EITA®

EITA RESOURCES BERHAD
(Company No. 398748-T)

Annual Report 2017

Taking the Lead

TAKING THE LEAD

"Difficult roads often lead to beautiful destinations"

As EITA and our people venture forward, we shall be steadfast in **Taking the Lead** to face all obstacles, to overcome these challenges and to create our own destiny for success.

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

DATO' SIOW KIM LUN
Independent Non-Executive Chairman

FU WING HOONG
Group Managing Director

LIM JOO SWEE
Executive Director

CHONG YOKE PENG
Executive Director

LEE PENG SIAN
Executive Director

CHIA MAK HOOI
Non-Independent Non-Executive Director

CHIA SEONG POW
Non-Independent Non-Executive Director

CHONG LEE CHANG
Senior Independent Non-Executive Director

TAN CHUAN HOCK
Independent Non-Executive Director

AUDIT COMMITTEE

Tan Chuan Hock (Chairman)
Dato' Siow Kim Lun
Chong Lee Chang
Chia Mak Hooi

NOMINATION COMMITTEE

Chong Lee Chang (Chairman)
Dato' Siow Kim Lun
Tan Chuan Hock

REMUNERATION COMMITTEE

Chong Lee Chang (Chairman)
Tan Chuan Hock
Chia Mak Hooi

COMPANY SECRETARY

Tea Sor Hua (MACS 01324)

REGISTERED OFFICE

Third Floor, No. 79 (Room A)
Jalan SS21/60
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-7725 1777
Fax: 03-7722 3668

PRINCIPAL OFFICE

Lot 4, Block A
Jalan SS13/7
Subang Jaya Industrial Estate
47500 Subang Jaya
Selangor Darul Ehsan
Tel: 03-5637 8099
Fax: 03-5637 8128
Website: www.eita.com.my

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel: 03-2783 9299
Fax: 03-2783 9222

AUDITORS

KPMG PLT (LLP0010081-LCA & AF 0758)
Level 10, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-7721 3388
Fax: 03-7721 3399

PRINCIPAL BANKERS

Hong Leong Bank Berhad
Malayan Banking Berhad
RHB Bank Berhad
United Overseas Bank (Malaysia) Bhd

STOCK EXCHANGE LISTING

Main Market of
Bursa Malaysia Securities Berhad
Stock Name: EITA
Stock Code: 5208

CORPORATE STRUCTURE

As at 12 January 2018

EITA RESOURCES BERHAD
(Company No. 398748-T)
(Incorporated in Malaysia)

100%
EITA Elevator (Malaysia) Sdn. Bhd. ("EITA Elevator")
Design, installation and maintenance of elevator systems

100%
EITA-Schneider (MFG) Sdn. Bhd. ("EITA-Schneider")
Manufacture of elevator systems

- **50%** **Sigriner Automation (MFG) Sdn. Bhd.**
  Design, manufacture, marketing and service of all kinds of control and automation systems, components and equipment

100%
EITA Electric Sdn. Bhd. ("EITA Electric")
Marketing and distribution of electrical and electronic components and equipment

100%
Furutec Electrical Sdn. Bhd. ("Furutec Electrical")
Design and manufacture of Busduct systems and manufacture of metal fabricated products

100%
EITA Power System Sdn. Bhd. ("EITA Power System")
Marketing and distribution of fire resistant cables, electrical and electronic components and equipment, and provision of electrical and security system solutions

100%
EITA Technologies (Malaysia) Sdn. Bhd. ("EITA Technologies")
Manufacture of electrical and electronic components and equipment

100%
EITA Research & Development Sdn. Bhd.
Research and development of elevator and busduct products and systems

90%
EITA Technologies Pte. Ltd.
Marketing and distribution of electrical and electronic components and equipment

60%
Transsystem Continental Sdn. Bhd. ("TransSystem Continental")
To carry on the business as civil, electrical and general contractors

100%
Schneider Research & Development Centre Sdn. Bhd.
Research and development of elevator systems

100%
Schneider Control & Drive Systems (M) Sdn. Bhd.
In the process of member's voluntary winding-up

BOARD OF DIRECTORS

1 DATO' SIOW KIM LUN

2 FU WING HOONG

3 CHONG YOKE PENG

4 LIM JOO SWEE

5 TAN CHUAN HOCK

6 LEE PENG SIAN

7 CHIA SEONG POW

8 CHONG LEE CHANG

9 CHIA MAK HOOI

DIRECTORS' PROFILE

DATO' SIOW KIM LUN
Independent Non-Executive Chairman

Dato' Siow Kim Lun, a Malaysian, aged 68, male, is the Independent Non-Executive Chairman of the Company. He is also a member of the Audit Committee and Nomination Committee and has been a Board member since 1 April 2011.

He obtained his Bachelor of Economics Degree (Honours) from Universiti Kebangsaan Malaysia in 1978 and holds a degree in Master in Business Administration from the Catholic University of Leuven, Belgium in 1981. He also attended the Advanced Management Program at Harvard Business School in 1997.

He started his career in investment banking with Malaysian International Merchant Bankers Berhad in 1981 and later joined Permata Chartered Merchant Bank Bhd (now known as Affin Hwang Investment Bank Berhad) in 1985. Between 1993 and 2006, he was with the Securities Commission Malaysia where he has served as the Director for its Issues and Investment Division and Market Supervision Division.

He is currently a Director of Citibank Berhad, Kumpulan Wang Persaraan, UMW Holdings Berhad, Hong Leong Assurance Berhad, Eco World International Berhad, Sunway Construction Group Berhad, Radiant Globaltech Berhad and MainStreet Advisers Sdn. Bhd., as well as a member of the Land Public Transport Commission.

FU WING HOONG
Group Managing Director and
Key Senior Management

Fu Wing Hoong, a Malaysian, aged 59, male, is the Group Managing Director of the Company and was appointed to the Board on 7 September 1996. As the Group Managing Director, he is actively involved in charting EITA Group's overall business strategy, direction and development.

He graduated with a Diploma in Technology (Electronic Engineering) from Tunku Abdul Rahman College, Kuala Lumpur in 1983 and completed the Engineering Council (United Kingdom) examinations in 1987. He obtained a Master in Business Administration from the University of Bath, United Kingdom, in 1991. He has been a member of the Institute of Engineers Malaysia since 1988 and a member of the Malaysian Institute of Management since 1989.

Upon graduation in 1983, he started his career as a Sales Engineer with Lim Kim Hai Electric Sdn. Bhd. (a subsidiary of Lim Kim Hai Holdings (M) Berhad ("LKH Holdings") which was then listed on the Second Board of Bursa Malaysia Securities Berhad on 25 May 1989) where he was responsible for the sales and marketing of power distribution and control equipment. He held several positions within the LKH Holdings group of companies before he left as its Group General Manager in August 1996 to co-found EITA Group. As the key founder, he has been instrumental in the development, growth and success of EITA Group.

He has served various positions in The Council of the Electrical and Electronics Association of Malaysia (TEEAM) since 1999 and was the President of TEEAM (from 2009 to 2013). He was the treasurer of the ASEAN Federation of Electrical Engineering Contractors (from 2011 to 2014). He was a Director of the Human Resources Development Fund (from 2009 to 2011) and a General Council Member of the Malaysia Institute of Management (from 2006 to 2008). Besides, he has been serving as a Member of the Industry Expert Advisory Panel for the Faculty of Electrical and Electronic Engineering at Tunku Abdul Rahman University College since 2013.

He also holds directorships in several private limited companies.

DIRECTORS' PROFILE
CONT'D

LIM JOO SWEE
Executive Director and Key Senior Management

Lim Joo Swee, a Malaysian, aged 58, male, is an Executive Director of the Company. He was appointed to the Board on 17 December 1996 and is one of the co-founders of EITA Group. He is mainly responsible for the operations and management of EITA Group's Elevator business. He also oversees the overall marketing activities for EITA Group.

He attended a course in Diploma in Technology (Electronic Engineering) at Tunku Abdul Rahman College in 1980 and passed Part One (1) of the Engineering Council (United Kingdom) examinations in 1982. He decided to leave college in 1983 to start his career as a Sales and Project Engineer at Fujitec (M) Sdn. Bhd.. He left to join Ryoden (Malaysia) Sdn. Bhd. as an Assistant Manager in 1991 and was promoted to Deputy Manager in 1992. He joined Lim Kim Hai Sales & Services Sdn. Bhd. in 1993 as a Product Manager and was subsequently promoted to Subsidiary Manager in the same year. He left Lim Kim Hai Sales & Services Sdn. Bhd. in 1996 and co-founded EITA Group.

He is registered as a Competent Person under the Factories and Machinery (Electric Passenger and Goods Lift) Regulations 1970 with the Department of Occupational Safety and Health, Ministry of Human Resources, Malaysia. He is also a committee of The Malaysia Lift and Escalator Association since 2014.

He holds directorships in several private limited companies.

CHONG YOKE PENG
Executive Director and Key Senior Management

Chong Yoke Peng, a Malaysian, aged 59, male, is an Executive Director of the Company. He was appointed to the Board on 8 January 2001. He graduated in 1982 with a Certificate in Materials Engineering from Tunku Abdul Rahman College. In 2001, he obtained a Bachelor of Arts Degree in Business Administration from the Royal Melbourne Institute of Technology, Australia.

He started his career in 1982 as a Quality Control Supervisor in Lion Metal Industries Sdn. Bhd.. Subsequently, he joined See Sun Engineering Sdn. Bhd. as a Sales Executive in 1983 and in 1987, he left to join BBC Brown Boveri Sdn. Bhd. as a Sales Representative. He was a Sales Executive with Lim Kim Hai Electric Sdn. Bhd. in 1988 and was promoted to the position of Sales Manager in 1990. He joined EITA Electric Sdn. Bhd. as the General Manager/Executive Director in 1996 and was promoted to Managing Director in 2009.

He has gained vast working experience over the last (30) years in managing sales and marketing of Electrical and Electronic components business in Malaysia.

DIRECTORS' PROFILE
CONT'D

LEE PENG SIAN
Executive Director and Key Senior Management

Lee Peng Sian, a Malaysian, aged 48, male, is an Executive Director of the Company. He was appointed to the Board on 14 December 2009. He oversees the operations of the electrical and electronics component and equipments of EITA Group and also oversees EITA's security system and other systems solutions business.

He graduated in 1992 with a Diploma in Electrical Engineering from Universiti Teknologi Malaysia and obtained a Master in Business Administration in year 2000 from the University of Bath, United Kingdom.

He started his career in 1992 at Interscience Sdn. Bhd. as a Service Engineer. At the end of 1993, he acquired an equity stake in EITA Power System Sdn. Bhd., which was then dormant. He left Interscience Sdn. Bhd. in 1994 as a Service Manager to develop the business of EITA Power System Sdn. Bhd. on a full time basis. Currently, he is also responsible for overseeing the operations of Furutec Electrical Sdn. Bhd..

CHIA MAK HOOI
Non-Independent Non-Executive Director

Chia Mak Hooi, a Malaysian, aged 53, male, is a Non-Independent Non-Executive Director of the Company. He was appointed to the Board on 20 August 1997 and is also a member of the Audit and Remuneration Committees.

He graduated in 1988 with a Bachelor of Science Degree in Accounting and Finance from the Arizona State University, United States of America.

He started his career in 1989 as an Assistant Accountant with Concept Enterprises Inc. In 1991, he joined QL Feedingstuffs Sdn. Bhd. as a Finance Manager where he was mainly responsible for accounts, tax and audit planning, and cash management. In 1996, he was appointed Finance Director of the company and was involved in the listing of QL Resources Berhad on the Second Board of Bursa Malaysia Securities Berhad. He was later appointed Executive Director of QL Resources Berhad in 2000 where he is actively involved in the group corporate activities, strategic business planning and also the group integrated livestock expansion programs both locally and overseas.

He is also a director and/or shareholder of several private companies.

DIRECTORS' PROFILE
CONT'D

CHIA SEONG POW
Non-Independent
Non-Executive Director

Chia Seong Pow, a Malaysian, aged 63, is a Non-Independent Non-Executive Director of the Company. He was appointed to the Board on 1 March 2017.

He graduated from Tunku Abdul Rahman College with a Diploma in Building Technology.

He is one of the founder members of QL Resources Berhad Group. He joined CBG Holdings Sdn. Bhd. as Marketing Director in 1984. He has more than 25 years of experience in the livestock and food industry covering layer farming, manufacturing, trading and shipping.

Currently, he is an Executive Director of QL Resources Berhad and is mainly in charge of layer farming, regional merchanting trade in food grains as well as new business developments. Majority of the QL Resources Berhad's new expansion programmes were initiated by him.

He is also a director and/or shareholder of several private companies.

CHONG LEE CHANG
Senior Independent
Non-Executive Director

Chong Lee Chang, a Malaysian, aged 59, male, was appointed to the Board on 15 January 2010 as an Independent Non-Executive Director. Subsequently, he was appointed as the Senior Independent Director of the Company on 23 April 2013. Mr. Chong is the Chairman of the Nomination and Remuneration Committees and is a member of the Audit Committee. He graduated in 1982 with a Bachelor of Arts Honours Degree majoring in Law from the Manchester Metropolitan University, United Kingdom. He graduated with Honours from the Inns of Court School of Law, London in 1983. Subsequently in the same year, he was admitted to the Honourable Society of Lincoln's Inn, London, as a Barrister-at-Law. In 1984, he was admitted as an Advocates and Solicitors of the High Court of Malaya.

He brings with him more than thirty-three (33) years of experience in legal practice in Malaysia. He was a senior partner of a Kuala Lumpur based law firm, Messrs. LC Chong & Co. His legal experience includes advising and providing legal services for clients not only in Malaysia, but also in the Asia Pacific region and United Kingdom. He has international corporate management experience in the past fifteen (15) years. He has served as an Executive Director of Antah Holdings Berhad, a company that was then listed on the Main Board of Bursa Malaysia Securities Berhad from June 2000 to October 2001 and also held directorships in various international joint venture companies in Malaysia including the Malaysian franchise holders of Pepsi-Cola, Permanis Sdn. Bhd., Seven Eleven Convenient Stores and Antah Melco Sdn. Bhd., a joint venture company between Antah Holdings Berhad and Mitsubishi Electric Company, Japan. From 2001 to 2005, he was a Director of JWC Ltd, a United Kingdom based furniture chain retail store. In May 2005, he joined the Board of Midwest Corporation Limited, a company listed on the Australian Stock Exchange with its principal activities in mining, exploring and exporting iron ore. He resigned from Midwest Corporation in February 2009 after the company was delisted from the Australian Stock Exchange. He is currently an Independent Non-Executive Director of Hong Kong listed companies, Agritrade Resources Limited. He is also currently the Managing Director of Guangxi Xin Wei Hotel Management Co Ltd., owners of the Nanning Marriott Hotel in Nanning, Guangxi, China.

DIRECTORS' PROFILE
CONT'D

TAN CHUAN HOCK
Independent Non-Executive Director

Tan Chuan Hock, a Malaysian, aged 57, male, is an Independent Non-Executive Director of the Company. He was appointed to the Board on 15 January 2010. He is the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committees.

Mr. Tan is the executive proprietor and founder of William C. H. Tan & Associates, a Chartered Accountants firm. He is a member of the Malaysian Institute of Accountants, Malaysian Institute of Taxation and is a fellow Member of the Association of Chartered Certified Accountants (ACCA). He has over 30 years of experience particularly in financial reporting, auditing, taxation and planning, company secretarial as well as corporate management and advisory services.

He holds directorships in several limited companies. Presently, he is a Director of LKL International Berhad, Careplus Group Berhad and Grand-Flo Berhad. He also sits on the Board of Simat Technologies Public Company Limited, a public company listed on the Stock Exchange of Thailand.

Notes:-

1) *None of the Directors have family relationship with other Directors or major shareholders except of the following:-*
   a) *Mr. Fu Wing Hoong is the spouse of Madam Lee Pek See, a major shareholder of the Company.*
   b) *Mr. Lim Joo Swee is the spouse of Madam Goh Kin Bee, a major shareholder of the Company.*
   c) *Mr. Chia Seong Pow is the younger brother to Mr. Chia Seong Fatt, a major shareholder of the Company.*
2) *None of the Directors have any conflict of interests with the Company except as disclosed in Note 35 of the Financial Statements on page 123 of this Annual Report.*
3) *None of the Directors have been convicted of any offences in the past five (5) years, or been imposed on any public sanction or penalty by relevant regulatory bodies during the financial year ended 30 September 2017, other than traffic offences (if any).*

KEY SENIOR MANAGEMENT PROFILE

LAI WAI KEONG

Lai Wai Keong, a Malaysian, aged 45, male, is the General Manager of EITA Power System. He graduated in 1996 with a Diploma in Mechanical Engineering from INTI College, Subang Jaya. He also obtained a Diploma in Computing and Information Technology from Asia Pacific Institute of Information Technology Kuala Lumpur in 1999. He obtained a Master in Business Administration (General Management) from University of Southern Queensland Australia in 2013.

He started his career in 1996 as a Sales Engineer with German Tooling System Sdn. Bhd.. In 2000, he joined Sinojaya Sdn. Bhd. as Marketing Manager. He joined EITA Power System in 2001 as Product Manager and in 2006, he was promoted as Regional Sales Manager. In the same year, he was transferred to EITA Technologies as Regional Sales Manager. Thereafter, he was promoted to Senior Manager of the company in 2007. He was promoted to his current position as General Manager in 2008 where he is responsible for managing the overall operations of EITA Technologies. Since 2012, he has resumed his position as General Manager of EITA Power System to manage a bigger operation portfolio.

LOH KUWEI LAM

Loh Kuwei Lam, a Malaysian, aged 59, male, is the General Manager for Operations of EITA Elevator. He graduated in 1983 with a Diploma in Technology (Electronic Engineering) from Tunku Abdul Rahman College, Kuala Lumpur and completed the examinations of the Engineering Council, United Kingdom in 1995.

He started his career in 1983 as a Project Supervisor at Ryoden (M) Sdn. Bhd.. He left in 1985 to join Antah Schindler Sdn. Bhd. as Project Engineer and rose to Senior Manager before he joined EITA-Schneider in 2000 where he was appointed as General Manager. He left EITA-Schneider in the same year to work on a freelance basis in the Elevator industry. In 2002, he joined EITA Elevator as Technical Director and in the same year, he was transferred to EITA-Schneider. He was subsequently promoted to General Manager in 2003 where his main responsibilities include financial performance monitoring, credit control and contract policy settling and control, as well as operational processes streamlining. In January 2016, he was redesignated as General Manager for operation of EITA Elavator.

He is registered as a Competent Person under the Factories and Machinery (Electric Passenger and Goods Lift) Regulations 1970 with the Department of Occupational Safety and Health, Ministry of Human Resources, Malaysia.

SHAK SUN FATT

Shak Sun Fatt, a Malaysian, aged 56, male, is the General Manager of EITA Technologies. He graduated from State University of New York Buffalo BSC in 1988.

He started his career in year 1992 as an Electrical Engineer at Safer Manufacturing Company. Subsequently, he joined Safer Asia Sdn. Bhd. (now known as EITA Technologies) as an Electrical Engineer in 1996 and was promoted to General Manager in 2003 where his main responsibilities include overseeing of Production, Sales and Quality Assurance activities.

KEY SENIOR MANAGEMENT PROFILE
CONT'D

WEE FOOK SANG

Wee Fook Sang, a Malaysian, aged 55, male, is the General Manager for Business Operation of EITA-Schneider. He graduated from Universiti Kebangsaan Malaysia in 1988 with a Bachelor of Arts Honours Degree in Political Science.

He started his career in 1988 as an Assistant Supervisor at Malaysia Sheet Glass Berhad. He was later appointed as the Superintendent in 1991 and became Senior Executive in 1993. In 1995, he was promoted to Section Manager of the Company. He left and joined EITA in 2000 as Warehouse Manager at EITA Elevator. In 2007, he was promoted to Senior Manager and in 2008, he was promoted to the position of General Manager of Production and Service of EITA Elevator. He was subsequently transferred to EITA-Schneider in 2009 where his main responsibilities include overseeing the manufacturing process, manpower planning and monitoring, safety, quality and cost improvement strategies.

WONG CHIN TIM

Wong Chin Tim, a Malaysian, aged 50, male, Malaysian, the General Manager of EITA Electric. He graduated in 1989 with a Certificate in Control and Instrumentation from Politeknik Ungku Omar, Ipoh.

He started his career in 1989 when he joined Lim Kim Hai Electric Sdn. Bhd. as a Technical Assistant where he was mainly involved in service and maintenance. In 1992, he was appointed as Sales Executive at LKH Advanced System Sdn. Bhd. before he was promoted to Product Manager in 1995. In 1996, he joined EITA and in the same year, he was promoted to Senior Manager of EITA Contrologic Sdn. Bhd.. In 2001, he was transferred to EITA Electric as Senior Manager and was subsequently promoted to Assistant General Manager in 2006. He was promoted to his current position of General Manager of EITA Electric in 2009 where his main responsibilities include overseeing sales and marketing activities of the company.

NG KHEOK WAH

Ng Kheok Wah, a Malaysian, aged 43, male, Malaysian, is the Assistant General Manager of Furutec Electrical. He graduated in 1996 from Minghsin Institute of Science and Technology, Taiwan, with a Diploma in Electrical Engineering.

He started his career in 1996 as an Assistant Production Engineer at Furutec Electrical and was promoted to Assistant Production Manager, Production Manager and Factory Manager in 2001, 2007 and 2009 respectively. Subsequently, he was promoted to his current position of Assistant General Manager in 2017, where his main responsibilities include manpower planning and monitoring, manufacturing process and quality assurance.

Notes:-

Other than the Key Senior Management disclosed in the Directors' profile, none of the Key Senior Management have:-

1. *any family relationship with any Directors and/or major shareholders of the Company;*
2. *any conflict of interest with the Company; and*
3. *been convicted of any offences in the past five (5) years or been imposed on any public sanction or penalty by relevant regulatory bodies during the financial year ended 30 September 2017, other than traffic offence (if any).*

CHAIRMAN'S STATEMENT

DATO' SIOW KIM LUN
Independent Non-Executive Chairman

Dear Shareholders,

I am pleased to present to you the 2017 Annual Report of EITA Resources Berhad for the financial year ended 30 September 2017 ("FY2017").

CHAIRMAN'S STATEMENT
CONT'D

FINANCIAL REVIEW

For FY2017, EITA Group registered a consolidated revenue of RM270.7 million, as compared to RM288.0 million for financial year ended 30 September 2016 ("FY2016"). The Manufacturing Division continued to be the major contributor with RM146.1 million (54%) of the Group's revenue while Marketing & Distribution Division and Services Division respectively accounted for RM86.7 million (32%) and RM37.9 million (14%) of the Group's revenue.

The Group achieved a Profit After Tax of RM19.8 million for FY2017 as compared to RM16.2 million for FY2016, an increase of 22.2%.

As at 30 September 2017, the Group Shareholders' Fund stood at RM157.0 million.

ACHIEVEMENTS AND OUTLOOK

The outlook for global economic performance is expected to be favourable in 2018. In the emerging market and developing economies, GDP is expected to improve to 4.9%[1], mainly supported by higher global demand and rising market confidence, particularly in China, India and ASEAN. At the local level, Malaysia's GDP in 2018 is expected to expand to between 5.0% and 5.5%[2], led by domestic demand and supported by the positive external factors. The construction industry is forecast to grow at 7.5%[2] supported by on-going infrastructure projects.

The Group continues to focus on our Manufacturing business, especially in growing our very own brands, EITA-Schneider® for Elevator Systems and Furutec® for Busduct Systems.

EITA Elevator has successfully completed the contract of installing our elevator, escalator and travellator systems for all the underground stations of MRT Line 1. Our team has gained invaluable knowledge and experience in undertaking this project. This will place us in a good position to bid for and undertake other major projects involving the installation of elevator and escalator systems. I am pleased to inform you that EITA Elevator has recently secured a package for MRT Line 2.

As for our busduct business, Furutec Electrical will focus on our strategies of growing the overseas markets especially in ASEAN and the Middle-East. Furutec Electrical continues to innovate and improve its busduct products to ensure they are relevant for the market, competitively priced and with quality that is backed by reputable certification. To address the market needs for more green products and operations, Furutec Electrical has been accredited with several "Green" certificates.

Our own brand of manufactured products has now made market break-throughs in Cambodia, Kenya and United Arab Emirates.

CHAIRMAN'S STATEMENT
CONT'D

Our Marketing and Distribution Division remains a stable revenue contributor for the Group. With our portfolio of internationally renowned Electrical and Electronics equipment and components, this division continues to value-add with strong marketing and technical support from our established network of suppliers. This trusted partnership built over the years will provide a solid foundation for us to better serve our customers and grow our distribution business.

Our co-owned PYROTEC® brand for Fire-Resistant Mineral Insulated Cables is steadily gaining greater market acceptance both locally and regionally. In ASEAN, we have now expanded to Indonesia, Myanmar, Philippines, Singapore, Thailand and Vietnam. The direction forward is to have deeper penetration in some of these key markets.

The Services Business Division consists of our established last-mile service in terms of elevator and escalator maintenance and repair. With an increasing installation base, this will be an important source of recurring revenue for us. With our ongoing corporate social responsibilities on "Ride Safely With EITA" Safety Campaign, we will carry out more public events to create greater safety awareness on using elevators and escalators. TransSystem Continental is our new service business specialising in the installation of sub-stations for Tenaga National Berhad up to 500KV. With a stronger financial position now, we will continue to bid for more jobs.

APPRECIATION

The Group's accomplishments are directly attributed to the collective commitments and efforts of all our stakeholders. On behalf of the Board, I would like to express my appreciation to our customers, suppliers, business associates, government authorities and bankers for their support and confidence in EITA.

To my colleagues on the Board, EITA management and staff, I wish to extend my gratitude for your dedication, valued contributions and tireless hard-work towards the growth and success of EITA. Kudos to EITA Team!

DATO' SIOW KIM LUN
CHAIRMAN

[1] Star Special - Economic Report 2017/2018
[2] Budget 2018

FU WING HOONG
Group Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

GROUP BUSINESS, OBJECTIVES AND STRATEGIES

EITA remains committed in growing our three business pillars - Manufacturing, Marketing & Distribution and Services. The Group continues to expand its suite of products and services to create value-added solutions for the Construction and Manufacturing sectors.

MANAGEMENT DISCUSSION AND ANALYSIS
CONT'D

The overall strategy put in place is to ensure that the Group achieve its key objective of long-term business sustainability.

- **Manufacturing mission**

  EITA is steadfast in its mission to be more manufacturing centric. Post listing the Manufacturing segment consistently accounts for more than 50% of the total Group revenue. Our very own brands, EITA-Schneider® for Elevator Systems and Furutec® for Busduct Systems are gaining greater market acceptance both locally and internationally.

- **Overseas market expansion**

  The Group's overseas contribution is growing year-on-year. Besides, market expansion into ASEAN and the Middle-East, the added focus is for deeper market penetration into specific countries which have greater market potential. Our co-owned PYROTEC® Fire-Resistant Cable has also made successful in-roads in the regional market. Our direct presence in Indonesia and Vietnam Representative Office has contributed positive results for our overseas market.

- **High-value projects**

  Being a listed entity with our proven track-record, this has boosted EITA's reputation and creditability. The Group has successfully secured more high-value and prestigious projects, most recently being the MRT Line 2. There is greater market confidence and acceptance of EITA to take on high-end complex jobs.

- **New service business**

  The need for electricity is ever increasing. The acquisition of TransSystem Continental has given the Group a foothold into the sub-station installation sector with prospects for growth.

- **Recurring maintenance service revenue**

  EITA continues to strengthen our service team in order to maximise retention of our elevator installed base hence allowing us to optimise our recurring maintenance service revenue.

MANAGEMENT DISCUSSION AND ANALYSIS
CONT'D

FINANCIAL PERFORMANCE REVIEW

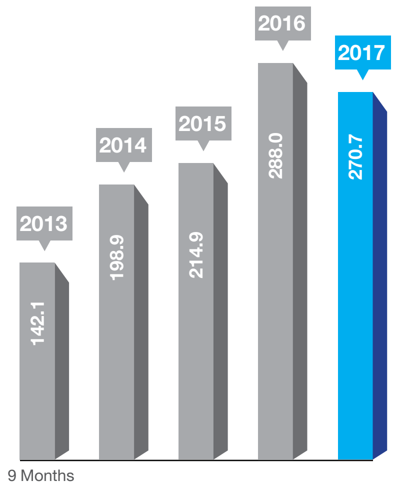
The Group achieved a total revenue of RM270.7 million for the financial year ended 30 September 2017 ("FY2017") as compared to RM288.0 million for the financial year ended 30 September 2016 ("FY2016"). The decrease mainly from Marketing and Distribution segment and Manufacturing segment, and moderated by the slight increase in Service segment.

The Group's profit before tax for FY2017 increased by RM5.2 million or 24.1% as compared to RM21.5 million for FY2016. The main reason was the Group recorded an unrealised foreign exchange gain amounting to RM0.6 million on fair value valuation of the forward exchange contracts compared to FY2016 with an unrealised foreign exchange loss amounting to RM12.2 million on fair value valuation of the forward exchange contracts.

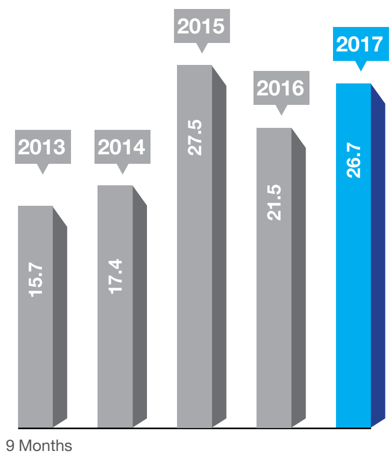
For FY2017, our domestic market recorded a sales revenue of RM212.3 million as compared to RM231.7 million in FY2016. The decrease was mainly due to the completion of MRT Line 1 project.

As for our overseas market, the sales revenue registered at RM58.4 million in FY2017 as compared to RM56.3 million achieved in FY2016. The increase in revenue was due to the sales increase in busduct and cables businesses, mitigated by a decrease in sales in elevator and other products.

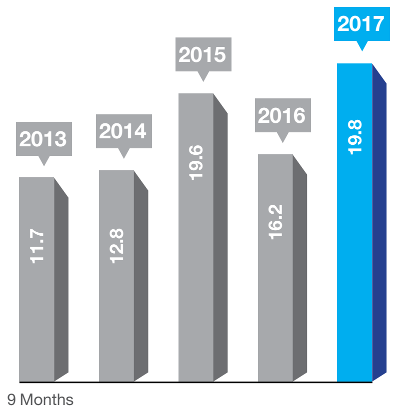
REVENUE
(RM' MIL)



PROFIT BEFORE TAX (PBT)
(RM' MIL)



PROFIT AFTER TAX (PAT)
(RM' MIL)



MANAGEMENT DISCUSSION AND ANALYSIS
CONT'D

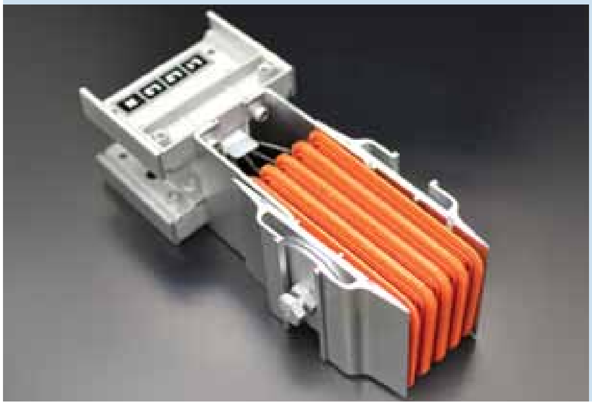
	Audited				
	#FPE 30 Sep 2013	FYE 30 Sep 2014	FYE 30 Sep 2015	FYE 30 Sep 2016	FYE 30 Sep 2017
No. Of Months	**9**	**12**	**12**	**12**	**12**
Revenue *(RM '000)*	142,116	198,910	214,930	288,032	**270,680**
Profit Before Taxation (PBT) *(RM '000)*	15,662	17,426	27,478	21,508	**26,691**
PBT Margin %	11.02	8.76	12.78	7.47	**9.86**
Profit After Taxation (PAT) *(RM '000)*	11,743	12,793	19,633	16,234	**19,770**
PAT Margin %	8.26	6.43	9.13	5.64	**7.30**
Basic EPS *Sen*	8.95**	9.78**	15.05**	12.03**	**15.32****
Gearing Ratio *times*	0.11	0.18	0.10	0.30	**0.11**

Notes: -

** *Based on the weighted average number of ordinary shares outstanding during the financial year excluding treasury shares held by the Company.*

The results consist of nine-month financial period ended 30 September 2013 due to change of financial year end from 31 December.

OPERATIONS REVIEW



- **Manufacturing**

  For FY2017, the Manufacturing segment achieved RM146.1 million or 54.0% of the Group's revenue, in comparison to FY2016 of RM156.1 million or 54.2% of the Group's revenue. The decrease was due to completion of MRT Line 1 project, mitigated by the increase in busduct sales.

  The Manufacturing segment remains as the major revenue contributor to the Group with the key brands namely, EITA-Schneider® for Elevator Systems and Furutec® for Busduct Systems being the major performers.

  EITA Elevator (Malaysia) Sdn. Bhd. ("EITA Elevator") achieved a significant milestone with recent successful completion of the seven (7) underground stations for MRT Line 1 project. This has proven our project delivery capabilities and has also elevated our technical competency to another level. EITA is pleased to be awarded one of the packages for the MRT Line 2 project. This has boosted EITA's ambition in promoting "Malaysian Products" and our abilities to handle similar infrastructure projects in the future.

  Furutec Electrical Sdn. Bhd. ("Furutec Electrical") continues to penetrate and expand into ASEAN and the Middle-East markets with its range of busducts. Busduct's overseas revenue reached RM34.0 million in FY2017 as compared to RM28.7 million in FY2016, growth of 18.5% mainly from ASEAN. The busduct team has made great strides in building the brand name and making it competitive against other established international brands.

MANAGEMENT DISCUSSION AND ANALYSIS
CONT'D

In FY2017, busduct products achieved more accreditations. Furutec Electrical having successfully completed a series of busduct testing and certification, such as, UBC Seismic Zone 4, BS 6387 Fire Resistant Test, IEC 61439-6 Test, IP55 TOU Test & IP65 PIH Test.

Notably for FY2017, our EITA-Schneider® brand made break-through sales into Cambodia and Kenya. Furutec® busduct has also successfully made entry into United Arab Emirates market, increasing our presence from thirteen (13) countries to now sixteen (16).

- **Marketing & Distribution**

  The Marketing & Distribution segment registered a decrease in revenue. For FY2017, this segment recorded RM86.7 million or 32.0% of the Group's revenue, as compared to FY2016 of RM94.3 million or 32.8% of the Group's revenue. The slowdown in demand in the Electrical and Electronics ("E&E") market led to keener competition which accounted for the 8% decrease.

  EITA continues to market and distribute a broad range of third party branded and quality E&E equipment and components from our internationally renowned organisations such as Fuji Electric, Kyoritsu, Panasonic, General Electric, MMC, Novaris and others. These E&E products also complement our own brands.

  Over the years, EITA has established a strong distribution network for these E&E products throughout Malaysia. The mutual trust earned with our distribution partners have resulted in repeated business support and a stable revenue performance.

- **Services**

  The Services segment primarily involves the provision of maintenance and repair services for our contracted EITA Elevator customers. EITA acquisition of TransSystem Continental in FY2016 has opened a new service business category and expanded our power distribution service solutions. TransSystem Continental specialises in high-voltage power distribution in the installation of sub-stations up to 500KV. Other services revenue comes from Electrical and Security projects.

  For FY2017, the Services segment achieved RM37.9 million or 14.0% of the Group's revenue, as compared to FY2016 of RM37.6 million or 13.0% of the Group's revenue. The slight increase of 0.8% was mainly from elevator maintenance.

  EITA has installed close to 3,000 units of elevator system as at end of FY2017. EITA is committed to deliver service excellence to retain our customers in order to optimise our service revenue stream. We continue to expand and train our Service team to meet the ever-demanding customer's expectation to ensure ride comfort and most importantly, safety.

  With EITA's backing, TransSystem Continental is now tendering for more and bigger projects in Peninsula Malaysia, Sabah and Sarawak.

RISKS AND CHALLENGES

The changing and challenging political and economic landscape both global and local, indeed present uncertainties in the market sentiments.

The Group remains conscious of the potential risks and challenges. The key is our preparedness to be ready to face these uncertainties. At EITA, a system of internal control for risk management strategies are in place to mitigate these potential risks.

- **Foreign Exchange**

  From financial aspects, EITA faces challenges in fluctuating foreign exchange rates as we trade internationally with both suppliers and customers, particularly for our Manufacturing and Marketing & Distribution business segments.

  The Management will continue to be vigilant to currency fluctuations, especially the Malaysian Ringgit. To mitigate the foreign exchange risk exposure, the Management continues to enhance the hedging policy in accordance to the business requirements.

MANAGEMENT DISCUSSION AND ANALYSIS
CONT'D

- **Manpower**

  Having faced the numerous challenges such as stringent requirements, tough site conditions and tight deadline for the MRT Line 1 project, our staff has learned and gained valuable knowledge and expertise in completing such a major project.

  We have a structured MRT Project Team with a competent technical workforce and is ready to handle future mega infrastructure projects.

- **Safety**

  Over the past few years, the media has brought to light a spate of elevator and escalator accidents. EITA views this as an opportunity to further improve safety with regards to our products, processes and create greater public awareness.

  Safety is one of our paramount priorities. EITA elevator system is in compliance with the current safety standards. We have engineered our elevator systems to offer enhanced safety features and will continue to do so.

  In line with Jabatan Keselamatan dan Kesihatan Pekerjaan ("JKKP") guidelines and to further improve our overall safety and service delivery, EITA Elevator has implemented a Competent Person ("CP") programme to develop a bigger pool CP personnel to provide more efficient and timely lift inspection for our customers.

  We have also launched a Public Safety Awareness Campaign with events held at shopping malls and government flats to educate the public on proper usage of elevators and escalators. This campaign is on-going.

TREND AND OUTLOOK

Overall, the geo-political and economic outlook looks challenging. The world is so inter-connected that a crisis in one country or region can have quick spill-over effects to other parts of the world. Oil price has a global impact, its price is now on an upward trend. Gross world product output is forecast to increase from 3.6% in 2017 to 3.7% in 2018[1]. Higher industrial output is evidenced in US, China and Germany. Meanwhile, China having an outward looking investment policy has invested greatly in many countries including Malaysia. On the whole, the ASEAN region GDP growth for 2018 is expected to be at 4.9%[1].

On the domestic front, Budget 2018 is forecasting GDP growth between 5.0% to 5.5%[1]. The growth is expected to be broad-based coming from agriculture, mining, manufacturing, construction and services.

- **Public transport infrastructure projects**

  The Government continues to focus on improving public transport, mainly rail services, in line with the goal of increasing public transport model share to 40% by 2030[1] and to meet the demands of the Rakyat for a reliable and modern mode of public transport.

MANAGEMENT DISCUSSION AND ANALYSIS
CONT'D

- The MRT Sungai Buloh – Serdang – Putrajaya Line known as Line 2 which is developed under the Klang Valley Mass Rapid Transit masterplan. It is targeted for completion in 2022.
- The construction of MRT Line 3 or Circle Line is expected to be completed by 2025, earlier than the initial target of 2027.
- The construction of Light Rail Transit Line 3 from Bandar Utama to Klang consisting of 26 stations is expected to be completed by 2021.
- The East Coast Rail Line with 706.9km track will be a catalyst for the East Coast Economic Region. It will improve the rail connection from Port Klang to Pahang, Terengganu and Kelantan. It is scheduled for completion in 2024.
- The High-Speed Rail will be the fastest mode of public transport between Kuala Lumpur and Singapore covering 335km in 90 minutes. It is expected to be fully operational by 2026.

On the whole, this pipeline of transport projects augers well for the construction industry. In turn, this presents potential opportunities for EITA, not only for EITA-Schneider® elevator systems, but also for Furutec® busduct systems and PYROTEC® cables, including our Marketing & Distribution's third-party E&E brands.

- **Overseas market expansion**

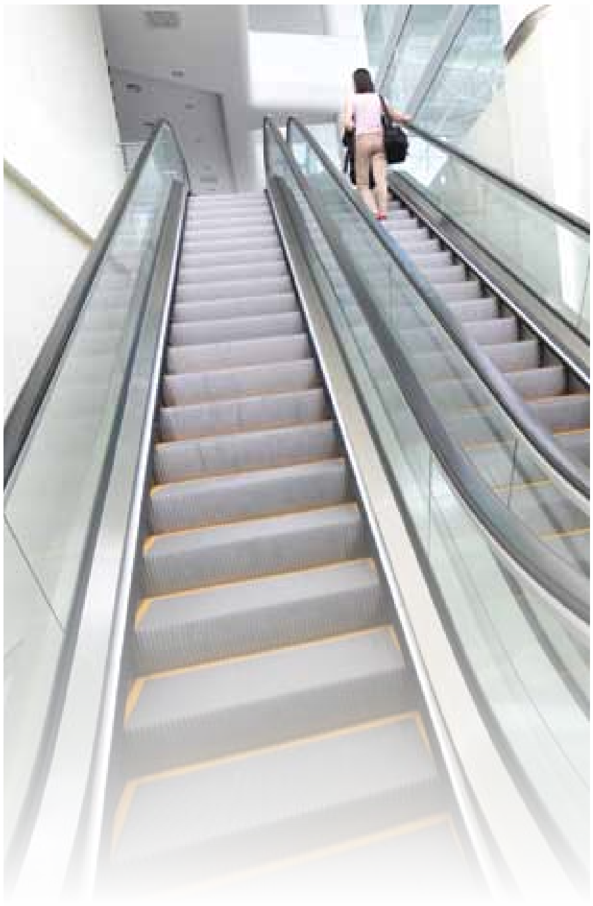
Setting up our own Indonesian Representative Office in Jakarta in 2014 has yielded positive result with an overall sales revenue of FY2017 of RM7.0 million as compared to RM3.8 million in FY2016. Having a direct presence to provide on-the-ground marketing support to local business partners have expanded our distribution reach. This has resulted in securing more projects and ultimately, increasing our sales revenue.

EITA will be looking at other ASEAN countries with good business potential and to replicate this direct Representative Office model, where possible.

- **Own Test Tower for Research & Development ("R&D")**

Tender to invite bids for the construction of our new Bukit Raja facility in Klang has been opened in November 2017.

The Group is looking forward to building its own Test Tower. As a relatively young, home-grown elevator company, this would represent a key milestone in branding EITA as a progressive elevator manufacturer. This Test Tower is scheduled for completion by end 2018.



This Test Tower will further enhance our own R&D capabilities. We will be able to conduct high-speed tests to meet the demands of taller buildings for faster, smoother and safer ride.

Increasingly, there will be more industry safety standards introduced and this Test Tower would allow EITA Elevator team to run various in-house compliance certification tests more effectively and efficiently.

- **Going "Green"**

More organisations are looking at "Green" initiatives, not only in their products but also in their business processes. Likewise, customers are also looking at partnering with these "Green" organisations to realise their business sustainability agenda.

Furutec Electrical received three (3) "Green" accreditations. This is part of its ongoing efforts in developing quality and relevant busduct products to suit customer needs and improve internal manufacturing operations. For its busduct products, Furutec Electrical was accredited with Singapore Green Building Product label having demonstrated

MANAGEMENT DISCUSSION AND ANALYSIS
CONT'D

proven sustainability performance against industry benchmarks and standards. For its internal operations improvements, Furutec Electrical was awarded the Penang Green Office certificate for adopting sustainability principles in saving energy, money and environment, together with the Aqua Save certificate for sustainable water management from Penang Perbadanan Bekalan Air.

- **Increasing need for electricity**

  There is an incessant need for more and more electricity by the general public and by all industries. And with this, the corresponding need to build power distribution infrastructure to meet such power demand.

  TransSystem Continental with its speciality in handling turnkey sub-station installations up to 500KV is well positioned to capitalise on potential opportunities in this particular power infrastructure segment.

- **Dividend**

  EITA has been consistently declaring a dividend pay-out of around 30% of the Group's Profit After Tax.

  The Group declared a single-tier interim dividend of 2.0 sen per ordinary share totalling RM2.6 million which was paid to shareholders on 26 July 2017.

  The Board has recommended a final dividend of 3.0 sen per ordinary share amounting to RM3.9 million for the financial year under review. This proposal will be presented to our shareholders for approval at the forthcoming Annual General Meeting. If approved, in addition to the first interim dividend, the total dividend would be 5.0 sen per ordinary share. The total pay-out would be RM6.5 million, representing 32.9% of the Group's net profits for FY2017.

ACKNOWLEDGEMENT

FY2017 has been challenging. Everyone has worked hard and has contributed to another successful year for EITA.

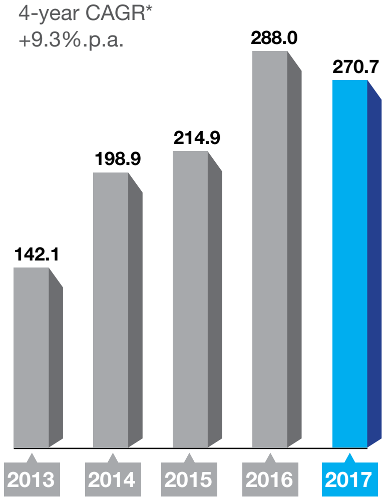
On behalf of the Board, I would like to take this opportunity to convey our gratitude to our shareholders, customers and business associates for their continuous trust and support. I would also like to thank my Board of Directors for their guidance, and the management and staff of the EITA for their resolute commitment and dedication that brought us to where we are today. Together, we shall forge forward and upward to build an even progressive and more successful EITA.

FU WING HOONG
GROUP MANAGING DIRECTOR

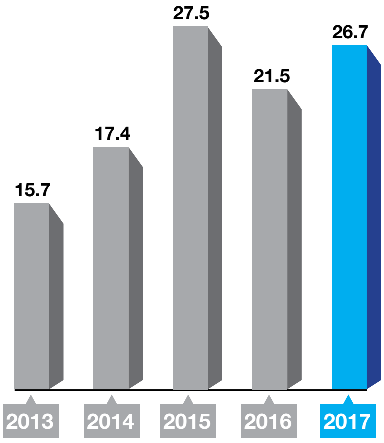
[1] Star Special - Economic Report 2017/2018

FINANCIAL HIGHLIGHTS

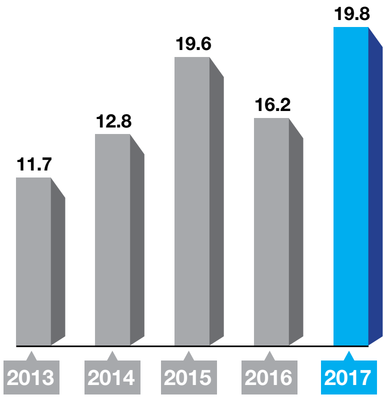
REVENUE
(RM' MIL)
4-year CAGR*
+9.3%.p.a.



PROFIT BEFORE TAX
(RM' MIL)
4-year CAGR*
+6.3%.p.a.



PROFIT AFTER TAX
(RM' MIL)
4-year CAGR*
+6.1%.p.a.



*CAGR = *Compounded Annual Growth Rate. The nine-month results for the financial period ended 30 September 2013 was extrapolated to twelve months to arrive at the 4-year CAGR.*

GROUP PROFIT OR LOSS For The Financial Year/Period (RM' mil)	#FPE 30 Sep 2013	FYE 30 Sep 2014	FYE 30 Sep 2015	FYE 30 Sep 2016	FYE 30 Sep 2017
Revenue	142.1	198.9	214.9	288.0	**270.7**
Profit Before Tax	15.7	17.4	27.5	21.5	**26.7**
Net Profit Attributable to Equity Holders	11.7	12.8	19.6	16.2	**19.8**
GROUP FINANCIAL POSITION As at 30 September (RM' mil)	2013	2014	2015	2016	2017
Total Non-Current Assets	13.0	28.5	30.4	34.9	**34.6**
Total Current Assets	146.2	139.7	169.5	218.7	**196.8**
Total Assets	159.2	168.2	199.9	253.6	**231.4**
Shareholders' Equity	110.3	116.5	131.8	142.1	**157.0**
Minority Interests	0.5	0.6	0.6	1.4	**1.3**
Total Equity	110.8	117.1	132.4	143.5	**158.3**
Total Non-Current Liabilities	1.0	9.6	12.1	8.8	**7.6**
Total Current Liabilities	47.4	41.5	55.4	101.3	**65.5**
Total Equity & Liabilities	159.2	168.2	199.9	253.6	**231.4**
FINANCIAL ANALYSIS	2013	2014	2015	2016	2017
Profit Before Tax Margin	11.0%	8.7%	12.8%	7.5%	**9.9%**
Net Profit Margin	8.2%	6.4%	9.1%	5.6%	**7.3%**

The results consist of nine-month financial period ended 30 September 2013 due to the change of financial year end from 31 December.

SUSTAINABILITY STATEMENT

For any business, creating shared value for shareholders, customers, employees and communities is a challenge and is vital for long-term sustained success.

In accordance with EITA's tagline "Bring good feel to life", our corporate sustainability philosophy involves formulating strategies to grow our business in a sustainable manner while implementing business processes that foster "greener" operations, human capital development and community inclusiveness.

"We continue to strive to be a responsible corporate citizen and equally important, we hope to develop a caring culture within our staff to be environmentally and socially conscious." – Fu Wing Hoong, Group Managing Director.

For the Group to grow our business in a sustainable manner, EITA has evolved its corporate sustainability business policies and practices on four key cornerstones: The Marketplace, The Environment, The Workplace and The Community.

MARKETPLACE SUSTAINABILITY

The geo-political, economy and social climate is constantly changing. EITA has to remain flexible and to adapt to the ebb and flow of the business tides.

The Group continues to focus in raising our EITA's corporate image together with building up our own product brands, EITA-Schneider® for Elevator Systems, Furutec® for Busduct Systems and PYROTEC® for Fire-Resistant Mineral Insulated Cables. We continually evaluate the marketplace, anticipate customer needs, gauge competitors, improve operations and strengthen manpower to ensure sustained growth both locally and internationally.

- **Customers & Business Partners**

  To cultivate customer loyalty, we continue to upgrade our operations to offer better customer experience in servicing, project management, sales and marketing support.

  For the elevator division, we have already established regional branches throughout Malaysia. There is now an expanded team of lift Competent Person to carry out timely lift inspections. In addition, elevator maintenance team has been re-structured to ensure improved service delivery. These proactive changes will ensure greater customer satisfaction and long-term loyalty.

  EITA has direct presence with local Representative Office in both Indonesia and Vietnam to provide on-the-ground marketing support for our business partners. This is in addition to EITA Technologies Pte Ltd in Singapore.

  We also provide training for our customers and business partners. Furutec Electrical and EITA Power System conducted a Certified Installer Programme for its business partners in Indonesia to skill them up to be competent in busduct and structured cabling installation.

SUSTAINABILITY STATEMENT
CONT'D

- **Suppliers**

  In building a sustainable business, it is imperative that we have a strong relationship with our suppliers. We work closely with our suppliers both locally and overseas on cost competitiveness, improve quality standards and timely delivery throughout our supply chain.

  We have our purchasing procedures in place for the evaluation and selection of our suppliers, agents and sub-contractors to ensure they comply with our ISO quality standards.

- **Research & Development (R&D)**

  EITA continue to invest in R&D to ensure we remain competitive with products that address the market needs, competitively priced, with assured quality and standards.

  Our EITA Research & Development subsidiary provides in-house R&D services to innovate and improve our own elevator and busduct products. There are on-going R&D cost-down and energy efficiency initiatives such as reduce materials usage, lower wastage and incorporating energy regeneration.

  We look forward to having our own Test Tower next year to facilitate more in-house R&D and testing to further improve our elevator systems in terms of speed, safety, ride comfort and much more.

  We also continue with our on-going R&D collaboration on busduct products with Universiti Sains Malaysia ("USM") in Penang. We are now on our fourth R&D collaboration with USM.

- **Industry Standards**

  With our own brands, EITA-Schneider® (Elevator systems), Furutec® (Busduct systems) and PYROTEC® (Fire-Resistant cables), we provide assurance to our customers with products that are in compliance with latest international standards such as IEC, BS, CNS, EN81 and others. Likewise, that EITA has acquired appropriate accreditations and approvals such as TUV SUD, KEMA-KEUR, SIRIM, ISO 9001, OHSAS and others.

  Furutec Electrical continues to address the market needs for "green" sustainable product. On top of the SIRIM Eco-label received in 2014, it has now been accredited with Singapore Green Building Product label having demonstrated proven sustainability performance against industry standards.

ENVIRONMENTAL SUSTAINABILITY

The indiscriminate use scarce resources due to rapid industrialisation comes at the huge cost to the environment. It is critical that government and corporates adopt best practices for sustainable development for our future generation.

At EITA, we are committed to a "greener" environment where we work, live and play. We proactively explore ways to adopt eco-friendly practices to take care of Mother Earth. Understanding wastages and inefficiencies present opportunities to improve our operations in an environmentally responsible manner, and ultimately improve our business competitiveness and image.

- **Group-wide Recycling Campaign**

  At Group level, we have our on-going Recycling Campaign. At all our offices, our staff are keenly involved and have embraced the recycling mind-set.

  The recycling processes are in placed with boxes labelled "Paper", "Plastics" and "Metal" to allow for separation of recycled materials at source. Collectively for FY2017, we were able to recycle over 92 tons of materials. A portion of these recycled materials are collected on a monthly basis by a Non-Governmental Organisation (NGO). And in turn, proceeds from these recycled materials are then used to fund the NGO's charitable and welfare activities. Overall, a commendable effort towards saving the environment and at the same time, giving back to the society.

Recycled material	Kilogram (kg)
Paper	17,030
Plastic	2,220
Metal	73,143
Total	92,393

SUSTAINABILITY STATEMENT
CONT'D

- **"Greener" operations**

  At Furutec Electrical in Penang, in line with their "green" mission such as installing solar panels at their car-park last year. They have progressed to implement further environmental improvements with their internal operations. Furutec Electrical was awarded the Penang Green Office certificate for adopting sustainability principles in saving energy, money and environment. In addition, they also received the Aqua Save certificate for sustainable water management from Penang Perbadanan Bekalan Air.

- **Healthy living**

  One of the greatest contributor of green-house gases is methane from animal farming. EITA is advocating a healthier lifestyle to its staff by cutting down on meat and eating more vegetable.

  For the very first time, for 2017 EITA Annual Dinner, a vegetarian dinner was served. And at Furutec Electrical in Penang, once a week it subsidises vegetarian lunch meal for interested staff.

WORKPLACE SUSTAINABILITY

Our employees are our strength. They play an integral role in our drive for corporate sustainability in terms of achieving our strategic, financial and operational objectives. At EITA, we endeavor to create a workplace where our employees are able to thrive and to perform at the best of their abilities to deliver sustained high performance. Also, we provide a conducive work environment that promotes mutual respect and encourages teamwork.

- **EITA Sports Club**

  EITA Sports Club ran by EITA staff, plays a vital role planning various events and activities to foster greater camaraderie and cooperation among the staff. It also provides a platform for EITA Sports Club committee members to learn and develop. And in turn, opportunities to grow and take on greater responsibilities in their job and within EITA.

- **Training & Development**

  The Group Training Unit continues to plan yearly structured training calendar to address the training and developmental needs for all level of staff, from field technicians right up to senior managers. This is also emphasis in developing our talent pool for future leadership positions in line with our succession planning.

  In 2017, over 65 internal and external training courses, workshops and talks were attended by our staff ranging from Safety & Health to Technical, and from Soft Skills to Management, and many others.

- **Balanced lifestyle**

  At EITA, we encourage a balanced lifestyle and teamwork amongst the staff. Our EITA Sports Club is instrumental in organising a host of fun activities such as Quarterly Birthday Parties, Bowling, Futsal, Treasure Hunt, Movie Day, Annual Trip and more.

  Family members are also invited to participate in these activities thus making it a family activity and fostering closer relationship.

- **Recognition**

  At our Annual Dinner, we take the opportunity to acknowledge and to present long-service awards to staff who have shown their loyalty, dedication and contributions over the years.

  To demonstrate that our staff's children is part of EITA extended family, we have our annual EITA Excellence Awards ceremony to recognise achievements of our staff's children for excelling in their respective

SUSTAINABILITY STATEMENT
CONT'D

Academic, Sports and Creative pursuits and to spur them to higher goals. All-in-all, 24 cash rewards with presented to the children.

This ceremony is always held in conjunction with our Quarterly Birthday event, thus creating a fun family atmosphere together with a sumptuous buffet served.

Long Service	No.
20 years	5
15 years	3
10 years	4
5 years	11
Total	23

Excellence Award	No.
Academic	10
Sports	5
Creative	9
Total	24

- **Safety & Health**

To cultivate a safety conscious mind-set, EITA consistently educate our staff on the importance of adhering to safety procedures at the office and at work sites. Annually, there is a Fire Awareness training followed by a Fire Drill exercise to acquaint staff on the necessary precautions to be taken during a fire emergency.

Accidents do happen at job sites and on the road. Every year, EITA organises OSHAS 18001 Audit Awareness training and follow-up with appropriate preventive and corrective action plans to minimize these incidents such as, ensuring Personal Protective Equipment ("PPE") guidelines are being complied and together with conducting periodic motorcycle inspections.

All new staff involved in field work are also required to attend a Construction Industry Development Board Safety training to understand job safety requirements at work site. They are then equipped with proper PPE such as, safety helmet, boots and vest.

SUSTAINABILITY STATEMENT
CONT'D

COMMUNITY SUSTAINABILITY

EITA as a business entity, we embrace our corporate social responsibility role to build meaningful relationships with the communities. We also encourage our staff to serve and give back to the society. We continue to engage the community through our various efforts and with financial aids in a wide range of worthy causes.

- **Safety awareness campaign**

  Public safety cannot be compromised. Over the past few years, EITA Elevator has been conducting an on-going safety awareness campaign to educate the public on proper use of elevators and escalators. This campaign "Ride Safely with EITA" has been carried out at public venues such as shopping malls and public housing apartments. For FY2017, 3 public safety awareness events were organised.

- **Blood donation drives**

  Donating blood maybe a personal gesture, however, our staff realised collectively we can impact the society positively. Once again, our annual Blood Donation drives were organised at EITA Headquarters in Subang and at Furutec Electrical in Penang. And as usual, we had a good staff turnout of 53 staff from all levels who came forward to donate their life-saving blood.

- **Charity programme**

  This year, EITA Sports Club arranged an orphanage visit to Rumah K.I.D.S. in Klang. Over the past years, we have supported this same orphanage. It is important to have continuity to build a bond and it was indeed a happy re-union to see these kids again. On top of the cash donation, we also donated food, household items and electrical appliances. To make it a fun day, we organised a series of fun games and hosted lunch for the kids.

  EITA continues to give donations to various charitable causes, especially in support of the underprivileged, places of worship and disaster reliefs.

- **Education**

  The Group believes education is vital in developing and uplifting an individual, and in turn, transforming to a caring and progressive society.

  EITA Elevator signed a Memorandum of Understanding with Management Science University to collaborate in various areas such as internship, industry lecturer, safety awareness and others. A key part of this partnership is to develop a pool of industry-ready graduates for successful employment in the construction and manufacturing sectors.

  Every year, we continue to offer internship for final year students from various local universities. For FY2017, we provided relevant industrial experience for 3 interns altogether.

  For the second year running, Furutec Electrical donated cash and stationery to SRJK (Tamil) Ladang Valdor located in Sungai Jawi, Penang.

STATEMENT OF CORPORATE GOVERNANCE

INTRODUCTION

The Board of Directors ("the Board") of EITA Resources Berhad ("EITA" or "the Company") is committed towards ensuring good corporate governance and practices are implemented and maintained throughout the Company and its subsidiaries ("the Group") as a fundamental part of discharging its duties to enhance shareholders' values consistent with the principles and best practices set out in the Malaysian Code on Corporate Governance 2012 ("MCCG 2012" or "the Code"). New Malaysian Code on Corporate Governance 2017 ("MCCG 2017") was released by the Securities Commissions of Malaysia in April 2017, which EITA will report its applications of the practices in its next year's Annual Report.

The statement, which is made pursuant to Paragraph 15.25 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), sets out the manner in which the Group has adopted MCCG 2012 and the extent to which it has applied the principles and recommendations of MCCG 2012 throughout the financial year ended 30 September 2017 ("FY2017").

THE BOARD

Roles and Responsibilities of the Board

The Group is led and managed by effective and experienced Board comprising members with a wide range of experience and qualifications. The Board assumes, amongst others, the following responsibilities:-

- Overseeing and evaluating the conduct and sustainability of the businesses of the Group.
- Reviewing and adopting the overall strategic direction, business plans, annual budgets of the Group, including major capital commitments.
- Establishing key performance indicators and succession plan.
- Reviewing and approving of new ventures, major acquisitions and disposal of undertakings and properties.
- Identifying principal risks and ensuring implementation of appropriate systems to manage these risks.
- Reviewing the adequacy and integrity of the Group's internal control systems and management information systems.
- Overseeing the development and implementation of the shareholder communications policy for the Company.

Board Charter

As part of governance process, the Board has formalised and adopted the Board Charter. This Board Charter sets out the composition and balance, roles and responsibilities, operation and processes of the Board and is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members.

The Board has also adopted a Whistle Blowing Policy to provide avenue for all employees of the Group and members of the public to raise concerns and disclose any improper conduct within the Group and to take appropriate actions to resolve them effectively. The Board has also adopted a Code of Ethics and Conduct which is incorporated in the Board Charter of the Company.

The Board Charter and Whistle Blowing Policy are available at the Company's website at http://www.eita.com.my.

STATEMENT OF CORPORATE GOVERNANCE

CONT'D

THE BOARD (CONT'D)

Composition of the Board

The Board currently has nine (9) members, comprising of one (1) Independent Non-Executive Chairman, one (1) Group Managing Director, three (3) Executive Directors, two (2) Non-Independent Non-Executive Directors, one (1) Senior Independent Non-Executive Director and one (1) Independent Non-Executive Director. This composition ensures that at least one-third (1/3) of the Board comprise of Independent Directors in accordance to the requirement of Paragraph 15.02 of the MMLR of Bursa Securities. A brief profile of each Director is presented on pages 5 to 9 of this Annual Report and is also available on the website of the Company.

The presence of Independent Non-Executive Directors ensures that views, consideration, judgment and discretion exercised by the Board in decision making remains objective and independent whilst assuring the interest of other parties such as minority shareholders are fully addressed and adequately protected as well as being accorded with due consideration.

There is a clear division of responsibility between the Group Managing Director and the Chairman in order to provide for balance of power and authority. The former leads the management of the Company and has overall responsibility for the operating units and the implementation of the Board's policies and decisions, whilst the latter is responsible for the orderly conduct and effectiveness of the Board in addition to facilitate constructive deliberation of matters in hand.

Board Meetings

The Board meets at least once every quarter on a scheduled basis and additional meetings to be convened as and when deemed necessary by the Board. All the Directors have attended more than 50% of the total Board meetings held during FY2017 and complied with the requirements on attendance at Board meetings as stipulated in the MMLR of Bursa Securities.

A total of four (4) Board meetings were held during FY2017. Attendance of each Board member is set out below:

Name of Directors	Attendance
Dato' Siow Kim Lun	4/4
Fu Wing Hoong	4/4
Lim Joo Swee	4/4
Chong Yoke Peng	4/4
Lee Peng Sian	4/4
Chia Mak Hooi	4/4
Tan Chuan Hock	4/4
Chong Lee Chang	3/4
Chia Seong Pow *(appointed on 1 March 2017)*	2/2
Chia Lik Khai *(resigned on 1 March 2017)*	2/2

The Board is satisfied with the level of time commitment given by the Directors of the Company towards fulfilling their duties and responsibilities. This is evidenced by the attendance record of the Directors as set out herein above.

THE BOARD (CONT'D)

Supply of Information

The relevant papers for meetings, with full and fair disclosures relating to the agenda items, are disseminated to all the Directors in advance, to enable them to prepare for the meetings. Information provided is not confined to financial data but also other non-financial information, both quantitative and qualitative, which is deemed to be critical in arriving at a sound and informed decision. Any Director who has a direct and/or indirect interest in the subject matter to be deliberated on shall declare his interest and abstain from deliberation and voting on the same.

Minutes of every Board meeting and decisions made by way of circular resolution are duly minuted and properly maintained by the Company Secretary. The Board recognises the facts that the Company Secretary is suitably qualified and capable of carrying out the duties required. The Board is satisfied with the service and support rendered by the Company Secretary in the discharge of her functions.

All Directors have unrestricted access to the professional advice and services of the Company Secretary as well as access to all information within the Company and may whether as a full Board or in their individual capacity, seek independent professional advice in furtherance of their duties at the Company's expenses.

Appointment and Re-election to the Board

The Nomination Committee is entrusted with the responsibility to recommend candidates for appointment to the Board and assessing the effectiveness of the Board.

Nomination and Appointment of Directors

The members of the Board are appointed in a formal and transparent manner as endorsed by the Code. The Nomination Committee scrutinises the candidates and where suitable, recommends the same for the Board's approval. In discharging this duty, the Nomination Committee will assess the suitability of an individual by taking into account the gender diversity and the individual's mix of skill, knowledge, expertise, experience, competencies, integrity and/or other commitments that the candidate will bring to complement the Board. On 1 March 2017, Mr. Chia Seong Pow was appointed as a new Director of the Company replacing Mr. Chia Lik Khai, who had been a Director of EITA since 10 October 2009.

All Board members shall notify the Chairman of the Board before accepting any new directorship in other companies. The notification shall include an indication of time that will be spent on the new appointment. The Chairman shall also notify the Board if he has any new directorship or significant commitments outside the Company.

In accordance with the Company's Constitution, all Directors who are appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors are subject to re-election by shareholders at the Annual General Meeting ("AGM") to be held following their appointment. The Company's Constitution also provides that at least one-third (1/3) of the remaining Directors shall retire by rotation at each AGM, provided always that all the Directors shall retire from their office at least once every three (3) years. All retiring Directors are eligible to offer themselves for re-election at the AGM.

The Board takes cognisance of the recommendation on boardroom diversity published in the Code. In line with the Code, the Board through the Nomination Committee shall accord due consideration to gender diversity, age and ethnicity in addition to skills, competencies, knowledge, experience, commitment and integrity in relation to the appointment of prospective Board members.

In line with the Code and in view of the gained attention of boardroom diversity as an important element of a well functioned organisation, the Board shall also accord due consideration to inculcate diversity policy in the boardroom and workplace which encapsulates not only to gender, but also age and ethnicity.

STATEMENT OF CORPORATE GOVERNANCE

CONT'D

THE BOARD (CONT'D)

Directors' Training

The Board acknowledges that continuous training is essential in keeping them abreast with changes in law and regulations', business environment and corporate governance developments, besides enhancing professionalism and knowledge in enabling them to discharge their duties more effectively.

The training needs of Directors would be assessed and proposed by the individual Director. Each Director determines the areas of training that he may require for personal development as a Director or as a member of a Board Committee.

During the FY2017, all Directors of the Company have attended the in-house training session on "An overview of the Malaysian Code of Corporate Governance 2017" conducted by the Company Secretary.

Our Directors also attended the following training during the FY2017:-

Name of Directors	Title of Seminars/Training attended
Dato' Siow Kim Lun	- Sustainability Forum: The Velocity of Global Change & Sustainability - Value Creation and Business Partnering - Companies Act 2016: The New Governance Framework for Directors & Management - International Corporate Governance Network Annual Conference - Malaysian Code on Corporate Governance Update and Cyber Security Awareness Session - Credit Risk & AMLA Training - Breakfast Series: Integrating an Innovation Mindset with Effective Governance - Case Study Workshop for Independent Directors
Fu Wing Hoong	- Capital Market Conference 2017
Lim Joo Swee	- Capital Market Conference 2017
Chong Yoke Peng	- Capital Market Conference 2017
Lee Peng Sian	- Risk Management Programme : I am Ready to manage Risks - ISO 9001 : 2015 Awareness Training - Emergency Response & Humanitarian Support - Capital Market Conference 2017 - GE Channel Compliance Training - Annual Building Maintenance Conference 2017 - ESG Assessment Confirmation and Invitation to An Introductory ESG Seminar
Tan Chuan Hock	- Companies Act 2016 – Key Insights and Implication for Directors / Shareholders - 2017 Budget Seminar - Property Development and Construction Contract Activities under FRS201 and MFRS/FRS11 - Updates of the 2016 & 2017 MFRS – Preparing MFRS – compliant Financial Statements in 2016, 2017 and thereafter - National Tax Conference 2017
Chia Mak Hooi	- Leadership Program – Developing Organisational Talent - 4th Boiler Conference - 5th Layer Conference
Chia Seong Pow	- Leadership Program – Developing Organisational Talent - 6th Annual National Conference 2017 - Mitigation Risk in Procurement - Corporate Director Advanced Programme - the New Malaysian Code on Corporate Governance 2017

THE BOARD (CONT'D)

Board Committees

The Board has delegated specific responsibilities to several committees, namely the Audit Committee, Nomination Committee and Remuneration Committee. These Committees operate within their respective defined terms of reference approved and specific authorities delegated by the Board. The Chairman of the respective Committees will report to the Board the outcome of each Committee meeting. The Board, however, retains full responsibility for the final decision on all matters.

i. Audit Committee

The objectives of the Audit Committee are, amongst others, providing additional assurance to the Board by giving an objective and independent review of financial, operational and administrative controls and procedures, establishing and maintaining internal controls. The Audit Committee is also tasked with reinforcing the independence of the Company's external auditors, thereby ensuring that the auditors have free reign in the audit process.

The composition of the Audit Committee and the works carried out during the FY2017 are set forth in the Audit Committee Report in this Annual Report.

The term of office and performance of the Audit Committee and its members should be reviewed by the Nomination Committee annually to determine whether such Audit Committee and members have carries out their duties in accordance with the terms of reference.

ii. Nomination Committee ("NC")

The NC considers and recommends competent persons with integrity and a strong sense of professionalism to be appointed to the Board. In arriving at these recommendations, due consideration will be given to the required mix of skills, expertise and experience that the proposed Director(s) shall bring to complement the Board. The candidates must also be able to commit a sufficient amount of time to discharge their duties as a Board member.

The NC has developed certain criteria used in the recruitment process and annual assessment of Directors, including Independent Directors.

The NC comprises the following members, all being Independent Non-Executive Directors:-

Name	Designation
Chong Lee Chang, Chairman	Senior Independent Non-Executive
Dato' Siow Kim Lun, Member	Independent Non-Executive
Tan Chuan Hock, Member	Independent Non-Executive

During the FY2017, the following activities were undertaken by the NC:

- Reviewed and assessed the Executive Directors' and Non-Executive Directors' Annual Performance Evaluation Forms for the financial year ended 30 September 2016.
- Reviewed and assessed the performance of the Audit Committee.
- Reviewed and assessed the effectiveness of the Board as a whole.
- Assessed evaluated the independence of the Independent Directors.
- Considered and recommended to the Board for consideration, the re-election of Dato' Siow Kim Lun, Mr. Lim Joo Swee and Mr. Chia Mak Hooi as Directors who retired at the last AGM held on 27 February 2017.
- Considered and recommended to the Board for consideration, the appointment of Mr. Chia Seong Pow as new Non-Independent Non-Executive Director of the Company.

STATEMENT OF CORPORATE GOVERNANCE
CONT'D

THE BOARD (CONT'D)

Board Committees (Cont'd)

ii. Nomination Committee ("NC") (Cont'd)

In evaluating performance of Non-Executive Directors, certain criteria was established and adopted, amongst others, attendance at Board or Committee meetings, adequate preparation for Board and/or Committee meetings, regular contribution to Board or Committee meetings, personal input to the role and other contributions to the Board or Committee as a whole.

In evaluating performance of Executive Directors, assessment was carried out against diverse key performance indicators, amongst others, financial, strategic, operations management and business plans, product development, conformance and compliance, shareholders/ investors' relations, employee training and development, succession planning and personal input to the role.

iii. Remuneration Committee ("RC")

The RC is principally responsible for assessing and reviewing the remuneration packages of the Executive Directors including their fees and subsequently furnishing their recommendations to the Board on specific adjustments in remuneration to commensurate the respective contributions of the Executive Directors.

The RC comprises the following members, majority of whom are Independent Non-Executive Directors:-

Name	Designation
Chong Lee Chang, Chairman	Senior Independent Non-Executive
Tan Chuan Hock, Member	Independent Non-Executive
Chia Mak Hooi, Member *(appointed on 23 November 2017)*	Non-Independent Non-Executive
Fu Wing Hoong, Member *(resigned on 23 November 2017)*	Group Managing Director

The Board had, through the RC, established formal and transparent remuneration policies and procedures to attract and retain Directors. The Board will determine the level of remuneration of Directors. Any salary review takes into the market rates and the performance of the individual and the Group.

Non-Executive Directors are paid a basic fee as ordinary remuneration based on their responsibilities in Committee and the Board. The fee shall be fixed in sum and not by commission or percentage of profits or turnover. The annual Directors' fees payable are endorsed by the Board for approval by the shareholders of the Company at the AGM. Directors do not participate in decisions regarding their own remuneration packages.

THE BOARD (CONT'D)

Board Committees (Cont'd)

iii. Remuneration Committee ("RC") (Cont'd)

Details of the remuneration of the Directors of the Company and the Group for the financial year under review are as follows:

The Company

Directors	Fees (RM)	Salaries & Benefits in Kind (RM)	Bonuses (RM)	Total (RM)
Executive Directors	–	1,920,132	176,164	2,096,296
Non-Executive Directors	234,600	–	–	234,600
TOTAL	**234,600**	**1,920,132**	**176,164**	**2,330,896**

Range of Remuneration (RM)	No. of Directors	
	Executive	Non-Executive
50,000 and below	2	5
50,001 – 100,000	–	1
900,001 – 950,000	1	–
1,150,001 – 1,200,000	1	–

The Group

Directors	Fees (RM)	Salaries & Benefits in Kind (RM)	Bonuses (RM)	Total (RM)
Executive Directors	132,049	3,728,513	289,870	4,150,432
Non-Executive Directors	276,600	–	–	276,600
TOTAL	**408,649**	**3,728,513**	**289,870**	**4,427,032**

Range of Remuneration (RM)	No. of Directors	
	Executive	Non-Executive
50,000 and below	–	4
50,001 – 100,000	–	2
700,001 – 750,000	1	–
750,001 – 800,000	1	–
1,150,001 – 1,200,000	1	–
1,450,001 – 1,500,000	1	–

STATEMENT OF CORPORATE GOVERNANCE
CONT'D

THE SHAREHOLDERS

Dialogue between the Company and Investors

The Group values the importance of timely and equal dissemination of information on major developments of the Group to the shareholders, potential investors and the general public. Quarterly results, announcements, analyst briefings, annual reports and circulars serve as primary means of dissemination of information so that the shareholders are constantly kept abreast on the Group's progress and developments. The EITA corporate website at *www.eita.com.my* serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, news and events relating to the Group.

AGM

The AGM remains as a principal forum for communication with its shareholders. During the AGM, shareholders are accorded time and opportunities to query the Board on the resolutions being proposed and also matters relating to the performance, developments and directions of the Group. Shareholders are also invited to convey and share their inputs with the Board.

Members of the Board and key management of the Company as well as external auditors of the Company are available to respond to shareholders' questions during the meetings. The Board also encourages other channel of communication with shareholders. For this purpose, the Board has identified Mr. Chong Lee Chang as the Senior Independent Non-Executive Director to whom queries or concerns regarding the Group may be convened.

All resolutions set out in the Notice of the AGM are put to vote by way of poll and the votes casted shall be validated by an independent scrutineer.

The outcome of all resolutions proposed at the AGM is to be announced to Bursa Securities at the end of the meeting day. While a summary of the key matters discussed at the AGM, if any, will be published on the Company's website for the shareholders' information, as soon as practicable after the AGM.

CORPORATE DISCLOSURE POLICY

The Board is committed to provide effective communication to its shareholders and general public regarding the business, operations and financial performance of the Group and where necessary, information filed with regulators is in accordance with all applicable legal and regulatory requirements.

The Company adopted a formal Corporate Disclosure Policy to promote comprehensive, accurate and timely disclosures pertaining to the Company and the Group to regulators, shareholders and stakeholders.

STATEMENT OF CORPORATE GOVERNANCE
CONT'D

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is responsible to ensure that the quarterly financial reporting of the Company presents a fair and balanced view and assessment of the Group's financial position, performance and prospects. The Board ensures that the Group's financial statements are drawn up in accordance with the provisions of the Companies Act 2016 and applicable approved accounting standards. The Board is assisted by the Audit Committee in reviewing and scrutinising the information in terms of the overall accuracy, adequacy and completeness of disclosure and ensuring the Group's financial statements comply with applicable financial reporting standards.

The Group's audited financial statements for the FY2017 are presented in this Annual Report.

Risk Management and Internal Control

The Board acknowledges its overall responsibilities for maintaining a sound system of internal controls.

Management is responsible for implementing the process for identifying, evaluating, monitoring and reporting of risks and internal control, taking appropriate and timely corrective actions as needed and providing assurance to the Board that the processes have been carried out. The Audit Committee has been entrusted by the Board to ensure effectiveness of the Group's internal control systems.

The internal audit function of the Group is outsourced to an independent professional firm. The activities of the outsourced Internal Auditors are reported regularly to the Audit Committee which provides the Board with the required assurance in relation to the adequacy and integrity of the Group's system of internal controls.

Information on the Group's Risk Management and Internal Control is presented in the Statement on Risk Management and Internal Control set out in this Annual Report.

Relationship with External Auditors

The Group has established a transparent and appropriate relationship with the Internal Auditors and External Auditors. Such relationship allows the Group to seek professional advice on matters relating to compliance and corporate governance. The internal audit function of the Group is outsourced to third party. Similar to the External Auditors, Internal Auditors too have direct reporting access to the Board and the Audit Committee to ensure that issues highlighted are addressed independently, objectively and impartially without any undue influence from the Management.

STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF THE CODE

The Company is committed in achieving high standards of corporate governance throughout the Company and the Group and the highest level of integrity and ethical standards in all of its business dealings.

The Board will continue to strive for full compliance with the MCCG 2017 in the coming financial year.

AUDIT COMMITTEE REPORT

OBJECTIVE OF THE AUDIT COMMITTEE

The primary objective of the Audit Committee is to provide additional assurance to the Board of Directors ("the Board") by giving an objective and independent review of financial, operational and administrative controls and procedures, establishing and maintaining internal controls. The Audit Committee is also tasked with reinforcing the independence of the Company's external auditors, thereby ensuring that the auditors have free reign in the audit process.

COMPOSITION AND MEMBERS OF THE AUDIT COMMITTEE

The Audit Committee comprises the following members, all being Non-Executive Directors with a majority of them being Independent Directors:-

Name	Designation
Tan Chuan Hock, Chairman	Independent Non-Executive
Dato' Siow Kim Lun, Member	Independent Non-Executive
Chong Lee Chang, Member	Senior Independent Non-Executive
Chia Mak Hooi, Member	Non-Independent Non-Executive

During the financial year under review, the Audit Committee convened four (4) meetings and attendance of each of the Audit Committee members to the meetings is set out as follows:

Audit Committee Members	Attendance
Tan Chuan Hock, Chairman	4/4
Dato' Siow Kim Lun, Member	4/4
Chong Lee Chang, Member	3/4
Chia Mak Hooi, Member	4/4

The Company has complied with Paragraph 15.09 of the Main Market Listing Requirements of Bursa Securities which the Audit Committee members fulfil the requirement as prescribed. The Audit Committee has effectively discharged their duties pursuant to the Terms of Reference of the Audit Committee.

The authorities and duties of the Audit Committee are clearly governed by the Terms of Reference of the Audit Committee. The Terms of Reference of the Audit Committee can be accessed from the corporate website of the Company at http://www.eita.com.my.

SUMMARY OF WORKS DURING THE FINANCIAL YEAR

The Audit Committee had carried out the following works during the financial year ended 30 September 2017 in discharging their duties and responsibilities, amongst others, included the following:-

i. In overseeing the Company's financial reporting, reviewed the four (4) quarterly financial results and annual audited financial statements of the Company including the announcements pertaining thereto. Discussion focused particularly on any change in accounting policies and practices, significant adjustments arising from the audit and compliance with accounting standards and other legal requirements before recommending to the Board for approval and release of the announcements to Bursa Securities.

ii. Reviewed with the External Auditors, the audit plan and scope of the statutory audit of the Company's financial statements for the financial year ended 30 September 2017 before the audit commenced to ensure that the scope of the external audit is comprehensive.

SUMMARY OF WORKS DURING THE FINANCIAL YEAR (CONT'D)

iii. Considered and recommended the re-appointment of KPMG PLT as the External Auditors and their audit fee to the Board for consideration based on the competency, efficiency and transparency as demonstrated by the Auditors during their audit.

iv. Reviewed with the Internal Auditors, the internal audit plan, work done and reports for the internal audit function and considered the findings of internal audit investigations and management responses thereon, and ensure that appropriate actions are taken on the recommendations raised by the Internal Auditors.

v. Reviewed the reports for the internal audit function and considered the findings of internal audit investigations and management responses thereon, and ensure that appropriate actions are taken on the recommendations raised by the Internal Auditors.

vi. Reviewed the related party transactions and/or recurrent related party transactions that transpired during the financial year under review to ensure that the transactions entered into were at arm's length basis.

vii. Reviewed and recommended to the Board of Directors for approval the Related Party Transactions Policy and Procedures.

viii. Reviewed the Report on Registry of Risk and Risk Matrix of the Company and its subsidiaries.

ix. Reviewed the Statement of Corporate Governance, Audit Committee Report and Statement on Risk Management and Internal Control to ensure adherence to legal and regulatory reporting requirement before recommending to the Board for approval for inclusion in the Company's Annual Report.

x. Self appraised the performance of the Audit Committee for the financial year ended 30 September 2016 and submitted the evaluation form to the Nomination Committee for assessment.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to an independent professional consulting company, which is independent of the activities and operations of the Group. The Internal Auditors are empowered by the Audit Committee to provide objective evaluation of risks and controls in the auditable activities to ensure a sound system of internal controls.

The Internal Auditors shall present its risk-based Internal Audit Plan for the Audit Committee's review and approval annually. Scheduled audits are carried out on various departments and/ or subsidiaries of Group in accordance to the approved Internal Audit Plan. A risk-based methodology is adopted to evaluate the adequacy and effectiveness of the risk management, financial, operational and governance processes.

In an effort to provide value added services, the Internal Auditors also play an active role in an advisory capacity especially on potential improvement on the existing controls. On an ad-hoc basis, the Internal Auditors may be requested by the Audit Committee to perform special reviews on any particular area, functions and activities of any business units within the Group whenever the Audit Committee deems necessary.

Reports on these audits shall be presented to the Audit Committee highlighting observations, recommendations, corrective actions and deadlines for the management team to implement the agreed corrective actions. Where the result of an audit is unsatisfactory, a follow-up audit is conducted and subsequently reported to the Audit Committee.

The summary of the works of the internal audit function is as disclosed in the Statement on Risk Management and Internal Control.

The fee incurred during the financial year ended 30 September 2017 in relation to the internal audit function was RM47,200.

For the financial year ended 30 September 2017, the Committee noted that the internal audit function is independent and Internal Auditors have performed their audit assignments with impartiality, proficiency and due professional care.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") of EITA Resources Berhad ("the Company") is pleased to present the Statement on Risk Management and Internal Control of the Company and its subsidiaries ("the Group") which outlines the nature and scope of risk management and the internal control systems of the Group for the financial year ended 30 September 2017 pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Main LR"), Malaysian Code on Corporate Governance 2017 ("MCCG 2017") and "*Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers*".

BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility for the Group's risk management and internal control system to safeguard shareholders' investment and the Group's assets as well as reviewing its effectiveness, adequacy and integrity on a regular basis.

The system of internal control covers governance, risk management, financial, organisational, operational and compliance controls. However, due to the limitations that are inherent in any system of internal control, the Group's system of internal control is designed to manage, rather than eliminate the risk of failure to achieve the corporate objectives. Accordingly, it only provides reasonable but not absolute assurance against material misstatement or loss.

The Board, through the Audit Committee, implement the risk management and internal control practices within the Group. Management is required to apply good judgement in assessing the risks faced by the Group, assessing the Group's ability to reduce the incidence and impact of risks.

RISK MANAGEMENT

The Board recognises that risk management is an integral part of the Group's business operations and has put in place the Risk Management Framework within the Group as an ongoing process for identifying, evaluating, monitoring and managing the significant risk affecting the achievement of its business objectives.

The risk identification process involves reviewing and identifying the possible risk exposure arising from changes in both external business environment and internal operating conditions. The risk measurement guidelines consist of financial and non-financial qualitative measures of risk consequences based on the risk likelihood rating and risk impact rating. The risk control actions are prioritised and implemented as per the risk control actions assigned to the respective risk owners.

Risk Profile consists of principal business risks which are identified and documented in the Registry of Risks. The Registry of Risks identified the risk factors, statement of risk, risk owner, impact, likelihood and risk control actions. The Risk Management Committee is represented by an Executive Committee which consists of Group Managing Director and three (3) Executive Directors. The Registry of Risks which comprises of corporate level and subsidiaries is tabled to the Audit Committee for review and approval every quarter. The Audit Committee reports to the Board on any significant changes in the business and external environment which affect key risks.

The Board is of the view that there is an ongoing process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives in their daily activities throughout the financial year and up to the date of approval of the Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
CONT'D

INTERNAL AUDIT FUNCTION

The internal audit function has been outsourced to external service providers to provide independent assurance and serves to assist the Company in achieving its risk management objectives.

The Internal Auditors use the COSO (Committee of Sponsoring Organizations) model as a basis in conducting internal audit functions. Based on their internal audit reviews, observations were presented by the Internal Auditors, together with Management's response and proposed action plans, to the Audit Committee for review during the quarterly Audit Committee Meetings. In addition, the Internal Auditors have followed up on the implementation of recommendations from previous cycles of internal audit and updated the Audit Committee on the status of Management-agreed action plan. For the financial year ended 30 September 2017, the total costs incurred for the outsourced internal audit function was RM47,200.

For the financial year ended 30 September 2017, the following subsidiaries of the Group were audited by the Internal Auditors:-

Audit Period	Reporting Month	Name of Entity Audited	Audited Areas
1st Quarter (Oct 2016 – Dec 2016)	Feb 2017	EITA Elevator (Malaysia) Sdn. Bhd.	• Maintenance of Elevator Systems
2nd Quarter (Jan 2017 – Mar 2017)	May 2017	Furutec Electrical Sdn. Bhd.	• Manufacturing / Production and Assembly • Inventory Management • Quality Control
3rd Quarter (Apr 2017 – Jun 2017)	Aug 2017	EITA Resources Berhad	• Group Human Resources
4th Quarter (Jul 2017 – Sep 2017)	Nov 2017	EITA-Schneider (MFG) Sdn. Bhd.	• Procurement • Inventory Management • Quality Assurance

During the financial year under review, the Internal Auditors have presented their follow-up status report on previously reported audited findings in respect of the following subsidiaries of the Group:-

Name of Entities audited by the Internal Auditors	Date of Follow up Status Report
EITA Power Systems Sdn. Bhd.	27 February 2017
EITA Elevator (Malaysia) Sdn. Bhd.	24 May 2017
EITA Power Systems Sdn. Bhd.	24 May 2017
Furutec Electrical Sdn. Bhd.	22 August 2017
EITA Elevator (Malaysia) Sdn. Bhd.	22 August 2017
EITA Resources Berhad	23 November 2017
Furutec Electrical Sdn. Bhd.	23 November 2017

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
CONT'D

KEY ELEMENTS OF INTERNAL CONTROL

The following sets out the key elements of the Group's internal control, which have been in place throughout the financial year ended 30 September 2017, and up to 12 January 2018, being the date of this Statement:-

- **Organisational Structure**

  The Group has a defined organisational structure that is aligned to its business and operation requirements. Defined lines of accountability, delegation of responsibility and level of authorisation for all aspects of the business have been laid down and communicated throughout the Group.

- **Limits of Authority**

  Authority charts have been established within the Group to provide a functional framework of authority in approving sales order, purchases, expenses and capital expenditure.

- **Standard Operating Policies and Procedures ("SOP")**

  Numerous SOPs have been established to serve as a general management guide for daily operations. These policies and procedures are reviewed as and when necessary to reflect changing risks or to resolve any operational deficiencies. It is also to promote efficiency and accountability for the Group.

- **Board and Management Meetings**

  Regular Board and Management meetings are held where information is provided to the Board and Management covering financial performances and operations.

- **Training and Development Programmes**

  Training and development programmes are established to ensure that staff are constantly kept up-to-date with the constant technological changing environment in order to be competent in the industry in line with achieving the Group's business objectives.

- **Management Accounts and Reports**

  The Group's performance is monitored through regular reviews on management accounts and reports prepared and reported to Audit Committee.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
CONT'D

ASSURANCE FROM MANAGEMENT

The Board has received assurance from the Group Managing Director and Chief Financial Officer that the Group's risk management and internal control system were operating adequately and effectively in all material aspects, based on the risk management and internal control system of the Group, for the financial year ended 30 September 2017, and up to 12 January 2018, being the date of this Statement.

CONCLUSION

For the financial year under review and up to 12 January 2018, being the date of this Statement, the Board is of the opinion that there is an ongoing process of identifying, evaluating, and managing significant risks faced by the Group. The Board continues to take appropriate action plans to strengthen the risk management and internal control systems to meet the Group's objectives.

This Statement of Risk Management and Internal Control is made in accordance with a resolution of the Board of Directors dated 12 January 2018.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Recommended Practice Guide ("RPG") 5 (Revised 2015), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 30 September 2017 and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

(a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or

(b) is factually inaccurate.

RPG 5 (Revised 2015) does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problem disclosed in the annual report will, in fact, remedy the problems.

ADDITIONAL COMPLIANCE INFORMATION

In compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the following additional information is provided:-

During the financial year ended 30 September 2017 ("FY2017"),

(i) the amount of audit and non-audit fees paid/ payable to the External Auditors by the Company and the Group are as follows:-

	Company RM	Group RM
Audit Fee	32,000	168,000
Non - Audit Fee	13,500	13,500

(ii) utilisation of proceeds from the Initial Public Offerings as detailed below:-

	Description of Utilisation	Time frame for Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance RM'000	Re-allocation RM'000
(a)	Expansion and improvements of manufacturing and business facilities	Within 72 months	8,851	(4,926)	3,925	–
(b)	Expansion in R&D	Within 72 months	3,750	(3,175)	575	–
(c)	Working capital	Within 12 months	2,079	(2,127)	–	48
(d)	Estimated listing expenses	Immediate	2,800	(2,752)	–	(48)
Total Public Issue Proceeds			**17,480**	**(12,980)**	**4,500**	**–**

(iii) no material contract entered into by the Company and/or its subsidiaries involving Directors and major shareholders' interest.

(iv) significant recurrent related party transactions of revenue or trading nature entered into by the Group as disclosed in Note 35 of the Notes to the Financial Statements on page 123 of this Annual Report.

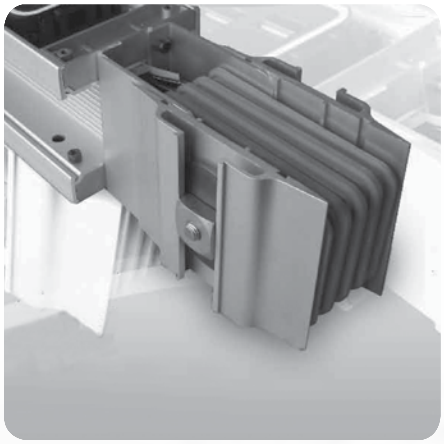
STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors of the Company are required by the Companies Act 2016 ("the Act") to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and of the Company for the financial year then ended.

The Directors consider that, in preparing the financial statements for the financial year ended 30 September 2017, the Company has used appropriate accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent. The Directors also consider that all applicable approved accounting standards have been followed and confirm that the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and which enable them to ensure that the financial statements comply with the Act and Malaysian Accounting Standards Board Approved Accounting Standards in Malaysia for Entities Other Than Private Entities.

FINANCIAL STATEMENTS



DIRECTORS' REPORT

for the year ended 30 September 2017

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 September 2017.

PRINCIPAL ACTIVITIES

The principal activities of the Company consist of investment holding, provision of management services and procurement of contracts including assisting in procurement of contracts.

The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

There has been no significant change in the nature of these activities during the financial year.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit for the year attributable to:		
Owners of the Company	19,921	12,690
Non-controlling interest	(151)	–
	19,770	12,690

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review.

DIVIDENDS

Since the end of the previous financial year, the Company paid:

(i) a final single tier dividend of 2.00 sen per ordinary share totalling RM2,599,920 in respect of the financial year ended 30 September 2016 on 30 March 2017.

(ii) an interim single tier dividend of 2.00 sen per ordinary share totalling RM2,599,920 in respect of the financial year ended 30 September 2017 on 26 July 2017.

Subsequent to the year end, the Directors recommended a final single tier dividend of 3.00 sen per ordinary share totalling RM3,899,880 in respect of the financial year ended 30 September 2017, which is subject to approval by the shareholders at the forthcoming Annual General Meeting. The proposed final dividend has not been accounted for in the financial statements.

DIRECTORS' REPORT
for the year ended 30 September 2017
CONT'D

DIRECTORS OF THE COMPANY

Directors who served during the financial year until the date of this report are:

Dato' Siow Kim Lun @ Siow Kim Lin
Fu Wing Hoong
Lim Joo Swee
Chong Yoke Peng
Lee Peng Sian
Chia Mak Hooi
Tan Chuan Hock
Chong Lee Chang
Chia Seong Pow (appointed on 1 March 2017)
Chia Lik Khai (resigned on 1 March 2017)

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.10.2016/ Date of appointment	**Bought**	**Sold**	**At 30.9.2017**
Name of Directors				
Fu Wing Hoong				
Direct interest in the Company:				
- own	1,407,541	20,000	(800,000)	627,541
Indirect interest in the Company ^				
- others	24,862,496	–	–	24,862,496
Lim Joo Swee				
Direct interest in the Company:				
- own	1,730,341	20,000	(195,000)	1,555,341
Indirect interest in the Company #				
- others	18,511,853	–	–	18,511,853
Chong Yoke Peng				
Direct interest in the Company:				
- own	4,359,236	–	–	4,359,236
Indirect interest in the Company β				
- others	100,000	–	–	100,000
Lee Peng Sian				
Direct interest in the Company:				
- own	6,385,008	–	(42,000)	6,343,008
Indirect interest in the Company Ω				
- others	10,000	–	(10,000)	–

DIRECTORS' REPORT

for the year ended 30 September 2017
CONT'D

DIRECTORS' INTERESTS IN SHARES (CONT'D)

	Number of ordinary shares			
	At 1.10.2016/ Date of appointment	Bought	Sold	At 30.9.2017
Name of Directors				
Dato' Siow Kim Lun @ Siow Kim Lin				
Direct interest in the Company:				
- own	200,000	–	–	200,000
Chia Mak Hooi				
Direct interest in the Company:				
- own	200,000	–	–	200,000
Chong Lee Chang				
Direct interest in the Company:				
- own	200,000	–	–	200,000
Tan Chuan Hock				
Direct interest in the Company:				
- own	200,000	–	–	200,000
Chia Seong Pow				
Direct interest in the Company:				
- own	200,000	–	–	200,000
Indirect interest in the Company *				
- others	30,873,259	–	(1,000,000)	29,873,259

^ Deemed interested by virtue of the shares held by his spouse, Lee Pek See and both his and his spouse's shareholdings in Sudut Kreatif Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 ("the Act").

Deemed interested by virtue of the shares held by his spouse, Goh Kin Bee and both his and his spouse's shareholdings in Jasa Simbolik Sdn. Bhd. pursuant to Section 8 of the Act.

β Deemed interested by virtue of the shares held by his spouse, Jane Chew Yin Sum.

Ω Deemed interested by virtue of the shares held by his spouse, Looi Lin Poh.

* Deemed interested by virtue of his beneficial interests in Farsathy Holdings Sdn. Bhd. held via the trust arrangement with Equity Trust (Malaysia) Berhad pursuant to Section 8 of the Act.

By virtue of his interests in the shares of the Company, Chia Seong Pow is also deemed interested in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

DIRECTORS' REPORT

for the year ended 30 September 2017
CONT'D

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those fees and other benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown in the financial statements of the Company and related corporations or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than as disclosed in Note 35 to the financial statements.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company during the financial year. There were no debentures issued during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

INDEMNITY AND INSURANCE COSTS

During the financial year, no indemnity and insurance costs were incurred for the Directors, officers or auditors of the Company.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

(i) all known bad debts have been written off and adequate provision made for doubtful debts, and

(ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

(ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or

(iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

OTHER STATUTORY INFORMATION (CONT'D)

At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

(ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 30 September 2017 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

SUBSEQUENT EVENTS

The event subsequent to the end of the reporting period is disclosed in Note 36 of the financial statements.

AUDITORS

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration is disclosed in Note 22 to the financial statements.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

Fu Wing Hoong
Director

Lim Joo Swee
Director

Petaling Jaya

Date: 12 January 2018

STATEMENTS OF FINANCIAL POSITION
as at 30 September 2017

	Note	Group 2017 RM'000	Group 2016 RM'000 Restated	Company 2017 RM'000	Company 2016 RM'000
Assets					
Property, plant and equipment	3	23,702	24,643	1,370	1,737
Intangible assets	4	2,677	2,936	–	–
Investment properties	5	3,718	3,689	–	–
Investments in subsidiaries	6	–	–	26,219	26,219
Investment in joint venture	7	702	277	–	–
Other investments		10	10	–	–
Deferred tax assets	8	3,801	3,343	–	–
Total non-current assets		34,610	34,898	27,589	27,956
Inventories	9	43,936	51,157	–	–
Current tax assets		1,956	1,432	–	–
Trade and other receivables	10	103,224	127,622	45,924	51,463
Deposits and prepayments	11	2,624	2,074	490	444
Derivative financial assets	12	3	28	–	–
Cash and cash equivalents	13	45,087	36,421	13,965	5,088
Total current assets		196,830	218,734	60,379	56,995
Total assets		231,440	253,632	87,968	84,951
Equity					
Share capital	14	69,302	65,000	69,302	65,000
Share premium	15	–	4,302	–	4,302
Reserves	15	87,690	72,776	16,329	8,839
Total equity attributable to owners of the Company		156,992	142,078	85,631	78,141
Non-controlling interest	16	1,332	1,460	–	–
Total equity		158,324	143,538	85,631	78,141

STATEMENTS OF FINANCIAL POSITION

as at 30 September 2017

CONT'D

	Note	Group 2017 RM'000	Group 2016 RM'000 Restated	Company 2017 RM'000	Company 2016 RM'000
Liabilities					
Loans and borrowings	17	7,287	8,622	326	492
Deferred tax liabilities	8	338	144	107	136
Total non-current liabilities		7,625	8,766	433	628
Loans and borrowings	17	9,993	34,084	166	4,182
Deferred income	18	7,326	12,130	–	–
Provision for warranties	19	1,006	1,276	–	–
Current tax payable		759	697	193	100
Trade and other payables	20	46,114	52,227	1,545	1,900
Derivative financial liabilities	12	293	914	–	–
Total current liabilities		65,491	101,328	1,904	6,182
Total liabilities		73,116	110,094	2,337	6,810
Total equity and liabilities		231,440	253,632	87,968	84,951

The notes on pages 61 to 125 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 September 2017

	Note	Group 2017 RM'000	Group 2016 RM'000	Company 2017 RM'000	Company 2016 RM'000
Revenue	21	270,680	288,032	18,635	14,143
Contract costs recognised as an expense		(84,615)	(98,545)	–	–
Cost of sales		(112,081)	(112,790)	–	–
Gross profit		73,984	76,697	18,635	14,143
Other operating income		5,437	7,739	135	449
Distribution expenses		(7,739)	(7,310)	(226)	(256)
Administrative expenses		(38,776)	(37,137)	(5,976)	(6,348)
Other operating expenses		(5,142)	(16,386)	(1,103)	(72)
Results from operating activities	22	27,764	23,603	11,465	7,916
Finance costs	25	(1,705)	(1,997)	(56)	(45)
Finance income		207	125	2,211	1,651
Net finance (costs)/income		(1,498)	(1,872)	2,155	1,606
Share of profit/(loss) of equity-accounted joint venture, net of tax		425	(223)	–	–
Profit before tax		26,691	21,508	13,620	9,522
Tax expense	26	(6,921)	(5,274)	(930)	(627)
Profit for the year		19,770	16,234	12,690	8,895
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		216	(135)	–	–
Other comprehensive income/(expense) for the year		216	(135)	–	–
Total comprehensive income for the year		19,986	16,099	12,690	8,895

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 September 2017

CONT'D

	Note	Group		Company	
		2017 RM'000	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**
Profit attributable to:					
Owners of the Company		19,921	15,641	12,690	8,895
Non-controlling interest		(151)	593	–	–
Profit for the year		19,770	16,234	12,690	8,895
Total comprehensive income attributable to:					
Owners of the Company		20,114	15,520	12,690	8,895
Non-controlling interest		(128)	579	–	–
Total comprehensive income for the year		19,986	16,099	12,690	8,895
Basic earnings per ordinary share (sen):	28	15.32	12.03		

The notes on pages 61 to 125 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2017

		Attributable to owners of the Company							
		Non-distributable				*Distributable*			
Group	**Note**	**Share capital RM'000**	**Share premium RM'000**	**Treasury shares RM'000**	**Translation reserve RM'000**	**Retained profits RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
At 1 October 2015		65,000	4,302	(2)	1,082	61,379	131,761	625	132,386
Total comprehensive income for the year		–	–	–	(121)	15,641	15,520	579	16,099
Contributions by and distributions to owners of the Company									
- Own shares acquired		–	–	(3)	–	–	(3)	–	(3)
- Dividends to owners of the Company	27	–	–	–	–	(5,200)	(5,200)	–	(5,200)
Acquisition through business combination		–	–	–	–	–	–	256	256
At 30 September 2016/ 1 October 2016		65,000	4,302	(5)	961	71,820	142,078	1,460	143,538
Total comprehensive income for the year		–	–	–	193	19,921	20,114	(128)	19,986
Distributions to owners of the Company									
- Dividends to owners of the Company	27	–	–	–	–	(5,200)	(5,200)	–	(5,200)
Transfer in accordance with Section 618(2) of the Companies Act 2016		4,302	(4,302)	–	–	–	–	–	–
At 30 September 2017		69,302	–	(5)	1,154	86,541	156,992	1,332	158,324
		Note 14	Note 15.1	Note 15.2	Note 15.3			Note 16	

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2017

Company	Note	Non-distributable Share capital RM'000	Non-distributable Share premium RM'000	Non-distributable Treasury shares RM'000	Distributable Retained profits RM'000	Total RM'000
At 1 October 2015		65,000	4,302	(2)	5,149	74,449
Total comprehensive income for the year		–	–	–	8,895	8,895
Contributions by and distributions to owners of the Company						
- Own shares acquired		–	–	(3)	–	(3)
- Dividends to owners of the Company	27	–	–	–	(5,200)	(5,200)
At 30 September 2016/ 1 October 2016		65,000	4,302	(5)	8,844	78,141
Total comprehensive income for the year		–	–	–	12,690	12,690
Distributions to owners of the Company						
- Dividends to owners of the Company	27	–	–	–	(5,200)	(5,200)
Transfer in accordance with Section 618(2) of the Companies Act 2016		4,302	(4,302)	–	–	–
At 30 September 2017		69,302	–	(5)	16,334	85,631
		Note 14	Note 15.1	Note 15.2		

The notes on pages 61 to 125 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

for the year ended 30 September 2017

	Note	Group 2017 RM'000	Group 2016 RM'000 Restated	Company 2017 RM'000	Company 2016 RM'000
Cash flows from operating activities					
Profit before tax		26,691	21,508	13,620	9,522
Adjustments for:					
Amortisation of development costs		259	372	–	–
Amortisation of investment properties		27	26	–	–
Depreciation of property, plant and equipment		1,885	1,879	488	391
Fair value (gain)/loss on forward exchange contracts, net		(596)	12,228	–	–
Finance costs		1,705	1,997	56	45
Finance income		(207)	(125)	(2,211)	(1,651)
Gain on disposal of property, plant and equipment		(24)	(296)	–	(115)
Property, plant and equipment written off		–	1	–	–
Provision for warranties		40	629	–	–
Reversal of allowance for foreseeable losses		(58)	(409)	–	–
Reversal of allowance for liquidated and ascertained damages		–	(46)	–	–
Share of (profit)/loss of equity-accounted joint venture, net of tax		(425)	223	–	–
Unrealised foreign exchange gain		(162)	(53)	–	–
Operating profit before changes in working capital		29,135	37,934	11,953	8,192
Changes in working capital:					
Inventories		7,252	(10,124)	–	–
Trade and other receivables, deposits and prepayments		23,735	(43,090)	5,494	(12,463)
Trade and other payables and deferred income		(10,549)	12,458	(356)	696
Warranties paid		(310)	(580)	–	–
Cash generated from/(used in) operations		49,263	(3,402)	17,091	(3,575)
Income tax paid		(7,836)	(8,559)	(866)	(731)
Income tax refunded		184	1,515	–	392
Interest paid		(103)	(125)	(28)	(30)
Interest received		207	125	2,211	1,651
Net cash generated from/(used in) operating activities		41,715	(10,446)	18,408	(2,293)

STATEMENTS OF CASH FLOWS

for the year ended 30 September 2017

CONT'D

	Note	Group 2017 RM'000	Group 2016 RM'000 Restated	Company 2017 RM'000	Company 2016 RM'000
Cash flows from investing activities					
Acquisition of subsidiary		–	(1,529)	–	(1,350)
Acquisition of investment properties		(56)	(518)	–	–
Proceeds from disposal of property, plant and equipment		46	381	–	115
Purchase of property, plant and equipment	*(i)*	(959)	(2,016)	(121)	(256)
Increase in pledged deposits		(500)	–	–	–
Net cash used in investing activities		(1,469)	(3,682)	(121)	(1,491)
Cash flows from financing activities					
Dividend paid to owners of the Company		(5,200)	(5,200)	(5,200)	(5,200)
Interest paid		(1,602)	(1,872)	(28)	(15)
(Repayment of)/Proceeds from other borrowings		(4,000)	3,900	(4,000)	4,000
(Repayment of)/Proceeds from bills payable		(18,527)	23,145	–	–
Repayment of finance lease liabilities		(375)	(371)	(182)	(109)
Repayment of term loans, net		(942)	(887)	–	–
Repurchase of treasury shares		–	(3)	–	(3)
Net cash (used in)/generated from financing activities		(30,646)	18,712	(9,410)	(1,327)
Net increase/(decrease) in cash and cash equivalents		9,600	4,584	8,877	(5,111)
Foreign exchange differences on cash held		151	(267)	–	–
Cash and cash equivalents at beginning of the year	*(ii)*	33,792	29,475	5,088	10,199
Cash and cash equivalents at end of the year	*(ii)*	43,543	33,792	13,965	5,088

STATEMENTS OF CASH FLOWS

for the year ended 30 September 2017

CONT'D

(i) *Purchase of property, plant and equipment*

In prior year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM2,829,000 and RM816,000 of which RM813,000 and RM560,000 was acquired by means of finance lease, respectively.

(ii) *Cash and cash equivalents*

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

		Group		**Company**	
	Note	**2017 RM'000**	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**
Deposits	13	3,000	5,000	–	–
Less: Pledged deposits	13	(500)	–	–	–
		2,500	5,000	–	–
Cash and bank balances	13	29,666	29,304	2,530	3,135
Liquid investments	13	12,421	2,117	11,435	1,953
Bank overdrafts	17	(1,044)	(2,629)	–	–
		43,543	33,792	13,965	5,088

The notes on pages 61 to 125 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

EITA Resources Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business
Lot 4, Block A
Jalan SS13/7
Subang Jaya Industrial Estate
47500 Subang Jaya
Selangor Darul Ehsan

Registered office
Third Floor, No.79 (Room A)
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 30 September 2017 comprise the Company, its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in a joint venture. The financial statements of the Company as at and for the financial year ended 30 September 2017 do not include other entities.

The principal activities of the Company consist of investment holding, provision of management services and procurement of contracts including assisting in procurement of contracts, whilst the principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

The financial statements were authorised for issue by the Board of Directors on 12 January 2018.

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRSs, Interpretations and amendments 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*

1. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018
- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*
- Clarifications to MFRS 15, *Revenue from Contracts with Customers*
- IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014 - 2016 Cycle) #*
- Amendments to MFRS 2, *Share-based Payment – Classification and Measurement of Share-based Payment Transactions #*
- Amendments to MFRS 4, *Insurance Contracts – Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts #*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014 - 2016 Cycle)*
- Amendments to MFRS 140, *Investment Property – Transfers of Investment Property*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019
- MFRS 16, *Leases*
- IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 9, *Financial Instruments - Prepayment Features with Negative Compensation*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures - Long-term Interests in Associates and Joint Ventures*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021
- MFRS 17, *Insurance Contracts*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed
- Amendments to MFRS 10, *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*

The Group and the Company plan to apply the abovementioned accounting standards, amendments and interpretations, where applicable:

- from the annual period beginning on 1 October 2017 for those amendments that are effective for annual periods beginning on or after 1 January 2017.

- from the annual period beginning on 1 October 2018 for those accounting standards, amendments and interpretation that are effective for annual periods beginning on or after 1 January 2018, except for those marked "#" which are not applicable to the Group and the Company.

- from the annual period beginning on 1 October 2019 for those accounting standard, amendments and interpretation that are effective for annual periods beginning on or after 1 January 2019.

The accounting standard that is effective for annual periods beginning on or after 1 January 2021 is not applicable to the Group and the Company.

1. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company except as mentioned below:

(i) MFRS 15, *Revenue from Contracts with Customers*

MFRS 15 replaces the guidance in MFRS 111, *Construction Contracts*, MFRS 118, *Revenue*, IC Interpretation 13, *Customer Loyalty Programmes*, IC Interpretation 15, *Agreements for Construction of Real Estate*, IC Interpretation 18, *Transfers of Assets from Customers* and IC Interpretation 131, *Revenue - Barter Transactions Involving Advertising Services*.

The Group and the Company are currently assessing the financial impact that may arise from the adoption of MFRS 15.

(ii) MFRS 9, *Financial Instruments*

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

The Group and the Company are currently assessing the financial impact that may arise from the adoption of MFRS 9.

(iii) MFRS 16, *Leases*

MFRS 16 replaces the guidance in MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases – Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The Group and the Company are currently assessing the financial impact that may arise from the adoption of MFRS 16.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

1. BASIS OF PREPARATION (CONT'D)

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 4 - impairment of intangible assets

  Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. Details of the impairment assessment are provided in Note 4.

- Note 8 - recognition of deferred tax assets

  Deferred tax assets are recognised for all unutilised tax losses to the extent that it is probable that future taxable profit will be available against which the tax losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

- Note 9 - allowance for slow-moving inventories and write down of inventories to net realisable value

  Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

- Note 10 - impairment of receivables

  Impairment is made for receivables that the management considers the recoverability to be doubtful. On a regular basis, the management reviews the receivables' ageing report and repayment history for any objective evidence of impairment.

- Note 21 - construction contracts revenue and profit

  The Group recognises contract revenue and profits based on percentage of completion method. The percentage of completion of a construction contract is determined by reference to the proportion that contract costs incurred for work performed to-date bear to the estimated total contract costs. Judgement is required in estimation of estimated total costs. Where actual costs incurred differs from the estimated total costs, such difference will impact the contract revenue and profits recognised.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investment in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (Cont'd)

(iii) Acquisitions of non-controlling interests

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(v) Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns.

Joint arrangements are classified and accounted for as follows:

- A joint arrangement is classified as "joint operation" when the Group has rights to the assets and obligations for the liabilities relating to an arrangement. The Group accounts for each of its share of the assets, liabilities and transactions, including its share of those held or incurred jointly with the other investors, in relation to the joint operation.

- A joint arrangement is classified as "joint venture" when the Group has rights only to the net assets of the arrangements. The Group accounts for its interest in the joint venture using equity method.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (Cont'd)

(vi) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(vii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted joint ventures are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve ("FCTR") in equity.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Foreign currency (Cont'd)

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the FCTR in equity. However, if the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of cumulative amount is reattributed to non-controlling interests.

(c) Financial instruments

(i) Initial recognition and measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

(a) Financial assets at fair value through profit or loss

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract) or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Financial instruments (Cont'd)

(ii) Financial instrument categories and subsequent measurement (Cont'd)

(b) Loans and receivables

Loans and receivables category comprises trade and other receivables, refundable deposits and cash and cash equivalents.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

(c) Available-for-sale financial assets

Available-for-sale category comprises investment in equity instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment (see Note 2(k)(i)).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are held for trading, derivatives (except for a derivative that is a financial guarantee contract) or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of equity instruments that do not have a quoted price in an active market for identical instruments whose fair values otherwise cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(iii) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

(a) the recognition of an asset to be received and the liability to pay for it on the trade date, and

(b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Financial instruments (Cont'd)

(iv) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(d) Property, plant and equipment

(i) Recognition and measurement

Freehold land and construction work-in-progress are measured at cost. Other items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other operating income" or "other operating expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Property, plant and equipment (Cont'd)

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of the asset, then the component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. The estimated useful lives for the current and comparative periods are as follows:

Leasehold land	44 years
Leasehold building	44 years
Renovation, electrical installation and furniture and fittings	10 years
Office equipment	10 years
Computer equipment	5 years
Motor vehicles	5 years
Plant and machinery	10 years

Depreciation methods and useful lives are reviewed at the end of the reporting period, and adjusted as appropriate.

(e) Leased assets

(i) Finance lease

Leases in terms of which the Group or the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Leasehold land which in substance is a finance lease is classified as property, plant and equipment, or as investment property if held to earn rental income or for capital appreciation or for both.

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Leased assets (Cont'd)

(ii) Operating lease

Leases, where the Group or the Company does not assume substantially all the risks and rewards of ownership are classified as operating leases and the leased assets are not recognised in the statements of financial position.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

(f) Intangible assets

(i) Goodwill

Goodwill arises on a business combination is measured at cost less any accumulated impairment losses.

(ii) Development costs

Expenditure on development activities, whereby the application of research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset.

The expenditure capitalised includes the cost of materials, direct labour and overheads costs that are directly attributable to preparing the assets for its intended use. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less any accumulated amortisation and any accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

(iv) Amortisation

Goodwill with indefinite useful lives are not amortised but are tested for impairment annually and whenever there is an indication that they may be impaired.

Other intangible assets are amortised from the date that they are available for use. Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

The estimated useful lives for the current and comparative periods for capitalised development costs are 5 years.

Amortisation methods and useful lives are reviewed at the end of each reporting period and adjusted, if appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Investment properties

(i) Investment properties carried at cost

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated amortisation and any accumulated impairment losses, consistent with the accounting policy for property, plant and equipment as stated in Note 2(d).

Amortisation is charged to profit or loss on a straight-line basis over the remaining leasehold period for leasehold building and 50 years for freehold building.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

(ii) Determination of fair value

The Directors estimate the fair values of the Group's investment properties without the involvement of independent valuers.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Construction work-in-progress

Construction work-in-progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditures related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

Construction work-in-progress is presented as part of trade and other receivables as amount due from contract customers in the statement of financial position for all contracts in which costs incurred plus recognised profits exceed progress billings. If progress billings exceed costs incurred plus recognised profits, then the difference is presented as amount due to contract customers which is part of the deferred income in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

Cash and cash equivalents (other than bank overdrafts) are categorised and measured as loans and receivables in accordance with Note 2(c).

(k) Impairment

(i) Financial assets

All financial assets (except for financial assets categorised as fair value through profit or loss, investments in subsidiaries and joint ventures) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment. If any such objective evidence exists, then the impairment loss of the financial asset is estimated.

An impairment loss in respect of loans and receivables is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Impairment (Cont'd)

(ii) Other assets

The carrying amounts of other assets (except for inventories, amount due from contract customers and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amount of the other assets in the cash-generating unit (groups of cash-generating units) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(iii) Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled are classified as treasury shares in the statement of changes in equity.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

(m) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provision for warranties

A provision for warranties is recognised when the underlying products are sold or where a construction contract is completed. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Revenue and other income

(i) Goods sold

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

(ii) Construction contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentives payments, to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and contract cost are recognised in profit or loss in proportion to the stage of completion of the contract. Contract expenses are recognised as incurred unless they create an asset related to future contract activity.

The stage of completion is assessed by reference to the proportion that contract costs incurred for work performed to-date bear to the estimated total contract costs.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

(iii) Maintenance services rendered

Revenue from maintenance services rendered is recognised in profit or loss as they accrue.

(iv) Management fee

Management fee income is recognised in profit or loss as they accrue.

(v) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established.

(vi) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss.

(vii) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

(q) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Earnings per ordinary share

The Group presents basic earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

(s) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment results are reviewed regularly by the chief operating decision maker, which in this case is the Managing Director of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(t) Contingencies

Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(u) Fair value measurements

Fair value of an asset or a liability is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the assets in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

3. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Leasehold land RM'000	Leasehold building RM'000	Renovation, electrical installation and furniture and fittings RM'000	Office equipment RM'000	Computer equipment RM'000	Motor vehicles RM'000	Plant and machinery RM'000	Construction work-in-progress RM'000	Total RM'000
Cost										
At 1 October 2015	5,579	5,696	7,550	3,029	1,337	2,766	3,795	5,529	170	35,451
Additions	–	–	–	471	78	506	1,142	474	158	2,829
Acquisition through business combination	–	–	–	39	9	3	–	–	–	51
Disposals	–	–	–	–	–	(4)	(1,659)	–	–	(1,663)
Written off	–	–	–	(4)	(21)	(22)	–	(10)	–	(57)
Reclassification	–	–	–	67	14	8	–	–	(89)	–
Foreign exchange adjustment	–	–	–	(1)	(1)	(1)	(4)	(1)	–	(8)
At 30 September 2016/ 1 October 2016	5,579	5,696	7,550	3,601	1,416	3,256	3,274	5,992	239	36,603
Additions	–	–	–	421	130	202	–	165	41	959
Disposals	–	–	–	–	(19)	–	–	(50)	–	(69)
Written off	–	–	–	–	(7)	(46)	–	(8)	–	(61)
Foreign exchange adjustment	–	–	–	2	1	2	7	2	–	14
At 30 September 2017	5,579	5,696	7,550	4,024	1,521	3,414	3,281	6,101	280	37,446

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Freehold land RM'000	Leasehold land RM'000	Leasehold building RM'000	Renovation, electrical installation and furniture and fittings RM'000	Office equipment RM'000	Computer equipment RM'000	Motor vehicles RM'000	Plant and machinery RM'000	Construction work-in-progress RM'000	Total RM'000
Accumulated depreciation										
At 1 October 2015	–	184	245	1,543	761	2,245	2,575	4,166	–	11,719
Depreciation for the year	–	130	173	316	102	304	479	375	–	1,879
Disposals	–	–	–	–	–	(4)	(1,574)	–	–	(1,578)
Written off	–	–	–	(4)	(21)	(21)	–	(10)	–	(56)
Foreign exchange adjustment	–	–	–	(1)	–	(1)	(1)	(1)	–	(4)
At 30 September 2016/ 1 October 2016	–	314	418	1,854	842	2,523	1,479	4,530	–	11,960
Depreciation for the year	–	130	173	336	106	271	550	319	–	1,885
Disposals	–	–	–	–	(19)	–	–	(28)	–	(47)
Written off	–	–	–	–	(7)	(46)	–	(8)	–	(61)
Foreign exchange adjustment	–	–	–	1	1	1	2	2	–	7
At 30 September 2017	–	444	591	2,191	923	2,749	2,031	4,815	–	13,744
Carrying amounts										
At 1 October 2015	5,579	5,512	7,305	1,486	576	521	1,220	1,363	170	23,732
At 30 September 2016/ 1 October 2016	5,579	5,382	7,132	1,747	574	733	1,795	1,462	239	24,643
At 30 September 2017	5,579	5,252	6,959	1,833	598	665	1,250	1,286	280	23,702

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Renovation and furniture and fittings RM'000	Office equipment RM'000	Computer equipment RM'000	Motor vehicles RM'000	Plant and machinery RM'000	Construction work-in-progress RM'000	Total RM'000
Cost							
At 1 October 2015	924	410	760	1,371	1	81	3,547
Additions	13	24	22	757	–	–	816
Disposal	–	–	–	(617)	–	–	(617)
Written off	(1)	–	–	–	–	–	(1)
Reclassification	67	14	–	–	–	(81)	–
At 30 September 2016/1 October 2016	1,003	448	782	1,511	1	–	3,745
Additions	19	70	32	–	–	–	121
Disposal	–	(15)	–	–	–	–	(15)
At 30 September 2017	1,022	503	814	1,511	1	–	3,851
Accumulated depreciation							
At 1 October 2015	522	220	426	1,066	1	–	2,235
Depreciation for the year	91	32	91	177	–	–	391
Disposal	–	–	–	(617)	–	–	(617)
Written off	(1)	–	–	–	–	–	(1)
At 30 September 2016/1 October 2016	612	252	517	626	1	–	2,008
Depreciation for the year	93	34	93	268	–	–	488
Disposal	–	(15)	–	–	–	–	(15)
At 30 September 2017	705	271	610	894	1	–	2,481
Carrying amounts							
At 1 October 2015	402	190	334	305	–	81	1,312
At 30 September 2016/1 October 2016	391	196	265	885	–	–	1,737
At 30 September 2017	317	232	204	617	–	–	1,370

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

3.1 Assets under finance lease

Included in property, plant and equipment of the Group and of the Company are motor vehicles acquired under finance lease agreements with a net carrying amount of RM1,237,000 (2016: RM1,771,000) and RM617,000 (2016: RM885,000) respectively.

3.2 Security

At 30 September 2017, land and building with a carrying amount of RM12,211,000 (2016: RM12,514,000) are charged to bank for banking facilities granted to a subsidiary (see Note 17.1).

4. INTANGIBLE ASSETS

Group	Goodwill on consolidation RM'000	Development RM'000	Total RM'000
Cost			
At 1 October 2015	1,601	1,945	3,546
Addition	965	–	965
At 30 September 2016/ 1 October 2016/30 September 2017	2,566	1,945	4,511
Accumulated amortisation and impairment loss			
At 1 October 2015			
Accumulated amortisation	–	1,042	1,042
Accumulated impairment loss	161	–	161
	161	1,042	1,203
Amortisation for the year	–	372	372
At 30 September 2016/1 October 2016			
Accumulated amortisation	–	1,414	1,414
Accumulated impairment loss	161	–	161
	161	1,414	1,575
Amortisation for the year	–	259	259
At 30 September 2017			
Accumulated amortisation	–	1,673	1,673
Accumulated impairment loss	161	–	161
	161	1,673	1,834
Carrying amounts			
At 1 October 2015	1,440	903	2,343
At 30 September 2016/1 October 2016	2,405	531	2,936
At 30 September 2017	2,405	272	2,677

4. INTANGIBLE ASSETS (CONT'D)

4.1 Goodwill of the Group arose from acquisitions of subsidiaries in previous financial years.

4.2 Impairment testing for cash-generating units containing goodwill

For the purposes of impairment testing, goodwill is allocated to the Group's investment in its subsidiaries which represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill are allocated to the following subsidiaries:

	Group	
	2017 RM'000	**2016 RM'000**
EITA Power System Sdn. Bhd.	1,174	1,174
Transsystem Continental Sdn. Bhd.	965	965
Multiple units without significant goodwill	266	266
	2,405	2,405

The recoverable amount of the cash-generating units is based on its value in use, determined by discounting the future cash flows to be generated from the continuing operations of the subsidiaries.

The projected cash flows were prepared based on financial budgets and projections which were approved by management covering a five-year period. The projected cash flows are then discounted using pre-tax discount rate of 12.33% (2016: 15.36%), which was estimated based on the Company's weighted average cost of capital.

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

5. INVESTMENT PROPERTIES

Group	Freehold land RM'000	Freehold building RM'000	Leasehold building RM'000	Total RM'000
Cost				
At 1 October 2015	116	2,855	275	3,246
Addition	–	208	310	518
At 30 September 2016/ 1 October 2016	116	3,063	585	3,764
Addition	–	–	56	56
At 30 September 2017	116	3,063	641	3,820
Accumulated amortisation				
At 1 October 2015	–	14	35	49
Amortisation for the year	–	24	2	26
At 30 September 2016/ 1 October 2016	–	38	37	75
Amortisation for the year	–	24	3	27
At 30 September 2017	–	62	40	102
Carrying amounts				
At 1 October 2015	116	2,841	240	3,197
At 30 September 2016/ 1 October 2016	116	3,025	548	3,689
At 30 September 2017	116	3,001	601	3,718

Investment property of a subsidiary amounting to RM1,260,000 (2016: RM1,284,000) has been charged to secure banking facilities granted to a subsidiary (see Note 17.1).

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

5. INVESTMENT PROPERTIES (CONT'D)

Included in the above are:

	Group	
	2017 RM'000	**2016 RM'000**
At cost		
Land	116	116
Buildings	3,268	2,876
Building under construction	334	697
	3,718	3,689

The following are recognised in profit or loss in respect of investment properties:

	Group	
	2017 RM'000	**2016 RM'000**
Rental income	84	49
Direct operating expenses:		
- income generating investment properties	1	2
- non-income generating investment properties	3	1

Fair value information

Fair value of investment properties are categorised as follows:

	Level 3	
Group	**2017 RM'000**	**2016 RM'000**
Land and buildings	4,373	3,689

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment property.

Level 3 fair values of land and buildings are estimated by Directors using the comparison approach. Expected sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The significant unobservable input into the Directors' valuation is adjustment to the price per square foot of comparable properties.

6. INVESTMENTS IN SUBSIDIARIES

	Company 2017 RM'000	Company 2016 RM'000
Unquoted shares, at cost	26,219	26,219

Details of the subsidiaries are as follows:

Name of subsidiary	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest 2017 %	Effective ownership interest and voting interest 2016 %
EITA Power System Sdn. Bhd.	Malaysia	Marketing and distribution of fire resistant cables, electrical and electronics components and equipment and provision of electrical and security system solutions.	100	100
EITA Technologies (Malaysia) Sdn. Bhd.	Malaysia	Manufacture of electrical and electronic components and equipment.	100	100
EITA Electric Sdn. Bhd.	Malaysia	Marketing and distribution of electrical and electronic components and equipment.	100	100
EITA Elevator (Malaysia) Sdn. Bhd.	Malaysia	Design, installation and maintenance of elevator systems.	100	100
EITA-Schneider (MFG) Sdn. Bhd.	Malaysia	Manufacture of elevator systems.	100	100
Furutec Electrical Sdn. Bhd.	Malaysia	Design and manufacture of busduct systems and manufacture of metal fabricated products.	100	100
Schneider Research & Development Centre Sdn. Bhd.	Malaysia	Research and development of elevator systems.	100	100
EITA Technologies Pte. Ltd. (#)	Singapore	Marketing and distribution of electrical and electronics components and equipment.	90	90

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiary	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest 2017 %	2016 %
Schneider Control & Drive Systems (M) Sdn. Bhd.	Malaysia	In member's voluntary winding-up subsequent to end of financial year.	100	100
EITA Research & Development Sdn. Bhd.	Malaysia	Research and development of elevator and busduct products and systems.	100	100
Transsystem Continental Sdn. Bhd.	Malaysia	Civil, electrical and general contractors.	60	60

\# Not audited by a member firm of KPMG International.

Summarised financial information of non-controlling interest in EITA Technologies Pte. Ltd. and Transsystem Continental Sdn. Bhd. have not been prepared as the related information is not individually material to the Group.

7. INVESTMENT IN JOINT VENTURE

	2017 RM'000	2016 RM'000
Unquoted shares, at cost	500	500
Share of post-acquisition reserves	202	(223)
	702	277

Details of the joint venture are as follows:-

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest and voting interest 2017 %	2016 %
Sigriner Automation (MFG) Sdn. Bhd.	Malaysia	Design, manufacture, marketing and service of all kinds of control and automation systems, components and equipment.	50	50

7. INVESTMENT IN JOINT VENTURE (CONT'D)

The following table summarises the financial information of Sigriner Automation (MFG) Sdn. Bhd., as adjusted for any differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in Sigriner Automation (MFG) Sdn. Bhd., which is accounted for using the equity method.

	Group	
	2017 **RM'000**	**2016** **RM'000**
Summarised financial information		
As at 30 September		
Non-current assets	60	60
Current assets	3,415	1,201
Current liabilities	(2,071)	(707)
Net assets	1,404	554
Cash and cash equivalents	1,045	398
Year ended 30 September		
Profit/(Loss) for the financial year	851	(446)
Included in the total comprehensive income:		
Revenue	5,707	322
Depreciation	(10)	(7)
Reconciliation of net assets to carrying amount as at 30 September		
Group's share of net assets	702	277
Group's share of results for the year ended 30 September		
Group's share of profit/(loss), net of tax	425	(223)

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

8. DEFERRED TAX ASSETS/(LIABILITIES)

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Group						
Property, plant and equipment	2	18	(708)	(785)	(706)	(767)
Provisions	3,858	3,585	–	–	3,858	3,585
Other items	152	360	(91)	(131)	61	229
Unabsorbed capital allowance	18	17	–	–	18	17
Unutilised tax losses	232	135	–	–	232	135
Tax assets/(liabilities)	4,262	4,115	(799)	(916)	3,463	3,199
Set off of tax	(461)	(772)	461	772	–	–
Net tax assets/ (liabilities)	3,801	3,343	(338)	(144)	3,463	3,199
Company						
Property, plant and equipment	–	–	(107)	(136)	(107)	(136)

Movement in temporary differences during the year

	At 1.10.2015 RM'000	Recognised in profit or loss (Note 26) RM'000	At 30.9.2016/ 1.10.2016 RM'000	Recognised in profit or loss (Note 26) RM'000	At 30.9.2017 RM'000
Group					
Property, plant and equipment	(673)	(94)	(767)	61	(706)
Provisions	469	3,116	3,585	273	3,858
Other items	(372)	601	229	(168)	61
Unabsorbed capital allowance	15	2	17	1	18
Unutilised tax losses	10	125	135	97	232
	(551)	3,750	3,199	264	3,463
Company					
Property, plant and equipment	(136)	–	(136)	29	(107)

8. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2017 RM'000	**2016 RM'000**
Plant and equipment	(1)	(2)
Other items	(1)	1
Unutilised tax losses	928	856
	926	855

The unutilised tax losses do not expire under tax legislation unless there is a substantial change in shareholders (more than 50%). Deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the Group entities can utilise the benefits there from.

9. INVENTORIES

	Group	
	2017 RM'000	**2016 RM'000**
Raw materials	6,766	8,674
Work-in-progress	707	1,124
Manufactured inventories and trading goods	27,398	25,223
Equipment and parts	9,065	16,136
	43,936	51,157
Recognised in profit or loss:		
Inventories recognised as cost of sales	106,088	103,366
Write-down to net realisable value	1,960	1,257
Written off	238	852

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

10. TRADE AND OTHER RECEIVABLES

	Note	Group 2017 RM'000	Group 2016 RM'000	Company 2017 RM'000	Company 2016 RM'000
Trade					
Trade receivables	10.1	50,190	51,984	–	–
Less: Impairment loss		(3,399)	(3,121)	–	–
		46,791	48,863	–	–
Progress billings receivable	10.2	23,709	23,242	–	–
Less: Impairment loss		(4,843)	(4,592)	–	–
		18,866	18,650	–	–
Amount due from contract customers	10.3	36,036	56,717	–	–
		101,693	124,230	–	–
Non-trade					
Other receivables	10.4	1,884	3,649	28	32
Less: Impairment loss		(353)	(257)	–	–
		1,531	3,392	28	32
Amounts due from subsidiaries	10.5	–	–	46,993	51,431
Less: Impairment loss		–	–	(1,097)	–
		–	–	45,896	51,431
		1,531	3,392	45,924	51,463
		103,224	127,622	45,924	51,463

10.1 Included in trade receivables are amounts owing by companies in which certain Directors of the Group and persons connected to the Directors have interests amounting to RM58,000 (2016: RM135,000). The amounts are interest-free, unsecured and repayable based on normal credit terms.

10. TRADE AND OTHER RECEIVABLES (CONT'D)

10.2 Included in progress billings receivable is retention sum amounting to RM13,338,000 (2016: RM8,952,000) relating to project contracts.

Retentions are interest-free, unsecured and are expected to be collected as follows:

	Group	
	2017 RM'000	**2016 RM'000**
Within 1 year	4,112	3,585
1 - 2 years	6,171	1,471
2 - 3 years	–	75
3 - 4 years	3,055	3,821
	13,338	8,952

10.3 Construction work-in-progress

	Group	
	2017 RM'000	**2016 RM'000**
Aggregate costs incurred to date	351,537	303,623
Add: Attributable profits	33,232	26,603
	384,769	330,226
Less: Progress billings	(353,589)	(283,111)
Less: Allowance for foreseeable losses	(2,264)	(2,322)
Less: Allowance for liquidated ascertained damages	(206)	(206)
	28,710	44,587
Represented by:		
(i) Amount due from contract customers	36,036	56,717
(ii) Amount due to contract customers (Note 18)	(7,326)	(12,130)
	28,710	44,587

10.4 Included in other receivables are advances paid to suppliers amounting to RM735,000 (2016: RM1,777,000).

10.5 The non-trade amounts due from subsidiaries are unsecured, subject to interest at 1% (2016: 1%) above KLIBOR and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

11. DEPOSITS AND PREPAYMENTS

	Group		Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Deposits	1,406	1,417	273	264
Prepayments	1,218	657	217	180
	2,624	2,074	490	444

12. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

Group	Nominal value RM'000	Assets RM'000	Liabilities RM'000
2017			
Derivatives held for trading at fair value through profit or loss			
- Forward foreign exchange contracts	52,769	3	(293)
2016			
Derivatives held for trading at fair value through profit or loss			
- Forward foreign exchange contracts	49,312	28	(914)

Forward foreign exchange contracts are used to manage the foreign currency exposures arising from the Group's payables denominated in currencies other than the functional currencies of the Group entities. Most of the forward foreign exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity.

13. CASH AND CASH EQUIVALENTS

	Group		Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Cash and bank balances	29,666	29,304	2,530	3,135
Deposits placed with licensed banks	3,000	5,000	–	–
Liquid investments	12,421	2,117	11,435	1,953
	45,087	36,421	13,965	5,088

Included in the deposits placed with licensed banks of the Group is RM500,000 (2016: Nil) pledged for a bank facility granted to a subsidiary.

14. SHARE CAPITAL

	Group and Company			
	Amount 2017 RM'000	Number of shares 2017 '000	Amount 2016 RM'000	Number of shares 2016 '000
Ordinary shares, issued and fully paid				
At beginning of financial year	65,000	130,000	65,000	130,000
Transfer from share premium in accordance with Section 618(2) of the Companies Act 2016 (Note 15.1)	4,302	–	–	–
At end of financial year	69,302	130,000	65,000	130,000
	Note 14.1			

14.1 Included in share capital is share premium amounting to RM4,302,000 that is available to be utilised in accordance with Section 618(3) of Companies Act 2016 on or before 30 January 2019 (24 months from commencement of section 74).

15. RESERVES

15.1 Share premium

Share premium comprises the premium paid on subscription of shares in the Company over and above the par value of the shares.

The new Companies Act 2016, which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. In accordance with Section 618 of Companies Act 2016, any amount standing to the credit of the share premium account has become part of the Company's share capital. The Company has twenty-four months upon the commencement of Companies Act 2016 on 31 January 2017 to utilise the credit.

15.2 Treasury shares

The shareholders of the Company, by an ordinary resolution passed in an annual general meeting held on 27 February 2017, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, there was no repurchase of its own shares from the open market.

At 30 September 2017, the Group held 4,000 (2016: 4,000) of the Company's shares.

15.3 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations with functional currency other than RM.

16. NON-CONTROLLING INTEREST

This consists of the non-controlling interest's proportion of share capital and reserves of subsidiaries, net of its share of subsidiaries' goodwill on consolidation.

17. LOANS AND BORROWINGS

	Group		Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Non-current				
Finance lease liabilities	661	1,017	326	492
Term loans - secured	6,626	7,605	–	–
	7,287	8,622	326	492
Current				
Finance lease liabilities	345	361	166	182
Term loans - secured	979	942	–	–
Bills payable - unsecured	7,625	26,152	–	–
Revolving credits - unsecured	–	4,000	–	4,000
Bank overdrafts - unsecured	1,044	2,629	–	–
	9,993	34,084	166	4,182
	17,280	42,706	492	4,674

17.1 Security

The bills payable and bank overdrafts of the Group are supported by way of:

(i) corporate guarantee by the Company; and
(ii) a negative pledge over all the assets of certain subsidiaries.

Included in the bank overdrafts is the facility of a subsidiary amounting to RM1,000,000 (2016: RM998,000) which is jointly and severally guaranteed by the non-controlling interest.

The term loans of the Group are secured by the land and buildings of a subsidiary (see Note 3.2) and investment property of a subsidiary (see Note 5).

17. LOANS AND BORROWINGS (CONT'D)

17.2 Finance lease liabilities

Finance lease liabilities are payable as follows:

	Future minimum lease payments 2017 RM'000	Interest 2017 RM'000	Present value of minimum lease payments 2017 RM'000	Future minimum lease payments 2016 RM'000	Interest 2016 RM'000	Present value of minimum lease payments 2016 RM'000
Group						
Less than one year	383	38	345	418	57	361
Between one and five years	714	53	661	1,108	91	1,017
	1,097	91	1,006	1,526	148	1,378
Company						
Less than one year	186	20	166	211	29	182
Between one and five years	347	21	326	533	41	492
	533	41	492	744	70	674

18. DEFERRED INCOME

	Note	Group 2017 RM'000	Group 2016 RM'000
Amount due to contract customers	10.3	7,326	12,130

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

19. PROVISION FOR WARRANTIES

	Group 2017 RM'000	Group 2016 RM'000
At beginning of financial year	1,276	1,227
Provision made during the year	561	1,032
Provision reversed during the year	(521)	(403)
Warranty claimed during the year	(310)	(580)
At end of financial year	1,006	1,276

The provision for warranties relates to products sold and projects completed. The provision is based on estimates made from historical warranty data associated with similar products and projects.

20. TRADE AND OTHER PAYABLES

	Note	Group 2017 RM'000	Group 2016 RM'000	Company 2017 RM'000	Company 2016 RM'000
Trade					
Trade payables	20.1	23,800	35,354	–	–
Amount due to a subsidiary	20.2	–	–	–	1
		23,800	35,354	–	1
Non-trade					
Other payables	20.3	8,287	7,666	269	280
Accrued expenses		14,027	9,207	1,276	1,339
Amounts due to subsidiaries	20.4	–	–	–	280
		22,314	16,873	1,545	1,899
		46,114	52,227	1,545	1,900

20.1 Included in trade payables of the Group are as follows:

(i) Retention sum amounting to RM1,058,000 (2016: RM986,000);

(ii) Amounts payable to companies in which certain Directors of the Group and persons connected to the Directors have interests of RM40,000 (2016: RM31,000). The amounts are interest-free, unsecured and repayable based on the normal credit terms;

(iii) Amount payable to the joint venture of RM1,435,000 (2016: RM284,000). The amount is interest-free, unsecured and repayable based on the normal credit terms.

20. TRADE AND OTHER PAYABLES (CONT'D)

20.2 The amount due to a subsidiary consists of trade amount which was interest-free, unsecured and repayable based on the normal credit terms.

20.3 Included in other payables of the Group are as follows:

(i) Deposits and advances received from customers amounting to RM3,484,000 (2016: RM1,454,000);

(ii) Amount due to a Director of a subsidiary amounting to RM215,000 (2016: RM1,019,000). The amount is interest-free, unsecured and repayable on demand.

20.4 The non-trade amounts due to subsidiaries were unsecured, subject to interest at 1% (2016: 1%) above KLIBOR and repayable on demand.

21. REVENUE

	Group		Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Revenue				
Sale of goods	143,055	152,438	–	–
Contract revenue	104,735	115,750	–	–
Maintenance services	22,890	19,844	–	–
Management fees	–	–	6,635	6,200
Dividends	–	–	12,000	7,943
	270,680	288,032	18,635	14,143

22. RESULTS FROM OPERATING ACTIVITIES

	Group		Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Results from operating activities are arrived at after charging:				
Amortisation of development costs	259	372	–	–
Amortisation of investment properties	27	26	–	–
Auditors' remuneration				
- KPMG Malaysia	159	141	32	30
- other auditors	9	22	–	–
Non-audit fees to KPMG	14	14	14	14
Bad debts written off	–	208	–	–
Depreciation of property, plant and equipment	1,885	1,879	488	391
Fair value loss on forward exchange contracts	–	12,228	–	–
Foreign exchange loss				
- realised	322	28	1	5
- unrealised	251	317	–	–

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

22. RESULTS FROM OPERATING ACTIVITIES (CONT'D)

	Group		Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Results from operating activities are arrived at after charging (Cont'd):				
Impairment loss				
- trade receivables	629	–	–	–
- other receivables	96	105	–	–
- amount due from subsidiaries	–	–	1,097	–
Inventories written off	238	852	–	–
Inventories written down to net realisable value	1,960	1,257	–	–
Provision for warranties - net	40	629	–	–
Property, plant and equipment written off	–	1	–	–
Rental expense on premises	2,293	2,198	249	245
Rental of equipment	5	6	–	–
and after crediting:				
Bad debt recovered	47	101	–	–
Foreign exchange gain				
- realised	775	4,280	–	–
- unrealised	413	370	–	–
Fair value gain on forward exchange contracts	596	–	–	–
Gain on disposal of property, plant and equipment	24	296	–	115
Reversal of allowance for foreseeable losses	58	409	–	–
Reversal of allowance for liquidated and ascertained damages	–	46	–	–
Reversal of impairment loss				
- trade receivables	–	393	–	–
- other receivables	–	–	–	41
Rental income on premises	84	49	–	–
Unit trust income	173	296	130	268

23. EMPLOYEE INFORMATION

	Group		Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Wages, salaries and others	31,408	29,669	3,373	3,556
Contribution to state plans	3,837	3,688	471	528
	35,245	33,357	3,844	4,084

24. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel compensation are as follows:

	Group		Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Directors of the Company				
Fees	409	387	235	235
Remunerations	3,914	3,616	2,029	1,827
Other short-term employee benefits (BIK)	104	120	67	80
	4,427	4,123	2,331	2,142
Directors of subsidiaries				
Fees	64	67	–	–
Remunerations	170	114	–	–
	234	181	–	–
	4,661	4,304	2,331	2,142

25. FINANCE COSTS

	Group		Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Interest expense of financial liabilities that are not fair value through profit or loss:				
- bank overdrafts	103	125	20	20
- bills payable	1,196	1,413	–	–
- finance lease liabilities	57	49	29	15
- intercompany interest	–	–	7	10
- term loans	349	410	–	–
Recognised in profit or loss	1,705	1,997	56	45

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

26. TAX EXPENSE

	Group		Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Current tax expense				
- current year	6,965	8,658	909	606
- prior year	220	366	50	21
	7,185	9,024	959	627
Deferred tax expense				
Origination and reversal of temporary differences				
- current year	(258)	(3,545)	(29)	3
- prior year	(6)	(205)	–	(3)
	(264)	(3,750)	(29)	–
	6,921	5,274	930	627
Share of tax of equity-accounted joint venture	110	–	–	–
Total tax expense	7,031	5,274	930	627
Reconciliation of tax expense				
Profit for the year	19,770	16,234	12,690	8,895
Total tax expense	7,031	5,274	930	627
Profit excluding tax	26,801	21,508	13,620	9,522
Income tax calculated using Malaysian tax rate at 24%	6,432	5,162	3,269	2,285
Effect of different tax rate in foreign jurisdiction	(112)	(110)	–	–
Non-deductible expenses	946	496	522	295
Tax exempt income	(39)	(72)	(2,911)	(1,971)
Tax incentives	(80)	(151)	–	–
Double tax deduction	(347)	(226)	–	–
Effect of deferred tax asset not recognised	17	14	–	–
	6,817	5,113	880	609
Under provision in prior year	214	161	50	18
Total tax expense	7,031	5,274	930	627

27. DIVIDENDS

Dividends recognised by the Company are:

	Sen per share	Total amount RM'000	Date of payment
2017			
Interim 2017 ordinary	2.00	2,600	26 July 2017
Final 2016 ordinary	2.00	2,600	30 March 2017
		5,200	
2016			
Interim 2016 ordinary	2.00	2,600	28 September 2016
Final 2015 ordinary	2.00	2,600	30 March 2016
		5,200	

After the end of the reporting period, the following dividend was proposed by the Directors. This dividend will be recognised in subsequent financial period upon approval by the owners of the Company.

	Sen per share	Total amount RM'000
Final 2017 ordinary	3.00	3,900

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

28. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 30 September 2017 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares in issue during the year calculated as follows:

	Group	
	2017 RM'000	**2016 RM'000**
Profit for the year attributable to the owners	19,921	15,641

	Group	
	2017 RM'000	**2016 RM'000**
Issued and weighted average number of ordinary shares at 30 September	130,000	130,000

	Group	
	2017 Sen	**2016 Sen**
Basic earnings per ordinary share	15.32	12.03

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

29. OPERATING SEGMENTS

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's Managing Director reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- Design and manufacturing - Includes purchasing, designing and manufacturing elevator and busduct.
- Marketing and distribution - Includes purchasing, marketing and distributing electrical and electronics components and equipment.
- Services - Includes maintenance of elevator systems and carrying out civil, electrical and general construction work.

Performance is measured based on segment profit before tax, interest, depreciation and amortisation, as included in the internal management reports that are reviewed by the Group's Managing Director, who is the Group's chief operating decision maker. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

29. OPERATING SEGMENTS (CONT'D)

Segment assets and liabilities

Segment assets and liabilities information is neither included in the internal management reports nor provided regularly to the Group's Managing Director. Hence, no disclosures are made on segment assets and liabilities.

	Design and manufacturing		Marketing and distribution		Services		Total	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Revenue:								
External customers	146,138	156,087	86,690	94,339	37,852	37,606	270,680	288,032
Segment EBITDA	11,585	7,740	10,827	10,742	7,948	7,175	30,360	25,657
Depreciation and amortisation	(1,331)	(1,408)	(573)	(616)	(267)	(253)	(2,171)	(2,277)
Finance costs	(896)	(1,518)	(369)	(447)	(440)	(32)	(1,705)	(1,997)
Finance income	168	92	30	27	9	6	207	125
Tax expense	(2,238)	(1,391)	(2,539)	(2,474)	(2,144)	(1,409)	(6,921)	(5,274)
Segment profit	7,288	3,515	7,376	7,232	5,106	5,487	19,770	16,234

Geographical segments

The activities of the Group are mainly carried out in Malaysia and accordingly, no segmental reporting by geographical location is presented.

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

30. FINANCIAL INSTRUMENTS

30.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(a) Available-for-sale financial assets ("AFS");
(b) Loans and receivables ("L&R");
(c) Financial liabilities measured at amortised cost ("FL"); and
(d) Fair value through profit or loss ("FVTPL"):
- Held for trading ("HFT").

Group	Carrying amount RM'000	L&R/ (FL) RM'000	AFS RM'000	FVTPL- HFT RM'000
2017				
Financial assets				
Other investments	10	–	10	–
Trade and other receivables excluding advances paid to suppliers	102,489	102,489	–	–
Deposits excluding prepayments	1,406	1,406	–	–
Derivative financial assets	3	–	–	3
Cash and cash equivalents	45,087	45,087	–	–
	148,995	148,982	10	3
2016				
Financial assets				
Other investments	10	–	10	–
Trade and other receivables excluding advances paid to suppliers	125,845	125,845	–	–
Deposits excluding prepayments	1,417	1,417	–	–
Derivative financial assets	28	–	–	28
Cash and cash equivalents	36,421	36,421	–	–
	163,721	163,683	10	28

30. FINANCIAL INSTRUMENTS (CONT'D)

30.1 Categories of financial instruments (Cont'd)

Group (Cont'd)	Carrying amount RM'000	L&R/ (FL) RM'000	AFS RM'000	FVTPL- HFT RM'000
2017				
Financial liabilities				
Derivative financial liabilities	(293)	–	–	(293)
Loans and borrowings	(17,280)	(17,280)	–	–
Trade and other payables excluding advances received from customers	(42,630)	(42,630)	–	–
	(60,203)	(59,910)	–	(293)
2016				
Financial liabilities				
Derivative financial liabilities	(914)	–	–	(914)
Loans and borrowings	(42,706)	(42,706)	–	–
Trade and other payables excluding advances received from customers	(50,773)	(50,773)	–	–
	(94,393)	(93,479)	–	(914)

Company				
Financial assets				
Trade and other receivables	45,924	45,924	51,463	51,463
Deposits excluding prepayments	273	273	264	264
Cash and cash equivalents	13,965	13,965	5,088	5,088
	60,162	60,162	56,815	56,815
Financial liabilities				
Loans and borrowings	(492)	(492)	(4,674)	(4,674)
Trade and other payables	(1,545)	(1,545)	(1,900)	(1,900)
	(2,037)	(2,037)	(6,574)	(6,574)

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

30. FINANCIAL INSTRUMENTS (CONT'D)

30.2 Net gains and losses arising from financial instruments

	Group		Company	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Net (losses)/gains arising on:				
Loans and receivables	(527)	(35)	1,249	1,961
Financial liabilities measured at amortised cost	(1,251)	(851)	(56)	(45)
Fair value through profit or loss - held for trading, net	596	(12,228)	–	–
	(1,182)	(13,114)	1,193	1,916

30.3 Financial risk management objective and policies

The Group and the Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

30.4 Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries.

Receivables

Risk management objectives, policies and processes for managing the risk

Management has an informal credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount to mitigate the exposure to credit risk. The Group and the Company do not have any significant exposure to any individual counterparty.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.4 Credit risk (Cont'd)

Receivables (Cont'd)

Exposure to credit risk and credit quality

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

Impairment losses

The Group maintains an ageing analysis for trade and progress billings receivables only. The ageing of trade and progress billings receivables as at the end of the reporting period was:

Group	Gross RM'000	Individual impairment RM'000	Collective impairment RM'000	Net RM'000
2017				
Not past due	71,548	–	–	71,548
Past due 0 - 30 days	9,942	–	–	9,942
Past due 31 - 90 days	12,714	–	–	12,714
Past due more than 90 days	15,731	(2,544)	(5,698)	7,489
	109,935	(2,544)	(5,698)	101,693
2016				
Not past due	89,283	–	–	89,283
Past due 0 - 30 days	11,503	–	–	11,503
Past due 31 - 90 days	13,283	–	–	13,283
Past due more than 90 days	17,874	(1,753)	(5,960)	10,161
	131,943	(1,753)	(5,960)	124,230

30. FINANCIAL INSTRUMENTS (CONT'D)

30.4 Credit risk (Cont'd)

Receivables (Cont'd)

Impairment losses (Cont'd)

The movements in the allowance for impairment losses of trade and progress billings receivables during the year were:

	Group	
	2017 RM'000	2016 RM'000
At beginning of financial year	7,713	8,400
Acquisition through business combination	–	180
Impairment loss recognised/(reversed)	629	(393)
Impairment loss written off	(100)	(474)
At end of financial year	8,242	7,713

The allowance account in respect of trade and progress billings receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

Exposure to credit risk, credit quality and collateral

The maximum exposure to financial guarantees amounts to RM184,350,000 (2016: RM149,350,000) representing the total banking facilities of the subsidiaries as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.4 Credit risk (Cont'd)

Inter-company loans and advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Impairment losses

As at the end of the reporting period, there was no indication that the loans and advances to the subsidiaries are not recoverable except for one subsidiary which the Company has impaired the balance. The Company does not specifically monitor the ageing of the current advances to the subsidiaries.

The movements in the allowance for impairment losses of inter-company balances during the year were:

	Company	
	2017 RM'000	2016 RM'000
At beginning of financial year	–	–
Impairment loss recognised	1,097	–
At end of financial year	1,097	–

30.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as and when they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as and when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.5 Liquidity risk (Cont'd)

Maturity analysis

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000
2017						
Non-derivative financial liabilities						
Term loans - secured	7,605	4.30 - 4.65	8,813	1,290	1,285	6,238
Finance lease liabilities	1,006	4.71 - 5.70	1,097	383	314	400
Bills payable - unsecured	7,625	4.51 - 4.66	7,975	7,975	–	–
Bank overdrafts - unsecured	1,044	8.15 - 8.60	1,133	1,133	–	–
Trade and other payables	42,630	–	42,630	42,630	–	–
Financial guarantees	–	–	11,812	11,812	–	–
	59,910		73,460	65,223	1,599	6,638
Derivative financial liabilities						
Forward exchange contracts (gross settled):						
Outflow	290	–	52,769	52,769	–	–
Inflow	–	–	(52,479)	(52,479)	–	–
	60,200		73,750	65,513	1,599	6,638

30. FINANCIAL INSTRUMENTS (CONT'D)

30.5 Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

Group	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000
2016						
Non-derivative financial liabilities						
Term loans - secured	8,547	4.30 - 4.65	10,107	1,294	1,290	7,523
Finance lease liabilities	1,378	4.77 - 5.70	1,526	418	392	716
Bills payable - unsecured	26,152	4.46 - 4.79	27,353	27,353	–	–
Revolving credits - unsecured	4,000	5.26	4,210	4,210	–	–
Bank overdrafts - unsecured	2,629	7.82 - 8.10	2,838	2,838	–	–
Trade and other payables	50,773	–	50,773	50,773	–	–
Financial guarantees	–	–	9,396	9,396	–	–
	93,479		106,203	96,282	1,682	8,239
Derivative financial liabilities						
Forward exchange contracts (gross settled):						
Outflow	886	–	49,312	49,312	–	–
Inflow	–	–	(48,426)	(48,426)	–	–
	94,365		107,089	97,168	1,682	8,239

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

30. FINANCIAL INSTRUMENTS (CONT'D)

30.5 Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

Company	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000
2017						
Non-derivative financial liabilities						
Finance lease liabilities	492	4.80	533	186	126	221
Trade and other payables	1,545	–	1,545	1,545	–	–
Financial guarantees	–	–	184,350	184,350	–	–
	2,037		186,428	186,081	126	221
2016						
Non-derivative financial liabilities						
Finance lease liabilities	674	4.77	744	211	186	347
Revolving credits - unsecured	4,000	5.26	4,210	4,210	–	–
Trade and other payables	1,900	–	1,900	1,900	–	–
Financial guarantees	–	–	149,350	149,350	–	–
	6,574		156,204	155,671	186	347

30. FINANCIAL INSTRUMENTS (CONT'D)

30.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's and the Company's financial position or cash flows.

Foreign currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily Singapore Dollar ("SGD"), U.S. Dollar ("USD") and Chinese Yuan Renminbi ("CNY").

Risk management objectives, policies and processes for managing the risk

The Directors monitor the exposure on a regular basis to ensure no significant adverse impact. It is the Group's policy to enter into forward foreign currency contracts to hedge against significant exposures to exchange rate fluctuations. Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward exchange contracts are rolled over at maturity.

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

		Denominated in	
Group	**SGD RM'000**	**USD RM'000**	**CNY RM'000**
2017			
Trade and other receivables	6,586	3,587	191
Cash and cash equivalents	–	1,118	–
Trade and other payables	(17)	(5,883)	(3,679)
Forward exchange contracts on forecast purchases	–	(81)	(209)
Net exposure in the statements of financial position	6,569	(1,259)	(3,697)
2016			
Trade and other receivables	8,209	3,742	325
Cash and cash equivalents	–	2,983	–
Trade and other payables	(6)	(6,780)	(4,866)
Forward exchange contracts on forecast purchases	–	28	(914)
Net exposure in the statements of financial position	8,203	(27)	(5,455)

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

30. FINANCIAL INSTRUMENTS (CONT'D)

30.6 Market risk (Cont'd)

Foreign currency risk (Cont'd)

Foreign currency risk sensitivity analysis

A 10% (2016: 10%) strengthening of RM against the following currencies at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Equity		Profit or loss	
Group	**2017 RM'000**	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**
SGD	(698)	(575)	(499)	(623)
USD	–	–	96	2
CNY	–	–	281	415

A 10% (2016: 10%) weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Interest rate risk

The Group's and the Company's fixed rate deposits placements and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate liquid investment and borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group and the Company are exposed to interest rate risk when a financial instrument's value will fluctuate as a result of changes in market interest rate.

Excess funds are placed with licensed banks for short term periods during which the interest rates are fixed.

The Group's and the Company's interest-bearing financial liabilities are mainly finance lease liabilities, term loan, bills payable, revolving credits and bank overdrafts. The Group and the Company adopt a policy of managing the interest rate risk through the use of fixed and floating rate debts.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.6 Market risk (Cont'd)

Interest rate risk (Cont'd)

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-earning and interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period were:

	Group		Company	
	2017 RM'000	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**
Fixed rate instruments				
Financial assets	2,500	5,000	–	–
Financial liabilities	(1,006)	(1,378)	(492)	(674)
	1,494	3,622	(492)	(674)
Floating rate instruments				
Financial assets	12,421	2,117	11,435	1,953
Financial liabilities	(16,274)	(41,328)	–	(4,000)
	(3,853)	(39,211)	11,435	(2,047)

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedged accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

30. FINANCIAL INSTRUMENTS (CONT'D)

30.6 Market risk (Cont'd)

Interest rate risk (Cont'd)

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Profit or loss			
	Group		Company	
	100 bp increase RM'000	100 bp decrease RM'000	100 bp increase RM'000	100 bp decrease RM'000
2017				
Floating rate instruments	(29)	29	87	(87)
2016				
Floating rate instruments	(298)	298	(16)	16

30.7 Fair value information

The carrying amounts of cash and cash equivalents, trade and other receivables, deposits, trade and other payables and short term borrowings reasonably approximate fair values due to the relatively short term nature of these financial instruments.

The carrying amounts of the floating rate bills payable and term loan approximate fair values as they are subject to variable interest rates which in turn approximate the current market interest rates for similar loans at the end of the reporting period.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.7 Fair value information (Cont'd)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
2017	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
Group										
Financial assets										
Forward exchange contracts	–	3	–	3	–	–	–	–	3	3
Financial liabilities										
Forward exchange contracts	–	(293)	–	(293)	–	–	–	–	(293)	(293)
Finance lease liabilities										
- fixed rate	–	–	–	–	–	–	(907)	(907)	(907)	(1,006)
Company										
Financial liabilities										
Finance lease liabilities										
- fixed rate	–	–	–	–	–	–	(442)	(442)	(442)	(492)

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

30. FINANCIAL INSTRUMENTS (CONT'D)

30.7 Fair value information (Cont'd)

2016	Fair value of financial instruments carried at fair value Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Fair value of financial instruments not carried at fair value Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Total fair value RM'000	Carrying amount RM'000
Group										
Financial assets										
Forward exchange contracts	–	28	–	28	–	–	–	–	28	28
Financial liabilities										
Forward exchange contracts	–	(914)	–	(914)	–	–	–	–	(914)	(914)
Finance lease liabilities										
- fixed rate	–	–	–	–	–	–	(1,218)	(1,218)	(1,218)	(1,378)
Company										
Financial liabilities										
Finance lease liabilities										
- fixed rate	–	–	–	–	–	–	(596)	(596)	(596)	(674)

30. FINANCIAL INSTRUMENTS (CONT'D)

30.7 Fair value information (Cont'd)

30.7.1 Fair value hierarchy

Level 2 fair value

Derivatives

The fair value of forward exchange contracts is based on their quoted prices, if available. If a quoted price is not available, then fair value is estimated by comparing the difference between the contractual forward price and the current forward price based on available spot rate at reporting date.

Transfer between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year (2016: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities. The valuation techniques in determining the fair values disclosed in Level 3 for the financial instruments not carried at fair value is discounted cash flows.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

Interest rates used to determine fair value

	2017	2016
Group and Company		
Finance lease liabilities - fixed rate	4.71% - 5.70%	4.77% - 5.70%

31. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor the adequacy of capital on an ongoing basis.

There was no change in the Group's approach to capital management during the financial year.

32. OPERATING LEASES

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	Group		Company	
	2017 RM'000	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**
Less than one year	1,536	1,879	1,046	684
Between one and five years	1,119	852	868	462
	2,655	2,731	1,914	1,146

The Group and Company lease factory buildings under operating leases. The leases typically run for a period of 3 years, with an option to renew the lease after that date. Lease payments are increased every year to reflect market rentals. None of the leases includes contingent rentals.

33. CONTINGENT LIABILITIES - UNSECURED

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

	2017 RM'000	**2016 RM'000**
Group		
Guarantees issued to third parties for performance of contract by subsidiaries	11,812	9,396

34. CAPITAL COMMITMENTS

	Group		Company	
	2017 RM'000	**2016 RM'000**	**2017 RM'000**	**2016 RM'000**
Capital expenditure commitments				
Property, plant and equipment				
Contracted but not provided for and payable:				
Within one year	736	926	–	–

35. RELATED PARTIES

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel includes all the Directors of the Group. There are no other transactions with key management personnel other than key management personnel compensation disclosed in Note 24 to the financial statements.

The significant related party transactions of the Group and the Company are as follows:

	Transaction value	
Group	**2017 RM'000**	**2016 RM'000**
With companies in which the Directors and persons connected to the Directors have interests		
Sales		
Boilermech Sdn. Bhd.	(158)	(204)
CTL Automation Sdn. Bhd.	(85)	–
PV Property Management Sdn. Bhd.	–	(308)
QL Endau Marine Products Sdn. Bhd.	(4)	(232)
QL Foods Sdn. Bhd.	(42)	–
Purchases		
CTL Automation Sdn. Bhd.	494	176
Progress billing		
Platinum Victory Development Sdn. Bhd.	(213)	–
Advances received		
UMW Synergistic Generation Sdn. Bhd.	(311)	–
With persons connected to the Directors		
Progress billing		
Chia Seong Fatt	(49)	–
Joint venture		
Sigriner Automation (MFG) Sdn. Bhd.		
Sales	(8)	(387)
Purchases	5,583	322
Management fees receivable	(120)	(90)

NOTES TO THE FINANCIAL STATEMENTS
CONT'D

35. RELATED PARTIES (CONT'D)

Company	Transaction value 2017 RM'000	2016 RM'000
Subsidiaries		
Gross dividends receivable	(12,000)	(7,943)
Management fees receivable	(6,635)	(6,200)
Interest income	(2,181)	(1,631)
Interest expenses	7	10

The significant related party balances related to the above transactions are disclosed in Note 10 and Note 20 to the financial statements. These transactions have been entered into in the normal course of business and have been established under negotiated terms.

36. SUBSEQUENT EVENT

On 2 October 2017, the Company resolved that Schneider Control & Drive Systems (M) Sdn. Bhd. be wound up on a voluntary basis pursuant to Section 439(1)(b) of the Companies Act 2016 and a liquidator was appointed on even date for the purposes of winding up.

37. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to current year's presentation.

37.1 Statement of financial position

	As previously stated RM'000	Effect of reclassification RM'000	As restated RM'000
Group			
2016			
Non-current assets			
Investment properties	1,469	2,220	3,689
Current assets			
Current tax assets	735	697	1,432
Trade and other receivables	126,470	1,152	127,622
Deposits and prepayments	4,294	(2,220)	2,074
Current liabilities			
Deferred income	5,372	6,758	12,130
Provision for warranties	124	1,152	1,276
Current tax payable	–	697	697
Trade and other payables	58,985	(6,758)	52,227

37. COMPARATIVE FIGURES (CONT'D)

37.2 Statement of cash flows for 2016

	As previously stated RM'000	Effect of reclassification RM'000	As restated RM'000
Group			
Cash flows from operating activities			
Changes in working capital:			
Trade and other receivables, deposits and prepayments	(44,166)	1,076	(43,090)
Trade and other payables and deferred income	12,436	22	12,458
Warranties paid	–	(580)	(580)
Cash flows from investing activities			
Acquisition of investment properties	–	(518)	(518)

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 52 to 125 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2017 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

Fu Wing Hoong
Director

Lim Joo Swee
Director

Petaling Jaya

Date: 12 January 2018

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, **Mok Chee Hong**, the officer primarily responsible for the financial management of EITA Resources Berhad, do solemnly and sincerely declare that the financial statements set out on pages 52 to 125 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Mok Chee Hong, I/C No 720924-10-5255, at Kuala Lumpur in the State of Wilayah Persekutuan on 12 January 2018.

Mok Chee Hong

Before me:

D. Selvaraj
W320
Commissioner for Oaths

INDEPENDENT
AUDITORS' REPORT

To the Members of EITA Resources Berhad
(Company No. 398748-T)
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of EITA Resources Berhad, which comprise the statements of financial position as at 30 September 2017 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 52 to 125.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 September 2017, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for *Accountants' Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition – construction contract

Refer to Note 2(o) – Significant accounting policy: Revenue and other income and Note 21 – Revenue.

The key audit matter

Construction contracts revenue is accounted based on percentage of completion, assessed by reference to the proportion of contract costs incurred for the work performed to date to the estimated total costs of the contract at completion.

Revenue recognition – construction contract is identified as a key audit matter due to the high degree of management judgement required in the estimation of the total costs of the contract at completion. Changes in judgement and the related estimates throughout a contract period could result in a material variance in the amount of revenue and, consequently, profits recognised to date and in the current period.

INDEPENDENT AUDITORS' REPORT

To the Members of EITA Resources Berhad
(Company No. 398748-T)
(Incorporated in Malaysia)

CONT'D

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Revenue recognition – construction contract (Cont'd)

How the matter was addressed in our audit

Our audit procedures performed in this area included, among others:

- We evaluated the design and implementation of selected key controls over the approval of contracts and budgeted costs for respective projects;
- We selected samples of contracts to assess the reasonableness of the estimated total cost to complete through inquiries with respective project managers and inspection of documents to support the estimates made;
- We compared the actual cost incurred of previous completed projects to its estimated total cost to assess the accuracy of the management's budgeting process;
- We tested the actual cost incurred during the financial year by verifying the cost incurred to the supplier invoices received on sampling basis; and
- We recalculated the percentage of completion to determine that the amount of revenue is appropriately recognised.

Recoverability of trade receivables

Refer to Note 2(k) – Significant accounting policy: Impairment – Financial assets and Note 10 – Trade and other receivables.

The key audit matter

As at 30 September 2017, the Group has significant trade receivables and progress billing receivables balances of RM65,657,000. The determination as to whether a trade receivables or progress billing receivables is collectible involves management's judgement. Specific factors that the management considered include the age of the outstanding balances, existence of disputes and recent historical collection patterns. There is a risk that assessment of the level of these impairment is insufficient or inaccurate.

How the matter was addressed in our audit

Our audit procedures performed in this area included, among others:

- We obtained an understanding of the assessment performed by management to arrive at the individual and collective impairment allowances; and
- We compared the impairment allowances made by the management to our expectation, derived based on our understanding of the operation and historical collection patterns of customers.

Valuation of inventories

Refer to Note 2(h) – Significant accounting policy: Inventories and Note 9 – Inventories.

The key audit matter

As at 30 September 2017, the Group has significant inventory balance of RM43,936,000. There is high degree of management's judgement involved in assessing the level of inventory write down required in respect of slow moving or obsolete inventories, therefore, there is a risk that the slow moving or obsolete inventories have not been adequately written down.

INDEPENDENT AUDITORS' REPORT

To the Members of EITA Resources Berhad
(Company No. 398748-T)
(Incorporated in Malaysia)

CONT'D

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Valuation of inventories (Cont'd)

How the matter was addressed in our audit

Our audit procedures performed in this area included, among others:

- We obtained an understanding of the Group's process for measuring the amount of write down required;
- We tested the system configuration over the inventory ageing report generation. We identified slow moving inventories based on the inventory ageing at 30 September 2017;
- For slow moving inventories identified, we compared cost of those inventories against subsequent selling price or most recent selling prices; and
- We compared the amount written down made by the management against our expectation, derived based on our understanding of the operation and historical utilisation rate of the inventories.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT

To the Members of EITA Resources Berhad
(Company No. 398748-T)
(Incorporated in Malaysia)

CONT'D

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

To the Members of EITA Resources Berhad
(Company No. 398748-T)
(Incorporated in Malaysia)

CONT'D

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 6 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
LLP0010081-LCA & AF 0758
Chartered Accountants

Ooi Eng Siong
Approval Number: 3240/02/18 (J)
Chartered Accountant

Petaling Jaya

Date: 12 January 2018

LIST OF PROPERTIES
as at 30 September 2017

Owner Company	Location	Date of acquisition	Tenure	Description/ use	Land & built-up Area (Acres/Sq. ft.)	Net book value	Age of the building
EITA-Schneider (MFG) Sdn. Bhd.	Lot No 14, Eastern Gateway Industrial Hub @ Bandar Bukit Raja Geran 288296 Lot 69097 and Geran 246863 Lot No 69099 Mukim Kapar District of Klang Selangor	30 June 2011	Freehold	Vacant land	2.9 acres (126,324 sq. ft.)	5,579,588	Not applicable
EITA Power System Sdn. Bhd.	Units 17 & 18 Second Floor Block B Taman Mewah 78000 Alor Gajah, Melaka	10 February 1999	Leasehold 99 years expiring on 2 September 2091	Two (2) units of residential apartments	674 sq. ft. per unit	# 64,022	19
EITA Power System Sdn. Bhd.	A07-04 (Parcel A-7-5P-2D) Straits View Batu 7 Jalan Pantai Teluk Kemang 71059 Port Dickson, Negeri Sembilan Darul Khusus	9 June 2000	Leasehold 99 years expiring on 17 December 2101	One (1) unit of residential condominium	972 sq. ft.	# 118,173	19
Furutec Electrical Sdn. Bhd.	No 849 Lorong Perindustrian Bukit Minyak 11 Taman Perindustrian Bukit Minyak 14100 Simpang Ampat Seberang Perai, Pulau Pinang	26 November 2013	Leasehold 60 years expiring on 14 January 2058	Busduct factory	131,724 sq. ft. Built-up approx. 62,800 sq. ft.	12,211,275	15
EITA Elevator (Malaysia) Sdn. Bhd.	H.S(M) 1926, PT No. 126 Seksyen 3 Pekan Pasir Penambang Daerah Kuala Selangor, Negeri Selangor Darul Ehsan	30 March 2015	Freehold	Freehold land and building	130 sq. meter (1,399 sq. ft.)	# 1,260,271	3
EITA Elevator (Malaysia) Sdn. Bhd.	Jazz Suites Block 3 @Vivacity Megamall, A13-01, Ground Floor, Jalan Wan Alwi, 93350, Kuching, Sarawak.	22 October 2013	Leasehold 99 years expiring on 21 October 2112	Serviced apartment	846 sq. ft.	# 418,635	1
EITA Elevator (Malaysia) Sdn. Bhd.	Parcel No.F-1-1, Subang Parkhomes, Persiaran Kemajuan 47500 Subang Jaya, Selangor	26 September 2014	Freehold	Serviced apartment	1,365 sq. ft.	# 839,412	3
EITA Elevator (Malaysia) Sdn. Bhd.	Unit 13A-13, 102, Jalan Pahang, Titiwangsa Sentral, 53000 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	23 April 2015	Freehold	Serviced apartment	737 sq. ft.	# 683,800	4
EITA Elevator (Malaysia) Sdn. Bhd.	E3-21-06, Tower Three, Jalan ION Delemen 1 Genting Highlands, 69000 Genting, Pahang	29 April 2014	Freehold	Serviced apartment	103.7 sq. meter (1,116 sq. ft.)	# 333,270	WIP *

Note:

These are "Investment Properties" held by the Group.
* *Work in progress*

ANALYSIS OF SHAREHOLDINGS
as at 29 December 2017

Class of equity securities	:	Ordinary Shares ("Shares")
Total number of issued shares	:	130,000,000 Shares
Voting rights by show of hand	:	One vote for every member
Voting rights by poll	:	One vote for every Share held

DISTRIBUTION SCHEDULE OF SHAREHOLDERS

Size of Holdings	No. of Holders	%*	No. of Shares^	%*
Less than 100 Shares	6	0.56	112	#
100 - 1,000 Shares	140	12.93	96,802	0.07
1,001 - 10,000 Shares	510	47.09	2,805,802	2.16
10,001 - 100,000 Shares	331	30.56	11,635,100	8.95
100,001 - less than 5% of issued Shares	92	8.49	45,571,539	35.06
5% and above of issued Shares	4	0.37	69,886,645	53.76
Total	**1,083**	**100.00**	**129,996,000**	**100.00**

\# *Negligible*
^ *Excluding a total of 4,000 Shares bought and retained as treasury shares.*

DIRECTORS' SHAREHOLDINGS
(As per the Register of Directors' Shareholdings)

	Direct Interest		Indirect Interest	
Name of Directors	No. of Shares	%*	No. of Shares	%*
Dato' Siow Kim Lun	200,000	0.15	–	–
Fu Wing Hoong	627,541	0.48	24,862,496 (1)	19.13
Lim Joo Swee	1,565,341	1.20	18,511,853 (2)	14.24
Chong Yoke Peng	4,359,236	3.35	100,000 (3)	0.08
Lee Peng Sian	6,343,008	4.88	–	–
Chia Mak Hooi	200,000	0.15	–	–
Chia Seong Pow	200,000	0.15	29,873,259 (4)	22.98
Chong Lee Chang	200,000	0.15	–	–
Tan Chuan Hock	200,000	0.15	–	–

Notes:

(1) *Deemed interested by virtue of the shares held by his spouse, Lee Pek See and both his and his spouse's shareholdings in Sudut Kreatif Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 ("the Act").*
(2) *Deemed interested by virtue of the shares held by his spouse, Goh Kin Bee and both his and his spouse's shareholdings in Jasa Simbolik Sdn. Bhd. pursuant to Section 8 of the Act.*
(3) *Deemed interested by virtue of the shares held by his spouse, Jane Chew Yin Sum.*
(4) *Deemed interested by virtue of his beneficial interests in Farsathy Holdings Sdn. Bhd. held via the trust arrangement with Equity Trust (Malaysia) Berhad pursuant to Section 8 of the Act.*

ANALYSIS OF SHAREHOLDINGS

as at 29 December 2017

CONT'D

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

(As per the Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct Interest No. of Shares	Direct Interest %*	Indirect Interest No. of Shares	Indirect Interest %*
Ruby Technique Sdn. Bhd.	29,873,259	22.98	–	–
Sudut Kreatif Sdn. Bhd.	21,501,533	16.54	–	–
Jasa Simbolik Sdn. Bhd.	11,893,574	9.15	–	–
Goh Kin Bee	6,618,279	5.09	13,458,915 (1)	10.35
Fu Wing Hoong	627,541	0.48	24,862,496 (2)	19.13
Lim Joo Swee	1,565,341	1.20	18,511,853 (3)	14.24
Lee Pek See	3,360,963	2.59	22,129,074 (4)	17.02
CBG Holdings Sdn. Bhd.	–	–	29,873,259 (5)	22.98
Farsathy Holdings Sdn. Bhd.	–	–	29,873,259 (5)	22.98
Chia Seong Pow	200,000	0.15	29,873,259 (6)	22.98
Chia Seong Fatt	–	–	29,873,259 (6)	22.98

Notes:

(1) *Deemed interested by virtue of the shares held by her spouse, Lim Joo Swee and both her and her spouse's shareholdings in Jasa Simbolik Sdn. Bhd. pursuant to Section 8 of the Act.*

(2) *Deemed interested by virtue of the shares held by his spouse, Lee Pek See and both his and his spouse's shareholdings in Sudut Kreatif Sdn. Bhd. pursuant to Section 8 of the Act.*

(3) *Deemed interested by virtue of the shares held by his spouse, Goh Kin Bee and both his and his spouse's shareholdings in Jasa Simbolik Sdn. Bhd. pursuant to Section 8 of the Act.*

(4) *Deemed interested by virtue of the shares held by her spouse, Fu Wing Hoong and both her and her spouse's shareholdings in Sudut Kreatif Sdn. Bhd. pursuant to Section 8 of the Act.*

(5) *Deemed interested by virtue of its shareholdings in Ruby Technique Sdn. Bhd. pursuant to Section 8 of the Act.*

(6) *Deemed interested by virtue of his beneficial interests in Farsathy Holdings Sdn. Bhd. held via the trust arrangement with Equity Trust (Malaysia) Berhad pursuant to Section 8 of the Act.*

ANALYSIS OF SHAREHOLDINGS

as at 29 December 2017

CONT'D

30 LARGEST SECURITIES ACCOUNT HOLDERS

(without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name	No. of Shares held	%*
1	Ruby Technique Sdn. Bhd.	29,873,259	22.98
2	Sudut Kreatif Sdn. Bhd.	21,501,533	16.54
3	Jasa Simbolik Sdn. Bhd.	11,893,574	9.15
4	Goh Kin Bee	6,618,279	5.09
5	Lee Peng Sian	6,343,008	4.88
6	Citigroup Nominees (Tempatan) Sdn. Bhd. - Employees Provident Fund Board	4,450,800	3.42
7	Chong Yoke Peng	4,359,236	3.35
8	Lee Pek See	3,360,963	2.59
9	Lim Joo Swee	1,535,241	1.18
10	HSBC Nominees (Tempatan) Sdn. Bhd. - HSBC (M) Trustee Bhd for Affin Hwang Select Balanced Fund	1,386,800	1.07
11	UOB Kay Hian Nominees (Asing) Sdn. Bhd. - Exempt An for UOB Kay Hian Pte. Ltd.	1,361,500	1.05
12	Wong Chin Tim	1,356,550	1.04
13	HSBC Nominees (Asing) Sdn. Bhd. - HSBC-FS I for Samsung Asean Securities Master Investment Trust	1,219,574	0.94
14	Wong Jiann Shyong	868,000	0.67
15	Tan Hang Lim	845,000	0.65
16	HLIB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Ng Sin Guan	769,500	0.59
17	Fu Wing Hoong	627,541	0.48
18	Lim See Pek	535,000	0.41
19	Lee Keng Hong	517,400	0.40
20	Vibrant Model Sdn. Bhd.	500,000	0.38
21	Public Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Yeo Kiah Yoo	491,000	0.38
22	Affin Hwang Nominees (Asing) Sdn. Bhd. - Exempt An for DBS Vickers Securities (Singapore) Pte. Ltd.	418,400	0.32
23	Tai Chang Eng @ Teh Chang Ying	395,000	0.30
24	Hoo Chee Keong	392,600	0.30
25	Law Kok Wah	375,000	0.29
26	Thian Yook Chin	359,400	0.28
27	CIMSEC Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Ng Yen Woon	350,300	0.27
28	Citigroup Nominees (Asing) Sdn. Bhd. - Exempt An for OCBC Securities Private Limited	306,800	0.24
29	AMSEC Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Leong Kee Chan	300,000	0.23
30	Andrew Lim Cheong Seng	300,000	0.23

* *All percentage shareholding computations are based on the total number of issued shares less treasury shares account (4,000 shares) arising from share buy-back exercise.*

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Second Annual General Meeting of EITA RESOURCES BERHAD ("EITA" or "the Company') will be held at Topas Room, The Saujana Hotel Kuala Lumpur, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Friday, 23 February 2018 at 10.30 a.m. to transact the following businesses:-

A G E N D A

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 30 September 2017 together with the Reports of the Directors and Auditors thereon. ***Please refer to Note (a)***

2. To approve the payment of a Final Single-Tier Dividend of 3.0 sen per ordinary share for the financial year ended 30 September 2017. ***(Ordinary Resolution 1)***

3. To approve the payment of Directors' fees and benefits of RM237,900 for the financial year ended 30 September 2017. ***(Ordinary Resolution 2)***

4. To approve the payment of Directors' fees and benefits of up to RM268,200 for the financial year ending 30 September 2018. ***(Ordinary Resolution 3)***

5. To re-elect the following Directors who retire pursuant to Clause 103 of the Company's Constitution:-

   (i) Mr. Chong Yoke Peng ***(Ordinary Resolution 4)***
   (ii) Mr. Lee Peng Sian ***(Ordinary Resolution 5)***
   (iii) Mr. Tan Chuan Hock ***(Ordinary Resolution 6)***

6. To re-elect Mr. Chia Seong Pow as Director who retires pursuant to Clause 109 of the Company's Constitution. ***(Ordinary Resolution 7)***

7. To re-appoint KPMG PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. ***(Ordinary Resolution 8)***

AS SPECIAL BUSINESS:

To consider and if thought fit, pass with or without any modifications, the following resolutions:-

8. **GENERAL AUTHORITY FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** ***(Ordinary Resolution 9)***

   "THAT pursuant to Sections 75 and 76 of the Companies Act 2016, and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to allot and issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain approval from the Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

9. **PROPOSED RENEWAL OF THE AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PERCENT (10%) OF ITS TOTAL NUMBER OF ISSUED SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")** ***(Ordinary Resolution 10)***

"THAT subject always to the Companies Act 2016 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and the approvals of any other relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase and/or hold such amount of ordinary shares in the Company's issued share capital ("EITA Shares") through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

(i) the aggregate number of EITA Shares bought-back and/or held as treasury shares does not exceed ten percent (10%) of the total number of issued shares of the Company subject to a restriction that the issued share capital of the Company does not fall below the public shareholding spread requirement of the Listing Requirements;

(ii) the maximum funds to be allocated for the share buy-back shall not exceed the aggregate of the retained earnings of the Company; and

(iii) the EITA Shares purchased pursuant to the Proposed Renewal of Share Buy-Back Authority are to be treated in any of the following manner:

(a) cancel the purchased EITA Shares;

(b) retain the purchased EITA Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be cancelled subsequently; or

(c) retain part of the purchased EITA Shares as treasury shares and cancel the remainder,

AND THAT such authority shall commence immediately upon the passing of this resolution until:

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which this resolution is passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or

(ii) the expiration of the period within which the next AGM after that date it is required by law to be held; or

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting of the Company,

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING
CONT'D

whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company of the EITA Shares before the aforesaid expiry date and made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any other relevant government and/or regulatory authorities;

AND FURTHER THAT, the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to effect the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as they may deem fit and expedient in the best interest of the Company to give effect to and to complete the purchase of the EITA Shares."

10. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that a Final Single-Tier Dividend of 3.0 sen per ordinary share in respect of the financial year ended 30 September 2017, if approved by the shareholders at the Twenty-Second Annual General Meeting of the Company, will be paid on 28 March 2018 to the shareholders whose names appear in the Record of Depositors of the Company at the close of business on 15 March 2018.

A depositor shall qualify for entitlement to the dividend only in respect of:-

(i) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 15 March 2018 in respect of ordinary transfers; and

(ii) Shares bought on Bursa Malaysia Securities Berhad on a cum-entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By order of the Board

TEA SOR HUA (MACS 01324)
Company Secretary

Petaling Jaya, Selangor Darul Ehsan
25 January 2018

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING
CONT'D

Notes:

(a) The Agenda No. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of members for the Audited Financial Statements. Hence, Agenda No. 1 is not put forward for voting.

(b) A member of the Company who is entitled to attend and vote at the Twenty-Second Annual General Meeting ("Meeting") is entitled to appoint up to two (2) proxies to attend and vote at the Meeting in his stead. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.

(c) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 66(c) of the Company's Constitution to issue a General Meeting Record of Depositors as at 14 February 2018 . Only members whose names appear in the General Meeting Record of Depositors as at 14 February 2018 shall be entitled to attend, speak and vote at the Meeting.

(d) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.

(e) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.

(f) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(g) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

(h) To be valid, the instrument appointing a proxy must be deposited at the Share Registrar of the Company situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the Meeting or adjourned meeting.

(i) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to vote by poll.

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

CONT'D

EXPLANATORY NOTES TO SPECIAL BUSINESS

1. General Authority for the Directors to allot and issue shares pursuant to Sections 75 And 76 of the Companies Act 2016

The Ordinary Resolution 9 proposed under item 8 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Companies Act 2016. This Ordinary Resolution, if passed, is to empower the Directors to issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delay and cost involved in convening at a general meeting to approve such an issue of shares. This authority will, unless revoked or varied by the Company at a general meeting, expire at the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier.

This general mandate will provide flexibility to the Company for allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 27 February 2017 which will lapse at the conclusion of the Twenty-Second Annual General Meeting.

2. Proposed Renewal of Share Buy-Back Authority

The Ordinary Resolution 10 proposed under item 9 of the Agenda is to renew the shareholders' mandate for the share buy-back by the Company. The said proposed renewal of shareholders' mandate will empower the Directors to buy-back and/or hold up to a maximum of 10% of the Company's total number of issued shares at any point of time, by utilising the amount allocated which shall not exceed the total retained profits of the Company. This authority unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting, or the expiration of period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

Please refer to the Share Buy-Back Statement to Shareholders dated 25 January 2018 for further details.

EITA®

EITA RESOURCES BERHAD
(Company No. 398748-T)
(Incorporated in Malaysia)

PROXY FORM

I/We* ____ NRIC/Company No.* ______________________________
(full name in capital letters)

of ____
(full address)

____________________ Telephone No. ____________________ being (a) member(s) of EITA RESOURCES BERHAD hereby appoint

____ NRIC No. ______________________________
(full name in capital letters)

of ____
(full address)

and/or*, ____ NRIC No. ______________________________
(full name in capital letters)

of ____
(full address)

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Twenty-Second Annual General Meeting of the Company to be held at Topas Room, The Saujana Hotel Kuala Lumpur, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Friday, 23 February 2018 at 10.30 a.m. and at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her discretion.

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of a Final Single-Tier Dividend of 3.0 sen per ordinary share for the financial year ended 30 September 2017.		
2.	To approve the payment of Directors' fees and benefits of RM237,900 for the financial year ended 30 September 2017.		
3.	To approve the payment of Directors' fees and benefits of up to RM268,200 for the financial year ending 30 September 2018.		
4.	To re-elect Mr. Chong Yoke Peng as Director who retires pursuant to Clause 103 of the Company's Constitution.		
5.	To re-elect Mr. Lee Peng Sian as Director who retires pursuant to Clause 103 of the Company's Constitution.		
6.	To re-elect Mr. Tan Chuan Hock as Director who retires pursuant to Clause 103 of the Company's Constitution.		
7.	To re-elect Mr. Chia Seong Pow as Director who retires pursuant to Clause 109 of the Company's Constitution.		
8.	To re-appoint KPMG PLT as Auditors of the Company.		
9.	To approve the authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
10.	To approve the Proposed Renewal of Share Buy-Back Authority.		

** delete whichever not applicable*

Dated this ______ day of _________________ 2018.

CDS Account No.	
No. of Shares Held	

Percentage of shareholdings to be represented by the proxies:		
	No. of Shares	**%**
Proxy 1		
Proxy 2		
TOTAL		100

____
Signature/Common Seal of Member(s)

Notes:

(a) A member of the Company who is entitled to attend and vote at the Twenty-Second Annual General Meeting ("Meeting") is entitled to appoint up to two (2) proxies to attend and vote at the Meeting in his stead. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.

(b) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 66(c) of the Company's Constitution to issue a General Meeting Record of Depositors as at 14 February 2018 . Only members whose names appear in the General Meeting Record of Depositors as at 14 February 2018 shall be entitled to attend, speak and vote at the Meeting.

(c) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.

(d) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.

(e) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(f) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

(g) To be valid, the instrument appointing a proxy must be deposited at the Share Registrar of the Company situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the Meeting or adjourned meeting.

(h) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to vote by poll.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registar

EITA RESOURCES BERHAD (398748-T)
c/o Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

1st fold here

EITA RESOURCES BERHAD
(Company No. 398748-T)

Lot 4, Block A, Jalan SS13/7
Subang Jaya Industrial Estate
47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel: 603-5637 8099 Fax: 603-5637 8128

www.eita.com.my