

**Unaudited Condensed Consolidated Statement of Financial Position
as at 30 June 2010**

	Note	As at 30.06.10 RM'000 unaudited	As at 30.06.09 RM'000 audited (restated)
ASSETS			
Non-current assets			
Property, plant and equipment	A 10	6,188	5,486
Investment properties		2,160	2,080
Prepaid lease payments		484	409
Land held for property development		8,745	8,745
Goodwill on consolidation		1,436	1,436
Deferred tax assets		30	-
		<u>19,043</u>	<u>18,156</u>
Current assets			
Inventories		12,873	6,535
Property development costs		-	12,689
Trade receivables		16,844	12,997
Accrued billings		-	185
Other receivables, deposits and prepayments		995	203
Fixed deposits with licensed banks		1,945	21
Cash and bank balances		5,017	5,013
		<u>37,674</u>	<u>37,643</u>
		<u>56,717</u>	<u>55,799</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		40,000	40,000
Share premium		4,186	4,186
Reserves		1,170	620
Retained profit / (Accumulated loss)		(6,460)	(11,097)
		<u>38,896</u>	<u>33,709</u>
Minority Interest		6,317	6,213
Total equity		<u>45,213</u>	<u>39,922</u>

**Unaudited Condensed Consolidated Statement of Financial Position
as at 30 June 2010**

	As at 30.06.10 RM'000 unaudited	As at 30.06.2009 RM'000 audited (restated)
Non current liabilities		
Hire purchase creditors	517	392
Deferred taxation	271	244
	<u>788</u>	<u>636</u>
Current liabilities		
Trade payables	7,324	10,468
Other payables and accruals	2,551	4,388
Hire purchase creditors	126	128
Bank overdraft	-	68
Provision for taxation	715	189
	<u>10,716</u>	<u>15,241</u>
Total liabilities	<u>11,504</u>	<u>15,877</u>
TOTAL EQUITY AND LIABILITIES	<u>56,717</u>	<u>55,799</u>
Net tangible assets per share (RM)	<u>0.94</u>	<u>0.81</u>
Net assets per share attributable to ordinary equity holders of the parents (RM)	<u>0.97</u>	<u>0.84</u>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the Audited Financial Statements for the year ended 30th June 2009

**Unaudited Condensed Consolidated Statement of Comprehensive Income
for the period ended 30 June 2010**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months Current Year Quarter 30.06.10 RM'000 unaudited	3 months Preceding Year Corresponding Quarter 30.06.09 RM'000 audited (restated)	12 months Current Year To Date 30.06.10 RM'000 unaudited	12 months Preceding Year To Date 30.06.09 RM'000 audited (restated)
Revenue	12,903	9,873	50,230	48,756
Cost of sales	<u>(10,536)</u>	<u>(8,265)</u>	<u>(37,899)</u>	<u>(39,256)</u>
Gross profit	2,367	1,608	12,331	9,500
Other income	381	274	437	577
Administrative expenses	(1,548)	(1,994)	(5,981)	(6,483)
Finance cost	(9)	(10)	(38)	(54)
Profit /(Loss) before taxation	<u>1,191</u>	<u>(122)</u>	<u>6,749</u>	<u>3,540</u>
Tax expense	<u>(342)</u>	<u>(479)</u>	<u>(1,589)</u>	<u>(1,304)</u>
Profit /(loss) for the period	<u><u>849</u></u>	<u><u>(601)</u></u>	<u><u>5,160</u></u>	<u><u>2,236</u></u>
Attributable to:				
Equity holders of the parent	703	(693)	4,637	1,734
Minority interest	146	92	523	502
	<u><u>849</u></u>	<u><u>(601)</u></u>	<u><u>5,160</u></u>	<u><u>2,236</u></u>
Basic earnings per ordinary share (sen) Based on 40,000,000 ordinary shares	1.76	(1.73)	11.59	4.34

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the Audited Financial Statements for the year ended 30th June 2009

**Unaudited Condensed Consolidated Statement of Change in Equity
for the period ended 30 June 2010**

	----- Attributable to Equity Holders of the Parent -----				Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Unappro. Profit/ (Loss) RM'000			
Balance as at 1st July 2009	40,000	4,186	620	(11,097)	33,709	6,213	39,922
Profit / (loss) for the period	-	-	-	4,637	4,637	523	5,160
Dividend paid to minority interest	-	-	-	-	-	(482)	(482)
Revaluation surplus arising during the year	-	-	550	-	550	63	613
Balance as at 30th June 2010	<u>40,000</u>	<u>4,186</u>	<u>1,170</u>	<u>(6,460)</u>	<u>38,896</u>	<u>6,317</u>	<u>45,213</u>
Balance as at 1st July 2008 (restated)	40,000	4,186	1,642	(13,842)	31,986	5,773	37,759
Profit for the year	-	-	-	1,735	1,735	502	2,237
Dividend paid to minority interest	-	-	-	-	-	(63)	(63)
Effects of changes in tax rates on revaluation reserves	-	-	(12)	-	(12)	1	(11)
Realisation upon disposal of shares in subsidiary	-	-	(1,010)	1,010	-	-	-
Balance as at 30th June 2009 (restated)	<u>40,000</u>	<u>4,186</u>	<u>620</u>	<u>(11,097)</u>	<u>33,709</u>	<u>6,213</u>	<u>39,922</u>
Dividend distribution per ordinary share							

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the Audited Financial Statements for the year ended 30th June 2009

**Unaudited Condensed Consolidated Statement of Cash Flows
for the period ended 30 June 2010**

	12 months Current Year To Date 30-06-10 RM'000 unaudited	12 months Preceding Year To Date 30-06-09 RM'000 audited (Restated)
Cash flows from operating activities		
Profit before taxation	6,749	3,540
Adjustments for :		
Non - cash items	532	978
Non - operating items - investing	350	600
Non - operating items - financing	8	(149)
Operating profit / (loss) before working capital changes	<u>7,639</u>	<u>4,969</u>
(Increase) / Decrease in working capital :		
Net Change in operating assets	1,365	(2,200)
Net Change in operating liabilities	(4,981)	3,354
Cash generated from / (used in) operation	<u>4,023</u>	<u>6,123</u>
Interest paid	(38)	(219)
Income tax refund	-	13
Income tax paid	(1,167)	(1,334)
Net cash from / (used in) operating activities	<u>2,818</u>	<u>4,583</u>
Cash Flows from investing activities		
Interest received	30	12
Proceeds from disposal of property, plant and equipment	140	85
Receipt from insurance compensation	126	
Proceeds from disposal of subsidiary, net of cash disposed	-	715
Purchase of property, plant and equipment	(759)	(669)
Net cash (used in) / from investing activities	<u>(463)</u>	<u>143</u>
Balance carried forwards	2,355	4,726

**Unaudited Condensed Consolidated Statement of Cash Flows
for the period ended 30 June 2010**

Balance brought forward	2,355	4,726
Cash flows from financing activities		
Drawdown /(Repayment) of bankers' acceptances	-	(1,078)
Dividends paid to minority shareholders	(482)	(63)
Drawdown of hire purchase	477	403
Repayment of hire purchase	(354)	(178)
Repayment of Istisna Fund	-	(611)
Net cash used in financing activities	<u>(359)</u>	<u>(1,527)</u>
Net increase /(decrease) in cash and cash equivalents	1,996	3,199
Cash and cash equivalents at beginning of year	4,966	1,767
Cash and cash at 30 June (i)	<u><u>6,962</u></u>	<u><u>4,966</u></u>

(i) Cash and cash equivalents

Cash and cash equivalents comprise the following balance sheet amounts :

	30/06/2010	30/06/2009
	RM'000	RM'000
Cash and bank balances	5,017	5,013
Deposit with licensed banks	1,945	21
Bank overdrafts	-	(68)
	<u>6,962</u>	<u>4,966</u>

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the Audited Financial Statements for the year ended 30th June 2009

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 2009. 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 2009.

A2. Changes in accounting policies

The significant accounting policies, method of computation and basis of consolidation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 30th June 2009 except that the Group has adopted the Malaysian Financial Reporting Standards (FRSs) that are effective for financial statements commencing 1 July 2009 (FRS 8, Operating Segments).

FRS 8, Operating Segments

Prior to the adoption of FRS 8, the Group's segment reporting was based on a primary reporting format of business segments and a secondary reporting format of geographical segments. With the adoption of FRS 8, the Group's segment reporting has been prepared based on the segment information provided to the Managing Directors.

The Group has not early adopted the following new and revised FRS and Interpretations, which were issued but not effective for the financial year ended 30th June 2010 : -

Effective for financial periods beginning on or after 1 January 2010

- FRS 4: Insurance Contracts
- FRS 7: Financial Instruments: Disclosures
- FRS 101: Presentation of Financial Statements (revised)
- FRS 123: Borrowing Costs
- FRS 139: Financial Instruments: Recognition and Measurement
- Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- Amendments to FRS 2: Share-based Payment- Vesting Conditions and Cancellations
- Amendments to FRS 132: Financial Instruments: Presentation (Paragraphs 95A, 97AA and 97AB)
- Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and IC Interpretation 9: Reassessment of Embedded Derivatives
- Amendments to FRSs 'Improvements to FRSs (2009)'
- IC Interpretation 9: Reassessment of Embedded Derivatives
- IC Interpretation 10: Interim Financial Reporting and Impairment
- IC Interpretation 11: FRS2- Group and Treasury Share Transactions
- IC Interpretation 13: Customer Loyalty Programmes
- IC Interpretation 14: FRS 119- The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- TR i- 3: Presentation of Financial Statements of Islamic Financial Institutions

Effective for financial periods beginning on or after 1 March 2010

- Amendments to FRS 132: Financial Instruments: Presentation (Paragraphs 11, 16 and 97E)

Effective for financial periods beginning on or after 1 July 2010

- FRS 1: First-time Adoption of Financial Reporting Standards
- FRS 3: Business Combinations (revised)
- FRS 127: Consolidated and Separate Financial Statements (amended)
- Amendments to FRS 2: Share-based Payment

A2. Changes in accounting policies (cont'd)

Amendments to FRS 5: Non-Current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138: Intangible Assets
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives
IC Interpretation 12: Service Concession Arrangements
IC Interpretation 15: Agreements for the Construction of Real Estate
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17: Distributions of Non-cash Assets to Owners

Effective for financial periods beginning on or after 1 January 2011

Amendments to FRS 1: First-time Adoption of Financial Reporting Standards- Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 7: Financial Instruments Disclosures- Improving Disclosures about Financial Instruments

The new FRSs, Amendments to FRSs and Interpretations above are expected to have no significant impact on the financial statements of the Group upon their initial application except for the changes in disclosures arising from the adoption of FRS 7 and FRS 139.

The Group is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139

A3. Audit Report of Preceding Annual Financial Statements

The audited annual financial statements for the year ended 30th June 2009 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. However, the trading division was marginally affected by the current competitive environments.

A5. Unusual Items

There were no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flows 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 1st July 2009 to 30th June 2010. (30th June 2009: NIL).

GRAND HOOVER BHD (10493-P)

Note to the interim financial report

A9. Segment information

Segment information is presented in respect of the Group's business segments.

	Investment & Services	Property Development	Construction	Trading	Manufacturing	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>							
Revenue from external customers	8	19,907		30,315	-		50,230
Inter-segment revenue	1,737	42	6,370	17	-	(8,166)	-
Total revenue	1,745	19,949	6,370	30,332	-	(8,166)	50,230
<u>Results</u>							
Segment Results	1,345	4,469	711	2,193	(5)	(1,955)	6,758
Unallocated expenses	-	-	-	-	-	-	-
Net interest expense	472	(477)	-	(1)	(3)		(9)
Profit/(loss) before tax	1,817	3,992	711	2,192	(8)	(1,955)	6,749
Taxation	(143)	(958)	-	(611)	-	123	(1,589)
Profit/(loss) After tax	1,674	3,034	711	1,581	(8)	(1,832)	5,160

GRAND HOOVER BHD (10493-P)
Note to the interim financial report

A10. Property, plant and equipment

The valuations of land and buildings have been revalued based on professional valuations made by Mr D.B. Das Gupta, a Chartered Surveyor and Registered Valuer of Messrs Stocker Roberts & Gupta, on an open market value basis conducted in 28th June 2010.

A11. Material events subsequent to the end of the interim period

On 18 August 2010, the Company's wholly-owned subsidiary, Hoover Builders Sdn Bhd ("Hoover Builders") entered into a sale and purchase agreement ("SPA") with Khoo Tenh Lye and Wong Huey Shyan ("Vendors") for the proposed acquisition of a piece of freehold agricultural land in Mukim Semenyih, Sungai Rinching, Daerah Hulu Langat, Selangor measuring approximately 2.681 hectares (6.625 acres) for a total cash consideration of RM4,905,900-00 ("the Acquisition")

The Acquisition is pending the payment of balance purchase price by Hoover Builders Sdn. Bhd. to the Vendor within three (3) months for the SPA date.

A12. 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.

A13. Changes in contingent liabilities

There is no material changes on contingent liabilities other than those highlighted in the financial report for the year ended 30th June 2009.

Performance Bonds

Total performance bonds was issued during the period from 1st July 2009 to 30th June 2010 is RM6,575.00 (30th June 2009: RM20,000.00).

A14. Capital commitments

	RM'000
Property, plant and equipment	
Authorised but not contracted for	4,900
Contracted but not provided for in the financial statements	NIL

GRAND HOOVER BHD (10493-P)

Additional Information Requested by the Bursa Malaysia Listing Requirements

B1. Review of performance

The Group's financial performance for the year ended 30th June 2010 has reported a profit before tax of RM6,749,000 compared with the corresponding period of the preceding year profit before tax of RM3,540,000. The higher profit was due to higher contribution from property division.

B2. Variation of results against preceding quarter

For the quarter under review, the Group made a profit before tax of RM1,191,000 as compared to a profit before tax of RM1,016,000 in the immediate preceding quarter.

The profit was contributed by the property and trading divisions. The higher profit was attributable to higher revenue generated from the both divisions as compared to immediate preceding quarter.

B3. Current financial year prospects

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

B4. Taxation

	RM'000
Current year taxation	1,694
Over provision of taxation in prior year	(1)
Deferred taxation	(104)

	1,589
	=====

The provision of taxation relates to profit made on property and trading segment.

B5. Status of corporate proposal announced

Status of corporate proposals announced but not completed as at 18th August 2010 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 16th December 2008, 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 7th May 2003 ("SPA").

The variation to the SPA reduces the Company's acquisition to only 125 acres instead of the 500 acres of the Land for a total cash consideration of RM5,000,000 which has been paid in full and PKNK is to identify and transfer the 125 acres to the Company in a block title.

On 16 May 2010, PKNK informed the Company that Pejabat Tanah Kulim will be issuing individual titles for the land to the Company.

GRAND HOOVER BHD (10493-P)

Additional Information Requested by the Bursa Malaysia Listing Requirements

B6. Group borrowings and debt securities

All the borrowings of the Group are in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000
HIRE PURCHASE		
Repayable within the next 12 months	126	
Repayable after the next 12 months	517	
	-----	-----
Total:	643	-
	=====	=====

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 18th August 2010 are as follows:-

KL Originating summons No. D4-24-138-2007

Konsep Karisma Sdn. Bhd. ('KKSB') suing against Grand Hoover Berhad ('GHB') for consultancy fees of RM1,631,615 for project under appointment letter dated 23rd May 2003.

Separate Civil Suit by Grand Hoover Berhad ('GHB') against Konsep Karisma Sdn Bhd ('KKSB') KL High Court Suite No. S3 – 22-492-2007 for damages for breach of contract and/or negligence, and for a declaration that KKSB's alleged claim for fees against GHB is invalid.

The Court has fixed the trial date at 26, 27, 28 and 31 January 2011

B9. Dividends

No interim dividend was declared during the period from 1st July 2009 to 30th June 2010 (30th June 2009: NIL).

B10. Earnings per share***Basic earnings per share***

The calculation of basic earnings per share for the quarter is based on the profit for the period attributable to equity holders of the parent of RM4,637,000 and the number of ordinary shares in issue during the quarter of 40,000,000.