

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30-Sep-2021	30-Sep-2020	30-Sep-2021	30-Sep-2020
	RM'000	RM'000	RM'000	RM'000
Revenue	144,527	123,020	377,997	359,752
Operating expense	(137,143)	(119,462)	(385,578)	(347,065)
Other income	26	672	5,594	2,116
Finance cost	(1,595)	(1,584)	(4,663)	(5,089)
Profit/(Loss) before taxation	5,815	2,646	(6,650)	9,714
Tax expense	(3,538)	(1,403)	(2,399)	(3,383)
Profit/(Loss) for the period	2,277	1,243	(9,049)	6,331
Other comprehensive income:				
Currency translation differences	(64)	(247)	270	(59)
Available-for-sale financial assets	(1)	-	(1)	(2)
Total comprehensive income/(expense) for the period	2,212	996	(8,780)	6,270
Profit/(Loss) for the period attributable to:				
Equity holders of the parent	2,277	1,243	(9,049)	6,331
Total comprehensive income/(expense) attributable to:				
Equity holders of the parent	2,212	996	(8,780)	6,270
Basic EPS (sen)	0.77	0.42	(3.08)	2.15

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 2020.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited	Audited
	As At Current Quarter Ended 30-Sep-2021	As at Preceding Financial Year Ended 31-Dec-2020
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant & equipment	374,056	373,605
Right-of-use asset	3,365	5,106
Equity instruments classified as FVOCI	6	7
Goodwill on consolidation	102	102
Deferred tax assets	354	449
Prepayment for purchase of property, plant & equipment	3,721	3,721
	381,604	382,990
Current Assets		
Biological assets	60,962	55,691
Inventories	55,603	48,196
Trade receivables	56,505	50,043
Other receivables and prepaid expenses	9,391	3,358
Tax recoverable	4,748	5,762
Fixed deposit, bank and cash balances	41,608	44,919
	228,817	207,969
TOTAL ASSETS	610,421	590,959
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Company		
Share capital	60,011	60,002
Treasury shares	(8,346)	(8,346)
Reserves	247,650	256,378
	299,315	308,034
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	299,315	308,034
Non-Current Liabilities		
Term loan	49,984	52,178
Hire purchase payable	5,558	9,246
Lease liabilities	3,274	3,342
Deferred tax liabilities	31,290	33,444
	90,106	98,210
Current Liabilities		
Trade payables	44,668	30,297
Other payables and accrued expenses	21,427	24,281
Hire purchase payable	4,606	6,354
Other bank borrowings	148,856	122,011
Lease liabilities	226	232
Tax Liabilities	1,217	1,540
	221,000	184,715
TOTAL LIABILITIES	311,106	282,925
TOTAL EQUITY AND LIABILITIES	610,421	590,959
Net asset per share attributable to Ordinary Equity Holders	1.02	1.05

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 2020.



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 2021	60,011	(26,078)	(8,346)	447	5	583	281,413	308,035
ESOS- value of employee service				59				59
Profit/(Loss) after taxation for the period							(9,049)	(9,049)
Other comprehensive income/(expenses) for the period					(1)	271		270
Dividend paid/payable								-
Conversion of warrant								-
Balance as at 30 SEPTEMBER 2021	60,011	(26,078)	(8,346)	506	4	854	272,364	299,315
Balance as at 1 Jan 2020	60,002	(26,078)	(8,346)	284	6	599	280,155	306,622
ESOS- value of employee service				135				135
Profit/(Loss) 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)
Conversion of warrant	9							9
Balance as at 30 SEPTEMBER 2020	60,011	(26,078)	(8,346)	419	4	540	283,547	310,097

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 2020.*



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year-to-date 30-Sep-2021 RM'000	Preceding Year-to-date 30-Sep-2020 RM'000
Profit/(Loss) before taxation	(6,650)	9,714
Adjustments for non-cash flow:		
Non-cash items	14,693	17,657
Non-operating items	4,448	4,649
Operating profit before working capital changes	12,491	32,020
Changes in working capital		
Net changes in current assets	(26,068)	2,255
Net changes in current liabilities	11,195	(8,978)
Cash generated from operations	(2,382)	25,297
Interest income received	212	236
Income tax refunded/(paid)	(3,814)	(8,691)
Net Cash Flow from Operating Activities	(5,984)	16,842
Proceeds from disposal of property, plant and equipment	4,342	264
Proceeds from disposal of right-of-used assets	4,620	-
Purchase of property, plant and equipment	(17,818)	(22,640)
Net Cash Flow from/(used in) Investing Activities	(8,856)	(22,376)
Bank borrowings	18,000	18,094
Finance cost paid	(4,663)	(5,089)
Issuance of shares	-	9
Dividend paid	-	(2,939)
Net Cash Flow from/(used in) Financing Activities	13,337	10,075
Net Increase/(Decrease) in cash and cash equivalents	(1,503)	4,541
Cash and cash equivalents at the beginning of the financial period	43,111	41,101
Cash and cash equivalents at the end of the financial period	41,608	45,642
Cash and bank balances	41,608	47,531
Bank overdraft	-	(1,889)
Total Cash and cash equivalents	41,608	45,642

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 2020.



NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2021

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 2020 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 2020.

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 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)

	Segmental Revenue	Profit/(Loss) before Taxation
	RM'000	RM'000
Poultry Farming	317,394	(19,926)
Investment and Trading of Related Products	60,603	13,376
TOTAL	377,997	(6,550)

Business Segments

	Investment and Trading of related poultry products	Poultry Farming	Adjustments	Group
	RM'000	RM'000	RM'000	RM'000
Revenue				
External	60,603	317,394		377,997
Internal	14,905	-	(14,905)	-
Total Revenue	75,508	317,394	(14,905)	377,997
Segment profit before interest & tax	13,513	(15,254)	(246)	(1,987)
Finance cost				(4,663)
Unaudited Consolidated Profit/(Loss) before Tax				(6,650)
Tax expense				(2,399)
Unaudited Consolidated Profit/(Loss) after Tax				(9,049)
Assets				
Segment Assets	160,318	543,359	(98,364)	605,313
Unallocated assets: Income producing assets				6
Unallocated assets: Deferred tax assets				354
Unallocated assets: Tax recoverable				4,748
				610,421
Liabilities				
Segment Liabilities	17,146	46,880	5,569	69,595
Unallocated liabilities: Borrowings				209,004
Unallocated liabilities: current/deferred tax liabilities				32,507
				311,106

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	7,600
Approved but not contracted for	19,270

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 RM408.3 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-2021	Cumulative 9-month ended 30-Sep-2021
	RM'000	RM'000
Sales of eggs, veterinary products, egg trays and others	4,579	13,381
Purchase of day-old-chick, veterinary products and raw material	4,524	11,960
Transportation	2,252	6,501
Other services	575	1,569

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-2021	30-Sep-2020		30-Sep-2021	30-Sep-2020	
	RM'000	RM'000		RM'000	RM'000	
REVENUE						
Poultry Farming	122,909	102,903	19%	317,394	302,053	5%
Investment and Trading	21,618	20,117	7%	60,603	57,699	5%
Total	144,527	123,020	17%	377,997	359,752	5%
PROFIT/(LOSS) BEFORE TAX						
Poultry Farming	2,092	700	199%	(19,926)	2,758	-822%
Investment and Trading	3,723	1,946	91%	13,276	6,956	91%
Total	5,815	2,646	120%	(6,650)	9,714	-168%

The Group recorded a higher revenue of RM378.0 million mainly due to the improved selling price of eggs for the current period under review. However, the continued high commodity prices of raw materials such as maize and soyabean had impacted the Group to record a pre-tax loss of RM6.6 million for the same period.

Poultry Farming

The segment recorded a higher revenue by RM15.3 million representing 5% increment resulting from the improved selling price of eggs and a pre-tax loss of RM19.9 million mainly due to higher feed cost for the financial period under review.

Investment and Trading

The segment recorded a slight increase in revenue from RM57.7 million to RM60.6 million. The surge in pre-tax profit of RM13.3 million, an increase of 91%, which was due to the sustainable contribution by the animal health products division and a gain on the disposal of right-of-use assets.

B2. Comparison with the Immediate Preceding Quarter's Results

	Current Quarter Ended	Immediate Preceding Quarter Ended	Variance	
	30-Sep-2021	30-Jun-2021	RM'000	%
Revenue	144,527	118,019	26,508	22.5
Profit/(Loss) before Interest & Tax	7,410	(12,455)	19,865	(159.5)
Profit/(Loss) before Tax	5,815	(13,908)	19,723	(141.8)
Profit/(Loss) after Tax	2,277	(10,528)	12,805	(121.6)
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	2,277	(10,528)	12,805	(121.6)

The Group's revenue was increased by RM26.5 million representing 22.5% and an improved pre-tax profit by RM19.7 million representing 141.8% respectively which was due to the rebound selling price of eggs surpassed the impact of higher feed cost for the current quarter under review.



B3. Current Year Prospects

In view of the business recovery progressively in the market and higher feed cost, the Directors are in opinion that the financial performance is remain challenging for the remaining 3 months period ending 31 December 2021.

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-2021 RM'000	Current YTD 30-Sep-2021 RM'000
Current year provision/(Reversal)	1,814	4,435
Deferred taxation/(Reversal)	1,724	(2,106)
Real Property Gain Tax ("RPGT") (refund)	-	70
Total Tax Expenses/(Reversal)	3,538	2,399

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 2021 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
as at 3rd Quarter ended 30 SEPTEMBER 2021												
Secured												
Term loan	1,826	5,619	2,614	8,233	499	1,535	1,187	2,722	2,325	7,154	3,801	10,955
Bankers' acceptance	-	-	-	-	-	-	-	-	-	-	-	-
Revolving credit/OD	-	-	-	-	-	-	-	-	-	-	-	-
Hire purchase	6	18	5,540	5,558	46	141	4,466	4,607	52	159	10,006	10,165
Sub total (1)				13,791				7,329				21,120
Unsecured												
Term loan	-	-	41,751	41,751	-	-	11,336	11,336	-	-	53,087	53,087
Bankers' acceptance	-	-	-	-	-	-	126,798	126,798	-	-	126,798	126,798
Revolving credit/OD	-	-	-	-	-	-	8,000	8,000	-	-	8,000	8,000
Hire purchase	-	-	-	-	-	-	-	-	-	-	-	-
Sub total (2)				41,751				146,134				187,885
TOTAL Borrowings				55,542				153,463				209,005
as at 3rd Quarter ended 30 SEPTEMBER 2020												
Secured												
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
Sub total (1)				23,608				10,390				33,998
Unsecured												
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	-	-	-	-	-	-	-	-	-	-	-	-
Sub total (2)				31,153				117,285				148,438
TOTAL Borrowings				54,761				127,675				182,436

- The increase of RM26.6 million in the total borrowings representing approx. 14.6% was mainly due to additional financing for working capital.
- The foreign currency exchange rate of SGD1=RM3.0772 was used for the reporting as at 30 September 2021, whereas the interest rates are in the range of 1.88% p.a. to 3.40% p.a.



B8. Financial Instruments

The Group has not entered into the forward contract to hedge the foreign currency purchase as at 30 September 2021.

B9. Trade Receivables

	<60 days	61-120 days	> 120 days	TOTAL	Credit Term (days)
	RM'000	RM'000	RM'000	RM'000	
External	43,755	4,713	6,283	54,751	Cash-150 days
Related parties	3,092	1,122	-	4,214	Cash-150 days
TOTAL Trade Receivables	46,847	5,835	6,283	58,965	
Impairment loss of trade receivables	(838)	(15)	(1,607)	(2,460)	
NET Trade Receivables	46,009	5,820	4,676	56,505	

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-2021	30-Jun-2021
	RM'000	RM'000
Realised profit	303,411	299,383
Unrealised loss	(31,047)	(29,296)
Retained profit	272,364	270,087

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-2021	30-Sep-2020	30-Sep-2021	30-Sep-2020
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent (RM'000)	2,277	1,243	(9,049)	6,331
Number of ordinary shares in issue ('000)	293,851	293,851	293,851	293,851
Basic earnings/(loss) per share (sen)	0.77	0.42	(3.08)	2.15



B14. Notes to the Statement of Comprehensive Income

	Current Quarter ended 30-Sep-2021 RM'000	Cummulative YTD 30-Sep-2021 RM'000
Interest income	(78)	(212)
Other income	(194)	(739)
Insurance claim	(205)	(205)
Reversal of Impairment loss from trade receivable	-	(3)
(Gain) on disposal of PPE	-	(1,879)
(Gain) on disposal of right-of-use assets	-	(2,996)
(Gain)/Loss on derivative	-	(11)
(Gain)/Loss on foreign exchange - realised	218	339
(Gain)/Loss on foreign exchange - unrealised	40	112
Depreciation and amortisation:		
Depreciation of Property, plant & equipment	5,998	17,951
Amortisation of right-of-use	74	223

B15. Authorisation for Issue

The financial statements were authorised for issue by the Board of Directors on 16 November 2021.