

APP INDUSTRIES BERHAD

(Company No. 504718-U)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 1st QUARTER ENDED 31 MARCH 2010**

| | Note | INDIVIDUAL PERIOD | | CUMULATIVE PERIOD | |
|---|------|----------------------------|---|-------------------------|--|
| | | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE | PRECEDING YEAR CORRESPONDING PERIOD |
| | | 31.03.2010 | 31.03.2009 | 31.03.2010 | 31.03.2009 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 14 | 4,813 | 7,289 | 4,813 | 7,289 |
| Cost of sales | | (3,228) | (4,457) | (3,228) | (4,457) |
| Gross profit | | 1,585 | 2,832 | 1,585 | 2,832 |
| Other operating income | | 173 | 419 | 173 | 419 |
| Operating expenses | | (1,229) | (2,092) | (1,229) | (2,092) |
| Other operating expenses | | (292) | (355) | (292) | (355) |
| Finance costs | | (42) | (128) | (42) | (128) |
| Profit/(loss) before taxation | 15 | 195 | 676 | 195 | 676 |
| Taxation | 18 | 18 | 25 | 18 | 25 |
| Profit/(loss) for the period | | 213 | 701 | 213 | 701 |
| Other comprehensive income: | | | | | |
| Exchange differences on translating foreign operations | | (75) | 108 | (75) | 108 |
| Other comprehensive income for the period, net of tax | | (75) | 108 | (75) | 108 |
| Total comprehensive income for the year | | 138 | 809 | 138 | 809 |
| Profit attributable to: | | | | | |
| Owners of the parent | | 213 | 701 | 213 | 701 |
| Minority interest | | - | - | - | - |
| | | 213 | 701 | 213 | 701 |
| Total comprehensive income attributable to: | | | | | |
| Owners of the parent | | 138 | 809 | 138 | 809 |
| Minority interest | | - | - | - | - |
| | | 138 | 809 | 138 | 809 |
| Earnings per share attributable to owners of the parent (Sen): | 26 | 0.242 | 0.797 | 0.242 | 0.797 |

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements)

APP INDUSTRIES BERHAD
(Company No. 504718-U)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2010

| | AS AT END OF CURRENT QUARTER 31.03.2010 (Unaudited) | AUDITED AS AT FINANCIAL YEAR ENDED 31.12.2009 |
|--|--|---|
| Note | RM'000 | RM'000 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 29,571 | 29,891 |
| Goodwill on consolidation | 2,575 | 2,575 |
| Prepaid land lease payments | 2,222 | 2,238 |
| Deferred tax assets | 1,657 | 1,657 |
| | 36,025 | 36,361 |
| Current assets | | |
| Inventories | 8,187 | 8,853 |
| Trade receivables | 2,310 | 2,466 |
| Other receivables and prepaid expenses | 873 | 870 |
| Derivative Financial Instruments | 23 47 | - |
| Tax recoverable | 6 | 6 |
| Deposits with financial institutions | 150 | 1,230 |
| Cash and bank balances | 3,555 | 1,814 |
| | 15,128 | 15,239 |
| TOTAL ASSETS | 51,153 | 51,600 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the parent | | |
| Share capital | 44,000 | 44,000 |
| Share Premium | 11,661 | 11,661 |
| Other Reserves | 693 | 768 |
| Accumulated Loss | (15,715) | (15,928) |
| | 40,639 | 40,501 |
| Minority interest | - | - |
| Total equity | 40,639 | 40,501 |
| Non-current liabilities | | |
| Borrowings | 22 724 | 802 |
| Deferred tax liabilities | 3,932 | 3,950 |
| | 4,656 | 4,752 |
| Current liabilities | | |
| Borrowings | 22 2,554 | 2,647 |
| Trade payables | 1,565 | 1,829 |
| Other payables and accrued expenses | 1,739 | 1,871 |
| | 5,858 | 6,347 |
| Total liabilities | 10,514 | 11,099 |
| TOTAL EQUITY AND LIABILITIES | 51,153 | 51,600 |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 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 1st QUARTER ENDED 31 MARCH 2010

| | ← Attributable to Owners of the Parent → | | | | | Total Equity RM'000 |
|--|--|----------------------------|-----------------------------------|---|---------------------------------|---------------------------|
| | Share Capital RM'000 | Share Premium RM'000 | Revaluation Reserves RM'000 | Translation of Foreign Operations RM'000 | Accumulated Losses RM'000 | |
| At 1 January 2009 | 44,000 | 11,661 | 1,991 | 206 | (17,017) | 40,841 |
| Total comprehensive Income for the period | - | - | - | 108 | 701 | 809 |
| At 31 March 2009 | <u>44,000</u> | <u>11,661</u> | <u>1,991</u> | <u>314</u> | <u>(16,316)</u> | <u>41,650</u> |
| At 1 January 2010 | 44,000 | 11,661 | 589 | 179 | (15,928) | 40,501 |
| Total comprehensive Income for the period | - | - | - | (75) | 213 | 138 |
| At 31 March 2010 | <u><u>44,000</u></u> | <u><u>11,661</u></u> | <u><u>589</u></u> | <u><u>104</u></u> | <u><u>(15,715)</u></u> | <u><u>40,639</u></u> |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements)

APP INDUSTRIES BERHAD
(Company No. 504718-U)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 1st QUARTER ENDED 31 MARCH 2010

| | CUMULATIVE PERIOD | |
|--|-------------------|------------|
| | 31.03.2010 | 31.12.2009 |
| | RM'000 | RM'000 |
| Profit/(loss) before tax | 195 | (1,763) |
| Adjustment for non-cash flow:- | | |
| Non-cash items | 462 | 2,755 |
| Non-operating items | 19 | 252 |
| Operating profit/(loss) before changes in working capital | 676 | 1,244 |
| Changes in working capital | | |
| Net changes in current assets | 602 | 2,756 |
| Net changes in current liabilities | (397) | (3,309) |
| Cash flows generated from/(used in) operating activities | 881 | 691 |
| Interest paid | (42) | (343) |
| Income tax paid | (1) | (4) |
| Income tax refunded | - | 198 |
| Net cash flows generated from/(used in) operating activities | 838 | 542 |
| Investing Activities | | |
| - Other investment | 6 | 7,001 |
| - Interest Received | 1 | 11 |
| Net cash flow generated from investing activities | 7 | 7,012 |
| Financing Activities | | |
| - Bank borrowings | 26 | (2,352) |
| Net cash flow (used in)/generated from financing activities | 26 | (2,352) |
| Net Changes in Cash & Cash Equivalents | 871 | 5,202 |
| Cash & Cash Equivalents at beginning of period/year | 2,400 | (2,791) |
| Effects of exchange rate changes | (13) | (11) |
| Cash & Cash Equivalents at end of period/year | 3,258 | 2,400 |
| Cash and cash equivalents at end of financial period comprise the following: | | |
| Cash and bank balances | 3,705 | 3,044 |
| Less: Bank overdrafts (included within short term borrowings in Note 22) | (447) | (644) |
| | 3,258 | 2,400 |

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements)