



CCM DUOPHARMA BIOTECH BERHAD (524271-W)

(Incorporated in Malaysia)

**Quarterly Report On Results For The Period Ended 30 September 2009
NOTES TO INTERIM FINANCIAL REPORT**

A1 Accounting Policies and Method of Computation

The interim financial report is unaudited and has been prepared in accordance with the applicable disclosure provisions of Listing Requirements of Bursa Malaysia Securities Berhad including compliance with Financial Reporting Standard (FRS) 134₂₀₀₄, *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board (MASB)

The preparation of an interim financial report in conformity with FRS 134₂₀₀₄, *Interim Financial Reporting* requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates.

A2 Changes in accounting policies

The significant accounting policies adopted by the Group in preparing the interim financial statement, are consistent with those of the audited financial statements for the year ended 31 December 2008 except for the adoption of the new / revised FRSs that are effective for accounting period beginning on or after 1 January 2009.

A3 Audit Report

The audited report of the Company's preceding annual financial statements was not qualified.

A4 Seasonal or Cyclical Factors

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

A5 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter.

A6 Changes in Estimates

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

A7 Debts and Equity Securities

There are no issuance, cancellations, repurchases, resale and repayments of debts and equity securities for the current quarter to date.

A8 Dividend Paid

During the current quarter, no interim dividend was paid. (2008: nil)

A9 Segment Information

	Quarter Ended		Year To Date	
	30/09/2009	30/09/2008	30/09/2009	30/09/2008
	RM ' 000	RM ' 000	RM ' 000	RM ' 000
Sales revenue by geographical market :-				
Malaysia	29.784	29.019	85.750	83.641
Others countries	2.404	3.392	8.166	9.748
	<u>32.188</u>	<u>32.411</u>	<u>93.916</u>	<u>93.389</u>

A10 Property, Plant and Equipment

The valuation of property, plant and equipment used in the condensed financial statements have been brought forward without amendment from the previous annual financial statements.

A11 Post Balance Sheet Events

There are no material events after the period end up to 13 November 2009 (latest practicable date which is not earlier than 7 days from the date of issuance of this quarterly report) that have not been reflected in the financial statements for the financial period ended 30 September 2009.

A12 Changes in the Composition of the Group

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

A13 Related Parties Transactions

Significant related parties transactions of the Group for the period ended 30 September 2009 are as follows:-

	<u>RM ' 000</u>
a) With CCM Pharmaceuticals (S) Pte Ltd, a wholly owned subsidiary of CCM International Sdn Bhd which in turn is a wholly-owned subsidiary of CCM Marketing Sdn Bhd.	
-Sales of goods	<u>2.541</u>
b) With CCM Marketing Sdn Bhd, a company in which Chemical Company of Malaysia Berhad has a direct interest of 100.0%	
-Sales of goods	<u>324</u>
c) With CCM Pharmaceuticals Sdn Bhd, a company in which Chemical Company of Malaysia Berhad has a direct interest of 100.0%	
-Purchase of goods	<u>558</u>

ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS

B1 Review of Performance

The Group recorded a revenue and profit before tax (PBT) of RM32.19 million and RM9.27 million respectively for current quarter ended 30 Sept 2009 as compared to RM32.41 million and RM11.10 million for the corresponding quarter last year. The Group has performed consistently as compared to Q3 2008. The decrease in PBT is due to changes in fair value of two (2) vacant land taken up in corresponding period last year.

B2 Comparison with the Preceding Quarter's Results

	Qtr 3 2009 (30/9/09) RM'000	Qtr 2 2009 (30/6/09) RM'000	Variance	
			RM'000	%
Revenue	32.188	34.062	(1.874)	(5,50)
Profit before tax	9.268	10.968	(1.700)	(15,50)
Profit after tax	6.929	8.483	(1.554)	(18,32)

The Group recorded a revenue and profit before tax (PBT) of RM32.19 million and RM9.27 million respectively for current quarter ended 30 September 2009 as compared to RM34.1 million and RM11.0 million respectively for the preceding financial quarter. The decrease in revenue is mainly due to lower sales to export and also local private market while the decrease in PBT is mainly attributable to increase Government tender sales which garner lower margin.

B3 Prospects for the Remainder of Current Financial Year

The Board expects the Group to achieve satisfactory results for the remaining period of current year under normal business environment.

B4 Profit Forecast

No commentary is made on any variance between actual profit from forecast profit as it does not apply to the Group.

B5 Taxation

Details of taxation are as follows :-

	Current Year Quarter 30/9/09 RM'000	Current Year To Date 30/9/09 RM'000
Based on results for the quarter/year	2.209	6.877
Transfer to/(from) deferred tax	130	339
	<u>2.339</u>	<u>7.216</u>

The Group's effective tax rate is approximate to the statutory tax rate.

B6 Unquoted Investments and Properties

There is no disposal of unquoted investment and/or properties during the current financial quarter.

B7 Quoted Investments

There was no purchase or disposal of quoted securities during the current financial quarter.

B8 Status of corporate proposals.

There were no new corporate proposal announced as at the date of the report.

B9 Borrowings and Debt Securities

The Group does not have any borrowings as at the end of the current financial quarter. Subsequent to end of the current financial quarter, the Group has drawdown approximately RM10 million term loan to part finance construction of warehouse.

B10 Off Balance Sheet Financial Instruments

The Group does not have any off balance sheet financial instruments as at the date of issue of this quarterly report.

B11 Material litigation

There was no material litigation up to 13 November 2009 (latest practicable date which is not earlier than 7 days from the date of issuance of this quarterly report).

B12 Dividend

The Directors do not recommend any interim dividend for the current quarter ended 30 September 2009. (2008: Nil)

B13 Earnings per Share

	Current year quarter 30/9/09	Current year to date 30/9/09
a) Basic EPS		
Net profit (RM'000)	<u>6.929</u>	<u>22.389</u>
Weighted average number of ordinary shares in issue ('000)		
- Balance b/f	138.822	138.822
-Weighted average number of shares arising from options exercised during the period	-	-
	<u>138.822</u>	<u>138.822</u>
Basic EPS (sen)	<u>4.99</u>	<u>16.13</u>
b) Dilutive EPS		
Adjusted weighted average number of ordinary shares in issue ('000)		
-In issue during the period	138.822	138.822
-Dilutive impact of unexercised share options	-	-
	<u>138.822</u>	<u>138.822</u>
Dilutive EPS (sen)	<u>4.99</u>	<u>16.13</u>

B14 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 20 November 2009.

By Order of the Board

Noor Azwah binti Samsudin
Rosnah binti Mahat
Secretaries
Kuala Lumpur
20 November 2009