

**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 Amendments to FRS 134: Interim Financial Reporting (Improvements to FRSs (2012)) 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 2013. 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 2013.

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 2013, except for the adoption of the following new and revised Financial Reporting Standards (“FRS”) and Amendments to FRSs that have become effective for the financial periods beginning 1 April 2013:-

Amendments to FRS 101: Presentation of Items of Other  
Comprehensive Income  
Amendments to FRS 101: Presentation of Financial Statements  
(Improvements to FRSs (2012))  
FRS 10: Consolidated Financial Statements  
FRS 12: Disclosure of Interests in Other Entities  
FRS 13: Fair Value Measurement  
FRS 119: Employee Benefits  
FRS 127: Separate Financial Statements  
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and  
Financial Liabilities  
Amendments to FRS 116 Property, Plant and Equipment  
(Improvement to FRSs(2012))  
Amendments to FRS 132: Financial Instruments: Presentation  
(Improvement to FRSs(2012))  
Amendments to FRS 134: Interim Financial Reporting  
(Improvement to FRSs(2012))

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

The Group has not early adopted the following FRSs and Amendments to FRSs, which have been issued and will be effective for the financial periods as stated below :-

	Effective date for financial periods beginning on or after
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities	1 January 2014
FRS 9: Financial Instruments	1 January 2015

The above new FRSs and Amendments to FRSs will be adopted by the Group when they become effective and that the initial applications of these Standards will have no material impact on the financial statements of the Group, except as disclosed below.

#### FRS 9: Financial Instruments - Classification and Measurement

FRS 9 reflects the first phase of the work on the replacement of FRS 139 Financial Instruments: Recognition and Measurement and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139 Financial Instruments: Recognition and Measurement. The adoption of the first phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

#### Malaysian Financial Reporting Standards

The Group falls within the Transitioning Entities of the Malaysian Accounting Standards Board (MASB)'s new approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS"); and accordingly, will only be issuing its first MFRS compliant financial statements for the period beginning 1 April 2015.

#### A2. Audit Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2013 was not qualified.

#### A3. Segmental Information

	3 months ended		12 months ended	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
	RM'000	RM'000	RM'000	RM'000
<b>Segment revenue</b>				
Revenue from continuing operations:-				
Poultry & related products	43,736	39,886	169,569	147,712
Extraction & sale of sand	989	956	3,775	3,885
Others	-	(304)	4,719	3,234
	<u>44,725</u>	<u>40,538</u>	<u>178,063</u>	<u>154,831</u>
Revenue from discontinued operations	-	-	-	-
Total	<u>44,725</u>	<u>40,538</u>	<u>178,063</u>	<u>154,831</u>

Segment results	3 months ended		12 months ended	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
	RM'000	RM'000	RM'000	RM'000
Profit before tax from :-				
Continuing operations :				
Poultry & related products	8,220	4,568	29,508	8,054
Investment holdings	4,194	2,660	4,852	2,653
Extraction & sale of sand	286	277	810	971
Others	(70)	(251)	1,000	562
	<u>12,630</u>	<u>7,254</u>	<u>36,170</u>	<u>12,240</u>
Discontinued operation :				
	-	(43)	-	13
Total	<u>12,630</u>	<u>7,211</u>	<u>36,170</u>	<u>12,253</u>

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 2014.

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

Revaluation of investment properties were carried out during the quarter under review, giving rise to RM4,064,000 net gain included in profit and loss. Another piece of property held under property, plant and equipment were also revalued, resulting in net gain of RM1,733,500 being included in asset revaluation reserve in the current quarter under review. The valuations were carried out separately by professional independent valuers, Jordan Lee & Jaafar (S) Sdn Bhd and Jordan Lee & Jaafar (M'cca) Sdn Bhd respectively.

There were no other changes in the valuation of 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 2014.

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):-

	3 months ended		12 months ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	RM'000	RM'000	RM'000	RM'000
Interest income	133	59	457	236
Other income including				
investment income	5,557	3,741	6,987	4,777
Interest expense	(326)	(307)	(1,195)	(1,242)
Depreciation & amortisation	(1,993)	(2,146)	(8,827)	(8,775)
Provision for and write off of				
receivables	(1,177)	(476)	(1,177)	(476)
Provision for and write off of				
inventories	-	-	-	-
Gain/(loss) on disposal of quoted or				
unquoted investment or				
properties	(5)	88	35	108
Impairment of assets	(260)	(109)	(676)	(122)
Foreign exchange gain	236	133	956	502
Gain/(loss) on derivatives	-	-	-	-
Exceptional items	-	-	-	-

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

	Group		Company	
	As at 31.3.2014 (RM'000)	As at 31.3.2013 (RM'000)	As at 31.3.2014 (RM'000)	As at 31.3.2013 (RM'000)
Total retained profits of the Company and its subsidiaries :-				
Realised profits	85,734	72,562	33,876	32,260
Unrealised profits/(losses)	3,644	(2,170)	0	0
	<u>89,378</u>	<u>70,392</u>	<u>33,876</u>	<u>32,260</u>
Add : Consolidation adjustments	6,766	4,402	-	-
Retained profits as per consolidated accounts	<u>96,144</u>	<u>74,794</u>	<u>33,876</u>	<u>32,260</u>

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

The Group registered a revenue of RM44.73 million and a net profit of RM11.38 million for the current quarter as compared to RM40.54 million and a net profit of RM5.61 million respectively, in preceding year corresponding quarter. The increase in net profit came mainly from higher margins of eggs sold and gain from revaluation of investment properties.

For the financial year, the Group recorded a revenue of RM178.06 million and a net profit of RM28.29 million as compared to a revenue of RM154.83 million and net profit of RM9.58 million in the corresponding period of the previous year. The increase in net profit came mainly from higher margins due to higher selling prices of eggs.

Revenue and contribution from other segments did not significantly affect the performance of the Group for the current quarter under review.

**B2. Comment on Material Change in Profit Before Tax**

The Group posted a net profit of RM11.38 million for the current quarter as against a net profit of RM5.71 million in the preceding quarter. The Group's revenue for this quarter at RM44.73 million is lower than the RM47.23 million in the preceding quarter. The increase in net profit despite the lower revenue was contributed mainly from gain from revaluation of investment properties.

There were no material change in contributions from other segments of the Group.

**B3. Commentary on Prospects**

The Board sees the next period as challenging due to lower selling prices of eggs and instability in the prices of raw materials. The contributions from other segments namely the Extraction and Sale of Sand, Investment Holdings and Others are not expected to significantly affect the results of the Group.

**B4. Profit Forecast or Profit Guarantee**

This is not applicable.

**B5. Tax Expenses**

	12 months ended 31.03.14 RM'000	12 months ended 31.03.13 RM'000
Continuing operations		
- Income tax expense	8,579	3,235
- Deferred tax	(697)	(557)
Total tax expense	7,882	2,678

The effective tax rate for the current year-to-date approximates the statutory rate of 25%.

**B6. Corporate Proposals**

(a) Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 22 May 2014.

(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 2014 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Short term borrowings</b>			
Term loan	6,061	-	6,061
Other bank borrowings	3,796	11,931	15,727
Hire Purchase Payables	340	-	340
	10,197	11,931	22,129
<b>Long term borrowings</b>			
Term loan	2,427	3,352	5,778
Total borrowings	12,624	15,263	27,907

There were no borrowings in any foreign currency as at 31 March 2014.

**B8. Off Balance Sheet Financial Instrument**

There were no off balance sheet financial instruments as at 22 May 2014.

**B9. Changes in Material Litigations**

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

**B10. Dividend Payable**

On 3 March 2014, the Board of Directors had declared a single-tier interim dividend of 8% per share in respect of the financial year ended 31 March 2014, amounting to RM3.47 million. It was paid on 8 April 2014 to depositors registered in the Record of Depositors at the close of business on 18 March 2014.

## B11. Earnings per share (“EPS”)

	3 months ended		12 months ended	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
	RM'000	RM'000	RM'000	RM'000
<b>Profit attributable to ordinary shareholders of the parent :-</b>				
Continuing operations	11,380	5,691	28,288	9,600
Discontinued operation	-	(43)	-	13
Group	11,380	5,648	28,288	9,613
<b>No. of shares</b>				
	43,368,002	43,368,002	43,368,002	43,368,002
<b>Sen per share</b>				
<b>Basic EPS :-</b>				
Continuing operations	26.24	13.12	65.23	22.14
Discontinued operation	-	(0.10)	-	0.03
	26.24	13.02	65.23	22.17
<b>Diluted EPS :-</b>				
Continuing operations	N/A	N/A	N/A	N/A
Discontinued operation	N/A	N/A	N/A	N/A
	-	-	-	-

Diluted earnings per share is not applicable for the respective periods as there is no dilution effect on the number of shares.

## 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 29 May 2014.

## B13. Dividends Paid / Declared

Dividend paid and declared since the financial year 2008 up to the date of this report.

Dividend No.	Financial Year	Type	Rate	Payment Date
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



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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
21	2012	Final dividend	5% per share, single tier	4.10.2012
22	2013	Interim dividend	4% per share, single tier	8.4.2013
23	2013	Final dividend	8% per share, single tier	4.10.2013
24	2014	Interim dividend	8% per share, single tier	8.4.2014