

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 4TH QUARTER ENDED 31 JANUARY 2016**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31-Jan-16</b>	<b>31-Jan-15</b>	<b>31-Jan-16</b>	<b>31-Jan-15</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Revenue	3,515,805	3,557,194	17,786,536	15,585,850
Cost of sales	(1,649,145)	(4,720,905)	(14,821,399)	(15,606,888)
Gross profit	<u>1,866,660</u>	<u>(1,163,711)</u>	<u>2,965,137</u>	<u>(21,038)</u>
Other operating income	(88,792)	59,326	1,343,860	415,973
Operating expenses	(3,910,068)	(5,548,639)	(7,379,898)	(8,880,264)
<b>Loss from operations</b>	<u>(2,132,200)</u>	<u>(6,653,024)</u>	<u>(3,070,901)</u>	<u>(8,485,329)</u>
Share of result in associated company	126,582	210,128	491,647	697,333
Finance costs	(86,483)	(92,697)	(306,162)	(419,856)
<b>Loss before taxation</b>	<u>(2,092,101)</u>	<u>(6,535,593)</u>	<u>(2,885,416)</u>	<u>(8,207,852)</u>
Income Tax	50,258	130,000	50,258	220,000
<b>Loss for the period / Total comprehensive loss</b>	<u>(2,041,843)</u>	<u>(6,405,593)</u>	<u>(2,835,158)</u>	<u>(7,987,852)</u>
<b>Loss for the period attributable to:</b>				
Owners of the Parent	(2,583,019)	(5,262,215)	(3,974,474)	(6,686,994)
Non-Controlling Interest	<u>541,176</u>	<u>(1,143,378)</u>	<u>1,139,316</u>	<u>(1,300,858)</u>
	<u>(2,041,843)</u>	<u>(6,405,593)</u>	<u>(2,835,158)</u>	<u>(7,987,852)</u>
<b>Total comprehensive loss attributable to:</b>				
Owners of the Parent	(2,583,019)	(5,262,215)	(3,974,474)	(6,686,994)
Non-Controlling Interest	<u>541,176</u>	<u>(1,143,378)</u>	<u>1,139,316</u>	<u>(1,300,858)</u>
	<u>(2,041,843)</u>	<u>(6,405,593)</u>	<u>(2,835,158)</u>	<u>(7,987,852)</u>
Basic loss per ordinary share (sen)	(0.32)	(0.66)	(0.50)	(0.84)

(The unaudited condensed consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 January 2015 and the accompanying explanatory notes attached to this interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 JANUARY 2016**

	(Unaudited) As at 31-Jan-16 RM	(Audited) As at 31-Jan-15 RM
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	2,455,950	7,475,339
Investment in associated company	530,442	666,796
Other investments	1,085,500	-
Goodwill on consolidation	-	2,082,851
<b>Current Assets</b>		
Inventories	3,063,428	4,534,976
Trade receivables	2,975,253	5,285,697
Amount due from contract customers	-	449,865
Other receivables, deposits and prepayment	355,540	983,578
Amount due from associated company	480,000	-
Fixed Deposits with a licensed bank	21,000,000	23,446,885
Cash and bank balances	629,305	2,062,928
	<b>28,503,526</b>	<b>36,763,929</b>
<b>TOTAL ASSETS</b>	<b>32,575,418</b>	<b>46,988,915</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	39,952,934	39,952,934
Share premium	8,815,293	8,815,293
Warrants reserve	1,106,144	1,106,144
Foreign exchange translation reserve	145,907	145,907
Merger deficit	(2,575,050)	(2,575,050)
Accumulated Losses	(18,198,392)	(14,223,918)
<b>Total equity attributable to the owners of the Company</b>	<b>29,246,836</b>	<b>33,221,310</b>
<b>Non-controlling Interests</b>	<b>-</b>	<b>1,166,780</b>
<b>Total Equity</b>	<b>29,246,836</b>	<b>34,388,090</b>
<b>Non-current liabilities</b>		
Term loan	-	3,556,444
Hire-purchase payables	-	423,391
<b>Current Liabilities</b>		
Trade payables	2,414,589	4,483,633
Amount due to contract customers	-	240,443
Other payables and accruals	913,993	1,235,350
Amount owing to associated company	-	254,444
Amount owing to directors	-	317,952
Hire-purchase payables	-	131,677
Term loan	-	255,314
Bank overdraft	-	967,838
Current tax liabilities	-	734,339
	<b>3,328,582</b>	<b>8,620,990</b>
<b>Total Liabilities</b>	<b>3,328,582</b>	<b>12,600,825</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>32,575,418</b>	<b>46,988,915</b>
NTA per share attributable to equity holders of the Company		
- basic (RM)	0.037	0.042

(The unaudited condensed consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 January 2015 and the accompanying explanatory notes attached to this interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 31 JANUARY 2016**

	<b>Cumulative Current Year 31-Jan-16 RM</b>	<b>Audited Year Ended 31-Jan-15 RM</b>
<b>Cash Flows From Operating Activities</b>		
Loss before taxation	(2,885,416)	(8,055,569)
Adjustments for :-		
Bad debts written off	101,465	2,564
Depreciation	628,657	997,846
Impairment loss on property, plant and equipment	670,038	260,799
Impairment loss on trade receivables	-	1,788,500
Impairment on goodwill	-	1,041,426
Interest expense	306,162	437,577
Inventories written down	107,254	993,918
Loss on foreign exchange - unrealised	-	16,987
Deposit received written off	(130,678)	-
Recoverable of impairment loss on receivables	(749,763)	-
Gain on disposal of property, plant and equipment	(5,000)	-
Share of result of an associated company	(491,647)	(697,333)
Interest income	(738,113)	(211,613)
<i>Operating loss before working capital changes</i>	(3,187,041)	(3,424,898)
(Increase) / Decrease in inventories	(639,541)	443,973
Decrease in receivables	447,674	510,436
Increase / (Decrease) in payables	43,990	(279,039)
<i>Cash absorbed by operations</i>	(3,334,918)	(2,749,528)
Interest paid	(129,686)	(437,577)
Interest received	738,113	211,613
Tax paid	(357,165)	(608,474)
<i>Net cash used in operating activities</i>	(3,083,656)	(3,583,966)
<b>Cash Flows From Investing Activities</b>		
Net cash outflow from acquisition of NCI	(30)	-
Acquisition of NCI	-	(2,625,000)
Dividend received from an associated company	448,000	680,000
Net cash outflow from deemed disposal of a subsidiary company	-	(936,401)
Purchase of property, plant and equipment	(445,304)	(1,282,119)
Proceeds from disposal of property, plant and equipment	9,000	-
Impairment loss on available for sale investment	336,504	-
Net cashflow from disposal of subsidiary company	4,487,468	-
Purchase of investments	(1,422,004)	-
<i>Net cash generated from / (used in) investing activities</i>	3,413,634	(4,163,520)
<b>Cash Flows From Financing Activities</b>		
Repayment of term loan	(281,339)	(230,789)
Proceed from issuance of share capital	-	27,962,021
Interest paid	(176,476)	-
(Repayment to) / Advances from an associated company	(554,444)	239,573
(Repayment to) / Advances from directors	(2,131,895)	317,952
Repayment of hire purchase payables	(98,494)	(123,342)
<i>Net cash (used in) / generated from financing activities</i>	(3,242,648)	28,165,415
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	(2,912,670)	20,417,929
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	24,541,975	4,124,046
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<b>21,629,305</b>	<b>24,541,975</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	629,305	2,062,928
Fixed deposits with a licensed bank	21,000,000	23,446,885
Bank Overdraft	-	(967,838)
	<u>21,629,305</u>	<u>24,541,975</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 2015 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 2016**

	Attributable to Owners of the Company								Total Equity RM
	Share Capital RM	Share Premium RM	Non-Distributable		Merger Deficit RM	Accumulated losses RM	Attributable to Owners of the Company RM	Non- Controlling Interest RM	
			Foreign exchange translation reserve RM	Warrants Reserve RM					
<b>Balance at 1 February 2015</b>	39,952,934	8,815,293	145,907	1,106,144	(2,575,050)	(14,223,918)	33,221,310	1,166,780	34,388,090
Total comprehensive loss for the year	-	-	-	-	-	(3,974,474)	(3,974,474)	1,139,316	(2,835,158)
Acquisition of NCI	-	-	-	-	-	-	-	(30)	(30)
Disposal of subsidiary companies								(2,306,066)	(2,306,066)
<b>Balance at 31 January 2016</b>	<u>39,952,934</u>	<u>8,815,293</u>	<u>145,907</u>	<u>1,106,144</u>	<u>(2,575,050)</u>	<u>(18,198,392)</u>	<u>29,246,836</u>	<u>-</u>	<u>29,246,836</u>
<b>Balance at 1 February 2014</b>	19,980,062	1,384,855	145,907	547,433	(2,575,050)	(5,400,351)	14,082,856	3,971,008	18,053,864
Total comprehensive loss for the year	-	-	-	-	-	(6,732,402)	(6,732,402)	(1,296,199)	(8,028,601)
Deemed disposal of a subsidiary company	-	-	-	-	-	-	-	(974,194)	(974,194)
Acquisition of NCI	-	-	-	-	-	(2,091,165)	(2,091,165)	(533,835)	(2,625,000)
Issuance of ordinary shares pursuant to Right Issue with Warrants	19,972,872	7,430,438	-	558,711	-	-	27,962,021	-	27,962,021
<b>Balance at 31 January 2015</b>	<u>39,952,934</u>	<u>8,815,293</u>	<u>145,907</u>	<u>1,106,144</u>	<u>(2,575,050)</u>	<u>(14,223,918)</u>	<u>33,221,310</u>	<u>1,166,780</u>	<u>34,388,090</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 2015 and the accompanying explanatory notes attached to this interim financial statements )