

**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.

The accounting policies and methods of computation adopted are consistent with those of the audited financial statements for the year ended 31 March 2008, except for the adoption of the following revised Financial Reporting Standards (FRS) and new Interpretations that have become effective for the financial periods beginning 1 July 2007 .

FRS 107	Cash Flow Statement
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates – Net Investment In A Foreign Operation
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interest Arising from Decommissioning and Environmental Rehabilitations Funds Restoration
IC Interpretation 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 129 <sub>2004</sub> - Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

The adoption of the above mentioned FRS does not have any significant impact on the financial statements of the Group.

**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

The segmental information of the Group for the current quarter and year-to-date was summarised as below: -

	3 months ended 31.03.09	12 months ended 31.03.09
	RM000	RM000
<b>Segment revenue</b>		
Revenue from continuing operations		
Poultry farming	34,426	129,966
Investment holdings	-	-
Sand mining	851	3,571
Others	-	-
Total	35,277	133,537
<b>Segment results</b>		
Results from continuing operations		
Poultry farming	6,364	12,669
Investment holdings	(167)	(669)
Sand mining	310	913
Others	39	(678)
Total	6,546	12,235

## 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 March 2009.

## 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

There were no dividend paid during the quarter under review.

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

Except for the issuance of 105,000 new ordinary shares of RM1.00 each pursuant to the exercise of the ESOS at an exercise price of RM1.05 per ordinary share, there were no other issuances, repurchases, and repayments of debt and equity securities during the quarter under review.

A10. Changes in Composition of the Group

On 4 March 2009 LTK Engineering & Construction Sdn Bhd became a fully-owned subsidiary of the Company pursuant to the acquisition of the remaining 1 ordinary share of RM1.00 each for a cash consideration of RM1.00 only.

There were no other 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 2008.

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's revenue increased by 23% to RM133.5 million for the year ended 31 March 2009 compared with RM108.2 million posted in the previous year. For the current quarter under review, revenue increased 11% to RM35.3 million, against RM31.6 million recorded in the same quarter last year. This increase came mainly from improved average selling prices of eggs coupled with the sales of sand which was absent last year.

Pre-tax profit for the year ended 31 March 2009 was RM12.2 million, an increase of 58% from RM7.8 million registered in the previous year. This is contributed mainly by improved average selling prices of eggs and other income of RM2.1 million arising from livestock production incentives received from the government. For the quarter under review, pre-tax profit jumped from RM1.5 million as posted last year to RM6.5 million this year. Comparing this year quarter to last year quarter, the huge increase was mainly because of the lower costs of major raw materials in the current year quarter.

The income tax expense for this year has increased to RM3.2 million as compared to RM1.3 million in the previous year ( refer to note B5 ). This is mainly due to higher pre-tax profit this year coupled with lower utilization of reinvestment allowances as compared to the previous year.

**B2. Comment on Material Change in Profit before Taxation**

The Group recorded a pre-tax profit of RM6.5 million for current quarter under review compared with a pre-tax profit of RM4.3 million registered in the preceding quarter. The improvement was mainly contributed by lower costs of major raw materials as compared to the preceding quarter.

**B3. Commentary on Prospects**

The Board sees the next quarter as challenging for the poultry farming segment as selling prices had steadily come down since reaching its peak and costs of several major raw materials such as soyabean have begun to go up. However, the Board remains optimistic of achieving favourable results in the next financial year.

**B4. Profit Forecast or Profit Guarantee**

This is not applicable.

## B5. Tax Expenses

	3 months ended 31.03.09	12 months ended 31.03.09	12 months ended 31.03.08
	RM000	RM000	RM000
Income tax expense			
- provision for the period	1,611	3,267	1,603
- over provision in prior year	(2)	(4)	(1)
Total income tax expense	1,609	3,263	1,602
Deferred tax expense			
- provision for the period	51	51	(466)
- (over)/under provision in prior year	(70)	(70)	195
Total deferred tax expense	(19)	(19)	(271)
Total tax expense	1,590	3,244	1,331

## 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	12 months ended
	31.03.09	31.03.09
	RM000	RM000
<b>(a) Purchases and disposals</b>		
Total purchase consideration	18	2,740
Total sale proceeds	300	6,668
Total gain/(loss) on disposal	199	(643)
<b>(b) Investment</b>		As at 31.03.09
At cost		4,101
At book value		3,633
At market value		3,746

## B8. Corporate Proposals

## (a) Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 21 May 2009.

## (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 March 2009 were as follows:

	Secured	Unsecured	Total
	RM000	RM000	RM000
<b>Short term borrowings</b>			
Bank overdraft	-	6	6
Term loan	1,820	1,104	2,924
Other bank borrowings	1,000	4,564	5,564
	<u>2,820</u>	<u>5,674</u>	<u>8,494</u>
<b>Long term borrowings</b>			
Term loan	1,745	1,749	3,494
	<u>1,745</u>	<u>1,749</u>	<u>3,494</u>
Total	<u>4,565</u>	<u>7,423</u>	<u>11,988</u>

There were no borrowings in any foreign currency as at 31 March 2009.

## B10. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 21 May 2009.

## B11. Changes in Material Litigations

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

## B12. Dividend Payable

On 16 March 2009, the board of directors had declared an interim dividend of 3% tax exempt in respect of the financial year ended 31 March 2009, amounting to RM1.23 million. It was paid on 15 May 2009 to depositors registered in the Record of Depositors at the close of business on 23 April 2009.

The Board of Directors proposes a final dividend of 5% single-tier dividend in respect of the financial year ended 31 March 2009 amounting to RM2.05 million subject to shareholders' approval at the forthcoming annual general meeting of the Company. The date of book closure of the Register of Members and Record of Depositors for determining the dividend entitlements and the date of payment will be announced at a later date.

## B13. Earnings per share

	3 months ended		12 months ended	
	31.03.09	31.03.08	31.03.09	31.03.08
Profit attributable to ordinary equity holders of the parent (RM000)	4,956	1,488	8,991	6,426
Weighted average number of shares (000)	41,052	41,001	41,020	40,994
Basic earnings per share (sen)	12.07	3.63	21.92	15.68

## 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 28 May 2009.

## 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
14	2009	Interim dividend	3% per share, tax exempt	15.5.2009