

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

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED
31 DECEMBER 2011**

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		3 months ended 31 December		3 months ended 31 December	
		2011	2010	2011	2010
		RM'000	RM'000	RM'000	RM'000
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	9	136,666	122,619	136,666	122,619
Cost of sales		(125,732)	(115,871)	(125,732)	(115,871)
Gross profit		10,934	6,748	10,934	6,748
Other income		396	201	396	201
Other expenses		(3)	(1)	(3)	(1)
Administrative expenses		(3,678)	(3,361)	(3,678)	(3,361)
Distribution costs		(4,364)	(2,046)	(4,364)	(2,046)
Profit from operations	9	3,285	1,541	3,285	1,541
Other Gains/(Losses)		187	*29	187	*29
Finance costs		(1,374)	(1,153)	(1,374)	(1,153)
Investment revenue		519	458	519	458
Profit before taxation		2,617	875	2,617	875
Taxation	19	(970)	(422)	(970)	(422)
Profit for the period	27	1,647	453	1,647	453
Other Comprehensive Income:					
Exchange differences on translating foreign operations		(3)	(11)	(3)	(11)
Total Comprehensive Income for the period		1,644	442	1,644	442
Profit attributable to :					
Owners of the Company		1,678	380	1,678	380
Non-controlling interests		(31)	73	(31)	73
		1,647	453	1,647	453
Total Comprehensive Income attributable to :					
Owners of the Company		1,678	374	1,678	374
Non-controlling interests		(34)	68	(34)	68
		1,644	442	1,644	442
Basic earnings per ordinary share (sen)	25	1.28	0.29	1.28	0.29
Diluted earnings per ordinary share (sen)	25	NA	NA	NA	NA

*This has been reclassified from profit from operations for comparison purpose to be consistent with current quarter's presentation.

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2011 and the accompanying explanatory notes attached to the interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December 2011 (Unaudited)	As at 30 September 2011 (Audited)
	Note	RM'000	RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		129,174	125,481
Investment properties		32,709	32,709
Prepaid lease payments on leasehold land		7,001	7,044
Other financial asset		260	260
Agricultural development expenditure		289	291
Goodwill		1,670	1,670
Deferred tax assets		458	458
Total non-current assets		171,561	167,913
Current Assets			
Inventories		32,638	30,323
Trade and other receivables		57,667	50,364
Current tax assets		129	88
Other assets		5,159	3,661
Derivative financial asset	22	1	-
Short term deposits with licensed banks		4,308	4,280
Cash and bank balances		5,793	6,388
		105,695	95,104
Non-current assets classified as held for sale		695	1,159
Total current assets		106,390	96,263
TOTAL ASSETS		277,951	264,176
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		65,890	65,890
Treasury shares		(69)	(69)
Reserves		5,130	5,165
Retained earnings		28,349	26,636
Equity attributable to owners of the Company		99,300	97,622
Non-controlling interests		14,113	14,147
Total Equity		113,413	111,769
NON-CURRENT LIABILITIES			
Borrowings	21	21,398	19,459
Deferred tax liabilities		7,572	7,802
		28,970	27,261
CURRENT LIABILITIES			
Trade and other payables		57,110	50,148
Borrowings	21	75,595	72,511
Derivative financial liability	22	15	30
Current tax liabilities		2,848	2,457
		135,568	125,146
TOTAL EQUITY AND LIABILITIES		277,951	264,176
Net Assets per share of RM0.50 each attributable to ordinary equity holders of the parent (RM)		0.75	0.74

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2011 and the accompanying explanatory notes attached to the interim financial statements.

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

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

Three (3) Months Ended December 31, 2011

	←----- Attributable to owner of the Company -----→								
	←----- Non-distributable -----→					Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Properties revaluation reserve RM'000	Translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
As at October 1, 2011	65,890	(69)	71	5,115	(21)	26,636	97,622	14,147	111,769
Profit for the period	-	-	-	-	-	1,678	1,678	(31)	1,647
Other comprehensive income	-	-	-	-	-	-	-	(3)	(3)
Total comprehensive income for the period	-	-	-	-	-	1,678	1,678	(34)	1,644
Transfer to retained earnings	-	-	-	(35)	-	35	-	-	-
Balance as at December 31, 2011	65,890	(69)	71	5,080	(21)	28,349	99,300	14,113	113,413
As at October 1, 2010	65,890	(69)	71	5,258	10	16,507	87,667	12,498	100,165
Effects of adopting FRS 139	-	-	-	-	-	(1,895)	(1,895)	(122)	(2,017)
	65,890	(69)	71	5,258	10	14,612	85,772	12,376	98,148
Profit for the period	-	-	-	-	-	380	380	73	453
Other comprehensive income	-	-	-	-	(6)	-	(6)	(5)	(11)
Total comprehensive income for the period	-	-	-	-	(6)	380	374	68	442
Transfer to retained earnings	-	-	-	(35)	-	35	-	-	-
Balance as at December 31, 2010	65,890	(69)	71	5,223	4	15,027	86,146	12,444	98,590

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2011 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 months ended December 31, 2011 RM'000 (Unaudited)	3 months ended December 31, 2010 RM'000 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	1,647	453
Adjustments for:		
Depreciation of property, plant and equipment	2,267	2,123
Interest expense	1,250	1,022
Amortisation of prepaid lease payments on leasehold land	43	43
Amortisation of agricultural development expenditure	1	1
(Gain)/loss on disposal of property, plant and equipment	(87)	15
Interest income	(39)	(47)
Reversal of impairment loss recognized on receivables	(36)	(49)
Net gain on foreign exchange	(23)	(15)
Net fair value (gain)/loss on other financial asset and liability	(17)	60
Tax income recognized in profit or loss	970	422
	5,976	4,028
Movement in working capital		
Inventories	(2,315)	(1,212)
Receivables	(7,158)	(1,548)
Other current assts	(1,495)	(579)
Payables	6,866	5,318
Effect of exchange rate changes on working capital	(5)	(5)
Cash generated from operations	1,869	6,002
Interest paid	(1,222)	(972)
Interest received	3	6
Income tax paid and refund	(850)	(346)
Net cash (used in)/generated from operating activities	(200)	4,690
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	552	97
Interest received	31	37
Payments for property, plant and equipment	(3,261)	(1,596)
Net cash used in investing activities	(2,678)	(1,462)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net change in long-term loans	(112)	(900)
Net change in short-term borrowings	3,393	(2,839)
Net change in hire-purchase	(1,072)	(967)
(Repayment to)/advance from a director	(15)	30
Short term deposit pledged as security	(27)	(25)
Net cash generated from/(used in) financing activities	2,167	(4,701)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(711)	(1,473)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	5,272	(592)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	4,561	(2,065)

REPRESENTED BY:-

Bank overdrafts	(1,232)	(9,046)
Deposits with licensed banks	4,308	4,188
Cash and Bank Balances	5,793	6,981
	8,869	2,123
Less: Deposits pledged as security	(4,308)	(4,188)
	4,561	(2,065)

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2011 and the accompanying explanatory notes attached to the interim financial statements.

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED
DECEMBER 31, 2011**

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, 2011. 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, 2011.

2. Changes in Accounting Policies

Adoption of new and revised Financial Reporting Standards

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended September 30, 2011 except for the adoption of the following Financial Reporting Standards ("FRSs"), amendments to FRSs and Issues Committee ("IC") Interpretations which were effective for the Group's financial period beginning on October 1, 2011.

FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to limited exemption from Comparative FRS 7 Disclosures for First-time Adopters)
FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to additional exemptions for first-time adopters)
FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to accounting policy changes in the year of adoption, revaluation basis as deemed cost, and use of deemed cost for operations subject to rate regulation)
FRS 2	Share-based Payment (Amendments relating to group cash-settled share-based payment transactions)
FRS 3	Business Combinations (revised in 2010) (Amendments relating to measurement of non-controlling interests, and un-replaced and voluntarily replaced share-based payment awards)
FRS 7	Financial Instruments: Disclosures (Amendments relating to improving disclosures about financial instruments)
FRS 7	Financial Instruments: Disclosures (Amendments relating to clarification of disclosures, and transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised FRS (consequential amendments arising from improvements to FRSs (2010) – FRS 3)
FRS 101	Presentation of Financial Statements (Amendments relating to clarification of statement of changes in equity)
FRS 121	The Effects of Changes in Foreign Exchange Rates (Amendments relating to transition requirements arising as result of FRS 127 (revised in 2010))
FRS 128	Investments in Associates (Amendments relating to transition requirements arising as a result of FRS 127 (revised in 2010))
FRS 131	Interest in Joint Ventures (Amendments relating to transition requirements arising as a result of FRS 127 (revised in 2010))
FRS 132	Financial Instruments: Presentation (Amendments relating to transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised FRS (consequential amendments arising from improvements to FRSs (2010) – FRS 3))
FRS 134	Interim Financial Reporting (Amendments relating to significant events and transactions)

2. Changes in Accounting Policies (Cont'd)

FRS 139	Financial Instruments: Recognition and Measurement (Amendments relating to transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised FRS (consequential amendments arising from improvements to FRSs (2010) – FRS 3)
Improvements to FRSs 2010	
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 13	Customer Loyalty Programmes (Amendments relating to fair value of award credits)
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction (Amendments relating to prepayments of a minimum funding requirement)
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments

The adoption of the above new and revised Standards and IC Interpretations have not significantly affected the amounts reported on the financial statements of the Group and of the Company.

Standards and IC Interpretations in issue but not yet effective

The new and revised standard and IC Interpretations which were in issue but not yet effective and not earlier adopted by the Group are as listed below:

FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to severe hyperinflation and removal of fixed dates for first-time adopters) ^(a)
FRS 7	Financial Instruments: Disclosures (Amendments relating to disclosures: transfers of financial assets) ^(a)
FRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009) ^(b)
FRS 9	Financial Instruments (IFRS 9 issued by IASB in October 2010) ^(b)
FRS 10	Consolidated Financial Statements ^(b)
FRS 11	Joint Arrangements ^(b)
FRS 12	Disclosure of Interests in Other Entities ^(b)
FRS 13	Fair Value Measurement ^(b)
FRS 101	Presentation of Financial Statements (Amendments relating to presentation of item of other comprehensive income) ^(c)
FRS 112	Income Taxes (Amendments relating to deferred tax: recovery of underlying assets) ^(a)
FRS 119	Employee Benefits (2011) ^(b)
FRS 124	Related Party Disclosures ^(a)
FRS 127	Separate Financial Statements (2011) ^(b)
FRS 128	Investment in Associates and Joint Ventures (2011) ^(b)
IC Interpretation 15	Agreements for the Construction of Real Estate ^(d)
IC Interpretation 15	Agreements for the Construction of Real Estate (Amendments) ^(e)
IC Interpretation 18	Transfer of Assets from Customers ^(f)
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine ^(b)

^(a) Effective for annual periods beginning on or after January 1, 2012

^(b) Effective for annual periods beginning on or after January 1, 2013

^(c) Effective for annual periods beginning on or after July 1, 2012

^(d) Withdrawn for application for annual periods beginning on or after January, 2012 supersedes FRS 201₂₀₀₄ Property Development Activities upon application

^(e) Original effective date of July 1, 2009 deferred to January 1, 2012 via amendment issued by MASB on August 30, 2010

^(f) Applies prospectively to transfers of assets received on or after the date specified

2. Changes in Accounting Policies (Cont'd)

The directors anticipate that the abovementioned Standards and IC Interpretations will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these FRSs and IC Interpretations will have no material impact on the financial statements of the Group and of the Company in the period of initial application except for the following:

- (i) FRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)
- (ii) FRS 10 Consolidated Financial Statements
- (iii) FRS 11 Joint Arrangements
- (iv) FRS 12 Disclosure of Interests in Other Entities
- (v) FRS 127 Separate Financial Statements (2011)
- (vi) FRS 128 Investments in Associates and Joint Ventures (2011)
- (vii) FRS 101 Presentation of Financial Statements (Amendments relating to presentation of items of other comprehensive income)
- (viii) FRS 112 Income Taxes (Amendments relating to deferred tax: recovery underlying assets)
- (ix) FRS 124 Related Party Disclosures (revised)

3. Audit opinion

The auditors' report on the financial statements of the Group for the financial year ended September 30, 2011 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 December 31, 2011.

6. Material change in estimates

There were no material change 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 December 31, 2011.

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 December 31, 2011.

At the Annual General Meeting held on March 29, 2011, the shareholders of the Company had approved the Proposed Renewal of Share Buy Back Authority 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 December 31, 2011, a total of 218,200 shares were repurchased and held as treasury shares and carried at cost of RM69,304.

8. Dividends paid

There were no dividends paid for the current year to date.

9. Segmental information

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

	Investment holding	Integrated poultry farming and processing	Marine products manufacturing	Restaurants and franchising	Value added food products manufacturing and trading	Eliminations	Consolidated
Three (3) Months ended December 31, 2011							
Segment Revenue							
External revenue	-	118,395	4,969	624	12,678	-	136,666
Inter-segment revenue	30	2,874	261	195	576	(3,936)	-
Total revenue	30	121,269	5,230	819	13,254	(3,936)	136,666
Segment results	(9)	2,166	86	81	729	232	3,285
As at December 31, 2011							
Total assets	38,963	257,248	5,908	1,070	33,197	(63,330)	273,056
Total Liabilities	79	50,750	3,088	129	3,084	(5)	57,125
Three (3) Months ended December 31, 2010							
Segment Revenue							
External revenue	-	111,721	1,286	554	9,058	-	122,619
Inter-segment revenue	30	1,245	34	195	1,350	(2,854)	-
Total revenue	30	112,966	1,320	749	10,408	(2,854)	122,619
Segment results	(38)	1,155	(218)	101	475	66	1,541
As at December 31, 2010							
Total assets	39,603	231,538	6,955	1,056	30,205	(63,766)	245,591
Total Liabilities	129	48,764	3,486	219	3,986	(5)	56,579

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

	Three (3) Months ended December 31, 2011		Three (3) Months ended December 31, 2010	
	RM'000	%	RM'000	%
Revenue				
By Geographical Locations				
Malaysia	130,354	95.4%	120,308	98.1%
United States of America	4,243	3.1%	1,259	1.0%
Others	2,069	1.5%	1,052	0.9%
Consolidated	136,666	100.0%	122,619	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 have occurred subsequent to the end of current quarter ended December 31, 2011 until the date of the interim financial report.

12. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial year up to the quarter under review.

13. Changes in contingent liabilities and assets

As at December 31, 2011, the Company issued corporate guarantees amounting to RM152.532 million (December 31, 2010: RM141.061 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 December 31, 2011 are as follows:-

	RM'000
Property, plant and equipment:	
Authorised but not contracted for	-
Approved and contracted for	4,343
Total	<u>4,343</u>

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED DECEMBER 31, 2011

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

15. Review of performance

For the first quarter ended December 31, 2011, the Group recorded revenue of RM136.666 million, representing an increase of 11.5% over the prior year corresponding quarter's revenue of RM122.619 million. The higher revenue in the current quarter as compared to the prior year's corresponding quarter was due mainly to the overall increase in sale of all divisions. In tandem with the higher sales recorded, the Group's profit from operations showed an increase of 113% to RM3.285 million as compared with the prior year's corresponding quarter of RM1.541 million.

The higher revenue of integrated poultry farming division was mainly attributed to the higher average selling price of broilers and the increase in the production and sales of day-old-chicks. The increase in profit from operations of integrated poultry farming division was due to the higher profit margin from the sales of broilers and the lower cost of production for dress chickens and parts.

The marine products manufacturing division showed an increase in revenue and segment profit of RM4.696 million and RM0.086 million respectively in the current quarter, as a result of the marketing effort in opening of a new market for shrimps in the United States of America.

The value added food products manufacturing and trading division which saw sales increase of more than 40% to RM12.678 million was due to introduction of new products in the local market. The increase in profit is in tandem with the higher turnover achieved.

16. Comment on material change in profit before taxation

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

	2012 Quarter 1 RM'000 (Unaudited)	2011 Quarter 4 RM'000 (Audited)	Variance RM'000	%
Revenue	136,666	130,826	5,840	4.5%
Profit before taxation	2,617	7,080	(4,463)	-63.0%

For the current quarter ended December 31, 2011, the Group recorded higher revenue relative to the revenue recorded in the preceding quarter due to the higher sales achieved by marine products manufacturing division and trading/ value added food product manufacturing division.

Despite the higher revenue achieved in the current quarter as compared to the preceding quarter, the Group's profit before tax dropped by 63.0% to RM2.617 million. This is due mainly to the lower profit margin resulting from the lower average selling price of broilers.

17. Commentary on prospects

Currently the local poultry market is facing an imbalance between supply and demand of broilers. Most of the big poultry players had expanded production over the past quarter resulting in an oversupply situation and a depressed price for live birds. The present average selling price of live birds of between RM3.00 to RM4.00 per kg is below the average production cost. The situation is expected to persist until March 2012 and this would have an adverse impact on the profitability of the Group in the next quarter.

The marine products manufacturing division will continue to show consistent growth with the opening of a new market for shrimps in the United States of America and the increasing volume in the trading of fish.

17. Commentary on prospects (Cont'd)

The introduction of new products under value added food products manufacturing and trading division in the past two quarters have resulted in higher turnover and profit for the division and the uptrend is expected to continue in the next quarter.

18. Variance of actual profit from profit forecast

Not applicable as no profit forecast was published.

19. Taxation

	3 months ended		3 months ended	
	31.12.11	31.12.10	31.12.11	31.12.10
	RM'000	RM'000	RM'000	RM'000
Current taxation				
- Current	1,200	564	1,200	564
- Prior years	-	-	-	-
	<u>1,200</u>	<u>564</u>	<u>1,200</u>	<u>564</u>
Deferred taxation	(230)	(142)	(230)	(142)
	<u>970</u>	<u>422</u>	<u>970</u>	<u>422</u>

For the current quarter 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. Corporate proposals

There were no corporate proposals announced but not completed in the current quarter ended December 31, 2011 and up to the date of this interim financial report.

21. Group borrowings and debt securities

The Group's total bank borrowings as at December 31, 2011 are as follows:-

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short-term borrowings:			
Bank overdrafts	8,544	2,018	10,562
Bankers' acceptance	32,950	23,899	56,849
Hire purchase payables	4,256	-	4,256
Term loans	3,878	50	3,928
Sub-total	<u>49,628</u>	<u>25,967</u>	<u>75,595</u>
Long-term borrowings:			
Hire purchase payables	8,172	-	8,172
Term loans	13,226	-	13,226
Sub-total	<u>21,398</u>	<u>-</u>	<u>21,398</u>
Total borrowings	<u>71,026</u>	<u>25,967</u>	<u>96,993</u>

The above borrowings are denominated in Ringgit Malaysia.

22. Derivative financial instruments

The derivative financial asset and liability as at December 31, 2011 are carried at fair value through profit or loss as follows:

Financial instruments	Contracted Amount	Fair Value- Net Gain/(Loss)
	RM'000	RM'000
Forward Foreign Exchange Contracts:		
Sales Contracts – Less than 1 year	800	(15)
Purchase Contracts – Less than 1 year	613	1

22. Derivative financial instruments (Cont'd)

For the quarter ended December 31, 2011, there have been no significant changes to the Group's exposure to credit risk, market risk, liquidity risk and foreign currency risk from the previous financial year. The Group's financial risk management objectives or policies have also not been changed since the previous financial year.

23. Changes in material litigation

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

24. Proposed Dividend

No interim dividend has been declared for the current quarter ended December 31, 2011.

25. 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 December 31, 2011	Prior Year Quarter December 31, 2010	Current Year To Date December 31, 2011	Preceding Year Corresponding Period December 31, 2010
Net profit attributable to shareholders (RM'000)	1,678	380	1,678	380
Weighted average number of shares Basic Weighted average number of ordinary shares in issue ('000)	131,561	131,561	131,561	131,561
Basic earnings per ordinary share (sen)	1.28	0.29	1.28	0.29

26. Realised and Unrealised Profits/ Losses Disclosure

The breakdown of the retained earnings of the Group and accumulated losses of the Company into realized and unrealized amounts, pursuant to the directive from Bursa Malaysia Securities Berhad on March 25, 2010, is as follows:

	Current Quarter Ended December 31, 2011 RM'000 (Unaudited)	As At September 30, 2011 RM'000 (Audited)
Total retained earnings/ (accumulated losses)		
Realised	49,759	48,151
Unrealised	(83)	(92)
	49,676	48,059
Less: Consolidation adjustments	(21,327)	(21,423)
Total retained earnings as per statement of financial position	28,349	26,636

27. Profit for the period

Profit for the period has been arrived at :

	Current Year Quarter December 31, 2011 RM'000	Prior Year Quarter December 31, 2010 RM'000
After charging:-		
Depreciation of property, plant and equipment	2,267	2,123
Interest expenses	1,250	1,022
Amortisation of prepaid lease payments on leasehold land	43	43
Amortisation of agricultural development expenditure	1	1
Loss on disposal of property, plant and equipment	-	15
Net fair value loss on derivative financial asset & liability	-	60
Provision for and write off of inventories	-	-
Loss/(gain) on disposal of quoted or unquoted investments or properties	-	-
Impairment of assets	-	-
Exceptional items	-	-
After crediting:		
Gain on disposal of property, plant and equipment	87	-
Interest income	39	47
Net gain on foreign exchange	23	15
Reversal of impairment loss recognized on receivables	36	49
Net fair value gain on derivative financial asset & liability	17	-

28. Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the directors on February 27, 2011.