

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	9 months ended
	31.12.11	31.12.11
	RM'000	RM'000
Segment revenue :		
Revenue from continuing operations		
Poultry & related products	40,738	116,088

Extraction and sale of sand	695	1,890
Manufacturing	434	2,225
Others	245	327
Total	42,112	120,530
Segment results :		
Results from continuing operations		
Poultry & related products	7,651	16,102
Investment holdings	(129)	(673)
Extraction and sale of sand	93	(223)
Manufacturing	(1,365)	(11,023)
Others	849	806
Total	7,099	4,989

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 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 6 October 2011, the Company has paid a final dividend of 8%, single-tier, in respect of the financial year ended 31 March 2011, amounted to RM3.47 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 16,000 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. Profit for the Period

Profit for the period is arrived at after crediting/(charging):-

	Current Quarter		Current Quarter	
	3 months ended		9 months ended	
	31-Dec-11	31-Dec-10	31-Dec-11	31-Dec-10
	RM'000	RM'000	RM'000	RM'000
Interest income	6	32	109	111
Other income including investment income	688	95	700	960
Interest expense	(545)	(350)	(1,509)	(923)
Depreciation & amortisation	(2,550)	(2,353)	(8,033)	(6,884)
Provision for and write off of receivables	-	-	(200)	-
Provision for and write off of inventories	(161)	-	(228)	-
Gain/(loss) disposal of quoted or unquoted investments or properties	852	-	812	3
Impairment of assets	-	-	(6,708)	-
Foreign exchange gain/(loss)	123	163	454	350
Gain/(loss) on derivatives	-	-	-	-
Exceptional items	-	-	-	-

A14. Realised and Unrealised Profits/(losses) Disclosure

	As at 31.12.2011 (RM'000)	As at 31.3.2011 (RM'000)
Total retained profits :		
Realised profits	93,533	97,715
Unrealised losses	<u>(7,527)</u>	<u>(7,189)</u>
	86,006	90,526
Less : Consolidation adjustments	<u>(15,832)</u>	<u>(17,826)</u>
Retained profits as per consolidated accounts	<u>70,174</u>	<u>72,700</u>

B. BMSB Listing Requirements (Part A of Appendix 9B)**B1. Review of Performance**

The Group registered a revenue of RM42.11 million and profit before tax (“PBT”) of RM7.10million in the current quarter as compared to RM39.26 million and RM7.51 million respectively in preceding year corresponding quarter.

For financial year-to-date, the Group recorded a revenue of RM120.53 million and PBT of RM4.99 million as compared to a revenue of RM111.59 million and PBT of RM17.73 million in the corresponding period of the previous year.

In comparison with the corresponding quarter of FY2011, revenue increased as a result of higher selling prices of eggs in the poultry segment. However, PBT was lower mainly due to higher cost of major raw materials particularly corn.

In comparison with the corresponding period of FY2011, revenue increased as a result of higher selling prices of eggs in the poultry segment. However PBT had a sharp decline due mainly to the manufacturing segment which recorded impairment loss on machineries and other costs due to disposal of machineries and cessation of operation as announced on 22 November 2011. The poultry segment also recorded lower PBT due to higher cost of major raw materials particularly corn and soybean as compared to the corresponding period of FY2011.

There were no material differences in the contribution of other segments namely sand extraction and investment holdings for the periods under review.

B2. Comment on Material Change in Profit before Taxation

For the current quarter under review, the Group recorded a PBT of RM7.10 million as against a loss before tax of RM5.84 million in the preceding quarter. The PBT turnaround was mainly due to the manufacturing segment whose impairment loss on machineries and other costs of cessation was provided for in the previous quarter. In the current quarter under review, the poultry segment also recorded improved PBT as a result of improved selling prices of eggs.

There were no material changes in the profit before taxation of other segments for the quarter under review.

B3. Commentary on Prospects

The Board expects the poultry segment to remain positive for the rest of the financial year as selling prices of eggs and cost of major raw materials have stabilized. With the manufacturing segment operation ceased, the Board also expects the overall performance of the Group to improve.

The contribution from other segments namely sand extraction and investment holdings is not expected to significantly affect the results of the Group.

B4. Profit Forecast or Profit Guarantee

This is not applicable.

B5. Tax Expenses

	3 months ended 31.12.11	9 months ended 31.12.11
	RM'000	RM'000
Income tax expense		
- provision in the period	1,751	4,047
Total tax expense	1,751	4,047

The effective tax rate for the current year to date is higher than the statutory rate of 25% largely due to disallowed losses.

B6. Corporate Proposals

- (a) Status of Corporate Proposals
There were no corporate proposals announced but not completed as at 15 February 2012.
- (b) Status of Utilisation of Proceeds
Not applicable as there was no corporate proposal to raise funds.

B7. Borrowings

The total Group borrowings as at 31 December 2011 were as follows:

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short term borrowings			
Term loan	1,657	998	2,655
Other bank borrowings	3,000	6,270	9,270
Hire Purchase Payables	607	-	607
	5,264	7,268	12,532
Long term borrowings			
Term loan	15,487	1,354	16,841
Hire Purchase Payables	1,150	-	1,150
	16,637	1,354	17,991
Total	21,901	8,622	30,523

There were no borrowings in any foreign currency as at 31 December 2011.

B8. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 15 February 2012.

B9. Changes in Material Litigations

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

B10. Dividend Payable

No interim ordinary dividend has been declared for the financial period ended 31 December 2011 (31 December 2010 : Nil)

B11. Earnings per share

Earnings Per Share	9 months ended 31.12.2011	9 months ended 31.12.2010
Profit attributable to ordinary equity holders of the parent (RM'000)	942	12,518
Weighted average number of shares (000)	43,331	42,513
Basic earnings per share (sen)	2.17	29.45
Effects of dilution	88	415
Adjusted weighted average number of shares (000)	43,419	42,928
Diluted earnings per share (sen)	2.17	29.16

B12. Authorisation for Issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with resolution of the directors on 22 February 2012.

B13. Dividends Paid / Declared

Dividend paid and declared since the financial year 2007 up to the date of this report.

Dividend No.	Financial Year	Type	Rate	Payment Date
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
19	2011	Final dividend	8% per share, single-tier	6.10.2011