

**PAXELEN CORPORATION BERHAD** (Company No. 391514-K)  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**  
(The interim figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2005**

	Share Capital	Reserve Attributable To Capital	Reserves Attributable To Revenue	Accumulated Losses	Total
<b><u>12 months period ended 31 December 2005</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
Balance as at 1 January 2005	121,226	8,414	25,160	(142,205)	12,595
Net Profit / (loss) for the period	-	-	-	19,490	19,490
Issue of Share Capital	-	-	-	-	-
Currency translation differences	-	-	(24)	-	(24)
Disposal of Subsidiary Companies	-	-	(25,134)	-	(25,134)
Share issue expenses written off	-	-	-	-	-
Balance as at 31 December 2005	<u>121,226</u>	<u>8,414</u>	<u>2</u>	<u>(122,715)</u>	<u>6,927</u>

	Share Capital	Reserve Attributable To Capital	Reserves Attributable To Revenue	Accumulated Losses	Total
<b><u>12 months period ended 31 December 2004</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
Balance as at 1 January 2004	79,800	8,687	25,253	(81,174)	32,566
Net loss for the period	-	-	-	(61,031)	(61,031)
Issue of Share Capital	41,426	-	-	-	41,426
Currency translation differences/Adjustments	-	-	(93)	-	(93)
Share issue expenses written off	-	(273)	-	-	(273)
Balance as at 31 December 2004	<u>121,226</u>	<u>8,414</u>	<u>25,160</u>	<u>(142,205)</u>	<u>12,595</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004