

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

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED
30 SEPTEMBER 2009**

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

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER 3 months ended 30 September		CUMULATIVE QUARTER 12 months ended 30 September	
		2009 RM'000 (Unaudited)	2008 RM'000 (Unaudited)	2009 RM'000 (Unaudited)	2008 RM'000 (Audited)
Revenue	9	122,669	177,377	494,417	556,047
Profit from operations		1,950	6,312	4,668	6,730
Finance costs		(1,066)	(1,347)	(4,706)	(5,541)
Investment revenue		128	493	1,665	2,166
Profit before taxation	9	1,012	5,458	1,627	3,355
Taxation	19	(312)	(878)	(1,605)	(2,606)
Profit for the period		700	4,580	22	749
Profit/(Loss) attributable to :					
Equity holders of the parent		873	4,245	1,905	830
Minority interests		(173)	335	(1,883)	(81)
		700	4,580	22	749
Basic earnings per ordinary share (sen)	27	0.66	3.22	1.45	0.63
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.

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

CONDENSED CONSOLIDATED BALANCE SHEETS

	Note	As at 30 September 2009 (Unaudited) RM'000	As at 30 September 2008 (Audited) RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		106,278	112,071
Investment properties		28,638	19,048
Prepaid lease payments on leasehold land		7,629	7,805
Other investment		260	260
Agricultural expenditure		324	177
Deferred tax assets		-	94
Goodwill		2,566	2,566
		145,695	142,021
Current Assets			
Inventories		24,856	25,573
Trade and other receivables		66,456	89,511
Other assets		3,411	4,960
Current tax assets		182	214
Short term deposits with licensed banks		3,973	2,747
Cash and bank balances		4,383	3,980
		103,261	126,985
Non-current assets classified as held for sale		1,159	3,541
Total Current Asset		104,420	130,526
TOTAL ASSETS		250,115	272,547
EQUITY AND LIABILITIES			
Share capital		65,890	65,890
Less: Treasury shares		(69)	-
Reserves		14,609	12,418
		80,430	78,308
Minority interests		12,375	14,459
Total Equity		92,805	92,767
NON-CURRENT LIABILITIES			
Long-term borrowings	23	14,627	14,124
Deferred tax liabilities		6,924	7,329
		21,551	21,453
CURRENT LIABILITIES			
Trade and other payables		59,340	80,251
Short-term borrowings	23	75,731	76,320
Tax liabilities		688	1,756
		135,759	158,327
TOTAL EQUITY AND LIABILITIES		250,115	272,547
Net Assets per share of RM0.50 each attributable to ordinary equity holders of the parent (RM)		0.61	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.

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

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

Twelve (12) Months Ended September 30, 2009

	<----- Attributable to the equity holders of the parent ----->								
	<----- Non-distributable ----->					Distributable		Minority Interest	Total Equity
	Share Capital	Share Premium	Revaluation Reserve	Treasury Shares	Translation Reserve	Retained Profit	Total		
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	-	-	(150)	-	-	150	-	-	-
Realisation of revaluation reserve upon disposal of revalued assets	-	-	(57)	-	-	57	-	-	-
Fair Value adjustment upon transfer to IP	-	-	290	-	-	-	290	176	466
Currency translation differences	-	-	-	-	(4)	-	(4)	(3)	(7)
Net income and expenses recognised directly in equity	-	-	83	-	(4)	207	286	173	459
Net profit for the financial year	-	-	-	-	-	1,905	1,905	(1,883)	22
MI arising from disposal of shares	-	-	-	-	-	-	-	1	1
MI share of dividend declared	-	-	-	-	-	-	-	(375)	(375)
Purchase of treasury shares	-	-	-	(69)	-	-	(69)	-	(69)
Balance as at September 30, 2009	65,890	71	5,431	(69)	(18)	9,125	80,430	12,375	92,805

CAB CAKARAN CORPORATION BERHAD (583661-W)
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(The figures have been audited)

Twelve (12) Months Ended September 30, 2008

	< ----- Attributable to the equity holders of the parent ----- >								
	<----- Non-distributable ----->				Distributable		Total	Minority Interest	Total Equity
	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	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	-	-	(159)	-	159	-	-	-	
Realisation of revaluation reserve upon disposal of property	-	-	(261)	-	261	-	-	-	
Reversal of deferred tax liabilities arising from changes in tax rate	-	-	20	-	-	20	29	49	
Currency translation differences	-	-	-	(23)	-	(23)	(37)	(60)	
Net income and expenses recognized directly in equity	-	-	(400)	(23)	420	(3)	(8)	(11)	
Profit for the financial year	-	-	-	-	830	830	(81)	749	
Subscription of shares by minority interest in a subsidiary	-	-	-	-	-	-	1,122	1,122	
Accretion of minority interest in a subsidiary	-	-	-	-	-	-	(77)	(77)	
Balance as at September 30, 2008	65,890	71	5,348	(14)	7,013	78,308	14,459	92,767	

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

	12 months ended September 30, 2009 RM'000 (Unaudited)	12 months ended September 30, 2008 RM'000 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	22	749
Adjustments for:		
Non-cash items	9,927	12,952
Non-operating items	2,356	4,656
Tax expenses recognized in profit or loss	1,605	2,606
Operating profit before working capital changes	13,910	20,963
Net change in current assets	24,158	(31,666)
Net change in current liabilities	(20,920)	38,749
Effect of exchange rates changes on working capital	(9)	(64)
Cash generated from operations	17,139	27,982
Interest paid	(4,184)	(4,887)
Interest received	717	160
Income tax paid & refund	(2,950)	(1,353)
Net cash generated from operating activities	10,722	21,902
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	3,714	2,538
Interest received	99	88
Purchase of property, plant and equipment	(6,088)	(10,628)
Investment in unquoted shares	-	(260)
Addition of agriculture expenditure	(147)	-
Purchase of additional shares in subsidiary company	(48)	-
Net cash used in investing activities	(2,470)	(8,262)
CASH FLOWS FROM FINANCING ACTIVITIES		
Purchase of treasury shares	(69)	-
Net change in long-term loans	(1,438)	(5,251)
Net change in short-term borrowings	(1,312)	(5,066)
Net change in hire-purchase	(3,054)	(1,772)
Dividend paid to minority interest	(375)	-
Advance/repayment from directors	109	(16)
Short term deposit pledged as security	(1,225)	(207)
Net cash used in financing activities	(7,364)	(12,312)
NET INCREASE IN CASH AND CASH EQUIVALENTS	888	1,328
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	(4,918)	(6,246)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	(4,030)	(4,918)
REPRESENTED BY:-		
Bank overdrafts	(8,413)	(8,898)
Deposits with licensed financial institution	3,973	2,747
Cash and Bank Balances	4,383	3,980
	(57)	(2,171)
Less: Deposits pledged as security	(3,973)	(2,747)
	(4,030)	(4,918)

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.

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 Financial Reporting Standards ("FRSs"), amendments to FRSs and Issues Committee ("IC") Interpretations which have been issued but not yet effective :

FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to cost of an investment in a subsidiary, jointly controlled entity or associate)
FRS 2	Share-based Payment (Amendments relating to vesting conditions and cancellations)
FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 123	Borrowing Costs (Revised)
FRS 127	Consolidated and Separate Financial Statements (Amendments relating to cost of an investment in a subsidiary, jointly controlled entity or associate)
FRS 139	Financial Instruments: Recognition & Measurement
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 – The limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction

Consequential amendments were also made to various FRSs as a result of these new/revised FRSs.

Except for FRS 8 which is effective for annual financial statements for period beginning on or after July 1, 2009, the new/revised FRSs, amendments to FRSs and IC Interpretations are effective for annual periods beginning on or after January 1, 2010.

FRSs 4, 8, 123 and 127 and IC Interpretations 9, 10, 13 and 14 are not expected to be relevant to the operations of the Group and the Company. The directors anticipate that the other FRSs and amendments to FRSs will be adopted in the annual financial statements of the Group and the Company when they are effective and that the adoption of these new/revised FRSs, amendments to FRSs and IC Interpretations will have no material impact on the financial statements of the Group and the Company in the period of initial application except for the following:

FRS 7 and the consequential amendment to FRS 101 Presentation of Financial Statements require disclosure of information about the significance of financial instruments for the Group's and the Company's financial position and performance, the nature and extent of risks arising from financial instruments, and the objectives, policies and processes for managing capital.

By virtue of the exemption in paragraph 103AB of FRS 139, the impact of applying FRS 139 on the Group's and the Company's financial statements upon initial application of this standard as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors is not disclosed.

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 September 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 September 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 September 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 September 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 September 30, 2009		Twelve (12) Months ended September 30, 2009	
	Profit/ (Loss) Before Taxation		Profit/ (Loss) Before Taxation	
	Revenue RM'000	RM'000	Revenue RM'000	RM'000
By Business Activities				
Investment holding	-	4	-	(248)
Integrated poultry farming and processing	113,600	1,200	430,519	3,532
Marine products manufacturing	895	(352)	30,501	(1,549)
Restaurants and franchising	751	(149)	3,216	(363)
Value-added food products manufacturing and trading	7,423	309	30,181	255
Consolidated	<u>122,669</u>	<u>1,012</u>	<u>494,417</u>	<u>1,627</u>

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

	Three (3) Months Ended September 30, 2009		Twelve (12) Months Ended September 30, 2009	
	RM'000	%	RM'000	%
Revenue				
By Geographical Locations				
Malaysia	121,329	98.9%	461,239	93.3%
United States of America	469	0.4%	27,117	5.5%
Others	871	0.7%	6,061	1.2%
Consolidated	<u>122,669</u>	<u>100.0%</u>	<u>494,417</u>	<u>100.0%</u>

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 September 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 September 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.

(ii) On September 29, 2009, a wholly owned subsidiary of the Company, Kyros International Sdn Bhd (“KISB”), disposed of its entire equity interest of 2,000,000 ordinary shares of RM1 each in Kyros Food Industries Sdn Bhd (“KFI”) to the company for a purchase consideration of RM6 million. In consequence thereof, KFI becomes a wholly owned subsidiary of the company.

(iii) On September 30, 2009, a wholly owned subsidiary of the Company, Kyros Food Industries Sdn Bhd (“KFI”), increased its paid up capital from RM2,000,000.00 to RM2,500,000.00 by issuing additional 500,000 ordinary shares of RM1 each. The Company acquired all the 500,000 ordinary shares of KFI for a purchase consideration of RM500,000.00. The shareholding in KFI remained unchanged after the acquisition of KFI ordinary shares.

(iv) On November 19, 2009, a 55% owned subsidiary of the Company, Jaya Gading Farm Sdn Bhd (“JGFSB”), acquired the entire equity interest of Pasaraya Jaya Gading Sdn Bhd (“PJGSB”) representing 2 ordinary shares of RM1 each from 2 individuals for a cash consideration of RM2. In consequence thereof, PJGSB becomes a wholly owned subsidiary of JGFSB.

13. Changes in contingent liabilities and assets

As at September 30, 2009, the Company has issued corporate guarantees amounting to RM145.511 million (September 30 2008 : RM136.928 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 September 30, 2009 are as follows:-

	RM'000
Property, plant and equipment:	
Authorised but not contracted for	-
Approved and contracted for	1,821
Total	<u>1,821</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 fourth quarter ended September 30, 2009, the Group recorded revenue of RM122.669 million, representing a decrease of 30.8% over the prior year corresponding quarter's revenue of RM177.377 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 except value added food products manufacturing and trading division. Marine products manufacturing division recorded a significant 97.36% drop in its sales due to continued ban on export on its seafood products to European market. Even though value added food products manufacturing and trading division achieved better and higher sales of 7.26% 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 RM1.012 million as compared to profit before taxation of RM5.458 million in the prior year corresponding quarter. The lower profit was attributed to lower selling price and lower quantity of broilers.

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:-

	2009 Quarter 4 RM'000	2009 Quarter 3 RM'000	Variance RM'000	%
Revenue	122,669	113,449	9,220	8.13%
Profit Before Taxation	1,012	2,269	(1,257)	(55.40%)

For the current quarter ended September 30 2009, the Group recorded higher revenue relative to the revenue recorded in the preceding quarter mainly due to higher sales recorded. However, the Group recorded lower profit in the current quarter as compared to profit achieved in the preceding quarter due to lower selling price of broilers and provision of doubtful debts and bad debts written off of RM1.026. The lower profit was also attributed by other gain on fair value adjustment of RM0.49 million.

17. Commentary on prospects

As the overall global economy remains uncertain, it is anticipated that the overall business environment will remain challenging in particular for marine products manufacturing division. The Group marine products manufacturing division continues to face challenges in view of its lacklustre performance and outlook. This was further exacerbated by the continued ban on export on its seafood products 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 started to generate profits and contributed positively to the overall Group performance.

18. Variance of actual profit from profit forecast

Not applicable as no profit forecast was published.

19. Taxation

	3 months ended		12 months ended	
	30.09.09	30.09.08	30.09.09	30.09.08
	RM'000	RM'000	RM'000	RM'000
Current taxation				
- Current	(263)	1,121	1,745	2,476
- Prior years	-	96	170	309
	(263)	1,217	1,915	2,785
Deferred taxation	575	(339)	(310)	(179)
	312	878	1,605	2,606

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 September 30, 2009.

21. Quoted investments

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

22. Corporate proposals

There were no corporate proposals announced but not completed in the current quarter ended September 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 September 30, 2009 are as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Short-term borrowings:			
Bank overdrafts	6,599	1,814	8,413
Bankers' acceptances and export credit refinancing	33,626	25,881	59,507
Hire purchase	3,537	-	3,537
Term loan	3,303	971	4,274
Sub-total	<u>47,065</u>	<u>28,666</u>	<u>75,731</u>
Long-term borrowings:			
Hire purchase	7,158	-	7,158
Term loan	6,282	1,187	7,469
Sub-total	<u>13,440</u>	<u>1,187</u>	<u>14,627</u>
Total borrowings	<u>60,505</u>	<u>29,853</u>	<u>90,358</u>

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 November 23, 2009 are as follows:-

	Fair Value RM'000	Contracted Amount RM'000
:Foreign currency forward contracts	805	808

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 September 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	Prior Year Quarter	Current Year To Date	Preceding Year Corresponding Period
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2009
Net profit attributable to shareholders (RM'000)	873	4,245	1,905	830
Weighted average number of Shares				
a) Basic				
Weighted average number of ordinary shares in issue ('000)	131,561	131,779	131,608	131,779
Basic earnings per ordinary share (sen)	0.66	3.22	1.45	0.63
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 November 26, 2009.