

**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 MFRS 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 2023. 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 2023.

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 2023, except for the adoption of the following new and revised Malaysian Financial Reporting Standards (“MFRS”) and Amendments to MFRSs that have become effective for the financial periods beginning 1 April 2023:

MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current and Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

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

Description	Effective date for financial periods beginning on or after
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-Current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107: Statement of cash Flows and MFRS 7: Financial Instruments: Disclosure – Supplier Finance Arrangement	1 January 2024
Amendments to MFRS 10 and MFRS 128: Sale of Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The new and amendments to MFRSs will be adopted by the Group when they become effective and that the initial applications of these Standards are not expected to have material impact on the financial statements of the Group.

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

The auditors' report on the financial statements for the year ended 31 March 2023 was not qualified.

**A3. Segmental Information**

	3 months ended			12 months ended		
	31-Mar-24 RM'000	31-Mar-23 RM'000	Change %	31-Mar-24 RM'000	31-Mar-23 RM'000	Change %
<b>Segment revenue</b>						
Poultry & related products	59,008	62,629	-6%	248,340	249,817	-1%
Extraction & sale of sand	2,175	2,087	4%	8,986	7,095	27%
Investment holdings	90	90	0%	360	360	0%
<b>Total</b>	<b>61,273</b>	<b>64,806</b>	<b>-5%</b>	<b>257,686</b>	<b>257,272</b>	<b>0.2%</b>
<b>Segment results</b>						
Poultry & related products	13,370	18,585	-28%	61,286	34,404	78%
Extraction & sale of sand	(393)	(696)	44%	1,307	(85)	1638%
Investment holdings	4,534	(661)	786%	2,251	(2,095)	207%
Property development	(44)	(30)	-47%	(205)	(1,700)	88%
Profit before tax	17,467	17,198	2%	64,639	30,524	112%
Less: Taxation	388	(7,862)	105%	(6,074)	(9,897)	39%
Profit net of tax	17,855	9,336	91%	58,565	20,627	184%

**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 2024.

**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 for the quarter under review.

**A8. Carrying Amount of Fixed Assets**

During the financial year, the Group carried out valuation on its non-current assets in accordance to the Group's accounting policy giving rise to net fair value gain of RM4.10 million net of deferred taxation. This was based on results of valuations carried out in March 2024 by professional independent valuer, Laurelcap Sdn. Bhd.

**A9. Debt and Equity Securities**

There were no 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 2023.

**A12. Profit for the Period**

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

	Current Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Interest income	410	214	1,269	737
Other income including investment income	5,716	9,415	32,238	19,130
Interest expense	(948)	(980)	(3,974)	(3,768)
Depreciation & amortisation	(1,617)	(1,533)	(6,020)	(5,735)
Fair value changes on biological assets	505	2,241	1,760	(690)
Provision for and write off of receivables	(129)	(232)	(129)	(281)
Provision for and write off of inventories	-	-	-	-
Gain on disposal of :				
Quoted shares	-	-	-	-
Unquoted investments	-	-	-	-
Properties	-	-	-	-
Impairment of assets	(1,000)	(739)	(1,000)	(2,279)
Foreign exchange (loss)/gain:-				
Realised gain/(loss)	1,352	-	1,539	248
Unrealised gain/(loss)	1,980	930	1,026	930
Gain/(loss) on derivatives	-	-	-	-
Exceptional items	-	-	-	-

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

	Preceding Year			Current		
	Current	Corresponding	Change	Year To	Preceding Year	Change
	Quarter	Quarter	%	date	Corresponding	%
	RM'000	RM'000		RM'000	Period	
					RM'000	
<b>Segment revenue</b>						
Poultry & related products	59,008	62,629	-6%	248,340	249,817	-1%
Extraction & sale of sand	2,175	2,087	4%	8,986	7,095	27%
Investment holdings	90	90	0%	360	360	0%
Total	61,273	64,806	-5%	257,686	257,272	0.2%
<b>Segment result</b>						
Poultry & related products	13,370	18,585	-28%	61,286	34,404	78%
Extraction & sale of sand	(393)	(696)	44%	1,307	(85)	1638%
Investment holdings	4,534	(661)	786%	2,251	(2,095)	207%
Property development	(44)	(30)	-47%	(205)	(1,700)	88%
Profit before tax	17,467	17,198	2%	64,639	30,524	112%
Less: Taxation	388	(7,862)	105%	(6,074)	(9,897)	39%
Profit net of tax	17,855	9,336	91%	58,565	20,627	184%

The Group registered a revenue of RM61.27 million and a profit net of tax of RM17.93 million for the current quarter as compared to a revenue of RM64.81 million and a profit net of tax of RM9.34 million in the same quarter of previous financial year. Revenue for the Group decreased by 5% due to lower average selling price of eggs. Poultry segment's result decreased by 28% in tandem with lower revenue and lower eggs subsidies received from Government. Investment holding segment recorded higher earnings due fair value gain on investment properties.

For the financial year, the Group recorded a revenue of RM257.69 million and a profit net of tax of RM58.64 million as compared to revenue of RM257.27 million and profit net of tax of RM20.63 million in the corresponding period of previous financial year. Average selling price of eggs and volume sold for this financial year maintained as compared to previous financial year. Poultry segment earnings increased by 78% contributed mainly by lower cost of corn and soybean which are its major raw materials and higher eggs subsidies received from Government.

Extraction and sale of sand segment recorded higher earnings in tandem with higher revenue due to increase in volume of sand sold.

Investment holdings segment earnings recorded improvement by 207% due to recognition of fair value gain as compared to fair value loss in the previous financial year.

There are no other material earnings contribution from the other segments.

**B2. Variation of result Against Preceding Quarter**

	<b>Current Quarter</b>	<b>Immediate Preceding Quarter</b>	<b>Change</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>Segment revenue</b>			
Poultry & related products	59,008	62,240	-5%
Extraction & sale of sand	2,175	2,508	-13%
Investment holdings	90	90	0%
<b>Total</b>	<b>61,273</b>	<b>64,838</b>	<b>-5%</b>
<b>Segment result</b>			
Poultry & related products	13,370	33,890	61%
Extraction & sale of sand	(393)	699	-156%
Investment holdings	4,534	(1,153)	493%
Property development	(44)	(29)	-52%
<b>Profit before tax</b>	<b>17,467</b>	<b>33,407</b>	<b>-48%</b>

The Group posted profit before tax of RM17.47 million for the current quarter as compared to profit before tax of RM33.41 million in the preceding quarter. The Group's profit before tax decreased by 48% mainly due to lower average selling price of eggs and subsidies received from Government.

**B3. Commentary on Prospects**

The Board foresees the next period to become challenging due to easing of eggs supply in the local market which will affect egg prices. However the cost of major raw materials particularly corn has moderated and may contribute to lower cost of production. Nonetheless management shall continue to focus on operational efficiencies and take strategic approaches in managing the challenges on the business operations.

No material contributions are expected from the other segments in the next period.

**B4. Profit Forecast or Profit Guarantee**

This is not applicable.

**B5. Tax Expenses**

	12 months ended	12 months ended
	31.3.24	31.3.23
	RM'000	RM'000
Income tax expense	5,064	8,195
Deferred tax expense	1,010	1,194
Real property gain tax	-	508
<b>Total</b>	<b>6,074</b>	<b>9,897</b>

The effective tax rate is lower than the statutory rate of 24% due mainly to higher non-taxable income in the current period.

**B6. Corporate Proposals**

- (a) Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 14 May 2024.

- b) Status of Utilisation of Proceeds

Not applicable as there was no corporate proposal to raise funds.

**B7. Borrowings**

- a) The analysis of Group borrowings classified under short term and long-term categories are as follows:

	As at 31.3.2024 RM'000	As at 31.3.2023 RM'000
<b>Short term</b>		
<i>Secured:-</i>		
Revolving credit	14,000	11,000
Banker acceptance	2,248	3,193
Bank term loans	7,880	9,752
	24,128	23,945
<i>Unsecured:-</i>		
Revolving credit	6,000	9,000
Banker acceptance	11,151	10,765
	17,151	19,765
	41,279	43,710
<b>Long term</b>		
<i>Secured:-</i>		
Bank term loans	19,904	27,225
	19,904	27,225
<b>Total borrowings</b>	61,183	70,935

- b) There were no borrowings in foreign currency as at 31 March 2024.

- c) Effective average cost of borrowings based on exposure as at 31 March 2024 was 5.40% (31 March 2023: 5.29%).

**B8. Off Balance Sheet Financial Instrument**

There were no off-balance sheet financial instruments as at 31 March 2024.

**B9. Changes in Material Litigations**

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

**B10. Dividend Payable**

On 22 February 2024, the Board of Directors has declared a special dividend of 10 sen per ordinary share in respect of the financial year 31 March 2024, which amounted to RM14.31 million and was paid to the shareholders on 2 April 2024.

**B11. Earnings per share (“EPS”)**

	3 months ended		12months ended	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	RM'000	RM'000	RM'000	RM'000
<b>Profit attributable to ordinary shareholders of the parent</b>	17,855	9,336	58,565	20,627
<b>Number of shares in issue ('000)</b>	143,114	143,114	143,114	143,114
<b>Basic EPS (sen per share)</b>	12.48	6.52	40.92	14.41

Diluted earnings per share are 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 21 May 2024.

**B13. Dividends Paid / Declared**

Dividend paid / declared since the financial year 2020 up to the date of this report.

Dividend No.	Financial Year	Type	No. of shares (000)	Rate	RM ('000)	Payment Date
37	2024	Special dividend	143,114	10 sen per share, single tier	14,311	2.4.2024
36	2020	Interim dividend	130,104	0.5 sen per share, single tier	650	3.4.2020