

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2016

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	
	31.03.2016 RM'000	31.03.2015 RM'000	31.03.2016 RM'000	31.03.2015 RM'000
Revenue	69,887	63,251	141,982	113,084
Results from operating activities	1,116	7,667	7,075	11,333
Finance costs	(538)	(192)	(860)	(692)
Finance income	22	5	42	313
Net finance costs	(516)	(187)	(818)	(379)
Share of loss of equity- accounted joint venture, net of tax	(40)	-	(86)	-
Profit before tax	560	7,480	6,171	10,954
Tax expense	(358)	(2,363)	(1,674)	(3,149)
Profit for the period	202	5,117	4,497	7,805
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	(302)	83	(406)	217
Total other comprehensive income / (loss) for the period	(302)	83	(406)	217
Total comprehensive income for the period	(100)	5,200	4,091	8,022

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2016

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	
	31.03.2016 RM'000	31.03.2015 RM'000	31.03.2016 RM'000	31.03.2015 RM'000
Profit attributable to:				
Owners of the Company	216	5,114	4,458	7,774
Non-controlling interests	(14)	3	39	31
	<u>202</u>	<u>5,117</u>	<u>4,497</u>	<u>7,805</u>
Total comprehensive income attributable to:				
Owners of the Company	(56)	5,189	4,092	7,970
Non-controlling interests	(44)	11	(1)	52
	<u>(100)</u>	<u>5,200</u>	<u>4,091</u>	<u>8,022</u>
Earnings per share:				
- Basic (sen)	<u>0.17</u>	<u>3.93</u>	<u>3.43</u>	<u>5.98</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 March 2016

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(The figures have not been audited)

	(Unaudited) 31.03.2016 RM'000	(Audited) 30.09.2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	23,819	23,732
Intangible assets	3,121	2,343
Investment properties	1,482	1,495
Investment in joint venture	413	500
Other investments	10	10
Deferred tax assets	3,773	2,342
Total non-current assets	32,618	30,422
Current assets		
Inventories	44,918	40,877
Current tax assets	-	2,631
Trade and other receivables	115,822	81,860
Deposits and prepayments (including derivative)	7,221	14,674
Cash and cash equivalents	27,453	29,475
	<u>195,414</u>	<u>169,517</u>
Total current assets	195,414	169,517
TOTAL ASSETS	<u>228,032</u>	<u>199,939</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	65,000	65,000
Reserves	68,252	66,761
Total equity attributable to owners of the Company	133,252	131,761
Non-controlling interests	880	625
TOTAL EQUITY	<u>134,132</u>	<u>132,386</u>

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2016

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

(The figures have not been audited)

	Note	(Unaudited) 31.03.2016 RM'000	(Audited) 30.09.2015 RM'000
EQUITY AND LIABILITIES			
(continued)			
Non-current liabilities			
Loans and borrowings	B7	8,712	9,226
Deferred tax liabilities		600	2,893
Total non-current liabilities		9,312	12,119
Current liabilities			
Loans and borrowings	B7	31,953	4,152
Deferred income		2,703	2,117
Provision for warranties		128	94
Trade and other payables (including derivative)		49,608	49,071
Current tax liabilities		196	-
Total current liabilities		84,588	55,434
TOTAL LIABILITIES		93,900	67,553
TOTAL EQUITY AND LIABILITIES		228,032	199,939
Net assets per share attributable to equity holders of the Company (RM)		1.03	1.02

(The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year 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 March 2016

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	< ----- Attributable to owners of the Company ----- >					Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Distributable Retained Profits RM'000			
<u>6 Months Period Ended</u> <u>31 March 2016</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	-	-	-	(366)	4,458	4,092	(1)	4,091
Acquisition of subsidiary company	-	-	-	-	-	-	256	256
Dividend to owners of the Company	-	-	-	-	(2,600)	(2,600)	-	(2,600)
Share buy-back	-	-	(1)	-	-	(1)	-	(1)
At 31 March 2016	65,000	4,302	(3)	716	63,237	133,252	880	134,132
<u>6 Months Period Ended</u> <u>31 March 2015</u>								
At 1 October 2014	65,000	4,302	-	202	46,950	116,454	634	117,088
Total comprehensive income for the period	-	-	-	196	7,774	7,970	52	8,022
Changes in ownership interests in a subsidiary	-	-	-	-	59	59	(169)	(110)
Share buy-back	-	-	(1)	-	-	(1)	-	(1)
At 31 March 2015	65,000	4,302	(1)	398	54,783	124,482	517	124,999

(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 2015 and the accompanying explanatory notes attached to the interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2016

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	6 Months Period Ended	
	31.03.2016	31.03.2015
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	6,171	10,954
Adjustments for:		
Amortisation of investment properties	13	1
Amortisation of development costs	188	191
Reversal of for foreseeable losses	(341)	(93)
Allowance for / (reversal of) warranties	45	(37)
Warranties claimed	(11)	(6)
Depreciation of property, plant and equipment	926	832
Gain on disposal of property, plant and equipment	(92)	(1)
Fair value loss / (gain) on forward exchange contracts, net	16,332	(1,369)
Finance costs	860	1,136
Finance income	(42)	(800)
Unrealised foreign exchange gain	(182)	(180)
	<hr/>	<hr/>
Operating profit before working capital changes	23,867	10,628
Changes in working capital:		
Inventories	(4,120)	5,712
Trade and other receivables, deposits and prepayments	(39,888)	(10,678)
Trade and other payables and deferred income	(1,933)	5,570
	<hr/>	<hr/>
Cash (used in) / generated from operations	(22,074)	11,232
Income taxes paid	(2,513)	(1,612)
Interest paid	(147)	(702)
Interest received	42	800
	<hr/>	<hr/>
Net cash (used in) / generated from operating activities	(24,692)	9,718
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	174	63
Purchase of property, plant and equipment	(1,096)	(908)
Increase in development costs	-	(176)
Investment in joint venture	87	-
	<hr/>	<hr/>
Net cash used in investing activities	(835)	(1,021)

Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2016

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(The figures have not been audited)

	6 Months Period Ended	
	31.03.2016	31.03.2015
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to owners of the Company	(2,600)	-
Share buy-back	(1)	(1)
Acquisition of non-controlling interests	-	(110)
Proceeds from loans and borrowings	24,212	-
Repayment of loans and borrowings	(538)	(390)
Repayment of finance lease liabilities	(79)	(417)
Interest paid	(713)	(434)
Net cash generated from / (used in) financing activities	20,281	(1,352)
Net (decrease) / increase in cash and cash equivalents	(5,246)	7,345
Foreign exchange differences on cash held	(289)	417
Cash and cash equivalents at beginning of the financial period	29,475	27,124
Cash and cash equivalents at end of the financial period	23,940	34,886
Cash and cash equivalents included in the statements of cash flows comprise:-		
Cash and bank balances	17,822	18,124
Liquid investment	8,631	11,712
Deposit	1,000	5,104
Bank overdrafts	(3,513)	(54)
	23,940	34,886

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 period ended 31 March 2016, 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
- 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

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 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
- Amendments to MFRS 107, <i>Statement of Cash Flow – Disclosure Initiative</i>	1 January 2017
- Amendments to MFRS 112, <i>Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
- MFRS 9, <i>Financial Instruments (2014)</i>	1 January 2018
- MFRS 16, <i>Leases</i>	1 January 2019
- 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 except for the following:-

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	1,000	1,340
Balance as at 31 March 2016	<u>3,000</u>	<u>3,750</u>

A7. Dividends Paid and Distributed

During the financial 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 March 2016.

	Turnover RM’000	Profit before Tax RM’000
Marketing and Distribution	49,886	4,925
Manufacturing	80,417	(1,407)
Services	11,679	2,653
Reportable segment	<u>141,982</u>	<u>6,171</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.

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

A10. Changes in the Composition of the Group

In January 2016, the Company entered into an agreement to purchase 120,000 ordinary shares of RM1.00 each of Transsystem 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.

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	RM’000 <u>1,170</u>
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A12. Changes in Contingent Liabilities

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

At 01.10.2015	RM’000 146,950
Increase in borrowing facilities	-
At 31.03.2016	<u>146,950</u>

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

At 01.10.2015	RM’000 9,768
Expired	(806)
At 31.03.2016	<u>8,962</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”).
Sigriner Automation (MFG) Sdn Bhd (“Sigriner”)	A 50% joint venture company of EITA-Schneider (Mfg) Sdn Bhd (“ESM”) in which two (2) of the directors are the Executive Directors of EITA, the holding company of ESM.

	Cumulative Financial Quarter Ended	
	31.03.2016 RM’000	31.03.2015 RM’000
<u>Boilermech Sdn Bhd (“Boilermech”)</u>		
- Sales of electrical equipment	86	190
<u>CTL Automation Sdn Bhd (“CTL”)</u>		
- Repairs and purchase of elevators parts	(76)	(483)
<u>Platinum Group</u>		
- Sales of power equipment, supply, install, testing and commissioning of electrical work and equipment and maintenance of elevator	175	108
<u>QL Endau Marine Products Sdn Bhd (“QLEMP”)</u>		
- Sales of electrical equipment	246	-
<u>Sigriner Automation (MFG) Sdn Bhd (“Sigriner”)</u>		
- Sales of elevator controller	298	-

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	%
	31.03.2016	31.03.2015	change	31.03.2016	31.03.2015	change
	RM'000	RM'000		RM'000	RM'000	
Revenue						
Marketing and						
Distribution	23,058	22,515	2.4%	49,886	46,222	7.9%
Manufacturing	42,012	33,909	23.9%	80,417	53,909	49.2%
Services	4,817	6,827	(29.4%)	11,679	12,953	(9.8%)
Total	69,887	63,251	10.5%	141,982	113,084	25.6%
Profit before Tax ("PBT")						
Marketing and						
Distribution	1,849	2,983	(38.0%)	4,925	5,554	(11.3%)
Manufacturing	(1,907)	2,525	(175.5%)	(1,407)	1,856	(175.8%)
Services	618	1,972	(68.7%)	2,653	3,544	(25.1%)
Total	560	7,480	(92.5%)	6,171	10,954	(43.7%)

The total revenue of the Group for the current quarter increased by RM6.6 million or 10.5% as compared to the preceding year corresponding quarter contributed by Marketing and Distribution and Manufacturing segments.

Cumulatively, the Group revenue increased by RM28.9 million or 25.6% as compared to the preceding corresponding period contributed by Marketing and Distribution and Manufacturing segments.

The total PBT of the Group for the current quarter decreased by RM6.9 million or 92.5% despite higher revenue recorded mainly due to unrealised foreign exchange loss on fair value valuation of the forward exchange contracts.

Cumulatively, the Group PBT decreased by RM4.8 million or 43.7% for the same reason.

(i) Marketing and Distribution Segment

Current quarter revenue increased by RM0.5 million or 2.4% mainly due to higher demand for electrical and electronics ("E&E") components.

Cumulative revenue increased by RM3.7 million or 7.9% for the same reason.

Current quarter PBT decreased by RM1.1 million or 38.0% mainly due to unrealised foreign exchange loss on fair value valuation of the forward exchange contracts.

Cumulative PBT decreased by RM0.6 million or 11.3% for the same reason.

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

**B1. Review of Performance for the Current Financial Quarter and Financial Year To-Date
(Cont'd)**

(i) Manufacturing Segment

Current quarter revenue increased by RM8.1 million or 23.9% mainly due to higher elevator projects executed and higher revenue from busduct and other E&E components and equipment.

Cumulatively, revenue increased by RM26.5 million or 49.2% for the same reason.

Current quarter PBT decreased by RM4.4 million or 175.5% mainly due to unrealised foreign exchange loss on fair value valuation of the forward exchange contracts.

Cumulative PBT decreased by RM3.3 million or 175.8% for the same reason.

(ii) Service Segment

Current quarter revenue decreased by RM2.0 million or 29.4% mainly due to lower repair sales.

Cumulatively, revenue decreased by RM1.3 million or 9.8% mainly due to lesser project execution of electrical and security systems.

Current quarter PBT decreased by RM1.4 million or 68.7% corresponding with the decreased revenue.

Cumulative PBT decreased by RM0.9 million or 25.1% for the same reason.

B2. Review of Current Financial Quarter Performance against Preceding Quarter

	Individual Financial Quarter Ended		% change
	31.03.2016 RM'000	31.12.2015 RM'000	
Revenue			
Marketing and Distribution	23,058	26,828	(14.1%)
Manufacturing	42,012	38,405	9.4%
Services	4,817	6,862	(29.8%)
Total	69,887	72,095	(3.1%)
Profit before Tax ("PBT")			
Marketing and Distribution	1,849	3,076	(39.9%)
Manufacturing	(1,907)	500	(481.4%)
Services	618	2,035	(69.6%)
Total	560	5,611	(90.0%)

The total revenue of the Group for the current quarter decreased by RM2.2 million or 3.1% against preceding quarter mainly due to lower revenue recorded in Marketing and Distribution and Services segments.

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

B2. Review of Current Financial Quarter Performance against Preceding Quarter (Cont'd)

The total PBT of the Group for the current quarter decreased by RM5.1 million or 90.0% mainly due to unrealised foreign exchange loss on fair value valuation of the forward exchange contracts.

(i) Marketing and Distribution Segment

Revenue decreased by RM3.8 million or 14.1% due to decreased demand for E&E components.

Current quarter PBT decreased by RM1.2 million or 39.9% for the same reason.

(ii) Manufacturing Segment

Current quarter revenue increased by RM3.6 million or 9.4% mainly due to higher execution of elevator projects.

Current quarter PBT however decreased by RM2.4 million or 481.4% mainly due to unrealised foreign exchange loss on fair value valuation of the forward exchange contracts.

(iii) Services Segment

Current quarter revenue decreased by RM2.0 million or 29.8% mainly due to lower elevator repair sales.

Current quarter PBT decreased by RM1.4 million or 69.6% for the same reason.

B3. Commentary on Prospects

The regional and global economic environment and volatility in foreign currency exchange rate continue to be challenging. Despite the challenges, the Board of Directors (“the Board”) of the Company will constantly review its business strategy to strengthen operational efficiency, and would strive to deliver satisfactory results for the financial year ending 30 September 2016.

B4. Profit Forecast

Profit forecast was not provided.

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

B5. Tax Expense

	Individual Financial Quarter Ended 31.03.2016 RM'000	Cumulative Financial Quarter Ended 31.03.2016 RM'000
Current tax expense		
Malaysia - current period	2,693	5,514
- prior period	17	17
Overseas - current period	24	53
- prior period	2	(68)
Double tax deduction	(59)	(118)
Total current tax recognised in profit or loss	2,677	5,398
Deferred tax expense		
Origination and reversal of temporary differences	(2,319)	(3,718)
Under provision in prior year	-	(7)
Tax benefits arising from previously unrecognised tax losses	-	1
Total deferred tax recognised in profit or loss	(2,319)	(3,724)
Total tax expense	<u>358</u>	<u>1,674</u>

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").

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

B6. Status of Corporate Proposals Announced (Cont'd)

As at 31 March 2016, 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	(4,747)	-	4,104*	Within 72 months
(ii) Expansion in R&D	3,750	(1,250)	-	2,500*	Within 72 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	(10,876)	-	6,604	

Note:

* On 7 March 2014, the Board 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 research & development until 9 April 2016. However the said proceeds was not fully utilised for the intended purpose within the extended time frame.

On 8 March 2016, the Board had resolved to further extend the time frame for the utilisation of the remaining IPO proceeds for another 24 months until 9 April 2018.

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.

B7. Group Borrowings

	As at 31.03.2016 RM'000	As at 31.03.2015 RM'000
Non-current		
Finance lease liabilities	621	800
Term loan – secured	8,091	8,025
	<u>8,712</u>	<u>8,825</u>

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

B7. Group Borrowings (Cont'd)

	As at 31.03.2016 RM'000	As at 31.03.2015 RM'000
Current		
Bank overdrafts – unsecured	3,513	54
Bills payable – unsecured	27,290	10,370
Finance lease liabilities	244	302
Term loan – secured	906	768
	<u>31,953</u>	<u>11,494</u>
Total group borrowing	<u>40,665</u>	<u>20,319</u>

B8. Change in Material Litigations

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

B9. Proposed Dividend

No dividend was proposed by the Board for the current quarter under review.

A final dividend in respect of the financial period ended 30 September 2015 of 2.0 sen per ordinary share under the single tier system amounting to RM2.6 million was approved in the Company's Annual General Meeting held on 24 February 2016. The dividend was paid to the shareholders of the Company on 30 March 2016.

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	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Profit for the period attributable to owners (RM'000)	216	5,114	4,458	7,774
Weighted average number of ordinary shares in issue ('000)	130,000	130,000	130,000	130,000
Basic EPS (sen)	<u>0.17</u>	<u>3.93</u>	<u>3.43</u>	<u>5.98</u>

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

B10. Earnings per Ordinary Share (Cont'd)

(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 March 2016 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	80,236	(4,990)

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

B12. Realised and Unrealised Retained Earnings

	As At 31.03.2016 RM'000	As At 31.12.2015 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	75,202	66,523
- Unrealised	(5,104)	5,964
	<u>70,098</u>	<u>72,487</u>
Less: Consolidation adjustments	(6,861)	(6,866)
The retained earnings as per condensed consolidated financial statements	<u>63,237</u>	<u>65,621</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	
	31.03.16 RM'000	31.03.15 RM'000	31.03.16 RM'000	31.03.15 RM'000
Profit for the period is arrived after charging / (crediting):				
Reversal of diminution in value of other investment	(1)	-	(6)	-
Depreciation and amortisation	541	523	1,127	1,024
(Reversal of) / provision for allowance for doubtful debts	(559)	676	(574)	1,005
Inventories written down to net realisable value	248	508	299	504
Gain on disposal of property, plant and equipment	(88)	-	(92)	-
Foreign exchange (gain) / loss, net	(2,909)	95	(6,152)	345
(Reversal of) / allowance for foreseeable loss	(425)	80	(341)	(93)
Fair value loss / (gain) on forward exchange contracts	9,673	(1,310)	16,332	(1,369)
Provision for / (reversal of) warranties	12	41	45	(37)

B14. Authority for Issue

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the Directors dated 25 May 2016.