

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

Condensed Consolidated Income Statement
For the third quarter ended 30 September 2010 (Unaudited)

	Current year Quarter Ended 30.09.2010	Previous year Quarter Ended 30.09.2009	Current Year To Date 30.09.2010	Previous Year To Date 30.09.2009
	RM	RM	RM	RM
Revenue	2,426,337	32,131,925	10,987,089	157,681,369
Cost of sales	(2,319,854)	(51,420,993)	(21,656,237)	(166,208,402)
Gross Profit/(Loss)	106,483	(19,289,068)	(10,669,148)	(8,527,033)
Other operating income	96,574	305,565	405,279	716,103
Finance cost	(371,568)	(1,113,385)	(1,027,798)	(3,611,462)
Administration expenses	(1,287,873)	(2,165,620)	(4,700,090)	(6,932,416)
Other operating expenses	(1,210,341)	(1,329,755)	(3,704,609)	(3,847,140)
Loss before taxation	(2,666,725)	(23,592,263)	(19,696,366)	(22,201,948)
Taxation	-	5,857,147	3,681,334	5,544,005
Loss after taxation	(2,666,725)	(17,735,116)	(16,015,032)	(16,657,943)
Minority interest	242	8,036	29,372	38,526
Loss for the period attributable to Equity holders of the company	(2,666,483)	(17,727,080)	(15,985,660)	(16,619,417)
Loss per share:				
- Basic (sen)	(1.29)	(8.60)	(7.75)	(8.06)
- Diluted (sen)	-	-	-	-

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**Condensed Consolidated Balance Sheet
As at 30 September 2010 (Unaudited)**

	(Unaudited) 30.09.2010 RM	(Audited) 31.12.2009 RM
ASSETS		
Non-current assets		
Property, plant and equipment	11,174,593	14,647,699
Prepaid land lease	19,432,276	19,652,636
Goodwill on consolidation	54,952	54,952
Deferred expenditure	4,079	258,076
Deferred tax assets	20,652,614	17,708,776
	<u>51,318,513</u>	<u>52,322,139</u>
Current assets		
Amount due from customers	126,181,310	134,555,218
Trade receivables	4,018,622	4,890,867
Other receivables, deposits and prepayments	5,485,431	6,067,417
Tax recoverable	1,370,021	1,370,021
Deposits with licensed banks	21,607,888	23,027,414
Cash and bank balances	2,532,536	1,487,209
	<u>161,195,808</u>	<u>171,398,146</u>
TOTAL ASSETS	<u><u>212,514,321</u></u>	<u><u>223,720,285</u></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	(59,120,186)	(43,134,526)
Shareholders' equity	<u>24,528,966</u>	<u>40,514,626</u>
Minority interest	4,608,551	4,637,923
Total equity	<u>29,137,517</u>	<u>45,152,549</u>
Non-current liabilities		
Long term borrowings	5,359,645	5,463,784
Deferred tax liabilities	573,116	1,743,613
	<u>5,932,761</u>	<u>7,207,397</u>
Current liabilities		
Short term borrowings	31,231,099	35,750,252
Trade payables	120,703,942	115,703,978
Other payables and accruals	21,588,028	16,418,137
Provision for taxation	3,920,974	3,487,972
	<u>177,444,043</u>	<u>171,360,339</u>
Total liabilities	<u>183,376,804</u>	<u>178,567,736</u>
TOTAL EQUITY AND LIABILITIES	<u><u>212,514,321</u></u>	<u><u>223,720,285</u></u>
Net assets per share attributable to ordinary equity holders of the company (RM)	0.12	0.20

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

	Non Distributable:-			Distributable:-			
	Share	Capital	Foreign	(Retained Earnings/ Accumulated		Minority	Total
	Capital	Reserves	Exchange	Losses)	Total	Interest	Equity
	RM	RM	Reserve	RM	RM	RM	RM
9 months							
<u>ended 30 September 2009</u>							
Balance at 01.01.2009	51,560,000	31,922,308	(54,719)	11,688,621	95,116,210	3,625,402	98,741,612
Foreign currency translation			420,787		420,787		420,787
Dividend paid				(1,526,176)	(1,526,176)		(1,526,176)
Net loss for the period				(16,619,417)	(16,619,417)	(38,526)	(16,657,943)
Balance at 30.09.2009	51,560,000	31,922,308	366,068	(6,456,972)	77,391,404	3,586,876	80,978,280
9 months							
<u>ended 30 September 2010</u>							
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
Net loss for the period	-	-	-	(15,985,660)	(15,985,660)	(29,372)	(16,015,032)
Balance at 30.09.2010	51,560,000	31,922,308	166,844	(59,120,186)	24,528,966	4,608,551	29,137,517

VASTALUX ENERGY BERHAD (Company No : 789373-V)

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Condensed Consolidated Cash Flow Statements
For the third quarter ended 30 September 2010 (Unaudited)

	(Unaudited) Current Year To Date Ended 30.09.2010	(Audited) Previous Year To Date Ended 31.12.2009
Loss before taxation	(19,696,366)	(69,772,369)
Adjustments for non-cash flow:		
Non-cash items	5,583,496	5,693,145
Operating loss before working capital changes	(14,112,870)	(64,079,224)
Changes in working capital	19,997,996	79,698,866
	5,885,126	15,619,642
Interest expense	(1,027,798)	(4,658,612)
Interest income	405,279	1,446,182
Tax paid	-	(204,981)
Net cash flows from operating activities	5,262,608	12,202,231
Investing activities		
Purchase of property, plant and equipment	(1,013,514)	(1,434,257)
Proceeds from disposal of property, plant and equipment	-	185,000
Payment for land lease	(48,865)	(5,035,933)
Dividend paid	-	(1,526,176)
	(1,062,379)	(7,811,366)
Financing activities		
Proceeds from shares subscription of minorities of subsidiary	-	1,227,220
Repayments of borrowings	(1,934,287)	(32,572,548)
	(1,934,287)	(31,345,328)
Net change in cash and cash equivalents	2,265,942	(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	(6,369,260)	(8,635,202)
Cash and cash equivalents comprise of:		
Deposits with licensed bank	21,607,888	23,027,414
Cash and bank balances	2,532,536	1,487,209
	24,140,424	24,514,623
Less:		
Bank overdrafts	(5,509,684)	(8,149,825)
Portion of deposits for repayment of bonds within 12 months	(25,000,000)	(25,000,000)
	(6,369,260)	(8,635,202)