

**CAB CAKARAN CORPORATION BERHAD (583661-W)**  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED  
30 JUNE 2009**

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**CAB CAKARAN CORPORATION BERHAD** (583661-W)  
(Incorporated in Malaysia)

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

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		3 months ended 30 June		9 months ended 30 June	
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
Revenue	9	113,449	128,470	371,748	378,670
Profit/(Loss) from operations		2,824	(3,215)	2,718	418
Finance costs		(1,049)	(1,403)	(3,640)	(4,194)
Investment revenue		494	519	1,537	1,673
Profit/(Loss) before taxation	9	2,269	(4,099)	615	(2,103)
Taxation	19	(829)	(560)	(1,293)	(1,728)
Profit/(Loss) for the period		1,440	(4,659)	(678)	(3,831)
Profit/(Loss) attributable to :					
Equity holders of the parent		1,722	(4,338)	1,032	(3,415)
Minority interests		(282)	(321)	(1,710)	(416)
		1,440	(4,659)	(678)	(3,831)
Basic earnings per ordinary share (sen)	27	1.31	(3.29)	0.78	(2.59)
Diluted earnings per ordinary share (sen)	27	NA	NA	NA	NA

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, 2008 and the accompanying explanatory notes attached to the interim financial statements.

Unaudited Interim Financial Report

**CAB CAKARAN CORPORATION BERHAD (583661-W)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED BALANCE SHEETS**

	Note	As at 30 June 2009 (Unaudited) RM'000	As at 30 September 2008 (Audited) RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		114,718	112,071
Investment properties		19,048	19,048
Prepaid lease payments on leasehold land		7,674	7,805
Other investment		260	260
Agricultural expenditure		177	177
Deferred tax assets		159	94
Goodwill		2,566	2,566
		144,602	142,021
<b>Current Assets</b>			
Inventories		23,500	25,573
Trade and other receivables		68,356	89,511
Other assets		4,475	4,960
Current tax assets		116	214
Short term deposits with licensed banks		3,957	2,747
Cash and bank balances		3,440	3,980
Non-current assets classified as held for sale		1,159	3,541
		105,003	130,526
<b>TOTAL ASSETS</b>		<b>249,605</b>	<b>272,547</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		65,890	65,890
Less: Treasury shares		(69)	-
Reserves		13,444	12,418
		79,265	78,308
Minority interests		12,742	14,459
Total Equity		92,007	92,767
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	23	15,213	14,124
Deferred tax liabilities		6,509	7,329
		21,722	21,453
<b>CURRENT LIABILITIES</b>			
Trade and other payables		56,871	80,251
Short-term borrowings	23	76,838	76,320
Tax liabilities		2,167	1,756
		135,876	158,327
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>249,605</b>	<b>272,547</b>
Net Assets per share of RM0.50 each attributable to ordinary equity holders of the parent (RM)		0.60	0.59

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, 2008 and the accompanying explanatory notes attached to the interim financial statements.

Unaudited Interim Financial Report

**CAB CAKARAN CORPORATION BERHAD (583661-W)**  
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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(The figures have not been audited)

Nine (9) Months Ended June 30, 2009

	< ----- Attributable to the equity holders of the parent ----- >									
	< ----- Non-distributable ----- >					Distributable		Total	Minority Interest	Total Equity
	Share Capital	Share Premium	Revaluation Reserve	Treasury Shares	Translation Reserve	Retained Profit	RM'000			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
As at October 1, 2008	65,890	71	5,348	-	(14)	7,013	78,308	14,459	92,767	
Transfer of revaluation reserve	-	-	(121)	-	-	121	-	-	-	
Realisation of revaluation reserve upon disposal of revalued assets	-	-	(56)	-	-	56	-	-	-	
MI arising from disposal of shares	-	-	-	-	-	-	-	1	1	
Currency translation differences	-	-	-	-	(6)	-	(6)	(8)	(14)	
Net income and expenses recognised directly in equity	-	-	(177)	-	(6)	177	(6)	(7)	(13)	
Purchase of treasury shares	-	-	-	(69)	-	-	(69)	-	(69)	
Net profit for the financial period	-	-	-	-	-	1,032	1,032	(1,710)	(678)	
Balance as at June 30, 2009	65,890	71	5,171	(69)	(20)	8,222	79,265	12,742	92,007	

Unaudited Interim Financial Report

**CAB CAKARAN CORPORATION BERHAD (583661-W)**  
(Incorporated in Malaysia)

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

Nine (9) Months Ended June 30, 2008

	< ----- Attributable to the equity holders of the parent ----- >							Minority Interest	Total Equity
	< ----- Non-distributable ----- >				Distributable		Total		
	Share Capital	Share Premium	Revaluation Reserve	Translation Reserve	Retained Profit				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
As at October 1, 2007	65,890	71	5,748	9	5,763	77,481	13,503	90,984	
Transfer of revaluation reserve	-	-	(120)	-	120	-	-	-	
Currency translation differences	-	-	-	(10)	-	(10)	(15)	(25)	
Net income and expenses recognized directly in equity	-	-	(120)	(10)	120	(10)	(15)	(25)	
MI arising from allotment of shares in a subsidiary co	-	-	-	-	-	-	1,045	1,045	
Profit for the financial period	-	-	-	-	(3,415)	(3,415)	(416)	(3,831)	
Balance as at June 30, 2008	65,890	71	5,628	(1)	2,468	74,056	14,117	88,173	

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, 2008 and the accompanying explanatory notes attached to the interim financial statements.

**CAB CAKARAN CORPORATION BERHAD (583661-W)**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

(The figures have not been audited)

	9 months ended June 30, 2009 RM'000	9 months ended June 30, 2008 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the period	(678)	(3,831)
Adjustments for:		
Non-cash items	6,063	10,754
Non-operating items	3,170	3,747
Tax expenses recognized in profit or loss	1,293	1,728
Operating profit before working capital changes	9,848	12,398
Net change in current assets	23,678	(8,004)
Net change in current liabilities	(23,322)	12,057
Effect of exchange rates changes on working capital	(14)	(29)
Cash generated from operations	10,190	16,422
Interest paid	-	-
Income tax paid & refund	(1,669)	(1,209)
Net cash generated from operating activities	8,521	15,213
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	3,709	863
Interest received	84	(90)
Purchase of property, plant and equipment	(4,042)	(4,889)
Purchase of leasehold land	-	(1,122)
Purchase of investment properties	-	(1,643)
Investment in subsidiary company	(48)	-
Net cash used in investing activities	(297)	(6,881)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Purchase of treasury shares	(69)	-
Proceeds from issuance of share capital		1,122
Net change in long-term loans	(1,164)	(4,135)
Net change in short-term borrowings	(1,381)	(2,619)
Net change in hire-purchase	(2,156)	(601)
Interest paid	(3,229)	(3,765)
Advance/repayment from directors	9	9
Short term deposit pledged as security	(1,210)	(190)
Net cash used in financing activities	(9,200)	(10,179)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(976)	(1,847)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	(4,918)	(6,247)
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	(5,894)	(8,094)
<b>REPRESENTED BY:-</b>		
Bank overdrafts	(9,334)	(10,663)
Deposits with licensed financial institution	3,957	2,730
Cash and Bank Balances	3,440	2,569
	(1,937)	(5,364)
Less: Deposits pledged as security	(3,957)	(2,730)
	(5,894)	(8,094)

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, 2008 and the accompanying explanatory notes attached to the interim financial statements.

**CAB CAKARAN CORPORATION BERHAD** (583661-W)  
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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 Main Market 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, 2008. 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, 2008.

#### **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, 2008 except for the adoption of the following new/ revised Financial Reporting Standards ("FRS") and Issues Committee ("IC") which have been issued but not yet effective :

FRS 4	Insurance Contracts *
FRS 7	Financial Instruments: Disclosures *
FRS 8	Operating Segments **
FRS 139	Financial Instruments: Recognition & Measurement *
IC Interpretation 9	Reassessment of Embedded Derivatives *
IC Interpretation 10	Interim Financial Reporting and Impairment *

\* Effective for accounting periods beginning on or after January 1, 2010.

\*\* Effective for accounting periods beginning on or after July 1, 2009.

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non financial items. By virtue of the exemption in paragraph 103AB of FRS 139, the impact on the financial statements upon first adoption of this standard as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors is not disclosed.

The directors anticipate that the adoption of FRS 4, FRS 7, FRS 8 IC Interpretations 9 and 10 in future periods will have no material financial impact on the financial statements of the Group and of the Company.

#### **3. Audit opinion**

The auditors' report on the audited financial statements of the Group for the financial year ended September 30, 2008 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 June 30, 2009.

**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 June 30, 2009.

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

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities by the company for the current quarter ended June 30, 2009 save for Share Buy Back transactions.

At the Annual General Meeting held on March 26, 2009, the shareholders of the Company had approved the Proposed Renewal of Share Buy Back for the Company to purchase its own ordinary shares of RM0.50 each as may be determined by the Directors of the Company up to a maximum of 10% of the issued and paid up capital of the Company. The mandate will expire upon the conclusion of the next Annual General Meeting of the Company.

The Company did not repurchase any treasury shares during the current quarter under review.

As at June 30, 2009, a total of 218,200 shares were repurchased and held as treasury shares and carried at cost of RM69,304.

**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 June 30, 2009		Nine (9) Months ended June 30, 2009	
	Profit/ (Loss) Before		Profit/ (Loss) Before	
	Revenue RM'000	Taxation RM'000	Revenue RM'000	Taxation RM'000
By Business Activities				
Investment holding	-	(44)	-	(252)
Integrated poultry farming and processing	102,701	2,211	316,919	2,332
Marine products manufacturing	1,688	72	29,606	(1,197)
Restaurants and franchising	822	(71)	2,465	(214)
Value-added food products manufacturing and trading	8,238	101	22,758	(54)
Consolidated	113,449	2,269	371,748	615

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

	Three (3) Months Ended June 30, 2009		Nine (9) Months Ended June 30, 2009	
	RM'000	%	RM'000	%
Revenue				
By Geographical Locations				
Malaysia	110,356	97.3%	339,910	91.4%
United States of America	1,892	1.7%	26,648	7.2%
Others	1,201	1.0%	5,190	1.4%
Consolidated	113,449	100.0%	371,748	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. Valuation of property, plant and equipment

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. There was no revaluation of property, plant and equipment for the current quarter under review.

The valuation of land and buildings has been brought forward without any amendment from the previous audited financial statements.

#### 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 June 30, 2009 until the date 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 under review and financial year to date up to June 30, 2009 save as disclosed below:

(i) On November 18, 2008, a wholly owned subsidiary of the company, Likes Marketing Sdn Bhd ("LMSB"), increased its equity interest in Protheme Pte Ltd ("PPL") from 51% to 71.51% by acquiring additional 20,510 ordinary shares of S\$1 each in PPL for a cash consideration of S\$20,510. In consequence thereof, PPL becomes a 71.51% owned subsidiary of LMSB.

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

As at June 30, 2009, the Company has issued corporate guarantees amounting to RM145.511 million (June 30 2008 : RM136.466 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 June 30, 2009 are as follows:-

	RM'000
Property, plant and equipment:	
Authorised but not contracted for	-
Approved and contracted for in the financial statements	2,286
Total	<u>2,286</u>

### NOTES TO THE INTERIM FINANCIAL STATEMENTS

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

#### 15. Review of performance

For the third quarter ended June 30, 2009, the Group recorded revenue of RM113.449 million, representing a decrease of 11.7% over the prior year corresponding quarter's revenue of RM128.470 million. The lower revenue in the current quarter as compared to the revenue of the prior year corresponding quarter was mainly due to lower sales recorded in almost all divisions in particular marine product manufacturing division recorded a significant 81.1% drop in its sales due to continued ban on export on seafood products to European market. Even though value added food products manufacturing and trading division achieved better and higher sales of 13.9% but this was more than offset by higher percentage of lower sales generated

in marine product manufacturing division. The Group recorded profit before taxation of RM2.269 million as compared to loss before taxation of RM4.099 million in the prior year corresponding quarter. The loss in previous year was due to higher feeds and raw material costs and impairment of goodwill of RM4,306,739 recognised in the prior year corresponding quarter.

#### 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:-

	<b>2009</b> <b>Quarter 3</b> <b>RM'000</b>	<b>2009</b> <b>Quarter 2</b> <b>RM'000</b>	<b>Variance</b> <b>RM'000</b>	<b>%</b>
Revenue	113,449	110,797	2,652	2.40%
Profit/(Loss) Before Taxation	2,269	(2,727)	4,996	183.20%

For the current quarter ended June 30 2009, the Group recorded slightly higher revenue relative to the revenue recorded in the preceding quarter mainly due to better ex farm prices of broilers and Day Old Chicks. The Group also recorded profit in the current quarter as compared to losses in the preceding quarter due to better broilers & Day Old Chick prices.

#### 17. Commentary on prospects

In view of the current uncertainty and slow down in the overall global economy, it is anticipated that the overall business environment will remain challenging in particular for marine products manufacturing division in the remaining quarter of this financial year. The Group marine products manufacturing division continues to face challenges in view of the lacklustre outlook of the seafood industry coupled with the ban on export on seafood to European market. However, the management believes that its poultry division will continue to be the main driver of revenue and earnings contributor to the Group. It is hoped that the Group overall performance will be satisfactory in the coming financial year as value added food products manufacturing and trading division has shown improvement in its performance as it has started to generate profits.

#### 18. Variance of actual profit from profit forecast

Not applicable as no profit forecast was published.

#### 19. Taxation

	3 months ended		9 months ended	
	30.06.09	30.06.08	30.06.09	30.06.08
	RM'000	RM'000	RM'000	RM'000
Current taxation				
- Current	424	600	2,008	1,355
- Prior years	-	-	170	213
	<u>424</u>	<u>600</u>	<u>2,178</u>	<u>1,568</u>
Deferred taxation	405	(40)	(885)	160
	<u>829</u>	<u>560</u>	<u>1,293</u>	<u>1,728</u>

For the current quarter and year to date under review, the effective tax rate is higher than the statutory tax rate as certain expenses of the Group were disallowed for tax purpose.

#### 20. Unquoted investments and/ or properties

There were no material purchases or disposals of unquoted investments and/ or properties in the current quarter ended June 30, 2009.

**21. Quoted investments**

There were no purchases or disposals of quoted investments during the current quarter ended June 30, 2009.

**22. Corporate proposals**

There were no corporate proposals announced but not completed in the current quarter ended June 30, 2009 and up to the date of this interim report.

**23. Group borrowings and debt securities**

The Group's total bank borrowings as at June 30, 2009 are as follows:-

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b>Short-term borrowings:</b>			
Bank overdrafts	7,391	1,943	9,334
Bankers' acceptances and export credit refinancing	32,105	27,333	59,438
Hire purchase	3,356	-	3,356
Term loan	3,621	1,089	4,710
Sub-total	<u>46,473</u>	<u>30,365</u>	<u>76,838</u>
<b>Long-term borrowings:</b>			
Hire purchase	7,905	-	7,905
Term loan	5,934	1,374	7,308
Sub-total	<u>13,839</u>	<u>1,374</u>	<u>15,213</u>
<b>Total borrowings</b>	<b><u>60,312</u></b>	<b><u>31,739</u></b>	<b><u>92,051</u></b>

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 based on exchange rate as at August 24, 2009 are as follows:-

	<b>Fair Value RM'000</b>	<b>Contracted Amount RM'000</b>
:Foreign currency forward contracts	392	394

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 save as disclosed below:-

The court hearing on the petition to wind up the Company's 75% owned subsidiary, N.T. Huat Kee Fisheries Sdn. Bhd. has been further adjourned to December 14, 2009 for both parties to file their respective written submissions.

**26. Proposed Dividend**

No interim dividend has been declared for the current quarter ended June 30, 2009.

**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 June 30, 2009	Prior Year Quarter June 30, 2008	Current Year To Date June 30, 2009	Preceding Year Corresponding Period June 30, 2008
Net profit attributable to shareholders (RM'000)	1,722	(4,338)	1,032	(3,415)
Weighted average number of Shares				
a) Basic				
Weighted average number of ordinary shares in issue ('000)	131,561	131,779	131,624	131,779
Basic earnings per ordinary share (sen)	1.31	(3.29)	0.78	(2.59)
Diluted earnings per ordinary share (sen)	NA	NA	NA	NA

The effect of the assumed conversion of the outstanding employees' share options to ordinary shares would be anti-dilutive as the market price of the ordinary shares is currently lower than the subscription price.

**28. 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 August 27, 2009.