

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2015

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	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Revenue	72,095	49,833	72,095	49,833
Results from operating activities	5,959	3,666	5,959	3,666
Finance costs	(322)	(500)	(322)	(500)
Finance income	20	308	20	308
Net finance costs	(302)	(192)	(302)	(192)
Share of loss of equity– accounted joint venture, net of tax	(46)	-	(46)	-
Profit before tax	5,611	3,474	5,611	3,474
Tax expense	(1,316)	(786)	(1,316)	(786)
Profit for the period	4,295	2,688	4,295	2,688
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	(104)	134	(104)	134
Total other comprehensive (loss) / income for the period	(104)	134	(104)	134
Total comprehensive income for the period	4,191	2,822	4,191	2,822

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2015

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	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Profit attributable to:				
Owners of the Company	4,242	2,660	4,242	2,660
Non-controlling interests	53	28	53	28
	<u>4,295</u>	<u>2,688</u>	<u>4,295</u>	<u>2,688</u>
Total comprehensive income attributable to:				
Owners of the Company	4,148	2,781	4,148	2,781
Non-controlling interests	43	41	43	41
	<u>4,191</u>	<u>2,822</u>	<u>4,191</u>	<u>2,822</u>
Earnings per share:				
- Basic (sen)	<u>3.26</u>	<u>2.05</u>	<u>3.26</u>	<u>2.05</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 2015 and the accompanying explanatory notes attached to the interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2015

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(The figures have not been audited)

	(Unaudited) 31.12.2015 RM'000	(Audited) 30.09.2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	24,161	23,732
Intangible assets	2,247	2,343
Investment properties	1,489	1,495
Investment in joint venture	454	500
Other investments	10	10
Deferred tax assets	2,448	2,342
Total non-current assets	30,809	30,422
Current assets		
Inventories	50,753	40,877
Current tax assets	2,060	2,631
Trade and other receivables	105,457	81,860
Deposits and prepayments (including derivative)	11,238	14,674
Cash and cash equivalents	29,072	29,475
	198,580	169,517
Total current assets	198,580	169,517
TOTAL ASSETS	229,389	199,939
EQUITY AND LIABILITIES		
Equity		
Share capital	65,000	65,000
Reserves	70,909	66,761
Total equity attributable to owners of the Company	135,909	131,761
Non-controlling interests	668	625
TOTAL EQUITY	136,577	132,386

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2015

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

(The figures have not been audited)

	Note	(Unaudited) 31.12.2015 RM'000	(Audited) 30.09.2015 RM'000
EQUITY AND LIABILITIES			
(continued)			
Non-current liabilities			
Loans and borrowings	B7	9,065	9,226
Deferred tax liabilities		1,594	2,893
Total non-current liabilities		10,659	12,119
Current liabilities			
Loans and borrowings	B7	15,087	4,152
Deferred income		3,761	2,117
Provision for warranties		116	94
Trade and other payables (including derivative)		63,189	49,071
Total current liabilities		82,153	55,434
TOTAL LIABILITIES		92,812	67,553
TOTAL EQUITY AND LIABILITIES		229,389	199,939
Net assets per share attributable to equity holders of the Company (RM)		1.05	1.02

(The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2015 and the accompanying explanatory notes attached to the interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2015

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	< ----- Attributable to owners of the Company ----- >					Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	< ----- Non-Distributable ----- >		Distributable					
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Retained Profits RM'000			
<u>3 Months Period Ended</u>								
<u>31 December 2015</u>								
At 1 October 2015	65,000	4,302	(2)	1,082	61,379	131,761	625	132,386
Total comprehensive income for the period	-	-	-	(94)	4,242	4,148	43	4,191
At 31 December 2015	65,000	4,302	(2)	988	65,621	135,909	668	136,577
<u>3 Months Period Ended</u>								
<u>31 December 2014</u>								
At 1 October 2014	65,000	4,302	-	202	46,950	116,454	634	117,088
Total comprehensive income for the period	-	-	-	121	2,660	2,781	41	2,822
Changes in ownership interests in a subsidiary	-	-	-	-	59	59	(169)	(110)
At 31 December 2014	65,000	4,302	-	323	49,669	119,294	506	119,800

(The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2015 and the accompanying explanatory notes attached to the interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2015

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	3 Months Period Ended	
	31.12.2015	31.12.2014
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	5,611	3,474
Adjustments for:		
Amortisation of investment properties	7	*
Amortisation of development costs	96	84
Allowance for /(reversal of) foreseeable losses	84	(173)
Warranties claimed / (reversal of) warranties	22	(80)
Depreciation of property, plant and equipment	483	417
Gain on disposal of property, plant and equipment	(4)	-
Fair value loss / (gain) on forward exchange contracts, net	6,659	(59)
Finance costs	322	500
Finance income	(20)	(308)
Unrealised foreign exchange (gain) / loss	(643)	12
	<hr/>	<hr/>
Operating profit before working capital changes	12,617	3,867
Changes in working capital:		
Inventories	(9,895)	631
Trade and other receivables, deposits and prepayments	(28,060)	(150)
Trade and other payables and deferred income	17,604	10,579
	<hr/>	<hr/>
Cash (used in) / generated from operations	(7,734)	14,927
Income taxes paid	(2,149)	(747)
Interest paid	(37)	(292)
Interest received	20	308
	<hr/>	<hr/>
Net cash (used in) / generated from operating activities	(9,900)	14,196
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	1	-
Purchase of property, plant and equipment	(760)	(513)
Increase in development costs	-	(146)
Proceeds from term loan	(26)	-
Interest paid for term loan	(12)	-
Investment in joint venture	46	-
	<hr/>	<hr/>
Net cash used in investing activities	(751)	(659)
	<hr/>	<hr/>

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 December 2015

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(The figures have not been audited)

	3 Months Period Ended	
	31.12.2015	31.12.2014
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquisition of non-controlling interests	-	(110)
Proceeds from loans and borrowings	10,910	-
Repayment of loans and borrowings	(191)	(4,084)
Repayment of finance lease liabilities	(72)	(334)
Interest paid	(273)	(208)
	<hr/>	<hr/>
Net cash generated from / (used in) financing activities	10,374	(4,736)
	<hr/>	<hr/>
Net (decrease) / increase in cash and cash equivalents	(277)	8,801
Foreign exchange differences on cash held	(126)	223
Cash and cash equivalents at beginning of the financial period	29,475	27,124
	<hr/>	<hr/>
Cash and cash equivalents at end of the financial period	29,072	36,148
	<hr/>	<hr/>
Cash and cash equivalents included in the statements of cash flows comprise:-		
Cash and bank balances	19,660	24,752
Liquid investment	9,412	10,327
Deposit	-	1,069
	<hr/>	<hr/>
	29,072	36,148
	<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 2015 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 year ended 31 December 2015, 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 year ended 30 September 2015. 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 year ended 30 September 2015.

The accounting policies applied by the Group in these interim financial statements are consistent with the audited financial statement for the financial year ended 30 September 2015.

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, MFRS 12, Disclosure of Interests in Other Entities and MFRS 128, 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 and MFRS 138, Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
- Amendments to MFRS 116, <i>Property, Plant and Equipment and MFRS 141, 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 2018
- MFRS 9, <i>Financial Instruments (2014)</i>	1 January 2018
- 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>	Yet to be confirmed

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.

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

A5. Nature and Amount of Changes in Estimates

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

A6. Debts and Securities

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

Details of treasury shares held:-

	No. of Shares	Amount RM
Balance as at 1 October 2015	2,000	2,410
Add: Purchase during the period under review	-	-
Balance as at 31 December 2015	<u>2,000</u>	<u>2,410</u>

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 year to date ended 31 December 2015.

	Turnover RM’000	Profit before Tax RM’000
Marketing and Distribution	26,828	3,076
Manufacturing	38,405	500
Services	6,862	2,035
Reportable segment	<u><u>72,095</u></u>	<u><u>5,611</u></u>

A9. Subsequent Material Event

In January 2016, the Company entered into an agreement to purchase 120,000 ordinary shares of RM1.00 each of Transssystem Continental Sdn. Bhd. (“TCSB”), representing 13.33% of the existing issued and paid-up capital of TCSB for a consideration of RM300,000 and to subscribe for 1,050,000 new ordinary shares of RM1.00 each of TCSB for RM1,050,000; thereby making TCSB into a 60% owned subsidiary of the Company. The acquisition and subscription were completed on 15 January 2016.

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

A10. Changes in the Composition of the Group

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

A11. Capital Commitments

Outstanding commitments in respects 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 property, plant and equipment	<u>1,393</u>

A12. Changes in Contingent Liabilities

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

	RM’000
At 01.10.2015	146,950
Increase in borrowing facilities	-
At 31.12.2015	<u><u>146,950</u></u>

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

	RM’000
At 01.10.2015	9,768
Expired	(160)
At 31.12.2015	<u><u>9,608</u></u>

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

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.
QL Endau Marine Products Sdn Bhd (“QLEMP”)	A company in which a director and substantial shareholder is also the Non-Independent Non-Executive Director of EITA Resources Berhad (“EITA”)

	Cumulative Financial Quarter Ended	
	31.12.2015 RM’000	31.12.2014 RM’000
<u>Boilermech Sdn Bhd (“Boilermech”)</u>		
- Sales of electrical equipment	17	66
<u>CTL Automation Sdn Bhd (“CTL”)</u>		
- Repairs and purchase of elevators parts	(33)	(108)
<u>Platinum Group</u>		
- Sales of power equipment, supply, install, testing and commissioning of electrical work and equipment and maintenance of elevator	104	32
<u>QL Endau Marine Products Sdn Bhd (“QLEMP”)</u>		
- Sales of electrical equipment	246	-

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	%
	31.12.2015	31.12.2014	change	31.12.2015	31.12.2014	change
	RM'000	RM'000		RM'000	RM'000	
Revenue						
Marketing and						
Distribution	26,828	23,707	13.2%	26,828	23,707	13.2%
Manufacturing	38,405	20,000	92.0%	38,405	20,000	92.0%
Services	6,862	6,126	12.0%	6,862	6,126	12.0%
Total	72,095	49,833	44.7%	72,095	49,833	44.7%
Profit before Tax ("PBT")						
Marketing and						
Distribution	3,076	2,571	19.6%	3,076	2,571	19.6%
Manufacturing	500	(669)	174.7%	500	(669)	174.7%
Services	2,035	1,572	29.5%	2,035	1,572	29.5%
Total	5,611	3,474	61.5%	5,611	3,474	61.5%

The total revenue of the Group for the current quarter increased by RM22.3 million or 44.7% as compared to the preceding year corresponding quarter contributed by all segments.

The total PBT of the Group for the current quarter increased by RM2.1 million or 61.5% corresponding to the higher revenue.

(i) Marketing and Distribution Segment

Current quarter revenue increased by RM3.1 million or 13.2% mainly due to higher demand for electrical and electronics components.

Current quarter PBT increased by RM0.5 million or 19.6% corresponding to the higher revenue.

(ii) Manufacturing Segment

Current quarter revenue increased by RM18.4 million or 92.0% mainly due to more execution of elevator projects and higher revenue from busduct.

Current quarter PBT increased by RM1.2 million or 174.7% corresponding with the increased revenue.

(iii) Service Segment

Current quarter revenue increased by RM0.7 million or 12.0% mainly contributed by elevator maintenance contract and repair sales.

Current quarter PBT increased by RM0.5 million or 29.5% for the same reason.

**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
	31.12.2015 RM'000	30.09.2015 RM'000	
Revenue			
Marketing and Distribution	26,828	21,361	25.6%
Manufacturing	38,405	30,616	25.4%
Services	6,862	6,529	5.1%
Total	72,095	58,506	23.2%
Profit before Tax ("PBT")			
Marketing and Distribution	3,076	1,965	56.5%
Manufacturing	500	9,380	(94.7%)
Services	2,035	1,923	5.8%
Total	5,611	13,268	(57.7%)

The total revenue of the Group for the current quarter increased by RM13.6 million or 23.2% against preceding quarter contributed by all three segments.

The total PBT of the Group for the current quarter however decreased by RM7.7 million or 57.7% mainly due to unrealised foreign exchange loss on fair value valuation of the forward exchange contracts.

(i) Marketing and Distribution Segment

Revenue increased by RM5.5 million or 25.6% due to increased demand for electrical and electronics components.

Current quarter PBT increased by RM1.1 million or 56.5% for the same reason.

(ii) Manufacturing Segment

Current quarter revenue increased by RM7.8 million or 25.4% mainly due to higher execution of elevator projects.

Current quarter PBT however decreased by RM8.9 million or 94.7% mainly due to unrealised foreign exchange loss on fair value valuation of the forward exchange contracts.

(iii) Services Segment

Current quarter revenue increased by RM0.3 million or 5.1% mainly contributed by elevator repair sales.

Current quarter PBT increased by RM0.1 million or 5.8% for the same reason.

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

B3. Commentary on Prospects

The regional and global economic environment continues to be challenging. Barring any unforeseen circumstances, the Board of Directors of the Company is cautiously optimistic on the Group's performance. Nevertheless, with the current order book on hand and coupled with an appropriate business strategy to strengthen operational efficiency, we would strive to deliver satisfactory results for the financial year ending 30 September 2016.

B4. Profit Forecast

Profit forecast was not provided.

B5. Tax Expense

	Individual Financial Quarter Ended 31.12.2015 RM'000	Cumulative Financial Quarter Ended 31.12.2015 RM'000
Current tax expense		
Malaysia - current period	2,821	2,821
Overseas - current period	29	29
- prior period	(70)	(70)
Double tax deduction	(59)	(59)
Total current tax recognised in profit or loss	2,721	2,721
Deferred tax expense		
Origination and reversal of temporary differences	(1,399)	(1,399)
Under provision in prior year	(7)	(7)
Tax benefits arising from previously unrecognised tax losses	1	1
Total deferred tax recognised in profit or loss	(1,405)	(1,405)
Total tax expense	<u>1,316</u>	<u>1,316</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 2015, 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	(4,673)	-	4,178*	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	(10,569)	-	6,911	

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 31.12.2015 RM'000	As at 31.12.2014 RM'000
Non-current		
Finance lease liabilities	744	577
Term loan – secured	8,321	8,199
	<u>9,065</u>	<u>8,776</u>
Current		
Bills payable – unsecured	13,917	6,488
Finance lease liabilities	273	279
Term loan – secured	897	781
	<u>15,087</u>	<u>7,548</u>
Total group borrowing	<u>24,152</u>	<u>16,324</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 2015 will be proposed for the shareholders' approval.

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

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	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Profit for the period attributable to owners (RM'000)	4,242	2,660	4,242	2,660
Weighted average number of ordinary shares in issue ('000)	130,000	130,000	130,000	130,000
Basic EPS (sen)	<u>3.26</u>	<u>2.05</u>	<u>3.26</u>	<u>2.05</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.

B11. Financial Instruments

Outstanding derivatives as at 31 December 2015 is as follow:

	Contract / Notional Value RM'000	Fair Value Through Profit or Loss RM'000
Type of derivatives		
Less than 1 year:-		
Forward exchange contract-buy	<u>86,007</u>	<u>4,583</u>

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

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

B12. Realised and Unrealised Retained Earnings

	As At 31.12.2015 RM'000	As At 30.09.2015 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	66,523	57,118
- Unrealised	5,964	9,910
	<u>72,487</u>	<u>67,028</u>
Less: Consolidation adjustments	(6,866)	(5,649)
The retained earnings as per condensed consolidated financial statements	<u>65,621</u>	<u>61,379</u>

B13. Notes to Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Individual Financial Quarter Ended		Year-to-date Ended	
	31.12.15 RM'000	31.12.14 RM'000	31.12.15 RM'000	31.12.14 RM'000
Profit for the period is arrived after charging / (crediting):				
Reversal of diminution in value of other investment	(5)	-	(5)	-
Depreciation and amortisation	586	501	586	501
(Reversal of) / provision for allowance for doubtful debts	(15)	329	(15)	329
Inventories written down / (reversal of) to net realisable value	51	(4)	51	(4)
Gain on disposal of property, plant and equipment	(4)	-	(4)	-
Foreign exchange (gain) / loss, net	(3,243)	250	(3,243)	250
Allowance for / (reversal of) foreseeable loss	84	(173)	84	(173)
Fair value loss / (gain) on forward exchange contracts	6,659	(59)	6,659	(59)
Provision for warranties	33	-	33	-

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 2016.