

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2013**

The unaudited results of Grand-Flo Solution Berhad and its subsidiaries for the 3 months period ended 31 March 2013 are as follows:-

	NOTE	FOR THE QUARTER 3 MONTHS ENDED		FOR THE CUMULATIVE PERIOD 3 MONTHS ENDED	
		31/3/2013 RM	31/3/2012 RM	31/3/2013 RM	31/3/2012 RM
REVENUE	A8	18,912,488	20,365,869	18,912,488	20,365,869
COST OF SALES		<u>(14,023,486)</u>	<u>(14,280,318)</u>	<u>(14,023,486)</u>	<u>(14,280,318)</u>
GROSS PROFIT		4,889,002	6,085,551	4,889,002	6,085,551
OTHER OPERATING INCOME		2,875,091	131,183	2,875,091	131,183
SELLING AND DISTRIBUTION EXPENSES		(620,012)	(585,893)	(620,012)	(585,893)
ADMINISTRATIVE EXPENSES		(3,388,177)	(3,521,934)	(3,388,177)	(3,521,934)
OTHER OPERATING EXPENSES		<u>(14,609)</u>	<u>(703)</u>	<u>(14,609)</u>	<u>(703)</u>
RESULTS FROM OPERATING ACTIVITIES		3,741,295	2,108,204	3,741,295	2,108,204
FINANCE COSTS		(159,944)	(133,276)	(159,944)	(133,276)
SHARE OF PROFIT OF ASSOCIATES, NET OF TAX		<u>907,909</u>	<u>465,029</u>	<u>907,909</u>	<u>465,029</u>
PROFIT BEFORE TAXATION	A8	4,489,260	2,439,957	4,489,260	2,439,957
INCOME TAX EXPENSES	B4	(84,425)	(224,836)	(84,425)	(224,836)
PROFIT AFTER TAXATION	A8	<u>4,404,835</u>	<u>2,215,121</u>	<u>4,404,835</u>	<u>2,215,121</u>
OTHER COMPREHENSIVE ITEM					
Foreign currency translation differences		<u>86,057</u>	<u>(22,355)</u>	<u>86,057</u>	<u>(104,465)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u><u>4,490,892</u></u>	<u><u>2,192,766</u></u>	<u><u>4,490,892</u></u>	<u><u>2,110,656</u></u>
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
OWNERS OF THE PARENT		4,399,309	2,214,958	4,399,309	2,214,958
NON-CONTROLLING INTERESTS		<u>5,526</u>	<u>163</u>	<u>5,526</u>	<u>163</u>
		<u><u>4,404,835</u></u>	<u><u>2,215,121</u></u>	<u><u>4,404,835</u></u>	<u><u>2,215,121</u></u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
OWNERS OF THE PARENT		4,485,366	2,192,603	4,485,366	2,110,493
NON-CONTROLLING INTERESTS		<u>5,526</u>	<u>163</u>	<u>5,526</u>	<u>163</u>
		<u><u>4,490,892</u></u>	<u><u>2,192,766</u></u>	<u><u>4,490,892</u></u>	<u><u>2,110,656</u></u>
EARNINGS PER ORDINARY SHARE (SEN):-					
BASIC	B10	1.38	0.69	1.38	0.69
DILUTED	B10	0.97	0.49	0.97	0.49

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 2012 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2013**

	Note	(UNAUDITED) AS AT 31/03/2013 RM	(AUDITED) AS AT 31/12/2012 RM
ASSETS			
Non-Current Assets			
Property, plant and equipment	A9	19,427,138	19,802,884
Investment in associate, quoted		20,296,164	17,272,406
Investment in associate, unquoted		1,126,101	451,562
Other investment, unquoted		67,780	68,230
Development costs		2,912,612	2,967,140
Goodwill		22,447,722	22,447,722
Deferred tax assets		437,000	437,000
		<u>66,714,517</u>	<u>63,446,944</u>
Current Assets			
Inventories		8,688,957	9,464,235
Trade receivables		17,375,691	19,556,071
Other receivables & prepayment		2,733,065	1,714,848
Amount due from associate		142,313	102,379
Amount due from related parties		1,392,840	925,400
Tax recoverable		435,827	407,157
Fixed deposit with licensed banks		903,155	645,505
Cash and bank balances		5,828,778	6,403,115
		<u>37,500,626</u>	<u>39,218,710</u>
TOTAL ASSETS		<u>104,215,143</u>	<u>102,665,654</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		31,956,585	31,956,585
Share premium		3,639,189	3,639,189
Treasury shares, at cost	A6	(2,244)	(303,343)
Warrant reserves		1,174,271	1,174,271
Other reserves		1,109,451	1,109,451
Foreign exchange fluctuation reserve		(197,049)	(283,106)
Revaluation surplus		4,929,691	4,929,691
Retained earnings		36,343,760	31,944,451
Total equity attributable to owners of the Company		<u>78,953,654</u>	<u>74,167,189</u>
Non controlling interests		312,095	306,569
Total Equity		<u>79,265,749</u>	<u>74,473,758</u>
LIABILITIES			
Non-Current Liabilities			
Long-term borrowings	B6	2,875,070	3,244,333
Deferred tax liabilities		2,785,341	2,783,528
		<u>5,660,411</u>	<u>6,027,861</u>
Current Liabilities			
Short-term borrowings	B6	10,400,958	11,620,212
Trade payables		6,867,758	7,700,226
Other payables & accruals		1,967,873	2,147,823
Amount due to related parties		-	631,786
Tax payable		52,394	63,988
		<u>19,288,983</u>	<u>22,164,035</u>
Total Liabilities		<u>24,949,394</u>	<u>28,191,896</u>
TOTAL EQUITY AND LIABILITIES		<u>104,215,143</u>	<u>102,665,654</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY OWNERS OF THE PARENT (SEN)			
		24.71	23.21
NTA per share (sen)			
		16.77	15.26

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 2012 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2013

	Attributable to owners of the Company										Total Equity RM
	Non-Distributable					Distributable					
	Share Capital RM	Share Premium RM	Treasury Shares RM	Warrant Reserves RM	Revaluation Reserves RM	Other Reserves RM	Foreign Exchange Fluctuation Reserve RM	Retained Earnings RM	Non Controlling Interests (NCI) RM	Total RM	
Balance as at 1 January 2012	15,945,282	19,586,565	(94,079)	1,180,873	-	1,109,451	(127,037)	26,015,576	291,691	63,616,631	63,908,322
Total Comprehensive income for the year	-	-	-	-	4,929,691	-	(156,069)	7,831,492	14,878	12,605,114	12,619,992
<i>Transactions with owners:</i>											
Warrant reserves	-	-	-	-	-	-	-	-	-	-	-
Issuance of treasury shares	-	21,239	184,209	-	-	-	-	-	-	205,448	205,448
Shares repurchased	-	-	(389,643)	-	-	-	-	-	-	(389,643)	(389,643)
Transaction costs	-	(46,439)	(3,830)	-	-	-	-	-	-	(50,269)	(50,269)
Issuance of ordinary shares	33,010	56,117	-	(6,602)	-	-	-	-	-	82,525	82,525
Bonus issue of shares	15,978,293	(15,978,293)	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	(1,902,617)	-	(1,902,617)	(1,902,617)
Total transactions with owners	16,011,303	(15,947,376)	(209,264)	(6,602)	-	-	-	(1,902,617)	-	(2,054,556)	(2,054,556)
Balance as at 31 December 2012	31,956,585	3,639,189	(303,343)	1,174,271	4,929,691	1,109,451	(283,106)	31,944,451	306,569	74,167,189	74,473,758
Balance as at 1 January 2013	31,956,585	3,639,189	(303,343)	1,174,271	4,929,691	1,109,451	(283,106)	31,944,451	306,569	74,167,189	74,473,758
Total Comprehensive income for the year	-	-	-	-	-	-	86,057	4,399,309	5,526	4,485,366	4,490,892
<i>Transactions with owners:</i>											
Disposal of treasury stock	-	-	303,343	-	-	-	-	-	-	303,343	303,343
Shares repurchased	-	-	(2,200)	-	-	-	-	-	-	(2,200)	(2,200)
Transaction costs	-	-	(44)	-	-	-	-	-	-	(44)	(44)
Issuance of ordinary shares pursuant Allotment of ordinary shares	-	-	-	-	-	-	-	-	-	-	-
Dividends to owners of the Company	-	-	-	-	-	-	-	-	-	-	-
Revaluation surplus	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	301,099	-	-	-	-	-	-	301,099	301,099
Balance as at 31 March 2013	31,956,585	3,639,189	(2,244)	1,174,271	4,929,691	1,109,451	(197,049)	36,343,760	312,095	78,953,654	79,265,749

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the annual audited financial statements as at 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2013

	3 MONTHS ENDED 31/3/2013 RM	3 MONTHS ENDED 31/3/2012 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	4,489,260	2,439,957
Adjustments for:-		
Amortisation of development costs	285,157	193,325
Amortisation of leasehold land	9,358	2,893
Amortisation of other investment	451	450
Depreciation of plant and equipment	436,696	417,708
Gain on disposal of property, plant and equipment	-	(68)
Gain on deemed disposal of associate	(2,790,388)	-
Hire Purchase and lease Interest	34,046	30,423
Impairment for doubtful debts no longer required	15,230	-
Interest income	(19,127)	(9,633)
Interest expense	95,588	55,915
Overdraft interest	12,298	19,973
Share of associates' (profit)/loss	(907,909)	(465,029)
Term loan interest	18,000	26,996
Unrealised loss on foreign exchange	5	(3)
	<u>(2,810,595)</u>	<u>272,950</u>
Operating profit before working capital changes	1,678,665	2,712,907
Inventories	786,116	34,909
Trade and other receivables	67,562	(975,416)
Trade and other payables	(542,660)	1,303,343
Associates	-	(54,226)
Subsidiaries	(518,463)	(193,228)
	<u>(207,445)</u>	<u>115,382</u>
CASH FROM OPERATIONS	1,471,220	2,828,289
Tax paid	(125,718)	(191,995)
Bank interest paid	(107,886)	(75,888)
	<u>(233,604)</u>	<u>(267,883)</u>
NET CASH FROM OPERATING ACTIVITIES	1,237,616	2,560,406
CASH FLOW FROM INVESTING ACTIVITIES		
Development costs incurred	(230,630)	(275,083)
Interest income	19,127	9,633
Proceeds from disposal of property, plant and equipment	9,073	321
Purchase of property, plant and equipment	(59,485)	(223,866)
NET CASH FOR INVESTING ACTIVITIES	(261,915)	(488,995)
CASH FLOW FROM FINANCING ACTIVITIES		
Disposal of treasury shares	345,493	-
Hire purchase and lease interest	(34,046)	(30,423)
Proceeds from issuance of treasury shares	6,503	-
Proceeds from other short term borrowings	7,288,000	2,716,000
Purchase of treasury shares	(50,500)	(88,560)
Transaction costs- purchase of treasury shares	(398)	(692)
Repayment of term loan	(217,996)	(187,534)
Repayment of bills payable	(8,066,000)	(5,226,792)
Repayment of hire purchase and lease payables	(271,987)	(230,865)
Term loan interest	(18,000)	(26,996)
	<u>(1,018,931)</u>	<u>(3,075,862)</u>
NET CASH FROM/(FOR) FINANCING ACTIVITIES	(1,018,931)	(3,075,862)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(43,230)	(1,004,451)
Foreign exchange fluctuation reserve	66,575	(85,778)
CASH AND CASH EQUIVALENTS B/F	5,633,455	5,149,564
CASH AND CASH EQUIVALENTS C/F	5,656,800	4,059,335
NOTES TO CASH FLOW STATEMENT		
Cash and cash equivalents comprise:		
Cash and bank balances	5,828,778	3,899,615
Fixed deposit with licensed banks	903,155	646,451
Less: Fixed deposit pledged with licensed banks	(622,245)	-
Less: Overdraft	(452,888)	(486,731)
	<u>5,656,800</u>	<u>4,059,335</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 2012.