



**TPC PLUS BERHAD (615330-T)**

*(Incorporated in Malaysia)*

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

*The figures have not been audited.*

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Quarter
		30.9.2019 RM'000	30.9.2018 RM'000	30.9.2019 RM'000	30.9.2018 RM'000
<b>CONTINUING OPERATIONS :</b>					
Revenue		67,278	54,661	181,614	151,110
Operating expenses		(65,554)	(56,677)	(169,577)	(153,938)
Other operating income		508	624	1,455	1,784
Profit/(Loss) from operations		2,232	(1,392)	13,492	(1,044)
Finance costs		(810)	(1,028)	(2,558)	(2,944)
Profit/(Loss) before taxation	B14	1,422	(2,420)	10,934	(3,988)
Taxation	B6	(146)	399	(1,704)	32
Profit/(Loss) after taxation		1,276	(2,021)	9,230	(3,956)
Other comprehensive income		-	-	-	-
<b>Total comprehensive income/(expenses) for the period</b>		<b>1,276</b>	<b>(2,021)</b>	<b>9,230</b>	<b>(3,956)</b>
<b>Profit/(Loss) after taxation attributable to :</b>					
Equity holders of the Company		1,276	(2,021)	9,230	(3,956)
		1,276	(2,021)	9,230	(3,956)
<b>Total comprehensive income/(expenses) attributable to :</b>					
Equity holders of the Company		1,276	(2,021)	9,230	(3,956)
		1,276	(2,021)	9,230	(3,956)
Earnings/(Loss) per share					
- basic (sen)	B17(a)	0.55	(0.86)	3.95	(1.69)
- diluted (sen)	B17(b)	0.47	N/A	3.37	N/A

*The Condensed Consolidated Statement of Profit or Loss and Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.*



**TPC PLUS BERHAD (615330-T)**

*(Incorporated in Malaysia)*

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2019**

*The figures have not been audited.*

	Note	As at Current Quarter Ended 30.9.2019 RM'000 <i>UNAUDITED</i>	As at Preceding Financial Year Ended 31.12.2018 RM'000 <i>AUDITED</i>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		97,754	112,599
Right-of-use assets		10,058	-
Investment properties		460	640
		<b>108,272</b>	<b>113,239</b>
<b>Current Assets</b>			
Inventories		5,851	6,245
Biological assets		46,098	35,029
Current tax assets		14	-
Trade receivables	B16	28,620	22,191
Other receivables, deposits and prepayments		1,025	3,424
Fixed deposits with financial institutions		565	460
Short-term investment		610	571
Cash and bank balances		6,483	7,332
		<b>89,266</b>	<b>75,252</b>
<b>TOTAL ASSETS</b>		<b>197,538</b>	<b>188,491</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		52,009	52,009
Warrant reserve		19,325	19,325
Retained earnings		23,209	13,979
Shareholders' equity		<b>94,543</b>	<b>85,313</b>
<b>Non-Current Liabilities</b>			
Long term borrowings	B10	15,289	23,600
Lease liabilities	B10	4,201	-
Deferred tax liabilities		11,486	9,782
		<b>30,976</b>	<b>33,382</b>
<b>Current Liabilities</b>			
Trade payables		40,717	39,925
Other payables and accruals		3,767	2,529
Amount owing to related companies		-	2,176
Short term borrowings	B10	23,366	24,220
Lease liabilities	B10	3,472	-
Bank overdrafts	B10	697	928
Current tax liabilities		-	18
		<b>72,019</b>	<b>69,796</b>
<b>TOTAL LIABILITIES</b>		<b>102,995</b>	<b>103,178</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>197,538</b>	<b>188,491</b>
		-	-
<b>NET ASSETS PER SHARE (RM)</b>		<b>0.40</b>	<b>0.36</b>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.*



**TPC PLUS BERHAD (615330-T)**

*(Incorporated in Malaysia)*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

*The figures have not been audited.*

	<b>Share Capital</b>	<b>Share Premium</b>	<b>Warrant Reserve</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 January 2019</b>	52,009	-	19,325	13,979	85,313
Total comprehensive income for the period	-	-	-	9,230	9,230
<b>At 30 SEPTEMBER 2019</b>	52,009	-	19,325	23,209	94,543

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2018**

	<b>Share Capital</b>	<b>Share Premium</b>	<b>Warrant Reserve</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 January 2018</b>	46,764	5,245	19,325	10,644	81,978
Reclassification pursuant to S618(2) of CA 2016	5,245	(5,245)	-	-	-
Total comprehensive expenses for the period	-	-	-	(3,956)	(3,956)
<b>At 30 SEPTEMBER 2018</b>	52,009	-	19,325	6,688	78,022

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.*



**TPC PLUS BERHAD (615330-T)**

*(Incorporated in Malaysia)*

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED**

**30 SEPTEMBER 2019**

*The figures have not been audited.*

	<b>Current Year-to-Date 30.9.2019 RM'000</b>	<b>Preceding Year-to-Date 30.9.2018 RM'000 <i>Restated</i></b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	10,934	(3,988)
<i>Adjustments for :</i>		
Assets written off	225	-
Depreciation of property, plant and equipment	6,135	6,729
Depreciation of right-of-use assets	793	-
Depreciation of investment property	180	-
Impairment losses on trade receivables	2,723	331
Interest expenses	2,558	2,944
Interest income	(56)	(30)
Operating profit before working capital changes	23,492	5,986
Net change in inventories	394	(2,626)
Net change in biological assets	(11,069)	(1,268)
Net change in trade and other receivables	(6,753)	(5,696)
Net change in trade and other payables	277	10,492
Cash from operations	6,341	6,888
Income tax paid	(31)	(71)
<b>Net cash from operating activities</b>	<b>6,310</b>	<b>6,817</b>
<b>CASH FLOW FOR INVESTING ACTIVITIES</b>		
Interest received	56	30
Increase in fixed deposit pledged	(105)	-
Acquisition of property, plant and equipment	(345)	(8,712)
<b>Net cash for investing activities</b>	<b>(394)</b>	<b>(8,682)</b>
<b>CASH FLOW (FOR)/FROM FINANCING ACTIVITIES</b>		
Interest paid	(2,558)	(2,944)
Drawdown of bankers' acceptances	1,433	10,868
Repayment of hire purchase obligations	-	758
Repayment of lease liabilities	(2,558)	(3,894)
Drawdown of term loans	-	6,150
Repayment of term loans	(2,812)	(6,672)
<b>Net cash (for)/from financing activities</b>	<b>(6,495)</b>	<b>4,266</b>
<b>Net changes in cash and cash equivalents</b>	<b>(579)</b>	<b>2,401</b>
Cash and cash equivalents at beginning of the financial period	6,975	3,636
<b>Cash and cash equivalents at end of the period</b>	<b>6,396</b>	<b>6,037</b>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.*



## **A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements**

### **A1. Basis of preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with 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. Changes in Accounting Policies**

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

The adoption of MFRS 16: Leases did not have any material impact and the Group has adopted “Modified Retrospective Approach”.

### **A3. Auditors’ report**

The auditors’ report on the financial statements for the year ended 31 December 2018 was not subject to any audit qualification.

### **A4. Seasonal and Cyclical Factors**

The business operations of the Group was not significantly affected by any unusual seasonal or cyclical factors.

### **A5. Unusual Items Due to Their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that were unusual because of their nature, size or incidence.



**A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements (Cont’d)**

**A6. Material Change in Estimates**

There were no material changes in estimates of the amounts reported in the current interim period of the current financial year.

**A7. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities during the financial period 30 September 2019.

**A8. Dividends Paid**

There were no dividends paid during the current quarter under review.

**A9. Segmental Information**

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business segment is not presented.

**A10. Valuations of Property, Plant and Equipment**

There were no valuations carried out on property, plant and equipment of the Group during period under review.

**A11. Material Subsequent Events**

There were no material events subsequent to the end of the current quarter that have not been reflected in the current financial statements.

**A12. Changes in the Composition of the Group**

There were no major changes in the composition of the Group for the current financial quarter under review.

**A13. Capital Commitments**

The capital commitments of the Group as at 30 September 2019 are as follow:-

	<b>RM'000</b>
Purchase of property, plant and equipment	<u>3,539</u>



**A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements (Cont’d)**

**A14. Changes in Contingent Liabilities**

Changes in material contingent liabilities of the Group and Company since 31 December 2018 were as follows:

	Group		Company	
	30.9.2019 RM'000	30.9.2018 RM'000	30.9.2019 RM'000	30.9.2018 RM'000
Guarantees granted by the Company to third parties for credit facilities extended to subsidiaries	Nil	Nil	53,719	82,219
Outstanding guarantees granted by the Company to third parties for credit facilities extended to subsidiaries	Nil	Nil	39,352	48,479

**A15. Related Party Transactions**

The following related party transactions have been entered into the normal course of business at arm's length:

	Current Period Quarter	Cumulative Year to-Date
	30.9.2019	30.9.2019
	RM'000	RM'000
<b>Immediate holding company</b>		
Sales of eggs and feeds	17,389	31,824
Purchase of eggs, feeds, raw materials and livestock	19,698	40,807
<b>Fellow subsidiaries</b>		
Sales of feeds, raw materials and spent layers	13,353	40,135
Purchase of feeds, raw materials and egg trays	1,077	3,508

[The rest of this page is intentionally left blank]



**B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements**

**B1. Performance Review**

	Individual Period (3 <sup>rd</sup> Quarter)		Changes (%)	Cumulative Period		Changes (%)
	Current Year Quarter	Preceding Year Corresponding Quarter		Current Year To-Date	Preceding Year Corresponding Period	
	30.9.2019	30.9.2018		30.9.2019	30.9.2018	
	RM'000	RM'000		RM'000	RM'000	
Revenue	67,278	54,661	23.08	181,614	151,110	20.19
Profit / (Loss) From Operation	2,232	(1,392)	260.34	13,492	(1,044)	1,392.34
Profit / (Loss) Before Taxation	1,422	(2,420)	158.76	10,934	(3,988)	374.17
Profit / (Loss) After Taxation	1,276	(2,021)	163.14	9,230	(3,956)	333.32
Profit / (Loss) After Taxation Attributable to Owners of the Company	1,276	(2,021)	163.14	9,230	(3,956)	333.32

For the current quarter period ended 30 September 2019, the Group registered a revenue of RM67.28 million as compared to the preceding year quarter of RM54.66 million, indicating a growth of approximately RM12.62 million or 23%. This growth was due to both the increase in number of eggs sold as the results of higher egg production and stronger market demand of eggs. Besides, the average egg selling price for the current quarter was higher compare to the corresponding quarter of preceding year.

As the result, the Group reported a profit before taxation of RM1.42 million during Q3 2019 as compared to the loss before taxation of RM2.42 million during Q3 2018, indicating an increase of approximately RM3.84 million or 158.76%. During the current quarter under review, there is a fair value gain of the biological assets offset by an impairment made on trade receivable amounted to RM2.3mil.

**B2. Comparison with the Preceding Quarter's Results**

	Current Quarter	Immediate Preceding Quarter	Changes (%)
	30.9.2019	30.6.2019	
	RM'000	RM'000	
Revenue	67,278	53,520	25.71
Profit / (Loss) From Operation	2,232	(393)	667.94
Profit / (Loss) Before Taxation	1,422	(1,265)	212.41
Profit / (Loss) After Taxation	1,276	(1,638)	177.90
Profit / (Loss) After Taxation Attributable to Owner of the Company	1,276	(1,638)	177.90





**B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)**

**B2. Comparison with the Preceding Quarter's Results (Cont'd)**

For the current quarter ended 30 September 2019, the Group registered a higher revenue of RM67.28 million as compared to the preceding quarter of RM53.52 million, which indicates a rise of approximately RM13.76 million or 25.71%. This was mainly due to higher average selling prices of eggs.

As the result, the Group recorded a profit before taxation of RM1.42 million during Q3 2019 as compared to the loss before taxation of RM1.27 million during Q2 2019. The improvement in the profit before taxation for current quarter was also contributed by the recognition of fair value gain in biological assets offset by an impairment made on trade receivable amounted to RM2.3mil.

**B3. Commentary on Current Year Prospect**

The Board is confident that the Group's performance will remain favourable for the forthcoming quarter since the prices of eggs have slowly improved and the raw materials continue to remain stable. The company will continue to grow and expand the egg productions in order to meet market demand.

**B4. Profit Forecast or Profit Guarantee**

The Group did not publish any profit forecast or issue any profit guarantee during the reporting year.

**B5. Statement by Directors**

The Group did not issue any profit forecast or projection in a public document in the current quarter or prior financial period.

**B6. Taxation**

Income tax expense / (income) comprises the following:

	Individual Period		Cumulative Period	
	Current period quarter	Preceding year corresponding quarter	Current year-to-date (9 months)	Preceding year-to-date (9 months)
	30.9.2019	30.9.2018	30.9.2019	30.9.2018
	RM'000	RM'000	RM'000	RM'000
In respect of the financial period Malaysian income tax	-	-	-	-
Deferred tax expense / (income)	146	(399)	1,704	(32)
<b>Total</b>	146	(399)	1,704	(32)

**B7. Landed Properties**

There was no disposal of any landed properties for the current financial year.



# TPC PLUS BERHAD (615330-T)

(Incorporated in Malaysia)

## B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

### B8. Quoted Investment

There were no purchases or sales of quoted securities for the current financial year.

### B9. Status of Corporate Proposal and Utilisation of Proceeds

There were no corporate proposals announced but not completed as at 30 September 2019.

A total of 80,000,000 free Warrants were issued on 20 January 2016 and listed on Main Market of Bursa Malaysia Securities Berhad on 22 January 2016 with a 5 years' exercise period and each warrant carries the entitlement to subscribe for one (1) new TPC Share at an exercise price of RM0.20 per warrant. The maturity date for the warrants is on 19 January 2021.

As at 30 September 2019, a total of 21,000 warrants have been converted into shares and the proceed has been deposited into TPC Warrant Account for working capital purpose.

No Warrants 2016/2021 were exercised during the current quarter under review.

### B10. Group Borrowings and Debt Securities

The Group's borrowings as at 30 September 2019 are all denominated in Ringgit Malaysia ("RM") and the breakdown of the total borrowings under current and non-current categories are as follows:

	RM'000
<b><u>Current</u></b>	
Bankers' acceptances - secured	18,721
Term loan – secured	4,645
Lease liabilities	3,472
Overdrafts – secured	697
	<u>27,535</u>
<b><u>Non-Current</u></b>	
Term loan – secured	15,289
Lease liabilities	4,201
	<u>19,490</u>
<b>TOTAL</b>	<b><u>47,025</u></b>

- As at 30 September 2019, there were no borrowings denominated in foreign currencies.
- Effective average cost of borrowings based on exposure as at 30 September 2019 ranges from 5.31-8.62%.

### B11. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 30 September 2019.



**B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)**

**B12. Changes in Material Litigation since the Last Annual Statement of Financial Position**

Other than the summons as described below, there were no material litigations involving the Group for the current quarter under review.

Teck Ping Chan Agriculture Sdn Bhd (Company No. 197801004928 (41913-X)) ("TPCA"), a wholly owned subsidiary of the Company had received two (2) summons, MA-63AP-4-08/2019 and MA-63AP-5-08/2019, both dated 28 August 2019 to appear in the Melaka Magistrate Court on 1 October 2019 for the purpose of defending the following charges:

(a) MA-63AP-4-08/2019

That TPCA had increased the markup of a Grade A egg by 29.33% from 26.92% to 56.25% allegedly infringing Peraturan 3(a), Peraturan-Peraturan Kawalan Harga Dan Antipencatutan (Mekanisme Untuk Menentukan Keuntungan Tinggi Yang Tidak Munasabah) 2018 and as a result has committed an offence under Seksyen 14(1) Akta Kawalan Harga Dan Antipencatutan 2011; and

(b) MA-63AP-5-08/2019

That TPCA had increased the margin of a Grade A egg by 14.63% from 21.37% to 36.00% allegedly infringing Peraturan 3(b), Peraturan-Peraturan Kawalan Harga Dan Antipencatutan (Mekanisme Untuk Menentukan Keuntungan Tinggi Yang Tidak Munasabah) 2018 and as a result has committed an offence under Seksyen 14(1) Akta Kawalan Harga Dan Antipencatutan 2011.

TPCA had appointed Messrs. Chee Siah Le Kee & Partners to act on its behalf in this matter.

The Company will provide further details as the case develops, in due course.

**B13. Dividend Payable**

The Group has not recommended or declared any dividend during the current quarter and period to date ended 30 September 2019.



**B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)**

**B14. Profit Before Taxation Is Arrived at After Charging/(Crediting)**

	<b>Current Period Quarter</b>	<b>Cumulative Year to-Date</b>
	<b>30.9.2019</b>	<b>30.9.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit before taxation is arrived at after charging/(crediting):-		
Assets written off	-	225
Auditors' remuneration – Audit fees	90	90
Depreciation of property, plant and equipment	2,118	6,135
Depreciation of right-of-use assets	300	793
Depreciation of investment property	60	180
Impairment loss on financial assets – MFRS 9	148	399
Impairment losses on trade receivables	2,324	2,324
Interest expenses	810	2,558
Other income including investment income	(508)	(1,455)

Other than the above items, there were no provision for and write off of inventories, gain or loss on disposal of unquoted investment or properties, gain or loss on derivatives and exceptional items for the current and financial year-to-date.

**B15. Cash and Cash Equivalent at The End of The Financial Period**

	<b>RM'000</b>
Cash and bank balances	6,483
Short-term investment	610
Fixed deposits with financial institutions	565
Bank overdrafts (secured)	(697)
	<u>6,961</u>
Less: Fixed deposits pledged	(565)
	<u>6,396</u>

**B16. Trade Receivables**

	<b>Cumulative Year to-Date</b>	<b>Cumulative Year to-Date</b>
	<b>30.9.2019</b>	<b>30.6.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Third parties	10,659	9,180
Fellow subsidiaries	21,151	17,892
Impairment loss on financial assets – MFRS 9	(642)	(494)
Impairment losses on trade receivables	(2,548)	(224)
<b>Total</b>	<b>28,620</b>	<b>26,354</b>



# TPC PLUS BERHAD (615330-T)

(Incorporated in Malaysia)

## B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

### B17. Earnings/(Loss) Per Share ("EPS")

	Individual Quarter		Cumulative Quarter	
	30.9.2019	30.9.2018	30.9.2019	30.9.2018
	RM'000	RM'000	RM'000	RM'000
<b>a) Basic Earnings/(Loss) per Share</b>				
Net Earnings/(Loss) for the period	1,276	(2,021)	9,230	(3,956)
Weighted average number of ordinary shares	233,795	233,795	233,795	233,795
Basic Earnings/(Loss) per Share (sen)	0.55	(0.86)	3.95	(1.69)
<b>b) Diluted Earnings Per Share</b>				
Net Earnings for the period	1,276	-	9,230	-
Weighted average number of ordinary shares	233,795	-	233,795	-
Number of shares deemed to have been issued for no consideration – Warrants	34,864	-	40,317	-
Weighted average number of ordinary shares	268,659	-	274,112	-
Diluted Earnings per Share (sen)	0.47	*-	3.37	*-

\*The diluted loss per share is not presented as there is an anti-dilutive effect arising from the assumed exercise of warrants.