

**CONSOLIDATED INCOME STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

The unaudited results of Grand-Flo Solution Berhad and its subsidiaries for the 9 months period ended 30 September 2009 are as follows:-

	NOTE	FOR THE QUARTER 3 MONTHS ENDED		FOR THE CUMULATIVE PERIOD 9 MONTHS ENDED	
		30/09/2009 RM	30/09/2008 RM	30/09/2009 RM	30/09/2008 RM
REVENUE	A8	13,349,394	9,718,486	31,467,889	27,974,900
COST OF SALES		<u>(9,030,779)</u>	<u>(7,446,349)</u>	<u>(21,418,673)</u>	<u>(19,663,014)</u>
GROSS PROFIT		4,318,615	2,272,137	10,049,216	8,311,886
OTHER OPERATING INCOME		235,532	82,849	818,587	425,003
SELLING AND DISTRIBUTION EXPENSES		(457,514)	(388,189)	(1,159,254)	(971,600)
ADMINISTRATION EXPENSES		(2,201,816)	(1,727,459)	(6,251,054)	(4,972,983)
OTHER OPERATING EXPENSES		<u>(120,645)</u>	<u>(101,636)</u>	<u>(391,943)</u>	<u>(254,664)</u>
PROFIT FROM OPERATIONS	A8	1,774,172	137,702	3,065,552	2,537,642
GAIN ON DEEMED DISPOSAL	A11	-	-	165,680	-
FINANCE EXPENSES		(178,350)	(132,555)	(429,843)	(298,592)
SHARE OF PROFIT/(LOSS) IN ASSOCIATE CO.		<u>(15,318)</u>	<u>57,260</u>	<u>(280,256)</u>	<u>317,814</u>
PROFIT BEFORE TAXATION	A8	1,580,504	62,407	2,521,133	2,556,864
INCOME TAX EXPENSES	B4	(254,995)	64,948	(545,968)	(372,600)
PROFIT AFTER TAXATION		<u>1,325,509</u>	<u>127,355</u>	<u>1,975,165</u>	<u>2,184,264</u>
PROFIT ATTRIBUTABLE TO:-					
EQUITY HOLDERS OF THE COMPANY		1,000,437	23,530	1,204,140	1,857,309
MINORITY INTERESTS		<u>325,072</u>	<u>103,825</u>	<u>771,025</u>	<u>326,955</u>
		<u>1,325,509</u>	<u>127,355</u>	<u>1,975,165</u>	<u>2,184,264</u>
EARNINGS PER SHARE:-					
BASIC (SEN)	B12a	0.74	0.02	0.90	1.48
DILUTED (SEN)	B12b	0.74	0.02	0.90	1.48

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 SEPTEMBER 2009**

	Note	(UNAUDITED) AS AT 30/09/2009 RM	(AUDITED) AS AT 31/12/2008 RM
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	A9	9,576,565	9,290,397
Prepaid lease payment		776,357	783,216
Investment in associate		8,656,224	8,770,800
Other investment, unquoted		74,459	75,429
Development costs		389,327	-
Goodwill		22,215,371	14,366,638
		<u>41,688,303</u>	<u>33,286,480</u>
<b>Current Assets</b>			
Inventories		5,435,277	4,531,763
Trade receivables		10,880,662	10,653,592
Other receivables & prepayment		921,222	1,223,584
Amount due from associate		162,256	115,746
Tax recoverable		354,242	239,241
Fixed deposit with licensed banks		390,805	589,984
Cash and bank balances		3,617,444	1,927,569
		<u>21,761,908</u>	<u>19,281,479</u>
<b>TOTAL ASSETS</b>		<u>63,450,211</u>	<u>52,567,959</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the company</b>			
Share capital		13,585,471	12,445,653
Share premium		12,407,071	8,759,655
Treasury shares, at cost	A6	(8,519)	(2,043)
Other reserves		1,056,304	1,056,304
Foreign exchange fluctuation reserve		347,385	588,888
Share option reserves		93,090	76,560
Retained earnings		8,768,955	7,564,815
		<u>36,249,757</u>	<u>30,489,832</u>
Minority Interests		2,613,033	1,842,008
<b>Total Equity</b>		<u>38,862,790</u>	<u>32,331,840</u>
<b>Non-Current Liabilities</b>			
Amount due to directors		-	1,120,500
Long-term borrowings	B8	5,270,286	3,929,372
Deferred tax		118,800	118,800
		<u>5,389,086</u>	<u>5,168,672</u>
<b>Current Liabilities</b>			
Short-term borrowings	B8	7,366,469	7,416,654
Trade payables		5,237,718	4,381,108
Other payables & accruals		4,350,856	1,550,798
Amount owing to directors		1,488,500	1,484,502
Provision for taxation		754,792	234,385
		<u>19,198,335</u>	<u>15,067,447</u>
<b>Total Liabilities</b>		<u>24,587,421</u>	<u>20,236,119</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>63,450,211</u>	<u>52,567,959</u>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO</b>			
ORDINARY EQUITY HOLDERS OF THE PARENT (SEN)		26.68	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 CASH FLOW STATEMENT**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	<b>9 MONTHS ENDED</b> <b>30/09/2009</b> <b>RM</b>	<b>9 MONTHS ENDED</b> <b>30/09/2008</b> <b>RM</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,521,133	2,556,864
Adjustments for:-		
Amortisation of development costs	97,332	481,672
Amortisation of other investment	7,829	3,333
Depreciation of plant and equipment	782,077	597,649
Gain on disposal of property, plant and equipment	(155,503)	(77,634)
Overdraft interest	24,962	-
Share of associate profit/(loss)	280,256	(317,814)
Share options granted under ESOS	16,530	28,275
Hire Purchase and lease Interest	111,561	94,385
Net gain on deemed disposal of a subsidiary	(165,680)	-
Interest expense	67,909	71,072
Interest income	(10,839)	(40,052)
Term loan interest	225,411	133,135
Unrealised gain on foreign exchange	(24)	-
	<u>1,281,821</u>	<u>974,021</u>
Operating profit before working capital changes	3,802,954	3,530,885
Inventories	(522,145)	(357,286)
Trade and other receivables	(2,525,255)	5,003,176
Trade and other payables	6,125,583	(5,276,159)
	<u>3,078,183</u>	<u>(630,269)</u>
<b>CASH FROM OPERATIONS</b>	6,881,137	2,900,616
Tax paid	(340,039)	(264,376)
Bank interest paid	(92,871)	(71,072)
	<u>(432,910)</u>	<u>(335,448)</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	6,448,227	2,565,168
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest income	10,839	40,052
Acquisition of subsidiaries	(8,048,580)	(5,007,496)
Additional purchase price of subsidiaries	(621,149)	-
Purchase of plant and equipment	(1,204,449)	(1,717,649)
Proceeds from disposal of property, plant and equipment	349,916	372,000
Development costs incurred	(486,659)	(463,972)
Dividend received from associated company	-	482,442
<b>NET CASH FOR INVESTING ACTIVITIES</b>	(10,000,082)	(6,294,623)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital / exercise of ESOS	4,787,234	621,000
Transaction costs	(90)	(43)
Purchase of treasury shares	(6,386)	(2,000)
Term loan interest	(225,411)	(133,135)
Hire purchase and lease interest	(111,561)	(94,385)
Proceeds from other short term borrowings	-	3,566,663
Repayment of other short term borrowings	-	(3,695,636)
Proceeds from hire purchase and lease payables	-	4,207,822
Repayment of term loan	(1,801,357)	(507,175)
Repayment of bills payable	(1,106,987)	-
Repayment of hire purchase and lease payables	(792,639)	(857,753)
Drawdown on finance lease payables	3,835,000	-
Dividend paid to company shareholders	-	(2,489,131)
<b>NET CASH FROM/(FOR) FINANCING ACTIVITIES</b>	<u>4,577,803</u>	<u>616,227</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,025,948	(3,113,228)
Foreign exchange fluctuation reserve	(144,967)	731
<b>CASH AND CASH EQUIVALENTS B/F</b>	2,168,047	5,084,165
<b>CASH AND CASH EQUIVALENTS C/F</b>	<u><b>3,049,028</b></u>	<u><b>1,971,668</b></u>
<b>NOTES TO CASH FLOW STATEMENT</b>		
Cash and cash equivalents comprise:		
Overdraft	(959,221)	(615,080)
Fixed deposit with licensed banks	390,805	582,328
Cash and bank balances	3,617,444	2,004,420
	<u><b>3,049,028</b></u>	<u><b>1,971,668</b></u>

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.