

TEO SENG CAPITAL BERHAD (732762-T)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2011**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30 Sep 2011 RM'000	Preceding Year Corresponding Quarter 30 Sep 2010 RM'000	Current Year To Date 30 Sep 2011 RM'000	Preceding Year Corresponding Period 30 Sep 2010 RM'000
Revenue	66,335	49,552	127,610	93,270
Operating Expenses	(60,921)	(40,939)	(115,737)	(79,025)
Other Income	332	414	1,010	635
Finance Cost	(836)	(596)	(1,607)	(1,162)
Profit Before Taxation	<u>4,910</u>	<u>8,431</u>	<u>11,276</u>	<u>13,718</u>
Tax Expense	(1,491)	(1,492)	(3,140)	(2,591)
Profit for the period	<u>3,419</u>	<u>6,939</u>	<u>8,136</u>	<u>11,127</u>
Other Comprehensive Income:				
Fair Value adjustment for Available for Sale financial assets	(1)	2	-	2
Currency translation differences	(4)	-	16	-
Total comprehensive income for the period	<u>3,414</u>	<u>6,941</u>	<u>8,152</u>	<u>11,129</u>
Profit for the period attributable to:				
Equity holders of the parent	3,434	6,939	8,194	11,127
Non-controlling interest	(15)	-	(58)	-
	<u>3,419</u>	<u>6,939</u>	<u>8,136</u>	<u>11,127</u>
Total comprehensive income attributable to:				
Equity holders of the parent	3,429	6,941	8,210	11,129
Non-controlling interest	(15)	-	(58)	-
	<u>3,414</u>	<u>6,941</u>	<u>8,152</u>	<u>11,129</u>
Basic Earnings per share (sen)	<u>1.72</u>	<u>3.47</u>	<u>4.10</u>	<u>5.56</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2011

TEO SENG CAPITAL BERHAD (732762-T)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at end of Current Quarter 30 Sep 2011 RM'000	As at Preceding Financial Year Ended 31 March 2011 RM'000
ASSETS		
Non-Current Assets		
Property, plant & equipment	119,320	104,163
Investment property	472	476
Other investments	6	5
	119,798	104,644
Current Assets		
Inventories	33,145	30,885
Trade receivables	21,207	19,156
Other receivables and prepaid expenses	5,238	5,534
Fixed deposit, bank and cash balances	23,492	22,891
	83,082	78,466
TOTAL ASSETS	202,880	183,110
EQUITY AND LIABILITIES		
Equity attributable to Equity Holders of the Parent		
Share capital	40,000	40,000
Reserves	64,968	59,558
	104,968	99,558
Non-controlling interest	242	-
TOTAL EQUITY	105,210	99,558
Non-Current Liabilities		
Term loan	3,410	3,846
Hire-purchase payable	5,568	3,961
Deferred tax liabilities	8,688	8,730
	17,666	16,537
Current Liabilities		
Trade payables	18,207	11,839
Other payables and accrued expenses	8,267	6,967
Derivative financial liabilities	-	1
Hire-purchase payable – current	5,710	4,378
Overdraft & short term borrowings	45,020	43,830
Dividend payable	2,800	-
	80,004	67,015
TOTAL LIABILITIES	97,670	83,552
TOTAL EQUITY AND LIABILITIES	202,880	183,110
Net assets per share attributable to Ordinary Equity Holders of the Parent (RM)	0.52	0.50

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Consolidated Financial Statements for the year ended 31 March 2011

TEO SENG CAPITAL BERHAD (732762-T)*(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Share Capital RM'000	Reverse Acquisition Reserves RM'000	Share Premium RM'000	Revaluation Reserves RM'000	Fair Value Reserves RM'000	Translation Reserves RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
Balance as at 1 April 2011	40,000	(26,078)	8,011	4,032	2	(15)	73,606	99,558	-	99,558
Dividend							(2,800)	(2,800)		(2,800)
Total Comprehensive Income for the period					0	16	8,194	8,210	242	8,452
Balance as at 30 Sep 2011	40,000	(26,078)	8,011	4,032	2	1	79,000	104,968	242	105,210
Balance as at 1 April 2010 – as previously reported	40,000	(26,078)	8,011	4,032	-	-	54,927	80,892	-	80,892
Effect of Adopting FRS 139			-	-	-	-	(27)	(27)	-	(27)
Balance as at 1 April 2010 – restated	40,000	(26,078)	8,011	4,032	-	-	54,900	80,865	-	80,865
Dividend							(1,700)	(1,700)	-	(1,700)
Total Comprehensive Income for the period					2		11,127	11,129		11,129
Balance as at 30 Sep 2010	40,000	(26,078)	8,011	4,032	2	-	64,327	90,294	-	90,294

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2011

TEO SENG CAPITAL BERHAD (732762-T)*(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	Current Year To Date 30 Sep 2011 RM'000	Preceding Year To Date 30 Sep 2010 RM'000
Profit before taxation	11,276	13,718
Adjustments for Non-cash flow:		
Non-cash items	5,107	3,374
Non-operating items	1,552	1,125
Operating profit before working capital changes	<u>17,935</u>	<u>18,217</u>
Changes in working capital		
Net changes in current assets	(2,923)	(7,940)
Net changes in current liabilities	5,958	2,795
Cash generated from operations	<u>20,970</u>	<u>13,072</u>
Finance cost paid	(1,608)	(1,162)
Income tax paid	(3,026)	(1,891)
Net Cash Flow from Operating Activities	<u>16,336</u>	<u>10,019</u>
Investing Activities		
Interest income received	56	37
Proceeds from disposal of property, plant and equipment	189	-
Purchase of property, plant and equipment	(10,388)	(6,449)
Fixed deposits pledged to bank	(447)	2
Acquisition of subsidiary company	(704)	-
Net Cash Flow from / (used in) Investing Activities	<u>(11,294)</u>	<u>(6,410)</u>
Financing Activities		
Bank borrowings	(4,966)	(266)
Net Cash Flow from / (used in) Financing Activities	<u>(4,966)</u>	<u>(266)</u>
Net changes in cash and cash equivalents	76	3,343
Cash and cash equivalents at the beginning of financial period	20,107	4,711
Cash and cash equivalents at end of period	<u>20,183</u>	<u>8,054</u>
Cash and cash equivalents comprise:		
Bank and cash balances	19,777	8,679
Fixed deposits	3,715	2,078
Bank overdraft	(1,346)	(1,209)
	<u>22,146</u>	<u>9,548</u>
Less: fixed deposits pledged	(1,963)	(1,494)
	<u>20,183</u>	<u>8,054</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 30 March 2011

A. SELECTED EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD NO. 134 - INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard (FRS) 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 March 2011 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 significant accounting policies and methods of computation adopted by the Group in these financial statements are consistent with those adopted in the preparation of the audited financial statements of the Group for the year ended 31 March 2011 except for the adoption of the following new and revised Financial Reporting Standards ("FRSs) effective on 01 January 2011:

FRSs and IC interpretations

Revised FRS 1 First-time Adoption of Financial Reporting Standards

Revised FRS 3 Business Combinations

Revised FRS 127 Consolidated and Separate Financial Statements

Revised FRS 123 Related Party Disclosure (1 July 2011)

Amendments to FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters

Amendments to FRS 1 Additional Exemptions for First-time Adopters

Amendments to FRS 2 Scope of FRS 2 and Revised FRS 3 (2010)

Amendments to FRS 2 Group Cash-settled Share-based Payment Transactions

Amendments to FRS 5 Plan to Sell the Controlling Interest in a Subsidiary

Amendments to FRS 7 Improving Disclosures about Financial Instruments

Amendments to FRS 138 Consequential Amendments Arising from Revised FRS 3 (Revised)

IC Interpretation 4 Determining Whether An Arrangement Contains A Lease

IC Interpretation 12 Service Concession Arrangements

IC Interpretation 15 Agreement for the Construction of Real Estate (1 July 2011)

IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation

IC Interpretation 17 Distributions of Non-cash Assets to Owners

IC Interpretation 18 Transfer of Assets from Customers

Annual Improvements to FRSs (2010)

The adoptions of the above FRSs and amendments to FRSs upon their effective dates are not expected to have any significant impact on the financial statements of the Group.

A3 Auditors' Report

There was no qualification on the audited financial statements of the Company for the financial year ended 31 March 2011.

A4 Seasonal or Cyclical Factors

The principal business operations of the Group were not significantly affected by seasonal or cyclical factors.

A5 Unusual Items

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

A6 Changes in Estimates

There were no significant changes in the estimates reported in prior financial year, which have a material effect in the current period.

A7 Issuances, Cancellation, Repurchases, Resale & Repayments of Debts and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the current financial year to date.

A8 Dividend Paid

There was no dividend paid in the current quarter under review.

A9 Segmental Reporting

The segment revenue and results for business segments for the current financial year to date are as follows:

Segmental Analysis - By Activities	Segment Revenue (RM'000)	Profit Before Taxation (RM'000)
a) Poultry Farming	98,762	9,600
b) Investment and Trading of animal health products	28,848	1,676
Total	127,610	11,276

A10 Valuation of Property, Plant & Equipment

The valuations of property, plant and equipment of the Group have been brought forward without amendments from the previous annual financial statements.

A11 Capital Commitments

Capital commitments as at end of the current quarter are as follows:

	Total RM'000
Contracted but not provided for	<u>5,925</u>
Approved but not contracted for	<u>842</u>

A12 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.

A13 Effects of Changes in the Composition of the Group

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

A14 Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities and contingent assets other than the corporate guarantee of RM119.99 million given to the financial institutions for credit facilities granted to subsidiary companies.

A15 Related Party Transactions

	Current Quarter 6 Months Ended 30 Sep 2011 RM'000	Cumulative Quarter 6 Months Ended 30 Sep 2011 RM'000
Sales of eggs, veterinary products and egg trays;	3,679	6,059
Purchase of day-old-chick, veterinary products and raw materials;	2,766	6,875
Transportation;	990	1,828
Other services	20	38

The above related party transactions have been entered into in the normal course of business at arms length.

B. ADDITIONAL INFORMATION AS REQUIRED BY BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B)

B1 Review of Performance of the Company and its principal subsidiaries

The Group recorded a lower pre-tax profit of approximately RM11.3 million on the back of revenue of RM127.6 million for the period under review, representing an decrease of 17.8% in pre-tax profit and an increase of 36.8% in revenue as compared with the pre-tax profit of RM13.7 million from the revenue of RM93.3 in the preceding corresponding period ended 30 September 2010. The increase in revenue was due to better selling price of eggs coupled with increase in sales quantity. However, the decrease in pre-tax profit was mainly due to higher feed cost.

B2 Comparison with the Immediate Preceding Quarter's Results

	Current Quarter ended 30 Sep 2011 RM'000	Preceding Quarter ended 30 June 2011 RM'000	Variance RM'000	%
Revenue	66,335	61,275	5,060	8.3
Profit Before Tax	4,910	6,366	(1,456)	(22.9)

The Group's revenue increased from RM61.3 million to RM66.3 million was due to the increase in sales quantity in the current quarter. The Group recorded a lower profit before tax of RM4.9 million in the current quarter as compared with the pre-tax profit of RM6.4 million in the previous quarter was due to lower selling price of eggs.

B3 Current Year Prospects

In view of the recent better selling price of eggs in domestic market coupled with direct marketing strategy to Singapore market, the Directors are remains optimistic with the Group's financial performance for the remaining period ending 31 March 2012.

B4 Variance from Profit Forecast and Profit Guarantee

This note is not applicable to the Group.

B5 Taxation

Major components of tax expense:

	Current Quarter Ended 30 Sep 2011 (RM'000)	Current Year To Date Ended 30 Sep 2011 (RM'000)
Current Year Provision	1,525	3,193
Under/(Over) Provision in respect of prior years	(8)	(8)
Deferred Taxation	(26)	(45)
Total	1,491	3,140

The Group's income tax for the current financial period to date reflects an effective tax rate which is slightly higher than the statutory income tax rate due to the certain non-deductible expenses.

B6 Profit/(Losses) on Sales of Unquoted Investments and/or Properties

There were no disposal of unquoted investment and properties for the current quarter and financial year to date except a gain of RM84,000 on the disposal of properties other than in the ordinary course of business.

B7 Particulars of Purchase Or Disposal Of Quoted Securities

a) There were no purchases or disposals of quoted shares by the Group for the current financial year to date.

b) Investment in quoted shares as at the end of the reporting period:

	RM'000
Investment at Cost	3
Investment at Carrying Value / Book Value	3
Investment at Market Value	6

B8 Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this report.

B9 Group's Borrowings and Debt Securities

Detailed of Group's borrowings as at the end of reporting period:

	Secured (RM'000)	Unsecured (RM'000)	Total (RM'000)
Short-term borrowings	15,277	28,330	43,607
Hire Purchase – Current	5,710	-	5,710
Hire Purchase – Non-current	5,568	-	5,568
Long-term borrowings – Current	1,413		1,413
Long-term borrowings – Non-current	3,410		3,410
Total	31,378	28,330	59,708

All the Group's borrowings are denominated in Ringgit Malaysia.

B10 Financial Instruments

There were no financial instruments at the date of this report.

B11 Material Litigations

There were no pending material litigations at the date of this report.

B12 Dividend Payable

A final single-tier dividend of 7% equivalent to approximate RM2.8 million in respect of the preceding financial year ended 31 March 2011 was paid on 23 November 2011. The Board of Directors does not recommend any interim dividend for the current financial quarter ended 30 September 2011.

B13 Realised and Unrealised Profits/Loss

	As at end of the Current Quarter Ended 30 Sep 2011 (RM'000)	As at end of the Previous Financial Year Ended 31 Mar 2011 (RM'000)
Total retained profit:		
Realised profit	86,592	82,502
Unrealised gain/(loss)	(7,592)	(8,896)
	79,000	73,606

B14 Earnings per Share

The basic earnings per share are computed by dividing the profit or loss for the period by the number of ordinary shares of the Group in issue during the period.

	Current Quarter Ended 30 Sep 2011	Preceding Year Corresponding Quarter 30 Sep 2010	Current Year To Date 30 Sep 2011	Preceding Year To Date 30 Sep 2010
Profit attributable to Ordinary Equity Holders of the Parent (RM'000)	3,434	6,939	8,194	11,127
Number of ordinary shares in issue (000)	200,000	200,000	200,000	200,000
Basic earnings per share (Sen)	1.72	3.47	4.10	5.56

B15 Authorisation for Issue

The financial statements were authorized for issue by the Board of Directors on 25 November 2011.