

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 APRIL 2013**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	3 months ended		3 months ended	
	30-Apr-13	30-Apr-12	30-Apr-13	30-Apr-12
	RM	RM	RM	RM
Revenue	3,409,498	658,529	3,409,498	658,529
Other operating income	40,501	90,068	40,501	90,068
Operating expenses	(3,976,820)	(1,717,966)	(3,976,820)	(1,717,966)
<b>Loss from operations</b>	<b>(526,821)</b>	<b>(969,369)</b>	<b>(526,821)</b>	<b>(969,369)</b>
Finance costs	(84,463)	(175)	(84,463)	(175)
<b>Loss before taxation</b>	<b>(611,284)</b>	<b>(969,544)</b>	<b>(611,284)</b>	<b>(969,544)</b>
Taxation	-	-	-	-
<b>Loss for the period</b>	<b>(611,284)</b>	<b>(969,544)</b>	<b>(611,284)</b>	<b>(969,544)</b>
<b>Other comprehensive loss:</b>				
Foreign currency translation reserve, net of tax (2013: RM Nil)	-	(957)	-	(957)
<b>Total comprehensive loss for the period</b>	<b>(611,284)</b>	<b>(970,501)</b>	<b>(611,284)</b>	<b>(970,501)</b>
<b>Loss for the period attributable to :</b>				
Owners of the Parent	(611,284)	(969,544)	(611,284)	(969,544)
Non-controlling Interest	-	-	-	-
	<b>(611,284)</b>	<b>(969,544)</b>	<b>(611,284)</b>	<b>(969,544)</b>
<b>Total comprehensive loss attributable to:</b>				
Owners of the Parent	(611,284)	(970,501)	(611,284)	(970,501)
Non-controlling Interest	-	-	-	-
	<b>(611,284)</b>	<b>(970,501)</b>	<b>(611,284)</b>	<b>(970,501)</b>
Basic loss per ordinary share (sen)	(0.17)	(0.69)	(0.17)	(0.69)

(The unaudited condensed consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 January 2013 and the accompanying explanatory notes attached to this interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 APRIL 2013**

	(Unaudited) As at 30-Apr-13 RM	(Audited) As at 31-Jan-13 RM
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	4,706,953	3,318,924
Goodwill on Consolidation	3,034,333	-
<b>Current Assets</b>		
Inventories	7,953,226	5,239,551
Trade and other receivables	9,424,587	6,668,509
Short term deposits	3,750,000	-
Cash and bank balances	1,649,506	5,249,069
	<u>22,777,319</u>	<u>17,157,129</u>
<b>TOTAL ASSETS</b>	<u>30,518,605</u>	<u>20,476,053</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	34,994,493	34,994,493
Share premium	95,991	95,991
Foreign exchange translation reserve	145,907	145,907
Warrants reserve	611,490	611,490
Accumulated losses	(17,595,512)	(16,984,228)
Merger deficit	(2,575,050)	(2,575,050)
<b>Total equity attributable to the parent's equity holders</b>	15,677,319	16,288,603
<b>Non-controlling Interest</b>	1,525,126	-
<b>Total Equity</b>	<u>17,202,445</u>	<u>16,288,603</u>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Hire-purchase payables	648,161	-
<b>Current Liabilities</b>		
Trade and other payables	7,950,572	4,171,524
Amount owing to an associated company	14,871	14,871
Amount owing to directors	-	1,055
Term loan	3,750,000	-
Hire-purchase payables	118,790	-
Taxation	833,766	-
	<u>12,667,999</u>	<u>4,187,450</u>
<b>Total Liabilities</b>	13,316,160	4,187,450
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>30,518,605</u>	<u>20,476,053</u>
NTA per share attributable to equity holders of the Company -basic (RM)	0.04	0.05

(The unaudited condensed consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 January 2013 and the accompanying explanatory notes attached to this interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE PERIOD ENDED 30 APRIL 2013**

	(Unaudited) Quarter ended 30-Apr-13 RM	(Audited) Year ended 31-Jan-13 RM
<b>Cash Flows From Operating Activities</b>		
Loss before taxation	(611,284)	(8,102,369)
Adjustments for :-		
Depreciation and amortisation	165,990	642,625
Gain on disposal of property, plant and equipment	(20,573)	(57,759)
Gain on foreign exchange -unrealised	-	(1,675)
Property, plant and equipment written off	-	303,054
Loss in foreign exchange - unrealised	-	8,652
Impairment loss on trade receivables	-	783,035
Inventories written down	-	455,144
Interest income	-	(87,836)
Interest expense	84,463	6,910
Operating loss before working capital changes	<u>(381,404)</u>	<u>(6,050,219)</u>
Increase in inventories	(2,713,675)	(1,105,153)
Decrease/(Increase)in receivables	4,084,002	(3,333,433)
Decrease in payables	<u>(2,082,631)</u>	<u>(3,311,402)</u>
Cash used in operations	(1,093,708)	(13,800,207)
Interest paid	(84,463)	(6,910)
Interest received	-	87,836
Tax refund	-	2,630
Net cash used in operating activities	<u>(1,178,171)</u>	<u>(13,716,651)</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of subsidiary	(3,296,803)	-
Short term deposits	(3,750,000)	-
Purchase of property, plant and equipment	-	(1,785,386)
Proceeds from disposal of property, plant and equipment	42,700	238,000
Net cash used in investing activities	<u>(7,004,103)</u>	<u>(1,547,386)</u>
<b>Cash Flows From Financing Activities</b>		
Drawdown from term loan	3,750,000	-
Repayment of hire purchase creditors	-	(50,733)
Proceeds from rights issue	-	20,539,913
Net cash from financing activities	<u>3,750,000</u>	<u>20,489,180</u>
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(4,432,274)</b>	<b>5,225,143</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD / YEAR</b>	<b>5,249,069</b>	<b>23,926</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD / YEAR</b>	<b><u>816,795</u></b>	<b><u>5,249,069</u></b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	<b><u>1,649,506</u></b>	<b><u>5,249,069</u></b>

(The unaudited condensed consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 January 2013 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 PERIOD ENDED 30 APRIL 2013**

	Attributable to Owners of the Parent									
	Share Capital	Non-Distributable			Warrants Reserve	Accumulated losses	Merger Deficit	Total Attributable to Parent's Equity Holder	Non- Controlling Interest ("NCI")	Total Equity
		Share Premium	Foreign exchange translation reserve							
RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	
<b>Balance at 1 February 2013</b>	34,994,493	95,991	145,907	611,490	(16,984,228)	(2,575,050)	16,288,603	-	16,288,603	
Total comprehensive loss for the period	-	-	-	-	(611,284)	-	(611,284)	-	(611,284)	
NCI share of acquiree's net identifiable assets	-	-	-	-	-	-	-	1,525,126	1,525,126	
<b>Balance at 30 April 2013</b>	<u>34,994,493</u>	<u>95,991</u>	<u>145,907</u>	<u>611,490</u>	<u>(17,595,512)</u>	<u>(2,575,050)</u>	<u>15,677,319</u>	<u>1,525,126</u>	<u>17,202,445</u>	
<b>Balance at 1 February 2012</b>	14,000,000	550,571	202,962	-	(8,272,124)	(2,575,050)	3,906,359	-	3,906,359	
Issuance of shares pursuant to Right Issue with Warrants	20,994,493	-	-	-	-	-	20,994,493	-	20,994,493	
Expenses incurred in relation to Right Issue with Warrants	-	(454,580)	-	-	-	-	(454,580)	-	(454,580)	
Adjustment for fair value of warrants	-	-	-	611,490	(611,490)	-	-	-	-	
Total comprehensive loss for the year	-	-	(57,055)	-	(8,100,614)	-	(8,157,669)	-	(8,157,669)	
<b>Balance at 31 January 2013</b>	<u>34,994,493</u>	<u>95,991</u>	<u>145,907</u>	<u>611,490</u>	<u>(16,984,228)</u>	<u>(2,575,050)</u>	<u>16,288,603</u>	<u>-</u>	<u>16,288,603</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 2013 and the accompanying explanatory notes attached to this interim financial statements )