



**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

Note	(UNAUDITED) INDIVIDUAL QUARTER			(UNAUDITED) CUMULATIVE QUARTER		
	1 JUL 2019 to 30 SEP 2019	1 JUL 2018 to 30 SEP 2018	Changes Increase / (Decrease)	1 JAN 2019 to 30 SEP 2019	1 JAN 2018 to 30 SEP 2018	Changes Increase / (Decrease)
	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	48,557	28,651	19,906	124,854	77,302	47,552
Cost of sales	(38,488)	(27,639)	(10,849)	(104,807)	(79,743)	(25,064)
<b>Gross Profit / (Loss)</b>	<b>10,069</b>	<b>1,012</b>	<b>9,057</b>	<b>20,047</b>	<b>(2,441)</b>	<b>22,488</b>
Interest income	12	-	12	71	210	(139)
Other income	1,142	23	1,119	3,304	2,648	656
Administrative expenses	(4,939)	(4,003)	(936)	(14,722)	(10,541)	(4,181)
Finance costs	(283)	(262)	(21)	(931)	(794)	(137)
Share of result of associate	-	-	-	(203)	(42)	(161)
<b>Profit / (Loss) before tax</b>	<b>6,001</b>	<b>(3,230)</b>	<b>9,231</b>	<b>7,566</b>	<b>(10,960)</b>	<b>18,526</b>
Income tax expense	B5 (1,364)	(391)	(973)	(2,432)	(391)	(2,041)
<b>Profit / (Loss) for the period</b>	<b>4,637</b>	<b>(3,621)</b>	<b>8,258</b>	<b>5,134</b>	<b>(11,351)</b>	<b>16,485</b>
<b>Attributable To :</b>						
Owner of the company	4,637	(3,621)	8,258	5,134	(11,351)	16,485
Non controlling interest	-	-	-	-	-	-
	<b>4,637</b>	<b>(3,621)</b>	<b>8,258</b>	<b>5,134</b>	<b>(11,351)</b>	<b>16,485</b>
<b>Profit / (Loss) Per Shares:</b>						
- Basic ( Sen )	0.17	(0.14)		0.19	(0.42)	
- 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.

The Condensed Consolidated Income 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.



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

Note	(UNAUDITED) INDIVIDUAL QUARTER			(UNAUDITED) CUMULATIVE QUARTER		
	1 JUL 2019 to 30 SEP 2019	1 JUL 2018 to 30 SEP 2018	Changes Increase / (Decrease) RM'000	1 JAN 2019 to 30 SEP 2019	1 JAN 2018 to 30 SEP 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	
<b>Profit / (Loss) for the period</b>	4,637	(3,621)	8,258	5,134	(11,351)	16,485
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive profit / (loss) for the period</b>	<u>4,637</u>	<u>(3,621)</u>	8,258	<u>5,134</u>	<u>(11,351)</u>	16,485
<b>Total Comprehensive profit / (loss) attributable to:</b>						
Owner of the Company	4,637	(3,621)	8,258	5,134	(11,351)	16,485
Non-Controlling Interest	-	-	-	-	-	-
	<u>4,637</u>	<u>(3,621)</u>	8,258	<u>5,134</u>	<u>(11,351)</u>	16,485

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 30 SEPTEMBER 2019**

	NOTES	UNAUDITED AS AT 30 SEP 2019 RM'000	AUDITED AS AT 31 DEC 2018 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		65,851	68,367
Investment in associates		142	-
		<u>65,993</u>	<u>68,367</u>
<b>Current assets</b>			
Inventories		42,676	15,138
Biological assets		8,491	8,133
Trade receivables		19,466	17,443
Other receivables, deposits and prepayments		25,922	2,415
Contract assets		16,344	-
Tax recoverable		-	8
Fixed deposits with licensed banks		1,704	5,367
Cash and bank balances		1,916	3,136
		<u>116,519</u>	<u>51,640</u>
<b>TOTAL ASSETS</b>		<b><u>182,512</u></b>	<b><u>120,007</u></b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		56,842	56,842
Reserves		19,530	19,530
Accumulated losses		(13,811)	(18,945)
<b>Total Equity</b>		<u>62,561</u>	<u>57,427</u>
<b>Non-current liabilities</b>			
Hire-purchase payables	B9	728	1,458
Term loans	B9	2,810	4,720
Trade payable		3,081	3,081
Deferred tax liabilities		5,355	5,355
		<u>11,974</u>	<u>14,614</u>
<b>Current liabilities</b>			
Trade payables		42,134	15,812
Other payables and accruals		43,092	13,620
Amounts due to directors		11,597	12,255
Hire - purchase payables	B9	1,526	1,010
Tax liabilities		1,597	1,117
Term loans	B9	4,603	4,152
Other bank borrowings	B9	3,428	-
		<u>107,977</u>	<u>47,966</u>
<b>Total liabilities</b>		<u>119,951</u>	<u>62,580</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>182,512</u></b>	<b><u>120,007</u></b>
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 NINE MONTHS PERIOD ENDED 30 SEPTEMBER 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	-	-	-	5,134	5,134
As at 30 September 2019	56,842	19,530	-	(13,811)	62,561
As at 1 January 2018, as restated	56,842	19,847	38,578	(30,213)	85,054
Total comprehensive loss for the period	-	-	-	(11,351)	(11,351)
As at 30 September 2018	56,842	19,847	38,578	(41,564)	73,703

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 NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2019**

	(UNAUDITED) 9 MONTHS CURRENT FINANCIAL PERIOD 1 JAN 19 TO 30 SEP 19 RM'000	(UNAUDITED) PRECEDING YEAR CORRESPONDING YEAR TO DATE 1 JAN 18 TO 30 SEP 18 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before tax	7,566	(10,960)
Adjustments for :		
Depreciation of property, plant and equipment	4,882	4,588
Property, plant and equipment written off	1	420
Amortisation of leasehold land	124	124
Impairment loss on property, plant and equipment	(2,124)	-
Impairment loss on receivables	(637)	-
Reversal of impairment on investment in associates	(99)	-
Interest income	(71)	(210)
Finance costs	931	794
Share of result in associate	203	42
Gain on disposal of property, plant and equipment	26	-
<b>Operating Profit / (Loss) Before Working Capital Changes</b>	10,802	(5,202)
Changes in working capital:		
Net change in current assets	(69,132)	(3,390)
Net change in current liabilities	54,788	(1,801)
Income tax paid	(940)	-
Finance costs paid	(931)	(794)
<b>Net Cash Used In Operating Activities</b>	(5,413)	(11,187)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	71	210
Proceeds from disposal of property, plant and equipment	124	2,000
Withdrawal of fixed deposits pledged to bank	-	1,334
Purchases of property, plant and equipment	(517)	(3,904)
Investment in associated company	(246)	-
<b>Net Cash Used In Investing Activities</b>	(568)	(360)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment to term loans	(1,459)	(1,066)
Drawdown of / (Repayment to) banker acceptance	3,428	(4,800)
Repayment to hire purchase liabilities	(214)	(438)
(Repayment to) / Advance from directors	(657)	9,991
<b>Net Cash Generated From Financing Activities</b>	1,098	3,687
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(4,883)	(7,860)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	8,503	15,232
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	3,620	7,372
<b>Note :</b>	<b>30 SEP 2019</b>	<b>30 SEP 2018</b>
Cash and cash equivalent comprises :	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	1,916	1,093
Fixed deposits with licensed bank	1,704	6,279
	3,620	7,372

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 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 September 2019 is as follow:

	<b>Poultry Farming &amp; Processing RM'000</b>	<b>Property Development RM'000</b>	<b>Group RM'000</b>
Revenue	77,290	47,564	124,854
(Loss) / Profit before tax	<u>(2,492)</u>	<u>10,058</u>	<u>7,566</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.



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**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

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**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 for the current year to date ended 30 September 2019

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



**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS**

**B1. Performance review**

	3rd Quarter ended 30 SEP 2019		3rd Quarter ended 30 SEP 2018		Increase / (Decrease) RM'000
	'000 KG	RM'000	'000 KG	RM'000	
Sales of Processed Chicken	2,831	18,647	2,898	17,746	901
Sales of Live Broiler	1,623	7,439	1,349	5,742	1,697
Sales of Marinated & Breaded Chicken		756		729	27
Revenue from Property Development		21,074		3,748	17,326
Others		641		686	(45)
		<b>48,557</b>		<b>28,651</b>	19,906
Profit/ (Loss) before tax		<b>6,001</b>		<b>(3,230)</b>	9,231

For the current quarter ended 30 September 2019, the Group's revenue recorded RM48.56 million, which represents an increase of 69.49% over the prior year corresponding quarter's revenue of RM28.65 million. This was mainly due to:

- (i) Property Development recorded a revenue of RM21.07 million in current quarter as compared to RM3.74 million in prior year corresponding quarter. The increased in revenue from Property Development which contributed additional RM 17.33 million are mainly from the Pangsapuri Seri Iskandar project; and
- (ii) Poultry revenue for the current quarter increased by RM2.58 million mainly due to better average selling price for sales of processed chicken from RM6.12 per kilogram to RM6.59 per kilogram and higher demand from sales of live broiler which had contributed an additional 0.27 million kilogram in current quarter as compare to prior year corresponding quarter.

The Group recorded a profit before tax of RM6.00 million in current quarter as compared to the loss before tax of RM3.23 million in the prior year corresponding quarter. This was mainly due to the increase in contribution from property development of approximately RM5.66 million and poultry farming and processing division of approximately RM0.34 million in current quarter.

- (i) Property Development recorded a profit before tax of RM5.66 million in current quarter as compared to the profit before tax of RM0.76 million in prior year corresponding quarter.
- (ii) Poultry recorded a profit before tax of RM0.34 million in current quarter as compared to the loss before tax of RM3.99 million in prior year corresponding quarter. The relatively better performance was mainly due to better selling price in current quarter.

**B2. Material change in profit before taxation of current quarter compared with immediate preceding quarter**

	3rd Quarter ended 30 SEP 2019		2nd Quarter ended 30 JUN 2019		Increase / (Decrease) RM'000
	'000 KG	RM'000	'000 KG	RM'000	
Sales of Processed Chicken	2,831	18,647	2,879	18,090	557
Sales of Live Broiler	1,623	7,439	1,341	4,739	2,700
Sales of Marinated & Breaded Chicken		756		571	185
Revenue from Property Development		21,074		20,965	109
Others		641		3,649	(3,008)
		<b>48,557</b>		<b>48,014</b>	543
Profit before tax		<b>6,001</b>		<b>1,038</b>	4,963

For the current quarter ended 30 September 2019, the Group's revenue had increased to RM48.56 million from RM48.01 million in the immediate preceding quarter. This was mainly due to:

- (i) The contribution from the Property Development amounting to RM21.07 million in current quarter as compared to RM20.97 million in preceding quarter; and
- (ii) Poultry recorded an increment of RM0.43 million due to higher demand from sales of live broiler which had contributed an additional 0.28 million kilogram coupled with better average selling price of RM4.58 per kilogram in current quarter as compared to RM3.53 per kilogram in preceding quarter.

The Group recorded a higher profit before tax RM6.00 million in current quarter as compared to RM1.04 million in the preceding quarter. The reasons are as follow:

- (i) Property Development recorded a net revenue increase of RM0.11 million; and
- (ii) Poultry recorded a profit before tax of RM0.34 million in current quarter as compared to the loss before tax of RM0.67 million in preceding quarter. This was mainly due to higher sales of live broiler in the current quarter.

**B3. Commentary on prospects**

The property development division has been the growth driver of the Company since its venture into the business and is expected to continue contributing positively to the overall financial performance of the Group moving forward. As such, the Company intends to focus on its property development business and had on 2 October 2019, announced its intention to dispose 51% of its poultry business (refer Note B8 for details) which the Company had obtained its shareholders' approval on 25 November 2019.

**B4. Profit forecast**

The Group did not issue any profit forecast.

**B5. Taxation**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 SEP 2019 RM'000	Preceding Year Quarter 30 SEP 2018 RM'000	Current Year To Date 30 SEP 2019 RM'000	Preceding Year To Date 30 SEP 2018 RM'000
Deferred Tax Liabilities	-	-	-	-
Taxation	(1,364)	(391)	(2,432)	(391)
Income tax expenses	(1,364)	(391)	(2,432)	(391)





**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**

On 2 October 2019, the Company announced that the Company had on even date entered into the share sales agreements with Dato Ding Seng Huat to undertake the proposed disposal of 51% equity interest in D.B.E. Poultry Sdn Bhd, D.B.E. Breeding Sdn Bhd, D.B.E. Hatchery Sdn Bhd, D.B.E. Marketing Sdn Bhd, D.B.E. Food Processing Sdn Bhd and D.B.E. Gurney Chicken Sdn Bhd ("Disposal Companies") for a total cash consideration of RM32,583,608, comprising:-

- i) a disposal consideration of RM10,200,000 for the 51% equity interest in the Disposal Companies; and
- ii) settlement of an amount owing from DBE Poultry Sdn Bhd to the Company. As at the date of the SSA, the Amount Owing from DBE Poultry Sdn Bhd amounts to RM22,383,608 ("**Proposed Disposal**").

Details of the Proposed Disposal can be found in the circular to Shareholders dated 6 November 2019 and the non-interested shareholders had approved the Proposed Disposal at the Extraordinary General Meeting convened on 25 November 2019.

**B9. Borrowings and debts securities**

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

	RM'000
<b><u>Short Term - Secured</u></b>	
- Hire purchases	1,526
- Bankers' acceptances/STA	3,428
- Term loans	4,603
Sub-total	9,557
<b><u>Long Term - Secured</u></b>	
- Hire purchases	728
- Term loans	2,810
Sub-total	3,538
<b>Total borrowings</b>	<b>13,095</b>

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 SEP 2019	Corresponding Quarter Ended 30 SEP 2018	Current Year Period To date 30 SEP 2019	Corresponding Period To date 30 SEP 2018
Net Profit / (Loss) for the period (RM'000)	4,637	(3,621)	5,134	(11,351)
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)	0.17	(0.14)	0.19	(0.42)

**(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  
25 November 2019