

LTKM Berhad (Company No: 442942-H)
Condensed Consolidated Statement of Comprehensive Income
For the quarter ended 31 March 2013

	Note	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
		31/3/2013 RM'000	31/3/2012 RM'000	31/3/2013 RM'000	31/3/2012 RM'000
CONTINUING OPERATIONS					
Revenue		40,538	38,857	154,831	157,163
Cost of sales		(34,225)	(33,685)	(137,329)	(130,435)
Gross profit		6,313	5,172	17,502	26,728
Other income		3,671	1,999	5,273	3,601
Administrative expenses		(1,478)	(1,927)	(5,924)	(6,151)
Distribution expenses		(778)	(855)	(3,311)	(3,213)
Finance costs		(307)	(260)	(1,242)	(969)
Other expenses		(167)	(843)	(58)	(699)
Profit before tax		7,254	3,286	12,240	19,297
Taxation	B5	(1,601)	(781)	(2,678)	(4,830)
Profit net of tax		5,653	2,505	9,562	14,467
DISCONTINUED OPERATIONS					
(Loss)/profit net of tax		(43)	(1,584)	14	(12,604)
Profit net of tax		5,610	921	9,576	1,863
Other comprehensive income :					
Revaluation of land		3,596	-	3,596	-
Total comprehensive income for the year, net of tax		9,206	921	13,172	1,863
Net profit attributable to owners of the parent					
		5,610	883	9,576	1,825
Non controlling interest		-	38	-	38
		5,610	921	9,576	1,863
Total comprehensive income attributable to owners of the parent					
		9,244	883	13,210	1,825
Non controlling interest		(38)	38	(38)	38
		9,206	921	13,172	1,863
Earnings per share attributable to owners of the parent :					
- Basic (sen)	B11	12.94	2.04	22.08	4.21
- Diluted (sen)		N/A	N/A	N/A	4.20
CONTINUING OPERATIONS					
Earnings per share attributable to owners of the parent :					
- Basic (sen)	B11	13.04	5.69	22.05	33.29
- Diluted (sen)		N/A	N/A	N/A	33.25
DISCONTINUED OPERATIONS					
(Loss)/profit per share attributable to owners of the parent :					
- Basic (sen)	B11	(0.10)	(3.65)	0.03	(29.08)
- Diluted (sen)		N/A	N/A	N/A	(29.05)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

LTKM Berhad (Company No: 442942-H)
Condensed Consolidated Statement of Financial Position
As at 31 March 2013

	Note	As at 31 Mar 2013 RM'000	As at 31 Mar 2012 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		75,045	97,243
Investment properties		36,128	12,318
Biological assets		276	263
Investment securities		6,168	3,288
		<u>117,617</u>	<u>113,112</u>
Current assets			
Biological assets		12,119	12,804
Inventories		12,754	11,604
Property development cost		3,444	2,764
Tax recoverables		109	70
Trade and other receivables		12,280	11,274
Cash and bank balances		18,384	13,495
		<u>59,090</u>	<u>52,011</u>
TOTAL ASSETS		<u>176,707</u>	<u>165,123</u>
EQUITY AND LIABILITIES			
Attributable to equity holders of the parent			
Share capital		43,368	43,368
Reserves		89,960	80,652
		<u>133,328</u>	<u>124,020</u>
Non controlling interest		-	38
Total equity		<u>133,328</u>	<u>124,058</u>
Non-current liabilities			
Hire purchase payables		302	993
Borrowings	B7	11,732	13,074
Deferred tax liabilities		6,667	7,226
		<u>18,701</u>	<u>21,293</u>
Current liabilities			
Trade and other payables		11,533	7,743
Dividend payable		1,734	2,168
Hire purchase payables		691	616
Borrowings	B7	9,577	9,157
Taxation		1,143	88
		<u>24,678</u>	<u>19,772</u>
Total liabilities		<u>43,379</u>	<u>41,065</u>
TOTAL EQUITY AND LIABILITIES		<u>176,707</u>	<u>165,123</u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

LTKM Berhad (Company No: 442942-H)
Condensed Consolidated Statement of Cash Flows

	12 months ended 31 March	
	2013 RM'000	2012 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	12,240	19,297
Profit/(loss) before tax from discontinued operation	14	(12,607)
	<u>12,254</u>	<u>6,690</u>
Adjustment for non-cash flow		
Depreciation of property, plant & equipment	8,768	10,363
Write off of property, plant and equipment	13	708
Gain on disposal of property, plant and equipment	(88)	(371)
Impairment loss on property, plant & equipment	109	6,708
Fair value gain on investment properties	(2,822)	(959)
Fair value gain on investment securities	(654)	(399)
(Gain)/loss on disposal of investment securities	(20)	27
Amortisation of biological assets	8	9
Impairment loss on inventories	-	169
Impairment loss on trade and other receivables	237	856
Reversal of impairment loss on trade and other receivables	(251)	(60)
Provision for unutilised annual leave	50	41
Unrealised exchange loss	44	10
Dividend income	(245)	(99)
Interest expense	1,242	1,908
Interest income	(206)	(137)
Operating profit before changes in working capital	<u>18,439</u>	<u>25,464</u>
Decrease/(increase) in biological assets	664	(38)
Increase in property development costs	(680)	(1,537)
Increase in inventories	(1,150)	(957)
Increase in receivables	(992)	(1,250)
Increase in payables	3,776	1,048
Cash generated from operating activities	<u>20,057</u>	<u>22,730</u>
Net taxes paid	(2,219)	(8,221)
Interest paid	(1,242)	(1,908)
Net cash flows generated from operating activities	<u>16,596</u>	<u>12,601</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(4,245)	(4,979)
Purchase of marketable securities	(2,951)	(1,165)
Proceeds from disposal of property, plant & equipment	208	7,302
Proceeds from disposal of marketable securities	704	1,133
Interest received	206	137
Dividend received	245	91
Net cash flows (used in)/generated from investing activities	<u>(5,833)</u>	<u>2,519</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(4,337)	(5,630)
Proceeds from issue of shares	-	202
Repayment of term loans	(686)	(2,623)
Repayment of other bank borrowings	(236)	(2,107)
Repayment of hire purchase	(616)	(7,689)
Net cash flows used in financing activities	<u>(5,875)</u>	<u>(17,847)</u>
Net change in cash and cash equivalents	4,888	(2,727)
Cash and cash equivalents at 1 April	<u>13,495</u>	<u>16,222</u>
Cash and cash equivalents at end of the period	<u>18,383</u>	<u>13,495</u>
Cash and cash equivalents comprise the following amounts:-		
Fixed deposits with licensed banks	11,120	4,514
Cash on hand and at bank	7,263	8,981
Cash and bank balances	<u>18,383</u>	<u>13,495</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

LTKM Berhad (Company No: 442942-H)
Condensed Consolidated Statements of Changes in Equity
For the quarter ended 31 March 2013

	Attributable to equity holders of the parent							Non controlling Interest RM'000	Total equity RM'000
	[------(Non- distributable)-----]				(Distributable)		Total RM'000		
	Share capital RM'000	Share premium RM'000	Asset Revaluation Reserve RM'000	ESOS Reserve RM'000	Retained profits RM'000				
12 months ended 31 Mar 2013									
At 1 April 2012	43,368	2,468	9,101	-	69,084	124,021	38	124,059	
Total comprehensive income	-	-	3,596	-	9,614	13,210	(38)	13,172	
Transactions with owners									
Dividends	-	-	-	-	(3,903)	(3,903)	-	(3,903)	
Total transactions with owners	-	-	-	-	(3,903)	(3,903)	-	(3,903)	
At 31 March 2013	43,368	2,468	12,697	-	74,795	133,328	-	133,328	
12 months ended 31 Mar 2012									
At 1 April 2011	43,232	2,365	9,130	204	72,699	127,630	-	127,630	
Total comprehensive income	-	-	(29)	-	1,854	1,825	38	1,863	
Transactions with owners									
Issue of ordinary shares	136	103	-	(37)	-	202	-	202	
Expiry of employee share options	-	-	-	(167)	167	-	-	-	
Dividends	-	-	-	-	(5,636)	(5,636)	-	(5,636)	
Total transactions with owners	136	103	-	(204)	(5,469)	(5,434)	-	(5,434)	
At 31 March 2012	43,368	2,468	9,101	-	69,084	124,021	38	124,059	

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.

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 FRS 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 2012. 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 2012.

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 2012, except for the adoption of the following new and revised Financial Reporting Standards (“FRS”), Amendments to FRSs, IC Interpretations and Technical Releases (“TR”) that have become effective for the financial periods beginning 1 April 2012.

IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments
 Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement
 Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
 Amendments to FRS 7: Transfers of Financial Assets
 Amendments to FRS 112: Deferred Tax – Recovery of Underlying Assets
 FRS 124: Related Party Disclosures

The adoption of the above FRSs, Amendments to FRSs and IC Interpretations did not have any significant effects on the interim financial statements.

The Group has not early adopted the following FRSs, IC Interpretations and Amendments to FRSs, which have been issued and will be effective for the financial periods as stated below :-

	Effective date for financial periods beginning on or after
Amendments to FRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 10: Consolidated Financial Statements	1 January 2013
FRS 11: Joint Arrangements	1 January 2013
FRS 12: Disclosure of Interests in Other Entities	1 January 2013
FRS 13: Fair Value Measurement	1 January 2013
FRS 119: Employee Benefits	1 January 2013
FRS 127: Separate Financial Statements	1 January 2013
FRS 128: Investments in Associates and Joint Ventures	1 January 2013
IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 9: Financial Instruments	1 January 2015

The above new FRSs, IC Interpretations and Amendments to FRSs will be adopted by the Group when

they become effective and that the initial applications of these Standards and IC Interpretations will have no material impact on the financial statements of the Group.

The Group falls within the Transitioning Entities of the Malaysian Accounting Standards Board (MASB)'s new approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS"); and accordingly, will only be issuing its first MFRS compliant financial statements for the period beginning 1 April 2014.

A2. Audit Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2012 was not qualified.

A3. Segmental Information

	3 months ended		12 months ended	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
Revenue from continuing operations:-				
Poultry & related products	39,886	37,221	147,712	153,309
Extraction & sale of sand	956	856	3,885	2,746
Others	(304)	780	3,234	1,108
	40,538	38,857	154,831	157,163
Revenue from discontinued operations	-	(5)	-	2,220
Total	40,538	38,852	154,831	159,383
Segment results				
Results from continuing operations:-				
Poultry & related products	4,568	2,192	8,054	18,296
Investment holdings	2,660	1,045	2,653	1,242
Extraction & sale of sand	277	(57)	971	(281)
Others	(251)	106	562	40
	7,254	3,286	12,240	19,297
Results from discontinued operations	(43)	(1,584)	14	(12,607)
Total	7,211	1,702	12,254	6,690

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 31 March 2013.

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

There was no dividend paid during the quarter under review.

A8. Carrying Amount of Revalued Assets

On 1st April 2012, a piece of property consisting of land and building was reclassified from Property, Plant and Equipment to Investment Property in accordance with a change in use, resulting in a valuation gain of RM11,506 recognised into profit & loss. As at end of the current financial period, the property together with another piece of investment property were restated to its current fair value, giving rise to RM2,529,000 net gain included in profit and loss. Both valuations were carried out by professional independent valuer, Jordan Lee & Jaafar (S) Sdn Bhd.

Another piece of freehold land held under property, plant and equipment was also revalued by independent professional, Jordan Lee & Jaafar (M'cca) Sdn Bhd, by reference to open market value based on existing use basis. The net gain arising from the revaluation of RM3,596,000 was included in asset revaluation reserve in the current quarter under review.

There were no other 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 other 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 2012.

A12. Subsequent Events

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

A13. Profit for the Period

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

	3 months ended		12 months ended	
	31 March 2013 RM'000	31 March 2012 RM'000	31 March 2013 RM'000	31 March 2012 RM'000
Interest income	29	28	206	137
Other income including				
investment income	2,053	987	3,155	1,687
Interest expense	(307)	(347)	(1,242)	(1,908)
Depreciation & amortisation	(2,146)	(2,339)	(8,777)	(10,372)
Provision for and write off of				
receivables	(43)	(655)	(237)	(856)
Provision for and write off of				
inventories	-	-	-	(169)
Gain on disposal of quoted or				
unquoted investment or				
properties	88	(535)	108	344
Impairment of assets	(109)	(708)	(122)	(7,416)
Foreign exchange gain	133	55	491	509
Gain/(loss) on derivatives	-	-	-	-
Exceptional items	-	-	-	-

A14. Realised and Unrealised Profits/(Losses) Disclosure

	As at 31.3.2013 (RM'000)	As at 31.3.2012 (RM'000)
Total retained profits :		
Realised profits	72,281	71,827
Unrealised losses	(1,889)	(5,878)
	<u>70,392</u>	<u>65,949</u>
Less : Consolidation adjustments	4,403	3,135
Retained profits as per consolidated accounts	<u>74,795</u>	<u>69,084</u>

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

The Group registered a revenue of RM40.54 million and a net profit of RM5.61 million for the current quarter as compared to RM38.86 million and RM0.92 million respectively in preceding year corresponding quarter. Lower cost of soybean in the poultry segment and absence of loss from discontinued operation in the current quarter has resulted in higher profit for the Group.

For the current year under review, the Group recorded a revenue of RM154.83 million and a net profit of RM9.58 million as compared to a revenue of RM157.16 million and net profit of RM1.86 million in the corresponding period of the previous year. Increase in the costs of major raw materials particularly soybean and reduced selling prices of eggs resulted in lower profit in the poultry segment. However, overall profit improved in the current year due to the absence of loss from discontinued operation as compared to prior year.

Revenue and contribution from other segments did not significantly affect the performance of the Group for the current quarter under review.

B2. Comment on Material Change in Profit Before Tax

The Group posted a net profit of RM5.61 million for the current quarter as against a net profit of RM1.99 million in the preceding quarter. The Group's revenue for this quarter at RM40.54 million is marginally lower than the RM40.67 million in the preceding quarter. The increase in profit before tax as compared to the preceding quarter was largely due to lower cost of major raw materials particularly soybean and other income arising from revaluation of investment properties.

There were no material change in contributions from other segments of the Group.

B3. Commentary on Prospects

The Board is optimistic on the poultry segment for the next period as the selling prices of eggs and prices of major raw materials particularly soybean have stabilized.

The contributions from other segments namely the Extraction and Sale of Sand, Investment Holdings and Others are not expected to significantly contribute to the results of the Group.

B4. Profit Forecast or Profit Guarantee

This is not applicable.

B5. Tax Expenses

	12 months ended 31.3.13	12 months ended 31.3.12
	RM'000	RM'000
Continuing operations		
- Income tax expense	3,235	4,830

- Deferred tax	(557)	-
	2,678	4,830
Discontinued operation		
- income tax reversal	-	(3)
Total tax expense	2,678	4,827

The effective tax rate for the current year-to-date is higher than the statutory rate of 25% due mainly to undeductible expenses.

B6. Corporate Proposals

(a) Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 22 May 2013.

(b) Status of Utilisation of Proceeds

Not applicable as there was no corporate proposal to raise funds.

B7. Borrowings

The total Group borrowings as at 31 March 2013 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
Term loan	4,901	1,306	6,207
Other bank borrowings	1,500	1,870	3,370
Hire Purchase Payables	691	-	691
	7,092	3,176	10,268
Long term borrowings			
Term loan	6,961	4,771	11,732
Hire Purchase Payables	302	-	302
	7,263	4,771	12,034
Total	14,355	7,947	22,302

There were no borrowings in any foreign currency as at 31 March 2013.

B8. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 22 May 2013.

B9. Changes in Material Litigations

There were no material litigations involving the Group for the current quarter under review.

B10. Dividend Payable

On 1 March 2013, the Board of Directors had declared a single-tier interim dividend of 4% per share in respect of the financial year ended 31 March 2013, amounting to RM1.73 million. It was paid on 8 April 2013 to depositors registered in the Record of Depositors at the close of business on 18 March 2013.

B11. Earnings per share

	3 months ended		12 months ended	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) attributable to ordinary shareholders of the parent :-				
Continuing operations	5,653	2,467	9,562	14,429
Discontinued operation	(43)	(1,584)	14	(12,604)
Group	5,610	883	9,576	1,825
	No. of shares	No. of shares	No. of shares	No. of shares
Weighted average number of shares ("WAS")	43,368,002	43,368,002	43,368,002	43,339,895
Effects of dilution	-	-	-	53,051
Adjusted WAS	43,368,002	43,368,002	43,368,002	43,392,946
	Sen per share	Sen per share	Sen per share	Sen per share
Basic EPS :-				
Continuing operations	13.04	5.69	22.05	33.29
Discontinued operation	(0.10)	(3.65)	0.03	(29.08)
	12.94	2.04	22.08	4.21
Diluted EPS :-				
Continuing operations	N/A	N/A	N/A	33.25
Discontinued operation	N/A	N/A	N/A	(29.05)
	-	-	-	4.20

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 29 May 2013.

B13. Dividends Paid / Declared

Dividend paid and declared since the financial year 2008 up to the date of this report.

Dividend No.	Financial Year	Type	Rate	Payment Date
12	2008	Interim dividend	3% per share, tax exempt	21.4.2008
13	2008	Final dividend	7% per share less tax	7.10.2008
14	2009	Interim dividend	3% per share, tax exempt	15.5.2009
15	2009	Final dividend	5% per share, single-tier	07.10.2009
16	2010	Interim dividend	3% per share, single-tier	14.5.2010
17	2010	Final dividend	5% per share, single-tier	7.10.2010
17	2010	Special dividend	2% per share, single-tier	7.10.2010
18	2011	Interim dividend	5% per share, single-tier	14.4.2011
19	2011	Final dividend	8% per share, single-tier	6.10.2011
20	2012	Interim dividend	5% per share, single tier	3.4.2012
21	2012	Final dividend	5% per share, single tier	4.10.2012
22	2013	Interim dividend	4% per share, single tier	8.4.2013