

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 2014. 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 2014.

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 2014, 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 2014:-

Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities
 Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities
 Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets
 Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting
 IC Interpretation 21: Levies
 Amendments to FRS 119: Defined Benefit Plans: Employee Contributions

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 119: Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to FRSs 2010–2012 Cycle	1 July 2014
Annual Improvements to FRSs 2011–2013 Cycle	1 July 2014
FRS 9: Financial Instruments (IFRS 9 issued by IASB in November 2009)	To be announced
FRS 9: Financial Instruments (IFRS 9 issued by IASB in October 2010)	To be announced
FRS 9: Financial Instruments: Hedge Accounting and amendments to FRS 9, FRS 7 and FRS 139	To be announced

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 work on the replacement of FRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139. The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to FRS 9: Mandatory Effective Date of FRS 9 and Transition Disclosures, issued in March 2012, moved the mandatory effective date to 1 January 2015. Subsequently, on 14 February 2014, it was announced that the new effective date will be decided when the project is closer to completion. The adoption of the first phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will not have an impact on classification and measurements of the Group's financial liabilities. 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 2014 was not qualified.

A3. Segmental Information

	3 months ended		Increase/
	30-Jun-14	30-Jun-13	(decrease)
	RM'000	RM'000	%
Segment revenue			
Poultry & related products	44,148	39,805	11%
Extraction & sale of sand	1,100	986	12%
Others	-	2,749	-100%
Total	45,248	43,540	4%
Segment results			
Poultry & related products	9,068	6,833	33%
Investment holdings	202	460	-56%
Extraction & sale of sand	649	361	80%
Others	(32)	635	-105%
Profit before tax	9,887	8,289	19%
Less: Tax expense	(2,755)	(2,229)	24%
Profit net of tax	7,132	6,060	18%

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 30 June 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

On 4 April 2014, the Company has paid an interim dividend of 8%, single-tier, in respect of the financial year ended 31 March 2014, amounted to RM3.47 million.

A8. Carrying Amount of Revalued Assets

There were 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	
	30-Jun-14	30-Jun-13
Interest income	85,103	90,293
Other income including investment income	780,023	761,325
Interest expense	(265,367)	(270,438)
Depreciation & amortisation	(2,215,652)	(2,103,201)
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain on disposal of :		
Quoted shares	39,944	18,105
Unquoted investments	-	-
Properties	-	-
Impairment of assets	-	-
Foreign exchange gain:-		
Realised gain	126,928	142,934
Unrealised (loss)/gain	(15,860)	31,397
Gain/(loss) on derivatives	-	-
Exceptional items	-	-

A14. Realised and Unrealised Profits Disclosure

	GROUP		COMPANY	
	As at 30.6.2014 (RM'000)	As at 31.3.2014 (RM'000)	As at 30.6.2014 (RM'000)	As at 31.3.2014 (RM'000)
Total retained profits of the Company and its subsidiaries :-				
Realised profits	92,464	85,734	33,930	33,876
Unrealised profits	3,928	3,617	0.2	0.2
	96,392	89,351	33,930	33,876
Add : Consolidation adjustments	6,858	6,767	-	-
Retained profits as per consolidated accounts	103,250	96,118	33,930	33,876

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

The Group registered a revenue of RM45.25 million and a net profit of RM7.13 million for the current quarter as compared to RM43.54 million and a net profit of RM6.06 million respectively, in preceding year corresponding quarter. The increase in net profit came mainly from higher margins of eggs sold.

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 RM7.13 million for the current quarter as against a net profit of RM11.38 million in the preceding quarter. The Group's revenue for this quarter at RM45.25 million is marginally higher than the RM44.73 million in the preceding quarter. The drop in net profit was mainly due to other income in the preceding quarter. The preceding quarter had RM4.37 million in other income arising from fair valuation of investment properties.

The changes in contributions from other segments were not material to the Group.

B3. Commentary on Prospects

The Board sees the next period as positive as the prices of major raw materials particularly corn and soybean continue to be stable. Contributions from the Extraction and Sale of Sand and Investment Holdings segments are not expected to significantly affect the results of the Group. The other segment which comprised of Property Development is not expected to have any contributions in the current financial year as there is no development project in progress.

B4. Profit Forecast or Profit Guarantee

This is not applicable.

B5. Tax Expenses

	3 months ended 30.06.14 RM'000	3 months ended 30.06.13 RM'000
Income tax expense	2,755	2,229
Total	2,755	2,229

The effective tax rate for the current period 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 21 August 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 30 June 2014 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
Term loan	5,176	-	5,176
Other bank borrowings	1,500	6,515	8,015
Hire Purchase Payables	171	-	171
	6,847	6,515	13,362
Long term borrowings			
Term loan	2,042	3,048	5,090
Total borrowings	8,889	9,563	18,452

There were no borrowings in any foreign currency as at 30 June 2014.

B8. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 21 August 2014.

B9. Changes in Material Litigations

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

B10. Dividend Payable

No dividend has been declared for the financial period ended 30 June 2014 (30 June 2013 : Nil).

B11. Earnings per share (“EPS”)

	3 months ended	
	30-Jun-14 RM'000	30-Jun-13 RM'000
Profit attributable to ordinary shareholders of the parent	7,132	6,060
Number of shares	43,368,002	43,368,002
Basic EPS (sen per share)	16.45	13.97

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 28 August 2014.

B13. Dividends Paid / Declared

Dividend paid and declared since the financial year 2011 up to the date of this report.

Dividend No.	Financial Year	Type	Rate	Payment Date
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
25	2014	Final dividend*	10% per share, single tier	3.10.2014

*subject to shareholders approval at forthcoming AGM.