

VASTALUX ENERGY BERHAD (Company No : 789373-V)
(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

Condensed Consolidated Income Statement
For the second quarter ended 30 June 2010 (Unaudited)

	Current year Quarter Ended 30.06.2010	Previous year Quarter Ended 30.06.2009	Current Year To Date 30.06.2010	Previous Year To Date 30.06.2009
	RM	RM	RM	RM
Revenue	5,859,061	67,071,789	8,560,751	125,549,444
Cost of sales	(10,876,676)	(62,277,820)	(19,336,383)	(115,700,485)
Gross profit/(Loss)	(5,017,614)	4,793,969	(10,775,631)	9,848,959
Other operating income	211,551	(16,938)	308,705	37,779
Finance cost	(580,309)	(1,202,098)	(656,230)	(2,121,961)
Administration expenses	(1,820,247)	(2,272,633)	(3,412,218)	(4,736,105)
Other operating expenses	(1,486,935)	(928,276)	(2,494,268)	(1,638,354)
Profit/(Loss) before taxation	(8,693,553)	374,024	(17,029,641)	1,390,318
Taxation	1,487,456	(2,056,148)	3,681,334	(313,142)
Profit/(Loss) after taxation	(7,206,097)	(1,682,124)	(13,348,307)	1,077,176
Minority interest	(11,153)	29,077	29,130	30,490
Profit/(Loss) for the period attributable to Equity holders of the parent	(7,217,250)	(1,653,047)	(13,319,177)	1,107,666
Earning / (Loss) per share :				
- Basic (sen)	(3.50)	(0.80)	(6.46)	0.54
- Diluted (sen)	-	-	-	-

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**Condensed Consolidated Balance Sheet as at 30 June 2010 (Unaudited)
For the second quarter ended 30 June 2010 (Unaudited)**

	30.06.2010	31.12.2009
	RM	(Audited) RM
ASSETS		
Non-current assets		
Property, plant and equipment	12,714,683	14,647,699
Prepaid land lease	19,505,729	19,652,636
Goodwill on consolidation	54,952	54,952
Deferred expenditure	66,959	258,076
Deferred tax assets	20,652,613	17,708,776
	<u>52,994,936</u>	<u>52,322,139</u>
Current assets		
Amount due from customers	131,654,668	134,555,218
Trade receivables	4,002,040	4,890,867
Other receivables, deposits and prepayments	5,551,280	6,067,417
Tax recoverable	1,370,021	1,370,021
Deposits with licensed banks	21,203,314	23,027,414
Cash and bank balances	1,173,802	1,487,209
	<u>164,955,124</u>	<u>171,398,146</u>
TOTAL ASSETS	<u>217,950,060</u>	<u>223,720,285</u>
EQUITY AND LIABILITIES		
Share capital	51,560,000	51,560,000
Capital reserves	31,922,308	31,922,308
Foreign exchange reserve	166,844	166,844
(Accumulated loss)/ Retained profit	(56,453,703)	(43,134,526)
Shareholders' equity	<u>27,195,449</u>	<u>40,514,626</u>
Minority interest	4,608,793	4,637,923
Total equity	<u>31,804,241</u>	<u>45,152,549</u>
Non-current liabilities		
Long term borrowings	5,369,488	5,463,784
Deferred tax liabilities	573,116	1,743,613
	<u>5,942,604</u>	<u>7,207,397</u>
Current liabilities		
Short term borrowings	31,270,768	35,750,252
Trade payables	125,100,120	115,703,978
Other payables and accruals	19,911,354	16,418,137
Provision for taxation	3,920,973	3,487,972
	<u>180,203,215</u>	<u>171,360,339</u>
Total liabilities	<u>186,145,819</u>	<u>178,567,736</u>
TOTAL EQUITY AND LIABILITIES	<u>217,950,060</u>	<u>223,720,285</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.13	0.20

VASTALUX ENERGY BERHAD (Company No : 789373-V)
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Condensed Consolidated Statement of Changes in Equity
For the second quarter ended 30 June 2010 (Unaudited)

	<u>Share Capital</u> RM	<u>Non Distributable:- Capital Reserves</u> RM	<u>Foreign exchange Reserve</u> RM	<u>Distributable:- (Accumulated losses)/Retained earnings</u> RM	<u>Total</u> RM	<u>Minority Interest</u> RM	<u>Total Equity</u> RM
6 months ended 30 June 2009							
Balance at 01.01.2009	51,560,000	31,922,308	(54,719)	11,688,623	95,116,212	3,625,402	98,741,614
Issue of shares to minority interest					-	2,376,260	2,376,260
Foreign currency translation			711,170		711,170		711,170
Net profit / (loss) for the period				1,107,666	1,107,666	30,490	1,138,156
Balance at 30.06.2009	51,560,000	31,922,308	656,451	12,796,289	96,935,048	6,032,152	102,967,200
6 months ended 30 June 2010							
Balance at 01.01.2010	51,560,000	31,922,308	166,844	(43,134,526)	40,514,626	4,637,923	45,152,549
Foreign currency translation	-	-	-	-	-	-	-
Issuance of shares to minority interest						-	-
Net profit / (loss) for the period	-	-	-	(13,319,177)	(13,319,177)	(29,130)	(13,348,307)
Balance at 30.06.2010	51,560,000	31,922,308	166,844	(56,453,703)	27,195,449	4,608,793	31,804,242

VASTALUX ENERGY BERHAD (Company No : 789373-V)

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Condensed Consolidated Cash Flow Statements**For the second quarter ended 30 June 2010 (Unaudited)**

	Current Year To Date Ended 30.06.2010	Previous Year To Date Ended 31.12.2009 (Audited)
Profit / (loss) before tax	(17,029,641)	(69,772,369)
Adjustments for non -cash flow :		
Non-cash items	1,698,911	5,693,145
Operating profit / (loss) before working capital changes	(15,330,731)	(64,079,224)
Changes in working capital	17,194,876	76,486,436
	1,864,145	12,407,212
Net interest expense	(347,525)	-
Tax paid	-	(204,981)
Net cash flows from operating activities	1,516,620	12,202,231
Investing activities		
Purchase of property, plant and equipment	772,747	(1,434,257)
Proceeds from disposal of property, plant and equipment	-	185,000
Acquisition of subsidiaries, net of cash acquired	-	-
Payment for land lease	52,610	(5,035,933)
Dividend paid	-	(1,526,176)
	825,358	(7,811,366)
Financing activities		
Proceeds from shares subscription of minorities of subsidiary	-	1,227,220
Proceeds/(Repayments) of borrowings	(1,879,512)	(32,572,548)
	(1,879,512)	(31,345,328)
Net change in cash and cash equivalents	462,466	(26,954,463)
Effects of exchange rate	-	221,563
Cash and cash equivalents at beginning of the period	(8,635,202)	18,097,698
Cash and cash equivalents at end of the period	(8,172,736)	(8,635,202)
Cash and cash equivalents comprise of:		
Deposits with licensed bank	21,203,314	23,027,414
Cash and bank balances	1,173,802	1,487,209
	22,377,116	24,514,623
Less:		
Bank overdrafts	(5,549,852)	(8,149,825)
Portion of deposits for repayment of bonds within 12 months	(25,000,000)	(25,000,000)
	(8,172,736)	(8,635,202)