

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 JANUARY 2013

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31-Jan-13	31-Jan-12	31-Jan-13	31-Jan-12
	RM	RM	RM	RM
Revenue	4,149,250	1,379,137	12,101,842	9,008,804
Other operating income	115,384	144,689	386,692	144,689
Operating expenses	(9,283,408)	(1,657,052)	(20,188,352)	(9,579,058)
Loss from operations	(5,018,774)	(133,226)	(7,699,818)	(425,565)
Finance costs	0	(632)	(2,550)	(3,352)
Loss before taxation	(5,018,774)	(133,858)	(7,702,368)	(428,917)
Income tax refund	1,755	0	1,755	0
Loss for the period/ year	(5,017,019)	(133,858)	(7,700,613)	(428,917)
Other comprehensive income:				
Foreign currency translation reserve, net of tax of RM Nil (2012: RM Nil)	(73,434)	117,788	(57,055)	42,912
Total comprehensive income	(5,090,453)	(16,070)	(7,757,668)	(386,005)
Loss for the period attributable to :				
Owners of the Parent	(5,017,019)	(133,858)	(7,700,613)	(428,917)
Non-Controlling Interest	0	0	0	0
	(5,017,019)	(133,858)	(7,700,613)	(428,917)
Total comprehensive income attributable to:				
Owners of the Parent	(5,090,453)	(16,070)	(7,757,668)	(386,005)
Non-Controlling Interest	0	0	0	0
	(5,090,453)	(16,070)	(7,757,668)	(386,005)
Basic earnings per ordinary share (sen)	(1.43)	(0.10)	(2.87)	(0.31)

(The unaudited condensed consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to this interim financial statements)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JANUARY 2013

	(Unaudited) Quarter ended 31-Jan-13 RM	(Audited) Year ended 31-Jan-12 RM
ASSETS		
Non-Current Assets		
Property, plant and equipment	3,318,924	2,659,458
Current Assets		
Inventories	5,239,551	4,589,542
Trade and other receivables	7,061,334	4,125,088
Tax recoverable	0	875
Cash and bank balances	5,249,069	23,926
Short term deposits with licensed bank	0	0
	17,549,954	8,739,431
TOTAL ASSETS	20,868,878	11,398,889
EQUITY		
Share capital	34,994,493	14,000,000
Share premium	95,991	550,571
Currency translation reserve	145,907	202,962
Warrants reserve	611,490	0
Accumulated losses	(16,584,227)	(8,272,124)
Merger deficit	(2,575,050)	(2,575,050)
Total equity attributable to the parent's equity holders	16,688,604	3,906,359
Non-current liabilities		
Hire purchase liabilities	0	0
Current Liabilities		
Trade and other payables	4,180,274	7,441,797
Hire-purchase liabilities	0	50,733
Total Liabilities	4,180,274	7,492,530
TOTAL EQUITY AND LIABILITIES	20,868,878	11,398,889
NTA per share attributable to equity holders of the Company -basic (RM)	0.0477	0.0279

(The unaudited condensed consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to this interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2013**

	Cumulative Current Year 31-Jan-13 RM	(Audited) Year ended 31-Jan-12 RM
Cash Flows From Operating Activities		
Loss before taxation	(7,702,368)	(428,917)
Adjustments for :-		
Depreciation and amortisation	642,625	607,585
Trade creditors written off	0	(83,952)
Inventories write-down	0	1
Gain on disposal of property, plant and equipment	(55,759)	0
Property, plant and equipment written off	303,053	0
Unrealised gain of foreign exchange difference	(10,776)	(24,914)
Impairment for trade receivables	383,035	0
Bad debts written off	18,250	0
Impairment for inventories	455,143	0
Interest income	(87,821)	0
Interest expense	2,550	3,352
Operating (loss) /profit before working capital changes	<u>(6,052,068)</u>	<u>73,155</u>
Increase in inventories	(1,105,152)	(831,195)
Increase in receivables	(3,356,834)	(95,909)
(Decrease)/Increase in payables	<u>(3,230,568)</u>	<u>962,289</u>
Cash (absorbed by)/ generated from operations	(13,744,622)	108,340
Interest paid	0	0
Income tax refund	<u>1,755</u>	<u>0</u>
Net cash (used in)/from operating activities	<u>(13,742,867)</u>	<u>108,340</u>
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(1,787,386)	0
Proceeds from disposal of property, plant and equipment	238,000	0
Interest received	<u>87,821</u>	<u>0</u>
Net cash used in investing activities	<u>(1,461,565)</u>	<u>0</u>
Cash Flows From Financing Activities		
Repayment of hire purchase liabilities	(50,733)	(99,039)
Interest paid	(2,550)	(3,352)
Proceeds from rights issue	20,994,493	0
Corporate exercises expenses relating to rights issue	(454,580)	0
Net cash from/(used in) financing activities	<u>20,486,630</u>	<u>(102,391)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR	5,282,198	5,949
CURRENCY TRANSLATION DIFFERENCE	(57,055)	(3,017)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	23,926	20,994
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u><u>5,249,069</u></u>	<u><u>23,926</u></u>
CASH AND CASH EQUIVALENTS		
Cash and bank balances	<u><u>5,249,069</u></u>	<u><u>23,926</u></u>

(The unaudited condensed consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to this interim financial statements)

FLONIC HI-TEC BHD (Company No. 655665-T)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2013**

	Attributable to Owners of the Parent								
	Share Capital	Non-Distributable		Warrants Reserve	Accumulated losses	Merger Deficit	Total	Non- Controlling Interest	Total Equity
		Share Premium	Currency translation reserve						
RM	RM	RM	RM	RM	RM	RM	RM	RM	
Balance at 1 February 2012	14,000,000	550,571	202,962	-	(8,272,124)	(2,575,050)	3,906,359	-	3,906,359
Issuance of ordinary shares arising from rights issue	20,994,493	-	-	-	-	-	20,994,493	-	20,994,493
Currency translation differences, representing net loss not recognised in income statement	-	-	(57,055)	-	-	-	(57,055)	-	(57,055)
Corporate exercises expenses relating to rights issue	-	(454,580)	-	-	-	-	(454,580)	-	(454,580)
Adjustment for fair value of warrants	-	-	-	611,490	(611,490)	-	-	-	-
Loss for the year	-	-	-	-	(7,700,613)	-	(7,700,613)	-	(7,700,613)
Balance at 31 January 2013	<u>34,994,493</u>	<u>95,991</u>	<u>145,907</u>	<u>611,490</u>	<u>(16,584,227)</u>	<u>(2,575,050)</u>	<u>16,688,604</u>	<u>0</u>	<u>16,688,604</u>

(The unaudited condensed consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to this interim financial statements)