

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2018**

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

*(The figures have not been audited)*

	Individual Financial				Cumulative Financial			
	Quarter Ended		Changes		Quarter Ended		Changes	
	31.03.2018	31.03.2017	RM'000	%	31.03.2018	31.03.2017	RM'000	%
	RM'000	RM'000			RM'000	RM'000		
Revenue	61,447	66,860	(5,413)	(8.1%)	131,560	149,548	(17,988)	(12.0%)
<b>Results from operating activities</b>	5,096	7,555	(2,459)	(32.5%)	13,812	21,805	(7,993)	(36.7%)
Finance costs	(365)	(498)	(133)	(26.7%)	(622)	(1,075)	(453)	(42.1%)
Finance income	67	34	33	97.1%	108	76	32	42.1%
Net finance costs	(298)	(464)	(166)	(35.8%)	(514)	(999)	(485)	(48.5%)
Share of gain of equity-accounted joint venture, net of tax	91	210	(119)	(56.7%)	292	325	(33)	(10.2%)
<b>Profit before tax</b>	4,889	7,301	(2,412)	(33.0%)	13,590	21,131	(7,541)	(35.7%)
Tax expense	(1,356)	(1,871)	(515)	(27.5%)	(2,975)	(5,249)	(2,274)	(43.3%)
<b>Profit for the period</b>	3,533	5,430	(1,897)	(34.9%)	10,615	15,882	(5,267)	(33.2%)

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2018**

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

*(The figures have not been audited)*

	Individual Financial				Cumulative Financial			
	Quarter Ended		Changes		Quarter Ended		Changes	
	31.03.2018	31.03.2017	RM'000	%	31.03.2018	31.03.2017	RM'000	%
	RM'000	RM'000			RM'000	RM'000		
<b>Other comprehensive income, net of tax</b>								
Foreign currency translation differences for foreign operations	(244)	169	(413)	(244.4%)	(480)	352	(832)	(236.4%)
Total other comprehensive (expense) / income for the period	(244)	169	(413)	(244.4%)	(480)	352	(832)	(236.4%)
<b>Total comprehensive income for the period</b>	<u>3,289</u>	<u>5,599</u>	(2,310)	(41.3%)	<u>10,135</u>	<u>16,234</u>	(6,099)	(37.6%)
<b>Profit attributable to:</b>								
Owners of the Company	3,546	5,485	(1,939)	(35.4%)	10,616	15,910	(5,294)	(33.3%)
Non-controlling interests	(13)	(55)	(42)	(76.4%)	(1)	(28)	(27)	(96.4%)
	<u>3,533</u>	<u>5,430</u>	(1,897)	(34.9%)	<u>10,615</u>	<u>15,882</u>	(5,267)	(33.2%)

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2018**

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

*(The figures have not been audited)*

	Individual Financial				Cumulative Financial			
	Quarter Ended		Changes		Quarter Ended		Changes	
	31.03.2018	31.03.2017	RM'000	%	31.03.2018	31.03.2017	RM'000	%
	RM'000	RM'000			RM'000	RM'000		
<b>Total comprehensive income</b>								
<b>attributable to:</b>								
Owners of the Company	3,327	5,636	(2,309)	(41.0%)	10,184	16,226	(6,042)	(37.2%)
Non-controlling interests	(38)	(37)	1	2.7%	(49)	8	(57)	(712.5%)
	<u>3,289</u>	<u>5,599</u>	<u>(2,310)</u>	<u>(41.3%)</u>	<u>10,135</u>	<u>16,234</u>	<u>(6,099)</u>	<u>(37.6%)</u>
<b>Earnings per share:</b>								
- Basic (sen)	<u>2.73</u>	<u>4.22</u>			<u>8.17</u>	<u>12.24</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 2017 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2018**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*(The figures have not been audited)*

	(Unaudited) 31.03.2018 RM'000	(Audited) 30.09.2017 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	23,163	23,702
Intangible assets	2,353	2,677
Investment properties	3,847	3,718
Investment in joint venture	994	702
Other investments	10	10
Deferred tax assets	4,691	3,801
<b>Total non-current assets</b>	<b>35,058</b>	<b>34,610</b>
<b>Current assets</b>		
Inventories	38,981	43,936
Current tax assets	1,493	1,956
Trade and other receivables	102,678	103,224
Deposits and prepayments	5,657	2,624
Derivative financial assets	-	3
Cash and cash equivalents	55,836	45,087
<b>Total current assets</b>	<b>204,645</b>	<b>196,830</b>
<b>TOTAL ASSETS</b>	<b>239,703</b>	<b>231,440</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	69,302	69,302
Reserves	93,974	87,690
Total equity attributable to owners of the Company	163,276	156,992
Non-controlling interests	1,270	1,332
<b>TOTAL EQUITY</b>	<b>164,546</b>	<b>158,324</b>

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2018**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

*(The figures have not been audited)*

	Note	(Unaudited) 31.03.2018 RM'000	(Audited) 30.09.2017 RM'000
<b>EQUITY AND LIABILITIES</b>			
<b>(continued)</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	B7	6,753	7,287
Deferred tax liabilities		253	338
<b>Total non-current liabilities</b>		7,006	7,625
<b>Current liabilities</b>			
Loans and borrowings	B7	13,392	9,993
Deferred income		2,105	7,326
Provision for warranties		839	1,006
Current tax payable		1,288	759
Trade and other payables		49,711	46,114
Derivative financial liabilities		816	293
<b>Total current liabilities</b>		68,151	65,491
<b>TOTAL LIABILITIES</b>		75,157	73,116
<b>TOTAL EQUITY AND LIABILITIES</b>		239,703	231,440
<b>Net assets per share attributable to equity holders of the Company (RM)</b>		1.26	1.21

*(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 2017 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2018**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

*(The figures have not been audited)*

	< ----- Attributable to owners of the Company ----- >						Total	Non-Controlling	Total
	< ----- Non-Distributable ----- >			Distributable					
<b><u>6 Months Period Ended</u></b>	<b>Share</b>	<b>Share</b>	<b>Treasury</b>	<b>Translation</b>	<b>Retained</b>	<b>Total</b>	<b>Interests</b>	<b>Equity</b>	
<b><u>31 March 2018</u></b>	<b>Capital</b>	<b>Premium</b>	<b>Shares</b>	<b>Reserve</b>	<b>Profits</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
At 1 October 2017	69,302	-	(5)	1,154	86,541	<b>156,992</b>	1,332	<b>158,324</b>	
Total comprehensive income for the year	-	-	-	(432)	10,616	<b>10,184</b>	(49)	<b>10,135</b>	
Dividend to owners of the Company	-	-	-	-	(3,900)	<b>(3,900)</b>	-	<b>(3,900)</b>	
Dividends to non-controlling interest	-	-	-	-	-	-	(13)	<b>(13)</b>	
At 31 March 2018	<b>69,302</b>	<b>-</b>	<b>(5)</b>	<b>722</b>	<b>93,257</b>	<b>163,276</b>	<b>1,270</b>	<b>164,546</b>	
<b><u>6 Months Period Ended</u></b>									
<b><u>31 March 2017</u></b>									
At 1 October 2016	65,000	4,302	(5)	961	71,820	<b>142,078</b>	1,460	<b>143,538</b>	
Total comprehensive income for the year	-	-	-	316	15,910	<b>16,226</b>	8	<b>16,234</b>	
Dividend to owners of the Company	-	-	-	-	(2,600)	<b>(2,600)</b>	-	<b>(2,600)</b>	
At 31 March 2017	<b>65,000</b>	<b>4,302</b>	<b>(5)</b>	<b>1,277</b>	<b>85,130</b>	<b>155,704</b>	<b>1,468</b>	<b>157,172</b>	

*(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 2017 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2018**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

*(The figures have not been audited)*

	<b>6 Months Period Ended</b>	
	<b>31.03.2018</b>	<b>31.03.2017</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	13,590	21,131
Adjustments for:		
Amortisation of investment properties	13	13
Amortisation of development costs	83	165
(Reversal) / Allowance of foreseeable losses	(80)	152
Reversal of provision for warranties	(169)	(22)
Warranty claimed	1	(4)
Depreciation of property, plant and equipment	922	956
Gain on disposal of property, plant and equipment	(1)	-
Fair value loss / (gain) on forward exchange contracts	527	(1,614)
Finance costs	622	1,075
Finance income	(108)	(76)
Share of gain of equity-accounted joint venture, net of tax	(292)	(325)
Unrealised foreign exchange loss / (gain)	160	(428)
	<hr/>	<hr/>
Operating profit before changes in working capital	15,268	21,023
Changes in working capital:		
Inventories	4,892	4,523
Trade and other receivables, deposits and prepayments	(2,415)	(2,555)
Trade and other payables and deferred income	(1,711)	(11,491)
	<hr/>	<hr/>
Cash generated from operations	16,034	11,500
Income taxes paid	(2,951)	(4,894)
Interest paid	(220)	(515)
Interest received	108	76
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	<b>12,971</b>	<b>6,167</b>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Proceeds from disposal of property, plant and equipment	10	1
Purchase of property, plant and equipment	(309)	(454)
	<hr/>	<hr/>
<b>Net cash used in investing activity</b>	<b>(299)</b>	<b>(453)</b>

**Interim Financial Report on Consolidated Results for the Financial Quarter Ended 31 March 2018**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

*(The figures have not been audited)*

	<b>6 Months Period Ended</b>	
	<b>31.03.2018</b>	<b>31.03.2017</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to owners of the Company	(3,900)	(2,600)
Dividend paid to non-controlling interest	(13)	-
Proceeds from / (Repayment of) loans and borrowings	4,097	(13,756)
Repayment of finance lease liabilities	(183)	(186)
Interest paid	(402)	(560)
<b>Net cash used in financing activities</b>	<b>(401)</b>	<b>(17,102)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>12,271</b>	<b>(11,388)</b>
<b>Foreign exchange differences on cash held</b>	<b>(478)</b>	<b>368</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	<b>44,043</b>	<b>33,792</b>
<b>Cash and cash equivalents at end of the financial year</b>	<b>55,836</b>	<b>22,772</b>
Cash and cash equivalents included in the statements of cash flows comprise:-		
Deposit	2,000	1,300
Cash and bank balances	39,254	21,212
Liquid investments	14,582	1,355
Bank overdrafts	-	(1,095)
	<b>55,836</b>	<b>22,772</b>

*(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 2017 and the accompanying explanatory notes attached to the interim financial statements.)*



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

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**A1. Basis of Preparation**

The unaudited interim financial statements for the year ended 31 March 2018, 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 2017. 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 2017.

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 2017, except for the adoption of the following:-

MFRSs, Interpretation and Amendments to MFRSs and IC interpretation effective for annual periods beginning on or after 1 January 2017.

- Amendments to MFRS 12, *Disclosure of Interests in Other Entities* (*Annual Improvements to MFRS Standards 2014 - 2016 Cycle*)
- Amendments to MFRS 107, *Statement of Cash Flows – Disclosure Initiative*
- Amendments to MFRS 112, *Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses*

**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.

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

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**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.

**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:-**

	<b>No. of Shares</b>	<b>Amount RM</b>
Balance as at 1 October 2017 / 31 March 2018	4,000	5,050

**A7. Dividends Paid and Distributed**

During the quarter under review, no dividend was declared.

**A8. Segmental Information**

Segmental information in respect of the Group’s business activities for the financial year to date ended 31 March 2018.

	<b>Revenue RM’000</b>	<b>Profit before Tax RM’000</b>
Marketing and Distribution	43,701	4,253
Manufacturing	63,011	3,180
Services	24,848	6,157
Reportable segment	<u>131,560</u>	<u>13,590</u>

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

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**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 financial 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:

	<b>RM'000</b>
Balance purchase consideration on acquisition of property, plant and equipment	<u>696</u>

**A12. Changes in Contingent Liabilities**

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

	<b>RM'000</b>
At 1 October 2017	184,350
Increase in borrowing facilities	14,600
At 31 March 2018	<u>198,950</u>

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

	<b>RM'000</b>
At 1 October 2017	11,812
Addition	2,000
At 31 March 2018	<u>13,812</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:

<b>Company</b>	<b>Relationship</b>
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.
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.
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.
UMW Synergistic Generation Sdn Bhd (“UMW”)	Our Independent Non-Executive Chairman who is also a Director of UMW Holdings Berhad, the holding company of UMW.

	<b>Cumulative Financial Quarter Ended</b>	
	<b>31.03.2018 RM’000</b>	<b>31.03.2017 RM’000</b>
<u>CTL Automation Sdn Bhd (“CTL”)</u>		
- Repairs and purchase of elevators parts	(341)	(210)
- Sales of electrical equipment	30	-
<u>QL Endau Marine Products Sdn Bhd (“QLEMP”)</u>		
- Sales of electrical equipment	9	4
<u>Sigriner Automation (MFG) Sdn Bhd (“Sigriner”)</u>		
- Sales of elevator controllers and components, provision of management services and rental	83	77
- Purchase of elevator controllers	(3,300)	(3,341)
<u>UMW Synergistic Generation Sdn Bhd (“UMW”)</u>		
- Sales of power equipments	285	-

**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 Quarter Ended			Cumulative Financial Quarter Ended		
	31.03.2018 RM'000	31.03.2017 RM'000	% change	31.03.2018 RM'000	31.03.2017 RM'000	% change
<b>Revenue</b>						
Marketing and Distribution	21,683	21,967	(1.3%)	43,701	43,599	0.2%
Manufacturing	26,423	35,111	(24.7%)	63,011	84,365	(25.3%)
Services	13,341	9,782	36.4%	24,848	21,584	15.1%
<b>Total</b>	<u>61,447</u>	<u>66,860</u>	(8.1%)	<u>131,560</u>	<u>149,548</u>	(12.0%)
<b>Profit before Tax ("PBT")</b>						
Marketing and Distribution	2,083	3,048	(31.7%)	4,253	5,444	(21.9%)
Manufacturing	188	2,988	(93.7%)	3,180	12,441	(74.4%)
Services	2,618	1,265	107.0%	6,157	3,246	89.7%
<b>Total</b>	<u>4,889</u>	<u>7,301</u>	(33.0%)	<u>13,590</u>	<u>21,131</u>	(35.7%)

The total revenue of the Group for the current quarter decreased by RM5.4 million or 8.1% as compared to the preceding year corresponding quarter mainly due to lower revenue from Manufacturing segment.

Cumulatively, the Group revenue decreased by RM18.0 million or 12.0% as compared to the preceding corresponding period due to lower revenue from Manufacturing segment.

The total PBT of the Group for the current quarter decreased by RM2.4 million or 33.0% was in tandem with the lower revenue and foreign exchange loss amounting to RM0.5 million compared to the preceding year with a foreign exchange gain amounting to RM0.8 million. However, this was partially offset with an unrealised foreign exchange gain amounting to RM0.1 million on the fair value valuation of the forward exchange contracts compared to the preceding year with an unrealised foreign exchange loss amounting to RM0.9 million on the fair value valuation of the forward exchange contracts.

Cumulatively, the Group PBT decreased by RM7.5 million or 35.7% was in tandem with the lower revenue and an unrealised foreign exchange loss amounting to RM0.5 million on the fair value valuation of the forward exchange contracts compared to the preceding year with an unrealised foreign exchange gain amounting to RM1.6 million on the fair value valuation of the forward exchange contracts.

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

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

(i) Marketing and Distribution Segment

Current quarter revenue decreased by RM0.3 million or 1.3% mainly due to lower demand for electrical and electronics (“E&E”) components.

Cumulative revenue increased by RM0.1 million or 0.2% due to higher demand.

Current quarter PBT decreased by RM1.0 million or 31.7% corresponding to the lower revenue.

Cumulative PBT decreased by RM1.2 million or 21.9% due to lower sales on better margin products from different product mix.

(ii) Manufacturing Segment

Current quarter revenue decreased by RM8.7 million or 24.7% mainly due to lower execution of elevator projects and lower revenue from Busduct.

Cumulative revenue decreased by RM21.4 million or 25.3% for the same reason.

Current quarter PBT decreased by RM2.8 million or 93.7% mainly due to lower revenue and foreign exchange loss. However, this was partially offset with unrealised foreign exchange gain on fair value valuation of the forward exchange contracts.

Cumulative PBT decreased by RM9.2 million or 74.4% mainly due to lower revenue, foreign exchange loss and the unrealised foreign exchange loss on fair value valuation of the forward exchange contracts.

(iii) Service Segment

Current quarter revenue increased by RM3.6 million or 36.4% mainly due to higher execution of Transmission Sub-Station projects and elevator maintenance contract and repair sales.

Cumulative revenue increased by RM3.3 million or 15.1% for the same reasons.

Current quarter PBT increased by RM1.4 million or 107.0% mainly contributed from elevator maintenance contract and repair sales that have recorded higher gross profit margin.

Cumulative PBT increased by RM2.9 million or 89.7% 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 (Cont'd)**

	<b>Individual Financial Quarter Ended</b>		<b>% change</b>
	<b>31.03.2018 RM'000</b>	<b>31.12.2017 RM'000</b>	
<b>Revenue</b>			
Marketing and Distribution	21,683	22,018	(1.5%)
Manufacturing	26,423	36,588	(27.8%)
Services	13,341	11,507	15.9%
Total	61,447	70,113	(12.4%)
<b>Profit before Tax ("PBT")</b>			
Marketing and Distribution	2,083	2,170	(4.0%)
Manufacturing	188	2,992	(93.7%)
Services	2,618	3,539	(26.0%)
Total	4,889	8,701	(43.8%)

The total revenue of the Group for the current quarter decreased by RM8.7 million or 12.4% against preceding quarter mainly due to lower revenue from Manufacturing segment but mitigated by higher revenue from Services segment.

The total PBT of the Group for the current quarter decreased by RM3.8 million or 43.8% corresponding to the lower revenue, higher provision for doubtful debts, inventories written down to net realisable value and foreign exchange loss. However, this was partially offset with unrealised foreign exchange gain on fair value valuation of the forward exchange contracts compared to the preceding quarter.

(i) Marketing and Distribution Segment

Current quarter revenue decreased by RM0.3 million or 1.5% due to lower demand for E&E components.

Current quarter PBT decreased by RM0.1 million or 4.0% due to lower sales of better margin products from different product mix.

(ii) Manufacturing Segment

Current quarter revenue decreased by RM10.2 million or 27.8% mainly due to lower execution of elevator projects.

Current quarter PBT decreased by RM2.8 million or 93.7% corresponding to the lower revenue, inventories written down to net realisable value as well as foreign exchange loss.

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

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

(iii) Services Segment

Current quarter revenue increased by RM1.8 million or 15.9% mainly contributed by higher execution of Transmission Sub-Station projects.

Current quarter PBT however decreased by RM0.9 million or 26.0% mainly due to higher provision for allowance for doubtful debts and administrative expenses.

**B3. Commentary on Prospects**

The general business environment remains uncertain. Nevertheless, with the current order book and ongoing projects in hand and barring any unforeseen circumstances, the Board of Directors (“the Board”) of the Company expect the Group to achieve satisfactory results for this reporting financial year.

**B4. Profit Forecast**

Profit forecast was not provided.

**B5. Tax Expense**

	<b>Individual Financial Quarter Ended 31.03.2018 RM'000</b>	<b>Cumulative Financial Quarter Ended 31.03.2018 RM'000</b>
<b>Current tax expense</b>		
- current period	1,727	3,998
- prior period	1	(48)
	1,728	3,950
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences		
- current period	(383)	(923)
- prior period	11	(52)
	(372)	(975)
Total current tax recognised in profit or loss	1,356	2,975
Share of tax of equity-accounted joint venture	29	78
Total tax expense	1,385	3,053



**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 proceeds raised from the Company's Initial Public Offering was RM17.5 million and the status of utilisation of proceeds as at 31 March 2018 is as follows:-

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	(4,968)	-	3,883*	Within 72 months
(ii) Expansion in R&D	3,750	(3,688)	-	62*	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	(13,535)	-	3,945	

**Note:**

\*On 7 March 2014 and 8 March 2016, 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 and 9 April 2018 respectively. However, the said proceeds was not fully utilised for the intended purpose within the extended time frame.

On 3 April 2018, 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 2020.

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 31.03.2018		
	Long Term RM	Short Term RM	Total Borrowings RM
<b>Secured</b>			
Finance lease liabilities	521	297	818
Term Loan	6,232	983	7,215
<b>Unsecured</b>			
Banker's acceptance	-	12,112	12,112
Bank overdrafts	-	-	-
	6,753	13,392	20,145

	As at 31.03.2017		
	Long Term RM	Short Term RM	Total Borrowings RM
<b>Secured</b>			
Finance lease liabilities	830	367	1,197
Term Loan	7,119	961	8,080
<b>Unsecured</b>			
Bill payables	-	14,364	14,364
Revolving credits	-	2,500	2,500
Bank overdrafts	-	1,095	1,095
	7,949	19,287	27,236

**B8. Change in Material Litigations**

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

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

**B9. Proposed Dividend**

A final dividend in respect of the financial year ended 30 September 2017 of 3.0 sen per ordinary share amounting to RM3.9 million was approved in the Company's Annual General Meeting held on 23 February 2018. The dividend was paid to the shareholders of the Company on 28 March 2018.

**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:

	<b>Individual Financial Quarter Ended</b>		<b>Year-to-date Ended</b>	
	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Profit for the period attributable to owners (RM'000)	3,546	5,485	10,616	15,910
Weighted average number of ordinary shares in issue ('000)*	129,996	129,996	129,996	129,996
Basic EPS (sen)	<u>2.73</u>	<u>4.22</u>	<u>8.17</u>	<u>12.24</u>

Note:

\* The weighted average number of ordinary shares outstanding during 31 March 2018 excluding treasury shares held by the Company.

**(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 2018 is as follow:

<b>Type of derivatives</b>	<b>Contract / Notional Value RM'000</b>	<b>Fair Value Through Profit or Loss RM'000</b>
Less than 1 year:- Forward exchange contract	<u>39,595</u>	<u>(816)</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. Notes to Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income**

	Individual Financial Quarter Ended		Year-to-date Ended	
	31.03.2018 RM'000	31.03.2017 RM'000	31.03.2018 RM'000	31.03.2017 RM'000
<b>Profit for the period is arrived after charging / (crediting):</b>				
Reversal of diminution in value of other investment	(9)	(4)	(15)	(3)
Depreciation and amortisation	507	539	1,018	1,134
Provision for allowance for doubtful debts	468	560	209	1,153
Inventories written down to net realisable value	509	(69)	949	490
Gain on disposal of property, plant and equipment	(1)	-	(1)	-
Foreign exchange loss / (gain), net	501	(805)	577	(234)
(Reversal of) / Allowance for foreseeable loss	(29)	(63)	(80)	152
Fair value (gain) / loss on forward exchange contracts	(137)	850	527	(1,614)
Provision for / (Reversal of) warranties	9	(10)	17	(22)

**B13. Authority for Issue**

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the Directors dated 28 May 2018.