

ASIA POLY HOLDINGS BERHAD

Company's No. 619176-A

(Incorporated in Malaysia)

Quarterly report on results for the 1st Quarter ended 30.06.2005

NOTES

A EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING

A1 Basic of preparation

The interim financial report has been prepared in compliance with FRS 134: "Interim Financial Reporting" (formerly known as MASB 26) and Appendix 7A of Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market.

The Interim financial report should be read in conjunction with the Group's audited financial statements for the year ended 31 March 2005.

The accounting policies and methods of computation adopted by the Company in this interim financial report are consistent with those adopted for the last annual financial statements for the year ended 31 March 2005.

A2 Auditors' report of preceding annual financial statements

There were no audit qualifications on the annual financial statements for the year ended 31 March 2005.

A3 Seasonal or cyclical factors

The Company's operations were not subject to any seasonal or cyclical changes.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Company since the last annual audited financial statements.

A5 Material changes in estimates

There were no changes in estimates of amounts reported in prior financial years, which may have a material effect in the current financial quarter.

A6 Debt and equity securities

Save for the Initial Public Offering ("IPO") as disclosed in Note A10, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter.

A7 Dividend paid

There were no dividends paid by the Company during the current financial quarter.

A8 Segment information

Business segments

The Group is primarily engaged in manufacturing of cast acrylic sheet and trading business.

1st Qtr ended 30/06/2005

RM ' 000

Manufacturing	10,048
Trading	3,814

13,862

Geographical segments

The Group is divided into exports and domestic markets which are analysed as follows :

	1 st Qtr ended 30/06/2005 RM ' 000
Exports (Australia, New Zealand, Europe, Middle East , Asia and North America)	9,810
Domestic	4,052
	<u>13,862</u>

A9 Valuation of property, plant and equipment

There were no changes in the valuation of the property, plant and equipment reported in the previous audited financial statements that will have an effect in the current financial quarter under review.

A10 Material events subsequent to the end of the quarter

Save as disclosed below, there were no material events subsequent to the current financial quarter ended 30 June 2005 up to the date of this report which is likely to substantially affect the results of the operations of the Company.

Initial Public Offering (IPO)

In conjunction with and as an integral part of the listing of and quotation for the entire issued and paid-up share capital of the Company, the Company undertook an IPO which was approved by the Securities Commission on 13 May 2004 and 9 May 2005.

The IPO involved the public issue of 22,179,000 new ordinary shares of RM0.10 each at an issue price of RM0.34 per share payable in full on application comprising :

- (a) 2,000,000 new ordinary shares of RM0.10 each available for application by the Malaysian public;
- (b) 4,395,000 new ordinary shares of RM0.10 each available for application by eligible employees, executive director and business associates of the Company and its subsidiary company;
- (c) 15,784,000 new ordinary shares of RM0.10 each by way of private placement.

A11 Changes in the composition of Company

There were no changes in this composition of the Company for the current financial quarter.

A12 Contingent liabilities

There were no contingent liabilities as at the date of this announcement.

A13 Capital commitment

	30.06.2005 RM('000)
Contracted but not provided for: Acquisition of property, plant and equipment	<u>471</u>

A14 Significant related party transactions

There were no significant related party transactions as at the date of this announcement.

A15 Cash and cash equivalents

30.06.2005
RM('000)
1,721

Cash and bank balances

B EXPLANATORY NOTES PURSUANT TO APPENDIX 7A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE MESDAQ MARKET**B1 Review of performance**

For the quarterly financial period 1 April 2005 to 30 June 2005 whereby the Asia Poly Group existed from 2 September 2004, the Group generated revenue of RM13.86 million and a profit of RM0.86 million before taxation and extraordinary item.

B2 Variation of result against preceding quarter

There were no comparative Group figures as this is the Group's first announcement of quarterly result.

B3 Prospects

For the financial year ending 31 March 2006, the Group is expected to meet the increase in demand following the increment of the production capacity to 750MT per month by year end. The Management has taken initiative to increase the present calculated plant production capacity from 500MT per month to 750MT per month.

B4 Profit forecast and profit guarantee

As at the date of this report, there is no profit guarantee. The profit forecast is detailed in the prospectus dated 30 September 2005.

B5 Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

B6 Sales of unquoted investment and/or properties

There were no disposal of investments and/or properties during the quarter under review.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities for the financial quarter under review.

B8 Status of corporate proposals

Refer to Note A10

B9 Borrowings and debt securities

30.06.2005
RM('000)

Current :

Term Loan – current portion

245

Bankers Acceptance

19,395

Non-current :

Long term borrowings:

4,738

24,378

B10 Off balance sheet financial instruments

There were no instruments with material off balance sheet risks issued as at the date of this report.

B11 Material litigation

There were no material litigation pending at the date of this announcement.

B12 Dividends

There were no dividends paid by the Company during the current financial quarter.

B13 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period excluded extraordinary item :-

Net Profit after tax for the financial period (RM '000)	677
Weighted average number of ordinary shares after bonus issued (RM'000)	65,740
Basic earnings per share (sen)	<u>1.03</u>

By Order of the Board

Teoh Cheng Chuan
Chief Executive Officer

Date : 18 October 2005