

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

QUARTERLY REPORT

CONDENSED CONSOLIDATED RESULTS
FOR THE 4RD QUARTER ENDED 31 DECEMBER 2005

(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER CURRENT QUARTER ENDED 31-DEC-05 RM'000	CUMULATIVE QUARTER CURRENT YEAR TO-DATE ENDED 31-DEC-05 RM'000
Revenue	101,996	412,695
Cost Of Sales	(93,474)	(378,525)
Gross Profit	<u>8,522</u>	<u>34,170</u>
Other Operating Income	298	1,440
Selling And Distribution Expenses	(1,725)	(6,039)
Administrative Expenses	(1,725)	(5,336)
Other Operating Expenses	(7)	(231)
Profit From Operations	<u>5,363</u>	<u>24,004</u>
Finance Costs	(1,006)	(3,948)
Profit Before Tax	<u>4,357</u>	<u>20,056</u>
Tax Expense	(1,261)	(2,839)
Profit After Tax But Before Minority Interest	<u>3,096</u>	<u>17,217</u>
Minority Interest	(37)	(180)
Profit After Tax And Minority Interest	<u>3,059</u>	<u>17,037</u>
Basic earnings per share (sen)	1.27	7.92
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.

Remark

There are no comparative figures as the first set of interim financial reporting for the Group was for the financial period ended 31 March 2005.

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

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2005

(The figures have not been audited)

	AS AT END OF CURRENT QUARTER 31-DEC-05 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31-DEC-04 RM'000
NON-CURRENT ASSETS		
Property, Plant And Equipment	62,013	N/A
Lease Rental Paid In Advance	1,609	N/A
Investment	5	N/A
CURRENT ASSETS		
Inventories	83,155	N/A
Trade And Other Receivables	39,104	N/A
Deposits, Bank And Cash Balances	8,853	N/A
	<u>131,112</u>	<u>N/A</u>
LESS : CURRENT LIABILITIES		
Trade And Other Payables	27,452	N/A
Borrowings	76,876	N/A
Hire purchase payable	239	N/A
Tax Payable	171	N/A
	<u>104,738</u>	<u>N/A</u>
NET CURRENT ASSETS	26,374	N/A
	<u>90,001</u>	<u>N/A</u>
FINANCED BY :		
CAPITAL AND RESERVES		
Share Capital	60,000	N/A
Share Premium	7,718	N/A
Reserve On Consolidation	3,443	N/A
Retained Profits	9,111	N/A
SHAREHOLDERS' FUNDS	<u>80,272</u>	<u>N/A</u>
MINORITY INTEREST	1,026	N/A
NON-CURRENT AND DEFERRED LIABILITIES		
Borrowings	578	N/A
Hire purchase payable	274	N/A
Deferred Tax Liabilities	7,851	N/A
	<u>90,001</u>	<u>N/A</u>
	-	-
Net assets per share (sen)	<u>33.87</u>	<u>N/A</u>

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Remark

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 4RD QUARTER ENDED 31 DECEMBER 2005

(The figures have not been audited)

	Share Capital RM'000	Non-Distributable Share Premium RM'000	Reserve On Consolidation RM'000	Distributable Retained Profits/(Loss) RM'000	Total RM'000
Balance as at 1 January 2005	*	-	-	(6)	(6)
Issue of shares pursuant to acquisition of subsidiary companies	31,088	-	3,443	-	34,531
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	-	-	-	17,037	17,037
Dividend	-	-	-	(7,920)	(7,920)
Balance as at 30 September 2005	<u>60,000</u>	<u>7,718</u>	<u>3,443</u>	<u>9,111</u>	<u>80,272</u>
	-	-	-	-	-

Note:

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

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Remark

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GUAN CHONG BERHAD (Company No. 646226-K)
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE 4RD QUARTER ENDED 31 DECEMBER 2005**

(The figures have not been audited)

	CUMULATIVE CURRENT YEAR TO DATE 31-DEC-05 RM'000	CUMULATIVE PRECEDING YEAR QUARTER 31-DEC-04 RM'000
Cash flows from operating activities		
Profit before tax	20,056	N/A
Adjustments for:		
Amortisation of lease rental	135	N/A
Depreciation	5,321	N/A
Gain on disposal of property, plant and equipment	(29)	N/A
Provision for union case claim	92	N/A
Interest expenses	3,343	N/A
Interest income	(157)	N/A
Operating profit before working capital changes	<u>28,761</u>	N/A
Changes in working capital		
Inventories	(4,388)	N/A
Trade and other receivables	3,093	N/A
Trade and other payables	(21,739)	N/A
Cash (absorbed into) operations	<u>5,727</u>	N/A
Tax paid	(1,504)	N/A
Interest paid	(3,343)	N/A
Interest received	157	N/A
Net cash (used in) operating activities	<u>1,037</u>	N/A
Cash flows from investing activities		
Acquisition of subsidiary companies	5,927	N/A
Payment for the sub-leases of land and warehouses	(402)	N/A
Proceeds from disposal of property, plant and equipment	83	N/A
Purchase of property, plant and equipment	(12,868)	N/A
Net cash (used in) investing activities	<u>(7,260)</u>	N/A
Cash flows from financing activities		
Net movement in borrowings	3,131	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
Repayment of hire purchase payable	(207)	N/A
Repayment of term loans	(20,195)	N/A
Dividend paid	(7,920)	N/A
Net cash from financing activities	<u>11,883</u>	N/A
Net increase in cash and cash equivalents	5,660	N/A
Effect of exchange rate changes	-	N/A
Cash and cash equivalents at beginning of financial period	*	N/A
Cash and cash equivalents at end of financial period	<u><u>5,660</u></u>	<u>N/A</u>
Cash and cash equivalents at end of financial period comprise of :		
Deposits, bank and cash balances	8,853	N/A
Bank overdrafts	(3,093)	N/A
	<u>5,760</u>	N/A
Less : Non-cash and cash equivalents		
-Fixed deposit pledged to bank as collateral	(100)	N/A
	<u><u>5,660</u></u>	<u>N/A</u>
	-	-

Note :

* This represents RM2.

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Remark

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