



GRAND-FLO BERHAD

200301004972

(607392-W)

A Main Market listed company
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND PERIOD ENDED 30 SEPTEMBER 2020

	Note	QUARTER ENDED			PERIOD ENDED		
		30/9/2020 RM	30/9/2019 RM	Changes %	30/9/2020 RM	30/9/2019 RM	Changes %
Continuing Operations							
Revenue	A9	20,131,931	18,234,263	10.4	41,392,101	49,716,208	(16.7)
Cost of sales		(14,733,845)	(15,332,926)	(3.9)	(31,511,235)	(40,365,218)	(21.9)
Gross profit		5,398,086	2,901,336	86.1	9,880,867	9,350,991	5.7
Other income	A10	(37,966)	33,180	(214.4)	488,843	1,214,103	(59.7)
Administrative expenses		(1,713,387)	(1,258,500)	36.1	(5,020,920)	(3,126,530)	60.6
Selling and distribution expenses		(788,996)	(1,041,321)	(24.2)	(964,013)	(2,274,056)	(57.6)
Depreciation and amortisation		(43,304)	(31,102)	39.2	(140,244)	(101,007)	38.8
Other operating expenses		(65,906)	-	-	(222,905)	-	-
Profit from operations		2,748,529	603,593	355.4	4,021,629	5,063,500	(20.6)
Finance costs		(11,138)	(13,340)	(16.5)	(26,841)	(107,275)	(75.0)
Share of results of associates, net of tax		-	-	-	-	50,212	(100.0)
Profit before tax		2,737,391	590,253	363.8	3,994,787	5,006,437	(20.2)
Income tax expense	B4	(977,466)	(318,498)	206.9	(1,726,771)	(1,309,493)	31.9
Profit from continuing operations		1,759,924	271,755	547.6	2,268,016	3,696,944	(38.7)
Discontinued Operations							
(Loss)/Profit from discontinued operations, net of tax		(529,348)	(535,591)	(1.2)	(1,408,740)	2,335,141	(160.3)
Profit/ (loss) for the period		1,230,576	(263,835)	566.4	859,277	6,032,085	(85.8)
Other comprehensive income:							
Items that may be subsequently reclassified to profit or loss:							
Exchange translation differences		-	3,133	(100.0)	234,286	(78,842)	397.2
Total comprehensive (loss)/income		1,230,576	(260,702)	572.0	1,093,563	5,953,243	(81.6)
(Loss)/profit attributable to:							
Owners of the Company		1,230,576	(417,867)	394.5	859,277	5,045,423	(83.0)
Non-controlling interest		-	154,032	(100.0)	-	986,662	(100.0)
(Loss)/profit for the period		1,230,576	(263,835)	566.4	859,277	6,032,085	(85.8)
Total comprehensive (loss)/income attributable to:							
Owners of the Company		1,230,576	(414,734)	396.7	1,093,563	4,966,581	(78.0)
Non-controlling interest		-	154,032	(100.0)	-	986,662	(100.0)
Total comprehensive (loss)/income		1,230,576	(260,702)	572.0	1,093,563	5,953,243	(81.6)
Continuing Operations							
Earnings per share attributable to owners of the Company:							
Basic	B9	0.34	0.03		0.46	0.57	
Diluted	B9	-	-		-	-	
Discontinued Operations							
Earnings per share attributable to owners of the Company:							
Basic	B9	(0.10)	(0.12)		(0.28)	0.50	
Diluted	B9	-	-		-	-	

The above unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

	Note	As at 30/9/2020 RM	As at 31/12/2019 RM (Audited)
Assets			
Property, plant and equipment	A12	2,828,002	5,377,529
Investment properties		1,144,186	2,367,554
Right of use asset		-	1,074,579
Other investment, unquoted		-	20,500
Financial investments at fair value through profit or loss		-	363,998
Goodwill on consolidation		10,338,457	10,338,457
Deferred tax assets		170,388	23,037
Non-current assets		14,481,032	19,565,654
Inventory properties		82,431,209	50,088,866
Inventories		4,640,229	8,007,768
Contract assets - accrued billings		24,725,067	19,285,503
Trade receivables		16,525,699	27,769,993
Other receivables		6,462,139	4,176,592
Tax recoverable		583,892	433,201
Short term funds		-	2,274,063
Fixed deposit with licensed banks		-	427,399
Cash and bank balances		3,215,159	11,310,456
Assets of a disposal group classified as held for sale		20,235,518	-
Current assets		158,818,912	123,773,841
Total assets		173,299,944	143,339,495
Equities and liabilities			
Share capital	A6	74,694,869	66,619,846
Treasury shares, at cost	A7	(309,477)	(2,978,779)
Foreign exchange fluctuation reserve		-	319,820
Revaluation reserve	A12	4,434,566	4,434,566
Retained earnings		28,107,178	31,029,661
Equity attributable to owners of the Company		106,927,136	99,425,114
Non-controlling interest		-	-
Total equity		106,927,136	99,425,114
Long-term borrowings	B6	-	594,448
Lease liabilities		-	620,607
Deferred tax liabilities		2,490,557	2,510,435
Non-current liabilities		2,490,557	3,725,490
Trade payables		33,785,337	20,450,679
Contract liabilities		1,204,887	3,006,570
Lease liability		-	514,090
Other payables		3,341,960	7,854,196
Amount due to related parties		7,432,417	5,523,129
Short-term borrowings	B6	-	1,767,492
Tax payable		2,691,043	1,072,735
Dividend payable		-	-
Liabilities of a disposal group classified as held for sale		15,426,606	-
Current liabilities		63,882,250	40,188,891
Total liabilities		66,372,807	43,914,381
Total equity and liabilities		173,299,944	143,339,495
		Sen	Sen
Net assets per share attributable to owners of the Company		20.17	19.98
Net tangible assets per share		18.22	17.90

The above unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

NOTE	Attributable to owners of the parent					Retained Earnings RM	Total RM	Non-Controlling Interest ("NCI") RM	Total Equity RM
	Share Capital RM	Treasury Shares RM	Foreign Exchange Fluctuation Reserve RM	Revaluation Reserve RM	Other Reserve RM				
Balance as at 1 January 2019, as previously stated	62,849,846	(2,893,864)	919,738	4,596,522	1,109,451	45,699,274	113,390,418	15,776,495	129,166,913
Prior year adjustments	-	-	(74,380)	(323,933)	(1,058,873)	(15,505,681)	(18,072,318)	(13,260,767)	(31,333,085)
Balance as at 1 January 2019, as restated	62,849,846	(2,893,864)	845,358	4,272,589	50,578	30,193,593	95,318,100	2,515,728	97,833,828
Realisation of legal reserve upon disposal of foreign associate	-	-	-	-	(50,578)	-	(50,578)	-	(50,578)
Realisation of foreign currency translation reserve upon disposal of foreign associate	-	-	(407,507)	-	-	50,578	(356,929)	-	(356,929)
Total comprehensive income for the year	-	-	(118,031)	161,977	-	2,647,929	2,691,875	777,921	3,469,796
Transactions with owners:									
Issuance of ordinary shares pursuant to private placement	3,770,000	-	-	-	-	-	3,770,000	-	3,770,000
Shares repurchased	-	(84,915)	-	-	-	-	(84,915)	-	(84,915)
Transaction costs	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	(2,352,088)	(2,352,088)	(1,920,000)	(4,272,088)
Acquisition of ownership interest of a subsidiary from non-controlling interest	-	-	-	-	-	489,649	489,649	(1,373,649)	(884,000)
Total transactions with owners	3,770,000	(84,915)	-	-	-	(1,862,439)	1,822,646	(3,293,649)	(1,471,003)
Balance as at 31 December 2019	66,619,846	(2,978,779)	319,820	4,434,566	-	31,029,661	99,425,114	-	99,425,114
Balance as at 1 January 2020, as previously stated	66,619,846	(2,978,779)	319,820	4,434,566	-	31,029,661	99,425,114	-	99,425,114
Prior year adjustments	-	-	-	-	-	-	-	-	-
Balance as at 1 January 2020, as restated	66,619,846	(2,978,779)	319,820	4,434,566	-	31,029,661	99,425,114	-	99,425,114
Realisation of foreign translation reserve upon disposal of foreign subsidiary	-	-	(554,106)	-	-	-	(554,106)	-	(554,106)
Total comprehensive income for the year	-	-	234,286	-	-	859,277	1,093,563	-	1,093,563
Transactions with owners:									
Issuance of ordinary shares	A6	8,075,023	-	-	-	-	8,075,023	-	8,075,023
Shares repurchased	A7	-	(1,112,458)	-	-	-	(1,112,458)	-	(1,112,458)
Transaction costs		-	-	-	-	-	-	-	-
Dividend paid	A8	-	3,781,760	-	-	(3,781,760)	-	-	-
Acquisition of ownership interest of a subsidiary from non-controlling interest		-	-	-	-	-	-	-	-
Total transactions with owners		8,075,023	2,669,302	-	-	(3,781,760)	6,962,565	-	6,962,565
Balance as at 30 SEPTEMBER 2020		74,694,869	(309,477)	(0)	4,434,566	-	28,107,178	106,927,136	106,927,136

The above unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.


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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
 FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

	9 MONTHS ENDED 30/9/2020 RM	9 MONTHS ENDED 30/9/2019 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation from continuing operations	3,994,787	8,011,158
Profit before taxation from discontinued operations	(1,810,171)	-
Adjustments for:		
Amortisation of other investment	20,500	307
Amortisation of land costs	82,823	-
Depreciation of Property, Plant and Equipment ("PPE")	255,824	351,885
Reversal of impairment loss on trade receivables	-	(10,693)
PPE written off	-	25,265
Gain on disposal of an associate	-	(997,258)
Gain on disposal of investment held at fair value through profit or loss	(367,053)	-
Loss on derecognition of investment held at fair value through profit or loss	224,514	-
Loss on disposal of a foreign subsidiary	70,122	-
Loss/(gain) on disposal of a PPE	(2,938)	(1)
Interest income	(49,062)	(326,273)
Inventories written off/ provision for slow moving stocks	648,088	457,189
Inventories written down	-	48,826
Interest expense	78,307	56,793
Share of results of an associate, net of tax	-	(50,212)
Unrealised gain on foreign exchange	-	-
Operating profit before working capital changes	3,145,741	7,566,985
Inventory properties	(32,259,520)	1,454,188
Inventories	108,957	29,970,884
Trade and other receivables	(1,727,208)	(19,702,248)
Trade and other payables	21,304,617	(16,429,401)
Directors	-	-
Related parties	1,909,288	819,681
Contract assets	(4,628,643)	(115)
Contract liabilities	-	1,622,967
Associates	-	-
CASH GENERATED FROM OPERATIONS	(12,146,768)	5,302,941
Tax refunded	-	2,213,263
Tax paid	(1,149,473)	(2,283,931)
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	(13,296,241)	5,232,273
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	49,062	326,273
Placement of fixed deposit	-	(8,978)
Purchase of PPE	-	(166,303)
Proceeds from disposal of an associate	-	2,907,214
Proceeds from disposal of PPE	3,250,000	-
Proceeds from disposal of investment held at fair value through profit or loss	572,443	-
Proceeds from disposal of foreign subsidiary	1,432,402	-
Uplift of fixed deposit	427,399	-
Redemption of the redeemable non-convertible preference shares in subsidiaries by non-controlling interest	-	(3,999,896)
NET CASH USED IN INVESTING ACTIVITIES	5,731,306	(941,690)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(78,307)	(56,793)
Proceed from issuance of share capital	8,075,023	-
Share buy back	(1,112,458)	(84,050)
Repayment of term loan and short term borrowing	(718,802)	(74,410)
Repayment of hire purchase and finance lease liabilities	-	(27,950)
Drawdown of hire purchase and finance lease liabilities	-	39,400
Drawdown of term loan and short term borrowing	-	1,276,000
Dividend paid to shareholders	-	(2,352,089)
Dividend paid to non-controlling interest	-	(1,104,000)
Share issuance expenses	-	(865)
Net cash inflow/(outflow) from disposal of subsidiaries	(8,969,880)	-
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	(2,804,424)	(2,384,757)
CASH AND CASH EQUIVALENTS		
Net decrease	(10,369,360)	1,905,826
As at beginning of the financial year	13,584,519	24,504,974
Effect of foreign exchange translation	-	(82,030)
As at end of the financial period	3,215,159	26,328,771
NOTE TO THE STATEMENT OF CASH FLOWS		
Cash and cash equivalents included in the statement of cash flows comprise the following:-		
Cash and bank balances	3,215,159	23,165,061
Fixed deposit with licensed banks	-	3,749,587
Less : fixed deposit pledged with licensed banks	-	(585,877)
	3,215,159	26,328,771

The above unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements.