

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2014

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Financial Quarter Ended		Cumulative Financial Quarter Ended	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
Revenue	49,833	46,036	49,833	46,036
Results from operating activities	3,666	4,545	3,666	4,545
Finance costs	(500)	(162)	(500)	(162)
Finance income	308	42	308	42
Net finance costs	(192)	(120)	(192)	(120)
Profit before tax	3,474	4,425	3,474	4,425
Tax expense	(786)	(1,127)	(786)	(1,127)
Profit for the period	2,688	3,298	2,688	3,298
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	134	(9)	134	(9)
Total other comprehensive income / (loss) for the period	134	(9)	134	(9)
Total comprehensive income for the period	2,822	3,289	2,822	3,289

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2014

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

(The figures have not been audited)

	Individual Financial Quarter Ended		Cumulative Financial Quarter Ended	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
Profit attributable to:				
Owners of the parent	2,660	3,300	2,660	3,300
Non-controlling interests	28	(2)	28	(2)
	<u>2,688</u>	<u>3,298</u>	<u>2,688</u>	<u>3,298</u>
Total comprehensive income attributable to:				
Owners of the parent	2,781	3,292	2,781	3,292
Non-controlling interests	41	(3)	41	(3)
	<u>2,822</u>	<u>3,289</u>	<u>2,822</u>	<u>3,289</u>
Earnings per share:				
- Basic (sen)	<u>2.05</u>	<u>2.54</u>	<u>2.05</u>	<u>2.54</u>
- Diluted (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

(The unaudited Condensed Consolidated Statements of Profit or loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2014 and the accompanying explanatory notes attached to the interim financial statements.)

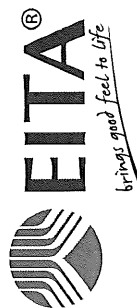
Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2014
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(The figures have not been audited)

	(Unaudited) 31.12.2014 RM'000	(Audited) 30.09.2014 RM'000
	Note	
ASSETS		
Non-current assets		
Property, plant and equipment	23,416	23,060
Intangible assets	2,695	2,633
Investment properties	189	189
Other investments	10	10
Deferred tax assets	2,659	2,578
Total non-current assets	28,969	28,470
Current assets		
Inventories	38,252	38,846
Trade and other receivables	70,299	70,591
Deposits and prepayments (including derivative)	3,642	2,714
Current tax assets	394	467
Cash and cash equivalents	36,148	27,124
Total current assets	148,735	139,742
TOTAL ASSETS	177,704	168,212
EQUITY AND LIABILITIES		
Equity		
Share capital	65,000	65,000
Reserves	54,294	51,454
Total equity attributable to owners of the Company	119,294	116,454
Non-controlling interests	506	634
TOTAL EQUITY	119,800	117,088

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2014
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
(The figures have not been audited)

	(Unaudited) 31.12.2014 RM'000	(Audited) 30.09.2014 RM'000
EQUITY AND LIABILITIES (continued)		
Non-current liabilities		
Loans and borrowings	8,776	9,009
Deferred tax liabilities	692	641
Total non-current liabilities	9,468	9,650
Current liabilities		
Loans and borrowings	7,548	11,475
Deferred income	4,437	1,737
Provision for warranties	26	106
Trade and other payables (including derivative)	36,425	28,156
Total current liabilities	48,436	41,474
TOTAL LIABILITIES	57,904	51,124
TOTAL EQUITY AND LIABILITIES	177,704	168,212
Net assets per share attributable to equity holders of the Company (RM)	0.92	0.90

(The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year 30 September 2014 and the accompanying explanatory notes attached to the interim financial statements.)



EITA RESOURCES BERHAD
(Company No.: 398748-T)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2014

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	<u>Non-Distributable</u>		<u>Distributable</u>		Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	Translation Reserve	Retained Earnings	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 Months Period Ended</u>						
<u>31 December 2014</u>						
At 1 October 2014	65,000	4,302	202	46,950	634	117,088
Total comprehensive income	-	-	121	2,660	41	2,822
Changes in ownership interests in a subsidiary	-	-	-	59	(169)	(110)
Dividend to owners of the Company	-	-	-	-	-	-
At 31 December 2014	65,000	4,302	323	49,669	506	119,800
<u>3 Months Period Ended</u>						
<u>31 December 2013</u>						
At 1 October 2013	65,000	4,302	234	40,730	564	110,830
Total comprehensive income	-	-	(8)	3,300	(3)	3,289
Dividend to owners of the Company	-	-	-	-	-	-
At 31 December 2013	65,000	4,302	226	44,030	561	114,119

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2014 and the accompanying explanatory notes attached to the interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2014

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	3 Months Ended	
	31.12.2014	31.12.2013
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,474	4,425
Adjustments for:		
Amortisation of investment properties	*	*
Amortisation of development costs	84	67
(Reversal of) / allowance for foreseeable losses	(173)	282
Reversal of warranties	(80)	-
Depreciation of property, plant and equipment	417	353
Loss on disposal of property, plant and equipment	-	5
Gain on disposal of asset classified as held for sale	-	(115)
Fair value gain on forward exchange contracts, net	(59)	(31)
Finance costs	500	162
Finance income	(308)	(42)
Unrealised foreign exchange loss / (gain)	12	(21)
	<hr/>	<hr/>
Operating profit before working capital changes	3,867	5,085
Changes in working capital:		
Changes in inventories	631	1,168
Changes in trade and other receivables, deposits and prepayments	(150)	5,692
Changes in trade and other payables and deferred income	10,579	(1,731)
	<hr/>	<hr/>
Cash generated from operations	14,927	10,214
Income tax paid	(747)	(2,812)
Interest paid	(292)	(152)
Interest received	308	42
	<hr/>	<hr/>
Net cash generated from operating activities	14,196	7,292
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	16
Purchase of property, plant and equipment	(513)	(253)
Increase in development costs	(146)	-
	<hr/>	<hr/>
Net cash used in investing activities	(659)	(237)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2014

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(The figures have not been audited)

	3 Months Ended	
	31.12.2014	31.12.2013
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquisition of non-controlling interests	(110)	-
Repayment of loans and borrowings	(4,084)	(2,646)
Repayment of finance lease liabilities	(334)	(112)
Interest paid	(208)	(10)
	<hr/>	<hr/>
Net cash used in financing activities	(4,736)	(2,768)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	8,801	4,287
Foreign exchange differences on cash held	223	97
Cash and cash equivalents at beginning of the financial period	27,124	23,754
	<hr/>	<hr/>
Cash and cash equivalents at end of the financial period	36,148	28,138
	<hr/> <hr/>	<hr/> <hr/>
Cash and cash equivalents included in the statement of cash flows comprises:-		
Cash and bank balances	24,752	17,791
Liquid investment	10,327	5,915
Deposit	1,069	4,649
Bank overdrafts	-	(217)
	<hr/>	<hr/>
	36,148	28,138
	<hr/> <hr/>	<hr/> <hr/>

Notes:

1) * Denote less than RM1,000

2) The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2014 and the accompanying explanatory notes attached to the interim financial statements.

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”)

A1. Basis of Preparation

The unaudited interim financial statements for the financial period ended 31 December 2014, have been prepared in accordance with MFRS 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standard Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The unaudited interim financial statements should be read in conjunction with the annual audited financial statements of the Group for the financial period ended 30 September 2014. The 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 period ended 30 September 2014.

The accounting policies applied by the Group in these interim financial statements are consistent with the audited financial statement for the financial period ended 30 September 2014.

At the date of issuance of this unaudited interim financial statements, the MFRSs, amendments to MFRSs and IC Interpretation have been issued by MASB but not yet effective are as listed below:

<i>MFRSs, Interpretations and Amendments to MFRSs and IC Interpretation</i>	<i>Effective for annual periods beginning on or after</i>
- Amendments to MFRS 5, <i>Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)</i>	1 January 2016
- Amendments to MFRS 7, <i>Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)</i>	1 January 2016
- Amendments to MFRS 10, <i>Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	1 January 2016
- Amendments to MFRS 10, <i>Consolidated Financial Statements</i> , MFRS 12, <i>Disclosure of Interests in Other Entities</i> and MFRS 128, <i>Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception</i>	1 January 2016
- Amendments to MFRS 11, <i>Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
- MFRS 14, <i>Regulatory Deferral Accounts</i>	1 January 2016
- Amendments to MFRS 101, <i>Presentation of Financial Statements – Disclosure Initiative</i>	1 January 2016

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)

A1. Basis of Preparation (Cont’d)

<i>MFRSs, Interpretations and Amendments to MFRSs and IC Interpretation</i>	<i>Effective for annual periods beginning on or after</i>
- Amendments to MFRS 116, <i>Property, Plant and Equipment</i> and MFRS 138, <i>Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
- Amendments to MFRS 116, <i>Property, Plant and Equipment</i> and MFRS 141, <i>Agriculture – Agriculture: Bearer Plants</i>	1 January 2016
- Amendments to MFRS 119, <i>Employee Benefits (Annual Improvements 2012-2014 Cycle)</i>	1 January 2016
- Amendments to MFRS 127, <i>Separate Financial Statements – Equity Method in Separate Financial Statements</i>	1 January 2016
- Amendments to MFRS 134, <i>Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)</i>	1 January 2016
- MFRS 15, <i>Revenue from Contracts with Customers</i>	1 January 2017
- MFRS 9, <i>Financial Instruments (2014)</i>	1 January 2018

A2. Auditors’ Report on Preceding Annual Financial Statements

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

A3. Seasonality or Cyclical Factors

Save for certain business activities which are project based, our Group does not experience any material seasonality.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

During the current financial quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

A5. Nature and Amount of Changes in Estimates

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

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)

A6. Debts and Securities

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

A7. Dividends Paid and Distributed

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

A8. Segmental Information

Segmental information in respect of the Group’s business activities for the financial period ended 31 December 2014.

	Turnover RM’000	Profit before Tax RM’000
Marketing and Distribution	23,707	2,571
Manufacturing	20,000	(669)
Services	6,126	1,572
Reportable segment	<u>49,833</u>	<u>3,474</u>

A9. Subsequent Material Event

There was no material event subsequent to the end of current financial quarter that has not been reflected in the financial statements.

A10. Changes in the Composition of the Group

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

A11. Capital Commitments

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

Balance purchase consideration on acquisition of property, plant and equipment	<u>RM’000</u> <u>1,403</u>
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**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”)
 (continued)**
A12. Changes in Contingent Liabilities

Corporate guarantee given by the Company to secure banking facilities granted to subsidiaries:	
	RM'000
At 01.10.2014	110,530
Increase in borrowing facilities	-
At 31.12.2014	<u>110,530</u>
Performance guarantee given by subsidiaries for performance of contracts issued to third parties:	
	RM'000
At 01.10.2014	3,995
Addition	826
At 31.12.2014	<u>4,821</u>

A13. Significant Related Party Transactions

The Group has the following significant transactions with the related parties during the financial quarter under review:

Company	Relationship
Boilermech Sdn Bhd (“Boilermech”)	A company in which a director and substantial shareholder is also the Non-Independent Non-Executive Director of EITA Resources Berhad (“EITA”)
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.
Platinum Group	A group of companies in which a director and substantial shareholder is the brother-in-law of the Executive Director, Mr. Lee Peng Sian.

	Cumulative Financial Quarter Ended	
	31.12.2014 RM'000	31.12.2013 RM'000
<u>Boilermech Sdn Bhd (“Boilermech”)</u>		
- Sales of electrical equipment	66	71
<u>CTL Automation Sdn Bhd (“CTL”)</u>		
- Repairs and purchase of elevators parts	(108)	(114)
<u>Platinum Group</u>		
- Sales of power equipment, supply, install, testing and commissioning of electrical work and equipment, and maintenance of elevator	32	32

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B)

B1. Review of Performance for the Current Financial Quarter and Financial Year To-Date

	Individual Financial			Cumulative Financial		
	Quarter Ended	Quarter Ended	%	Quarter Ended	Quarter Ended	%
	31.12.2014	31.12.2013	change	31.12.2014	31.12.2013	change
	RM'000	RM'000		RM'000	RM'000	
Revenue						
Marketing and Distribution	23,707	19,208	23.4%	23,707	19,208	23.4%
Manufacturing	20,000	21,564	(7.3%)	20,000	21,564	(7.3%)
Services	6,126	5,264	16.4%	6,126	5,264	16.4%
Total	49,833	46,036	8.2%	49,833	46,036	8.2%
Profit before Tax ("PBT")						
Marketing and Distribution	2,571	1,786	44.0%	2,571	1,786	44.0%
Manufacturing	(669)	514	(230.2%)	(669)	514	(230.2%)
Services	1,572	2,125	(26.0%)	1,572	2,125	(26.0%)
Total	3,474	4,425	(21.5%)	3,474	4,425	(21.5%)

The total revenue of the Group for the current quarter increased by RM3.8 million or 8.2% as compared to the preceding year corresponding quarter mainly due to higher revenue from Marketing and Distribution and Services segment.

The total PBT of the Group for the current quarter decreased by RM0.9 million or 21.5% mainly due to lower profit from Manufacturing segment as a result of lower revenue recorded.

(i) Marketing and Distribution Segment

Current quarter revenue increased by RM4.5 million or 23.4% mainly due to higher demand for electrical and electronics components.

Current quarter PBT increased by RM0.8 million or 44.0% corresponding to the higher revenue.

(ii) Manufacturing Segment

Current quarter revenue decreased by RM1.6 million or 7.3% mainly due to lower revenue from busduct.

Current quarter PBT decreased by RM1.2 million or 230.2% corresponding to the lower revenue from busduct due to project delay.

(iii) Service Segment

Current quarter revenue increased by RM0.9 million or 16.4% mainly contributed by project execution of electrical and security systems.

Current quarter PBT however decreased by RM0.5 million or 26.0% mainly due to changes in product mix.

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)
B2. Review of Current Financial Quarter Performance against Preceding Quarter

	Individual Financial Quarter Ended		% change
	31.12.2014 RM'000	30.09.2014 RM'000	
Revenue			
Marketing and Distribution	23,707	21,609	9.7%
Manufacturing	20,000	17,400	14.9%
Services	6,126	4,132	48.3%
Total	49,833	43,141	15.5%
Profit before Tax ("PBT")			
Marketing and Distribution	2,571	1,944	32.3%
Manufacturing	(669)	1,659	(140.3%)
Services	1,572	740	112.4%
Total	3,474	4,343	(20.0%)

The total revenue of the Group for the current quarter increased by RM6.7 million or 15.5% against preceding quarter contributed by all three segments.

The total PBT of the Group for the current quarter however decreased by RM0.9 million or 20.0% due to lower profit margin recorded as a result of different product mix.

(i) Marketing and Distribution Segment

Revenue increased by RM2.1 million or 9.7% mainly due to higher sales from electrical and electronic components.

The current quarter PBT increased by RM0.6 million or 32.3% corresponding to the higher revenue.

(ii) Manufacturing Segment

Current quarter revenue increased by RM2.6 million or 14.9% mainly due to higher execution of elevator projects.

Current quarter PBT however decreased by RM2.3 million or 140.3% mainly due to lower profit margin recorded by elevator projects and lower revenue from busduct as a result of project delay.

(iii) Services Segment

Current quarter revenue increased by RM2.0 million or 48.3% mainly contributed by project execution of electrical and security systems.

Current quarter PBT increased by RM0.8 million or 112.4% corresponding to the higher revenue.

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)
B3. Commentary on Prospects

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 30 September 2015.

B4. Profit Forecast

Profit forecast was not provided.

B5. Tax Expense

	Individual Financial Quarter Ended 31.12.2014 RM'000	Cumulative Financial Quarter Ended 31.12.2014 RM'000
Current tax expense		
Malaysia - current year	879	879
- prior period	-	-
Overseas - current year	32	32
- prior period	(39)	(39)
Double taxation relief	(57)	(57)
Total current tax recognised in profit or loss	815	815
Deferred tax expense		
Origination and reversal of temporary differences	(119)	(119)
Under provision in prior year	10	10
Effect of changes in tax rate	80	80
Total deferred tax recognised in profit or loss	(29)	(29)
Total income tax expense	<u>786</u>	<u>786</u>

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS
 (APPENDIX 9B) (continued)**
B6. Status of Corporate Proposals Announced
(a) Status of Corporate Proposal Announced but Not Completed

There were no corporate proposals announced but not completed as at the date of this report.

(b) Utilisation of Proceeds Raised From Corporate Exercise

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

As at 31 December 2014, the status of utilisation of proceeds is as follow:

Description of Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Re-allocation RM'000	Balance RM'000	Intended Time Frame for Utilisation upon listing on 9 April 2012
(i) Expansion and improvements of manufacturing and business facilities	8,851	4,551	-	4,300*	Within 48 months
(ii) Expansion in R&D	3,750	1,017	-	2,733*	Within 48 months
(iii) Working capital	2,079	2,127	48	-	Within 12 months
(iv) Estimated listing expenses	2,800	2,752	(48)	-	Immediate
Total Public Issue Proceeds	17,480	10,447	-	7,033	

Note:

* On 7 March 2014, the Board of Directors had resolved to approve the extension of time for the utilisation of the remaining IPO proceeds for the expansion and improvements of manufacturing and business facilities and the expansion in R&D until 9 April 2016.

The main reason for the revision of time is due to the delayed delivery of the vacant possession of the land purchased for the purpose of the expansion of the elevators manufacturing facility of the Group.

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)
B7. Group Borrowings

	As at 31.12.2014 RM'000	As at 31.12.2013 RM'000
Non-current		
Finance lease liabilities	577	553
Term loan – secured	8,199	-
	<u>8,776</u>	<u>553</u>
Current		
Bank overdrafts – unsecured	-	217
Bills payable – unsecured	6,488	8,350
Finance lease liabilities	279	330
Term loan – secured	781	-
	<u>7,548</u>	<u>8,897</u>
Total group borrowing	<u>16,324</u>	<u>9,450</u>

B8. Change in Material Litigations

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

B9. Proposed Dividend

At the forthcoming Annual General Meeting, a final single tier dividend of 2.0 sen per ordinary share, totaling RM2.6 million, for the financial year ended 30 September 2014 will be proposed for the shareholders' approval.

B10. Earnings per Ordinary Share
(a) Basic earnings per ordinary share (“EPS”)

The calculation of EPS was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares in issue during the financial period calculated as follows:

	Individual Financial Quarter Ended		Year-to-date Ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Profit for the period attributable to owners (RM'000)	2,660	3,300	2,660	3,300
Weighted average number of ordinary shares in issue ('000)	130,000	130,000	130,000	130,000
Basic EPS (sen)	<u>2.05</u>	<u>2.54</u>	<u>2.05</u>	<u>2.54</u>

(b) Diluted EPS

The Group did not issue any financial instruments, convertible securities and / or other contracts that may entitle its holders to new ordinary shares and therefore dilute its basic earnings per share.

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS
 (APPENDIX 9B) (continued)**
B11. Financial Instruments

Outstanding derivatives as at 31 December 2014 is as follow:

Type of derivatives	Contract / Notional Value RM'000	Fair Value Through Profit or Loss RM'000
Less than 1 year:-		
Forward exchange contract-buy	<u>6,705</u>	<u>86</u>

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

B12. Realised and Unrealised Retained Earnings

	As At 31.12.2014 RM'000	As At 30.09.2014 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	53,324	51,001
- Unrealised	<u>2,040</u>	<u>1,660</u>
	55,364	52,661
Less: Consolidation adjustments	<u>(5,695)</u>	<u>(5,711)</u>
The retained earnings as per condensed consolidated financial statements	<u>49,669</u>	<u>46,950</u>

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS
 (APPENDIX 9B) (continued)**
B13. Notes to Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Individual Financial Quarter Ended		Year-to-date Ended	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
Profit for the period is arrived at after charging / (crediting):				
Allowance for diminution in value of other investment	-	6	-	6
Depreciation and amortisation	501	420	501	420
Allowance for doubtful debts	329	124	329	124
(Reversal of) / written down inventories to net realisable value	(4)	380	(4)	380
Loss on disposal of property, plant and equipment	-	5	-	5
Foreign exchange loss	250	229	250	229
(Reversal of) / allowance for foreseeable loss	(173)	282	(173)	282
Fair value changes on forward exchange contracts	(59)	(31)	(59)	(31)
Gain on disposal of asset classified as held for sale	-	(115)	-	(115)

B14. 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 24 February 2015.