

#### CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2009

The unaudited results of Grand-Flo Solution Berhad and its subsidiaries for the 6 months period ended 30 June 2009 are as follows:-

		FOR THE Q 3 MONTHS		FOR THE CUMULATIVE PERIOD 6 MONTHS ENDED			
	NOTE	30/06/2009 RM	30/06/2008 RM	30/06/2009 RM	30/06/2008 RM		
REVENUE	A8	10,204,632	9,693,059	18,275,806	18,256,415		
COST OF SALES		(7,148,660)	(6,707,931)	(12,549,671)	(12,216,665)		
GROSS PROFIT		3,055,972	2,985,128	5,726,135	6,039,750		
OTHER OPERATING INCOME		501,205	201,835	583,022	430,868		
SELLING AND DISTRIBUTION EXPE	INSES	(401,715)	(299,950)	(701,570)	(583,411)		
ADMINISTRATION EXPENSES		(2,199,387)	(1,651,064)	(4,045,901)	(3,334,238)		
OTHER OPERATING EXPENSES		(167,398)	(58,820)	(271,190)	(153,028)		
PROFIT FROM OPERATIONS	A8	788,677	1,177,129	1,290,496	2,399,941		
GAIN ON DEEMED DISPOSAL	A11	165,680	-	165,680	-		
FINANCE EXPENSES		(150,463)	(97,554)	(251,494)	(166,037)		
SHARE OF PROFIT/(LOSS) IN ASSOC	CIATE CO.	(99,101)	6,758	(264,938)	260,554		
PROFIT BEFORE TAXATION	A8	704,793	1,086,333	939,744	2,494,458		
INCOME TAX EXPENSES	B4	(193,217)	(288,077)	(290,808)	(437,548)		
PROFIT AFTER TAXATION		511,576	798,256	648,936	2,056,910		
PROFIT ATTRIBUTABLE TO:- EQUITY HOLDERS OF THE COMPAN	NΥ	176,761	665,868	202,983	1,833,780		
MINORITY INTERESTS		334,815	132,388	445,953	223,130		
		511,576	798,256	648,936	2,056,910		
EARNINGS PER SHARE:-							
BASIC (SEN)	B12a	0.13	0.54	0.15	1.47		
DILUTED (SEN)	B12b	0.13	0.53	0.15	1.47		

The unaudited condensed Consolidated Income Statements should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



## CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2009

	Note	(UNAUDITED) AS AT 30/06/2009 RM	(AUDITED) AS AT 31/12/2008 RM
ASSETS		<b>K</b> IVI	<b>K</b> ⊥vi
Non-Current Assets			
Property, plant and equipment	A9	9,557,287	9,290,397
Prepaid lease payment		778,643	783,216
Investment in associate		8,671,542	8,770,800
Other investment, unquoted		74,782	75,429
Development costs		247,719	-
Goodwill		22,792,807 42,122,780	14,366,638 33,286,480
Current Assets			· · · ·
Inventories		5,211,528	4,531,763
Trade receivables		9,558,536	10,653,592
Other receivables & prepayment		654,219	1,223,584
Amount due from associate		119,580	115,746
Tax recoverable		350,088	239,241
Fixed deposit with licensed banks		2,888,792	589,984
Cash and bank balances		5,168,513	1,927,569
		23,951,256	19,281,479
TOTAL ASSETS		66,074,036	52,567,959
EQUITY AND LIABILITIES Equity attributable to equity holders of the Share capital	company	13,585,471	12,445,653
Share premium		12,407,071	8,759,655
Treasury shares, at cost	A6	(5,338)	(2,043)
Other reserves		1,056,304	1,056,304
Foreign exchange fluctuation reserve		443,662	588,888
Share option reserves		93,090	76,560
Retained earnings		7,767,798	7,564,815
		35,348,058	30,489,832
Minority Interests		2,287,961	1,842,008
Total Equity		37,636,019	32,331,840
Non-Current Liabilities			
Amount due to directors		1,120,500	1,120,500
Long-term borrowings	B8	6,184,873	3,929,372
Deferred tax		7,424,173	<u>118,800</u> 5,168,672
		/,424,175	5,108,072
Current Liabilities			
Short-term borrowings	B8	6,204,377	7,416,654
Trade payables		4,725,766	4,381,108
Other payables & accruals		7,807,972	1,550,798
Amount owing to directors Provision for taxation		1,694,500 581,229	1,484,502
		21,013,844	234,385
Total Liabilities		28,438,017	20,236,119
TOTAL EQUITY AND LIABILITIES		66,074,036	52,567,959
I OTAL EQUIT I AND LIADILITIES		00,074,030	52,501,759
NET ASSETS PER SHARE ATTRIBUTABLE T ORNINARY EQUITY HOLDERS OF THE PA		26.02	24.50

The unaudited condensed Consolidated Balance Sheet should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 JUNE 2009

	<b>←</b>		Attributable to Equity Holders of the Company Non-Distributable				Distributable			
	Share Capital	Share Premium	Treasury Shares	Other Reserves	Foreign Exchange Fluctuation Reserve	Share Option Reserve	Retained Earnings	Total	Minority Interest (MI)	Total Equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Balance as at 1 January 2008	12,421,253	8,723,055	-	1,056,304	588,823	70,476	10,361,254	33,221,165	-	33,221,165
Issue of ordinary shares :-										
- Pursuant to ESOS	24,400	36,600	-	-	-	-	-	61,000	-	61,000
Share repurchased	-	-	(2,000)	-	-	-	-	(2,000)	-	(2,000)
Transaction costs	-	-	(43)	-	-	-	-	(43)	-	(43)
Share options granted under ESOS	-	-	-	-	-	47,560	-	47,560	-	47,560
Share options forfeited	-	-	-	-	-	(41,476)	41,476	-	-	-
Dividend paid	-	-	-	-	-	-	(2,489,131)	(2,489,131)	-	(2,489,131)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	1,388,934	1,388,934
Net profit for the year	-	-	-	-	-	-	(348,784)	(348,784)	453,074	104,290
Foreign exchange fluctuation reserve	-	-	-	-	65	-	-	65	-	65
Balance as at 31 December 2008	12,445,653	8,759,655	(2,043)	1,056,304	588,888	76,560	7,564,815	30,489,832	1,842,008	32,331,840
Balance as at 1 January 2009	12,445,653	8,759,655	(2,043)	1,056,304	588,888	76,560	7,564,815	30,489,832	1,842,008	32,331,840
Issue of ordinary shares :-										
- Issued for cash	1,139,818	3,647,416	-	-	-	-	-	4,787,234	-	4,787,234
- Pursuant to ESOS	-	-	-	-	-	-	-	-	-	-
Share options granted under ESOS	-	-	-	-	-	16,530	-	16,530		16,530
Shares repurchased	-	-	(3,250)	-	-	-	-	(3,250)	-	(3,250)
Transaction costs	-	-	(45)	-	-	-	-	(45)	-	(45)
Dividend paid	-	-	-	-	-	-	-	-	-	-
Foreign exchange fluctuation reserve	-	-	-	-	(145,226)	-	-	(145,226)	-	(145,226)
Net profit for the year	-	-	-	-	-	-	202,983	202,983	445,953	648,936
Balance as at 30 June 2009	13,585,471	12,407,071	(5,338)	1,056,304	443,662	93,090	7,767,798	35,348,058	2,287,961	37,636,019

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual audited financial statements as at 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



# CONSOLIDATED CASH FLOW STATEMENT

### FOR THE QUARTER ENDED 30 JUNE 2009

	6 MONTHS ENDED 30/06/2009 RM	6 MONTHS ENDED 30/06/2008 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	939,744	2,494,458
Adjustments for:-	(1.020	201.456
Amortisation of development costs Amortisation of other investment	61,930	281,456
Depreciation of plant and equipment	5,220 506,218	377,364
Gain on disposal of property, plant and equipment	(155,503)	(82,442)
Overdraft interest	(135,503)	(62,442
Share of associate profit/(loss)	264,938	221,888
Share options granted under ESOS	16,530	221,000
Hire Purchase and lease Interest	70,170	55,762
Net gain on deemed disposal of a subsidiary	(165,680)	55,762
Interest expense	42,523	38,919
Interest expense	(7,925)	(45,894
Term loan interest	119,503	71,356
Unrealised gian on foreign exchange	(38)	/1,550
onrealised gian on foreign exchange	777,184	918,409
Operating profit before working capital changes	1,716,928	3,412,867
Inventories	(293,660)	(367,457)
Trade and other receivables	2,172,483	3,510,362
Trade and other payables	7,603,490	(4,471,928
Trade and other payables	9,482,313	(1,329,023)
CASH FROM OPERATIONS	11,199,241	2,083,844
Tax paid	(262,990)	(209,220
Bank interest paid	(61,821)	(33,163)
Dunk interest put	(324,811)	(242,383)
NET CASH FROM OPERATING ACTIVITIES	10,874,430	1,841,461
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	7,925	45,894
Acquisition of subsidiaries	(8,624,971)	(3,729,387
Additional purchase price of subsidiaries	(621,149)	-
Purchase of plant and equipment	(907,553)	(559,941
Proceeds from disposal of property, plant and equipment	349,080	346,000
Development costs incurred	(309,649)	(351,326
NET CASH FOR INVESTING ACTIVITIES	(10,106,317)	(4,248,760
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital / excersice of ESOS	4,787,234	61,000
Transaction costs	(45)	-
Purchase of treasury shares	(3,250)	-
Term loan interest	(119,503)	(77,112
Hire purchase and lease interest	(70,170)	(55,762
Proceeds from other short term borrowings	-	2,634,922
Repayment of other short term borrowings	-	(338,237
Repayment of term loan	(1,066,986)	(58,779
Repayment of bills payable	(990,980)	-
Repayment of hire purchase and lease payables	(538,914)	(531,335
Drawdown on finance lease payables	2,794,000	746,100
NET CASH FROM/(FOR) FINANCING ACTIVITIES	4,791,386	2,380,797
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	5,559,499	(26,502
Foreign exchange fluctuation reserve	(75,853)	731
CASH AND CASH EQUIVALENTS B/F	2,168,047	5,084,165
CASH AND CASH EQUIVALENTS C/F	7,651,693	5,058,394
NOTES TO CASH FLOW STATEMENT		
Cash and cash equivalents comprise:		
	(405,612)	(70,774
Overdraft	(,. )	
	2,888,792	3,087,643
Overdraft Fixed deposit with licensed banks Cash and bank balances		3,087,643 2,041,525

 7,651,693
 5,058,3

 The unaudited condensed Consolidated Cash Flow Statement should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2008.