

**APP INDUSTRIES BERHAD**  
(Company No. 504718-U)  
**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**  
FOR THE 4th QUARTER ENDED 31 DECEMBER 2008

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		31.12.2008	31.12.2007	31.12.2008	31.12.2007
		RM'000	RM'000	RM'000	RM'000
Revenue	14	5,396	6,595	17,253	26,483
Cost of sales		(3,700)	(4,372)	(12,993)	(20,183)
Gross profit		1,696	2,223	4,260	6,300
Other operating income		292	189	1,152	1,174
Operating expenses		(2,404)	(2,338)	(8,498)	(8,736)
Other operating expenses		(609)	(522)	(1,438)	(1,498)
Finance costs		(196)	(227)	(715)	(810)
Loss before taxation	15	(1,221)	(675)	(5,239)	(3,570)
Taxation	18	(883)	(305)	(789)	(33)
Loss for the period		(2,104)	(980)	(6,028)	(3,603)
Attributable to:					
Equity holders of parent		(2,104)	(980)	(6,028)	(3,603)
Minority interest		-	-	-	-
		(2,104)	(980)	(6,028)	(3,603)
Earnings per share attributable to equity holders of the parent (Sen):	26	(2.391)	(1.225)	(6.850)	(4.504)

(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 31 DECEMBER 2008

	AS AT END OF CURRENT QUARTER 31.12.2008 (Unaudited)	AUDITED AS AT FINANCIAL YEAR ENDED 31.12.2007
Note	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	34,450	38,347
Goodwill on consolidation	2,575	2,657
Prepaid land lease payments	7,137	7,203
Deferred tax assets	122	1,371
	44,284	49,578
<b>Current assets</b>		
Inventories	10,962	11,576
Trade receivables	2,800	4,962
Other receivables and prepaid expenses	1,416	1,566
Tax recoverable	200	208
Deposits with financial institutions	50	100
Cash and bank balances	986	471
	16,414	18,883
<b>TOTAL ASSETS</b>	60,698	68,461
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	44,000	40,000
Share Premium	11,661	11,661
Other Reserves	2,198	1,971
Accumulated Loss	(17,010)	(10,728)
	40,849	42,904
<b>Minority interest</b>	-	-
<b>Total equity</b>	40,849	42,904
<b>Non-current liabilities</b>		
Borrowings	22 1,296	3,051
Deferred tax liabilities	3,867	4,308
	5,163	7,359
<b>Current liabilities</b>		
Borrowings	22 7,685	8,741
Trade payables	1,951	3,320
Other payables and accrued expenses	5,050	6,137
	14,686	18,198
<b>Total liabilities</b>	19,849	25,557
<b>TOTAL EQUITY AND LIABILITIES</b>	60,698	68,461

(The Condensed Consolidated Balance Sheet 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)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 4th QUARTER ENDED 31 DECEMBER 2008**

	Attributable to Equity Holders of the Parent				
	Non-Distributable				
	Share Capital	Share Premium	Other Reserves	Accumulated Losses	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2007	40,000	11,661	1,231	(7,124)	45,768
Revaluation surplus	-	-	760	-	760
Foreign currency translation	-	-	(20)	-	(20)
Loss for the period	-	-	-	(3,604)	(3,604)
At 31 December 2007	<u>40,000</u>	<u>11,661</u>	<u>1,971</u>	<u>(10,728)</u>	<u>42,904</u>
At 1 January 2008	40,000	11,661	1,971	(10,728)	42,904
Prior year Adjustments	-	-	-	(254)	(254)
Issue of shares	4,000	-	-	-	4,000
Foreign currency translation	-	-	227	-	227
Loss for the period	-	-	-	(6,028)	(6,028)
At 31 December 2008	<u>44,000</u>	<u>11,661</u>	<u>2,198</u>	<u>(17,010)</u>	<u>40,849</u>

(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 4th QUARTER ENDED 31 DECEMBER 2008**

	CUMULATIVE PERIOD	
	31.12.2008	31.12.2007
	RM'000	RM'000
<b>Loss before tax</b>	(5,239)	(3,570)
Adjustment for non-cash flow:-		
Non-cash items	3,472	2,401
Non-operating items	828	645
Operating loss before changes in working capital	<u>(939)</u>	<u>(524)</u>
Changes in working capital		
Net changes in current assets	2,672	1,135
Net changes in current liabilities	<u>(2,456)</u>	<u>(625)</u>
Cash flows used in operating activities	(723)	(14)
Interest paid	(716)	(810)
Income tax paid	(3)	(4)
Income tax refunded	30	474
Net cash flows used in operating activities	<u>(1,412)</u>	<u>(354)</u>
Investing Activities		
- Other investment	587	(143)
- Interest Received	19	30
Net cash flow generated from/(used in) investing activities	606	(113)
Financing Activities		
- Bank borrowings	(2,397)	(1,042)
- Issue of shares	4,000	-
Net cash flow generated from/(used in) financing activities	1,603	(1,042)
Net Changes in Cash & Cash Equivalents	797	(1,509)
Cash & Cash Equivalents at beginning of period/year	(3,666)	(2,167)
Effects of exchange rate changes	81	10
Cash & Cash Equivalents at end of period/year	<u>(2,788)</u>	<u>(3,666)</u>
Cash and cash equivalents at end of financial period comprise the following:		
Cash and bank balances	1,036	571
Less: Bank overdrafts (included within short term borrowings in Note 22)	<u>(3,824)</u>	<u>(4,237)</u>
	<u>(2,788)</u>	<u>(3,666)</u>

**(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)**