

**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	12 months ended
	31.03.12	31.03.12
	RM'000	RM'000
Segment revenue :		
Revenue from continuing operations		
Poultry & related products	37,221	153,309

Extraction and sale of sand	856	2,746
Others	780	1,108
	38,857	157,163
Revenue from discontinued operation	(5)	2,220
Total	38,852	159,383
Segment results :		
Results from continuing operations		
Poultry & related products	2,192	18,296
Investment holdings	1,045	1,242
Extraction and sale of sand	(57)	(281)
Others	106	40
	3,286	19,297
Results from discontinued operation	(1,584)	(12,607)
Total	1,702	6,690

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 quarter ended 31 March 2012.

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 was no dividend paid during the quarter under review.

A8. Carrying Amount of Revalued Assets

In March 2012, a piece of investment property consisting of freehold agricultural land was revalued by Jordan Lee & Jaafar (S) Sdn Bhd, an independent professional valuer, by reference to open market value based on existing use basis. The gain arising from the revaluation of RM958,956 was included in profit or loss in the current quarter under review.

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

A9. Debt and Equity Securities

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):-

	<b>Current Quarter</b>		<b>Current Year</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31-Mar-12</b>	<b>31-Mar-11</b>	<b>31-Mar-12</b>	<b>31-Mar-11</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income	28	3	137	114
Other income including investment income	987	206	1,687	1,166
Interest expense	(347)	(602)	(1,856)	(1,525)
Depreciation & amortisation	(2,339)	(2,603)	(10,372)	(9,487)
Provision for and write off of receivables	(655)	(897)	(855)	(897)
Provision for and write off of inventories	-	-	(169)	-
(Loss)/gain on disposal of quoted or unquoted investment or properties	(535)	9	344	12
Impairment of assets	(708)	-	(7,416)	-
Foreign exchange gain	55	148	509	498
Gain/(loss) on derivatives	-	-	-	-
Exceptional items	-	-	-	-

## A14. Realised and Unrealised Profits/(losses) Disclosure

	As at 31.3.2012 (RM'000)	As at 31.3.2011 (RM'000)
Total retained profits :		
Realised profits	71,827	97,715
Unrealised losses	<u>(5,878)</u>	<u>(7,189)</u>
	65,949	90,526
Less : Consolidation adjustments	<u>3,135</u>	<u>(17,827)</u>
Retained profits as per consolidated accounts	<u>69,084</u>	<u>72,699</u>

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

For the current quarter under review, the Group starts to present the condensed consolidated statement of comprehensive income by continuing and discontinued operations due to the cessation of the manufacturing segment.

For the continuing operations, the Group registered a revenue of RM38.86 million and profit before tax (“PBT”) of RM3.29 million in the current quarter as compared to RM38.11 million and RM8.34 million respectively in preceding year corresponding quarter. PBT declined in the current quarter as a result of lower selling prices of eggs and higher cost of major raw materials particularly corn.

For the current year under review, the continuing operations of the Group recorded a revenue of RM157.16 million and PBT of RM19.30 million as compared to a revenue of RM149.59 million and PBT of RM27.95 million in the corresponding period of the previous year. Comparing the two periods, revenue has increased as a result of higher selling prices of eggs in the poultry segment. However PBT declined due to higher cost of major raw materials particularly corn.

Discontinued operations recorded a loss of RM1.58 million arising mostly from disposal and impairment of assets in the current quarter as compared to a loss of RM2.48 million in prior year corresponding quarter when it was still in operation. For the full year, a loss of RM12.60 million was recorded due to operating loss and one-time-off losses due to cessation of operations.

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 continuing operations recorded a PBT of RM3.29 million as against RM8.35 million in the preceding quarter. The PBT declined in tandem with lower revenue and higher cost of major raw materials recorded in the poultry segment.

Discontinued operations recorded a loss of RM1.58 million in the current quarter as compared to RM1.25 million in the preceding quarter, due mostly to disposal and impairment of residual assets in the current quarter.

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 challenging for the next period due to unfavourable selling prices of eggs and higher cost of major raw materials. However, with the manufacturing segment operation ceased, the Board foresees 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 31.03.12	12 months ended 31.03.12
	RM'000	RM'000
Income tax expense		
- provision in the period	1,155	5,204
Deferred tax	(374)	(374)
<b>Total tax expense</b>	<b>781</b>	<b>4,830</b>

The effective tax rate for the current year 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 23 May 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 March 2012 were as follows:

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
<b>Short term borrowings</b>			
Term loan	4,680	872	5,552
Other bank borrowings	2,122	1,483	3,605
Hire Purchase Payables	616	-	616
	<b>7,418</b>	<b>2,355</b>	<b>9,773</b>
<b>Long term borrowings</b>			
Term loan	11,864	1,210	13,074
Hire Purchase Payables	993	-	993
	<b>12,857</b>	<b>1,210</b>	<b>14,067</b>
<b>Total</b>	<b>20,275</b>	<b>3,565</b>	<b>23,840</b>

There were no borrowings in any foreign currency as at 31 March 2012.

**B8. Off Balance Sheet Financial Instrument**

There were no off balance sheet financial instruments as at 23 May 2012.

**B9. Changes in Material Litigations**

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

**B10. Dividend Payable**

On 22 February 2012, the Board of Directors had declared a single-tier interim dividend of 5% per share in respect of the financial year ended 31 March 2012, amounting to RM2.17 million. It was paid on 3 April 2012 to depositors registered in the Record of Depositors at the close of business on 31 March 2012.

**B11. Earnings per share**

	3 months ended 31.3.2012	12 months ended 31.3.2012
<b>Earnings Per Share</b>		
Profit attributable to ordinary equity holders of the parent (RM'000)	883	1,825
Weighted average number of shares (000)	43,368	43,340
<b>Basic earnings per share (sen)</b>	2.04	4.21
Effects of dilution	-	53
Adjusted weighted average number of shares (000)	-	43,393
<b>Diluted earnings per share (sen)</b>	-	4.20

**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 23 May 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
20	2012	Interim dividend	5% per share, single-tier	3.4.2012