#### FLONIC HI-TEC BHD (Company No. 655665-T)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 3RD QUARTER ENDED 31 OCTOBER 2014

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	31-Oct-14 RM	31-Oct-13 RM	31-Oct-14 RM	31-Oct-13 RM
Revenue	3,768,443	11,793,873	12,028,656	24,536,256
Other operating income	59,513	60,276	356,647	208,079
Operating expenses	(4,696,127)	(8,796,545)	(14,217,608)	(20,431,153)
(Loss)/Profit from operations	(868,171)	3,057,604	(1,832,305)	4,313,182
Finance costs	(100,560)	(95,105)	(327,159)	(196,643)
(Loss)/Profit before taxation	(968,731)	2,962,499	(2,159,464)	4,116,539
Income Tax	40,000	(931,000)	90,000	(1,101,000)
(Loss)/Profit for the period	(928,731)	2,031,499	(2,069,464)	3,015,539
Other comprehensive income:				
Share of associates' other comprehensive profit	33,638	-	487,205	-
Total comprehensive (loss)/profit	(895,093)	2,031,499	(1,582,259)	3,015,539
(Loss)/Profit for the period attributable to:				
Owners of the Parent	(869,311)	(201,183)	(1,911,984)	(920,256)
Non-Controlling Interest	(59,420)	2,232,682	(157,480)	3,935,795
	(928,731)	2,031,499	(2,069,464)	3,015,539
Total comprehensive (loss)/profit attributable to:	(005.070)	(004 400)	(4.404.770)	(000.050)
Owners of the Parent	(835,673)	(201,183)	(1,424,779)	(920,256)
Non-Controlling Interest	(59,420) (895,093)	2,232,682 2,031,499	(157,480) (1,582,259)	3,935,795 3,015,539
	(030,030)	2,001,400	(1,502,255)	0,010,009
Basic loss per ordinary share (sen)	(0.21)	(0.06)	(0.36)	(0.25)

(The unaudited condensed consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 January 2014 and the accompanying explanatory notes attached to this interim financial statements)

# <u>UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2014</u>

	(Unaudited) As at 31-Oct-14 RM	(Audited) As at 31-Jan-14 RM
ASSETS		
Non-Current Assets		
Property, plant and equipment	6,759,075	7,553,234
Investment in associated company	776,668	-
Goodwill on consolidation	3,124,277	3,124,277
Current Assets		
Inventories	6,116,025	5,972,867
Trade receivables	7,021,580	11,048,241
Amount due from contract customers	3,486,789	447,179
Other receivables, deposits and prepayment	1,130,826	267,274
Fixed Deposit with a licensed bank	300,000	-
Cash and bank balances	1,451,293	5,041,341
	19,506,513	22,776,902
TOTAL ASSETS	30,166,533	33,454,413
EQUITY AND LIABILITIES		
Share capital	19,980,062	19,980,062
Share premium	1,384,855	1,384,855
Warrants reserve	547,433	547,433
Foreign exchange translation reserve	145,907	145,907
Merger deficit	(2,575,050)	(2,575,050)
Accumulated Losses	(6,825,130)	(5,400,351)
Total equity attributable to the owners of the Company	12,658,077	14,082,856
Non-controlling Interests	2,839,333	3,971,008
Total Equity	15,497,410	18,053,864
Non-current liablities	_	
Term loan	3,543,469	3,791,210
Hire-purchase payables	449,665	554,098
Deferred tax liabilities	78,313	101,497
	7 0,0 10	,
Current Liabilities		
Trade payables	4,267,705	5,867,534
Amount due to contract customers	2,467,429	783,594
Other payables and accruals  Amount owing to associated companies	1,168,222 464,580	1,313,964 14,871
Hire-purchase payables	137,170	124,312
Term loan	294,141	251,337
Bank overdraft	917,659	917,295
Current tax liabilities	880,770	1,680,837
	10,597,676	10,953,744
Total Liabilities	14,669,123	15,400,549
TOTAL EQUITY AND LIABILITIES	30,166,533	33,454,413
NTA per share attributable to equity holders of the Company -basic (RM)	0.03	0.04

(The unaudited condensed consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 January 2014 and the accompanying explanatory notes attached to this interim financial statements)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 31 OCTOBER 2014

CLOSS  From Operating Activities   CLOSS  From Investing Activities   CLOSS  Flow From Investing Activities   CLOSS  Flow From Enancing Activities   CLOSS  Flow From Financing Activities   CLOSS  Flow Fro		Cumulative 9 months ended 31-Oct-14 RM	Cumulative 9 months ended 31-Oct-13 RM
Adjustments for :-   Depreciation   Depreciation   Depreciation   Depreciation   196.643   196	Cash Flows From Operating Activities		
Depreciation   706,439   696,810   Interest expense   327,159   196,643   Cash on disposal of property, plant and equipment   - (20,573)   Operating (loss)/profit before working capital changes   (1,125,866)   4,989,419   (Increase)/Decrease in inventories   (143,158)   528,582   Increases in receivables   (2,618,047)   (3,591,891)   Increase)/Decrease) in payables   1,572,003   (1,190,224)   Increase)/Decrease) in payables   1,572,003   (1,190,224)   Increase)/Decrease) in payables   480,000   - (107,663)   (196,643)   Tay paid   (410,688)   (234,799)   Increase)/Decrease) in payables   (410,688)   (234,799)   Increase for poetic plant of the paid of the	· · · ·	(2,159,464)	4,116,539
Interest expense			
Gain on disposal of property, plant and equipment         — (20,573)           Operating (loss)/profit before working capital changes         (1,125,866)         4,989,419           (Increase)/Decrease in invertories         (2,618,047)         (3,591,891)           Increase in receivables         (2,618,047)         (3,591,891)           Increase in receivables         (2,315,068)         (7,58,886)           Increase/(Decrease) in payables         (2,315,068)         735,886           Dividend received         450,000         -           Interest paid         (107,663)         (196,643)           Tax paid         (410,698)         (234,799)           Net cash (used in)/from operating activities         (2,383,429)         304,444           Cash Flows From Investing Activities           Net cash outflow from acquisition of a subsidiary company         9(36,910)         -           Perceeds from disposal of a subsidiary company         (936,910)         -           Proceeds from disposal of property, plant and equipment         (1,649)         (4,817,959)           Proceeds from disposal of property, plant and equipment         2         2(2,937,97)           Cash Flows From Financing Activities           Drawdown from term loan         (20,937,91)         (5,860,09) <t< td=""><td>·</td><td></td><td></td></t<>	·		
Operating (loss)/profit before working capital changes         (1,125,866)         4,989,419           (Increase)/Decrease in inventories         (143,158)         528,582           Increase in receivables         (2,218,047)         (3,591,891)           Increase (Decrease) in payables         1,572,003         (1,190,224)           Cash (absorbed by)/generated from operations         (2,315,068)         735,886           Dividend received         450,000         -           Interest paid         (107,663)         (196,643)           Tax paid         (410,698)         (234,799)           Net cash (used in)/from operating activities         -         (3,292,650)           Net cash outflow from acquisition of a subsidiary company         -         (3,292,650)           Deemed disposal of a subsidiary company         -         (3,292,650)           Purchase of property, plant and equipment         (13,649)         (4,817,959)           Proceeds from disposal of property, plant and equipment         -         42,700           Net cash used in investing activities         -         7,850,000           Repayment of term loan         -         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -	•	327,159	
(Increase)/Decrease in inventories         (143,158)         528,582           Increase (Increase in receivables         (2,618,047)         (3,591,891)           Increase (Increase) in peyables         (2,315,068)         735,886           Dividend received         450,000         -           Interest paid         (107,663)         (198,643)           Tax paid         (410,698)         (234,799)           Net cash (used in)/from operating activities         (2,383,429)         304,444           Cash Flows From Investing Activities           Net cash outflow from acquisition of a subsidiary company         -         (3,292,650)           Deemed disposal of a subsidiary company         (936,910)         (4,817,959)           Purchase of property, plant and equipment         (13,649)         (4,817,959)           Proceeds from disposal of property, plant and equipment         -         42,700           Net cash used in investing activities         (950,559)         (8,067,909)           Cash Flows From Financing Activities           Drawdown from term loan         -         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (204,937)         (16,666)           Interest paid         (21,549)		- (1, 105, 000)	
Increase in receivables   (2,618,047)   (3,591,891)   Increase/(Decrease)   in payables   1,572,003   (1,190,224)   (1,190,224)   (2,315,086)   (3,591,891)   (1,190,224)   (2,315,086)   (3,500,000   -1, 2,100,000   -1, 2		·	
Increase/(Decrease) in payables	,		
Cash (absorbed by)/generated from operations         (2,315,068)         735,886           Dividend received         450,000         -           Interest paid         (107,663)         (196,643)           Tax paid         (410,698)         (234,799)           Net cash (used in)/from operating activities         (2,383,429)         304,444           Cash Flows From Investing Activities           Net cash outflow from acquisition of a subsidiary company         (936,910)         -           Purchase of property, plant and equipment         (13,649)         (4,817,959)           Proceeds from disposal of property, plant and equipment         -         42,700           Net cash used in investing activities         (950,559)         (8,067,909)           Cash Flows From Financing Activities           Drawdown from term loan         -         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         -         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash rom financing activities         43,576         8,506,5		·	
Dividend received			
Interest paid			730,886
Tax paid         (410,698)         (234,799)           Net cash (used in)/from operating activities         (2,383,429)         304,444           Cash Flows From Investing Activities           Net cash outflow from acquisition of a subsidiary company         -         (3,292,650)           Deemed disposal of a subsidiary company         (936,910)         -           Purchase of property, plant and equipment         (13,649)         (4,817,959)           Proceeds from disposal of property, plant and equipment         -         42,700           Net cash used in investing activities         (950,559)         (8,067,909)           Cash Flows From Financing Activities           Drawdown from term loan         -         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         9         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash trom financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           CASH AND CASH EQUIVALENTS AT T			(106 642)
Net cash (used in)/from operating activities         (2,383,429)         304,444           Cash Flows From Investing Activities         (3,292,650)           Net cash outflow from acquisition of a subsidiary company         (936,910)         -           Purchase of property, plant and equipment         (13,649)         (4,817,959)           Proceeds from disposal of property, plant and equipment         -         42,700           Net cash used in investing activities         (950,559)         (8,067,909)           Cash Flows From Financing Activities         -         7,850,000           Prawdown from term loan         -         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         -         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           DURING THE FINANCIAL PERIOD         4,124,046         5,249,069           FINANCIAL PERIOD         833,634         5,992,160	·		
Cash Flows From Investing Activities           Net cash outflow from acquisition of a subsidiary company         (3,292,650)           Deemed disposal of a subsidiary company         (936,910)         -           Purchase of property, plant and equipment         (13,649)         (4,817,959)           Proceeds from disposal of property, plant and equipment         -         42,700           Net cash used in investing activities         (950,559)         (8,067,909)           Cash Flows From Financing Activities           Drawdown from term loan         7,850,000         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         -         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           DURING THE FINANCIAL PERIOD         4,124,046         5,249,069           CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD         833,634         5,992,160           CASH AND			
Net cash outflow from acquisition of a subsidiary company         -         (3,292,650)           Deemed disposal of a subsidiary company         (936,910)         -           Purchase of property, plant and equipment         (13,649)         (4,817,959)           Proceeds from disposal of property, plant and equipment         -         42,700           Net cash used in investing activities         (950,559)         (8,067,909)           Cash Flows From Financing Activities         -         7,850,000           Breayment of term loan         -         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         -         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD         4,124,046         5,249,069           CASH AND CASH EQUIVALENTS         3,634         5,992,160           CASH AND CASH EQUIVALENTS         3,763,26	Net cash (used infinion) operating activities	(2,303,423)	307,777
Net cash outflow from acquisition of a subsidiary company         -         (3,292,650)           Deemed disposal of a subsidiary company         (936,910)         -           Purchase of property, plant and equipment         (13,649)         (4,817,959)           Proceeds from disposal of property, plant and equipment         -         42,700           Net cash used in investing activities         (950,559)         (8,067,909)           Cash Flows From Financing Activities         -         7,850,000           Breayment of term loan         -         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         -         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD         4,124,046         5,249,069           CASH AND CASH EQUIVALENTS         3,634         5,992,160           CASH AND CASH EQUIVALENTS         3,763,26	Cash Flows From Investing Activities		
Deemed disposal of a subsidiary company   Purchase of property, plant and equipment   C13,649   C4,817,959   Proceeds from disposal of property, plant and equipment   C2,700   Cash used in investing activities   C3,000   C3,00	_	-	(3.292.650)
Purchase of property, plant and equipment         (13,649)         (4,817,959)           Proceeds from disposal of property, plant and equipment         -         42,700           Net cash used in investing activities         (950,559)         (8,067,909)           Cash Flows From Financing Activities         -         7,850,000           Breadyment of term loan         -         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         -         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           DURING THE FINANCIAL PERIOD         4,124,046         5,249,069           FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD         4,145,1,293         2,228,897           Cash and bank balances         1,451,293         2,228,897           Short term deposits         -         3,763,263		(936,910)	-
Proceeds from disposal of property, plant and equipment         -         42,700           Net cash used in investing activities         (950,559)         (8,067,909)           Cash Flows From Financing Activities         -         7,850,000           Breawdown from term loan         -         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         -         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           DURING THE FINANCIAL PERIOD         4,124,046         5,249,069           FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS         1,451,293         2,228,897           Short term deposits         -         3,763,263           Fixed deposit with a licensed bank         300,000         -           Bank O		, ,	(4,817,959)
Net cash used in investing activities         (950,559)         (8,067,909)           Cash Flows From Financing Activities         -         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         -         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD         4,124,046         5,249,069           CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS         3,763,263         5,992,160		-	
Cash Flows From Financing Activities           Drawdown from term loan         - 7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         - 733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           DURING THE FINANCIAL PERIOD         4,124,046         5,249,069           FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS         1,451,293         2,228,897           Short term deposits         - 3,763,263           Fixed deposit with a licensed bank         300,000         -           Bank Overdraft         (917,659)         -		(950,559)	
Drawdown from term loan         -         7,850,000           Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         -         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD         4,124,046         5,249,069           CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS         833,634         5,992,160           CASH AND CASH EQUIVALENTS         1,451,293         2,228,897           Short term deposits         -         3,763,263           Fixed deposit with a licensed bank         300,000         -           Bank Overdraft         (917,659)         -			
Repayment of term loan         (204,937)         (16,666)           Interest paid         (219,496)         -           Advances from an associated company         559,584         -           Proceeds from rights issue         -         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           DURING THE FINANCIAL PERIOD         4,124,046         5,249,069           FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS         1,451,293         2,228,897           Short term deposits         -         3,763,263           Fixed deposit with a licensed bank         300,000         -           Bank Overdraft         (917,659)         -	Cash Flows From Financing Activities		
Interest paid	Drawdown from term loan	-	7,850,000
Advances from an associated company         559,584         -           Proceeds from rights issue         -         733,092           Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           DURING THE FINANCIAL PERIOD         4,124,046         5,249,069           FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS         1,451,293         2,228,897           Short term deposits         -         3,763,263           Fixed deposit with a licensed bank         300,000         -           Bank Overdraft         (917,659)         -	Repayment of term loan	(204,937)	(16,666)
Proceeds from rights issue   - 733,092	·	The state of the s	-
Repayment of hire purchase creditors         (91,575)         (59,870)           Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS         (3,290,412)         743,091           DURING THE FINANCIAL PERIOD         4,124,046         5,249,069           FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS         1,451,293         2,228,897           Short term deposits         -         3,763,263           Fixed deposit with a licensed bank         300,000         -           Bank Overdraft         (917,659)         -	• •	559,584	-
Net cash from financing activities         43,576         8,506,556           NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD         (3,290,412)         743,091           CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD         4,124,046         5,249,069           CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS         2         2,228,897           Cash and bank balances         1,451,293         2,228,897           Short term deposits         -         3,763,263           Fixed deposit with a licensed bank         300,000         -           Bank Overdraft         (917,659)         -		-	*
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD  CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD  CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD  CASH AND CASH EQUIVALENTS Cash and bank balances Cash and bank balances Short term deposits Fixed deposit with a licensed bank Bank Overdraft  (3,290,412)  743,091  743,091  743,091  743,091  743,091  743,091  743,091  743,091  743,091  743,091  743,091  743,091  743,091  743,091  743,091  743,091  743,091			
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD  CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD  CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD  CASH AND CASH EQUIVALENTS  Cash and bank balances  Short term deposits  Fixed deposit with a licensed bank  Bank Overdraft  A,124,046  5,249,069  5,992,160  1,451,293 2,228,897 3,763,263	Net cash from financing activities	43,576	8,506,556
FINANCIAL PERIOD           CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS         3,763,263           Cash and bank balances         1,451,293         2,228,897           Short term deposits         -         3,763,263           Fixed deposit with a licensed bank         300,000         -           Bank Overdraft         (917,659)         -	·	(3,290,412)	743,091
FINANCIAL PERIOD         833,634         5,992,160           CASH AND CASH EQUIVALENTS         30,000         2,228,897           Cash and bank balances         1,451,293         2,228,897           Short term deposits         -         3,763,263           Fixed deposit with a licensed bank         300,000         -           Bank Overdraft         (917,659)         -		4,124,046	5,249,069
Cash and bank balances       1,451,293       2,228,897         Short term deposits       -       3,763,263         Fixed deposit with a licensed bank       300,000       -         Bank Overdraft       (917,659)       -		833,634	5,992,160
Cash and bank balances       1,451,293       2,228,897         Short term deposits       -       3,763,263         Fixed deposit with a licensed bank       300,000       -         Bank Overdraft       (917,659)       -	CASH AND CASH EQUIVALENTS		
Short term deposits         -         3,763,263           Fixed deposit with a licensed bank         300,000         -           Bank Overdraft         (917,659)         -		1,451,293	2,228,897
Fixed deposit with a licensed bank         300,000         -           Bank Overdraft         (917,659)         -	Short term deposits	, ,	
Bank Overdraft (917,659) -	·	300,000	-
	·	(917,659)	
			5,992,160

(The unaudited condensed consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 January 2014 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 31 OCTOBER 2014

Attributable to Owners of the Parent Non-Distributable Total equity Non-Warrants Share Share Capital Foreign exchange **Accumulated** Merger Attributable to Controlling Total Capital Premium Reserve translation Reserve losses Deficit the Parent's Interest Equity **Equity Holders** reserve RM RM RM RM RM RM RM RM RM Balance at 1 February 2014 19.980.062 1.384.855 145.907 547.433 (5,400,351)(2,575,050)14.082.856 3,971,008 18.053.864 Total comprehensive loss for the period (1,424,779)(1,424,779)(157,480)(1,582,259)Deemed disposal of a subsidiary company (974, 195)(974, 195) Balance at 31 October 2014 19,980,062 1,384,855 145,907 547,433 (6,825,130) (2,575,050) 12,658,077 2,839,333 15,497,410 Balance at 1 February 2013 34,994,493 95,991 145,907 611,490 (16,984,228) (2,575,050)16,288,603 16,288,603 Loss after taxation, representing total comprehensive loss for the year (5,913,369) 2,576,864 (5,913,369)(3,336,505)NCI Share of acquiree's net identifiable assets 1,334,144 1,334,144 Subscription of shares in subsidiary company 240,000 240,000 by NCI Dividend paid (180,000)(180,000)Issuance of ordinary shares pursuant to subscription of warrants 733,091 733.091 733.091 Private placement of new ordinary shares 1,749,724 1,224,807 2,974,531 2,974,531 **Exercised of Warrants** 64,057 (64,057)Par value reduction (17,497,246)17,497,246 Elimination of accumulated losses 17,497,246 (17,497,246)Balance at 31 January 2014 19,980,062 1,384,855 145,907 547,433 (5,400,351) (2,575,050) 14,082,856 3,971,008 18,053,864

<sup>(</sup>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 2014 and the accompanying explanatory notes attached to this interim financial statements)