



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 SEPTEMBER 2020**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019
	RM'000	RM'000	RM'000	RM'000
Revenue	123,020	138,377	359,752	410,141
Operating expense	(119,462)	(113,508)	(347,065)	(346,984)
Other income	672	729	2,116	2,377
Finance cost	(1,584)	(2,005)	(5,089)	(6,313)
Profit/(Loss) before taxation	2,646	23,593	9,714	59,221
Tax expense	(1,403)	(5,548)	(3,383)	(14,003)
<b>Profit/(Loss) for the period</b>	<b>1,243</b>	<b>18,045</b>	<b>6,331</b>	<b>45,218</b>
Other comprehensive income:				
Available-for-sale financial assets	-	1	(2)	1
Currency translation differences	(247)	(164)	(59)	(31)
<b>Total comprehensive income/(expense) for the period</b>	<b>996</b>	<b>17,882</b>	<b>6,270</b>	<b>45,188</b>
Profit/(Loss) for the period attributable to:				
Equity holders of the parent	1,243	18,045	6,331	45,218
Total comprehensive income/(expense) attributable to:				
Equity holders of the parent	996	17,882	6,270	45,188
<b>Basic EPS (sen)</b>	<b>0.42</b>	<b>6.02</b>	<b>2.15</b>	<b>15.08</b>

Notes:

1. The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Consolidated Financial Statements for the year ended 31 December 2019.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited	Audited
	As At Current Quarter Ended 30-Sep-2020	As at Preceding Financial Year Ended 31-Dec-2019
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	355,890	348,473
Right-of-use asset	5,174	5,127
Equity instruments classified as FVOCI	6	8
Goodwill on consolidation	102	102
Deferred tax assets	456	158
	<b>361,628</b>	<b>353,868</b>
<b>Current Assets</b>		
Biological assets	56,943	56,854
Inventories	44,244	46,612
Trade receivables	48,799	53,557
Other receivables and prepaid expenses	13,629	8,961
Tax recoverable	5,908	1,595
Fixed deposit, bank and cash balances	47,531	41,101
	<b>217,054</b>	<b>208,680</b>
<b>TOTAL ASSETS</b>	<b>578,682</b>	<b>562,548</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Owners of the Company</b>		
Share capital	60,011	60,002
Treasury shares	(8,346)	(8,346)
Reserves	258,432	254,974
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>310,097</b>	<b>306,630</b>
<b>Non-Current Liabilities</b>		
Term loan	44,513	45,323
Hire purchase payable	10,248	12,910
Lease liabilities	3,393	3,354
Deferred tax liabilities	32,094	33,140
	<b>90,248</b>	<b>94,727</b>
<b>Current Liabilities</b>		
Trade payables	31,876	36,200
Other payables and accrued expenses	17,540	22,195
Hire purchase payable	6,564	7,549
Other bank borrowings	121,111	94,313
Derivative liabilities	-	29
Lease liabilities	230	172
Tax Liabilities	1,016	733
	<b>178,337</b>	<b>161,191</b>
<b>TOTAL LIABILITIES</b>	<b>268,585</b>	<b>255,918</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>578,682</b>	<b>562,548</b>
<b>Net asset per share attributable to Ordinary Equity Holders</b>	<b>1.06</b>	<b>1.04</b>

Notes:

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Consolidated Financial Statements for the year ended 31 December 2019.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Share Capital	Reverse Acquisition Reserves	Treasury Shares	Capital Reserve from LHI	Fair Value Reserves	Foreign Exchange Translation Reserves	Retained Profit	TOTAL EQUITY
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 Jan 2020	60,002	(26,078)	(8,346)	284	6	599	280,163	306,630
Adjustment							(8)	(8)
Restatement of Balance as at 1 Jan 2020	60,002	(26,078)	(8,346)	284	6	599	280,155	306,622
Profit after taxation for the period							6,331	6,331
Other comprehensive income/(expenses) for the period					(2)	(59)		(61)
Dividend paid/payable							(2,939)	(2,939)
ESOS option from LHI granted/ forfeited				135			-	135
Conversion of warrant	9							9
<b>Balance as at 30 SEP 2020</b>	<b>60,011</b>	<b>(26,078)</b>	<b>(8,346)</b>	<b>419</b>	<b>4</b>	<b>540</b>	<b>283,547</b>	<b>310,097</b>
Balance as at 1 Jan 2019	60,002	(26,078)	(376)	-	5	564	243,693	277,810
Profit after taxation for the period							45,218	45,218
Other comprehensive income/(expenses) for the period					1	(31)		(30)
Dividend paid/payable							(16,489)	(16,489)
<b>Balance as at 30 SEP 2019</b>	<b>60,002</b>	<b>(26,078)</b>	<b>(376)</b>	<b>-</b>	<b>6</b>	<b>533</b>	<b>272,422</b>	<b>306,509</b>

Notes:

1. The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Consolidated Financial Statements for the year ended 31 December 2019.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	<b>Current Year-to-date 30-Sep-2020 RM'000</b>	<b>Preceding Year-to-date 30-Sep-2019 RM'000</b>
Profit/(Loss) before taxation	9,714	59,221
Adjustments for non-cash flow:		
Non-cash items	17,657	15,769
Non-operating items	4,649	5,686
Operating profit before working capital changes	32,020	80,676
Changes in working capital		
Net changes in current assets	2,255	5,488
Net changes in current liabilities	(8,978)	(19,122)
Cash generated from operations	25,297	67,042
Interest income received	236	266
Income tax refunded/(paid)	(8,691)	2,717
<b>Net Cash Flow from Operating Activities</b>	<b>16,842</b>	<b>70,025</b>
Proceeds from disposal of property, plant and equipment	264	293
Purchase of property, plant and equipment	(22,640)	(23,876)
Net acquisition of subsidiary	-	(1,338)
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>(22,376)</b>	<b>(24,921)</b>
Bank borrowings	18,094	(8,994)
Finance cost paid	(5,089)	(6,313)
Issuance of shares	9	-
Dividend paid	(2,939)	(16,489)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>10,075</b>	<b>(31,796)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>4,541</b>	<b>13,308</b>
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b>41,101</b>	<b>28,324</b>
<b>Cash and cash equivalents at the end of the financial period</b>	<b>45,642</b>	<b>41,632</b>
Cash and bank balances	47,531	41,675
Bank overdraft	(1,889)	(43)
<b>Total Cash and cash equivalents</b>	<b>45,642</b>	<b>41,632</b>

Notes:

1. The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Consolidated Financial Statements for the year ended 31 December 2019.



**NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2020**

---

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

**A1. Basis of Preparation**

The financial statements are unaudited and have been prepared in accordance with the 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 2019 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 and Company have been prepared in accordance with Malaysian Financial Reporting Standards (MFRS), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention, as modified by the biological assets, available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with the Malaysian Financial Reporting Standards requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group’s and Company’s accounting policies. Although these estimates and judgement are based on the Directors’ best knowledge of current events and actions, actual results may differ.

**A3. Auditors’ Report**

There was no qualification on the audited financial statements for the financial year ended 31 December 2019.

**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 were 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 was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities except for allotment of 6,950 ordinary shares arising from the conversion of Warrants and cancellation of the remaining 49,991,825 expired Warrants 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 segmental revenue and results of business segments for the current financial year to date are as follows:

**Segmental Analysis (by Activities)**

	<b>Segmental Revenue</b>	<b>Profit/(Loss) before Taxation</b>
	<b>RM'000</b>	<b>RM'000</b>
Poultry Farming	302,053	2,758
Investment and Trading of Related Products	57,699	6,956
<b>TOTAL</b>	<b>359,752</b>	<b>9,714</b>

**Business Segments**

	<b>Investment and Trading of related poultry products</b>	<b>Poultry Farming</b>	<b>Adjustments</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>				
External	57,700	302,052		359,752
Internal	21,024	2,451	(23,475)	-
<b>Total Revenue</b>	<b>78,724</b>	<b>304,503</b>	<b>(23,475)</b>	<b>359,752</b>
Segment profit before interest & tax	11,148	6,886	(3,231)	14,803
Finance cost				(5,089)
<b>Unaudited Consolidated Profit/(Loss) before Tax</b>				<b>9,714</b>
Tax expense				(3,383)
<b>Unaudited Consolidated Profit/(Loss) after Tax</b>				<b>6,331</b>
<b>Assets</b>				
Segment Assets	94,416	481,603	(3,707)	572,312
Unallocated assets: Income producing assets				6
Unallocated assets: Deferred tax assets				456
Unallocated assets: Tax recoverable				5,908
				<b>578,682</b>
<b>Liabilities</b>				
Segment Liabilities	9,352	44,670	(983)	53,039
Unallocated liabilities: Borrowings				182,436
Unallocated liabilities: current/deferred tax liabilities				33,110
				<b>268,585</b>



**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:

	<b>TOTAL RM'000</b>
Contracted but not provided for	10,885
Approved but not contracted for	2,653

**A12. Material Subsequent Events**

There were no material events subsequent to the end of the current quarter under review.

**A13. Effects of Changes in the Composition of the Group**

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

**A14. Changes in Contingent Liabilities or Contingent Assets**

There were no contingent liabilities and contingent assets other than the corporate guarantee of RM423.3 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 30-Sep-2020 RM'000	Cumulative 9-months ended 30-Sep-2020 RM'000
Sales of eggs, veterinary products, egg trays and others	5,364	17,898
Purchase of day-old-chick, veterinary products and raw material	3,638	12,689
Transportation	2,097	6,221
Other services	338	603

**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 Period			Cumulative Period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Variance %	Current year-to-date	Preceding Year Corresponding Period	Variance %
	30-Sep-2020	30-Sep-2019		30-Sep-2020	30-Sep-2019	
	RM'000	RM'000		RM'000	RM'000	
<b>REVENUE</b>						
Poultry Farming	102,903	121,155	-15%	302,053	362,145	-17%
Investment and Trading	20,117	17,222	17%	57,699	47,996	20%
Total	123,020	138,377	-11%	359,752	410,141	-12%
<b>PROFIT/(LOSS) BEFORE TAX</b>						
Poultry Farming	700	21,123	-97%	2,758	53,640	-95%
Investment and Trading	1,946	2,470	-21%	6,956	5,581	25%
Total	2,646	23,593	-89%	9,714	59,221	-84%

The decrease of 12% in revenue to RM359.8 million had resulted a lower pre-tax profit of approximately RM9.7 million which was mainly due to the depressed selling price of eggs for the current period under review.

Poultry Farming

The revenue decreased by RM60.1 million representing a decrease of 17% due to the depressed selling price of eggs coupled with slightly lower sales quantities of eggs. As a result, the segment recorded a pre-tax profit of RM2.8 million for the financial period under review.

Investment and Trading

Animal health products continue its contribution bringing the segment revenue up by 20% and recorded a pre-tax profit of RM7.0 million for the financial period under review.

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

	Current Quarter Ended	Immediate Preceding Quarter Ended	Variance	
	30-Sep-2020	30-Jun-2020	RM'000	%
Revenue	123,020	120,750	2,270	1.9
Profit/(Loss) before Interest & Tax	4,230	5,971	(1,741)	(29.2)
Profit/(Loss) before Tax	2,646	4,259	(1,613)	(37.9)
Profit/(Loss) after Tax	1,243	3,182	(1,939)	(60.9)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	1,243	3,182	(1,939)	(60.9)

The revenue increased by RM2.3 million representing 1.9% mainly due to the increase in sales quantities of eggs for the current quarter under review. Despite the higher revenue, the Group recorded lower pre-tax profit of RM2.6 million mainly due to slightly decrease in selling price of eggs for the current quarter under review.





**B3. Current Year Prospects**

The Group has assessed its impact that are possibly caused by Covid-19 pandemic operationally and financially aspects, both are insignificantly affect the financial position for the current quarter under review.

Despite the recent weakening selling price of eggs coupled with slightly slow demand, the Directors are in the opinion that the financial performance for the remaining 3 months is still challenging due to the uncertainty in the market during the Conditional Movement Control Order ("CMCO").

The Group will continue to monitor, reassess the financial position, take appropriate and timely action to minimise the possible impacts caused by Covid-19 pandemic.

**B4. Variance from Profit Forecast and Profit Guarantee**

This note is not applicable to the Group.

**B5. Taxation**

Major components of tax expense:

	<b>Current Quarter ended 30-Sep-2020 RM'000</b>	<b>Current YTD 30-Sep-2020 RM'000</b>
Current year provision/(Reversal) (Over)/Under provision in prior year	1,459 426	4,163 426
Deferred taxation/(Reversal)	(482)	(1,278)
Real Property Gain Tax ("RPGT") (refund)	-	72
<b>Total Tax Expenses</b>	<b>1,403</b>	<b>3,383</b>

The group effective income tax rate is higher than the statutory rate of 24% due to certain loss making by subsidiary companies.

**B6. Corporate Proposal**

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

**B7. Group Borrowings and Debt Securities**

a. Details of the group borrowings as at 30 September 2020 are as follows:

	Long Term				Short Term				TOTAL Borrowings			
	SGD'000	RM'000 Equivalent	RM'000	TOTAL RM'000	SGD'000	RM'000 Equivalent	RM'000	TOTAL RM'000	SGD'000	RM'000 Equivalent	RM'000	TOTAL RM'000
<b>as at 3rd Quarter ended 30 SEPTEMBER 2020</b>												
<b>Secured</b>												
Term loan	2,267	6,875	6,485	13,360	564	1,710	2,116	3,826	2,831	8,585	8,601	17,186
Bankers' acceptance	-	-	-	-	-	-	-	-	-	-	-	-
Revolving credit/OD	-	-	-	-	-	-	-	-	-	-	-	-
Hire purchase	52	157	10,091	10,248	53	162	6,402	6,564	105	319	16,493	16,812
<b>Sub total (1)</b>				<b>23,608</b>				<b>10,390</b>				<b>33,998</b>
<b>Unsecured</b>												
Term loan	-	-	31,153	31,153	-	-	6,067	6,067	-	-	37,220	37,220
Bankers' acceptance	-	-	-	-	-	-	101,329	101,329	-	-	101,329	101,329
Revolving credit/OD	-	-	-	-	-	-	9,889	9,889	-	-	9,889	9,889
Hire purchase	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub total (2)</b>				<b>31,153</b>				<b>117,285</b>				<b>148,438</b>
<b>TOTAL Borrowings</b>				<b>54,761</b>				<b>127,675</b>				<b>182,436</b>
<b>as at 3rd Quarter ended 30 SEPTEMBER 2019</b>												
<b>Secured</b>												
Term loan	2,846	8,623	8,601	17,224	477	1,445	2,115	3,560	3,323	10,068	10,716	20,784
Bankers' acceptance	-	-	-	-	-	-	-	-	-	-	-	-
Revolving credit/OD	-	-	-	-	-	-	-	-	-	-	-	-
Hire purchase	53	159	12,592	12,751	30	91	7,582	7,673	83	250	20,174	20,424
<b>Sub total (1)</b>				<b>29,975</b>				<b>11,233</b>				<b>41,208</b>
<b>Unsecured</b>												
Term loan	-	-	25,184	25,184	-	-	5,237	5,237	-	-	30,421	30,421
Bankers' acceptance	-	-	-	-	-	-	91,141	91,141	-	-	91,141	91,141
Revolving credit/OD	-	-	-	-	-	-	5,043	5,043	-	-	5,043	5,043
Hire purchase	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub total (2)</b>				<b>25,184</b>				<b>101,421</b>				<b>126,605</b>
<b>TOTAL Borrowings</b>				<b>55,159</b>				<b>112,654</b>				<b>167,813</b>

1. The increase of RM14.6 million in the total borrowings representing approx. 8.7% was mainly due to additional financing for CAPEX and working capital.
2. The foreign currency exchange rate of SGD1=RM3.0334 was used for the reporting as at 30 Sep 2020, whereas the interest rates are in the range of 2.25% p.a. to 6.7% p.a.

#### B8. Financial Instruments

There were no currency contract entered into to hedge the foreign currency purchases as at 30 September 2020.

#### B9. Trade Receivables

	<60 days	61-120 days	> 120 days	TOTAL	Credit Term (days)
	RM'000	RM'000	RM'000	RM'000	
External	34,667	4,182	4,822	43,671	Cash-150 days
Related parties	3,542	1,867	2,104	7,513	Cash-150 days
TOTAL Trade Receivables	38,209	6,049	6,926	51,184	
Impairment loss of trade receivables		(235)	(2,150)	(2,385)	
NET Trade Receivables	38,209	5,814	4,776	48,799	

The Net Trade Receivables is within the normal credit term of cash to 150 days according to the industry norm. The Management is of the opinion that the remaining sum exceeding 120 days is recoverable.

#### B10. Material Litigations

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

#### B11. Dividend Payable

The Board of Directors does not recommend any dividend in respect of the current financial period under review.

#### B12. Realised and Unrealised Profit/(Loss)

	Current Quarter ended	Preceding Quarter ended
	30-Sep-2020	30-Jun-2020
	RM'000	RM'000
Realised profit	315,284	314,564
Unrealised loss	(31,736)	(32,260)
Retained profit	283,548	282,304

#### B13. Earnings per Share (EPS)

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

	Current Quarter ended	Preceding Year Corresponding Quarter	Current YTD	Preceding YTD
	30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent (RM'000)	1,243	18,045	6,331	45,218
Number of ordinary shares in issue ('000)	293,851	299,792	293,851	299,792
Basic earnings/(loss) per share (sen)	0.42	6.02	2.15	15.08



**B14. Notes to the Statement of Comprehensive Income**

	Current Quarter ended 30-Sep-2020	Cummulative YTD 30-Sep-2020
	RM'000	RM'000
Interest income	(80)	(236)
Other income	(437)	(1,525)
Reversal of Impairment loss from trade receivable	(106)	(202)
(Gain) on disposal of PPE	(49)	(124)
(Gain)/Loss on foreign exchange - realised	92	226
(Gain)/Loss on foreign exchange - unrealised	59	99
Depreciation and amortisation:		
Depreciation of Property, plant & equipment	5,806	17,017
Amortisation of right-of-use	75	223

**B15. Authorisation for Issue**

The financial statements were authorised for issue by the Board of Directors on 17 November 2020.