

PART A – Explanatory Notes Pursuant to FRS 134 – Paragraph 16

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2007. These explanatory notes attached to the interim financial statements 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 year ended 31 March 2007.

A2. Audit Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2007 was not qualified.

A3. Segmental Information

	3 months ended 31.12.07	9 months ended 31.12.07
	RM000	RM000
Segment revenue		
Revenue from continuing operations		
Poultry farming	28,452	76,586
Investment holdings	-	21
Others	1	1
Total	<u>28,453</u>	<u>76,608</u>
Segment results		
Results from continuing operations		
Poultry farming	3,695	6,496
Investment holdings	(54)	(93)
Others	(54)	(131)
Total	<u>3,587</u>	<u>6,272</u>

A4. 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 financial period ended 31 December 2007.

A5. Changes in Estimate

There were no changes in the estimates that have had a material effect in the current quarter results.

A6. Comments about Seasonal or Cyclical Factors

The Group's performance is not significantly affected by major festive seasons.

A7. Dividends Paid

On 8 October 2007, the Company paid a final dividend of 7%, less tax, in respect of the financial year ended 31 March 2007, amounted to RM2.1 million.

A8. Carrying Amount of Revalued Assets

There were no amendments in the valuation of property, plant and equipment brought forward from the previous annual financial statements.

A9. Debt and Equity Securities

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.

A10. Changes in Composition of the Group

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

A11. Changes in Contingent Liabilities and Contingent Assets

There were no changes in other contingent liabilities or contingent assets since the last annual balance sheet as at 31 March 2007.

A12. Subsequent Events

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

B. BMSB Listing Requirements (Part A of Appendix 9B)

B1. Review of Performance

The Group revenue was RM76.6 million for the nine months to 31 December 2007 as compared with RM63 million registered in the previous year corresponding period, an increase of 22%. For the current quarter under review, revenue increased 30% to RM28.5 million, against RM21.9 million recorded in the same period last year. This was mainly due to increased demand and higher average selling price of eggs.

Despite an increase in raw material costs during the year, pre-tax profit for the period ending 31 December 2007 rose 32% to RM6.3 million from RM4.8 million registered in same period last year. Pre-tax profit jumped 100% to RM3.6 million for current quarter compared with RM1.8 million in previous year same quarter.

B2. Comment on Material Change in Profit before Taxation

The Group pre-tax profit was RM3.6 million for the quarter under review as against a pre-tax profit of RM2.9 million recorded for the preceding quarter, an increase of 23%. This was mainly attributed to the increase in quantities of eggs sold and average selling price of eggs.

B3. Commentary on Prospects

The Board anticipates average selling price of eggs and feed costs to remain at the current level in the next quarter.

B4. Profit Forecast or Profit Guarantee

This is not applicable.

B5. Income Tax Expenses

	3 months ended 31.12.07	9 months ended 31.12.07
	RM000	RM000
Tax expense		
- provision for the quarter	1,037	1,334
	1,037	1,334

B6. Sale of Unquoted Investments and Properties

There was no sale of unquoted investments and/or properties for the current quarter and financial year to date.

B7. Quoted Investments

	3 months ended	9 months ended
	31.12.07	31.12.07
	RM000	RM000
(a) Purchases and disposals		
Total purchase consideration	578	6,419
Total sale proceeds	628	4,338
Total profit on disposal	72	200
(b) Investment		As at 31.12.07
At cost		8,457
At book value		8,457
At market value		8,848

B8. Corporate Proposals

(a) Status of Corporate Proposals

There were no corporate proposals announced up to 19 November 2007.

(b) Status of Utilisation of Proceeds

Not applicable as there was no corporate proposal to raise funds.

B9. Borrowings

The total Group borrowings as at 31 December 2007 were as follows:

	Secured	Unsecured	Total
	RM000	RM000	RM000
Short term borrowings			
Bank overdraft	394	3	397
Other bank borrowings	4,121	8,705	12,826
Hire purchase payables	776	-	776
	5,291	8,708	13,999
Long term borrowings			
Other bank borrowings	3,997	3,106	7,103
Hire purchase payables	18	-	18
	4,015	3,106	7,121
Total	9,306	11,814	21,120

There were no borrowings in any foreign currency as at 31 December 2007.

B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 19 February 2008.

B11. Changes in Material Litigations

There were no material litigations involving the Group under the current quarter under review.

B12. Dividend Payable

No dividend has been declared for the financial period ended 31 December 2007 (31 December 2006 : Nil)

B13. Earnings per share

	3 months ended		9 months ended	
	31.12.07	31.12.06	31.12.07	31.12.06
Profit attributable to ordinary equity holders of the parent (RM000)	2,550	1,366	4,938	4,047
Weighted average number of shares (000)	40,992	40,992	40,992	40,979
Basic earnings per share (sen)	6.22	3.33	12.05	9.88

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 26 February 2008.

B15. Dividends Paid / Declared (LTKM)

Dividend paid and declared since listing and up to the date of this report.

Dividend No.	Financial Year	Type	Rate	Payment Date
1	2000	Final dividend	8% per share less tax	22.9.2000
2	2001	Final dividend	8% per share less tax	29.10.2001
3	2002	Final dividend	2% per share, tax exempt	20.11.2002
4	2003	Final dividend	2% per share, tax exempt	28.10.2003
5	2004	Interim dividend	2% per share, tax exempt	9.1.2004
6	2004	Final dividend	5% per share less tax	15.9.2004
7	2005	Final dividend	6% per share less tax	15.9.2005
8	2006	Interim dividend	3% per share, tax exempt	15.2.2006
9	2006	Final dividend	7% per share less tax	15.9.2006
10	2007	Interim dividend	3% per share, tax exempt	15.5.2007
11	2007	Final dividend	7% per share less tax	8.10.2007