

**Condensed Consolidated Income Statements**

For the Three-Month and Twelve-Month Periods Ended 31 March 2006

	Note	3 months ended		12 months ended	
		31.03.2006 RM'000	31.03.2005 RM'000	31.03.2006 RM'000	31.03.2005 RM'000
Revenue	I (h)	9,366	(59,846)	59,939	128,705
Cost of sales	5	(26,548)	(10,671)	(83,372)	(167,810)
Gross loss		(17,182)	(70,517)	(23,433)	(39,105)
Other income/(expense)		(124)	83	1,534	1,080
Administrative expenses	6	(20,859)	(79,446)	(28,121)	(87,402)
Other operating expenses		(263)	1,560	(2,128)	(3,128)
Loss from operations	I (h)	(38,428)	(148,320)	(52,148)	(128,555)
Profit/(Loss) from investing activities	I (i)	12,039	(49,140)	12,039	(49,140)
Finance costs, net		(6,752)	(4,381)	(14,424)	(13,908)
Loss before taxation		(33,141)	(201,841)	(54,533)	(191,603)
Taxation	7	(12)	(3,152)	(27)	(4,321)
Loss for the period		(33,153)	(204,993)	(54,560)	(195,924)
Loss per share					
Basic (sen)	15	(44.18)	(273.18)	(72.71)	(261.09)

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 March 2005 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Balance Sheets**

As at 31 March 2006

	Note	As at 31.03.2006 RM'000	As at 31.03.2005 RM'000
NON-CURRENT ASSETS			
Property, plant and equipment	I (j)	162,752	180,917
Biological assets		5,040	5,795
Other investment		4,500	4,500
		<u>172,292</u>	<u>191,212</u>
CURRENT ASSETS			
Biological assets		6,633	11,880
Inventories		3,293	17,084
Trade and other receivables		13,202	15,883
Current tax asset		1,161	1,194
Deposits with licensed banks		2,748	2,524
Cash and bank balances		743	1,893
		<u>27,780</u>	<u>50,458</u>
CURRENT LIABILITIES			
Borrowings	11	164,221	156,447
Trade and other payables		40,239	31,949
Tax payables		503	503
		<u>204,963</u>	<u>188,899</u>
NET CURRENT LIABILITIES			
	11	<u>(177,183)</u>	<u>(138,441)</u>
		<u>(4,891)</u>	<u>52,771</u>
FINANCED BY:			
Share capital		75,040	75,040
Other reserves		56,152	56,605
Retained earnings		(204,763)	(150,656)
Shareholders' equity		<u>(73,571)</u>	<u>(19,011)</u>
Borrowings	11	67,685	70,787
Deferred tax liabilities		995	995
		<u>(4,891)</u>	<u>52,771</u>
Net Liabilities per Share (RM)		<u>0.98</u>	<u>0.25</u>

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 March 2005 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statements of Changes in Equity**

For the Twelve-Month Period Ended 31 March 2006

	-----Non-Distributable----->				Distributable		Total RM'000
	Share capital RM'000	Share premium RM'000	Asset revaluation reserve RM'000	Reserve on consolidation RM'000	Merger deficit RM'000	Retained profits RM'000	
At 1 Apr 2004	75,040	591	61,440	3,742	(9,168)	45,268	176,913
Net loss for the period	-	-	-	-	-	(195,924)	(195,924)
At 31 Mar 2005	75,040	591	61,440	3,742	(9,168)	(150,656)	(19,011)
At 1 Apr 2005	75,040	591	61,440	3,742	(9,168)	(150,656)	(19,011)
Realisation of revaluation reserve	-	-	(453)	-	-	453	-
Net loss for the period	-	-	-	-	-	(54,560)	(54,560)
At 31 Mar 2006	75,040	591	60,987	3,742	(9,168)	(204,763)	(73,571)

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2005 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Cash Flow Statements**
For the Twelve-Month Period Ended 31 March 2006

	12 months ended	
	31.03.2006	31.03.2005
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(54,533)	(191,603)
Adjustments for:		
Non-cash items	21,230	160,911
Non-operating items	14,424	13,246
Operating loss before changes in working capital	<u>(18,879)</u>	<u>(17,446)</u>
Changes in current assets	30,400	13,693
Changes in current liabilities	(11,509)	(11,998)
Cash generated from operations	<u>12</u>	<u>(15,751)</u>
Tax paid	(54)	(460)
Net cash used in operating activities	<u>(42)</u>	<u>(16,211)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Advances recovered	-	74
Proceeds from disposal of property, plant and equipment	9,532	1,010
Purchase of property, plant and equipment	(671)	(8,179)
Interest received	1,351	662
Net cash generated from/(used in) investing activities	<u>10,212</u>	<u>(6,433)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances from directors	-	11,277
Bank borrowings	2,911	3,347
Interest paid	(15,775)	(14,086)
Other financing cash flows	(231)	(1,801)
Redemption of 5% Unsecured Bonds	-	(10,000)
Net cash used in financing activities	<u>(13,095)</u>	<u>(11,263)</u>

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 March 2005 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Cash Flow Statements (Cont'd.)
For the Twelve-Month Period Ended 31 March 2006

	12 months ended	
	31.03.2006	31.03.2005
	RM'000	RM'000
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,925)	(33,907)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	(18,916)	14,991
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD*	<u>(21,841)</u>	<u>(18,916)</u>

* Cash and cash equivalents at end of financial period comprise the following:

	12 months ended	
	31.03.2006	31.03.2005
	RM'000	RM'000
Deposits with a licensed bank	2,748	2,524
Cash and bank balances	743	1,893
Less: Bank overdrafts (included within short-term borrowings in Note 11)	(25,369)	(23,333)
	<u>(21,841)</u>	<u>(18,916)</u>

Included in cash and bank balances is a deposit amounting to RM2.7 million pledged to a bank for facilities granted to the Group.

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 March 2005 and the accompanying explanatory notes attached to the interim financial statements.



NOTES TO THE INTERIM FINANCIAL REPORT

(I) Compliance with Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting

(a) Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with FRS 134 (previously MASB 26), “Interim Financial Reporting” and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for financial year ended 31 March 2005. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2005 as well as any new approved accounting standards that are effective and applicable in the current financial year.

The following notes explain the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the financial year ended 31 March 2005.

(b) Disclosure of Audit Report and Qualification and Status of Matters Raised

Moores Rowland, the external auditors of the Company has completed the additional verification work and provided additional information in respect of the draft audited accounts of the Company for the financial year ended 31 March 2005 as required by the Securities Commission (SC). On 5 April 2006, the Company submitted its audited financial statements for the financial year ended 31 March 2005 to Bursa Malaysia Securities Berhad.

The auditor’s report on the financial statements for the financial year ended 31 March 2005 contained a disclaimer on the income statements, cash flow statements and statements of changes in equity of the Group and Company, and a qualified (except for) opinion on the balance sheets of the Group and Company. This is due to a fire incident on 14 June 2004 which occurred at the Group’s rented accounting premises that destroyed most of the accounting records and that the directors have had to use estimates extensively and beyond the normal extent in the preparation of the financial statements.



NOTES TO THE INTERIM FINANCIAL REPORT

(I) Compliance with Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting

(c) Seasonal or Cyclical Factors

The Group's performance is affected by seasonal increases for the poultry sector and wholesale and retail of foodstuffs during major festivals and the cyclical nature of production of fresh fruit bunches and cocoa beans.

(d) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2006.

(e) Material Changes in Estimates

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

(f) Changes in Debt and Equity Securities

The Group did not undertake any other issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period ended 31 March 2006.

(g) Dividends Paid

There were no dividends declared or paid for the current quarter.



NOTES TO THE INTERIM FINANCIAL REPORT

(I) Compliance with Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting

(h) Segmental Information

The following segment revenues and results for the 12-month period ended 31 March 2006 takes into account the re-statement of the financial results for the periods ended 30 June 2005 and 30 September 2005 due to the over-statement of sales during the said periods.

	3 months ended 31.03.2006 RM'000	12 months ended 31.03.2006 RM'000
Segment Revenue		
Investment holding	199	798
Feedmilling	5,862	33,211
Poultry farming	6,822	38,003
Plantation	693	2,892
Wholesale and retail of foodstuff	1,735	13,367
Others	71	443
	<u>15,382</u>	<u>88,714</u>
Eliminations	<u>(6,016)</u>	<u>(28,775)</u>
Group revenue	<u>9,366</u>	<u>59,939</u>
	3 months ended 31.03.2006 RM'000	12 months ended 31.03.2006 RM'000
Segment Results		
Investment holding	10	(42)
Feedmilling	(14,087)	(12,417)
Poultry farming	(23,909)	(32,489)
Plantation	(396)	(2,405)
Wholesale and retail of foodstuff	(1,676)	(4,691)
Others	(7)	(104)
	<u>(40,065)</u>	<u>(52,148)</u>
Eliminations	<u>1,637</u>	<u>-</u>
Loss from operations	<u>(38,428)</u>	<u>(52,148)</u>



NOTES TO THE INTERIM FINANCIAL REPORT

(l) Compliance with Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting

(i) Profit/(Loss) from investing activities

The profit from investing activities was due to the reversal of impairment losses on property, plant and equipment arising from the overprovision made in the previous financial year.

(j) Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial statements for the year ended 31 March 2003.

Comsa owns a highland property of basaltic-volcanic black top soil of 1288 acres located at Quoin Hill valued at RM255 million as at 13 January 2006. This could be developed to be a major contributor to the Group in the future. The financial effect of this revised valuation has not been incorporated in the interim financial statements.

(k) Material Events Subsequent to the End of Financial Period

Other than those disclosed below and under Note 10 of Part II of this interim financial report, there were no other material events subsequent to the end of the current quarter that have not been reflected in this interim financial report.

On 7 April 2006, the Board of Directors announced that based on the audited consolidated results of the Company for the financial year ended 31 March 2005, the Group and Company had deficits in shareholders' equity amounting to RM 19,011,000 and RM70,401,000 respectively. As a consequence, the Company is regarded as an Affected Lister Issuer pursuant to Paragraph 2.1 of PN17/2005. The Company is currently evaluating various options and endeavour to formulate a debt restructuring scheme to regularize its financial condition within the time frame stipulated by the relevant authorities.

On 18 April 2006, the Company submitted its 2005 Annual Report to Bursa Malaysia Securities Berhad.

On 19 April 2006, the Company shares resumed trading at Bursa Malaysia Securities Berhad.

On 21 April 2006 the Company received Bursa Malaysia Securities Berhad letter stating that it will not proceed with the de-listing procedures commenced against the Company on 28 March 2006 pursuant to paragraph 9.26(6) of the Bursa Malaysia Securities Berhad Listing Requirements.

On 28 April 2006, the Company announced that the Board of Directors has resolved not to proceed with the Proposed Renounceable Rights Issue of Redeemable Convertible Secured Loan Stocks 2005/2010 and the Proposed Private Placement.



NOTES TO THE INTERIM FINANCIAL REPORT

(l) Compliance with Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting

(l) Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter.

(m) Changes in Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA

(II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

1. Performance Review

The comparatives of 3 months and 12 months ended 31 March 2005 have been restated to reflect the true and fair view of the financial position of Comsa based on the audited accounts for the financial year ended 31 March 2005. Hence, the results of the current quarter and the previous quarter are not comparable to each other.

The Group's revenue for the current quarter comprises contribution from sale of eggs and feedmilling. The Group suffered a net loss of RM54.5 million for the year mainly due to rising raw material cost and provision for doubtful debts.

2. Material Changes in Profit Before Taxation for the Current Quarter as compared with the immediate Preceding Quarter

The decrease in Group's loss before taxation for the current quarter was mainly due to the lower provision for bad and doubtful debts and the reversal of impairment loss as disclosed in Part I (i) of the interim financial report.

3. Prospects

In considering the prospects of the Group, the Board of Directors has considered the following factors:

I. Government Policy

- a. The Federal Government is promoting the agricultural sector and has announced various incentives in support thereof;
- b. The State Government of Sabah has taken stringent steps to maintain and ensure its disease-free status.

II. Industry Outlook

- a. Poultry remains the primary affordable source of protein worldwide and the growing demand is expected to continue.

III. Company Status

- a. The Group's farms are bio-secured with modern, environmentally-controlled closed housing system;
- b. The Board of Directors and the management has been strengthened and is focused on returning the Group to profitability in the near future.

Notwithstanding the recent issues facing the industry and the Group, the Board of Directors is optimistic on moving forward.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA

(II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

4. Variance of Actual Profit from Forecast Profit

The disclosure requirements for explanatory notes for the variance of actual profit after tax and forecast profit after tax and for the shortfall in profit guarantee are not applicable.

5. Cost of Sales

The higher charge for cost of sales compared to the previous quarter was mainly due to the higher production costs in feedmill and layer operations.

6. Administrative Expenses

As explained in Part II (1), the comparatives have been restated and the results of the current quarter and the previous corresponding quarter are not comparable to each other.

7. Taxation

The breakdown of tax charges for the three-month and twelve-month periods ended 31 March 2006 are as set out below:

	3 months ended		12 months ended	
	31.03.2006	31.03.2005	31.03.2006	31.03.2005
	RM'000	RM'000	RM'000	RM'000
Tax expense for the period:				
- Malaysian income tax	-	(106)	3	69
- Real property gains tax	12	1	24	1
Under/(over) provision in prior years				
- Malaysian income tax	-	-	-	(116)
- Deferred tax	-	3,257	-	4,367
	<u>12</u>	<u>3,152</u>	<u>27</u>	<u>4,321</u>

The effective tax rates for the periods presented above differ from the statutory tax rate principally due to the losses suffered by the Company, disallowable expenses for tax purposes and the disposal of landed property that attracts real property gains tax.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA

(II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

8. Profit on Sales of Unquoted Investments and/or Properties

The results for the current quarter do not include any profit or loss on sale of unquoted investments and properties which are not in the ordinary course of business of the Group.

9. Quoted Securities other than Securities in Existing Subsidiaries

There were no dealings of quoted securities for the quarter under review.

10. Status of Corporate Proposals Announced

(a) Status of Corporate Proposals

(i) Proposed Bumiputra Placement

On 15 August 2003, the Company announced the Proposed Bumiputra Placement which will involve the allotment and issuance of up to 30,000,000 new Comsa shares. The proposed placement and issuance of shares allotted to Bumiputera investors is to be in line with the requirements of the National Development Policy ("NDP") and Foreign Investment Committee ("FIC"). The funds to be raised from the Proposed Bumiputera Placement are meant for working capital purposes.

The approvals in respect of the proposed placement were obtained from the Ministry of International Trade and Industry (MITI) and Securities Commission on 16 October 2003 and 20 October 2003 respectively.

On 15 February 2005, the Securities Commission (SC) granted an extension of time for the implementation of the Proposed Bumiputera Placement to 19 April 2005.

On 4 April 2005, SIBB had on behalf of the Board, sought the approval of the SC for another extension of time up to 31 December 2005 to complete the Bumiputera Placement.

On 9 June 2005, the SC approved the application for an extension of time of six months up to 19 October 2005 instead of up to 31 December 2005, as originally proposed by the Company.

On 5 October 2005, SIBB had on behalf of the Board, sought the approval of the SC for a further extension of time up to 19 April 2006 to complete the Bumiputera Placement.

On 23 November 2005, SC approved the extension of time to complete the Bumiputera Placement to 19 April 2006.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA

(II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

10. Status of Corporate Proposals Announced (Cont'd)

(a) Status of Corporate Proposals (Cont'd)

(ii) Proposed Renounceable Rights Issue of Redeemable Convertible Secured Loan Stocks 2005/2010 & Proposed Private Placement

Comsa propose to undertake a renounceable rights issue of up to RM285,120,000 nominal value of 7.0% 5-year redeemable convertible secured loan stocks ("RCSLS") on the basis of RM2.00 nominal value of RCSLS for every one existing ordinary share of RM1.00 each held in Comsa, and a proposed private placement of up to 10% of the issued and paid-up share capital of Comsa Farms Berhad.

The purpose of the RCSLS was to reorganize its funding structure to provide shareholders and investors with a new tradable instrument at the Bursa Malaysia Securities Berhad and to potentially increase in profitability of the business in the longer term.

The funds from the proposed private placement were to strengthen the financial position and capital base, whilst reducing the gearing of the Group.

Based on the consolidated audited financial statements as at 31 March 2005, Comsa has deficits in shareholders' equity of RM19,011,000. Comsa was classified as a Practice Note 17 ("PN17") company on 12 April 2006.

The Board of Directors of Comsa, after reviewing the financial condition of the Comsa group of companies, has resolved not to proceed with the Proposals as indicated in Part 1(k).

(iii) Proposed Warrants Extension

On 22 August 2005, AmMerchant Bank Berhad (AmMerchant), on behalf of the Company had announced a proposed extension of the duration and exercise period of the Warrants by five years from 4 November 2005 up to and including 4 November 2010.

On 28 September 2005, the SC approved the Proposed Warrants Extension.

On 26 October 2005, in a warrant holders' meeting and Extraordinary General Meeting, the warrant holders and shareholders respectively approved the Proposed Warrants Extension.

At the date of this report, the 37,520,000 Warrants remained unexercised.



(II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

10. Status of Corporate Proposals Announced (Cont'd)

(a) Status of Corporate Proposals (Cont'd)

(iv) Proposed Employees' Share Option Scheme (ESOS)

On 22 August 2005, AmMerchant, on behalf of the Company had announced the proposed establishment of a new ESOS of up to 15% of the issued and paid-up share capital of Comsa at any point in time during the duration of the scheme.

On 30 August 2005, Bursa Malaysia approved in principle for the listing of such number of new ordinary shares of RM1.00 each, representing up to fifteen per centum (15%) of the issued and paid-up share capital of Comsa to be issued pursuant to the exercise of options granted under the Proposed New ESOS at any point in time during the duration of the Proposed New ESOS.

On 26 October 2005, the shareholders of Comsa unanimously approved the establishment of the new ESOS.

There were no employee share options granted at the date of this report.

(b) Status of Utilisation of Proceeds

This is not applicable for the quarter and financial year todate under review.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA

(II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

11. Group Borrowings and Debt Securities

	As at 31.03.2006 RM'000
Short term borrowings	
Secured	124,221
Unsecured	40,000
	<u>164,221</u>
Long term borrowings	
Secured	22,685
Unsecured	45,000
	<u>67,685</u>
	<u>231,906</u>

All of the above borrowings are denominated in Ringgit Malaysia.

As the RM40 Million 2000/2005 Redeemable Unsecured Bonds is due within 12 months, it is now classified as current liabilities within unsecured short term borrowings resulting in net current liabilities.

Comsa had on 19 May 2006 received the Bondholders approval to defer repayment of the due amount and defer enforcing their rights to 31 August 2006.

12. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at the reporting date.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA

(II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

13. Changes in Material Litigation

K22-57-2006

Orix Credit Malaysia Sdn Bhd (“Orix”)

vs

Comsa Farms Berhad (“Comsa”)

On 12 December 2005, Orix had served Comsa the Notice of intention to repossess layer house equipment due to Comsa’s failure to pay the installments punctually on the due dates as per the hire purchase terms of the Hire Purchase Agreement dated 2 January 2003.

Orix had on 15 February 2006, through their solicitors, Messrs. Dr Yee Tan & Associates, demanded payment of the outstanding debt of RM756,039.17. Notwithstanding such demand, Comsa had failed, neglected and/or otherwise refused to settle the same within the stipulated period upon which Orix terminated the Hire Purchase Agreement.

On 24 March 2006, Orix claimed for the following sums: -

- a) The sum of RM357,111.00 as at 24 February 2006;
- b) Agreed interest thereon at the rate of 0.065% per day on the sum of RM302,600.00 from 25 February 2006 to the date of full payment;
- c) Statutory interest thereon at the rate of 8% per annum on the sum of RM302,600.00 from the date of judgement to the date of full payment;
- d) Costs; and
- e) Any other relief as the Court deems fit.

Comsa in consultation with its lawyers will be submitting an appeal to the Court.

T(22) 43 of 2005

SGS Societe Generale De Surveillance SA (“SGS”)

vs

Comsa Feedmills Sdn Bhd (“CFM”)

SGS is alleging that CFM had in breach of the terms of the Collateral Management Agreement dated 17 July 2003 (“CMA”) unlawfully taken or caused to be taken various quantities of Chinese Yellow Maize and Soya Bean Meal (“the Goods”) from certain silos and warehouse amounting to USD 3,348,320.86 between March 2004 and December 2004 and had failed to pay for the Goods. SGS is claiming for damages for breach of the CMA, an account of all goods allegedly taken by CFM and damages in the value of the Goods taken.

CFM has denied the allegations and claims of SGS and has counterclaimed against SGS. CFM alleges that SGS, in breach of its obligations pursuant to the CMA and/or alternatively by reason of SGS negligence, caused 20,206.05 Metric Tonnes of Goods to be missing from the silos and warehouse thereby resulting in loss and damages of CFM. CFM counterclaim amounts to RM14,248,268.92 together with damages, interest and costs.

The Directors are of the opinion that CFM has a reasonable chance of successfully defending the suit.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA

(II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

13. Changes in Material Litigation (Cont'd)

Claim by Toepfer International-Asia Ltd (“TIA”) against CFM under Stock Financing Agreement No. TIA/COMSA/2004/1 dated 3 June 2004

Haridass Ho & Partners, the lawyers acting on behalf of TIA has filed a claim against CFM for the sum of USD 1,342,826.85 being the amount for the supply of grains to CFM.

The Company is negotiating with TIA for a settlement sum.

Claim by Wilmar Trading Pte Ltd (“Wilmar”) against CFM for the sum of USD 1,336,621.08 as at 13 March 2006 due to Wilmar

CFM had been served a Statutory Notice under Section 218(2)(a) of the Companies Act, 1965 (application for execution No. S36-01 of 2006) (Suit No. S(22) 57 of 2003) by Tan Pang Tsen & Co., the lawyers acting on behalf of Wilmar.

The Directors in consultation with its solicitors have filed a case of defense against Wilmar's claim.

Claim by Liao Teng San & 3 others (“Plaintiff”) vs Comsa Broiler Farms Sdn Bhd (“CBrF”)

Liao Teng San, Liao Teng Hwa and Shim Thau Han had via Tawau High Court civil Suite No. S22-4-2004 filed a suit against CBrF seeking the Court's declaration that the Lock-Out Agreement dated 25 February 2003 be lawfully terminated, an injunction to restrain CBrF or his servants or agents or otherwise from occupying the slaughter house held under CL 105310941 and CL 075339963 plus damages.

The Plaintiff's application for summary judgement was dismissed with costs on 28 October 2004. The parties had on 25 February 2005 mutually agreed to vary the injunction and allowed CBrF to remove certain items from the slaughter house. CBrF's application to amend its defense has been allowed.

Claim by Bayeriche Hypo-Und Vereincbank AG (“Bayeriche”) vs Comsa Layer Farms Sdn Bhd (“CLF”)

Bayeriche, a Dutch company had via Tawau High Court Civil Suite No. 22-12-2000 filed a claim amounting to RM436,821.00 together with interest and cost against CLF for goods delivered in 1995 but were subsequently rejected by CLF on the grounds that the shipment delivered by Bayeriche were not of the specified quantity nor quality requested by CLF.

Summary judgement for Bayeriche had been set aside with cost on appeal by CLF. The High Court had on the 24 August 2005 allowed Bayeriche's claim for RM436,821.00 together with interest and costs.



ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA

(II) Compliance with Appendix 9B of Bursa Malaysia Listing Requirements

14. Dividend Proposed or Declared

No dividend has been declared for the financial period ended 31 March 2006 (31 March 2005: RM Nil).

15. Loss Per Share

(a) Basic

The losses per share were calculated by dividing the net loss for the period by the weighted average number of ordinary shares in issue during the period.

	3 months ended 31.03.2006	12 months ended 31.03.2006
Net loss for the period (RM'000)	(33,153)	(54,560)
Weighted average number of ordinary shares in issue ('000)	75,040	75,040
Loss per share (sen)	<u>(44.18)</u>	<u>(72.71)</u>

On behalf of the Board
COMSA FARMS BERHAD (425758-U)

LILY YIN KAM MAY (MAICSA 0878038)
Company Secretary

Kota Kinabalu

26 May 2006