



**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

Note	(UNAUDITED)			(UNAUDITED)		
	INDIVIDUAL QUARTER		Changes Increase / (Decrease)	CUMULATIVE QUARTER		Changes Increase / (Decrease)
	1 APR 2019 to 30 JUN 2019	1 APR 2018 to 30 JUN 2018		1 JAN 2019 to 30 JUN 2019	1 JAN 2018 to 30 JUN 2018	
	CURRENT QUARTER	PRECEDING YEAR CORRESPONDING QUARTER		CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR TO DATE	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	48,014	26,523	21,491	76,297	48,651	27,646
Cost of sales	(43,225)	(28,022)	(15,203)	(66,319)	(51,801)	(14,518)
Gross Profit / (Loss)	4,789	(1,499)	6,288	9,978	(3,150)	13,128
Interest income	19	82	(63)	59	210	(151)
Other income	1,959	2,612	(653)	2,162	2,625	(463)
Administrative expenses	(5,392)	(3,371)	(2,021)	(9,781)	(6,539)	(3,242)
Finance costs	(283)	(261)	(22)	(650)	(532)	(118)
Share of result of associate	(54)	(23)	(31)	(203)	(42)	(161)
Share of result on the joint venture	-	(302)	302	-	(302)	302
Profit / (Loss) before tax	1,038	(2,762)	3,800	1,565	(7,730)	9,295
Income tax expense	B5 (386)	-	(386)	(1,068)	-	(1,068)
Profit / (Loss) for the period	652	(2,762)	3,414	497	(7,730)	8,227
Attributable To :						
Owner of the company	652	(2,762)	3,414	497	(7,730)	8,227
Non controlling interest	-	-	-	-	-	-
	652	(2,762)	3,414	497	(7,730)	8,227
Profit / (Loss) Per Shares:						
- Basic (Sen)	0.02	(0.10)		0.02	(0.29)	
- 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 SECOND QUARTER ENDED 30 JUNE 2019**

Note	(UNAUDITED) INDIVIDUAL QUARTER			(UNAUDITED) CUMULATIVE QUARTER		
	1 APR 2019 to 30 JUN 2019	1 APR 2018 to 30 JUN 2018	Changes Increase / (Decrease) RM'000	1 JAN 2019 to 30 JUN 2019	1 JAN 2018 to 30 JUN 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	
Profit / (Loss) for the period	652	(2,762)	3,414	497	(7,730)	8,227
Other comprehensive income						
Revaluation surplus, net of deferred tax	-	-	-	-	-	-
Total comprehensive profit / (loss) for the period	<u>652</u>	<u>(2,762)</u>	3,414	<u>497</u>	<u>(7,730)</u>	8,227
Total Comprehensive profit / (loss) attributable to:						
Owner of the Company	652	(2,762)	3,414	497	(7,730)	8,227
Non-Controlling Interest	-	-	-	-	-	-
	<u>652</u>	<u>(2,762)</u>	3,414	<u>497</u>	<u>(7,730)</u>	8,227



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	NOTES	UNAUDITED AS AT 30 JUN 2019 RM'000	AUDITED AS AT 31 DEC 2018 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		68,494	68,367
Investment in associates		147	-
		<u>68,641</u>	<u>68,367</u>
Current assets			
Inventories		45,631	15,138
Biological assets		8,572	8,133
Trade receivables		18,761	17,443
Other receivables, deposits and prepayments		2,301	2,415
Tax recoverable		-	8
Fixed deposits with licensed banks		1,111	5,367
Cash and bank balances		1,515	3,136
		<u>77,891</u>	<u>51,640</u>
TOTAL ASSETS		<u>146,532</u>	<u>120,007</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		56,842	56,842
Reserves		19,530	19,530
Accumulated losses		(18,448)	(18,945)
Total Equity		<u>57,924</u>	<u>57,427</u>
Non-current liabilities			
Hire-purchase payables	B9	1,043	1,458
Term loans	B9	3,529	4,720
Trade payable		3,081	3,081
Deferred tax liabilities		5,355	5,355
		<u>13,008</u>	<u>14,614</u>
Current liabilities			
Trade payables		21,227	15,812
Other payables and accruals		30,229	13,620
Amounts due to directors		12,788	12,255
Hire - purchase payables	B9	1,163	1,010
Tax liabilities		2,179	1,117
Term loans	B9	4,525	4,152
Other bank borrowings	B9	3,489	-
		<u>75,600</u>	<u>47,966</u>
Total liabilities		<u>88,608</u>	<u>62,580</u>
TOTAL EQUITY AND LIABILITIES		<u>146,532</u>	<u>120,007</u>
Net Assets per ordinary share (RM)		0.02	0.02



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 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 profit for the period	-	-	-	497	497
As at 30 June 2019	56,842	19,530	-	(18,448)	57,924
As at 1 January 2018, as restated	56,842	19,847	38,578	(30,213)	85,054
Total comprehensive loss for the period	-	-	-	(7,730)	(7,730)
As at 30 June 2018	56,842	19,847	38,578	(37,943)	77,324

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 SIX MONTHS PERIOD ENDED 30 JUNE 2019**

	(UNAUDITED) 6 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 19 TO 30 JUN 19 RM'000	(UNAUDITED) PRECEDING YEAR CORRESPONDING YEAR TO DATE 1 JAN 18 TO 30 JUN 18 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	1,565	(7,730)
Adjustments for :		
Depreciation of property, plant and equipment	3,282	3,030
Amortisation of leasehold land	83	83
Impairment loss on property, plant and equipment	(1,428)	-
Impairment loss on receivables	(392)	-
Reversal of impairment on investment in associates	(99)	-
Interest income	(59)	(210)
Finance costs	650	532
Share of result in associate	203	42
Property, plant and equipment written off	1	-
Loss on disposal of property, plant and equipment	34	-
Operating Profit / (Loss) Before Working Capital Changes	3,840	(4,253)
Changes in working capital:		
Net change in current assets	(31,741)	3,025
Net change in current liabilities	22,028	(4,166)
Income tax paid	(7)	-
Finance costs paid	(650)	(532)
Net Cash Used In Operating Activities	(6,530)	(5,926)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	59	210
Proceeds from disposal of property, plant and equipment	99	2,000
Withdrawal of fixed deposits pledged to bank	-	1,334
Purchases of property, plant and equipment	(2,198)	(3,305)
Investment in associated company	(250)	-
Net Cash (Used In)/ Generated From Investing Activities	(2,290)	239
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment to term loans	(818)	(704)
Drawdown of / (Repayment to) banker acceptance	3,489	(4,800)
Repayment to hire purchase liabilities	(261)	(540)
Advance from directors	533	3,895
Net Cash Generated From/ (Used In) Financing Activities	2,943	(2,149)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,877)	(7,836)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	8,503	15,232
CASH AND CASH EQUIVALENTS AT END OF PERIOD	2,626	7,396
Note :	30 JUN 2019	30 JUN 2018
Cash and cash equivalent comprises :	RM'000	RM'000
Cash and bank balances	1,515	367
Fixed deposits with licensed bank	1,111	7,029
	2,626	7,396



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 development. 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 current year to date ended 30 June 2019 is as follow:

	Poultry Farming & Processing RM'000	Property Development RM'000	Group RM'000
Revenue	49,807	26,490	76,297
(Loss) / Profit before tax	<u>(2,832)</u>	<u>4,397</u>	<u>1,565</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

There was no changes in the composition of the Group during the current quarter under review.

A14. Capital commitment

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

A15. Related party transactions

Significant related party transactions

	RM'000
Transaction with party connected to the Director	
- Land owner entitlement	3,800



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Performance review

	2nd Quarter ended 30 JUN 2019		2nd Quarter ended 30 JUN 2018		Increase / (Decrease) RM'000
	'000 KG	RM'000	'000 KG	RM'000	
Sales of Processed Chicken	2,879	18,090	1,752	11,051	7,039
Sales of Live Broiler	1,341	4,739	2,462	10,619	(5,880)
Sales of Marinated & Breaded Chicken		571		525	46
Revenue from Property Development		20,965		3,806	17,159
Others		3,649		522	3,127
		<u>48,014</u>		<u>26,523</u>	21,491
Profit/ (Loss) before tax		<u>1,038</u>		<u>(2,762)</u>	3,800

For the current quarter ended 30 June 2019, the Group's revenue recorded RM48.01 million, which represents an increase of 81.03% over the prior year corresponding quarter's revenue of RM26.52 million. This was mainly due to:

- (i) Property Development recorded a revenue of RM20.97 million in current quarter as compared to RM3.81 million in prior year corresponding quarter. The increased in revenue from Property Development which contributed additional RM 17.16 million are mainly from the Pangsapuri Seri Iskandar project; and
(ii) Poultry revenue for the current quarter increased by RM1.21 million mainly due to higher demand from sales of processed chicken which had contributed an additional 1.12 million kilogram compared to prior year corresponding quarter. In addition, stock of soya and corn was disposed to reduce the high inventory, amounting to RM2.76 million.

The Group recorded a profit before tax of RM1.04 million in current quarter as compared to the loss before tax of RM2.76 million in the prior year corresponding quarter. This was mainly due to the increase in contribution from property development of approximately RM1.71 million which was offsetted by loss before tax from poultry farming and processing division of approximately RM0.67 million in current quarter.

- (i) Property Development recorded a profit before tax of RM1.71 million in current quarter as compared to the profit before tax of RM0.87 million in prior year corresponding quarter.
(ii) Poultry recorded a loss before tax of RM0.67 million in current quarter as compared to the loss before tax of RM3.63 million in prior year corresponding quarter. This was due to higher contract wages in prior year corresponding quarter of approximately RM2.57 million.

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

	2nd Quarter ended 30 JUN 2019		1st Quarter ended 31 MAR 2019		Increase / (Decrease) RM'000
	'000 KG	RM'000	'000 KG	RM'000	
Sales of Processed Chicken	2,879	18,090	2,549	16,114	1,976
Sales of Live Broiler	1,341	4,739	1,101	4,972	(233)
Sales of Marinated & Breaded Chicken		571		976	(405)
Revenue from Property Development		20,965		5,525	15,440
Others		3,649		696	2,953
		<u>48,014</u>		<u>28,283</u>	19,731
Profit before tax		<u>1,038</u>		<u>527</u>	511

For the current quarter ended 30 June 2019, the Group's revenue had increased to RM48.01 million from RM28.28 million in the immediate preceding quarter. This was mainly due to:

- (i) The contribution from the Property Development amounting to RM20.97 million in current quarter as compared to RM5.53 million in preceeding quarter; and
(ii) Poultry recorded an increment of RM1.34 million due to the festive season, in addition to a one-off sales of corn and soya amounting to RM2.76 million.

The Group recorded a higher profit before tax RM 1.04 million in current quarter as compared to RM0.53 million in the preceeding quarter. The reasons are as follow:

- (i) Property Development recorded a net revenue increase of RM15.44 million mainly due to the Pangsapuri Seri Iskandar project which contributed an additional RM19.89 million; and
(ii) Poultry recorded a lower loss before tax of RM0.67 million in current quarter as compared to the loss before tax of RM2.16 million in preceeding quarter. This was mainly due to higher other income of approximately RM1.95 million in current quarter as compared to RM0.16 million in preceeding quarter as a result of reversal of impairment loss on PPE amounting to RM1.42 million in current quarter.

B3. Commentary on prospects

The increasing trend of the revenue and profit contribution from the property development division will continue to be the growth driver of the company and is expected to contribute positively to the overall financial performance of the Group, whereas the poultry farming and processing division business remains challenging.

B4. Profit forecast

The Group did not issue any profit forecast.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 JUN 2019 RM'000	Preceding Year Quarter 30 JUN 2018 RM'000	Current Year To Date 30 JUN 2019 RM'000	Preceding Year To Date 30 JUN 2018 RM'000
Deferred Tax Liabilities	-	-	-	-
Taxation	(386)	-	(1,068)	-
Income tax expenses	<u>(386)</u>	<u>-</u>	<u>(1,068)</u>	<u>-</u>



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

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

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

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 joint development between DBE Development Sdn Bhd, a wholly-owned subsidiary of the Company and Silver Homes Development Sdn Bhd, to jointly develop 499 pieces of leasehold land into a mixed development project ("Proposed Joint Development"), the non-interested shareholders of the Company had approved the Proposed Joint Development at the Extraordinary General Meeting held on 20 July 2019.

B9. Borrowings and debts securities

The Group's borrowings as at 30 June 2019 all of which were denominated in Ringgit Malaysia are as follows:

	RM'000
<u>Short Term - Secured</u>	
- Hire purchases	1,163
- Bankers' acceptances/STA	3,489
- Term loans	4,525
Sub-total	<u>9,177</u>
<u>Long Term - Secured</u>	
- Hire purchases	1,043
- Term loans	3,529
Sub-total	<u>4,572</u>
Total borrowings	<u>13,749</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. Earnings / (Loss) per share

(i) Basic Earning / (Loss) Per Share

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

	Current Year Quarter Ended 30 JUN 2019	Corresponding Quarter Ended 30 JUN 2018	Current Year Period To date 30 JUN 2019	Corresponding Period To date 30 JUN 2018
Net Profit / (Loss) for the period (RM'000)	652	(2,762)	497	(7,730)
Weighted average number of ordinary shares in issue ('000)	2,678,229	2,678,229	2,678,229	2,678,229
Basic Earning / (Loss) Per Share (sen)	0.02	(0.10)	0.02	(0.29)

(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
26 August 2019