



**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FIRST QUARTER ENDED 31 MAR 2019**

Note	(UNAUDITED) INDIVIDUAL QUARTER			(UNAUDITED) CUMULATIVE QUARTER		
	1 JAN 2019 to 31 MAR 2019	1 JAN 2018 to 31 MAR 2018	Changes Increase / (Decrease) RM'000	1 JAN 2019 to 31 MAR 2019	1 JAN 2018 to 31 MAR 2018	Changes Increase / (Decrease) RM'000
	CURRENT QUARTER RM'000	PRECEDING YEAR CORRESPONDING QUARTER RM'000		CURRENT YEAR TO DATE RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE RM'000	
Revenue	28,283	22,128	6,155	28,283	22,128	6,155
Cost of sales	(23,094)	(23,779)	685	(23,094)	(23,779)	685
Gross Profit / (Loss)	5,189	(1,651)	6,840	5,189	(1,651)	6,840
Interest income	40	128	(88)	40	128	(88)
Other income	202	13	189	202	13	189
Administrative expenses	(4,388)	(3,168)	(1,220)	(4,388)	(3,168)	(1,220)
Finance costs	(367)	(271)	(96)	(367)	(271)	(96)
Share of result of associate	(149)	(19)	(130)	(149)	(19)	(130)
Profit / (Loss) before tax	527	(4,968)	5,495	527	(4,968)	5,495
Income tax expense	(682)	-	(682)	(682)	-	(682)
Loss for the period	(155)	(4,968)	4,813	(155)	(4,968)	4,813
Attributable To :						
Owner of the company	(155)	(4,968)	4,813	(155)	(4,968)	4,813
Non controlling interest	-	-	-	-	-	-
	(155)	(4,968)	4,813	(155)	(4,968)	4,813
Loss Per Shares:						
- Basic (Sen)	(0.01)	(0.27)		(0.01)	(0.27)	
- Diluted*	N/A	N/A		N/A	N/A	

Note:

* The Group does not have any potential dilutive ordinary shares as the market price of the share was lower than the exercise price. As a result, these warrant are anti-dilutive in nature and have not been considered in the computation of diluted earning per share.



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MAR 2019**

Note	(UNAUDITED) INDIVIDUAL QUARTER			(UNAUDITED) CUMULATIVE QUARTER		
	1 JAN 2019 to 31 MAR 2019	1 JAN 2018 to 31 MAR 2018	Changes Increase / (Decrease) RM'000	1 JAN 2019 to 31 MAR 2019	1 JAN 2018 to 31 MAR 2018	Changes Increase / (Decrease) RM'000
	CURRENT QUARTER RM'000	PRECEDING YEAR CORRESPONDING QUARTER RM'000		CURRENT YEAR TO DATE RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE RM'000	
Loss for the period	(155)	(4,968)	4,813	(155)	(4,968)	4,813
Other comprehensive income						
Revaluation surplus, net of deferred tax	-	-	-	-	-	-
Total comprehensive loss for the period	<u>(155)</u>	<u>(4,968)</u>	4,813	<u>(155)</u>	<u>(4,968)</u>	4,813
Total Comprehensive loss attributable to:						
Owner of the Company	(155)	(4,968)	4,813	(155)	(4,968)	4,813
Non-Controlling Interest	-	-	-	-	-	-
	<u>(155)</u>	<u>(4,968)</u>	4,813	<u>(155)</u>	<u>(4,968)</u>	4,813

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	NOTES	UNAUDITED AS AT 31 MAR 2019 RM'000	AUDITED AS AT 31 DEC 2018 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		68,692	68,367
Investment in associates		171	-
		<u>68,863</u>	<u>68,367</u>
Current assets			
Inventories		21,022	15,139
Biological assets		8,799	8,132
Trade receivables		14,997	17,443
Other receivables, deposits and prepayments		2,221	2,415
Tax recoverable		-	8
Fixed deposits with licensed banks		2,495	5,367
Cash and bank balances		2,774	3,136
		<u>52,308</u>	<u>51,640</u>
TOTAL ASSETS		<u>121,171</u>	<u>120,007</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		56,842	56,842
Reserves		19,530	19,530
Accumulated losses		(19,100)	(18,945)
Total Equity		<u>57,272</u>	<u>57,427</u>
Non-current liabilities			
Hire-purchase payables	B9	1,233	1,458
Term loans	B9	4,199	4,720
Trade payable		3,081	3,081
Deferred tax liabilities		5,355	5,355
		<u>13,868</u>	<u>14,614</u>
Current liabilities			
Trade payables		14,697	15,812
Other payables and accruals		14,175	13,620
Amounts due to directors		11,915	12,255
Hire - purchase payables	B9	1,218	1,010
Tax liabilities		1,792	1,117
Term loans	B9	4,420	4,152
Other bank borrowings	B9	1,814	-
		<u>50,031</u>	<u>47,966</u>
Total liabilities		<u>63,899</u>	<u>62,580</u>
TOTAL EQUITY AND LIABILITIES		<u>121,171</u>	<u>120,007</u>
Net Assets per ordinary share (RM)		0.02	0.02

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2019**

	←	Non-Distributable Asset	→		
	Share Capital RM'000	Revaluation Reserve RM'000	Other Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
As at 1 January 2019	56,842	19,530	-	(18,945)	57,427
Total comprehensive loss for the period	-	-	-	(155)	(155)
As at 31 March 2019	<u>56,842</u>	<u>19,530</u>	<u>-</u>	<u>(19,100)</u>	<u>57,272</u>
As at 1 January 2018, as restated	56,842	19,847	38,578	(30,213)	85,054
Total comprehensive loss for the period	-	-	-	(4,968)	(4,968)
As at 31 March 2018	<u>56,842</u>	<u>19,847</u>	<u>38,578</u>	<u>(35,181)</u>	<u>80,086</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2019**

	(UNAUDITED) 3 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 19 TO 31 MAR 19 RM'000	(UNAUDITED) PRECEDING YEAR CORRESPONDING YEAR TO DATE 1 JAN 18 TO 31 MAR 18 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	527	(4,968)
Adjustments for :		
Depreciation of property, plant and equipment	1,633	1,516
Amortisation of leasehold land	41	41
Reversal of impairment on investment in associates	(99)	-
Interest income	(40)	(128)
Finance costs	367	271
Share of result in associate	149	19
Gain on disposal of property, plant and equipment	2	-
Operating Profit / (Loss) Before Working Capital Changes	2,580	(3,249)
Changes in working capital:		
Net change in current assets	(3,902)	8,078
Net change in current liabilities	(560)	(2,663)
Income tax paid	(7)	-
Finance costs paid	(367)	(271)
Net Cash (Used In)/ Generated From Operating Activities	(2,256)	1,895
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	40	128
Proceeds from disposal of property, plant and equipment	7	2,000
Withdrawal of fixed deposits pledged to bank	-	1,334
Purchases of property, plant and equipment	(2,008)	(1,629)
Investment in associated company	(221)	-
Net Cash (Used In)/ Generated From Investing Activities	(2,182)	1,833
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment to term loans	(254)	(360)
Drawdown of / (Repayment to) banker acceptance	1,814	(4,800)
Repayment to hire purchase liabilities	(16)	(269)
Repayment to directors	(340)	(14)
Net Cash Generated From/ (Used In) Financing Activities	1,204	(5,443)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,234)	(1,715)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	8,503	15,232
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5,269	13,517
Note :	31 MAR 2019	31 MAR 2018
Cash and cash equivalent comprises :	RM'000	RM'000
Cash and bank balances	2,774	13,488
Fixed deposits with licensed bank	2,495	29
	5,269	13,517

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.



NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation

The financial statements of the Group are unaudited and have been prepared in accordance with the MFRS 134 - Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The financial statements should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31 December 2018 and the accompanying explanatory notes attached. These explanatory notes attached to the 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.

A2. Comparatives

The comparative figures have not been restated.

A3. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2018.

A4. Auditors' Report on Preceding Annual Financial Statements

The Auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

A5. Seasonal or cyclical factors

The business operations of the Group were not affected by any seasonal or cyclical factors.

A6. Unusual items affecting Assets, Liabilities, Equity, Net income or Cash flow

There was no unusual item of significant size or nature recorded during the current quarter.

A7. Material changes in estimates

There were no significant changes in estimates that have had material effect in the current quarter results.

A8. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

A9. Dividend paid

There were no dividend paid during the quarter under review.

A10. Segment information

For the current quarter, the segmental report is consisted of two divisions which are poultry and property developments. The poultry division consists of integrated services from farming to retail business, while the property development division is mainly in the mixed development of residential and commercial properties.

The segmental report for the first quarter ended 31 March 2019 is as follow:

	Poultry Farming & Processing RM'000	Property Development RM'000	Group RM'000
Revenue	22,758	5,525	28,283
(Loss) / Profit before tax	<u>(2,162)</u>	<u>2,689</u>	<u>527</u>

A11. Valuation of property, plant and equipment

There was no revaluation of property, plant and equipment for the current quarter under review.

A12. Subsequent events

No material subsequent events arises after the end of the current quarter.



NOTES TO THE INTERIM FINANCIAL STATEMENTS

A13. Changes in composition of the Group

During the quarter under review, the Company via its wholly-owned subsidiary, D.B.E. Poultry Sdn Bhd had on 26 February 2019 set up a joint venture company, namely Farmmesh Foods (M) Sdn Bhd ("FFM") with Farmmesh Foods Co. Ltd. by subscribing for 7,000 new ordinary shares in FFM for a total consideration of RM7,000.00 only, representing 70% of the entire issued share capital of FFM.

A14. Capital commitment

There were no material capital expenditure commitments during the current quarter under review.

A15. Related party transactions

There were no significant related party transactions during the quarter under review.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Performance review

	1st Quarter ended		1st Quarter ended		Increase / (Decrease) RM'000
	31 MAR 2019		31 MAR 2018		
	'000 KG	RM'000	'000 KG	RM'000	
Sales of Processed Chicken	2,549	16,114	1,602	9,128	6,986
Sales of Live Broiler	1,101	4,972	2,525	11,850	(6,878)
Sales of Marinated & Breaded Chicken		976		366	610
Sales from Property Development		5,525		-	5,525
Others		696		784	(88)
		<u>28,283</u>		<u>22,128</u>	6,154
Profit/ (Loss) before tax		<u>527</u>		<u>(4,968)</u>	5,495

For the current quarter ended 31 Mar 2019, the Group's revenue recorded RM28.28million, an increase of 27.81% over the prior year corresponding quarter's revenue of RM22.12million. The increase in revenue of RM6.15million for current quarter as compared to prior year corresponding quarter was mainly contributed from Property Development, amounting to RM5.52million after the Group diversified into property development in April 2018.

The Group recorded a profit before tax of RM0.52million in current quarter as compared to the loss before tax of RM4.96million in the prior year corresponding quarter. This was mainly due to the increase in contribution from property development division of approximately RM2.68million which was offsetted by loss before tax from poultry farming and processing division of approximately RM2.16million in current quarter.

B2. Material change in profit/ (loss) before taxation of current quarter compared with immediate preceding quarter

	1st Quarter ended		4th Quarter ended		Increase / (Decrease) RM'000
	31 MAR 2019		31 DEC 2018		
	'000 KG	RM'000	'000 KG	RM'000	
Sales of Processed Chicken	2,549	16,114	3,053	19,806	(3,691)
Sales of Live Broiler	1,101	4,972	1,078	4,565	407
Sales of Marinated & Breaded Chicken		976		1,041	(65)
Sales from Property Development		5,525		5,188	336
Others		696		330	366
		<u>28,283</u>		<u>30,930</u>	(2,647)
Profit/ (Loss) before tax		<u>527</u>		<u>(15,172)</u>	15,699

For the current quarter ended 31 Mar 2019, the Group's revenue had decreased from RM30.93million to RM28.28million. This was mainly due to lower demand from sales of processed chicken in current quarter as compared to preceding quarter.

Despite the lower revenue recorded in current quarter, the Group recorded a slightly profit before tax of RM0.52million in current quarter as compared to the loss before tax of RM15.17million in the preceding quarter. The main reason for the loss in preceding quarter was due to high administrative expenses from poultry farming & processing divisions of approximately RM18.01 million which was as a result of impairment loss on property, plant and equipment amounting to RM16.48 million.

B3. Commentary on prospects

Since the Group's diversification into property development, the property development division, on quarter to quarter basis, has contributed positively to the overall profitability of the Group. As such, this division will continue to be the growth driver and shall be the focus of the Group moving forward.

B4. Profit forecast

The Group did not issue any profit forecast.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
	31 MAR 2019 RM'000	31 MAR 2018 RM'000	31 MAR 2019 RM'000	31 MAR 2018 RM'000
Deferred Tax Liabilities	-	-	-	-
Taxation	(682)	-	(682)	-
Income tax expenses	<u>(682)</u>	<u>-</u>	<u>(682)</u>	<u>-</u>

The Group's tax provision for the current quarter is mainly due to profit generated from property development division.

B6. Profit & loss on sale of unquoted investments and properties

There were no material sale of unquoted investments and properties during the current quarter.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B7. Purchase or disposal of quoted securities

There were no purchases or disposals of quoted securities during the current quarter and financial year to-date.

B8. Corporate Proposals

Pursuant to the proposed participation in the development of the project and assumption of the development rights to an ongoing development project of 780 units of apartments known as Pangsapuri Seri Iskandar for a total cash consideration of RM3,800,000 ("Proposal"), the non-interested shareholders of the Company had approved the Proposal at the Extraordinary General Meeting held on 27 May 2019.

B9. Borrowings and debts securities

The Group's borrowings as at 31 March 2019 all of which were denominated in Ringgit Malaysia are as follows:

	RM'000
<u>Short Term - Secured</u>	
- Hire purchases	1,218
- Bankers' acceptances/STA	1,814
- Term loans	4,420
Sub-total	<u>7,452</u>
<u>Long Term - Secured</u>	
- Hire purchases	1,233
- Term loans	4,199
Sub-total	<u>5,432</u>
Total borrowings	<u>12,884</u>

The above bank borrowings are secured by means of the followings:-

- (i) a debenture incorporating fixed charge over the assets of the Group,
- (ii) legal charge over landed properties belonging to certain subsidiaries, and
- (iii) joint and several guarantee of some of the directors of the company.

B10. Financial instruments

There were no outstanding financial instruments as at the date of issue of this quarterly report.

B11. Material Litigation

There was no pending material litigation as at the date of issue of this quarterly report.

B12. Dividend

The Directors do not recommend any dividend for the current quarter.

B13. Loss per share

(i) Basic Loss Per Share

The basic loss per ordinary share and diluted earnings per ordinary shares were calculated by dividing the Group's loss attributable to ordinary shareholders by the number of weighted ordinary shares in issue as follows:-

	Current Year Quarter Ended 31 MAR 2019	Corresponding Quarter Ended 31 MAR 2018	Current Year Period To date 31 MAR 2019	Corresponding Period To date 31 MAR 2018
Loss for the period (RM'000)	(155)	(4,968)	(155)	(4,968)
Weighted average number of ordinary shares in issue ('000)	2,678,229	1,812,734	2,678,229	1,812,734
Basic Loss Per Share (sen)	(0.01)	(0.27)	(0.01)	(0.27)

(ii) Diluted Earning Per Shares

The Group does not have any potential dilutive ordinary shares as the market price of the share was lower than the exercise price. As these warrant are anti-dilutive in nature and have not been considered in the computation of diluted earning per share.

BY ORDER OF THE BOARD

ERIC TOH CHEE SEONG (MAICSA 7016178)
JESSLYN ONG BEE FANG (MAICSA 7020672)
Company Secretaries

Perak
27-May-19