

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

The unaudited results of Grand-Flo Berhad and its subsidiaries for the 12 months period ended 31 December 2015 are as follows:-

	NOTE	FOR THE QUARTER		FOR THE CUMULATIVE PERIOD	
		3 MONTHS ENDED		12 MONTHS ENDED	
		31/12/2015	31/12/2014	31/12/2015	31/12/2014
		RM	RM	RM	RM
REVENUE	A8	40,539,127	35,558,225	120,918,255	85,633,336
COST OF SALES		(27,044,747)	(27,391,709)	(81,419,773)	(63,098,253)
GROSS PROFIT		13,494,380	8,166,516	39,498,482	22,535,083
OTHER INCOME	A8(b)	510,129	160,050	3,707,598	5,419,006
SELLING AND DISTRIBUTION EXPENSES		(2,458,210)	(558,223)	(5,008,703)	(2,561,715)
ADMINISTRATIVE EXPENSES		(3,727,370)	(4,145,401)	(15,905,123)	(14,791,592)
OTHER OPERATING EXPENSES		(1,264,636)	(29,961)	(1,267,913)	(31,937)
RESULTS FROM OPERATING ACTIVITIES		6,554,293	3,592,981	21,024,341	10,568,845
FINANCE COSTS		(777,042)	(141,608)	(1,252,198)	(613,137)
SHARE OF LOSS OF ASSOCIATES, NET OF TAX		(310,422)	(344,196)	(1,174,867)	(767,781)
PROFIT BEFORE TAXATION	A8	5,466,829	3,107,177	18,597,276	9,187,927
INCOME TAX EXPENSES	B4	(665,469)	(675,249)	(2,537,273)	(1,086,950)
PROFIT AFTER TAXATION	A8	4,801,360	2,431,928	16,060,003	8,100,977
OTHER COMPREHENSIVE ITEM					
Surplus arising from revaluation of freehold and leasehold land and building, net of tax		-	(180,828)	-	(180,828)
Exchange translation differences		(437,720)	305,896	939,294	231,986
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		4,363,640	2,556,996	16,999,297	8,152,135
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-					
OWNERS OF THE PARENT		3,048,651	2,134,613	11,866,999	6,672,998
NON-CONTROLLING INTERESTS		1,752,709	297,315	4,193,004	1,427,979
		4,801,360	2,431,928	16,060,003	8,100,977
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:-					
OWNERS OF THE PARENT		2,610,931	2,259,681	12,806,293	6,724,156
NON-CONTROLLING INTERESTS		1,752,709	297,315	4,193,004	1,427,979
		4,363,640	2,556,996	16,999,297	8,152,135
EARNINGS PER ORDINARY SHARE (SEN):-					
BASIC	B10	0.63	0.54	2.46	1.95
DILUTED	B10	n/a	0.40	n/a	1.62

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	(UNAUDITED) AS AT 31/12/2015 RM	(AUDITED) AS AT 31/12/2014 RM
ASSETS			
Non-Current Assets			
Property, plant and equipment	A9	21,386,089	21,862,462
Investment in associate, quoted		11,864,750	12,534,349
Investment in associate, unquoted		1,980,056	1,471,615
Other investment, unquoted		15,614	16,024
Development costs		2,155,780	2,325,959
Goodwill		39,223,180	39,209,748
Deferred tax assets		367,898	367,898
		<u>76,993,367</u>	<u>77,788,055</u>
Current Assets			
Inventories		11,784,704	12,847,574
Trade receivables		55,940,691	27,692,200
Other receivables & prepayment		2,301,058	1,291,602
Property development cost		61,209,489	34,113,304
Amount due from associate		3,833	35,239
Amount due from related parties		131,080	907,292
Tax recoverable		748,400	1,104,026
Fixed deposit with licensed banks		2,507,201	952,600
Cash and bank balances		11,564,298	10,662,017
		<u>146,190,754</u>	<u>89,605,854</u>
TOTAL ASSETS		<u>223,184,121</u>	<u>167,393,909</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		48,311,571	36,709,161
Share application money		-	39,920
Share premium		14,538,275	11,369,843
Treasury shares, at cost	A6	(1,098,173)	(434,457)
Warrant reserves		-	866,200
Other reserves		1,109,451	1,109,451
Foreign exchange fluctuation reserve		1,238,766	299,472
Revaluation surplus		6,160,852	6,160,852
Retained earnings		52,075,327	45,009,084
Total equity attributable to owners of the Company		<u>122,336,069</u>	<u>101,129,526</u>
Non controlling interests		22,782,944	2,370,004
Total Equity		<u>145,119,013</u>	<u>103,499,530</u>
LIABILITIES			
Non-Current Liabilities			
Long-term borrowings	B6	14,740,297	12,614,574
Deferred tax liabilities		1,405,782	2,073,129
		<u>16,146,079</u>	<u>14,687,703</u>
Current Liabilities			
Short-term borrowings	B6	11,550,792	14,869,959
Trade payables		41,209,270	17,436,454
Other payables & accruals		8,082,452	16,648,821
Amount due to related parties		-	180,132
Tax payable		1,076,515	71,310
		<u>61,919,029</u>	<u>49,206,676</u>
Total Liabilities		<u>78,065,108</u>	<u>63,894,379</u>
TOTAL EQUITY AND LIABILITIES		<u>223,184,121</u>	<u>167,393,909</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY OWNERS OF THE PARENT (SEN)		25.32	27.55
NTA per share (sen)		16.76	16.23

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 2014 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL STATEMENTS

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2015

	←-----Attributable to owners of the Company-----→											
	←-----Non-Distributable-----→						Distributable					
	Share Capital	Share application money	Share Premium	Treasury Shares	Warrant Reserves	Other Reserves	Foreign Exchange Fluctuation Reserve	Revaluation Reserves	Retained Earnings	Total	Non Controlling Interests (NCI)	Total Equity
RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Balance as at 1 January 2014	32,578,515	-	3,819,265	(76,236)	1,112,078	1,109,451	67,486	6,341,680	41,662,207	86,614,446	787,354	87,401,800
Total Comprehensive income for the year	-	-	-	-	-	-	231,986	(180,828)	6,672,998	6,724,156	1,427,979	8,152,135
<i>Transactions with owners:</i>												
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	154,671	154,671
Issuance of ordinary shares	2,941,176	-	7,058,824	-	-	-	-	-	-	10,000,000	-	10,000,000
Shares repurchased	-	-	-	(355,091)	-	-	-	-	-	(355,091)	-	(355,091)
Share application money	-	39,920	-	-	-	-	-	-	-	39,920	-	39,920
Transaction costs	-	-	-	(3,130)	-	-	-	-	-	(3,130)	-	(3,130)
Conversion of warrants	1,189,470	-	491,754	-	(245,878)	-	-	-	-	1,435,346	-	1,435,346
Dividend paid	-	-	-	-	-	-	-	-	(3,326,121)	(3,326,121)	-	(3,326,121)
Total transactions with owners	4,130,646	39,920	7,550,578	(358,221)	(245,878)	-	-	-	(3,326,121)	7,790,924	154,671	7,945,595
Balance as at 31 December 2014	36,709,161	39,920	11,369,843	(434,457)	866,200	1,109,451	299,472	6,160,852	45,009,084	101,129,526	2,370,004	103,499,530
Balance as at 1 January 2015	36,709,161	39,920	11,369,843	(434,457)	866,200	1,109,451	299,472	6,160,852	45,009,084	101,129,526	2,370,004	103,499,530
Total Comprehensive income for the year	-	-	-	-	-	-	939,294	-	11,866,999	12,806,293	4,193,004	16,999,297
<i>Transactions with owners:</i>												
Shares repurchased	-	-	-	(657,402)	-	-	-	-	-	(657,402)	-	(657,402)
Share application money	-	(39,920)	-	-	-	-	-	-	-	(39,920)	-	(39,920)
Transaction costs	-	-	-	(6,314)	-	-	-	-	-	(6,314)	-	(6,314)
Conversion of warrants	11,602,410	-	3,168,432	-	(866,200)	-	-	-	-	13,904,642	-	13,904,642
Issuance of preference shares	-	-	-	-	-	-	-	-	-	-	16,219,936	16,219,936
Dividend paid	-	-	-	-	-	-	-	-	(4,800,756)	(4,800,756)	-	(4,800,756)
Total transactions with owners	11,602,410	(39,920)	3,168,432	(663,716)	(866,200)	-	-	-	(4,800,756)	8,400,250	16,219,936	24,620,186
Balance as at 31 December 2015	48,311,571	-	14,538,275	(1,098,173)	-	1,109,451	1,238,766	6,160,852	52,075,327	122,336,069	22,782,944	145,119,013

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the annual audited financial statements as at 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2015

	12 MONTHS ENDED 31/12/2015 RM	12 MONTHS ENDED 31/12/2014 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	18,597,276	9,187,927
Adjustments for:-		
Amortisation of development costs	1,049,982	1,261,740
Amortisation of other investment	410	410
Bad debts written off	841	3,939
Impairment for doubtful debts no longer required	414	38,194
Depreciation of plant and equipment	2,281,156	2,245,396
Gain/loss on disposal investment	(5,747)	-
Loss/gain on disposal of property, plant and equipment	36,978	(58,942)
Gain on exercised warrant	(10,267)	-
Gain on deemed disposal of associate	(2,359,471)	(4,588,922)
Hire Purchase and lease Interest	148,532	-
Interest income	(263,842)	(240,444)
Inventories written down	1,149,478	1,226
Interest expense	393,613	632,571
Property, plant and equipment written off	-	22,126
Share of associates' profits/loss	1,174,867	767,781
Term loan interest	115,820	-
Unrealised gain/loss on foreign exchange	206	1,516
	<u>3,712,970</u>	<u>86,591</u>
Operating profit before working capital changes	22,310,246	9,274,518
Inventories	13,406	(2,903,201)
Trade and other receivables	(30,318,379)	(5,188,650)
Trade and other payables	22,843,682	534,343
Subsidiaries	845,635	(664,692)
	<u>(6,615,656)</u>	<u>(8,222,200)</u>
CASH FROM OPERATIONS	15,694,590	1,052,318
Tax paid	<u>(1,859,864)</u>	<u>(2,438,033)</u>
NET CASH FROM OPERATING ACTIVITIES	13,834,726	(1,385,715)
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of subsidiary companies, net of cash and cash equivalent acquired	-	602,178
Advances/(repayment) from associates	-	101,452
Development costs incurred	(879,802)	(798,053)
Property development cost incurred	(27,051,622)	(7,712,645)
Disposal of a subsidiary	5,747	-
Disposal of an associate	(146,481)	-
Conversion of warrant in associate	-	(2,050,697)
Interest received	263,842	240,444
Proceeds from disposal of property, plant and equipment	410,945	65,583
Placement of fixed deposit	-	(20,060)
Proceeds from disposal of associate	-	5,222,107
Purchase of property, plant and equipment	(2,117,629)	(904,867)
NET CASH FOR INVESTING ACTIVITIES	<u>(29,515,000)</u>	<u>(5,254,558)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(393,613)	(632,571)
Dividend paid to company shareholders	(4,800,756)	(3,326,121)
Drawdown on finance lease payables	7,600,395	7,463,156
Hire purchase and lease interest	(148,532)	-
Proceeds from issuance of warrants	866,200	1,435,346
Proceeds from issuance of share	14,781,107	-
Proceeds from issuance of preference share	9,124,937	-
Purchase of treasury shares	(657,401)	(355,091)
Share issuance expenses	(6,314)	(3,130)
Share application money	-	39,920
Repayment of term loan	(6,938,383)	-
Net drawdown of bills payable	(452,000)	-
Repayment of hire purchase and lease payables	(1,352,547)	(1,466,457)
Term loan interest	(115,820)	-
NET CASH FROM/(FOR) FINANCING ACTIVITIES	<u>17,507,273</u>	<u>3,155,052</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	1,826,999	(3,485,221)
Foreign exchange fluctuation reserve	707,297	330,895
CASH AND CASH EQUIVALENTS B/F	11,153,143	13,645,927
CASH AND CASH EQUIVALENTS C/F	<u>13,687,439</u>	<u>10,491,601</u>
NOTES TO CASH FLOW STATEMENT		
Cash and cash equivalents comprise:		
Cash and bank balances	11,564,298	10,662,017
Fixed deposit with licensed banks	2,507,201	291,058
Less: Overdraft	<u>(384,060)</u>	<u>(461,474)</u>
	<u>13,687,439</u>	<u>10,491,601</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 2014.