

SUMMARY OF KEY MATTERS DISCUSSED AT THE 14TH ANNUAL GENERAL MEETING (“AGM”) OF GRAND-FLO BERHAD (“GRAND-FLO” OR “THE COMPANY”) HELD ON TUESDAY, 30 MAY 2017 AT 12.00 P.M.

Q1. What are the challenges and competition faced by the Group’s Enterprise Data Collection and Collation System (“EDCCS”) division?

There are various challenges faced by the EDCCS division, amongst others, the general economy slowdown and the weak Malaysian currency that resulted in many customers delaying their capital expenditure last year. Some had even consolidated their operations in this region and relocated their main operations out of the country, such as Thailand. These factors contributed to the decline in EDCCS division’s performance for the financial year ended 31 December 2016, against financial year ended 31 December 2015. We had recorded good performance for this EDCCS division for the financial year ended 31 December 2015 due to the implementation of Goods and Services Tax (GST).

Moving forward in 2017, we expect better result this year as can be seen from our quarter 1 results and orders in hand.

Q2. Please update us on the progress of the Vortex Business Park project (“Project”).

We are pleased to announce that the Project has completed successfully with a take-up rate of 86% in Phase 1 and is now waiting for the CCC from the authorities. We are confident that the take-up rate for the remaining units will improve in line with the accelerated developments in the neighbouring areas, and the property sector’s eventual uptrend.

Q3. What is the status of the extension of profit guarantee period?

As announced by the Company on 5 May 2017, the extended profit guarantee has been achieved by the vendors of Innoceria Sdn Bhd in the financial year ended 31 December 2016. Hence the matter on the extension of profit guarantee period has been completed.