

Grand-Flo enters fledging Vietnam tracking solutions industry

- *Broader geographical footprint in Malaysia, Thailand, Singapore and Vietnam*
- *To tap growing tracking solutions demand spurred by more MNC facilities in Vietnam*

Bangkok, Thailand. 9 April 2008 – Integrated tracking solutions provider **Grand-Flo Solution Berhad** (“Grand-Flo”, “the Group”) has set up presence in Vietnam, with its Thai-listed associate Simat Technologies Public Company Limited (“Simat”) today signing a Sale and Purchase Agreement to acquire 40% equity stake each in Sino Company Limited (“Sino”) - a tracking solutions provider, and High Rich Trading & Service Company Limited (“High Rich”) - a labels manufacturer, for a total investment of RM2.4 million cash.

This acquisition marks the Group’s fourth direct presence in the South East Asian region after Malaysia, Thailand and Singapore.

The agreement was signed in Bangkok; signing on behalf of Simat was Thongkam Manasilapapan, Chief Executive Officer of Simat, while Mr. Nguyen Quyet Thang, President of Sino & High Rich signed on behalf of the acquired companies.

Based in Ho Chi Minh city, Sino is in the business of providing tracking solution systems, while High Rich specializes in barcode labels manufacturing. With over 12 years of experience in the industry, both Sino and High Rich are pioneer players in their respective market segments with a wide base of multinational customers with facilities in Vietnam.

After the signing, the balance 60% of the acquired companies is held by the vendors and founders, Mr Thang and his related parties.

Derrick Tan, Grand-Flo’s Group Managing Director commented: “We are pleased to mark our foray into this emerging economy, as there is a growing demand for tracking solutions in the country. Among the main factors driving this growth is the increasing inflow of foreign direct investment into Vietnam, backed by more multinational companies setting up their facilities there. Noteworthy, Vietnam is becoming increasingly popular as an alternative manufacturing hub to China.”

“This is evident from the increasing number of customer requests through our local clientele to provide tracking solutions in Vietnam,” Tan added.

According to the Ministry of Planning and Investment of Vietnam, the Foreign Direct Investment (“FDI”) capital inflow for Vietnam is expected to reach US\$14.5 billion in 2008, growing 11.5% from last year’s estimated US\$13 billion.

Tan explained further about the rationale of the acquisition: “This acquisition enables us to not only leverage on the acquired companies’ knowledge of the Vietnam tracking solutions industry but also tap into their distribution channel, ensuring an instantaneous entry into the Vietnamese market at a low entry cost. With this acquisition, we are a step closer towards becoming a truly regional player.”

Under the agreement, Sino and High Rich will provide a combined profit guarantee of about RM2.2 million over a period of two years. With a total valuation of about RM6.0 million for both companies, this works out to an earnings multiple of about 5.5 times. The acquisition will be financed by Simat’s internally generated funds, which will be paid in three tranches within two years.

Mr. Thang, President of Sino and High Rich commented: “This partnership with a reputable entity like Grand-Flo is certainly a significant development for us, as we stand to gain from the technological knowhow of the parent company, giving us the competitive edge over the other local tracking solution players. Traditionally, we have been strong in the manufacturing sector. With the partnership, we will be able to tap into the Group’s wider regional customer base in other industries such as electronics and FMCGs, and more importantly their broader product offerings.”

After the acquisition, the Group will introduce some of its existing solutions into Sino’s product line, such as the Sales Force Automation System and Field Force Automation System, both sales-end support systems. At the same, the Group will also bring in higher end barcode labels printing solutions currently produced in Malaysia and Thailand to High Rich.

Concluding, Tan said: “With the integration we aim to cement the enlarged Group’s market position in the fast moving consumer goods and retail sector in Vietnam.”

About Grand-Flo Solution Berhad

Grand-Flo Solution Berhad (“Grand-Flo”), listed on the MESDAQ Market of Bursa Malaysia, is a leading player in the tracking solutions industry in the region. The Group has established direct presence in Malaysia, Singapore, Thailand and most recently Vietnam. Also the Group has extended its distribution network to Indonesia.

Grand-Flo's proprietary suite of solutions, "ManageSuite", facilitates asset tracking and sales force automation, and enables automated collation of real time data using barcode technology to assist enterprises in improving business efficiency.

To date, Grand-Flo's wide customer portfolio in Malaysia and Thailand comprises established multinational corporations, large conglomerates, reputable retail chains, Governments and healthcare industries.

More information about Grand-Flo can be found at www.grand-flo.com

About Sino Company Limited("Sino") and HighRich Company Limited ("HighRich") (Vietnam)

Established in 1995, Sino is in the business of providing tracking solutions and HighRich specializes in the manufacturing of labels, both are market leaders in their respective industries.

Headquartered in Ho Chi Minh city, Sino has over 50 dedicated employees with market presence in three key indo-china markets in Vietnam, Laos and Cambodia.

Sino's customer base includes local and multinational companies from the manufacturing, , electronics, fast moving consumer goods, logistics, oil and gas, health care, telecommunications, and the furniture industries. **About Simat Technologies Public Company Limited ("Simat") (Thailand)**

Recently listed on the Market Of Alternative of the Thai Stock Exchange, Simat is one the leading tracking solutions providers in Thailand with over 12 years of experience in the industry. Simat is a 36.75% associated company of Grand-Flo Solution Berhad, a leading tracking solutions player in the region.

To date, Simat is backed by almost 170 employees with strong presence across major cities in Thailand. Simat also markets its solutions to the Indo-China markets.

Simat has strategic partnerships with world renowned data capture technology providers such as Intermec, Symbol, Zebra, Hand Held, Swisslog, Cisco Systems, IBM, and Dell.

More information about Simat can be found at www.simat.co.th