

**GUAN CHONG BERHAD (Company No. 646226-K)**  
**(Incorporated in Malaysia)**

**QUARTERLY REPORT**

**CONDENSED CONSOLIDATED RESULTS**  
**FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2005**

**(The figures have not been audited)**

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	<b>INDIVIDUAL QUARTER</b>	<b>CUMULATIVE QUARTER</b>
	CURRENT	CURRENT YEAR
	QUARTER	TO-DATE
	ENDED	ENDED
	<b>30-SEP-05</b>	<b>30-SEP-05</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	105,151	310,699
Cost Of Sales	(97,045)	(285,051)
<b>Gross Profit</b>	<u>8,106</u>	<u>25,648</u>
Other Operating Income	626	1,142
Selling And Distribution Expenses	(1,388)	(4,314)
Administrative Expenses	(1,146)	(3,611)
Other Operating Expenses	(67)	(224)
<b>Profit From Operations</b>	<u>6,131</u>	<u>18,641</u>
Finance Costs	(955)	(2,942)
<b>Profit Before Tax</b>	<u>5,176</u>	<u>15,699</u>
Tax Expense	(504)	(1,578)
<b>Profit After Tax But Before Minority Interest</b>	<u>4,672</u>	<u>14,121</u>
Minority Interest	(62)	(143)
<b>Profit After Tax And Minority Interest</b>	<u><u>4,610</u></u>	<u><u>13,978</u></u>
Basic earnings per share (sen)	1.92	6.51
Diluted earnings per share (sen)	N/A	N/A

The Condensed Financial Statements should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

**GUAN CHONG BERHAD (Company No. 646226-K)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2005**

(The figures have not been audited)

	<b>AS AT END OF CURRENT QUARTER 30-SEP-05 RM'000</b>	<b>AS AT PRECEDING FINANCIAL YEAR END 31-DEC-04 RM'000</b>
<b>NON-CURRENT ASSETS</b>		
Property, Plant And Equipment	60,869	N/A
Lease Rental Paid In Advance	1,570	N/A
Investment	5	N/A
<b>CURRENT ASSETS</b>		
Inventories	103,214	N/A
Trade And Other Receivables	32,993	N/A
Deposits, Bank And Cash Balances	9,106	N/A
	<u>145,313</u>	<u>N/A</u>
<b>LESS : CURRENT LIABILITIES</b>		
Trade And Other Payables	21,865	N/A
Borrowings	94,879	N/A
Tax Payable	258	N/A
	<u>117,002</u>	<u>N/A</u>
<b>NET CURRENT ASSETS</b>	28,311	N/A
	<u>90,755</u>	<u>N/A</u>
<b>FINANCED BY :</b>		
<b>CAPITAL AND RESERVES</b>		
Share Capital	60,000	N/A
Share Premium	7,718	N/A
Reserve On Consolidation	3,443	N/A
Retained Profits	10,852	N/A
<b>SHAREHOLDERS' FUNDS</b>	<u>82,013</u>	<u>N/A</u>
<b>MINORITY INTEREST</b>	989	N/A
<b>LONG TERM AND DEFERRED LIABILITIES</b>		
Borrowings	938	N/A
Deferred Tax Liabilities	6,815	N/A
	<u>90,755</u>	<u>N/A</u>
	-	
Net tangible assets per share (sen)	<u>34.17</u>	<u>N/A</u>

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**GUAN CHONG BERHAD (Company No. 646226-K)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2005**

**(The figures have not been audited)**

	<b>Share Capital RM'000</b>	<b>Non-Distributable Share Premium RM'000</b>	<b>Reserve On Consolidation RM'000</b>	<b>Distributable Retained Profits/(Loss) RM'000</b>	<b>Total RM'000</b>
Balance as at 1 January 2005	*	-	-	(6)	(6)
Issue of shares pursuant to acquisition of subsidiary companies	31,088	-	-	-	31,088
Acquisition of subsidiary companies	-	-	3,443	-	3,443
Rights Issue	22,912	-	-	-	22,912
Public Issue	6,000	9,600	-	-	15,600
Listing expenses written off against share premium	-	(1,882)	-	-	(1,882)
Net profit for the financial period	-	-	-	13,978	13,978
Dividend	-	-	-	(3,120)	(3,120)
Balance as at 30 September 2005	<u>60,000</u>	<u>7,718</u>	<u>3,443</u>	<u>10,852</u>	<u>82,013</u>
	-	-	-	-	-

Note:

\* This represents RM2 of 8 ordinary shares of RM0.25 each.

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GUAN CHONG BERHAD (Company No. 646226-K)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2005**

(The figures have not been audited)

	CUMULATIVE CURRENT YEAR TO DATE 30-SEPT-05 RM'000	CUMULATIVE PRECEDING YEAR QUARTER 30-SEPT-04 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	15,699	N/A
Adjustments for:		
Amortisation of lease rental	101	N/A
Depreciation	3,892	N/A
Gain on disposal of property, plant and equipment	(29)	N/A
Provision for union case claim	69	N/A
Interest expenses	2,512	N/A
Interest income	(125)	N/A
Operating profit before working capital changes	<u>22,119</u>	<u>N/A</u>
Changes in working capital		
Inventories	(24,448)	N/A
Trade and other receivables	9,203	N/A
Trade and other payables	(27,303)	N/A
Cash (absorbed into) operations	<u>(20,429)</u>	<u>N/A</u>
Tax paid	(1,193)	N/A
Interest paid	(2,512)	N/A
Interest received	125	N/A
<b>Net cash (used in) operating activities</b>	<u>(24,009)</u>	<u>N/A</u>
<b>Cash flows from investing activities</b>		
Acquisition of subsidiary companies	5,927	N/A
Payment for the sub-leases of land and warehouses	(328)	N/A
Proceeds from disposal of property, plant and equipment	83	N/A
Purchase of property, plant and equipment	(10,294)	N/A
<b>Net cash (used in) investing activities</b>	<u>(4,612)</u>	<u>N/A</u>
<b>Cash flows from financing activities</b>		
Borrowings	2,413	N/A
Net (increase) in fixed deposit pledged	(100)	N/A
Payment of listing expenses	(1,338)	N/A
Proceeds from Rights Issue	22,912	N/A
Proceeds from Public Issue	15,600	N/A
Dividend paid	(3,120)	N/A
<b>Net cash from financing activities</b>	<u>36,367</u>	<u>N/A</u>
Net increase in cash and cash equivalents	7,746	N/A
Cash and cash equivalents at beginning of financial period	*	N/A
Cash and cash equivalents at end of financial period	<u><u>7,746</u></u>	<u><u>N/A</u></u>
<b>Cash and cash equivalents at end of financial period comprise of :</b>		
Deposits, bank and cash balances	9,106	N/A
Bank overdrafts	(1,260)	N/A
	<u>7,846</u>	<u>N/A</u>
Less : Non-cash and cash equivalents		
-Fixed deposit pledged to bank as collateral	(100)	N/A
	<u><u>7,746</u></u>	<u><u>N/A</u></u>

Note :

\* This represents RM2.

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