

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 DECEMBER 2012**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-Dec-12 RM'000	31-Dec-11 RM'000	31-Dec-12 RM'000	31-Dec-11 RM'000
Revenue	72,577	NA	197,535	NA
Operating Expenses	(67,407)	NA	(195,631)	NA
Other Income	869	NA	1,993	NA
Finance Cost	(1,006)	NA	(2,755)	NA
Profit before Taxation	<u>5,033</u>	<u>NA</u>	<u>1,142</u>	<u>NA</u>
Tax Expense	230	NA	(565)	NA
<b>Profit for the Period</b>	<b><u>5,263</u></b>	<b><u>NA</u></b>	<b><u>577</u></b>	<b><u>NA</u></b>
Other Comprehensive Income:				
Available-for-sale Financial Assets	-	NA	-	NA
Currency Translation Differences	(14)	NA	(68)	NA
<b>Total Comprehensive Income for the Period</b>	<b><u>5,249</u></b>	<b><u>NA</u></b>	<b><u>509</u></b>	<b><u>NA</u></b>
<i>Profit/(Loss) for the period attributable to:</i>				
Equity holders of the parent	5,421	NA	803	NA
Non-controlling interest	<u>(158)</u>	<u>NA</u>	<u>(226)</u>	<u>NA</u>
	<u>5,263</u>	<u>NA</u>	<u>577</u>	<u>NA</u>
<i>Total Comprehensive Income/(Expense) attributable to:</i>				
Equity holders of the parent	5,407	NA	735	NA
Non-controlling interest	<u>(158)</u>	<u>NA</u>	<u>(226)</u>	<u>NA</u>
	<u>5,249</u>	<u>NA</u>	<u>509</u>	<u>NA</u>
<b>Basic Earnings per Share (sen)</b>	<b><u>2.71</u></b>	<b><u>NA</u></b>	<b><u>0.40</u></b>	<b><u>NA</u></b>

Notes:

1. There were no comparative figures for the individual and cumulative quarters in the preceding year as the Company has changed its financial year end from 31 March to 31 December. The first set of annual financial statements for the new financial year end will be from 1 January 2013 to 31 December 2013.
2. The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012.

**TEO SENG CAPITAL BERHAD (732762-T)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at end of Current Financial Year Ended 31-Dec-12 RM'000	As at Preceding Financial Year Ended 31-Dec-11 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	132,006	NA
Investment property	463	NA
Other investments	5	NA
	<u>132,474</u>	<u>NA</u>
<b>Current Assets</b>		
Inventories	41,492	NA
Trade receivables	28,039	NA
Other receivables and prepaid expenses	3,854	NA
Tax recoverable	3,590	NA
Derivative financial assets	-	NA
Fixed deposit, bank and cash balances	17,857	NA
	<u>94,832</u>	<u>NA</u>
<b>TOTAL ASSETS</b>	<b><u>227,306</u></b>	<b><u>NA</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Owners of the Company</b>		
Share capital	40,000	NA
Reserves	71,238	NA
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<u>111,238</u>	<u>NA</u>
<b>NON-CONTROLLING INTERESTS</b>	(52)	NA
<b>TOTAL EQUITY</b>	<u>111,186</u>	<u>NA</u>
<b>Non-Current Liabilities</b>		
Term loan	2,671	NA
Hire purchase payable	6,581	NA
Deferred tax liabilities	7,016	NA
	<u>16,268</u>	<u>NA</u>
<b>Current Liabilities</b>		
Trade payables	15,836	NA
Other payables and accrued expenses	8,897	NA
Hire purchase payables	7,561	NA
Overdraft & short term borrowings	67,558	NA
	<u>99,852</u>	<u>NA</u>
<b>TOTAL LIABILITIES</b>	<u>116,120</u>	<u>NA</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>227,306</u></b>	<b><u>NA</u></b>
<i>Net asset per share attributable to Ordinary Equity Holders of the Parent (RM)</i>	<i>0.56</i>	<i>NA</i>

Notes:

1. There were no comparative figures for the preceding financial year as the Company has changed its financial year end from 31 March to 31 December. The first set of annual financial statements for the new financial year end will be from 1 January 2013 to 31 December 2013.
2. The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Consolidated Financial Statements for the year ended 31 March 2012.

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

	Share Capital	Reverse Acquisition Reserves	Share Premium	Revaluation Reserves	Fair Value Reserves	Foreign Exchange Translation Reserves	Retained Profits	Total	Non- Controlling Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 April 2012	40,000	(26,078)	8,011	4,032	3	(33)	88,068	114,003	174	114,177
Total Comprehensive Income for the period					-	(68)	803	735	(226)	509
Dividend paid							(3,500)	(3,500)		(3,500)
Balance as at 31 December 2012	40,000	(26,078)	8,011	4,032	3	(101)	85,371	111,238	(52)	111,186
Balance as at 1 April 2011	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Dividend paid	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total Comprehensive Income for the period	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Balance as at 31 December 2011	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

*Notes:*

1. *There were no comparative figures for the preceding financial year as the Company has changed its financial year end from 31 March to 31 December. The first set of annual financial statements for the new financial year end will be from 1 January 2013 to 31 December 2013.*
2. *The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Statement for the year ended 31 March 2012.*

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

	Current Year To Date 31-Dec-12 RM'000	Preceding Year To Date 31-Dec-11 RM'000
Profit before taxation	1,142	NA
Adjustments for non-cash flow:		
Non-cash items	8,143	NA
Non-operating items	2,509	NA
Operating profit before working capital changes	<u>11,794</u>	<u>NA</u>
Changes in working capital		
Net changes in current assets	(9,425)	NA
Net changes in current liabilities	1,073	NA
Cash generated from operations	<u>3,442</u>	<u>NA</u>
Income tax paid	(4,240)	NA
<b>Net Cash Flow from Operating Activities</b>	<u><b>(798)</b></u>	<u><b>NA</b></u>
Interest income received	72	NA
Proceeds from disposal of property, plant and equipment	1,344	NA
Purchase of property, plant and equipment	(9,238)	NA
Acquisition of subsidiary company	(282)	NA
<b>Net Cash Flow from/(used in) Investing Activities</b>	<u><b>(8,104)</b></u>	<u><b>NA</b></u>
Bank borrowings	11,824	NA
Finance cost paid	(2,755)	NA
Net (increase)/decrease in fixed deposit pledged	456	NA
Dividend paid	(3,500)	NA
<b>Net Cash Flow from/(used in) Financing Activities</b>	<u><b>6,025</b></u>	<u><b>NA</b></u>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>(2,877)</b>	<b>NA</b>
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b>19,341</b>	<b>NA</b>
<b>Cash and cash equivalents at the end of the financial period</b>	<u><b>16,464</b></u>	<u><b>NA</b></u>
<b>Cash and cash equivalents comprise:</b>		
Bank and cash balances	16,802	NA
Fixed deposits	1,055	NA
Bank overdrafts	(611)	NA
	<u>17,246</u>	<u>NA</u>
Less: fixed deposits pledged	(782)	NA
	<u><b>16,464</b></u>	<u><b>NA</b></u>

*Notes:*

1. *There were no comparative figures for the preceding financial year as the Company has changed its financial year end from 31 March to 31 December. The first set of annual financial statements for the new financial year end will be from 1 January 2013 to 31 December 2013.*
2. *The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012.*

**NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2012**

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**A. SELECTED EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (“FRS”) NO. 134 – INTERIM FINANCIAL REPORTING**

**A1. Basis of Preparation**

The financial statements are unaudited and have been prepared in accordance with the 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 2012 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 method 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 2012 except for the adoption of the following new and revised FRSs effective on 1 January 2012:

MFRS 1 Government Loan (Amendment) & Annual Improvement 2009-2011 Cycle (Amendment)

MFRS 7 Disclosures-Offsetting Financial Assets and Financial Liabilities (Amendment)

MFRS 9 Consolidated Financial Statements

MFRS 10 Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities : Transition Guidance (Amendments to MFRS 10, MFRS 11 and MFRS 12) Joint Arrangements

MFRS 11 Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities : Transition Guidance (Amendments to MFRS 10, MFRS 11 and MFRS 12) Disclosures of Interests in Other Entities

MFRS 12 Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities : Transition Guidance (Amendments to MFRS 10, MFRS 11 and MFRS 12)

MFRS 13 Fair Value Measurement

MFRS 101 Presentation of Item of Other Comprehensive Income (Amendments)  
Annual Improvements 2009-2011 Cycle (Amendments)

MFRS 116 Annual Improvements 2009-2011 Cycle (Amendments)

MFRS 119 Employee Benefits (IAS 19 as amended by IASB in June 2011)

MFRS 127 Separate Financial Statements (IAS 27 as amended by IASB in May 2011)

MFRS 128 Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)

MFRS 132 Annual Improvements 2009-2011 Cycle (Amendments)

Offsetting Financial Assets and Financial Liabilities (Amendments)

MFRS 134 Annual Improvements 2009-2011 Cycle (Amendments)

IC Int. 2 Annual Improvements 2009-2011 Cycle (Amendments)

**Malaysian Financial Reporting Standards (“MFRS Framework”)**

On 19 November 2011, MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRSs”) that are equivalent to the International Financial Reporting Standards.

The MFRSs are to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 (Agriculture) and IC Interpretation 15 (Agreement for Construction of Real Estate), including its parent, significant investor and venture (herein called “Transitioning Entities”).

On 30 June 2012, MASB announced that the Transitioning Entities are allowed to defer the adoption of the MFRSs to annual periods beginning on or after 1 January 2014 after which the MFRSs will become mandatory.

The Group falls within the definition of Transitioning Entities and has opted to prepare its first MFRSs financial statements for the financial year ending 31 December 2014.

**A3. Auditors’ Report**

There was no qualification on the audited financial statements for the financial year ended 31 March 2012.

**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**

A final single tier dividend of 8.75% or equivalent to approximate RM3,500,000 in respect of the previous financial year ended 31 March 2012 was 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/(Loss) before Taxation RM'000
a. Poultry Farming	132,466	(2,523)
b. Investment and Trading of animal health	65,069	3,665
Total	197,535	1,142

**A10. Valuation of Property, Plant and 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>773</u>
Approved but not contracted for	<u>3,448</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 RM155.8 million given to the financial institutions for credit facilities granted to subsidiary companies.

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**A15. Related Party Transactions**

The following related party transactions have been entered into in the normal course of business at arm-length.

	Current Quarter 3 months ended 31 Dec 2012 RM'000	Cumulative Year To Date 9 months ended 31 Dec 2012 RM'000
Sales of eggs, veterinary products and egg trays	6,345	19,581
Purchase of day-old-chick, veterinary products and raw materials	8,204	43,724
Transportation	1,215	3,494
Other services	25	67



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

**B1. Review of Performance of the Company and its principal subsidiaries**

	Individual Quarter		Cumulative Quarter	
	Current Quarter ended 31 Dec 2012 RM'000	Preceding Year Corresponding Quarter 31 Dec 2011 RM'000	Current year-to-date 31 Dec 2012 RM'000	Preceding Year Corresponding Period 31 Dec 2011 RM'000
<b>REVENUE</b>				
Poultry Farming	46,910	NA	132,466	NA
Investment and Trading	25,667	NA	65,069	NA
	<u>72,577</u>	<u>NA</u>	<u>197,535</u>	<u>NA</u>
<b>PROFIT/(LOSS) BEFORE TAX</b>				
Poultry Farming	2,912	NA	(2,523)	NA
Investment and Trading	2,121	NA	3,665	NA
	<u>5,033</u>	<u>NA</u>	<u>1,142</u>	<u>NA</u>

The Group recorded a pre-tax profit of approximately RM1.1 million on the back of revenue of RM197.5 million for the 9 months period under review.

Poultry Farming

The Group recorded revenue of RM46.9 million for the current quarter and RM132.5 million for the 9 months period under review. The Company recorded a pre-tax profit of RM2.9 million for the current quarter under review, mainly due to the improved selling price of eggs coupled with the increase in sales quantity.

Investment and Trading

The Group recorded revenue of RM25.7 million for the current quarter and RM65.1 million for the 9 months period ended 31 December 2012, was due to the increase in sales of animal health products and additional sales contribution from its foreign subsidiary company. In line with the increase in turnover, pre-tax profit of RM2.1 million was achieved for the current quarter under review.

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

	Current Quarter ended 31 Dec 2012 RM'000	Preceding Quarter ended 30 Sep 2012 RM'000	Variance	
			RM'000	%
Revenue	72,577	64,292	8,285	12.9%
Profit/(Loss) before taxation	5,033	(2,330)	7,363	316.0%

The Group's revenue increased from RM64.3 million to RM72.6 million representing an increase of approximate 12.9% was due to the increase in selling price of eggs coupled with higher demand of animal health products for the current quarter. As the result of the increase in revenue, the Group recorded a pre-tax profit of RM5.0 million in current quarter.

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**B3. Current Year Prospects**

In view of the current stable selling price, the Directors are of the opinion that the Group's financial performance for the forthcoming financial year ending 31 December 2013 is satisfactory.

**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 31 Dec 2012 RM'000	Current Year to date ended 31 Dec 2012 RM'000
Current year provision	1,380	3,144
Overprovision in prior year	(263)	(263)
Deferred taxation	(1,395)	(2,364)
Real Property Gain Tax ("RPGT")	48	48
	<u>(230)</u>	<u>565</u>

The Group's income tax for the current financial period to date reflects a higher effective tax rate than the statutory income tax rate due to the certain loss making subsidiary companies.

**B6. Corporate Proposal**

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

**B7. Group Borrowings and Debt Securities**

Details of Group borrowings as at 31 Dec 2012 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	7,082	59,727	66,809
Hire Purchase - current	7,561	-	7,561
Hire Purchase - non-current	6,581	-	6,581
Long term borrowings - current	749	-	749
Long term borrowings - non-current	2,671	-	2,671
<b>Total</b>	<b>24,644</b>	<b>59,727</b>	<b>84,371</b>

The Group borrowings are denominated in following currency:

		'000
Ringgit Malaysia	RM	84,168
Singapore Dollar	SGD	80

**B8. Financial Instruments**

There was no foreign currency contracts entered into as at the reporting date.

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**B9. Realised and Unrealised Profit/(Loss)**

	Current Quarter ended 31 Dec 2012 RM'000	Preceding Quarter ended 30 Sep 2012 RM'000
Realised profit	92,357	91,821
Unrealised loss	(6,986)	(8,371)
Retained profit	85,371	83,450

**B10. Earnings per Share (EPS)**

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 31 Dec 2012	Preceding Year Corresponding Quarter 31 Dec 2011	Current Year-to-date 31 Dec 2012	Preceding Year-to-date 31 Dec 2011
Profit attributable to Ordinary Equity Holders of the Parent (RM'000)	5,421	NA	803	NA
Number of ordinary shares in issue ('000)	200,000	NA	200,000	NA
Basic earnings per share (sen)	2.71	NA	0.40	NA

**B11. Notes to the Statement of Comprehensive Income**

	Current Quarter ended 31 Dec 2012 RM'000	Current Year-to-date 31 Dec 2012 RM'000
Interest income	30	72
Other income	434	610
Depreciation and amortisation	2,642	7,734
Provision for and write off receivables	(67)	(174)
Gain/(Loss) on foreign exchange	427	718

**B12. Authorisation for Issue**

The financial statement were authorised for issue by the Board of Directors on 25 February 2013.