

CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2011

The figures had not been audited.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.12.2011 RM'000 (Unaudited)	As at 30.06.2011 RM'000 (Audited)
<u>ASSETS</u>		
<u>NON CURRENT ASSETS</u>		
Property, plant and equipment	83,719	67,424
Investment in associated companies	922	914
	<hr/> 84,641	<hr/> 68,338
<u>CURRENT ASSETS</u>		
Inventories	40,758	33,639
Trade Receivables	31,791	30,133
Other Receivables, Deposits And Prepayments	9,108	5,602
Tax refundable	407	321
Amount Due From Associated Companies	585	1,023
Fixed Deposits With Licensed Bank	-	2,000
Cash And Bank Balances	19,327	25,060
	<hr/> 101,976	<hr/> 97,778
<u>TOTAL ASSETS</u>	<hr/> 186,617	<hr/> 166,116
<u>EQUITY AND LIABILITIES</u>		
<u>Equity</u>		
Share capital	78,840	78,840
Share premium	158	158
Treasury shares	(7,205)	(6,244)
Exchange translation reserve	(3)	17
Retained profits	63,378	57,257
Total equity attributable to owners of the Company	<hr/> 135,168	<hr/> 130,028
Non-controlling interests	1,294	1,262
<u>TOTAL EQUITY</u>	<hr/> 136,462	<hr/> 131,290
<u>NON CURRENT LIABILITIES</u>		
Hire purchase payables	40	65
Long term borrowings	3,455	4,112
Deferred taxation liabilities	3,515	2,532
	<hr/> 7,010	<hr/> 6,709
<u>CURRENT LIABILITIES</u>		
Trade payables	15,010	13,626
Other payables, deposits and accruals	5,324	4,857
Amount due to associated companies	328	-
Hire purchase payables	158	49
Borrowings	20,210	8,037
Provision for taxation	2,115	1,548
	<hr/> 43,145	<hr/> 28,117
<u>TOTAL LIABILITIES</u>	<hr/> 50,155	<hr/> 34,826
<u>TOTAL EQUITY & LIABILITIES</u>	<hr/> 186,617	<hr/> 166,116
Net assets per share (RM)	<hr/> 0.87	<hr/> 0.83

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 June 2011.

CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Interim report for the quarter ended 31 December 2011

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←-----Non-distributable -----→				Distributable	Attributable to	Non-	Total
	Share	Share	Treasury	Exchange	Retained	owners of the	controlling	Equity
	Capital	Premium	Shares	Translation	Profits	Company	Interests	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>At 31 December 2011</u>								
Balance at 1 July 2011	78,840	158	(6,244)	17	57,256	130,027	1,262	131,289
Profit for the period	-	-	-	-	11,333	11,333	176	11,509
Foreign currency translation difference	-	-	-	(20)	-	(20)	(2)	(22)
Total Comprehensive Income for the period	-	-	-	(20)	11,333	11,313	174	11,487
Transactions with owners:-								
Purchase of treasury shares	-	-	(961)	-	-	(961)	-	(961)
Dividend paid:-								
By company	-	-	-	-	(5,211)	(5,211)	-	(5,211)
By subsidiaries to non-controlling interest	-	-	-	-	-	-	(142)	(142)
	-	-	(961)	(20)	6,122	5,141	32	5,173
Balance at 31 December 2011	78,840	158	(7,205)	(3)	63,378	135,168	1,294	136,462
<u>At 31 December 2010</u>								
Balance at 1 July 2010	78,840	158	(926)	18	44,090	122,180	1,089	123,269
Profit for the period	-	-	-	-	10,982	10,982	83	11,065
Foreign currency translation difference	-	-	-	(22)	-	(22)	(1)	(23)
Total Comprehensive Income for the period	-	-	-	(22)	10,982	10,960	82	11,042
Transactions with owners:-								
Purchase of treasury shares	-	-	(3,167)	-	-	(3,167)	-	(3,167)
Dividend paid:-								
By subsidiaries to non-controlling interest	-	-	-	-	-	-	(22)	(22)
	-	-	(3,167)	(22)	10,982	7,793	60	7,853
Balance at 31 December 2010	78,840	158	(4,093)	4	55,072	129,973	1,149	131,122

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 June 2011.

CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Interim report for the quarter ended 31 December 2011

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding year Corresponding Quarter	Current Year to Date	Preceding year Corresponding Year to Date
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Revenue	101,135	98,719	215,967	203,458
Cost of sales	(82,533)	(81,593)	(178,393)	(168,322)
Gross profit	18,602	17,126	37,574	35,136
Other operating income	551	616	1,106	1,228
Operating expenses	(10,867)	(10,887)	(22,206)	(20,716)
Profit from operations	8,286	6,855	16,474	15,648
Interest income	69	159	170	182
Share of results of associated companies	14	26	8	20
Finance costs	(149)	(66)	(253)	(131)
Profit before taxation	8,220	6,974	16,399	15,719
Taxation	(2,309)	(2,014)	(4,890)	(4,654)
Profit for the period	5,911	4,960	11,509	11,065
Other comprehensive income, net of tax:-				
Foreign currency translation difference	(5)	(8)	(20)	(22)
Total Comprehensive Income for the period	5,906	4,952	11,489	11,043
Profit for the period attributable to:				
Owners of the Company	5,789	4,934	11,333	10,982
Non-controlling interests	122	26	176	83
Profit for the period	5,911	4,960	11,509	11,065
Total Comprehensive Income for the period attributable to:				
Owners of the Company	5,785	4,926	11,316	10,961
Non-controlling interests	121	26	173	82
Total Comprehensive Income for the period	5,906	4,952	11,489	11,043
	Sen	Sen	Sen	Sen
Earning per share attributable to owners of the Company (Sen):				
- Basic	3.67	3.13	7.19	6.96

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 June 2011.

CCK CONSOLIDATED HOLDINGS BERHAD

(Incorporated in Malaysia)

Interim report for the quarter ended 31 DECEMBER 2011

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	6 months ended	
	<u>31.12.2011</u>	<u>31.12.2010</u>
	RM'000	RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	16,399	15,719
Adjustments for non-cash items:-		
Non-cash items	3,410	2,679
Interest income	(170)	(182)
Interest expenses	253	131
Share of results in associated companies	(8)	(20)
Operating profit before working capital changes	<u>19,884</u>	<u>18,327</u>
Changes in working capital:		
Net changes in current assets	(27,245)	5,703
Net changes in current liabilities	17,579	1,934
Cash generated from operations	<u>10,218</u>	<u>25,964</u>
Interest received	170	182
Interest paid	(253)	(131)
Tax paid	(3,426)	(3,190)
Net cash provided by operating activities	<u>6,709</u>	<u>22,825</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from disposal of property, plant and equipment	32	306
Purchase of property, plant and equipment	(19,741)	(5,482)
Net cash used in investing activities	<u>(19,709)</u>	<u>(5,176)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Dividend paid	(5,211)	-
Dividend paid by subsidiaries to non-controlling interest	(142)	(22)
Purchase of treasury shares	(961)	(3,167)
Proceeds from term loans and other facilities obtained	19,146	7,283
Repayment of term loans and other facilities	(11,967)	(7,638)
Net cash used in financing activities	<u>865</u>	<u>(3,544)</u>
Net increase in cash and cash equivalents	(12,135)	14,105
Cash and cash equivalents brought forward	26,313	29,626
Effects of exchange rate changes	(22)	(23)
Cash and cash equivalents carried forward	<u>14,156</u>	<u>43,708</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 June 2011.

CCK CONSOLIDATED HOLDINGS BERHAD

NOTES TO THE QUARTERLY REPORT

Interim report for the quarter ended 31 December 2011

A. Explanatory Notes Pursuant to FRS (Financial Reporting Standards) 134

A1. Basis of Preparation

The unaudited interim financial statements of the Group have been prepared under the historical cost convention and in accordance with the requirements of FRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 30 June 2011. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30 June 2011.

A2. Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2011 except for the following:-

FRS 3 (Revised) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred. This revised standard has been applied prospectively during the current financial year with no financial impact on the financial statements of the Group but may impact the accounting of its future transactions or arrangements.

FRS 127 (Revised) requires accounting for changes in ownership interests by the group in a subsidiary, whilst maintaining control, to be recognised as an equity transaction. When the group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the non-controlling interests to be absorbed by the non-controlling interests instead of by the parent. The Group has applied FRS 127 (Revised) prospectively during the current financial year with no financial impact on the financial statements of the Group but may impact the accounting of its future transactions or arrangements.

A3. Seasonality or cyclicity of interim operations

The Group's business operations were not materially affected by any significant seasonality or cyclicity factors in the current financial period.

A4. Unusual items affecting assets, liabilities, equity, net income, or cash flow

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual in nature, size, or incidence during the financial period under review.

A5. Significant Estimates and changes in estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years, which have a material effect in the current interim period.

A6. Issuances, cancellations, repurchases, resale & repayments of debt & equity securities

There were no issuances, cancellations, resale or repayments of debts and equity securities for the financial period under review except that the Company repurchased 1,129,400 of its issued ordinary shares from the open market at an average price of RM0.81 per share. The total consideration paid for the repurchases including transaction costs was RM0.914 million and this was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with section 67A of the Companies Act 1965.

CCK CONSOLIDATED HOLDINGS BERHAD
NOTES TO THE QUARTERLY REPORT - CONTINUED

Interim report for the quarter ended 31 December 2011

A7.. Dividend Paid

	31.12.2011	31.12.2010
Final dividend for the financial year	30.06.2011	30.06.2010
Approved and declared on	22.11.2011	13.12.2010
Date paid	20.12.2011	24.01.2011
No. of ordinary shares on which dividends were paid('000)	148,900	151,800
Amount per share (single- tier)	3.5 sen	3.0 sen
Net dividend paid (RM'000)	5,211	4,544

A8. Segment reporting

6 months period ended 31 December 2011	Poultry	Prawn	Food Ration	Retail	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE						
External revenue	40,345	12,265	14,450	148,907	-	215,967
Inter-segment revenue	38,572	13,199	643	20,932	(73,346)	-
Total segment revenue	78,917	25,464	15,093	169,839	(73,346)	215,967
RESULTS						
Segment results	9,917	4,866	2,254	20,537	-	37,574
Other operating income						1,106
Unallocated expenses						(22,206)
Operating income						16,474
Interest income						170
Share of results in associated companies						8
Finance costs						(253)
Taxation						(4,890)
Profit after taxation						11,509
6 months period ended 31 December 2010	Poultry	Prawn	Food Ration	Retail	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE						
External revenue	42,866	7,283	18,766	134,543	-	203,458
Inter-segment revenue	35,087	11,730	702	24,078	(71,597)	-
Total segment revenue	77,953	19,013	19,468	158,621	(71,597)	203,458
RESULTS						
Segment results	9,475	2,190	3,697	19,774	-	35,136
Other operating income						1,228
Unallocated expenses						(20,716)
Operating income						15,648
Interest income						182
Share of results in associated companies						20
Finance costs						(131)
Taxation						(4,654)
Profit after taxation						11,065

CCK CONSOLIDATED HOLDINGS BERHAD
NOTES TO THE QUARTERLY REPORT - CONTINUED

Interim report for the quarter ended 31 December 2011

A9. Valuation of property, plant and equipment

There were no amendments in the valuation of property, plant and equipment brought forward from the previous annual financial statements. The Group did not carry out any valuation on its property, plant and equipment during the current interim period.

A10. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period except that the Company had on 16 February 2012 subscribed 115,000 ordinary shares of USD50 each representing 95.83% of the total issued and paid-up share capital of Pt. Adilmart for a total cash consideration of USD5,750,000 (equivalent to RM17,462,750).

Pt. Adilmart, a 90% owned subsidiary of the Company via CCK Fresh Mart Sdn Bhd ("CCK"), was incorporated in Republic of Indonesia in year 2008 with the principal activities of retailing and wholesale of fresh chicken and cold-storage products.

Subsequent to the Subscription, Pt. Adilmart became a 95.83% subsidiary of the Company, and ceased to be a subsidiary of CCKFM due to the dilution of CCKFM's shareholding in Pt. Adilmart arising from the issuance of new shares by Pt. Adilmart. The total issued and paid-up share capital of Pt. Adilmart before and after the Subscription are USD250,000 and USD6,000,000 respectively.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group during the current interim period. However, as disclosed in Note A10 above, there was some changes in the composition of the Group subsequent to the end of the current quarter.

A12. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at the end of the current interim period.

A13. Capital commitments

There were no material changes in capital commitments since the end of the previous financial quarter except for the followings:-

Approved and contracted for :	RM'000
Purchase of plant and equipment	5,100

A14. Related Party Disclosures

Significant related party transactions are as follows:-

	31.12.2011	31.12.2010
	RM'000	RM'000
Transactions with a company in which certain directors and substantial shareholders have financial interest in:-		
Purchase of products	260	124
Freight charges	7	13
Rental paid	33	33

CCK CONSOLIDATED HOLDINGS BERHAD
NOTES TO THE QUARTERLY REPORT - CONTINUED

Interim report for the quarter ended 31 December 2011

	31.12.2011	31.12.2010
A15. Cash and cash equivalents		
	RM'000	RM'000
Fixed Deposits With Licensed Bank	-	6,000
Cash and bank balances	19,327	39,104
Bank overdrafts, secured	(1,858)	(1,396)
Bank overdrafts, unsecured	(3,313)	-
	14,156	43,708

B. Explanatory Notes Pursuant to Main Market Listing Requirements of BursaMalaysia Securities Berhad

B1. Review of operating performance

Revenue of the Group for the three months ended 31 December 2011 was recorded at RM101.135 million. The result represented an increase of 2.45% as compared to RM98.719 million recorded for the corresponding period last year. Buoyant selling price of the poultry products and strong demands from both existing and new consumers continued to contribute healthily to the sales of poultry products and retail sales of cold-storage products for the Group. As compared to the corresponding period last year, sales of prawn products increased by 34% due to increasing demand for exports to Japan. On the other hand, sales from food ration had decreased for this financial year due to reducing contracts from statutory bodies. The impact on the Group's financial performance was minimal. The Group's current quarter pre-tax profit of RM8.220 million was higher as compared to preceding year's corresponding quarter where the pre-tax profit was recorded RM6.974 million. This was principally due to higher profit margins arising from better selling price for the poultry products coupled with lower production and operating expenses.

B2. Comparison with the immediate preceding quarter's results

The Group's revenue for the current quarter ended 31 December 2011 was recorded at RM101.135 million, which represented a decrease of 11.93% as compared with the immediate preceding quarter's performance where the Group's revenue was recorded at RM114.832 million. The decrease in revenue was principally due to brisk business generated from higher consumer demands during the Ramadan and Hari Raya Puasa festivities which occurred during the preceding quarter. Despite the reduction in the Group's turnover, its current quarter's pre-tax profit of RM8.220 million is comparable with the immediate preceding quarter's result of RM8.179 million. This is principally due to the better price margins for poultry products as opposed to the preceding quarter.

B3. Future Prospects

As reported in Note A10 above, the Group intends to expand its manufacturing and retail activities of cold storage and poultry business into Jakarta, Republic of Indonesia. The expansion of its business activities will contribute positively to the Group revenue and profit and therefore enhance future growth potential and earnings of the Group.

The Group will continue to look for opportunities to expand its network of outlets in both Malaysia and Indonesia. It will remain focused in managing its operating costs effectively and to increase its market share both domestically and internationally. Barring unforeseen circumstances, the Group expects its performance for the current financial year to be comparable with that achieved in the previous financial year.

B4.. Variance of actual profit from forecast profit

The disclosure requirements for explanatory notes for the variance of the actual profit after tax and non-controlling interest and shortfall in profit forecasts and/or guarantees are not applicable to the Company.

CCK CONSOLIDATED HOLDINGS BERHAD
NOTES TO THE QUARTERLY REPORT - CONTINUED

Interim report for the quarter ended 31 December 2011

B5. Taxation	3 months ended		Cumulative Quarter	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Current taxation	1,388	2,019	3,364	4,328
Under/(over) provision in prior year	(45)	-	(45)	100
Deferred taxation	966	(5)	1,571	226
	<u>2,309</u>	<u>2,014</u>	<u>4,890</u>	<u>4,654</u>

Income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the period.

The effective tax rate of the Group for the current and previous corresponding quarter and financial year was higher than the statutory tax rate principally due to certain expenses which were not deductible for tax purposes.

B6. Status of corporate proposals

There was no significant development or changes in the corporate proposal that was announced previously.

B7. Group Borrowings

Details of the Group borrowings are as follows:-

	31.12.2011 RM'000	31.12.2010 RM'000
Current		
Secured:-		
- Term loans	1,012	17
- Bank overdrafts	1,858	1,396
- Banker's acceptance	14,027	8,415
- Export credit refinancing loans	-	-
	<u>16,897</u>	<u>9,828</u>
Unsecured:-		
- Bank overdrafts	3,313	-
	<u>3,313</u>	<u>-</u>
	20,210	9,828
Non-current		
Secured - Term loans	<u>3,455</u>	<u>54</u>

B8. Material litigation

There was no litigation against the Group during the current quarter.

B9. Proposed Dividend

No dividend has been proposed for the current quarter ended 31 December 2011.

CCK CONSOLIDATED HOLDINGS BERHAD
NOTES TO THE QUARTERLY REPORT - CONTINUED

Interim report for the quarter ended 31 December 2011

B10. Earnings per share

Basic:-

The basic earnings per share is based on the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the current quarter.

	3 months ended		Cumulative quarter	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Profit attributable to owners of the Company	5,789	4,934	11,333	10,982
Weighted average of ordinary Shares	157,680	157,680	157,680	157,680
Basic Earnings per Share (Sen)	3.67	3.13	7.19	6.96

B11. Realised and unrealised retained profits

The retained profits is analysed as follows:-

	31.12.2011 RM'000	31.12.2010 RM'000
Retained profits of the Company and subsidiaries		
- Realised	83,269	74,266
- Unrealised	(3,515)	(2,930)
Share of retained profits in associated company		
- Realised	472	440
Less: Consolidation adjustments	(16,848)	(16,704)
	63,378	55,072

B12. Profit before tax

The following items have been included in arriving at profit before tax:

	3 months ended		Cumulative Quarter	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
After charging/(crediting)-				
Interest expense	149	66	253	131
Depreciation and amortisation	1,794	1,385	3,439	2,679
Gain on disposal of property, plant and equipment	(7)	(210)	(32)	(261)
Foreign exchange(gain)/loss	117	7	132	(57)
Interest income	(69)	(159)	(170)	(182)

Other than the above, there were no impairment of assets, gain or loss on disposal of quoted or unquoted investments or properties and exceptional items for the current quarter.

**CCK CONSOLIDATED HOLDINGS BERHAD
NOTES TO THE QUARTERLY REPORT - CONTINUED**

Interim report for the quarter ended 31 December 2011

B13. Net assets per share

The net assets per share of RM0.87 is calculated by dividing the net assets of the Group of RM135.168 million by 157.680 million number of shares of the Company in issue as at the end of the current financial quarter.

B14. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2011 was unqualified.

B15. Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 21 February 2012.

By order of the Board

Ling Ting Leong @ Ling Chong Seng (MACS 00754)

Secretary
Sibu, Sarawak
21 February 2012