceeds from issuance of shares	17,480	-
Repayment of finance lease liabilities	(426)	(408)
Dividends paid to owners of the Company	(3,900)	(3,517)
Acquisition of non-controlling interests	(110)	-
Dividends paid to non-controlling interests	(7)	-
Interest paid	(47)	(72)
Net cash generated from / (used in) financing activities	17,288	(6,112)
Net increase / (decrease) in cash and cash equivalents	24,492	(6,425)
Foreign exchange differences on cash held	(1)	41
Cash and cash equivalents at beginning of the financial year	9,948	16,332
Cash and cash equivalents at end of the financial year	34,439	9,948
<b>Cash and cash equivalents</b>		
Cash and cash equivalents included in the statements of cash flows comprise:-		
Cash and bank balances	28,378	12,588
Deposit (excluding deposits pledged)	7,059	2,270
Bank overdrafts	(998)	(4,910)
	34,439	9,948

(The condensed consolidated statements of cash flow should be read in conjunction with the accompanying explanatory notes attached to these condensed consolidated financial statements).

# EITA RESOURCES BERHAD

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INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31ST DECEMBER 2012

NOTES TO THE QUARTERLY FINANCIAL REPORT

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## A1. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, *Interim Financial Reporting* in Malaysia and with IAS 34, *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2011.

These are the Group's condensed consolidated interim financial statements for the part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1 has been applied.

The date of transition to the MFRS framework is 1 January 2011. At that transition date, the Group reviewed its accounting policies and considered the transitional opportunities under MFRS1, *First-time Adoption of Malaysian Financial Reporting Standards*. Nevertheless, the Group would continue to assess any further transitional opportunities available. The impact of transition to MFRS is described in Note A2(ii) below.

## A2. CHANGES IN ACCOUNTING POLICIES

(i) The consolidated financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with Financial Reporting Standards ("FRS"). As the requirement under FRS and MFRS are similar, the significant accounting policies adopted in preparing this Condensed Report are consistent with those of the consolidated financial statements for the year ended 31 December 2011, except as disclosed below.

### (ii) Recognition of unutilised reinvestment allowance

The Group has changed its accounting policy to be in compliance with MFRS 112, *Income Taxes* whereby unutilised reinvestment allowances, being tax incentives that is not a tax base of an asset is recognised as a deferred tax asset to the extent that it is probable that future taxable profits will be available against the unutilised tax incentive can be utilised.

The impact arising from the change in accounting policy is summarised as follows:

	31.12.2011	
	RM'000	
<b>Consolidated statement of comprehensive income</b>		
Tax expense		3,958
Effect of transition to MFRS		261
		<u>4,219</u>
	1.1.2011	31.12.2011
	RM'000	RM'000
<b>Consolidated statement of financial position</b>		
Deferred tax asset	1,277	1,570
Effect of transition to MFRS	367	106
	<u>1,644</u>	<u>1,676</u>
Retained earnings	49,897	23,650
Effect of transition to MFRS	367	106
	<u>50,264</u>	<u>23,756</u>

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INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31ST DECEMBER 2012

NOTES TO THE QUARTERLY FINANCIAL REPORT

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## A2. CHANGES IN ACCOUNTING POLICIES (Cont'd)

- (iii) At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

<i>MFRSs, Interpretations and amendments</i>	<i>Effective for annual periods beginning on or after</i>
- MFRS 10 <i>Consolidated Financial statements</i>	1 January 2013
- MFRS 11 <i>Joint Arrangements</i>	1 January 2013
- MFRS 12 <i>Disclosure of Interests in Other Entities</i>	1 January 2013
- MFRS 13 <i>Fair Value Measurement</i>	1 January 2013
- MFRS 119 <i>Employee Benefits</i> (2011)	1 January 2013
- MFRS 127 <i>Separate Financial Statements</i> (2011)	1 January 2013
- MFRS 128 <i>Investments in Associates and Joint Venture</i> (2011)	1 January 2013
- IC Interpretation 20 <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2013
- Amendments to MFRS 7 <i>Financial Instruments Disclosure - offsetting Financial Assets and Financial Liabilities</i>	1 January 2013
- Amendments to MFRS 1, <i>First-time Adoption of Malaysian Financial Reporting Standards - Government Loans</i>	1 January 2013
- Amendments to MFRS 1, <i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)</i>	1 January 2013
- Amendments to MFRS 101, <i>Presentation of Financial Statements (Annual Improvements 2009- 2011 Cycle)</i>	1 January 2013
- Amendments to MFRS 116, <i>Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)</i>	1 January 2013
- Amendments to MFRS 132, <i>Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)</i>	1 January 2013
- Amendments to MFRS 134, <i>Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)</i>	1 January 2013
- Amendments to MFRS 10, <i>Consolidated Financial Statements: Transition Guidance</i>	1 January 2013
- Amendments to MFRS 11, <i>Joint Arrangements: Transition Guidance</i>	1 January 2013
- Amendments to MFRS 12, <i>Disclosure of Interests in Other Entities : Transition Guidance</i>	1 January 2013
- Amendments to MFRS 132, <i>Financial Instruments: Presentation -- Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
- MFRS 9 <i>Financial Instruments</i> (2009)	1 January 2015
- MFRS 9 <i>Financial Instruments</i> (2010)	1 January 2015
- Amendments to MFRS 7 <i>Financial Instruments: Disclosures - Mandatory Date of MFRS 9 and Transition Disclosures</i>	1 January 2015

The Group has early adopted the amendments to MFRS 101, *Presentation of Financial Statements* which is originally effective for annual periods beginning on or after 1 July 2012. The early adoption of the amendments to MFRS 101 has no impact on the financial statements other than the presentation format of the statements of profit or loss and other comprehensive income.

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**INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31ST DECEMBER 2012****NOTES TO THE QUARTERLY FINANCIAL REPORT**

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**A3. DISCLOSURE OF AUDIT REPORT QUALIFICATION**

There was no qualification in the audit report of the preceding annual financial statements.

**A4. SEASONAL OR CYCLICAL FACTORS**

Save for certain business activities which are project based, our Group does not experience any material seasonality, with the exception of a minor slowdown in business activity during the first quarter of the calendar year due to the festive seasons.

**A5. UNUSUAL ITEMS**

There are no unusual items that have material effect on the assets, liabilities, equity, net income or cash flow during the quarter under review.

**A6. NATURE AND AMOUNT OF CHANGES IN ESTIMATES**

There were no material changes in estimates during the quarter under review.

**A7. DEBTS AND SECURITIES**

There were no issuances, cancellations, repurchases and repayments of debt and equity securities for the current quarter.

**A8. DIVIDEND PAID**

During the quarter under review, no dividend was declared and paid.

**A9. SEGMENTAL INFORMATION**

Segment information in respect of the Group's business activities for the current year to date ended 31.12.2012.

	Turnover RM'000	Profit before tax RM'000
Marketing and Distribution	86,828	10,071
Manufacturing	85,568	6,839
Services	21,656	2,717
Reportable segment	<u>194,052</u>	<u>19,627</u>

**Reconciliation of reportable segment profit or loss**

Total profit for reportable segments	19,627
- Listing expenses	<u>(1,074)</u>
Consolidated profit before tax	<u>18,553</u>

**A10. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT**

The valuations of land and building have been brought forward, without amendment from the previous annual financial statements.

## EITA RESOURCES BERHAD

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### INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31ST DECEMBER 2012

#### NOTES TO THE QUARTERLY FINANCIAL REPORT

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#### A11. MATERIAL SUBSEQUENT EVENT

There were no material events subsequent to the end of current quarter that have not been reflected in the financial statements.

#### A12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the group during the current quarter.

#### A13. CAPITAL COMMITMENTS

Outstanding commitments in respect of capital expenditure for the Group at reporting date not provided for in the financial statements are:

	RM'000
Balance purchase consideration on acquisition of plant and equipment.	<u>2,602</u>

#### A14. CHANGES IN CONTINGENT LIABILITIES

Corporate guarantee given by the Company to secure banking facilities granted to subsidiaries :

	RM'000
At 1.1.2012	79,841
Increase in borrowing facilities	10,540
At 31.12.2012	<u>90,381</u>

Performance guarantee given by subsidiaries for performance of contracts issued to third parties :

	RM'000
At 1.1.2012	3,955
Additions	1,669
At 31.12.2012	<u>5,624</u>

#### A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

The Group has the following significant transactions with the related parties during the periods:-

Company	Relationship
Tenaga Semesta (M) Sdn Bhd. ("TS")	A company in which a director and substantial shareholder is the brother of the Group Managing Director, Mr. Fu Wing Hoong.
Platinum Victory Development Sdn Bhd ("PVD")	A company in which a director and substantial shareholder is the brother-in-law of the Executive Director, Mr. Lee Peng Sian.
Platinum Victory Sdn Bhd ("PV")	A company in which a director and substantial shareholder is the brother-in-law of the Executive Director, Mr. Lee Peng Sian.
CTL Automation Sdn Bhd ("CTL")	A company in which two (2) of the directors and substantial shareholders are the brother and sister-in-law of the Executive Director, Mr. Lim Joo Swee respectively.
Schneider Steuerungstechnik GmbH ("SSG")	A company in which the sole shareholder is a director of Schneider Control & Drive Systems (M) Sdn Bhd ("SCDS"), a subsidiary of EITA Resources Berhad ("EITA"). The company is also the shareholder of SCDS.

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**INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31ST DECEMBER 2012****NOTES TO THE QUARTERLY FINANCIAL REPORT**

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**A15. SIGNIFICANT RELATED PARTY TRANSACTIONS (Cont'd)**

	<u>CUMULATIVE QUARTER</u>	
	<u>CURRENT</u>	<u>PRECEDING</u>
	<u>YEAR TO DATE</u>	<u>CORRESPONDING</u>
	<u>31.12.2012</u>	<u>31.12.2011</u>
	<u>RM'000</u>	<u>RM'000</u>
<u>Tenaga Semesta (M) Sdn Bhd. ("TS")</u>		
- Sales of power equipment	24	256
- Purchase of electrical equipment and supply, installation, testing and commissioning of electrical work	(16)	(292)
- Purchase of mechanical and engineering works	(113)	(96)
<u>Platinum Victory Development Sdn Bhd ("PVD")</u>		
- Sales of power equipment, supply, install, testing and commissioning of electrical work and equipment	1,003	36
<u>Platinum Victory Sdn Bhd ("PV")</u>		
- Sales of power equipment, supply, install, testing and commissioning of electrical work and equipment	-	97
<u>CTL Automation Sdn Bhd ("CTL")</u>		
- Repairs and purchase of elevator parts	(408)	(332)
<u>Schneider Steuerungstechnik GmbH ("SSG")</u>		
- Purchase of elevator parts	(174)	(290)

**EITA RESOURCES BERHAD**

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**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD**
**B1. REVIEW OF PERFORMANCE FOR THE CURRENT QUARTER AND FINANCIAL YEAR TO-DATE**

	Individual Quarter		% change	Year-to-date Ended		% change
	3 Months Ended			31.12.2012	31.12.2011	
	31.12.2012	31.12.2011		31.12.2012	31.12.2011	
	RM'000	RM'000		RM'000	RM'000	
<b>Revenue</b>						
- Marketing and Distribution	19,067	19,403	-1.7%	86,828	78,329	10.9%
- Manufacturing	19,341	13,354	44.8%	85,568	60,898	40.5%
- Services	5,596	4,491	24.6%	21,656	12,091	79.1%
<b>Total</b>	<b>44,004</b>	<b>37,248</b>	<b>18.1%</b>	<b>194,052</b>	<b>151,318</b>	<b>28.2%</b>
<b>Profit before tax (PBT)</b>						
- Marketing and Distribution	1,982	1,878	5.5%	10,071	9,195	9.5%
- Manufacturing	1,761	1,229	43.3%	6,839	5,798	18.0%
- Services	424	263	61.2%	2,717	1,901	42.9%
<b>Total</b>	<b>4,167</b>	<b>3,370</b>	<b>23.6%</b>	<b>19,627</b>	<b>16,894</b>	<b>16.2%</b>

**Reconciliation of reportable segment profit or loss**

	3 Months Ended	Year-to-date Ended
	31.12.2012	31.12.2012
	RM'000	RM'000
Total profit for reportable segments	4,167	19,627
- Listing expenses	11	(1,074)
<b>Consolidated profit before tax</b>	<b>4,178</b>	<b>18,553</b>

The total revenue of the Group for the current quarter increased by RM6.76 million or 18.1% as compared to the preceding year corresponding quarter contributed mainly by Manufacturing and Services segments.

Cumulatively, the Group revenue increased by RM42.73 million or 28.2% as compared to the preceding financial year contributed by all the three segments.

The total PBT of the Group for the current quarter increased by RM0.80 million or 23.6% corresponding to the higher revenue recorded.

Cumulatively the Group PBT increased by RM2.73 million or 16.2% for the same reason.

Subsequent to the RM1.08 million listing expenses incurred for the year-to-date ended 30.9.2012 the Group had a reversal of the listing expenses over accrued of RM0.01 million in the current quarter. Therefore the consolidated PBT of the Group was RM4.18 million.

Cumulatively the consolidated PBT was RM18.55 million, an increase of RM1.66 million or 9.8% for the same reason.

**(i) Marketing & Distribution segment**

Current quarter revenue decreased marginally by RM0.34 million or 1.7% mainly due to lower power distribution equipment sales.

Cumulative revenue increased by RM8.50 million or 10.9% contributed by higher power distribution equipment sales.

Current quarter PBT increased by RM1.04 million or 5.5% mainly contributed by power distribution equipment that recorded higher profit margin.

Cumulative PBT increased by RM0.88 million or 9.5% for the same reason.

**(ii) Manufacturing segment**

Current quarter revenue increased by RM5.99 million or 44.8% mainly due to increased revenue from busduct and more execution of elevator projects.

Cumulatively, revenue increased by RM24.67 million or 40.5% for the same reason.

Current quarter PBT increased by RM0.53 million or 43.3% mainly contributed by busduct.

Cumulatively, PBT increased by RM1.04 million or 18.0% for the same reason.

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**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD****(iii) Services segment**

Current quarter revenue increased by RM1.10 million or 24.6% due to increased revenue from projects execution of electrical and security systems.

Cumulatively, revenue increased by RM9.56 million or 79.1% mainly contributed by projects execution of electrical and security systems and elevator repair sales.

Current quarter PBT increased by RM0.16 million or 61.2% corresponding to the increased revenue.

Cumulatively, PBT increased by RM0.82 million or 42.9% for the same reason.

**B2. REVIEW OF CURRENT QUARTER PERFORMANCE WITH THE PRECEDING QUARTER.**

	Individual Quarter		% change
	3 Months Ended		
	31.12.2012 RM'000	30.9.2012 RM'000	
<b>Revenue</b>			
- Marketing and Distribution	19,067	22,961	-17.0%
- Manufacturing	19,341	25,625	-24.5%
- Services	5,596	5,154	8.6%
<b>Total</b>	<b>44,004</b>	<b>53,740</b>	<b>-18.1%</b>
<b>Profit before tax (PBT)</b>			
- Marketing and Distribution	1,982	2,789	-28.9%
- Manufacturing	1,761	2,239	-21.3%
- Services	424	405	4.7%
<b>Total</b>	<b>4,167</b>	<b>5,433</b>	<b>-23.3%</b>

The total revenue of the Group for the current quarter decreased by RM9.74 million or 18.1% against preceding quarter.

The total PBT of the Group for the current quarter decreased by RM1.27 million or 23.3% corresponding to the lower revenue.

**(i) Marketing & Distribution segment**

Revenue decreased by RM3.89 million or 17.0% mainly due to lower revenue from power distribution equipment.

Current quarter PBT decreased by RM0.81 million or 28.9% corresponding to the lower revenue.

**(ii) Manufacturing segment**

Current quarter revenue decreased by RM6.28 million or 24.5% mainly due to lower revenue from busduct and elevator projects.

Current quarter PBT decreased by RM0.48 million or 21.3% for the same reason.

**(iii) Services segment**

Current quarter revenue increased by RM0.44 million or 8.6% mainly contributed by higher elevator repair sales.

Current quarter PBT increased marginally by RM0.02 million or 4.7% for the same reason.

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#### B3. COMMENTARY ON PROSPECTS

The Group's order book has been relatively stable and barring any unforeseen circumstances, the Board of Directors of the Company is optimistic on the Group's performance and expects the Group to deliver satisfactory results for the financial year ending 31 December 2013.

#### B4. PROFIT FORECAST

Profit forecast was not provided.

#### B5. TAX EXPENSE

	Current Quarter 3 Months Ended 31.12.2012 RM'000	Year-to-date Ended 31.12.2012 RM'000
<b>Current tax expense</b>		
Malaysian - current year	1,025	4,590
- prior year	(1)	(74)
Overseas - current year	12	49
	<u>1,036</u>	<u>4,565</u>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences		
- current year	(25)	(221)
- prior year	(43)	416
	<u>(68)</u>	<u>195</u>
Total tax expense	<u>968</u>	<u>4,760</u>

The Group's effective tax rate of 23.17% for the current quarter ended 31 December 2012 was lower than the statutory corporate tax rate of 25% mainly due to:

- (i) Tax incentive,
- (ii) over provision of prior year deferred taxes,
- (iii) offset by non-deductible items.

#### B6(a). STATUS OF CORPORATE PROPOSAL ANNOUNCED

EITA's Initial Public Offering ("IPO") exercise was completed following the listing of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 9 April 2012.

The IPO consisted of 23.0 million new ordinary share of RM0.50 each ("EITA Shares") and offer for sale of 17.0 million EITA shares at an issue price of 76 sen. The IPO raised proceeds of RM17.48 million for the Company ("IPO Proceeds").

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MALAYSIA SECURITIES BERHAD****B6(b). UTILISATION OF PROCEEDS RAISED FROM CORPORATE EXERCISE**

Description of Utilisation	Time frame for Utilisation	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance (RM'000)	Re-allocation (RM'000)	Balance after Re-allocation (RM'000)
(a) Expansion and improvements of manufacturing and business facilities	Within 36 months	8,851	2,412	6,439	-	6,439
(b) Expansion in R&D	Within 24 months	3,750	1,017	2,733	-	2,733
(c) Working capital	Within 12 months	2,079	1,824	255	48	303
(d) Estimated listing expenses	Immediate	2,800	2,752	48	(48)	-
<b>Total Public Issue Proceeds</b>		<b>17,480</b>	<b>8,005</b>	<b>9,475</b>	<b>-</b>	<b>9,475</b>

**B7. GROUP BORROWINGS**

	As at 31.12.2012 RM'000	As at 31.12.2011 RM'000
<b>Non-current</b>		
Finance lease liabilities	363	621
	<u>363</u>	<u>621</u>
<b>Current</b>		
Bank overdrafts - unsecured	998	4,910
Bills payable - unsecured	15,640	11,343
Finance lease liabilities	324	422
	<u>16,962</u>	<u>16,675</u>
<b>Total</b>	<u>17,325</u>	<u>17,296</u>

**B8. CHANGES IN MATERIAL LITIGATIONS**

There were no outstanding material litigations as at the date of this announcement.

**B9. DIVIDEND PAYABLE**

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended 31 December 2012 of 3.5 sen per ordinary share under the single tier system amounting to RM4.55 million will be proposed for shareholders' approval.

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**EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD****B10. EARNINGS PER ORDINARY SHARE****Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share ("EPS") was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares in issue during the year (31.12.2011 - adjusted for bonus issue in 2011 and public issue in 2012) calculated as follows:

	Individual Quarter		Year-to-date Ended	
	3 Months Ended			
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Profit for the period attributable to owners (RM'000)	3,206	2,575	13,747	12,512
Weighted average number of ordinary shares ('000)	124,030	124,030	124,030	124,030
Basic earnings per ordinary share (sen)	2.58	2.08	11.08	10.09
Issued ordinary shares at 1 January ('000)			107,000	25,396
Effect of bonus issue ('000)			-	81,604
Effect of public issue ('000)			17,030	17,030
Weighted average number of ordinary shares at 31 Dec ('000)			124,030	124,030

No diluted EPS is disclosed in the financial statements as there are no dilutive potential ordinary shares.

**B11. NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Individual Quarter		Year-to-date Ended	
	3 Months Ended			
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting)	4,178	3,370	18,553	16,894
(a) other income including investment income;	(490)	(383)	(1,555)	(1,712)
(b) depreciation and amortization;	378	294	1,412	1,150
(c) provision for and write off of receivables;	(140)	(442)	778	549
(d) provision for / write off of inventories;	618	(1,017)	967	(436)
(e) gain on disposal of quoted or unquoted investments or properties;	-	-	(79)	-
(f) impairment of assets;	20	62	28	177
(g) foreign exchange (gain) / loss;	151	489	267	340
(h) loss on derivatives;	2	(105)	4	39
(i) allowance for foreseeable loss;	286	(98)	298	304
(j) listing expenses.	(10)	-	1,074	-

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**B12. REALISED AND UNREALISED RETAINED EARNINGS**

	As at 31.12.2012 RM'000
The retained earnings of the Group:-	
- Realised	36,933
- Unrealised	1,840
	<u>38,773</u>
Less: Consolidation adjustments	(5,129)
	<u><u>33,644</u></u>

**B13. FINANCIAL INSTRUMENTS**

Outstanding derivatives as at 31 December 2012

Type of derivatives	Contract / Notional value RM'000	Fair Value through profit or loss RM'000
Less than 1 year:-		
Forward exchange contract-buy	1,885	4

There are no changes to policies related to financial instruments since last financial year.

**B14. NET ASSETS PER SHARE**

Net assets per share attributable to ordinary equity holders of the company as at 1 January 2011 and 31 December 2011 was based on number of ordinary shares in issue adjusted for bonus issue in 2011 and public issue in 2012.

**B15. AUTHORITY FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 27 February 2013.