

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 2011. 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 2011.

The accounting policies and methods of computation adopted in the interim financial statements are consistent with those of the audited financial statements for the year ended 31 March 2011, except for the adoption of the following new and revised Financial Reporting Standards (“FRS”), Amendments to FRSs, IC Interpretations and Technical Releases (“TR”) that have become effective for the financial periods beginning 1 April 2011.

FRS 1 First Time Adoption of Financial Reporting Standards
 FRS 3 Business Combinations (Revised)
 Amendments to FRS 2 Share-based Payment
 Amendments to FRS 5 Non-current Assets Held for Sales and Discontinued Operations
 Amendments to FRS 127 Consolidated and Separate Financial Statements
 Amendments to FRS 138 Intangible Assets
 Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives
 IC Interpretation 12 Service Concession Arrangements
 IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation
 IC Interpretation 17 Distributions of Non-cash Assets to Owners
 Amendments to FRS 1 – Limited Exemption from Comparative FRS 7 Disclosure for First-time Adopters
 Amendments to FRS 7 Improving Disclosures about Financial Instruments

The adoption of the above FRSs, Amendments to FRSs and IC Interpretations did not have any significant effects on the interim financial statements.

A2. Audit Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2011 was not qualified.

A3. Segmental Information

	3 months ended	3 months ended
	30.6.11	30.6.10
	RM'000	RM'000
Segment revenue :		
Revenue from continuing operations		
Poultry & related products	37,814	33,495

Extraction and sale of sand	576	-
Manufacturing	1,154	525
Total	39,544	34,020
Segment results :		
Results from continuing operations		
Poultry & related products	5,074	4,619
Investment holdings	383	(251)
Extraction and sale of sand	(201)	(237)
Manufacturing	(1,494)	(523)
Others	(30)	(32)
Total	3,732	3,576

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 2011.

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 14 April 2011, the Company has paid an interim dividend of 5%, single-tier, in respect of the financial year ended 31 March 2011, amounted to RM2.16 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

Except for the issuance of 115,000 new ordinary shares of RM1.00 each pursuant to the exercise of the ESOS, 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

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 2011.

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.

A13. Realised and Unrealised Profits/(losses) Disclosure

	As at 30.6.2011 (RM'000)	As at 31.3.2011 (RM'000)
Total retained profits :		
Realised profits	99,599	97,715
Unrealised losses	(6,750)	(7,189)
	92,849	90,526
Less : Consolidation adjustments	(17,825)	(17,826)
Retained profits as per consolidated accounts	75,023	72,700

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

B1. Review of Performance

The Group registered a higher revenue at RM39.54 million and profit before tax (“PBT”) at RM3.73 million respectively for the current quarter as compared to RM34.02 million and RM3.58 million recorded in preceding year corresponding quarter. Higher costs of sales and other operating expenses reduced the increase in profits.

B2. Comment on Material Change in Profit before Taxation

The Group posted a PBT of RM3.73 million for the current quarter as against a PBT of RM5.89 million recorded in the preceding quarter. The Group’s revenue for this quarter was RM39.54 million as compared to RM38.91 million in the preceding quarter. The decrease in PBT was largely due to increase in cost of major raw materials particularly corn as compared to the preceding quarter.

B3. Commentary on Prospects

The Board expects the Group’s future performance to remain positive.

B4. Profit Forecast or Profit Guarantee

This is not applicable.

B5. Tax Expenses

	3 months ended 30.6.11	3 months ended 30.6.10
	RM’000	RM’000
Income tax expense		
- provision in the period	1,409	1,133
Total tax expense	1,409	1,133

The effective tax rate for the current quarter is higher than the statutory rate of 25% largely due to certain expenses being disallowed and business losses not set-off for taxation purposes.

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
	30.6.11	30.6.10
	RM'000	RM'000
(a) Purchases and disposals		
Total purchase consideration	843	51
Total sale proceeds	-	-
Total gain on disposal	-	-
(b) Investment	As at 30.6.11	As at 30.6.10
At cost	3,303	7,932
At book value/market value	4,166	8,058

B8. Corporate Proposals

- (a) Status of Corporate Proposals
There were no corporate proposals announced but not completed as at 18 August 2011.
- (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 2011 were as follows:

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short term borrowings			
Term loan	1,637	1,085	2,722
Other bank borrowings	-	7,141	7,141
Hire Purchase Payables	2,530	-	2,530
	4,167	8,226	12,393
Long term borrowings			
Term loan	16,136	1,809	17,945
Hire Purchase Payables	6,264	-	6,264
	22,400	1,809	24,208
Total	26,567	10,035	36,602

There were no borrowings in any foreign currency as at 30 June 2011.

B10. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 18 August 2011.

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 2011 (30 June 2010 : Nil)

B13. Earnings per share

Earnings Per Share	3 months ended 30.6.2011	3 months ended 30.6.2010
Profit attributable to ordinary equity holders of the parent (RM'000)	2,323	2,443
Weighted average number of shares (000)	43,280	42,165
Basic earnings per share (sen)	5.37	5.79
Effects of dilution	226	393
Adjusted weighted average number of shares (000)	43,506	42,558
Diluted earnings per share (sen)	5.34	5.74

B14. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with resolution of the directors on 25 August 2011.

B15. Dividends Paid / Declared (LTKM)

Dividend paid and declared since the financial year 2006 up to the date of this report.

Dividend No.	Financial Year	Type	Rate	Payment Date
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
15	2009	Final dividend	5% per share, single-tier	07.10.2009
16	2010	Interim dividend	3% per share, single-tier	14.5.2010
17	2010	Final dividend	5% per share, single-tier	7.10.2010
17	2010	Special dividend	2% per share, single-tier	7.10.2010
18	2011	Interim dividend	5% per share, single-tier	14.4.2011