

APP INDUSTRIES BERHAD
(Company No. 504718-U)
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE 2nd QUARTER ENDED 30 JUNE 2005

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		30.06.2005	30.06.2004	30.06.2005	30.06.2004
		RM'000	RM'000	RM'000	RM'000
Revenue	14	7,322	10,178	17,344	26,654
Cost of sales		(5,750)	(7,463)	(13,193)	(19,202)
Gross profit		1,572	2,715	4,151	7,452
Other operating income		122	51	161	80
Operating expenses		(2,212)	(2,432)	(4,455)	(5,131)
Other operating expenses		(8)	(5)	(12)	(12)
Profit/(loss) from operations	14	(526)	329	(155)	2,389
Finance costs		(116)	(49)	(229)	(136)
Profit/(loss) before taxation	15	(642)	280	(384)	2,253
Taxation	18	7	(28)	(27)	(745)
Profit/(loss) after taxation		(635)	252	(411)	1,508
Minority interests		0	0	0	0
Net profit/(loss) for the period		(635)	252	(411)	1,508
Basic earnings/(loss) per ordinary share (sen)	26	(0.79)	0.32	(0.51)	1.89

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Report for the year ended 31 December 2004)

APP INDUSTRIES BERHAD
(Company No. 504718-U)
CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 30 JUNE 2005

	AS AT END OF CURRENT QUARTER (Unaudited) 30.06.2005	AUDITED AS AT FINANCIAL YEAR ENDED 31.12.2004
Note	RM'000	RM'000
PROPERTY, PLANT AND EQUIPMENT	45,266	45,751
GOODWILL ON CONSOLIDATION	279	289
CURRENT ASSETS		
Inventories	10,804	10,171
Trade receivables	6,983	10,653
Other receivables and prepaid expenses	1,081	542
Tax recoverable	1,406	1,049
Deposits with financial institutions	-	50
Cash and bank balances	3,709	1,671
Total Current Assets	23,983	24,136
CURRENT LIABILITIES		
Trade payables	2,074	2,612
Other payables and accrued expenses	2,623	4,153
Borrowings	2,221	4,186
Tax liabilities	168	-
Total Current Liabilities	7,086	10,951
NET CURRENT ASSETS	16,897	13,185
	62,442	59,225
SHARE CAPITAL	40,000	40,000
RESERVES		
Share Premium	11,661	11,661
Retained Profit c/f	604	1,015
SHAREHOLDERS' EQUITY	52,265	52,676
LONG-TERM AND DEFERRED LIABILITIES		
Borrowings	4,720	997
Deferred tax liabilities	5,457	5,552
Total Long-term Liabilities	10,177	6,549
	62,442	59,225
NET TANGIBLE ASSETS	51,986	52,387
NET TANGIBLE ASSETS PER SHARE (RM)	0.650	0.655

(The Condensed Consolidated Balance Sheet should be read in conjunction with the
Annual Audited Financial Report for the year ended 31 December 2004)

APP INDUSTRIES BERHAD

(Company No. 504718 U)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 2nd QUARTER ENDED 30 JUNE 2005**

	Share Capital RM'000	Reserves		Total RM'000
		[Non-Distributable] Share Premium RM'000	[Distributable] Retained Profits/ (Accumulated losses) RM'000	
At 1 January 2004	40,000	11,661	1,854	53,515
Net profit for the period	0	0	1,508	1,508
At 30 June 2004	<u>40,000</u>	<u>11,661</u>	<u>3,362</u>	<u>55,023</u>
At 1 January 2005	40,000	11,661	1,015	52,676
Net loss for the period	0	0	(411)	(411)
At 30 June 2005	<u>40,000</u>	<u>11,661</u>	<u>604</u>	<u>52,265</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Report for the year ended 31 December 2004)

APP INDUSTRIES BERHAD
(Company No. 504718-U)
UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE 2nd QUARTER ENDED 30 JUNE 2005

	CUMULATIVE PERIOD	
	30.06.2005	30.06.2004
	RM'000	RM'000
Net (loss)/profit before tax	(384)	2,253
Adjustment for non-cash flow:-		
Non-cash items	1,148	1,171
Non-operating items	153	97
Operating profit before changes in working capital	<u>917</u>	<u>3,521</u>
Changes in working capital		
Net changes in current assets	2,498	3,247
Net changes in current liabilities	<u>(2,068)</u>	<u>(997)</u>
Cash flows from operating activities	1,347	5,771
Tax paid	(310)	(701)
Net cash flows generated from operating activities	<u>1,037</u>	<u>5,070</u>
Investing Activities		
- Other investment	(606)	(2,257)
- Interest Received	28	39
Net cash flow generated from investing activities	(578)	(2,218)
Financing Activities		
- Interest paid	(229)	(136)
- Bank borrowings	3,447	(255)
Net cash flow generated from/(used in) financing activities	3,218	(391)
Net Changes in Cash & Cash Equivalents	3,677	2,461
Cash & Cash Equivalents at beginning of year	(1,344)	1,493
Cash & Cash Equivalents at end of period	<u>2,333</u>	<u>3,954</u>
Cash and cash equivalents at end of financial period comprise the following:		
Cash and bank balances	3,709	5,303
Less: Bank overdrafts (included within short term borrowings in Note 22.)	(1,376)	(1,349)
	<u>2,333</u>	<u>3,954</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Report for the year ended 31 December 2004)

APP INDUSTRIES BERHADCompany Number: 504718-U
Incorporated In Malaysia**- NOT REQUESTED BY BURSA -****CUMULATIVE PERIOD**
CURRENT YEAR TO DATE FROM 01.01.2005 to 30.06.2005Computation of **Basic Earnings/(Loss) Per share** (sen) = (0.51)Formula:
$$\frac{\text{Net profit attributable to ordinary shareholders}}{\text{Weighted Average Number of Ordinary Shares Outstanding during the period}}$$
Computation:
$$\frac{-411,194}{80,000,000} = (0.005)$$
INDIVIDUAL PERIOD
CURRENT QUARTER FROM 01.04.2005 to 30.06.2005Computation of **Basic Earnings/(Loss) Per share** (sen) = (0.79)Formula:
$$\frac{\text{Net profit attributable to ordinary shareholders}}{\text{Weighted Average Number of Ordinary Shares Outstanding during the period}}$$
Computation:
$$\frac{-634,671}{80,000,000} = (0.008)$$

Note: The above computation of basic earnings per ordinary share (sen) was based on the FRS133 under clause 15 - For purpose of calculating basic earnings per share, the number of ordinary shares should be the weighted average number of ordinary shares outstanding during the period.

AUDITED AS AT PRECEDING
FINANCIAL YEAR END 31.12.2004Computation of **Net Tangible Assets Per Share** (RM) = 0.655Formula:
$$\frac{\text{Net Tangible Assets}}{\text{Number of Shares Issued}}$$
Computation:
$$\frac{52,387,000}{80,000,000} = 0.655$$
INDIVIDUAL PERIOD
CURRENT QUARTER FROM 01.04.2005 to 30.06.2005Computation of **Net Tangible Assets Per Share** (RM) = 0.650Formula:
$$\frac{\text{Net Tangible Assets}}{\text{Number of Shares Issued}}$$
Computation:
$$\frac{51,986,000}{80,000,000} = 0.650$$