

**Unaudited Condensed Consolidated Balance Sheet**  
as at 31 March 2008

	Note	As at 31.03.08 RM'000 unaudited	As at 30.06.2007 RM'000 audited (restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A 11	5,531	5,900
Investment properties		2,033	2,049
Prepaid lease payments		419	426
Goodwill on consolidation		1,436	1,436
		<u>9,419</u>	<u>9,811</u>
<b>Current assets</b>			
Amount due from contract customers		623	1,616
Inventory		7,888	7,207
Trade receivables		23,385	25,928
Other receivables, deposits and prepayments		15,341	15,976
Development expenditure		10,339	8,074
Tax recoverable		113	124
Fixed deposits with licensed banks		1,199	1,246
Cash and bank balances		2,762	2,621
		<u>61,650</u>	<u>62,792</u>
<b>TOTAL ASSETS</b>		<u><u>71,069</u></u>	<u><u>72,603</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		40,000	40,000
Share premium		4,186	4,186
Reserves		1,724	1,724
Retained profit / (Accumulated loss)		(14,288)	(12,883)
		<u>31,622</u>	<u>33,027</u>
<b>Minority interest</b>		<u>5,788</u>	<u>5,486</u>
<b>Total equity</b>		<u><u>37,410</u></u>	<u><u>38,513</u></u>

**Unaudited Condensed Consolidated Balance Sheet**  
as at 31 March 2008

	As at 31.03.08 RM'000 unaudited	As at 30.06.2007 RM'000 audited (restated)
<b>Non current liabilities</b>		
Hire purchase	227	385
Deferred taxation	128	128
	<u>355</u>	<u>513</u>
<b>Current liabilities</b>		
Amount due to contract customers	1,428	1,493
Trade payables	22,318	24,033
Other payables	5,150	5,225
Bills payable	350	218
Hire purchase and lease payables	227	274
Bank overdrafts	3,915	2,239
Provision for taxation	(84)	95
	<u>33,304</u>	<u>33,577</u>
<b>Total liabilities</b>	<u>33,659</u>	<u>34,090</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>71,069</u>	<u>72,603</u>
<b>Net tangible assets per share (RM)</b>	<u>0.75</u>	<u>0.79</u>
<b>Net assets per share attributable to ordinary equity holders of the parents (RM)</b>	<u>0.79</u>	<u>0.83</u>

The unaudited condensed consolidated balance sheet should be read in conjunction with the Financial Statements for the year ended 30<sup>th</sup> June 2007

**Unaudited Condensed Consolidated Income Statement  
for the period ended 31 MARCH 2008**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months Current Year Quarter 31.03.08 RM'000 unaudited	3 months Preceding Year Corresponding Quarter 31.03.07 RM'000 unaudited	9 months Current Year To Date 31.03.08 RM'000 unaudited	9 months Preceding Year To Date 31.03.07 RM'000 unaudited
<b>Continuing Operations</b>				
Revenue	6,008	5,072	19,343	22,108
Cost of sales	<u>(5,051)</u>	<u>(3,238)</u>	<u>(15,720)</u>	<u>(17,404)</u>
Gross profit	957	1,834	3,623	4,704
Other income	51	46	87	247
Selling & distribution expenses	(88)	(112)	(314)	(277)
Administrative expenses	(1,099)	(1,064)	(3,301)	(3,347)
Other expenses	(242)	(163)	(551)	(490)
Finance cost	<u>(84)</u>	<u>(54)</u>	<u>(219)</u>	<u>(173)</u>
Profit /(Loss) before taxation	(505)	487	(675)	664
Tax expense	<u>6</u>	<u>2</u>	<u>(264)</u>	<u>(355)</u>
Profit /(loss) for the period from continuing operation	(499)	489	(939)	309
<b>Discontinued Operations</b>				
Profit / (loss) for the period from a discontinued operation	(4)	(4)	(14)	(12)
<b>Profit /(loss) for the period</b>	<u><u>(503)</u></u>	<u><u>485</u></u>	<u><u>(953)</u></u>	<u><u>297</u></u>
Attributable to:				
Equity holders of the parent	(644)	499	(1,405)	(156)
Minority interests	<u>141</u>	<u>(14)</u>	<u>452</u>	<u>453</u>
	<u><u>(503)</u></u>	<u><u>485</u></u>	<u><u>(953)</u></u>	<u><u>297</u></u>
Basic earnings per ordinary share (sen) Based on 40,000,000 ordinary shares	(1.61)	1.25	(3.51)	(0.39)
Proposed / Declared Dividend per share (sen)	-	-	-	-

The unaudited condensed consolidated income statement should be read in conjunction with the Financial Statements for the year ended 30<sup>th</sup> June 2007

**Unaudited Condensed Consolidated Statement of Change in Equity**  
for the period ended 31 March 2008

	----- Attributable to Equity Holders of the Parent -----				Total	Minority Interest	Total Equity
	-- Non-distributable --		Distributable				
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Unappropriated Losses RM'000	RM'000	RM'000	RM'000
<b>Balance as at 1st July 2007</b>	40,000	4,186	1,724	(12,883)	33,027	5,486	38,513
Loss for the period	-	-	-	(1,405)	(1,405)	452	(953)
Dividend paid to minority interest	-	-	-	-	-	(150)	(150)
<b>Balance as at 31th March 2008</b>	<u>40,000</u>	<u>4,186</u>	<u>1,724</u>	<u>(14,288)</u>	<u>31,622</u>	<u>5,788</u>	<u>37,410</u>
<b>Balance as at 1st July 2006</b>	40,000	4,186	1,717	(12,218)	33,685	5,143	38,828
Loss for the year	-	-	-	(665)	(665)	490	(175)
Dividend paid to minority interest	-	-	-	-	-	(150)	(150)
Effects of changes in tax rates on revaluation reserve	-	-	7	-	7	3	10
<b>Balance as at 30th June 2007 (restated)</b>	<u>40,000</u>	<u>4,186</u>	<u>1,724</u>	<u>(12,883)</u>	<u>33,027</u>	<u>5,486</u>	<u>38,513</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the Financial Statements for the year ended 30<sup>th</sup> June 2007

**Unaudited Condensed Consolidated Cash Flow Statement**  
for the period ended 31 March 2008

	9 months Current Year To Date 31-03-08 RM'000 unaudited	12 months Preceding Year To Date 30-06-07 RM'000 audited (Restated)
<b>Cash flows from operating activities</b>		
Profit / (loss) before taxation	(689)	270
Adjustments for :		
Depreciation	401	669
Provision for doubtful debts	-	239
Provision for doubtful debts written back	-	(108)
Bad debts written (back) / off	146	1
(Gain) / loss on disposal of property, plant and equipment	-	(50)
Interest expenses	227	353
Interest income	(32)	(57)
Property, plant and equipment written off	2	6
Operating profit / (loss) before working capital changes	<u>55</u>	<u>1,323</u>
(Increase) / Decrease in working capital :		
Inventories	(681)	(380)
Amount due from contract customers	993	600
Amount due to contract customers	(65)	(584)
Trade and other receivables	3,032	7,182
Development expenditure	(2,265)	(288)
Trade and other payables	(1,790)	(5,199)
Cash generated from / (used in) operation	<u>(721)</u>	<u>2,654</u>
Interest paid	(227)	(353)
Income tax refund	2	111
Income tax paid	(434)	(512)
Net cash from / (used in) operating activities	<u>(1,380)</u>	<u>1,900</u>
<b>Cash Flows from investing activities</b>		
Interest received	32	57
Proceeds from disposal of property, plant and equipment	-	50
Purchase of property, plant and equipment	(11)	(99)
Withdrawal / (Placement) of fixed deposits	47	470
Net cash (used in) / from investing activities	<u>68</u>	<u>478</u>
Balance carried forwards	(1,312)	2,378

**Unaudited Condensed Consolidated Cash Flow Statement  
for the period ended 31 March 2008**

Balance brought forward	(1,312)	2,378
<b>Cash flows from financing activities</b>		
Drawdown/(Repayment) of bankers' acceptances	132	(1,139)
Dividends paid to minority shareholders	(150)	(150)
Drawdown of hire purchase	-	50
Repayment of hire purchase	(205)	(404)
Net cash used in financing activities	<u>(223)</u>	<u>(1,643)</u>
Net increase/(decrease) in cash and cash equivalents	(1,535)	735
Cash and cash equivalents at beginning of year	382	(353)
Cash and cash at 31 March (i)	<u><u>(1,153)</u></u>	<u><u>382</u></u>

**(i) Cash and cash equivalents**

Cash and cash equivalents comprise the following balance sheet amounts :

	31/03/2008	30/06/2007
	RM000	RM000
Cash and bank balances	2,762	2,621
Bank overdrafts	(3,915)	(2,239)
	<u>(1,153)</u>	<u>382</u>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the Financial Statements for the year ended 30<sup>th</sup> June 2007

**A1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with the Financial Reporting Standards ("FRS") No. 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad's listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2007. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30 June 2007.

**A2. Changes in accounting policies**

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 30<sup>th</sup> June 2007 except for the following new and revised Financial Reporting Standards ("FRS") that are effective for financial period beginning on and after 1 October 2006:-

FRS 117	Lease
FRS 124	Related Party Disclosures

The Group has not adopted FRS 139 Financial Instruments: Recognition and Measurements as its effective date has been deferred.

The adoption of the above standards does not have any significant financial impact on the Group except for the followings: -

**FRS 117 : Lease**

Prior to 1 July 2007, the Group's leasehold land held for own use was classified as property, plant and equipment and was stated as cost / valuation less accumulated depreciation and impairment losses. The adoption of the revised FRS 117 resulted in a change in the accounting policy relating to the classification of leasehold land and building separately from Property, plant and equipment. Leases of land and buildings are classified as operating or finance leases in the same way as leases of the other assets. Leasehold land held for own use is now classified as operating lease. The upfront payments for leasehold land represent prepaid lease payments and are amortised on a straight-line basis over the lease term. The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively and the comparatives in the balance sheet have been restated.

The following comparative amounts have been restated due to the adoption of the new FRS.

	Previously Stated RM'000	Adjustment RM'000	Restated RM'000
At 30 June 2007			
Property, plant & equipment	6,326	(426)	5,900
Prepaid lease payments	-	426	426

**A3. Audit Report of Preceding Annual Financial Statements**

The audited annual financial statements for the year ended 30<sup>th</sup> June 2007 were not subject to any qualification.

**A4. Seasonal or cyclical factors**

The business of the Group was not affected by any significant seasonal or cyclical fluctuations.

**A5. Unusual Items**

There were no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cashflows of the Group during the financial period under review other than those disclosed in this interim condensed financial statements.

**A6. Changes in Estimates**

There were no changes in estimate of amount reported in the current quarter or changes in estimate of amount reported in prior financial years that have a material effect in the current quarter under review.

**A7. Debt and equity securities**

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, share held as treasury shares and resale of treasury shares for the period under review.

**A8. Dividends paid**

No dividend was paid during the period from 1<sup>st</sup> July 2007 to 31<sup>st</sup> March 2008. (30<sup>th</sup> June 2007: NIL).





**10. Continuing and discontinuing operations**

The discontinuing operation represents the cessation of the manufacturing operation.

	<b>Continuing Operation</b>	<b>Discontinuin g Operation</b>	<b>Elimination</b>	<b>Group</b>
<b><u>Revenue</u></b>				
Revenue from external customers	19,343	-		19,343
Inter-segment revenue	2,493	-	(2,493)	-
Total revenue	21,836	-	(2,493)	19,343
<b><u>Results</u></b>				
Segment Results	(488)	(6)	-	(494)
Unallocated expenses	-	-		-
Net interest expense	(186)	(9)		(195)
Profit/(loss) before tax	(674)	(15)	-	(689)
Taxation	(264)	-	-	(264)
Profit/(loss) After tax	(938)	(15)	-	(953)

**A11. Property, plant and equipment**

The valuations of land and buildings have been brought forward, without amendment from the previous annual audited financial statements.

**A12. Material events subsequent to the end of the interim period**

There were no material events subsequent to the current financial quarter ended 31<sup>st</sup> March 2008 up to the date of this report which is likely to substantially affect the results of the operations of the Group.

**A13. Changes in composition of the Group**

There were no material changes in the composition of the Group for the current quarter and financial year-to-date.

**A14. Changes in contingent liabilities**

There is no material changes on contingent liabilities other than those highlighted in the financial report for the year ended 30<sup>th</sup> June 2007.

***Performance Bonds***

The Performance Bonds issued has reduced from RM1,858,888.20 as at 30<sup>th</sup> June 2007 to RM462,584.16 as at 31<sup>st</sup> March 2008.

***Litigation***

There were no material changes on the counterclaims filed by a debtor as reported in the financial statements for the year ended 30<sup>th</sup> June 2007.

**GRAND HOOVER BHD** (10493-P)

Note to the interim financial report

**A15. Capital commitments**

RM'000

**Property, plant and equipment**

Authorised but not contracted for

NIL

Contracted but not provided for in the financial statements

15,000

**B1. Review of performance**

The Group's financial performance for the period ended 31 March 2008 has declined from a profit before tax of RM652,000 in the preceding year to loss before tax of RM689,000.

Due to competition of construction related products, the trading division has also recorded a lower revenue and profit compared to the preceding year.

The group has commenced its property development which will yield better return the next quarter together with its construction division.

**B2. Variation of results against preceding quarter**

For the quarter under review, the Group made a loss before tax of RM509,000 as compared to a loss before tax of RM10,000 in the immediate preceding quarter.

The loss was mainly due to a lower revenue generated by the group to cover its administrative expenses

**B3. Current financial year prospects**

The Group's business is mainly in the construction of residential properties and trading of building materials. Barring any unforeseen circumstances, the Group's result is expected to be challenging in the next financial year.

**B4. Taxation**

	RM'000
Current year taxation	264
	-----
	264
	=====

The provision of taxation was derived from profit made on trading segment.

**B5. Status of corporate proposal announced**

Status of corporate proposals announced but not completed as at 30<sup>th</sup> May 2008 are:

- a) Proposed Acquisition of A Parcel of Land From Perbadanan Kemajuan Negeri Kedah ("PKNK") For A Total Cash Consideration of RM20,000,000.00

As per the announcement made to the Bursa Malaysia Securities Bhd. on 17<sup>th</sup> July 2006, PKNK and the Company had by way of exchange of letters mutually agreed to vary certain terms and conditions of the Sale and Purchase Agreement dated 7<sup>th</sup> May 2003. The matter is now pending PKNK to transfer 100 acres of land in favour of the Company in consideration of the part payment paid by the Company.

**B5. Status of corporate proposal announced (cont'd)**b) Proposed Employees' Share Option Scheme ("ESOS") and Proposed Grant of ESOS to Certain Directors.

Due to depressed share price, the Proposed ESOS and Proposed Grant of ESOS to Certain Directors have yet to be implemented.

**B6. Group borrowings and debt securities**

All the borrowings of the Group are in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000
BANK OVERDRAFT		
Repayable within the next 12 months	3,915	-
BILLS PAYABLE	-	350
HIRE PURCHASE		
Repayable within the next 12 months	227	
Repayable after the next 12 months	227	
	-----	-----
Total:	4,369	350
	=====	=====

**B7. Off balance sheet financial instruments**

There were no financial instruments with off balance sheet risk for the current financial period to date.

**B8. Changes in material litigation**

Material litigations as at 30<sup>th</sup> May 2008 are: -

## a) L'Grande Development Sdn Bhd ("LGD") vs Puncak Alam Housing Sdn Bhd ("PAH") (formerly known as Bukit Cerakah Development Sdn Bhd)

I) Kuala Lumpur High Court Civil Suit No S3-22-240-2000 ("S3 Suite")

The Registrar informed the parties that the new judge will be arriving in March 2008. All parties has been directed to file the Statement of Agreed Facts and Principal Issues to be Tried into court on or before 21<sup>st</sup> April 2008. All parties also required to prepare their list of witnesses.

The next case management is fixed on 30 June 2008

## **GRAND HOOVER BHD** (10493-P)

### Additional Information Requested by the Bursa Malaysia Listing Requirements

#### **B8. Changes in material litigation (cont'd)**

II) Kuala Lumpur High Court Civil Suit No.(S1)S5-22-241-2000 ("S5 Suite' )

There were no material developments in this case since the last quarterly report.

- b) L'Grande Development Sdn Bhd ("LGD") and Hoover Tiling Trading Sdn Bhd ("HTT")  
vs  
Perbadanan Perwira Harta Malaysia ("PPHM");  
Mutiara Rini Sdn Bhd ("MR") and  
Boustead Johan Edaran Sdn Bhd ("BJE")  
(KL High Court Suit No: S4(S2)-22-444-02)

The trial of the case has been reschedule to 3 to 5 November 2008

- c) Boustead Johan Edaran Sdn Bhd ("BJE") vs  
1) L'Grande Development Sdn Bhd ("LGD")  
2) Grand Hoover Berhad

There were no material developments in this case since the last quarterly report.

- d) Sunway PMI – Pile Construction Sdn. Bhd. ("SPMI") vs  
L' Grande Development Sdn. Bhd. ("LGD")

The case management has been postponed to 19 August 2008.

- e) L'Grande Development Sdn Bhd ("LGD") vs Perembajaya Engineering Sdn Bhd ("PESB")

i) Shah Alam High Court Suit No. MT1-22-208-2007

There were no material developments in this case since the last quarterly report.

ii) Shah Alam High Court Suit No. MT1-22-207-2007

There were no material developments in this case since the last quarterly report.

- f) Separate Civil Suit by Grand Hoover Berhad ('GHB') against Konsep Karisma Sdn Bhd ('KKSB')

KL High Court Originating Summons No. D4 – 24 – 138 – 2007 (the "Injunction Application") and KL High Court Suite No. S3 – 22-492-2007 (Counter claim petition)

The case management for the S3 case has been fixed on 12 August 2008.

- g) L'Grande Construction Sdn Bhd ("LGC") vs Jabat Yakin Sdn Bhd ("JYSB")

On 13 March 2008, the honorable judge has allowed the Repondents solicitor request for an adjournment to allow JYSB propose settlement.

The matter has been fixed for hearing on 24 June 2008.

#### **B9. Dividends**

No interim dividend was declared during the period from 1<sup>st</sup> July 2007 to 31<sup>st</sup> March 2008 (30<sup>th</sup> June 2007: NIL).

**GRAND HOOVER BHD** (10493-P)

Additional Information Requested by the Bursa Malaysia Listing Requirements

**B10. Earnings per share**

***Basic earnings per share***

The calculation of basic earning per share for the quarter is based on the loss for the period of RM1,405,000 and the number of ordinary shares in issue during the quarter of 40,000,000.