

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 MARCH 2013**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-Mar-13 RM'000	31-Mar-12 RM'000	31-Mar-13 RM'000	31-Mar-12 RM'000
Revenue	79,086	NA	79,086	NA
Operating Expenses	(73,398)	NA	(73,398)	NA
Other Income	895	NA	895	NA
Finance Cost	(1,032)	NA	(1,032)	NA
Profit before Taxation	<u>5,551</u>	<u>NA</u>	<u>5,551</u>	<u>NA</u>
Tax Expense	(1,143)	NA	(1,143)	NA
<b>Profit for the Period</b>	<b><u>4,408</u></b>	<b><u>NA</u></b>	<b><u>4,408</u></b>	<b><u>NA</u></b>
Other Comprehensive Income:				
Available-for-sale Financial Assets	(0)	NA	(0)	NA
Currency Translation Differences	23	NA	23	NA
<b>Total Comprehensive Income for the Period</b>	<b><u>4,431</u></b>	<b><u>NA</u></b>	<b><u>4,431</u></b>	<b><u>NA</u></b>
<i>Profit/(Loss) for the period attributable to:</i>				
Equity holders of the parent	4,424	NA	4,424	NA
Non-controlling interest	<u>(16)</u>	<u>NA</u>	<u>(16)</u>	<u>NA</u>
	<u>4,408</u>	<u>NA</u>	<u>4,408</u>	<u>NA</u>
<i>Total Comprehensive Income/(Expense) attributable to:</i>				
Equity holders of the parent	4,447	NA	4,447	NA
Non-controlling interest	<u>(16)</u>	<u>NA</u>	<u>(16)</u>	<u>NA</u>
	<u>4,431</u>	<u>NA</u>	<u>4,431</u>	<u>NA</u>
<b>Basic Earnings per Share (sen)</b>	<b><u>2.21</u></b>	<b><u>NA</u></b>	<b><u>2.21</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 December 2012.

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

	As at end of Current Quarter	As at Preceding Financial Year Ended
	31-Mar-13 RM'000	31-Dec-12 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	136,129	132,006
Investment property	461	463
Other investments	5	5
	<u>136,595</u>	<u>132,474</u>
<b>Current Assets</b>		
Inventories	39,886	41,492
Trade receivables	33,966	27,566
Other receivables and prepaid expenses	3,154	3,855
Tax recoverable	3,351	3,590
Derivative financial assets	3	-
Fixed deposit, bank and cash balances	19,180	17,857
	<u>99,540</u>	<u>94,360</u>
<b>TOTAL ASSETS</b>	<b><u>236,135</u></b>	<b><u>226,834</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Owners of the Company</b>		
Share capital	40,000	40,000
Reserves	75,655	71,208
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<u>115,655</u>	<u>111,208</u>
<b>NON-CONTROLLING INTERESTS</b>	<u>(38)</u>	<u>(22)</u>
<b>TOTAL EQUITY</b>	<u>115,617</u>	<u>111,186</u>
<b>Non-Current Liabilities</b>		
Term loan	2,441	2,664
Hire purchase payable	4,604	6,181
Deferred tax liabilities	7,047	7,016
	<u>14,092</u>	<u>15,861</u>
<b>Current Liabilities</b>		
Trade payables	18,103	14,740
Other payables and accrued expenses	7,152	9,521
Hire purchase payables	7,670	7,961
Overdraft & short term borrowings	73,501	67,565
	<u>106,426</u>	<u>99,787</u>
<b>TOTAL LIABILITIES</b>	<u>120,518</u>	<u>115,648</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>236,135</u></b>	<b><u>226,834</u></b>
<i>Net asset per share attributable to Ordinary Equity Holders of the Parent (RM)</i>	<i>0.58</i>	<i>0.56</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 December 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 January 2013	40,000	(26,078)	8,011	4,032	3	(101)	85,341	111,208	(22)	111,186
Total Comprehensive Income for the period					-	23	4,424	4,447	(16)	4,431
Dividend paid								-		-
Balance as at 31 March 2013	40,000	(26,078)	8,011	4,032	3	(78)	89,765	115,655	(38)	115,617
Balance as at 1 January 2012	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
Dividend paid	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Balance as at 31 March 2012	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 December 2012.*

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

	Current Year To Date 31-Mar-13 RM'000	Preceding Year To Date 31-Mar-12 RM'000
Profit before taxation	5,551	NA
Adjustments for non-cash flow:		
Non-cash items	2,197	NA
Non-operating items	877	NA
Operating profit before working capital changes	<u>8,625</u>	<u>NA</u>
Changes in working capital		
Net changes in current assets	(3,482)	NA
Net changes in current liabilities	521	NA
Cash generated from operations	<u>5,664</u>	<u>NA</u>
Income tax paid	(872)	NA
<b>Net Cash Flow from Operating Activities</b>	<b><u>4,792</u></b>	<b><u>NA</u></b>
Interest income received	17	NA
Proceeds from disposal of property, plant and equipment	1,300	NA
Purchase of property, plant and equipment	(7,598)	NA
Acquisition of subsidiary company	-	NA
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b><u>(6,281)</u></b>	<b><u>NA</u></b>
Bank borrowings	2,314	NA
Finance cost paid	(1,032)	NA
Net (increase)/decrease in fixed deposit pledged	(169)	NA
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b><u>1,113</u></b>	<b><u>NA</u></b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b><u>(376)</u></b>	<b><u>NA</u></b>
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b><u>16,464</u></b>	<b><u>NA</u></b>
<b>Cash and cash equivalents at the end of the financial period</b>	<b><u>16,088</u></b>	<b><u>NA</u></b>
<b>Cash and cash equivalents comprise:</b>		
Bank and cash balances	18,110	NA
Fixed deposits	1,070	NA
Bank overdrafts	(2,141)	NA
	<u>17,039</u>	<u>NA</u>
Less: fixed deposits pledged	(951)	NA
	<b><u>16,088</u></b>	<b><u>NA</u></b>

*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 December 2012.*

**NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED 31 MARCH 2013**

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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 December 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 December 2012 except for the adoption of the following new and revised FRSs effective on or after 1 January 2013:

<b>FRSs and IC Interpretations (including the Consequential Amendments)</b>	<b>Effective Date</b>
FRS 9 : Financial Instruments	1 January 2015
Amendments to FRS 9 : Mandatory Effective Date of FRS 9 and Transition Disclosures	1 January 2015
Amendments to FRS 10 : Investment Entities	1 January 2014
FRS 12 and FRS 127	
Amendments to FRS 132 : Offsetting Financial Assets and Financial Liabilities	1 January 2014

**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 December 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**

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:

<b>Segmental Analysis (by Activities)</b>	Segment Revenue RM'000	Profit/(Loss) before Taxation RM'000
a. Poultry Farming	51,245	3,509
b. Investment and Trading of animal health	27,841	2,042
Total	79,086	5,551

**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	486
Approved but not contracted for	-

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**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 RM153.5 million given to the financial institutions for credit facilities granted to subsidiary companies.

**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-month ended 31-Mar-13 RM'000	Cumulative YTD 3-month ended 31-Mar-13 RM'000
Sales of eggs, veterinary products and egg trays	7,868	7,868
Purchase of day-old-chick, veterinary products and raw materials	4,455	4,455
Transportation	1,275	1,275
Other services	16	16

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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 Mar 2013  RM'000	Preceding Year Corresponding Quarter 31 Mar 2012  RM'000	Current year-to-date 31 Mar 2013  RM'000	Preceding Year Corresponding Period 31 Mar 2012  RM'000
<b>REVENUE</b>				
Poultry Farming	51,245	NA	51,245	NA
Investment and Trading	27,841	NA	27,841	NA
	<u>79,086</u>	<u>NA</u>	<u>79,086</u>	<u>NA</u>
<b>PROFIT/(LOSS) BEFORE TAX</b>				
Poultry Farming	3,509	NA	3,509	NA
Investment and Trading	2,042	NA	2,042	NA
	<u>5,551</u>	<u>NA</u>	<u>5,551</u>	<u>NA</u>

The Group recorded a pre-tax profit of approximately RM5.6 million on the back of revenue of RM79.1 million for the current period under review.

Poultry Farming

The Group recorded revenue of RM51.2 million and a pre-tax profit of RM3.5 million for the current quarter under review were due to the increase in selling price of eggs.

Investment and Trading

The Group recorded revenue of RM27.8 million which was contributed from the animal health products and foreign subsidiary company for the current quarter. It recorded a pre-tax profit for the segment of RM2.0 million.

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

	Current	Preceding	Variance	
	Quarter ended 31 Mar 2013  RM'000	Quarter ended 31 Dec 2012  RM'000	RM'000	%
Revenue	79,086	72,577	6,509	9.0%
Profit/(Loss) before taxation	5,551	5,033	518	10.3%

The Group's revenue increased from RM72.6 million to RM79.1 million representing an increase of approximate 9% was due to the improved 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 RM5.6 million in current quarter.

**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 remaining 9 months period ending 31 December 2013 is still satisfactory.

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**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 Mar 2013 RM'000	Current Year to date ended 31 Mar 2013 RM'000
Current year provision	1,112	1,112
Deferred taxation	31	31
	<u>1,143</u>	<u>1,143</u>

The Group's income tax for the current financial period to date reflects a lower effective tax rate than the statutory income tax rate due to the utilization of unabsorbed losses carried forward..

**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 Mar 2013 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	6,638	66,096	72,734
Hire Purchase - current	7,670	-	7,670
Hire Purchase - non-current	4,604	-	4,604
Long term borrowings - current	767	-	767
Long term borrowings - non-current	2,441	-	2,441
Total	<u>22,120</u>	<u>66,096</u>	<u>88,216</u>

The Group borrowings are denominated in following currency:

		'000
Ringgit Malaysia	RM	88,075
Singapore Dollar	SGD	61

**B8. Financial Instruments**

The Group entered into the following foreign currency contract to hedge its foreign purchase as at 31 March 2013:

Forward Foreign Currency Contracts	Notional Value (RM'000)	Fair Value (RM'000)	Fair Value Change (RM'000)
<b>US Dollar (USD)</b>			
- less than 1 year	685	688	3

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

	Current Quarter ended 31 Mar 2013 RM'000	Preceding Quarter ended 31 Dec 2012 RM'000
Realised profit	96,923	92,387
Unrealised loss	(7,157)	(7,046)
Retained profit	<u>89,766</u>	<u>85,341</u>

**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 Mar 2013	Preceding Year Corresponding Quarter 31 Mar 2012	Current YTD 31 Mar 2013	Preceding YTD 31 Mar 2012
Profit attributable to Ordinary Equity Holders of the Parent (RM'000)	4,424	NA	4,424	NA
Number of ordinary shares in issue ('000)	200,000	NA	200,000	NA
Basic earnings per share (sen)	<u>2.21</u>	NA	<u>2.21</u>	NA

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

	Current Quarter ended 31 Mar 2013 RM'000	Current Year-to-date 31 Mar 2013 RM'000
Interest income	(17)	(17)
Other income	(576)	(576)
Depreciation and amortisation	2,599	2,599
Provision for and write off receivables	54	54
Gain/(Loss) on foreign exchange	(301)	(301)

**B12. Authorisation for Issue**

The financial statement were authorised for issue by the Board of Directors on 27 May 2013.