

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**For the quarter ended 30 September 2009**  
**(The figures have not been audited)**

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
	CURRENT YEAR QUARTER ENDED 30/09/2009 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30/09/2008 RM'000	CURRENT PERIOD TO-DATE 30/09/2009 RM'000	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30/09/2008 RM'000
Revenue	28,746	33,344	57,982	61,368
Cost of sales	(20,116)	(24,400)	(41,295)	(45,373)
<b>Gross Profit</b>	<b>8,630</b>	<b>8,944</b>	<b>16,687</b>	<b>15,995</b>
Other operating income	1,683	287	1,744	408
Selling & distribution costs	(3,088)	(3,366)	(6,175)	(6,491)
Administrative expenses	(2,053)	(2,022)	(4,238)	(4,062)
Finance costs	(106)	(144)	(228)	(269)
<b>Profit Before Tax</b>	<b>5,066</b>	<b>3,699</b>	<b>7,790</b>	<b>5,581</b>
Taxation	(287)	(303)	(924)	(680)
<b>Net Profit After Tax</b>	<b>4,779</b>	<b>3,396</b>	<b>6,866</b>	<b>4,901</b>
Attributable to :				
Equity holders of the parent	4,521	3,396	6,621	4,901
Minority interest	258	-	245	-
	<b>4,779</b>	<b>3,396</b>	<b>6,866</b>	<b>4,901</b>
Earnings per share (Note B 14 )				
- Basic (Sen)	7.54	5.66	11.04	8.17
- Diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31st March 2009 and the accompanying explanatory notes attached to the interim financial statements.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED BALANCE SHEET**

	Unaudited As at 30/09/2009 RM'000	Audited As at 31/03/2009 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	72,379	73,635
Prepaid lease payments	13,086	13,175
Investment properties	918	927
Investments	372	372
	86,755	88,109
<b>Current assets</b>		
Property development cost	6,134	5,125
Assets held for sale	-	1,197
Inventories	13,896	12,336
Trade and other receivables	14,585	13,254
Tax refund receivable	140	234
Fixed deposits with licensed bank	7,918	3,557
Cash and bank balances	6,391	6,911
	49,064	42,614
<b>TOTAL ASSETS</b>	<b>135,819</b>	<b>130,723</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	60,000	60,000
Revaluation reserve	9,959	9,959
Retained profits	40,085	36,239
	110,044	106,198
Minority interest	440	195
<b>Total equity</b>	110,484	106,393
<b>Non-current liabilities</b>		
Borrowings	6,246	8,163
Deferred taxation	4,634	4,721
	10,880	12,884
<b>Current liabilities</b>		
Trade and other payables	7,031	7,390
Dividend payable	2,775	-
Current tax liabilities	409	-
Borrowings		
- bank overdraft	475	-
- other borrowings	3,765	4,056
	14,455	11,446
<b>Total liabilities</b>	25,335	24,330
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>135,819</b>	<b>130,723</b>
	-	-
<b>Net assets per share (RM) **</b>	<b>1.83</b>	<b>1.77</b>

\*\* Net assets per share is calculated based on Total assets (including intangibles) minus total liabilities divided by the total number of ordinary shares of RM1.00 each in issue as at 30th September 2009.

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31st March 2009 and the accompanying explanatory notes attached to the interim financial statements.

ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)  
(Incorporated in Malaysia)  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For the quarter ended 30 September 2009  
(The figures have not been audited)

	← Attributable to Equity Holders of the Parent →					Minority Interest RM'000	Total Equity RM'000
	← Non-Distributable →		Distributable				
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Retained Profits RM'000	Total RM'000		
<b>6 months period ended 30 September 2009</b>							
Balance as at 1 April 2009	60,000	-	9,959	36,239	106,198	195	106,393
Net profit for the period	-	-	-	6,621	6,621	245	6,866
Interim dividend for the year ended 31 March 2010	-	-	-	(1,200)	(1,200)	-	(1,200)
Final dividend for the year ended 31 March 2009	-	-	-	(1,575)	(1,575)	-	(1,575)
<b>Balance as at 30 September 2009</b>	<b>60,000</b>	<b>-</b>	<b>9,959</b>	<b>40,085</b>	<b>110,044</b>	<b>440</b>	<b>110,484</b>
	-	-	-	-	-	-	-
<b>6 months period ended 30 September 2008</b>							
Balance as at 1 April 2008	60,000	-	6,529	28,046	94,575	196	94,771
Net profit for the period	-	-	-	4,901	4,901	-	4,901
Final dividend for the year ended 31 March 2008	-	-	-	(1,575)	(1,575)	-	(1,575)
<b>Balance as at 30 September 2008</b>	<b>60,000</b>	<b>-</b>	<b>6,529</b>	<b>31,372</b>	<b>97,901</b>	<b>196</b>	<b>98,097</b>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2009 and the accompanying explanatory notes attached to the interim financial statements.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No. 389769-M)**  
(Incorporated in Malaysia)  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
For the quarter ended 30 September 2009  
(The figures have not been audited)

	<b>CURRENT PERIOD ENDED 30/09/2009 RM'000</b>	<b>PRECEDING PERIOD ENDED 30/09/2008 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit for the financial period	6,866	4,901
Adjustments for non cash items	<u>2,134</u>	<u>3,084</u>
	9,000	7,985
Changes in working capital	<u>(3,250)</u>	<u>(3,388)</u>
Cash from operations	5,750	4,597
Taxation paid	(509)	(280)
Net cash from operating activities	<u>5,241</u>	<u>4,317</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of:		
- property, plant and equipment	(1,326)	(3,441)
- investment properties	-	(1)
Property development cost incurred	(1,304)	(82)
Proceeds from disposal of:		
- property, plant and equipment	27	-
- land held for development	3,128	-
Others	35	25
Net cash from / (used in) investing activities	<u>560</u>	<u>(3,499)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from term loans draw down	-	5,041
Repayment of term loans	(2,207)	(3,027)
Others	(228)	(269)
Net cash (used in) / from financing activities	<u>(2,435)</u>	<u>1,745</u>
<b>Net Change in Cash &amp; Cash Equivalents</b>	<b>3,366</b>	<b>2,563</b>
<b>Cash and Cash Equivalents at beginning of period</b>	<b>10,468</b>	<b>(626)</b>
<b>Cash and Cash Equivalents at end of period</b>	<b><u>13,834</u></b>	<b><u>1,937</u></b>
<b>Cash and cash equivalents at the end of the financial period comprise the following:</b>	<b>30/09/2009 RM'000</b>	<b>30/09/2008 RM'000</b>
Fixed deposits with licensed bank	7,918	2,023
Cash and bank balances	6,391	2,443
Bank overdraft	<u>(475)</u>	<u>(2,529)</u>
	<u>13,834</u>	<u>1,937</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31st March 2009 and the accompanying explanatory notes attached to the interim financial statements.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**

(Incorporated in Malaysia)

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2009***

**A. INFORMATION REQUIRED BY FRS 134**

**1. *Basis of Preparation***

The condensed interim financial report is unaudited and has been prepared in accordance with FRS 134 (MASB 26) - Interim Financial Reporting and part A of Appendix 9B of the Bursa Malaysia Securities Berhad ("BMSB") Listing Requirements, and should be read in conjunction with the audited financial statements for the year ended 31 March 2009.

The accounting policies, methods of computation and basis of consolidation applied in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2009.

The new standards, amendments to published standards and interpretations that are applicable to the Group's financial periods beginning on or after 1 April 2010 or later periods, but which the Group has not early adopted, are as follows:

- FRS 8 Operating Segments (effective for annual period beginning on or after 1 July 2009). FRS 8 replaces FRS 114<sub>2004</sub> Segment Reporting. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The Group will apply this standard from financial periods beginning on 1 April 2010.
- IC Interpretation 9 Reassessment of Embedded Derivatives (effective for annual period beginning on or after 1 January 2010). IC Interpretation 9 requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required. The Group will apply this standard from financial periods beginning on 1 April 2010.
- IC Interpretation 10 Interim Financial Reporting and Impairment (effective for annual period beginning on or after 1 January 2010). IC Interpretation 10 prohibits the impairment losses recognised in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. The Group will apply this standard from financial periods beginning on 1 April 2010.

The following standards will be effective for annual period beginning on or after 1 January 2010. The Group will apply these standards from financial periods beginning on 1 April 2010. The Group has applied the transitional provision in the respective standards which exempts entities from disclosing the possible impact arising from the initial application of the standard on the financial statements of the Group.

- FRS 139 Financial Instruments: Recognition and Measurement
- FRS 4 Insurance Contracts
- FRS 7 Financial Instruments: Disclosures

**2. *Audit Report***

The audited report of the preceding annual financial statements did not contain any qualification.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**

(Incorporated in Malaysia)

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2009***

**3. Seasonal or Cyclical Factors**

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

**4. Exceptional / Extraordinary Items**

There were no exceptional / extraordinary items for the financial period under review.

**5. Changes in Estimates**

There were no changes to the estimates of amounts reported in prior financial years that may have a material effect in the current period.

**6. Debts and Equity Securities**

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the current financial quarter.

**7. Dividend Paid**

A final gross dividend of 3.5 sen per share, on 60,000,000 ordinary shares less income tax at 25% amounting to RM1,575,000 for the financial year ended 31 March 2009 was approved during the 13<sup>th</sup> Annual General Meeting held on 26 August 2009 and was paid on 9 October 2009.

An interim tax exempt dividend of 2 sen per share, on 60,000,000 ordinary shares, amounting to RM1,200,000 for the financial year ended 31 March 2010 was approved during the 39<sup>th</sup> Board of Directors Meeting held on 26 August 2009 and was paid on 9 October 2009.

**8. Segment Information**

(a) Primary reporting format - business segment

The Group is organised into two main business segments:

- (i) Snack food and confectioneries - manufacture and marketing of a range of snack food and confectioneries.
- (ii) Property development - development of land into commercial buildings.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**

(Incorporated in Malaysia)

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS******FOR THE FINANCIAL PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2009***

<u>Period ended</u> <u>30.09.2009</u>	<u>Snack food and</u> <u>confectioneries</u> RM'000	<u>Property</u> <u>development</u> RM'000	<u>Eliminations</u> RM'000	<u>Group</u> RM'000
<b>Sales</b>				
External sales	57,982	0	0	57,982
<b>Results</b>				
Segment results (external)	6,347	1,636	0	7,983
Unallocated income (net)				35
Profit from operations				8,018
Finance cost				(228)
Profit before tax				7,790
Tax expenses				(924)
Net profit for the financial period				6,866
<b>Other information</b>				
Segment assets	124,777	6,224	(3,612)	127,389
Unallocated assets				8,430
Total assets				135,819
Segment liabilities	19,881	4,023	(3,612)	20,292
Unallocated liabilities				5,043
Total liabilities				25,335
Capital expenditure	1,326	0	0	1,326
Depreciation and amortisation	2,677	0	0	2,677

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**  
(Incorporated in Malaysia)  
***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS***  
***FOR THE FINANCIAL PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2009***

<u>Period ended</u> <b>30.09.2008</b>	<u>Snack food and confectioneries</u> RM'000	<u>Property development</u> RM'000	<u>Eliminations</u> RM'000	<u>Group</u> RM'000
<b>Sales</b>				
External sales	61,368	0	0	61,368
<b>Results</b>				
Segment results (external)	5,825	0	0	5,825
Unallocated income (net)				25
Profit from operations				5,850
Finance cost				(269)
Profit before tax				5,581
Tax expenses				(680)
Net profit for the financial period				4,901
<b>Other information</b>				
Segment assets	124,396	6,296	(5,312)	125,380
Unallocated assets				2,736
Total assets				128,116
Segment liabilities	25,568	5,316	(5,312)	25,572
Unallocated liabilities				4,447
Total liabilities				30,019
Capital expenditure	3,442	0	0	3,442
Depreciation and amortisation	2,346	0	0	2,346

Unallocated income includes interest income and dividend from other investments. Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, receivables and operating cash, and mainly exclude fixed deposits, investments and deferred tax assets. Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings.

Capital expenditure comprises additions to property, plant and equipment, prepaid lease payments, investment properties and intangible assets.



**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**  
(Incorporated in Malaysia)  
**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2009**

(b) Secondary reporting format - geographical segments

The Group's business segments are in the following geographical areas:

	Sales		Total assets		Capital expenditure	
	<u>30.09.2009</u>	<u>30.09.2008</u>	<u>30.09.2009</u>	<u>30.09.2008</u>	<u>30.09.2009</u>	<u>30.09.2008</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Malaysia	30,855	29,618	135,819	128,116	1,326	3,442
Asia	18,456	19,789	0	0	0	0
Middle East	4,412	4,831	0	0	0	0
Africa	1,630	3,802	0	0	0	0
Europe	1,013	1,724	0	0	0	0
America	909	738	0	0	0	0
Others	707	866	0	0	0	0
	<u>57,982</u>	<u>61,368</u>	<u>135,819</u>	<u>128,116</u>	<u>1,326</u>	<u>3,442</u>

In determining the geographical segments of the Group, sales are based on the country in which the customer is located. There are no sales between segments. Total assets and capital expenditure are determined based on where the assets are located.

**9. Revaluation of Property, Plant and Equipment**

There was no revaluation of property, plant and equipment during the financial quarter. The valuations of property, plant and equipment have been brought forward, without amendment from the previous annual financial statements.

**10. Material Events Subsequent to the end of the Reporting Period**

There was no material events subsequent to the end of the current quarter reported.

**11. Changes in the Composition of the Company**

There were no changes in the composition of the Company during the current quarter.

**12. Contingent Liabilities**

The Company has given guarantees to banks amounting to RM33.0 million (30/09/2008 : RM33.0 million) for banking facilities extended to subsidiaries of which RM10.5 million (30/09/2008 : RM14.9 million) was outstanding as at 30 September 2009.

**13. Capital Commitments**

**As at 30/09/2009**  
**RM'000**

Authorised, contracted but not provided for:-

- purchase of property, plant and equipment 3,326

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD** (Company No.389769-M)  
(Incorporated in Malaysia)  
***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS***  
***FOR THE FINANCIAL PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2009***

**B. Additional information required by BMSB Listing Requirements**

**1. Review of Performance**

	<u>Current quarter</u> 30/09/2009 RM'000	<u>Preceding year corresponding quarter</u> 30/09/2008 RM'000	<u>Current period to date</u> 30/09/2009 RM'000	<u>Preceding year corresponding period</u> 30/09/2008 RM'000
Revenue	28,746	33,344	57,982	61,368
Profit before tax	5,066	3,699	7,790	5,581

For the current quarter and current period to date, the Group has recorded lower revenue as a result of lower sales orders from customers. Despite the lower revenue, profit before taxation has increased due to improved operating margins, lower selling and distribution costs incurred as well as contribution from gain on disposal of part of land held for development.

**2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

	<b>Current Quarter RM'000</b>	<b>Preceding Quarter RM'000</b>
Revenue	28,746	29,236
Profit before taxation	5,066	2,724

The decrease in revenue of approximately 1.7% for the current quarter as compared to the preceding quarter was mainly due to lower sales orders. However profit before taxation has increased mainly due to improved operating margins, lower administrative costs incurred as well as contribution from gain on disposal of part of land held for development.

**3. Group's Prospects for the Remaining Period**

Despite facing various challenges of competitive markets, the Board expects that the performance of the Group will be satisfactory for the coming financial year ending 31 March 2010.

**4. Board of Directors' Opinion on Revenue or Profit Estimate, Forecast, Projection or Internal Targets**

The Group did not previously announce or disclose any revenue or profit estimate, forecast, projection or internal targets in a public document.

**5. Variance of Actual Profit from Forecast Profit**

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD (Company No.389769-M)**  
(Incorporated in Malaysia)  
**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2009**

**6 Taxation**

	<u>Current quarter</u> 30/09/2009	<u>Preceding year corresponding quarter</u> 30/09/2008	<u>Current period to date</u> 30/09/2009	<u>Preceding year corresponding period</u> 30/09/2008
	RM'000	RM'000	RM'000	RM'000
<b>Income taxation in Malaysia</b>				
- current year	656	349	1,012	532
<b>Deferred taxation</b>				
- origination and reversal of temporary difference	(369)	(46)	(88)	148
	<u>287</u>	<u>303</u>	<u>924</u>	<u>680</u>

The effective tax rate for the current quarter and current period to date is lower than the statutory rate due mainly to availability of tax incentives granted to one of its subsidiaries.

**7. Profits on Sale of Unquoted Investments and / or Properties**

There was no sale of unquoted investments and / or properties except for the disposal of part of land held for development during current quarter which has resulted in a net gain on disposal of approximately RM1,226,000 recognised in the income statement.

**8. Purchases or Disposals of Quoted Securities**

There was no purchase and sale of quoted securities for the current quarter.

**9. Status of Corporate Proposals**

There was no corporate proposal announced but not completed as at the date of this quarterly report.

**10. Group borrowings**

	As at 30/09/2009 RM'000
<u>Borrowings - current</u>	
Term loans (unsecured)	3,765
Bank overdraft (unsecured)	475
	<u>4,240</u>
<u>Borrowings – non-current</u>	
Term loans (unsecured)	<u>6,246</u>

The borrowings are denominated in Ringgit Malaysia except for an amount of approximately RM2.17 million which is denominated in US Dollar.

**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD** (Company No.389769-M)  
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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2009**

**11. Off Balance Sheet Financial Instruments**

As at the date of this quarterly report, there was no outstanding open foreign exchange forward contract or other off balance sheet financial instruments.

**12. Material Litigation**

There was no pending material litigation since the last annual balance sheet date till the date of this interim report.

**13. Dividend**

On 26 August 2009, the Directors approved during the 39<sup>th</sup> Board of Directors Meeting of the Company, an interim tax exempt dividend of 2 sen per share, on 60,000,000 ordinary shares, amounting to approximately RM1,200,000 for the financial year ended 31 March 2010.

**14. Earnings per Share**

	<b>Current Quarter 30/09/2009</b>	<b>Preceding Year Corresponding Quarter 30/09/2008</b>	<b>Current Period To Date 30/09/2009</b>	<b>Preceding Year Corresponding Period 30/09/2008</b>
Net profit attributable to equity holders of the parent (RM'000)	4,521	3,396	6,621	4,901
Number of ordinary shares in issue ('000)	60,000	60,000	60,000	60,000
Basic earnings per share (sen)	<u>7.54</u>	<u>5.66</u>	<u>11.04</u>	<u>8.17</u>

For and on behalf of  
**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD**

**Son Chen Chuan**  
**Managing Director**

Dated: 17 November 2009