

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 2016.

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		9 months ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
Poultry & related products	48,469	45,356	139,758	125,834
Extraction & sale of sand	807	877	2,893	2,786
Others	-	997	-	4,719
Total	49,276	47,230	142,651	133,339
Segment results				
Poultry & related products	12,466	8,204	32,670	21,289
Investment holdings	(724)	119	(1,100)	658
Extraction & sale of sand	(83)	(186)	1,199	524
Others	(40)	227	(107)	1,070
Profit before tax	11,619	8,364	32,662	23,541
Less: Tax expense	(3,700)	(2,657)	(9,879)	(6,633)
Profit net of tax	7,919	5,707	22,783	16,908

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 December 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 3 October 2014, the Company has paid a final dividend of 10%, single-tier, in respect of the financial year ended 31 March 2014, amounted to RM4.34 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):-

	Current Quarter 3 months ended		Current Quarter 9 months ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
Interest income	90,370	117,116	296,839	324,275
Other income including investment income	267,783	900,186	1,476,446	2,092,753
Interest expense	(209,558)	(335,826)	(675,236)	(868,159)
Depreciation & amortisation	(1,613,799)	(2,534,910)	(6,217,293)	(6,832,021)
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	-	-	-	-
Gain on disposal of :				
Quoted shares	3,359	7,956	79,029	39,561
Unquoted investments	-	-	-	-
Properties	-	-	-	-
Impairment of assets	-	(415,612)	(603,250)	(415,612)
Foreign exchange gain:-				
Realised gain	413,616	270,209	705,486	662,921
Unrealised (loss)/gain	77,003	149	142,029	56,693
Gain/(loss) on derivatives	-	-	-	-
Exceptional items	-	-	-	-

A14. Realised and Unrealised Profits Disclosure

	Group		Company	
	As at 31.12.2014 (RM'000)	As at 31.3.2014 (RM'000)	As at 31.12.2014 (RM'000)	As at 31.3.2014 (RM'000)
Total retained profits of the Company and its subsidiaries :-				
Realised profits	102,922	85,734	32,560	33,876
Unrealised profits	4,592	3,617	0.2	0.2
	<u>107,514</u>	<u>89,351</u>	<u>32,560</u>	<u>33,876</u>
Add : Consolidation adjustments	<u>7,051</u>	<u>6,767</u>	<u>-</u>	<u>-</u>
Retained profits as per consolidated accounts	<u>114,565</u>	<u>96,118</u>	<u>32,560</u>	<u>33,876</u>

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

The Group registered a revenue of RM49.28 million and a net profit of RM7.92 million for the current quarter as compared to RM47.23 million and a net profit of RM5.71 million in preceding year corresponding quarter. The increase in profit is in tandem with the higher revenue and lower cost of major raw materials such as corn and soybean.

For financial year-to-date, the Group recorded a revenue of RM142.65 million and a net profit of RM22.78 million as compared to a revenue of RM133.34 million and net profit of RM16.91 million in the corresponding period of the previous year. Higher prices of eggs and sales volume have resulted in the higher revenue and profit.

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 profit before tax of RM11.62 million for the current quarter as against a profit before tax of RM11.16 million in the preceding quarter. The Group's revenue for this quarter at RM49.28 million is higher than the RM48.13 million in the preceding quarter due primarily to higher eggs prices. The higher profit was in tandem with the higher revenue for the current quarter.

The changes in contributions from other segments are not significant to the Group.

B3. Commentary on Prospects

The Board continues to view the next period positively as the prices of eggs and costs of corn and soybean are expected to be sustainable. Contributions from the Extraction and Sale of Sand and Investment Holdings segments are not expected to significantly differ. The other segment which comprised of Property Development currently has no contribution as there is no development project in progress.

B4. Profit Forecast or Profit Guarantee

This is not applicable.

B5. Tax Expenses

	9 months ended 31.12.14 RM'000	9 months ended 31.12.13 RM'000
Income tax expense	9,879	6,633
Total	9,879	6,633

The effective tax rate for the current period is higher than the statutory rate due to certain unallowable

expenses.

B6. Corporate Proposals

(a) Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 19 February 2015.

(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 2014 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
Term loan	2,020	1,824	3,844
Other bank borrowings	-	1,780	1,780
	2,020	3,604	5,624
Long term borrowings			
Term loan	1,428	5,015	6,443
Total borrowings	3,448	8,619	12,067

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

B8. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 19 February 2015.

B9. Changes in Material Litigations

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

B10. Dividend Payable

On 26 February 2015, the Board of Directors has declared a single-tier interim dividend of 10%, to be payable on 8 April 2015 to the depositors registered in the record of depositors at the close of business on 18 March 2015.

B11. Earnings per share (“EPS”)

	3 months ended		9 months ended	
	31-Dec-14 RM'000	31-Dec-13 RM'000	31-Dec-14 RM'000	31-Dec-13 RM'000
Profit attributable to ordinary shareholders of the parent	7,919	5,707	22,783	16,908
Number of shares	43,368,002	43,368,002	43,368,002	43,368,002
Basic EPS (sen per share)	18.26	13.16	52.53	38.99

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 26 February 2015.

B13. Dividends Paid / Declared

Dividend paid / declared since the financial year 2013 up to the date of this report.

Dividend No.	Financial Year	Type	Rate	Payment Date
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
26	2015	Interim dividend	10% per share, single tier	8.4.2015