

**COMPUGATES HOLDINGS BERHAD**  
**(Company No. 669287-H)**  
**(Incorporated in Malaysia)**  
**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE QUARTER ENDED 31 DECEMBER 2005**

The actual results of Compugates Holdings Berhad for the period ended 31 December 2005 are as follows:-

	NOTE	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER ENDED 31 DEC 2005 RM'000	CORRESPONDING QUARTER ENDED 31 DEC 2004 * RM'000	CURRENT YEAR TO DATE 31 DEC 2005 RM'000	CORRESPONDING PERIOD ENDED 31 DEC 2004 * RM'000
REVENUE		60,815	N/A	60,815	N/A
COST OF SALES		(64,720)	N/A	(64,720)	N/A
GROSS LOSS		(3,905)	N/A	(3,905)	N/A
OTHER OPERATING INCOME		6,951	N/A	6,951	N/A
SELLING AND DISTRIBUTION COSTS		(372)	N/A	(372)	N/A
ADMINISTRATION EXPENSES		(1,158)	N/A	(1,162)	N/A
OTHER OPERATING EXPENSES		(209)	N/A	(209)	N/A
PROFIT FROM OPERATIONS		1,307	N/A	1,303	N/A
FINANCE COSTS		(102)	N/A	(102)	N/A
PROFIT BEFORE TAXATION		1,205	N/A	1,201	N/A
TAXATION	21	(1,843)	N/A	(1,843)	N/A
LOSS AFTER TAXATION		(638)	N/A	(642)	N/A
LOSS PER SHARE (SEN)**	26	4.30	N/A	4.33	N/A

Notes:-

\* Compugates Holdings Berhad was listed on the Main Board of Bursa Malaysia Securities Berhad on 30 December 2005 and as such no corresponding figures for year 2004 have been included.

\*\* Loss per share is calculated based on loss after taxation divided by the weighted average number of ordinary shares in issue during the financial period of approximately 14,826,360.

The fully diluted loss per share is not presented as the assumed conversion from the Irredeemable Convertible Preference Shares would be anti dilutive.

The actual date of acquisition of CSB was 25 October 2005.

The unaudited Condensed Consolidated Income Statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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**FOR THE QUARTER ENDED 31 DECEMBER 2005**

The proforma results of the Group incorporating the results of CSB, to show the effects of the acquisition of CSB had the acquisition been implemented and completed on 1 January 2005 would have been as follows:-

	<u>NOTE</u>	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR	CORRESPONDING	CURRENT YEAR	CORRESPONDING
		QUARTER ENDED 31 DEC 2005 RM'000	QUARTER ENDED 31 DEC 2004 * RM'000	TO DATE 31 DEC 2005 RM'000	PERIOD ENDED 31 DEC 2004 * RM'000
REVENUE		115,651	N/A	450,252	N/A
COST OF SALES		(118,865)	N/A	(446,066)	N/A
GROSS (LOSS)/PROFIT		(3,214)	N/A	4,186	N/A
OTHER OPERATING INCOME		12,374	N/A	29,045	N/A
SELLING AND DISTRIBUTION COSTS		(513)	N/A	(1,393)	N/A
ADMINISTRATION EXPENSES		(1,758)	N/A	(5,472)	N/A
OTHER OPERATING EXPENSES		(136)	N/A	(532)	N/A
PROFIT FROM OPERATIONS		6,753	N/A	25,834	N/A
FINANCE COSTS		(153)	N/A	(343)	N/A
PROFIT BEFORE TAXATION		6,600	N/A	25,491	N/A
TAXATION	21	(2,839)	N/A	(7,189)	N/A
PROFIT AFTER TAXATION		3,761	N/A	18,302	N/A
EARNINGS PER SHARE (SEN)**		25.37	N/A	123.44	N/A

Notes:-

\* Compugates Holdings Berhad was listed on the Main Board of Bursa Malaysia Securities Berhad on 30 December 2005 and as such no corresponding figures for year 2004 have been included.

\*\* Earnings per share is calculated based on profit after taxation divided by the weighted average number of ordinary shares in issue during the financial period of approximately 14,826,360.

The fully diluted loss per share is not presented as the assumed conversion from the Irredeemable Convertible Preference Shares would be anti dilutive.

The actual date of acquisition of CSB was 25 October 2005.

The unaudited Condensed Consolidated Income Statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**COMPUGATES HOLDINGS BERHAD**  
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**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2005**

	<b>Note</b>	<b>AS AT END OF CURRENT YEAR QUARTER ENDED 31 DEC 2005 RM'000</b>	<b>AS AT PRECEDING FINANCIAL YEAR ENDED 31 DEC 2004* RM'000</b>
PROPERTY AND EQUIPMENT		8,051	N/A
GOODWILL ON CONSOLIDATION		115,684	N/A
LISTING PREMIUM		26,429	N/A
		<u>150,164</u>	<u>N/A</u>
<b>CURRENT ASSETS</b>			
Inventories		5,087	N/A
Receivables		49,705	N/A
Cash and cash equivalents		37,365	N/A
		<u>92,157</u>	<u>N/A</u>
<b>CURRENT LIABILITIES</b>			
Payables		15,553	N/A
Short-term borrowings	22	11,649	N/A
Provision for taxation		1,855	N/A
		<u>29,057</u>	<u>N/A</u>
<b>NET CURRENT ASSETS</b>		63,100	N/A
		<u>213,264</u>	<u>N/A</u>
<b>Financed by:</b>			
SHARE CAPITAL		120,429	N/A
SHARE PREMIUM		83,700	N/A
IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")		9,300	N/A
EXCHANGE FLUCTUATION RESERVE		3	N/A
ACCUMULATED LOSS		(642)	N/A
SHAREHOLDERS' EQUITY		<u>212,790</u>	<u>N/A</u>
<b>LONG TERM AND DEFERRED LIABILITIES</b>			
Long term borrowings	22	38	N/A
Deferred taxation		436	N/A
		<u>213,264</u>	<u>N/A</u>
Net Assets per share (sen)		99.47	N/A

\* Compugates Holdings Berhad was listed on the Main Board of Bursa Malaysia Securities Berhad on 30 December 2005 and as such no corresponding figures of year 2004 have been included.

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**COMPUGATES HOLDINGS BERHAD****(Company No. 669287-H)****(Incorporated in Malaysia)****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****FOR THE QUARTER ENDED 31 DECEMBER 2005**

	<u>Share Capital</u> RM'000	<u>ICPS</u> RM'000	<u>Share Premium</u> RM'000	<u>Exchange Fluctuation Reserve</u> RM'000	<u>Accumulated Loss</u> RM'000	<u>Total</u> RM'000
Balance at 13 October 2004 (Date of incorporation)	#	-	-	-	-	#
Issuance of ordinary shares pursuant to the:						
-acquisition of a subsidiary	85,000	7,700	69,300	-	-	162,000
-Scheme of Arrangement with Creditors of PPAB	4,000	1,600	14,400	-	-	20,000
-Scheme of Arrangement with Shareholders of PPAB	6,429	-	-	-	-	6,429
-Renounceable Restricted Issue	25,000	-	-	-	-	25,000
Loss after taxation	-	-	-	-	(642)	(642)
Exchange difference	-	-	-	3	-	3
Balance as at 31 December 2005	<u>120,429</u>	<u>9,300</u>	<u>83,700</u>	<u>3</u>	<u>(642)</u>	<u>212,790</u>

# Issued and paid up share capital of RM2 comprising 2 ordinary shares of RM1.00 each.

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**COMPUGATES HOLDINGS BERHAD**  
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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE QUARTER ENDED 31 DECEMBER 2005**

	<b>31 DEC 2005</b>
	<b>RM'000</b>
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>	
Profit before taxation	1,201
Adjustments for:-	
Non-cash items	136
Interest expense	78
Interest income	<u>(202)</u>
Operating profit before working capital changes	1,213
Decrease in inventories	4,484
Increase in trade and other receivables	(11,680)
Decrease in trade and other payables	<u>(785)</u>
<b>Cash for operations</b>	<u>(6,768)</u>
Interest paid	(78)
Income tax paid	(1,000)
<b>NET CASH FOR OPERATING ACTIVITIES</b>	<u>(7,846)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Acquisition of a subsidiary, net of cash acquired	16,356
Interest received	202
Purchase of property and equipment	<u>(174)</u>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<u>16,384</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from issuance of share capital	25,000
Increase in bankers' acceptances	4,316
Repayment of hire purchase obligations	(3)
Repayment to a director	<u>(489)</u>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<u>28,824</u>
Effects of foreign exchange rate changes on cash and cash equivalents	3
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>37,365</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	-
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<u>37,365</u>
<b>NOTES TO CASH FLOW STATEMENT</b>	
Cash and cash equivalents comprise of:	
Fixed deposits with licensed bank	7,894
Short term deposits with a licensed bank	25,000
Cash and bank balances	<u>4,471</u>
	<u>37,365</u>

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.