

**APP INDUSTRIES BERHAD**

(Company No. 504718-U)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS****FOR THE 4th QUARTER ENDED 31 DECEMBER 2005**

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER 31.12.2005	PRECEDING YEAR CORRESPONDING QUARTER 31.12.2004	CURRENT YEAR TO DATE 31.12.2005	PRECEDING YEAR CORRESPONDING PERIOD 31.12.2004
		RM'000	RM'000	RM'000	RM'000
Revenue	14	8,359	11,114	29,667	42,782
Cost of sales		(8,039)	(7,412)	(24,940)	(31,594)
Gross profit		320	3,702	4,727	11,188
Other operating income		153	(2)	381	111
Operating expenses		(6,304)	(3,326)	(12,965)	(10,754)
Other operating expenses		(37)	(1)	(65)	(15)
Profit/(loss) from operations	14	(5,868)	373	(7,922)	530
Finance costs		(139)	(32)	(493)	(218)
Profit/(loss) before taxation	15	(6,007)	341	(8,415)	312
Taxation	18	2,052	119	2,343	1
Profit/(loss) after taxation		(3,955)	460	(6,072)	313
Minority interests		0	0	0	0
Net profit/(loss) for the period		(3,955)	460	(6,072)	313
Basic earnings/(loss) per ordinary share (sen)	26	(4.94)	0.58	(7.59)	0.39

(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 31 DECEMBER 2005**

	AS AT END OF CURRENT QUARTER (Unaudited) 31.12.2005	AUDITED AS AT FINANCIAL YEAR ENDED 31.12.2004
Note	RM'000	RM'000
PROPERTY, PLANT AND EQUIPMENT	44,722	45,751
GOODWILL ON CONSOLIDATION	268	289
<b>CURRENT ASSETS</b>		
Inventories	11,306	10,171
Trade receivables	6,873	10,653
Other receivables and prepaid expenses	728	542
Tax recoverable	625	1,049
Deposits with financial institutions	100	50
Cash and bank balances	411	1,671
Total Current Assets	<u>20,043</u>	<u>24,136</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	2,601	2,612
Other payables and accrued expenses	3,737	4,153
Borrowings	22 4,756	4,186
Tax liabilities	-	-
Total Current Liabilities	<u>11,094</u>	<u>10,951</u>
NET CURRENT ASSETS	8,949	13,185
	<u>53,939</u>	<u>59,225</u>
SHARE CAPITAL	40,000	40,000
RESERVES		
Share Premium	11,661	11,661
Retained Profit/(Loss) c/f	<u>(5,057)</u>	<u>1,015</u>
SHAREHOLDERS' EQUITY	46,604	52,676
LONG-TERM AND DEFERRED LIABILITIES		
Borrowings	22 3,991	997
Deferred tax liabilities	3,344	5,552
Total Long-term Liabilities	<u>7,335</u>	<u>6,549</u>
	<u>53,939</u>	<u>59,225</u>
NET TANGIBLE ASSETS	<u>46,336</u>	<u>52,387</u>
NET TANGIBLE ASSETS PER SHARE (RM)	<u>0.579</u>	<u>0.655</u>

(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 4th QUARTER ENDED 31 DECEMBER 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	313	313
Dividend paid	0	0	(1,152)	(1,152)
At 31 December 2004	<u>40,000</u>	<u>11,661</u>	<u>1,015</u>	<u>52,676</u>
At 1 January 2005	40,000	11,661	1,015	52,676
Net loss for the period	0	0	(6,072)	(6,072)
At 31 December 2005	<u>40,000</u>	<u>11,661</u>	<u>(5,057)</u>	<u>46,604</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 4th QUARTER ENDED 31 DECEMBER 2005**

	CUMULATIVE PERIOD	
	30.12.2005	31.12.2004
	RM'000	RM'000
<b>Net (loss)/profit before tax</b>	(8,415)	312
Adjustment for non-cash flow:-		
Non-cash items	2,472	2,443
Non-operating items	295	218
Operating profit before changes in working capital	<u>(5,648)</u>	<u>2,973</u>
Changes in working capital		
Net changes in current assets	2,459	(2,489)
Net changes in current liabilities	<u>(428)</u>	<u>1,639</u>
Cash flows from operating activities	<u>(3,617)</u>	<u>2,123</u>
Tax (paid)/refund	560	(916)
Net cash flows generated from operating activities	<u>(3,057)</u>	<u>1,207</u>
Investing Activities		
- Other investment	<u>(1,260)</u>	<u>(3,521)</u>
- Interest Received	<u>35</u>	<u>55</u>
Net cash flow generated from investing activities	<u>(1,225)</u>	<u>(3,466)</u>
Financing Activities		
- Interest paid	<u>(493)</u>	<u>(273)</u>
- Dividend paid	<u>0</u>	<u>(1,152)</u>
- Bank borrowings	<u>4,269</u>	<u>847</u>
Net cash flow generated from/(used in) financing activities	<u>3,776</u>	<u>(578)</u>
Net Changes in Cash & Cash Equivalents	(506)	(2,837)
Cash & Cash Equivalents at beginning of year	(1,344)	1,493
Cash & Cash Equivalents at end of period	<u>(1,850)</u>	<u>(1,344)</u>
Cash and cash equivalents at end of financial period comprise the following:		
Cash and bank balances	511	1,721
Less: Bank overdrafts (included within short term borrowings in Note 22.)	<u>(2,361)</u>	<u>(3,065)</u>
	<u>(1,850)</u>	<u>(1,344)</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)