

**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 2024. 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 2024.

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 2024, 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 2024:

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 101: Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to MFRS 107 and MFRS 7 Disclosures: Supplier Finance Arrangements	1 January 2024

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 121: Lack of exchangeability	1 January 2025
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or 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 2024 was not qualified.

**A3. Segmental Information**

	<b>3 months ended</b>		
	<b>30-Jun-24</b>	<b>30-Jun-23</b>	<b>Change</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>Segment revenue</b>			
Poultry & related products	53,906	62,819	-14%
Extraction & sale of sand	1,896	1,848	3%
Investment holdings	90	90	0%
Total	<u>55,892</u>	<u>64,757</u>	<u>-14%</u>
<b>Segment results</b>			
Poultry & related products	5,838	4,776	22%
Extraction & sale of sand	402	320	26%
Investment holdings	440	(563)	178%
Property development	(87)	(113)	23%
Profit before tax	<u>6,593</u>	<u>4,420</u>	<u>49%</u>
Less: Taxation	(827)	(1,813)	-54%
Profit net of tax	<u>5,766</u>	<u>2,607</u>	<u>121%</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 30 June 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**

On 2 April 2024, the Company paid a special single-tier dividend of 10 sen per ordinary share in respect of the financial year ended 31 March 2024 which amounted to RM14,311,401.

**A8. Carrying Amount of Fixed Assets**

There were no 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 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 2024.

**A12. Profit for the Period**

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

	<b>Current Quarter</b>	
	<b>3 months ended</b>	
	<b>30-Jun-24</b>	<b>30-Jun-23</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>
Interest income	236	272
Other income including investment income	3,740	2,647
Interest expense	(855)	(966)
Depreciation & amortisation	(1,512)	(1,449)
Fair value changes on biological assets	(456)	(302)
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain on disposal of :		
Quoted shares	-	-
Unquoted investments	-	-
Properties	-	-
Impairment of assets	(173)	-
Foreign exchange (loss)/gain:-		
Realised gain	(1,099)	145
Unrealised gain/(loss)	925	(953)
Gain/(loss) on derivatives	-	-
Exceptional items	-	-

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

	<b>Current Quarter RM'000</b>	<b>Preceding Year Corresponding Quarter RM'000</b>	<b>Change %</b>
<b>Segment revenue</b>			
Poultry & related products	53,906	62,819	-14%
Extraction & sale of sand	1,896	1,848	3%
Investment holdings	90	90	0%
Total	<u>55,892</u>	<u>64,757</u>	<u>-14%</u>
<b>Segment result</b>			
Poultry & related products	5,838	4,776	22%
Extraction & sale of sand	402	320	26%
Investment holdings	440	(563)	178%
Property development	(87)	(113)	23%
Profit before tax	6,593	4,420	49%
Less: Taxation	(827)	(1,813)	-54%
Profit net of tax	<u>5,766</u>	<u>2,607</u>	<u>121%</u>

The Group registered a revenue of RM55.89 million and a profit net of tax of RM5.77 million for the current quarter as compared to a revenue of RM64.76 million and a profit net of tax of RM2.61 million in the same quarter of previous year. Revenue for the Group decreased by 14% due to lower eggs quantity sold and lower average selling price of eggs. However, poultry segment's result increased by 22% due to lower cost of major raw materials particularly corn and soybean.

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

Investment holdings segment also recorded higher result contributed mainly by dividends received from investment in securities as compared to the same quarter of previous year.

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

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

	Current Quarter RM'000	Immediate Preceding Quarter RM'000	Change %
<b>Segment revenue</b>			
Poultry & related products	53,906	59,008	-9%
Extraction & sale of sand	1,896	2,175	-13%
Investment holdings	90	90	0%
Total	<u>55,892</u>	<u>61,273</u>	<u>-9%</u>
<b>Segment result</b>			
Poultry & related products	5,838	13,370	-56%
Extraction & sale of sand	402	(393)	202%
Investment holdings	440	4,534	-90%
Property development	(87)	(44)	-99%
Profit before tax	<u>6,593</u>	<u>17,467</u>	<u>-62%</u>

The Group posted profit before tax of RM6.59 million for the current quarter as compared to profit before tax RM17.47 million in the preceding quarter. The Group recorded lower profit before tax in tandem with decrease in revenue in the current quarter and fair value gain on investment properties recorded in the preceding quarter.

**B3. Commentary on Prospects**

The Board remains cautious in view of the volatility on the overall economy. The reduction in egg control price as announced on 17 June 2024 shall impact product margin whilst the recent strengthening of the Ringgit shall ease production costs. Nonetheless management shall remain vigilant and continue to focus on operational efficiencies and product quality to remain competitive.

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**

	3 months ended 30.6.24 RM'000	3 months ended 30.6.23 RM'000
Income tax expense	936	1,885
Deferred tax (reversal)/expense	(109)	(72)
Total	<u>827</u>	<u>(1,813)</u>

The effective tax rate is higher than the statutory rate of 24% due mainly to the effects of unallowable expenses.

**B6. Corporate Proposals**

## a) Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 14 August 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 30.6.2024 RM'000	As at 30.6.2023 RM'000
<b>Short term</b>		
<i>Secured:-</i>		
Revolving credit	10,000	9,000
Banker acceptance	2,925	2,793
Bank term loans	6,584	9,557
	19,509	21,350
<i>Unsecured:-</i>		
Revolving credit	10,000	10,750
Banker acceptance	13,808	11,509
	23,808	22,259
	43,318	43,609
<b>Long term</b>		
<i>Secured:-</i>		
Bank term loans	18,763	25,317
	18,763	25,317
<b>Total borrowings</b>	62,081	68,926

## b) There were no borrowings in foreign currency as at 30 June 2024.

## c) Effective average cost of borrowings based on exposure as at 30 June 2024 was 5.30% (30 June 2023: 5.34%).

**B8. Off Balance Sheet Financial Instrument**

There were no off-balance sheet financial instruments as at 30 June 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**

No dividend has been declared in the financial period ended 30 June 2024.

**B11. Earnings per share (“EPS”)**

	<b>3 months ended</b>	
	<b>30-Jun-24</b>	<b>30-Jun-23</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Profit attributable to ordinary shareholders of the parent</b>	5,766	2,607
<b>Number of shares in issue ('000)</b>	143,114	143,114
<b>Basic EPS (sen per share)</b>	4.03	1.82

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 August 2024.

**B13. Dividends Paid / Declared**

Dividend paid / declared since the financial year 2024 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 per share, single tier	14,311	2.4.2024