

**GPRO TECHNOLOGIES BERHAD**  
**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE TWELVE MONTH YEAR ENDED 31 DECEMBER 2006**  
**THIS QUARTERLY REPORT HAS BEEN REVIEWED BY GPRO'S EXTERNAL AUDITORS**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER ENDED 31/12/2006 RM	PRECEDING YEAR	CURRENT YEAR TO DATE 31/12/2006 RM	(AUDITED)
		CORRESPONDING		PRECEDING YEAR
		QUARTER ENDED 31/12/2005 RM		CORRESPONDING YEAR ENDED 31/12/2005 RM
Revenue	2,463,634	2,339,063	9,960,573	12,592,513
Cost of sales	(946,262)	(735,604)	(3,173,052)	(2,699,151)
<b>Gross profit</b>	<b>1,517,372</b>	<b>1,603,459</b>	<b>6,787,521</b>	<b>9,893,362</b>
Other income	63,923	222,274	512,371	568,576
Selling and distribution costs	(1,058,201)	(707,411)	(4,500,307)	(3,068,216)
Administration expenses	(973,802)	(1,693,514)	(4,382,063)	(5,438,559)
Other expenses	(2,509,320)	(3,335,975)	(5,293,517)	(3,904,171)
Finance cost	(2,738)	(13,684)	(14,555)	(28,691)
<b>Loss before tax</b>	<b>(2,962,766)</b>	<b>(3,924,851)</b>	<b>(6,890,550)</b>	<b>(1,977,699)</b>
Income tax expense	-	(1,248)	-	(1,248)
<b>Loss for the period</b>	<b>(2,962,766)</b>	<b>(3,926,099)</b>	<b>(6,890,550)</b>	<b>(1,978,947)</b>
Attributable to:				
Equity holders of the parent	(2,921,836)	(3,918,856)	(6,755,347)	(2,146,247)
Minority interest	(40,930)	(7,243)	(135,203)	167,300
	<u>(2,962,766)</u>	<u>(3,926,099)</u>	<u>(6,890,550)</u>	<u>(1,978,947)</u>
<b>Loss per share attributable to equity holders of the parent (sen):</b>				
Basic	(1.17)	(1.57)	(2.70)	(0.86)
Diluted	-	-	-	-

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

**GPRO TECHNOLOGIES BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**AS AT 31 DECEMBER 2006**  
**THIS QUARTERLY REPORT HAS BEEN REVIEWED BY GPRO'S EXTERNAL AUDITORS**

	AS AT 31-Dec-06 RM	(AUDITED) AS AT 31-Dec-05 RM
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,212,303	1,473,978
Research and development expenditure	11,408,417	9,121,847
Goodwill on consolidation	4,226,949	4,224,471
	<u>16,847,669</u>	<u>14,820,296</u>
<b>Current assets</b>		
Inventories	4,109,523	4,905,633
Trade receivables	11,438,481	11,749,023
Other Receivables	2,017,764	2,290,059
Taxation recoverable	178,995	132,079
Fixed deposits	2,575,006	10,129,070
Cash and bank balances	687,998	876,442
	<u>21,007,767</u>	<u>30,082,306</u>
<b>TOTAL ASSETS</b>	<u>37,855,436</u>	<u>44,902,602</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	25,000,000	25,000,000
Share premium	17,381,943	17,381,943
Exchange translation reserve	(8,089)	17,219
Retained earnings	(6,387,870)	367,477
	<u>35,985,984</u>	<u>42,766,639</u>
<b>Minority interest</b>	47,856	184,239
<b>Total equity</b>	<u>36,033,840</u>	<u>42,950,878</u>
<b>Non-current liabilities</b>		
Finance creditors	84,168	171,475
	<u>84,168</u>	<u>171,475</u>
<b>Current liabilities</b>		
Trade payables	245,344	443,292
Other payables	1,048,742	1,241,473
Short Term Loan	349,000	-
Finance creditors	94,342	95,484
	<u>1,737,428</u>	<u>1,780,249</u>
<b>Total liabilities</b>	<u>1,821,596</u>	<u>1,951,724</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>37,855,436</u>	<u>44,902,602</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	14.39	17.11

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the financial year ended 31 December 2005 and the accompany explanatory notes attached to the interim financial statements.

**GPRO TECHNOLOGIES BERHAD**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE TWELVE MONTHS YEAR ENDED 31 DECEMBER 2006**  
**THIS QUARTERLY REPORT HAS BEEN REVIEWED BY GPRO'S EXTERNAL AUDITORS**

	← Attributable to Equity Holders of the Parent →				→		
	← Non-distributable →		Distributable				
	Share Capital RM	Share Premium RM	Exchange Translation Reserve RM	Retained Earnings RM	Total RM	Minority Interest RM	Total Equity RM
<b>At 1 January 2005</b>	25,000,000	17,381,943	11,455	3,138,724	45,532,122	-	45,532,122
Foreign currency translation, representing net expenses recognised directly in equity	-	-	5,764	-	5,764	4,371	10,135
Issuance of ordinary shares by a subsidiary to MI	-	-	-	-	-	12,568	12,568
Loss for the year	-	-	-	(2,146,247)	(2,146,247)	167,300	(1,978,947)
Dividend payable	-	-	-	(625,000)	(625,000)	-	(625,000)
<b>At 31 Decemebr 2005</b>	<u>25,000,000</u>	<u>17,381,943</u>	<u>17,219</u>	<u>367,477</u>	<u>42,766,639</u>	<u>184,239</u>	<u>42,950,878</u>
<b>At 1 January 2006</b>	25,000,000	17,381,943	17,219	367,477	42,766,639	184,239	42,950,878
Foreign currency translation, representing net expenses recognised directly in equity	-	-	(25,308)	-	(25,308)	(1,180)	(26,488)
Loss for the year	-	-	-	(6,755,347)	(6,755,347)	(135,203)	(6,890,550)
<b>At 31 December 2006</b>	<u>25,000,000</u>	<u>17,381,943</u>	<u>(8,089)</u>	<u>(6,387,870)</u>	<u>35,985,984</u>	<u>47,856</u>	<u>36,033,840</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

**GPRO TECHNOLOGIES BERHAD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE TWELVE MONTHS YEAR ENDED 31 DECEMBER 2006**  
**THIS QUARTERLY REPORT HAS BEEN REVIEWED BY GPRO'S EXTERNAL AUDITORS**

	<b>CURRENT YEAR ENDED 31/12/2006 RM</b>	<b>(AUDITED) PRECEDING YEAR ENDED 31/12/2005 RM</b>
<b>Cashflows from operating activities</b>		
Loss before taxation	(6,890,550)	(1,977,699)
<i>Adjustment for:</i>		
Amortisation of Goodwill	-	231,481
Amortisation of R & D	273,978	50,365
Bad debts expenses	266,192	-
Depreciation	510,378	515,770
Interest expenses	14,555	14,814
Interest income	(210,066)	(474,638)
Loss in disposal of property, plant and equipment	-	6,501
Loss on foreign exchange - unrealised	-	57,795
PPE written off	1,697	-
Provision for doubtful debts	1,772,678	3,355,030
Provision for doubtful debts no longer required	(261,842)	-
Provision for slow moving stock	2,119,851	-
<i>Operating (Loss)/profit before working capital changes</i>	<u>(2,403,129)</u>	<u>1,779,419</u>
<i>Changes in working capital:-</i>		
Directors	44,842	(11,706)
Inventories	(1,329,057)	(3,384,048)
Payables	(460,126)	(273,397)
Receivables	(1,194,191)	(3,292,857)
<i>Cash used in operations</i>	<u>(5,341,661)</u>	<u>(5,182,589)</u>
Interest paid	(14,555)	(14,814)
Interest received	210,066	474,638
Tax paid	(46,916)	(101,562)
<i>Net cash used in operating activities</i>	<u>(5,193,066)</u>	<u>(4,824,327)</u>
<b>Cashflows from investing activities</b>		
Proceed from disposal of PPE	-	64,570
Purchase of plant and equipment	(249,445)	(661,884)
R & D expenditure incurred	(2,560,548)	(2,886,559)
<i>Net cash used in investing activities</i>	<u>(2,809,993)</u>	<u>(3,483,873)</u>
<b>Cashflows from financing activity</b>		
Dividend paid	-	(625,000)
Drawdown of banker acceptance	349,000	-
Issuance of ordinary shares by subsidiary company to minority shareholder	-	12,568
Repayment of finance creditors	(88,449)	(118,871)
<i>Net cash generated from/(used in) financing activity</i>	<u>260,551</u>	<u>(731,303)</u>
Net increase in cash & cash equivalents	(7,742,508)	(9,039,503)
Cash and cash equivalents at beginning of period	11,005,512	20,043,334
Exchange difference	-	1,681
Cash and cash equivalents at 31/12/2006 and 31/12/2005	<u>3,263,004</u>	<u>11,005,512</u>
<i>Cash and cash equivalents consist of:-</i>		
Fixed deposits with licensed banks	2,575,006	10,129,070
Cash and bank balances	687,998	876,442
	<u>3,263,004</u>	<u>11,005,512</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.