CAB CAKARAN CORPORATION BERHAD

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 MARCH 2007

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CAB CAKARAN CORPORATION BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS
(The figures have not been audited)

		INDIVIDUAL QUARTER 3 months ended 31 March		CUMULATIVE QUARTER 6 months ended 31 March	
		2007	2006	2007	2006
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	9	101,640	79,898	206,900	165,376
Profit/(Loss) from operations		429	(3,998)	521	2,112
Finance costs		(1,315)	(1,101)	(2,718)	(2,071)
Income from other investment		124	28	153	55
(Loss)/Profit before taxation	9	(762)	(5,071)	(2,044)	96
Taxation	19	419	929	(117)	230
(Loss)/Profit for the period		(343)	(4,142)	(2,161)	326
(Loss)/Profit attributable to equity holders of the parent		(158)	(3,398)	(1,859)	669
Minority interests		(185)	(744)	(302)	(343)
		(343)	(4,142)	(2,161)	326
Basic (loss)/earnings per ordinary share (sen)	27	(0.12)	(2.69)	(1.41)	0.53
Diluted (loss)/earnings per ordinary share (sen)	27	(0.12)	NA	(1.41)	0.53

The condensed consolidated income statements should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2006 and the accompanying explanatory notes attached to the interim financial statements.

CAB CAKARAN CORPORATION BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEETS
(The figures have not been audited)

	Note	As at 31 March 2007 RM'000	As at 30 September 2006 (Restated) RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		99,144	116,236
Investment properties		16,211	-
Prepaid lease payments		9,315	9,374
Agricultural expenditure		177	177
Goodwill on consolidation		6,873	6,873
		131,720	132,660
Current Assets			
Investment in quoted shares		-	59
Inventories		18,384	27,521
Trade and other receivables		73,457	61,103
Tax recoverable		1,071	1,143
Cash and bank balances		5,636	5,282
Non-current assets held for sale		695	-
		99,243	95,108
TOTAL ASSETS		230,963	227,768
EQUITY AND LIABILITIES			
Share capital		65,890	65,876
Reserves		1,674	3,469
		67,564	69,345
Minority interests		12,306	12,576
Total Equity		79,870	81,921
NON-CURRENT LIABILITIES			
Long-term borrowings	23	18,675	20,477
Deferred tax liabilities		7,357	7,663
		26,032	28,140
CURRENT LIABILITIES			
Trade and other payables		47,373	40,518
Amount owing to directors		98	91
Short-term borrowings	23	76,972	76,431
Tax liabilities		618	667
		125,061	117,707
TOTAL EQUITY AND LIABILITIES		230,963	227,768
Net Assets per share of RM0.50 each attributable to ordinary equity holders of the parent (RM)		0.51	0.53

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2006 and the accompanying explanatory notes attached to the interim financial statements.

CAB CAKARAN CORPORATION BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(The figure have not been audited)

Six (6) Months Ended March 31, 2007

	< ----------- Attributable to the equity holders of the parent ------------ >							
		<------------ Non-distributable ----------->			Distributable			
	Share Capital	Share Premium	Reserve on Consolidation	Translation Reserve	Retained Profit	Total	Minority Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at October 1, 2006	65,876	71	3,171	(20)	247	69,345	12,576	81,921
Effect of adopting:								
FRS3	-	-	(3,171)	-	3,171	-	-	-
FRS140	-	-	-	-	54	54	14	68
	65,876	71	-	(20)	3,472	69,399	12,590	81,989
Exercise of share option of 27,700 ordinary shares	14	-	-	-	-	14	-	14
Currency translation differences	-	-	-	10	-	10	17	27
Net gain not recognised in the income statement	-	-	-	10	-	10	17	27
MI arising from acquisition of new subsidiary							1	1
Net loss for the financial period	-	-	-	-	(1,859)	(1,859)	(302)	(2,161)
Balance as at March 31, 2007	65,890	71	-	(10)	1,613	67,564	12,306	79,870

Six (6) Months Ended March 31, 2006

	< ---------- Attributable to the equity holders of the parent ----------- >							
	<----------- Non-distributable ---------->				Distributable			
	Share Capital	Share Premium	Reserve on Consolidation	Translation Reserve	Retained Profit	Total	Minority Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at October 1, 2005	41,652	13,240	4,900	1	20,579	80,372	13,074	93,446
Exercise of share option of 2,889,700 ordinary shares of RM0.80 each	1,445	867	-	-	-	2,312	-	2,312
Amortisation of reserve on consolidation	-	-	(865)	-	-	(865)	-	(865)
Currency translation differences	-	-	-	(9)	-	(9)	(16)	(25)
Net loss not recognized in the income statement	-	-	-	(9)	-	(9)	(16)	(25)
Dividend payable	-	-	-	-	(2,171)	(2,171)	-	(2,171)
Net profit/（loss）for the financial period	-	-	-	-	669	669	(343)	326
MI arising fom acquisition of new subsidiaay	-	-	-	-	-	-	748	748
Reduction in MI share of equity upon purchase of share from MI	-	-	-	-	-	-	(624)	(624)
Balance as at March 31, 2006	43,097	14,107	4,035	(8)	19,077	80,308	12,839	93,147

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2006 and the accompanying explanatory notes attached to the interim financial statements.

CAB CAKARAN CORPORATION BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
(The figure have not been audited)

	6 months ended March 31, 2007 RM'000	6 months ended March 31, 2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (loss) before taxation	(2,044)	96
Adjustments for:		
Non-cash items	3,997	3,252
Non-operating items	2,297	1,851
Operating profit before working capital changes	4,250	5,199
Net change in current assets	(3,314)	6,393
Net change in current liabilities	6,879	(11,820)
Effect of exchange rates changes on working capital	34	(19)
Cash generated from/(used in) operations	7,849	(247)
Interests paid	(2,459)	(1,988)
Income tax paid	(331)	(333)
Net cash generated from/(used in) operating activities	5,059	(2,568)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	978	469
Proceeds from disposal of quoted investment	156	-
Dividend received	3	5
Interest received	50	43
Purchase of property, plant and equipment	(3,697)	(7,208)
Investment in subsidiary companies	-	(4,880)
Net cash used in investing activities	(2,510)	(11,571)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares for share option exercised	14	2,312
Proceeds from issue of shares to minority interest of a subsidiary company	2	-
Net change in long-term loans	(1,991)	1,173
Net change in short-term borrowings	772	6,734
Net repayment of finance lease payable	-	(11)
Net change in hire-purchase	(376)	(803)
Advance/ repayment from/ (to) directors	7	661
Net cash (used in)/from financing activities	(1,572)	10,066
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	977	(4,073)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	(6,620)	(1,136)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	(5,643)	(5,209)
REPRESENTED BY:-		
Bank overdrafts	(11,279)	(10,110)
Deposits with licensed financial institution	3,107	3,041
Cash and Bank Balances	2,529	1,860
	(5,643)	(5,209)

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2006 and the accompanying explanatory notes attached to the interim financial statements.

CAB CAKARAN CORPORATION BERHAD
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NOTES TO THE INTERIM FINANCIAL REPORT

PART A : EXPLANATORY NOTES AS PER FRS 134 - INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended September 30, 2006. The explanatory notes attached to the interim financial report 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 financial year ended September 30, 2006.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended September 30, 2006 except for the adoption of the following new/ revised Financial Reporting Standards ("FRS") effective for the financial period beginning October 1, 2006:

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 117	Leases
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

The adoption of FRS 2, 102, 108, 110, 116, 121, 127, 128, 131, 132 and 133 does not have a significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the other new/ revised FRSs are discussed below:

(a) **FRS 3: Business Combinations, FRS 136: Impairment of Assets and FRS 138: Intangible Assets**

The new FRS 3 has resulted in consequential amendments to two other accounting standards, FRS 136 and FRS 138. The adoption of these new FRSs has resulted in the Group ceasing the amortisation of goodwill. Goodwill is carried at cost less accumulated impairment losses and is now tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Any impairment loss is recognised in income statements and subsequent reversal is not allowed. Prior to October 1, 2006, goodwill was amortised on a straight-line basis over its estimated useful life of 5 and 20 years. This change in accounting policy has been accounted for prospectively for business combinations where the agreement date is on or after October 1, 2006.

The adoption of FRS 3, however, have required the Group to eliminate as at October 1, 2006 the carrying amount of the accumulated amortisation with a corresponding decrease in goodwill. The carrying amount of goodwill after eliminating accumulated amortisation as at October 1, 2006 of RM6,872,760 ceased to be amortised.

Under FRS 3, any excess of the Group's interest in the net fair value of acquirees' identifiable assets, liabilities and contingent liabilities over cost of acquisitions (previously referred to as "negative goodwill"), after reassessment, is now recognised immediately in income statements. Prior to October 1, 2006, negative goodwill was amortised over the estimated useful life of 5 years. With the adoption of FRS 3, the negative goodwill as at October 1, 2006 of RM3,171,062 was derecognised with a corresponding increase in retained profit.

(b) **FRS 5: Non-current Assets Held for Sale and Discontinued Operations**

The Group has applied FRS 5 prospectively in accordance with its transitional provisions, which has resulted in a change in accounting policy on the recognition of non-current assets held for sale.

An item is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The assets and liabilities of a discontinued operation ("a disposal group") that are classified as held for sale are measured in accordance with FRS 5. Immediately before classification as held for sale, the carrying amounts of the non-current assets (or all the assets and liabilities in the disposal group) are measured in accordance with applicable FRSs. Then, on initial classification as held for sale, the non-current assets or the disposal groups are recognised at the lower of carrying amount and fair value less costs to sell. Any impairment loss is recognised in the income statements whereas any unrealised gain is only recognised upon its realisation. With the adoption of FRS 5, the non-current assets held for sale as at March 31, 2007 of RM695,078 was credited from property, plant and equipment with a corresponding debit entry in non-current assets held for sale. The impairment loss of RM23,860 was recognised in the Income Statements in the previous quarter.

(c) **FRS 101: Presentation of Financial Statements**

The adoption of the revised FRS 101 has affected the presentation of minority interest, share of net after-tax results of associates and other disclosures. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with the comparatives restated to conform with the current period's presentation.

(d) **FRS 117: Leases**

The adoption of the revised FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The up-front payments made for the leasehold land represents prepaid lease payments and are amortised on a straight-line basis over the lease term. A lease of land and building is apportioned into a lease of land and a lease of building in proportion to the relative fair values of the leasehold interests in the land element and the building element of the lease at the inception of the lease. Prior to October 1, 2006, leasehold land was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses.

With the adoption of the revised FRS 117 as at October 1, 2006, the unamortised amount of leasehold land of RM9,373,767 is retained as the surrogate carrying amount of prepaid lease payments. The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively and certain comparative amounts as at September 30, 2005 have been restated.

(e) **FRS 140: Investment Property**

Investment property is property held to earn rental or for capital appreciation rather than for use in production or services, administrative and sale in the ordinary course of business. Prior to October 1, 2006, investments properties were classified under property, plant and equipment and were stated at cost or valuation less accumulated depreciation. Revaluations were carried out at least once in very five years and any revaluation surplus was credited to equity as revaluation reserve and any revaluation deficit was charged out to the income statements.

With the adoption of FRS 140, investment properties are now stated at fair value, representing open market value determined by independent professional firms of valuers on or before the balance sheet date of the financial year. All changes in fair value are recognised in the income statement. The investment properties were last revalued in end 2002. In accordance with the transitional provision of FRS 140, this change in accounting policy is applied prospectively and the comparative amounts as at September 30, 2006 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the balance sheet as at October 1, 2006 as follows:-

	As at 1/10/2006 RM’000
Increase in retained profit	54
Increase in minority interests	14
Decrease in deferred taxation	68

3. **Audit opinion**

The auditors’ report on the audited financial statements of the Group for the financial year ended September 30, 2006 was not subject to any audit qualifications.

4. **Seasonal or cyclical factors**

The Group’s financial performance in the current quarter was not significantly affected by any seasonal or cyclical factors.

5. **Unusual items**

There were no unusual nature and amount of items affecting assets, liabilities, equity, net income or cash flows of the Group in the current quarter ended March 31, 2007.

6. **Material change in estimates**

There were no material changes in estimates of amounts reported in the prior quarter and/ or financial year that have a material effect on the Group in the current quarter ended March 31, 2007.

7. **Changes in debt and equity securities**

Save for the issuance of 20,000 ordinary shares of RM0.50 each pursuant to the exercise of ESOS, there were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities by the Company for the current quarter ended March 31, 2007.

8. **Dividends paid**

There was no dividend paid for the current year to date.

9. **Segment information**

The analysis of contribution by business activities of the Group is as follows:-

	Three (3) Months ended March 31, 2007		Six (6) Months ended March 31, 2007	
	Revenue RM'000	Profit/ (Loss) Before Taxation RM'000	Revenue RM'000	Profit/ (Loss) Before Taxation RM'000
By Business Activities				
Investment holding	-	(28)	-	(27)
Integrated poultry farming and processing	89,946	508	184,189	1,594
Marine products manufacturing	6,644	(351)	13,353	(1,859)
Restaurants and franchising	856	(607)	1,725	(1,216)
Value-added food products manufacturing and trading	4,194	(284)	7,633	(536)
Consolidated	101,640	(762)	206,900	(2,044)

The analysis of contribution by geographical locations of the Group is as follows:-

	Three (3) Months ended March 31, 2007		Six (6) Months ended March 31, 2007	
	RM'000	%	RM'000	%
Revenue				
By Geographical Locations				
Malaysia	95,434	93.9%	194,176	93.9%
European Countries	3,334	3.3%	6,607	3.2%
United States of America	2,840	2.8%	5,152	2.5%
Others	32	0%	965	0.4%
Consolidated	101,640	100.0%	206,900	100.0%

The Directors are of the opinion that all inter-segment transfers have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. Those transfers are eliminated on consolidation.

10. **Carrying amount of revalued assets**

The valuations of property, plant and equipment of the Group have been brought forward without amendments from the audited financial statements of the Group for the financial year ended September 30, 2006 save for the explanation in note 2(b) above.

11. **Material events subsequent to the end of the interim period**

There were no material events which occurred subsequent to the end of current quarter ended March 31, 2007 until the date of the interim financial statements save as disclosed in Note 28 of the interim financial statements.

12. **Changes in the composition of the Group**

There were no changes in the composition of the Group during the current quarter ended March 31, 2007 save as disclosed below:

(i) On January 8, 2007, the Company announced that its wholly-owned subsidiary, Likes Marketing Sdn Bhd (LMSB), had on the same date, acquired 510 shares of SGD1 each in Protheme Pte Ltd (PPL), representing 51% of the issued and paid up capital of PPL for a total cash consideration of SGD510. In consequence thereof, PPL became a 51% owned subsidiary of LMSB; and

(ii) On January 18, 2007, the Company's wholly-owned subsidiary, Likes Marketing Sdn Bhd increased it issued and paid up capital from RM2 to RM200,000.00 by allotting additional 199,998 ordinary shares of RM1 each. Consequently, its authorized capital of RM100,000.00 consisting of 100,000 ordinary shares of RM1 each has also be increased to RM500,000.00 consisting of 500,000 ordinary shares of RM1 each.

13. **Changes in contingent liabilities and assets**

As at March 31, 2007, the Company has issued corporate guarantees amounting to RM134.515 million (March 31 2006 : RM132.570 million) as security to financial institutions and suppliers for banking facilities and/ or credit terms respectively granted to its subsidiary companies.

14. **Capital commitments**

The capital commitments of the Group as at March 31, 2007 are as follows:-

	RM'000
Property, plant and equipment:	
Authorised but not contracted for	-
Approved and contracted for in the financial statements	6,255
Investments:	
Authorised but not contracted for	-
Approved and contracted for in the financial statements	-
Total	6,255

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART B : ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA SECURITIES LISTING REQUIREMENTS

15. Review of performance

For the second quarter ended March 31, 2007, the Group recorded a revenue of RM101.640 million, representing an increase of 27.21% over the prior year corresponding quarter's revenue of RM79.898 million. The higher revenue in the current quarter as compared to that of the prior year corresponding quarter was due mainly to higher production output in all divisions with value added products achieved the highest increase of 167.8% and other divisions achieved a higher revenue of between 13.30% to 25.39%.

Despite the Group's higher revenue in the current quarter ended March 31, 2007 as compared to that of the prior year corresponding quarter, the Group recorded a loss before taxation of RM0.762 million as compared to prior year corresponding quarter's loss before taxation of RM5.071 million. The Group loss has significantly reduced by 85% as a result of overall improvement in its gross and net margin. The ex-farm price of the broilers has recovered and improved steadily over the last few months. Value added division managed to recover and benefit from its aggressive marketing strategies and its wider products base which has resulted in improved sales.

16. Comment on material change in profit before taxation

The comparison of the Group revenue and profit before taxation for the current quarter and preceding quarter is summarised as follows:-

	2007 Quarter 2 RM'000	2007 Quarter 1 RM'000	Variance RM'000	%
Revenue	101,640	105,260	(3,620)	(3.44%)
Profit/ (Loss) Before Taxation	(762)	(1,282)	520	40.56%

For the current quarter ended March 31, 2007, the Group recorded lower revenue relative to the revenue recorded in the preceding quarter due mainly to lower sales of poultry and poultry related products as a result of lower market demand and lower ex-farm price of broilers. The Group had also managed to reduce its losses in the current quarter mainly due to its various cost cutting measures. The preceding quarter's higher losses were due largely to higher costs and lower margin.

17. Commentary on prospects

It is anticipated that the overall business environment especially the industries in which the Group is involved in will remain challenging in the remaining quarters of this financial year but the management is optimistic that the ex-farm price of broilers will improve by the last quarter of this financial year. The feed cost had continued to remain high over the last few months due largely to the shortage in supply of corn which is the main ingredient for the production of poultry feeds. The Group marine product division will continue to face more and greater challenges especially in delivering profitability for the current financial year. The shortage in supply of local raw shrimps and competitive selling prices of shrimps products overseas are still felt in the current quarter. The management has taken steps to source the supply of shrimps from overseas as well as to widen its product base to include more seafood based products to improve the division's sales and profit contribution to the Group. Various measures taken by the management over the last few months has shown positive results in the Group's value added food products division. Barring any unforeseen circumstances, it is hoped that the value added products division will continue to contribute positively to the group's overall performance for this financial year.

The management will continue to take any necessary measures to streamline and restructure its Group's operations to return the Group to profitability.

18. Variance of actual profit from profit forecast

Not applicable as no profit forecast was published.

19. Taxation

	3 months ended		6 months ended	
	31.03.07	31.03.06	31.03.07	31.03.06
	RM'000	RM'000	RM'000	RM'000
Current taxation				
- Current	111	147	527	1,072
- Prior years	(171)	(277)	(171)	(277)
	(60)	(130)	356	795
Deferred taxation	(359)	(799)	(239)	(1,025)
	(419)	(929)	117	(230)

The Group has deferred tax assets in the current quarter and financial period ended March 31, 2007 due to availability of unabsorbed capital allowances and business losses. Although the Group has incurred losses, provision for tax payable is made due to certain disallowed expenses being added back for income tax purpose. The effective tax rate in the current quarter ended March 31, 2007 is lower than the statutory rate of income tax as tax losses of certain subsidiary companies were not allowed for set off against taxable income of other subsidiary companies within the Group.

20. Unquoted investments and/ or properties

There were no material purchases or disposals of unquoted investments and/ or properties in the current quarter ended March 31, 2007.

21. Quoted investments

There were no purchases or disposals of quoted investments during the current quarter ended March 31, 2007 except for the disposal of quoted shares for a total proceeds of RM155,764.00 with a gain on disposal of RM97,096.00.

22. Corporate proposals

There were no corporate proposals announced but not completed in the current quarter ended March 31, 2007 and up to the date of this interim report.

23. Group borrowings and debt securities

The Group's total bank borrowings as at March 31, 2007 are as follows:-

	Secured RM'000	**Unsecured RM'000**	**Total RM'000**
Short-term borrowings:			
Bank overdrafts	5,964	5,315	11,279
Bankers' acceptances and export credit refinancing	27,567	31,141	58,708
Hire purchase	1,810	-	1,810
Term loan	4,348	827	5,175
Sub-total	39,689	37,283	76,972
Long-term borrowings:			
Hire purchase	4,448	-	4,448
Term loan	13,573	654	14,227
Sub-total	18,021	654	18,675
Total borrowings	**57,710**	**37,937**	**95,647**

The above borrowings are denominated in Ringgit Malaysia.

24. Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the date of issue of this Interim Financial Report save for foreign currency forward contracts. Foreign currency forward contracts are entered into by the Group in currencies other than their functional currency to manage exposure to fluctuations in foreign currency exchange rates on specific transactions. In general, the Group's policy is to hedge as far as possible all amounts of receivables in foreign currency.

The contracted amount and fair value of financial instruments not recognised in the balance sheet as at May 21, 2007 are as follows:-

	Fair Value RM'000	**Contracted Amount RM'000**
Foreign currency forward contracts	4,741	4,776

The fair value of foreign currency forward contracts are calculated by reference to the current rate of contracts with similar maturity profiles.

25. Changes in material litigation

There were no material litigations as at the date of the interim financial statements.

26. Proposed Dividend

No interim dividend has been declared for the current quarter ended March 31, 2007.

27. Earnings per share

The basic earnings per ordinary share and diluted earnings per ordinary share are calculated based on the Group's net profit attributable to ordinary shareholders over the weighted average number of ordinary shares in issue as follows:-.

	Current Year Quarter March 31, 2007	Prior Year Quarter March 31, 2006	Current Year To Date March 31, 2007	Preceding Year Corresponding Period March 31, 2006
Net profit/ (loss) attributable to shareholders (RM'000)	(158)	(3,398)	(1,859)	669
Weighted average number of Shares				
a) Basic				
Weighted average number of ordinary shares in issue ('000)	131,768	126,505	131,761	125,722
b) Diluted				
Weighted average number of ordinary shares in issue ('000)	131,768	126,505	131,761	125,722
Adjustment for assumed exercised of ESOS ('000)	(389)	1,077	(146)	388
Adjusted weighted average number of ordinary shares ('000)	131,379	127,582	131,615	126,110
Basic earnings/ (loss) per ordinary share (sen)	(0.12)	(2.69)	(1.41)	0.53
Diluted earnings/ (loss) per ordinary share (sen)	(0.12)	NA	(1.41)	0.53

(a) Comparative figures for the basic earnings per ordinary share have been restated to reflect the bonus issue during previous financial year.

(b) The diluted loss per ordinary share is not shown for prior year quarter as the effect of the conversion of employees' share options to ordinary shares would be anti-dilutive.

28. Provision of financial assistance

The Group through its wholly owned subsidiary, Likes Marketing Sdn Bhd had on May 22, 2007 provided interest free cash advance of RM40,464.00 (SGD18,000.00) to Protheme Pte Ltd, a 51% owned subsidiary of Likes Marketing Sdn Bhd. The provision of this financial assistance is necessary to facilitate the ordinary course of business of Protheme Pte Ltd and will not have any material impact on the earnings, net tangible assets and gearing of the Group.

29. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on May 29, 2007.