

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 2008. 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 2008.

A2. Audit Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2008 was not qualified.

A3. Segmental Information

	3 months ended 30.6.08	3 months ended 30.6.07
	RM000	RM000
Segment revenue		
Revenue from continuing operations		
Poultry farming	28,092	22,365
Investment holdings	-	21
Sand mining	878	-
Others	-	-
Total	28,970	22,386
Segment results		
Results from continuing operations		
Poultry farming	(980)	(199)
Investment holdings	(68)	(19)
Sand mining	252	-
Others	(359)	(13)
Total	(1,155)	(231)

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 30 June 2008.

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 21 April 2008, the Company has paid an interim dividend of 3%, tax exempt, in respect of the financial year ended 31 March 2008, amounted to RM1.23m.

A9. 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.

A10. Debt and Equity Securities

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

A11. Changes in Composition of the Group

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

A12. 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 2008.

A13. 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 registered a higher pre-tax loss of RM1.16 million for the current quarter as compared with a pre-tax loss of RM0.23 million recorded in preceding year corresponding quarter. This was due to the increase in the purchase prices of raw materials, particularly corn and soybean, even though average selling prices of eggs did increase.

B2. Comment on Material Change in Profit before Taxation

The Group posted a pre-tax loss of RM1.16 million for this quarter as against a pre-tax profit of RM1.69 million recorded in preceding quarter. This was mainly due to decrease in average selling prices of eggs during current period and increasing feed costs. The Group also provided impairment loss of RM175,000 for its marketable securities, due to market prices fluctuation.

B3. Commentary on Prospects

The Board foresees a challenging second quarter as prices of commodities in particular corn, had skyrocketed by around 35% to 40% of June prices in the month of July. However, August prices of corn appear to be falling back to the Jun prices and with the increase in the average selling prices of eggs, the Board expects the result to be in the black at the end of the second quarter.

B4. Profit Forecast or Profit Guarantee

This is not applicable.

B5. Income Tax Expenses

	3 months ended 30.6.08	3 months ended 30.6.07
	RM000	RM000
Tax expense		
- provision for the quarter	17	-
- over provision in prior year	(2)	
	15	-
	15	-

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	3 months ended
	30.6.08	30.6.07
	RM000	RM000
(a) Purchases and disposals		
Total purchase consideration	738	4,404
Total sale proceeds	1,024	1,007
Total (loss)/profit on disposal	(212)	14
(b) Investment	As at 30.6.08	As at 30.6.07
At cost	7,836	9,586
At book value	7,365	9,586
At market value	7,857	9,999

B8. Corporate Proposals

(a) Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 20 August 2008.

(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 30 June 2008 were as follows:

	Secured	Unsecured	Total
	RM000	RM000	RM000
Short term borrowings			
Bank overdraft	1,742	52	1,794
Other bank borrowings	4,184	10,323	14,507
Hire purchase payables	333	-	333
	<u>6,259</u>	<u>10,375</u>	<u>16,634</u>
Long term borrowings			
Other bank borrowings	3,138	2,577	5,715
Hire purchase payables	-	-	-
	<u>3,138</u>	<u>2,577</u>	<u>5,715</u>
Total	<u>9,397</u>	<u>12,952</u>	<u>22,349</u>

There were no borrowings in any foreign currency as at 30 June 2008.

B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 20 August 2008.

B11. Changes in Material Litigations

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

B12. Dividend Payable

No interim ordinary dividend has been declared for the financial period ended 30 June 2008 (30 June 2007 : Nil)

B13. Earnings per share

	3 months ended	
	30.6.08	30.6.07
Loss attributable to ordinary equity holders of the parent (RM000)	(1,170)	(231)
Weighted average number of shares (000)	41,010	40,992
Basic loss per share (sen)	(2.85)	(0.56)

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 27 August 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
12	2008	Interim dividend	3% per share, tax exempt	21.4.2008
13	2008	Final dividend	7% per share less tax	7.10.2008