

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 DECEMBER 2012**

The unaudited results of Grand-Flo Solution Berhad and its subsidiaries for the 12 months period ended 31 December 2012 are as follows:-

	NOTE	FOR THE QUARTER 3 MONTHS ENDED		FOR THE CUMULATIVE PERIOD 12 MONTHS ENDED	
		31/12/2012 RM	31/12/2011 RM (Restated)	31/12/2012 RM	31/12/2011 RM (Restated)
REVENUE	A8	23,267,352	19,930,853	87,626,898	74,676,148
COST OF SALES		<u>(17,892,278)</u>	<u>(13,553,456)</u>	<u>(63,681,868)</u>	<u>(49,751,123)</u>
GROSS PROFIT		5,375,074	6,377,397	23,945,030	24,925,025
OTHER OPERATING INCOME		210,046	135,058	626,344	804,211
SELLING AND DISTRIBUTION EXPENSES		(933,377)	(667,168)	(3,025,846)	(2,413,397)
ADMINISTRATIVE EXPENSES		(3,054,784)	(4,687,017)	(14,456,903)	(14,191,053)
OTHER OPERATING EXPENSES		<u>(130,817)</u>	<u>6,026</u>	<u>(144,401)</u>	<u>-</u>
RESULTS FROM OPERATING ACTIVITIES		1,466,142	1,164,296	6,944,224	9,124,786
FINANCE COSTS		(174,275)	(152,430)	(670,979)	(595,455)
SHARE OF PROFIT OF ASSOCIATES, NET OF TAX		<u>1,133,280</u>	<u>1,234,118</u>	<u>2,557,520</u>	<u>1,531,065</u>
PROFIT BEFORE TAXATION	A8	2,425,147	2,245,984	8,830,765	10,060,396
INCOME TAX EXPENSES	B4	(406,237)	44,213	(926,507)	(659,711)
PROFIT AFTER TAXATION	A8	<u>2,018,910</u>	<u>2,290,197</u>	<u>7,904,258</u>	<u>9,400,685</u>
OTHER COMPREHENSIVE ITEM					
Foreign currency translation differences		<u>(59,395)</u>	<u>(149,120)</u>	<u>(137,617)</u>	<u>99,953</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>1,959,515</u>	<u>2,141,077</u>	<u>7,766,641</u>	<u>9,500,638</u>
<b>PROFIT AFTER TAXATION ATTRIBUTABLE TO:-</b>					
OWNERS OF THE PARENT		2,013,324	2,286,147	7,889,380	9,391,240
NON-CONTROLLING INTERESTS		<u>5,586</u>	<u>4,050</u>	<u>14,878</u>	<u>9,445</u>
		<u>2,018,910</u>	<u>2,290,197</u>	<u>7,904,258</u>	<u>9,400,685</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-</b>					
OWNERS OF THE PARENT		1,953,929	2,137,027	7,751,763	9,491,193
NON-CONTROLLING INTERESTS		<u>5,586</u>	<u>4,050</u>	<u>14,878</u>	<u>9,445</u>
		<u>1,959,515</u>	<u>2,141,077</u>	<u>7,766,641</u>	<u>9,500,638</u>
<b>EARNINGS PER ORDINARY SHARE (SEN):-</b>					
BASIC	B10	0.63	1.43	3.39	6.15
DILUTED	B10	0.44	1.01	2.38	4.26

The unaudited condensed consolidated statements of comprehensive income should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2012**

	Note	(UNAUDITED) AS AT 31/12/2012 RM	(AUDITED) AS AT 31/12/2011 RM
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	A9	19,802,883	13,581,851
Investment in associate, quoted		16,549,274	14,123,800
Investment in associate, unquoted		1,171,272	451,562
Other investment, unquoted		68,230	70,031
Development costs		2,918,965	1,728,811
Goodwill		22,445,064	22,447,722
Deferred tax assets		437,000	800,000
		<u>63,392,688</u>	<u>53,203,777</u>
<b>Current Assets</b>			
Inventories		9,464,235	11,363,688
Trade receivables		19,010,134	17,009,865
Other receivables & prepayment		2,189,626	615,091
Amount due from associate		188,082	87,597
Amount due from related parties		906,613	429,250
Tax recoverable		524,479	333,429
Fixed deposit with licensed banks		661,287	625,747
Cash and bank balances		6,077,610	5,512,319
		<u>39,022,066</u>	<u>35,976,986</u>
<b>TOTAL ASSETS</b>		<u>102,414,754</u>	<u>89,180,763</u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		31,956,585	15,945,282
Share premium		3,635,472	19,586,565
Treasury shares, at cost	A6	(303,343)	(94,079)
Warrant reserves		1,177,989	1,180,873
Other reserves		1,109,451	1,109,451
Foreign exchange fluctuation reserve		(264,654)	(127,037)
Revaluation surplus		5,894,781	-
Retained earnings		32,002,339	26,015,576
<b>Total equity attributable to owners of the Company</b>		<u>75,208,620</u>	<u>63,616,631</u>
Non controlling interests		306,569	291,691
<b>Total Equity</b>		<u>75,515,189</u>	<u>63,908,322</u>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Long-term borrowings	B6	3,192,546	4,133,126
Deferred tax liabilities		1,761,066	1,061,270
		<u>4,953,612</u>	<u>5,194,396</u>
<b>Current Liabilities</b>			
Short-term borrowings	B6	11,279,099	8,946,383
Trade payables		8,289,843	7,199,564
Other payables & accruals		2,118,571	3,622,496
Amount due to related parties		-	113,531
Tax payable		258,440	196,071
		<u>21,945,953</u>	<u>20,078,045</u>
<b>Total Liabilities</b>		<u>26,899,565</u>	<u>25,272,441</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>102,414,754</u>	<u>89,180,763</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO			
ORDINARY OWNERS OF THE PARENT (SEN)		23.53	39.90
NTA per share (sen)			
		15.60	24.73

The unaudited condensed consolidated statement of financial position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2012**

	Attributable to owners of the Company										Total Equity RM
	Non-Distributable					Distributable					
	Share Capital RM	Share Premium RM	Treasury Shares RM	Warrant Reserves RM	Other Reserves RM	Foreign Exchange Fluctuation Reserve RM	Retained Earnings RM	Total RM	Non Controlling Interests (NCI) RM	Total Equity RM	
<b>Balance as at 1 January 2011</b>	14,508,548	15,030,846	(109,203)	1,180,873	1,109,451	(226,990)	18,218,864	49,712,389	282,246	49,994,635	
Total Comprehensive income for the year	-	-	-	-	-	99,953	9,391,240	9,491,193	9,445	9,500,638	
<i>Transactions with owners:</i>											
Warrant reserves	-	-	-	-	-	-	-	-	-	-	
Issuance of treasury shares	-	70,413	494,744	-	-	-	-	565,157	-	565,157	
Shares repurchased	-	-	(473,771)	-	-	-	-	(473,771)	-	(473,771)	
Transaction costs	-	-	(5,849)	-	-	-	-	(5,849)	-	(5,849)	
Issuance of ordinary shares pursuant to allotment of ordinary shares	1,436,734	4,485,306	-	-	-	-	-	5,922,040	-	5,922,040	
Dividend paid	-	-	-	-	-	-	(1,594,528)	(1,594,528)	-	(1,594,528)	
Total transactions with owners	1,436,734	4,555,719	15,124	-	-	-	(1,594,528)	4,413,049	-	4,413,049	
<b>Balance as at 31 December 2011</b>	15,945,282	19,586,565	(94,079)	1,180,873	1,109,451	(127,037)	26,015,576	63,616,631	291,691	63,908,322	
<b>Balance as at 1 January 2012</b>	15,945,282	19,586,565	(94,079)	1,180,873	1,109,451	(127,037)	26,015,576	63,616,631	291,691	63,908,322	
Total Comprehensive income for the year	-	-	-	-	-	(137,617)	7,889,380	7,751,763	14,878	7,766,641	
<i>Transactions with owners:</i>											
Disposal of treasury stock	-	-	183,331	-	-	-	-	183,331	-	183,331	
Shares repurchased	-	-	(390,336)	-	-	-	-	(390,336)	-	(390,336)	
Transaction costs	-	(46,438)	(2,259)	-	-	-	-	(48,697)	-	(48,697)	
Issuance of ordinary shares pursuant to allotment of ordinary shares	33,010	73,638	-	(2,884)	-	-	-	103,764	-	103,764	
Bonus issue	15,978,293	(15,978,293)	-	-	-	-	-	-	-	-	
Dividends to owners of the Company	-	-	-	-	-	-	(1,902,617)	(1,902,617)	-	(1,902,617)	
Revaluation surplus	-	-	-	-	5,894,781	-	-	5,894,781	-	5,894,781	
Total transactions with owners	16,011,303	(15,951,093)	(209,264)	(2,884)	5,894,781	-	(1,902,617)	3,840,226	-	3,840,226	
<b>Balance as at 31 December 2012</b>	31,956,585	3,635,472	(303,343)	1,177,989	7,004,232	(264,654)	32,002,339	75,208,650	306,569	75,515,189	

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the annual audited financial statements as at 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2012**

	<b>12 MONTHS ENDED</b> <b>31/12/2012</b>	<b>12 MONTHS ENDED</b> <b>31/12/2011</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	8,830,765	10,060,396
Adjustments for:-		
Amortisation of development costs	776,126	553,235
Amortisation of other investment	1,801	1,799
Bad debts written off	17,688	9,135
Depreciation of plant and equipment	1,748,951	1,570,107
Dividend income	(429,214)	-
Gain on disposal of property, plant and equipment	(206,346)	(125,049)
Gain on deemed disposal of associate	-	(79,432)
Impairment for doubtful debts no longer required	(5,377)	(4,421)
Interest income	(40,753)	(17,337)
Inventories written off	111,714	-
Interest expense	670,559	595,455
Share of associates' (profit)/loss	(2,557,520)	(1,531,065)
Unrealised loss on foreign exchange	(7)	(271)
	<u>87,622</u>	<u>972,156</u>
Operating profit before working capital changes	8,918,387	11,032,552
Inventories	1,693,775	(3,152,370)
Trade and other receivables	(7,389,091)	(1,697,337)
Trade and other payables	7,166,408	976,799
Associates	-	(79,929)
Subsidiaries	(4,341,174)	(315,719)
Directors	-	(476,250)
	<u>(2,870,082)</u>	<u>(4,744,806)</u>
<b>CASH FROM OPERATIONS</b>	6,048,305	6,287,746
Tax paid	(668,292)	(686,004)
Bank interest paid	(670,559)	(595,455)
	<u>(1,338,851)</u>	<u>(1,281,459)</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	4,709,454	5,006,287
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of subsidiary companies, net of cash and cash equivalents acquired	(587,663)	-
Additional purchase price of subsidiaries	-	(3,041,415)
Development costs incurred	(2,014,455)	(1,084,307)
Dividend received	429,214	547,205
Interest income	40,753	17,337
Proceeds from disposal of property, plant and equipment	618,368	231,155
Purchase of property, plant and equipment	(1,860,351)	(1,772,305)
<b>NET CASH FOR INVESTING ACTIVITIES</b>	(3,374,134)	(5,102,330)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid to company shareholders	(1,902,617)	(1,594,529)
Drawdown on finance lease payables	1,057,000	-
Gain on disposal of treasury stock	205,448	565,157
Proceeds from other short term borrowings	21,877,000	-
Proceeds from issuance of share capital	82,525	5,922,040
Transaction costs - proceeds from issuance of share capital	(50,269)	-
Purchase of treasury shares	(387,384)	(473,771)
Transaction costs- purchase of treasury shares	(2,259)	(5,849)
Repayment of term loan	(699,297)	(2,113,035)
Repayment of bills payable	(19,253,792)	-
Repayment of hire purchase and lease payables	(983,072)	(1,022,007)
	<u>(56,717)</u>	<u>1,278,006</u>
<b>NET CASH FROM/(FOR) FINANCING ACTIVITIES</b>	(56,717)	1,278,006
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,278,603	1,181,963
Foreign exchange fluctuation reserve	(132,671)	75,968
<b>CASH AND CASH EQUIVALENTS B/F</b>	5,149,564	3,891,633
<b>CASH AND CASH EQUIVALENTS C/F</b>	<u>6,295,496</u>	<u>5,149,564</u>
<b>NOTES TO CASH FLOW STATEMENT</b>		
Cash and cash equivalents comprise:		
Cash and bank balances	6,077,610	5,512,319
Fixed deposit with licensed banks	661,287	625,747
Overdraft	(443,401)	(988,502)
	<u>6,295,496</u>	<u>5,149,564</u>

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2011.