APP INDUSTRIES BERHAD (Company No. 504718-U) UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE 3rd QUARTER ENDED 30 SEPTEMBER 2008

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD		
	Note	CURRENT YEAR QUARTER 30.09.2008	PRECEDING YEAR CORRESPONDING QUARTER 30.09.2007	CURRENT YEAR TO DATE 30.09.2008	PRECEDING YEAR CORRESPONDING PERIOD 30.09.2007	
		RM'000	RM'000	RM'000	RM'000	
Revenue	14	3,282	4,308	11,857	19,888	
Cost of sales		(2,645)	(2,714)	(9,293)	(15,811)	
Gross profit/(loss)	•	637	1,594	2,564	4,077	
Other operating income		306	195	860	985	
Operating expenses		(2,592)	(1,843)	(6,094)	(6,398)	
Other operating expenses		(254)	(138)	(829)	(976)	
Finance costs		(162)	(210)	(519)	(583)	
Loss before taxation	15	(2,065)	(402)	(4,018)	(2,895)	
Taxation	18	44	213	94	272	
Loss for the period		(2,021)	(189)	(3,924)	(2,623)	
Attributable to: Equity holders of parent Minority interest		(2,021)	(189) -	(3,924)	(2,623)	
• • • • • • • • • • • • • • • • • • • •	•	(2,021)	(189)	(3,924)	(2,623)	
Earnings per share attributable to equity						
holders of the parent (Sen):	26	(2.296)	(0.237)	(4.459)	(3.278)	

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements)

APP INDUSTRIES BERHAD

(Company No. 504718-U)

CONDENSED CONSOLIDATED BALANCE SHEETS

AS AT 30 SEPTEMBER 2008

AS AT END OF AS AT FINANCIAL PROPERTY STORMS AT STORMS AND	AS AT 30 SEPTEMBER 2008			
Non-current assets		Note	CURRENT QUARTER 30.09.2008	FINANCIAL YEAR ENDED
Non-current assets 35,648 36,347 Property, plant and equipment 35,648 2,657 Goodwill on consolidation 2,657 2,657 Prepaid land lease payments 7,159 7,203 Deferred tax assets 46,838 49,578 Current assets Inventories 11,208 11,576 Tax de receivables 2,318 4,962 Other receivables and prepaid expenses 2,160 1,566 Tax recoverable 199 208 Deposits with financial institutions - 100 Cash and bank balances 762 471 EQUITY AND LIABILITIES 46,607 18,883 EQUITY AND LIABILITIES 50,505 66,461 EQUITY AND LIABILITIES 44,000 40,000 Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss 43,235 42,904 Non-current liabilities 2 1,679 3,051 Deferred tax liabilities 4,325				RM'000
Non-current assets 35,648 36,347 Property, plant and equipment 35,648 2,657 Goodwill on consolidation 2,657 2,657 Prepaid land lease payments 7,159 7,203 Deferred tax assets 46,838 49,578 Current assets Inventories 11,208 11,576 Tax de receivables 2,318 4,962 Other receivables and prepaid expenses 2,160 1,566 Tax recoverable 199 208 Deposits with financial institutions - 100 Cash and bank balances 762 471 EQUITY AND LIABILITIES 46,607 18,883 EQUITY AND LIABILITIES 50,505 66,461 EQUITY AND LIABILITIES 44,000 40,000 Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss 43,235 42,904 Non-current liabilities 2 1,679 3,051 Deferred tax liabilities 4,325	ASSETS			
Property, plant and equipment 35,648 38,347 Goodwill on consolidation 2,657 2,657 Prepaid ladeses payments 7,159 7,203 Deferred tax assets 1,374 1,371 Current assets Inventories 11,208 11,576 Trade receivables 2,318 4,962 Other receivables and prepaid expenses 2,160 1,566 Tax recoverable 199 208 Tax recoverable 782 471 Cash and bank balances 782 471 TOTAL ASSETS 63,505 68,461 EQUITY AND LIABILITIES 8 44,000 EQUITY AND LIABILITIES 44,000 40,000 Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss 43,235 42,904 Minority interest - - Total equity 43,235 42,904 Non-current liabilities 22 1,679 3,051 Deferr				
Content Cont			35,648	38,347
Deferred tax assets 1,374 1,374 49,778 46,838 49,578			2,657	2,657
Current assets 11,208 11,576 Inventories 11,208 11,576 Trade receivables 2,318 4,962 Other receivables and prepaid expenses 2,160 1,566 Tax recoverable 199 208 Deposits with financial institutions - 100 Cash and bank balances 782 471 Cash and bank balances 46,667 18,883 TOTAL ASSETS 63,505 68,461 EQUITY AND LIABILITIES 44,000 40,000 Share capital 44,000 40,000 Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) Minority interest - - Total equity 43,235 42,904 Non-current liabilities 5,914 7,359 Current liabilities 22 7,470 8,741 Borrowings 22 7,470 8,741 Trade payables 1,687 3,320	Prepaid land lease payments		7,159	7,203
Current assets Inventories 11,208 11,576 Trade receivables 2,318 4,962 Other receivables and prepaid expenses 2,160 1,566 Tax recoverable 199 208 Deposits with financial institutions - 100 Cash and bank balances 782 471 TOTAL ASSETS 63,505 68,461 EQUITY AND LIABILITIES 8 5,505 68,461 EQUITY AND LIABILITIES 44,000 40,000 40,000 40,000 5hare repression 11,661 11,671 11,671 11,661<	Deferred tax assets	<u>-</u>	1,374	1,371
Inventories			46,838	49,578
Trade receivables 2,318 4,962 Other receivables and prepaid expenses 2,160 1,566 Tax recoverable 199 208 Deposits with financial institutions - 100 Cash and bank balances 782 471 TOTAL ASSETS 63,505 68,461 EQUITY AND LIABILITIES 8 EQUITY AND LIABILITIES 44,000 40,000 Share capital 44,000 40,000 Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) Minority interest 2 1,679 3,051 Total equity 43,235 42,904 Non-current liabilities 4,235 4,308 Borrowings 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities 2 7,470 8,741 Trade payables 2 7,470 8,741 Trade payables and accrued expenses	Current assets			
Other receivables and prepaid expenses 2,160 1,566 Tax recoverable 199 208 Deposits with financial institutions 782 471 Cash and bank balances 782 471 TOTAL ASSETS 16,667 18,883 TOTAL ASSETS 63,505 68,461 Equity attributable to equity holders of the parent Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) Minority interest 2 43,235 42,904 Non-current liabilities Borrowings 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities Borrowings 22 7,470 8,741 Tade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	Inventories		11,208	11,576
Tax recoverable Deposits with financial institutions 199 208 Deposits with financial institutions 782 471 Cash and bank balances 16,667 18,883 TOTAL ASSETS 63,505 68,461 EQUITY AND LIABILITIES 8 8 Equity attributable to equity holders of the parent 44,000 40,000 Share Capital 44,000 40,000 Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) Minority interest - - Total equity 43,235 42,904 Non-current liabilities 22 1,679 3,051 Deferred tax liabilities 22 1,679 3,051 Deferred tax liabilities 22 7,470 8,741 Tade payables 2,591 6,137 Time payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	Trade receivables		2,318	4,962
Deposits with financial institutions - 100 Cash and bank balances 782 471 16,667 18,883 TOTAL ASSETS 63,505 68,461 EQUITY AND LIABILITIES 8 Equity attributable to equity holders of the parent 44,000 40,000 Share Premium 11,661 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) Minority interest - - Total equity 43,235 42,904 Non-current liabilities 22 1,679 3,051 Deferred tax liabilities 22 1,679 3,051 Deferred tax liabilities 22 7,470 8,741 Trade payables 2 7,470 8,741 Trade payables and accrued expenses 5,199 6,137 Other payables and accrued expenses 14,356 18,198 Total liabilities 20,270 25,557	Other receivables and prepaid expenses		2,160	1,566
Cash and bank balances 782 471 16,667 18,883 TOTAL ASSETS 63,505 68,461 EQUITY AND LIABILITIES Sequity attributable to equity holders of the parent 44,000 40,000 Share capital 44,000 40,000 Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) Minority interest - - Total equity 43,235 42,904 Non-current liabilities 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Deferred tax liabilities 22 7,470 8,741 Trade payables 22 7,470 8,741 Trade payables and accrued expenses 5,199 6,137 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557			199	
TOTAL ASSETS	·			
TOTAL ASSETS 63,505 68,461 EQUITY AND LIABILITIES Equity attributable to equity holders of the parent 44,000 40,000 Share capital 44,000 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) Minority interest - - Total equity 43,235 42,904 Non-current liabilities 3,051 42,904 Non-current liabilities 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	Cash and bank balances	-	782	471
EQUITY AND LIABILITIES Equity attributable to equity holders of the parent 44,000 40,000 Share capital 44,000 40,000 Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) Minority interest - - Total equity 43,235 42,904 Non-current liabilities 22 1,679 3,051 Deferred tax liabilities 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities 5,914 7,359 Current payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557		-	16,667	18,883
Equity attributable to equity holders of the parent Share capital 44,000 40,000 Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) Minority interest - - Total equity 43,235 42,904 Non-current liabilities 2 1,679 3,051 Deferred tax liabilities 4,235 4,308 Deferred tax liabilities 4,235 4,308 Current liabilities 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	TOTAL ASSETS		63,505	68,461
Share capital 44,000 40,000 Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) 43,235 42,904 Minority interest - - Total equity 43,235 42,904 Non-current liabilities Borrowings 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities Borrowings 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	EQUITY AND LIABILITIES			
Share Premium 11,661 11,661 Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) Minority interest - - Total equity 43,235 42,904 Non-current liabilities Borrowings 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities Borrowings 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	Equity attributable to equity holders of the parent			
Other Reserves 2,226 1,971 Accumulated Loss (14,652) (10,728) Minority interest - - Total equity 43,235 42,904 Non-current liabilities - - Borrowings 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities 5,914 7,359 Current payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	· · · · · · · · · · · · · · · · · · ·		44,000	40,000
Accumulated Loss (14,652) (10,728) Minority interest - - Total equity 43,235 42,904 Non-current liabilities 8 43,235 42,904 Non-current liabilities 22 1,679 3,051 3,051 4,308 Deferred tax liabilities 4,235 4,308 4,308 4,308 4,308 4,308 4,308 6,137 7,359 6,137 7,359 6,137 7,470 8,741 7,359 6,137 7,470 8,741 7,359 6,137 7,470 8,741 7,359 6,137 7,470 8,741 7,359 6,137 7,470 8,741 7,359 6,137 7,470 8,741 7,359 6,137 7,470 8,741 7,359 6,137 7,470 8,741 7,470 8,741 7,470 8,741 7,470 8,741 7,470 8,741 7,470 8,741 7,470 8,741 7,470 8,741 7,470 8,741 7,470 8,741 7,470 <td></td> <td></td> <td></td> <td></td>				
Minority interest 43,235 42,904 Total equity 43,235 42,904 Non-current liabilities \$\frac{1}{679}\$ \\ 3,051 Borrowings 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities \$\frac{5}{914}\$ \\ 7,359 Borrowings 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557				
Minority interest - - Total equity 43,235 42,904 Non-current liabilities Borrowings 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities Borrowings 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	Accumulated Loss	-	(14,652)	(10,728)
Non-current liabilities Borrowings 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities Borrowings 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	Minority interest			
Borrowings 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities 5,914 7,359 Borrowings 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	Total equity	-	43,235	42,904
Borrowings 22 1,679 3,051 Deferred tax liabilities 4,235 4,308 Current liabilities 5,914 7,359 Borrowings 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	Non-august lightlifter		<u>.</u>	
Deferred tax liabilities 4,235 4,308 5,914 7,359 Current liabilities Borrowings 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557		າາ	1 670	2.051
Current liabilities 5,914 7,359 Borrowings 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557		22		
Current liabilities Borrowings 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557	Bololiou lax llabililioo	-	<u> </u>	
Borrowings 22 7,470 8,741 Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 Total liabilities 20,270 25,557		-	5,914	7,359
Trade payables 1,687 3,320 Other payables and accrued expenses 5,199 6,137 14,356 18,198 Total liabilities 20,270 25,557				
Other payables and accrued expenses 5,199 6,137 14,356 18,198 Total liabilities 20,270 25,557		22		
14,356 18,198 Total liabilities 20,270 25,557	· ·			
Total liabilities 20,270 25,557	Other payables and accrued expenses	-	5,199	6,137
		-	14,356	18,198
TOTAL EQUITY AND LIABILITIES 63,505 68,461	Total liabilities	-	20,270	25,557
	TOTAL EQUITY AND LIABILITIES		63,505	68,461

APP INDUSTRIES BERHAD

(Company No. 504718 U)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 3rd QUARTER ENDED 30 SEPTEMBER 2008

	← Attri	butable to Equity I	Holders of the Pa	rent	
	← Non-Distributable ──▶				
	Share <u>Capital</u> RM'000	Share Premium RM'000	Other Reserves RM'000	Accumulated Losses RM'000	Total Equity RM'000
At 1 January 2007	40,000	11,661	1,231	(7,124)	45,768
Foreign currency translation	-	-	6	-	6
Loss for the period	-	-	-	(2,623)	(2,623)
At 30 September 2007	40,000	11,661	1,237	(9,747)	43,151
At 1 January 2008	40,000	11,661	1,971	(10,728)	42,904
Issue of shares	4,000	-	-	-	4,000
Foreign currency translation	-	-	255	-	255
Loss for the period	-	-	-	(3,924)	(3,924)
At 30 September 2008	44,000	11,661	2,226	(14,652)	43,235

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements)

APP INDUSTRIES BERHAD

(Company No. 504718-U)
UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE 3rd QUARTER ENDED 30 SEPTEMBER 2008

CUMULATIVE PERIOD

	30.09.2008	31.12.2007
	RM'000	RM'000
Loss before tax Adjustment for non-cash flow:-	(4,018)	(3,570)
Non-cash items Non-operating items	2,776 564	2,401 645
Operating loss before changes in working capital	(678)	(524)
Changes in working capital Net changes in current assets Net changes in current liabilities Cash flows used in operating activities Interest paid Income tax paid Income tax refunded Net cash flows used in operating activities	2,417 (2,571) (832) (519) (2) 30 (1,323)	1,135 (625) (14) (810) (4) 474 (354)
Investing Activities - Other investment - Interest Received Net cash flow generated from/(used in) investing activities	48 18 66	(143) 30 (113)
Financing Activities - Bank borrowings - Issue of shares Net cash flow generated from/(used in) financing activities	(2,475) 4,000 1,525	(1,042) - (1,042)
Net Changes in Cash & Cash Equivalents	268	(1,509)
Cash & Cash Equivalents at beginning of period/year	(3,666)	(2,167)
Effects of exchange rate changes	110	10
Cash & Cash Equivalents at end of period/year	(3,288)	(3,666)
Cash and cash equivalents at end of financial period comprise the following:		
Cash and bank balances	782	571
Less: Bank overdrafts (included within short term borrowings in Note 22)	(4,070) (3,288)	(4,237) (3,666)

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements)