



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED
30 SEPTEMBER 2022

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Period
	30-Sep-2022	30-Sep-2021	30-Sep-2022	30-Sep-2021
	RM'000	RM'000	RM'000	RM'000
Revenue	166,576	144,527	471,322	377,997
Operating expenses	(174,081)	(137,143)	(480,752)	(385,578)
Other income	15,199	26	26,557	5,594
Finance cost	(1,759)	(1,595)	(4,994)	(4,663)
Profit/(Loss) before taxation	5,935	5,815	12,133	(6,650)
Tax expenses	(5,419)	(3,538)	(3,525)	(2,399)
Profit/(Loss) for the period	516	2,277	8,608	(9,049)
Other comprehensive income:				
Currency translation differences	539	(64)	1,185	270
Fair value changes of equity instruments classified as FVOCI	0	(1)	0	(1)
Total comprehensive income/(expense) for the period	1,055	2,212	9,793	(8,780)
Profit/(Loss) for the period attributable to:				
Equity holders of the parent	516	2,277	8,608	(9,049)
Total comprehensive income/(expense) attributable to:				
Equity holders of the parent	1,055	2,212	9,793	(8,780)
Earnings per ordinary share:				
Basic EPS (sen)	0.18	0.77	2.93	(3.08)
Diluted EPS (sen)	0.18	0.77	2.93	(3.08)

Notes:

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Consolidated Financial Statements for the year ended 31 December 2021.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited	Audited
	as at Current Quarter ended	as at Preceding Financial Year ended
	30-Sep-2022	31-Dec-2021
	RM'000	RM'000
Assets		
Non-current Assets		
Property, plant & equipment	372,870	373,443
Right-of-use assets	3,632	3,298
Equity instruments classified as FVOCI	7	7
Goodwill on consolidation	102	102
Deferred tax assets	249	309
Prepayment for purchase of property, plant & equipment	807	807
	377,667	377,966
Current Assets		
Biological assets	58,325	65,073
Inventories	67,634	58,566
Trade receivables	53,319	54,638
Other receivables and prepaid expenses	9,082	12,360
Tax recoverable	4,622	4,752
Fixed deposits, bank and cash balances	35,887	49,016
	228,869	244,405
TOTAL ASSETS	606,536	622,371
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	60,011	60,011
Treasury shares	(8,346)	(8,346)
Reserves	269,620	259,809
Total Equity attributable to Owners of the Company	321,285	311,474
Non-current Liabilities		
Term loan	43,983	48,919
Hire purchase payable	3,536	5,073
Lease liabilities	3,540	3,260
Deferred tax liabilities	27,497	28,923
	78,556	86,175
Current Liabilities		
Trade payables	51,422	39,814
Other payables and accrued expenses	16,396	23,104
Hire purchase payable	3,981	4,500
Other bank borrowings	133,054	156,078
Lease liabilities	280	185
Tax payable	1,562	1,041
	206,695	224,722
TOTAL LIABILITIES	285,251	310,897
TOTAL EQUITY & LIABILITIES	606,536	622,371
Net asset per share attributable to Ordinary Equity Holders	1.09	1.06

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 2021.



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 January 2022	60,011	(26,078)	(8,346)	517	4	910	284,456	311,474
ESOS - value of employee service				18				18
Profit/(Loss) for the period							8,608	8,608
Other comprehensive income/(expenses) for the period					0	1,185		1,185
Balance as at 30 SEPTEMBER 2022	60,011	(26,078)	(8,346)	535	4	2,095	293,064	321,285
Balance as at 1 January 2021	60,011	(26,078)	(8,346)	447	5	583	281,413	308,035
ESOS - value of employee service				59				59
Profit/(Loss) for the period							(9,049)	(9,049)
Other comprehensive income/(expenses) for the period					(1)	271		270
Balance as at 30 SEPTEMBER 2021	60,011	(26,078)	(8,346)	506	4	854	272,364	299,315

Notes:

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 2021.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Current Year to-date 30-Sep-2022	Preceding Year to-date 30-Sep-2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	12,133	(6,650)
Adjustments for non-cash flow:		
Non-cash items	19,594	14,693
Non-operating items	4,596	4,448
Operating profit before working capital changes	36,323	12,491
Changes in working capital		
Net changes in current assets	1,742	(26,068)
Net changes in current liabilities	5,385	11,195
Cash generated from operations	43,450	(2,382)
Interest received	356	212
Tax (paid)/refund	(4,431)	(3,814)
Net Cash Flow generated from Operating Activities	39,375	(5,984)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceed from disposal of property, plant & equipment	3,746	4,342
Proceed from disposal of ROU assets	0	4,620
Purchase of property, plant & equipment	(19,274)	(17,818)
Net Cash Flows used in Investing Activities	(15,528)	(8,856)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	(31,982)	18,000
Interest paid	(4,994)	(4,663)
Net Cash Flows from/(used in) Financing Activities	(36,976)	13,337
NET CHANGES IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	(13,129)	(1,503)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	49,016	43,111
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	35,887	41,608
Cash and bank balances	35,887	41,608
Bank overdraft	0	0
CASH AND CASH EQUIVALENTS	35,887	41,608

Notes:

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Consolidated Financial Statements for the year ended 31 December 2021.

NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2022

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 2021 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 2021.

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)

Poultry farming
Investment and trading of poultry related products
TOTAL

Segmental Revenue	Profit/(Loss) before Taxation
RM'000	RM'000
399,224	3,154
72,098	8,979
471,322	12,133

Business Segments

Revenue
External
Internal
TOTAL Revenue
Segment profit before interest & tax
Finance income
Finance cost
Unaudited Consolidated Profit/(Loss) before taxation
Tax expense
Unaudited Consolidated Profit/(Loss) after taxation
Assets
Segment assets
Unallocated assets: Income producing assets
Unallocated assets: Deferred tax assets
Unallocated assets: Tax recoverable
TOTAL Assets
Liabilities
Segment liabilities
Unallocated liabilities: Bank borrowings
Unallocated liabilities: Current/Deferred Tax liabilities
TOTAL Liabilities

Investment & Trading of poultry related products	Poultry Farming	Adjustments	Group
RM'000	RM'000	RM'000	RM'000
72,098	399,224		471,322
18,615	0	(18,615)	0
90,713	399,224	(18,615)	471,322
11,184	7,780	(2,193)	16,771
			356
			(4,994)
			12,133
			(3,525)
			8,608
204,672	549,386	(152,400)	601,658
			7
			249
			4,622
			606,536
14,116	66,381	(8,859)	71,638
			184,554
			29,059
			285,251

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

	TOTAL RM'000
Contracted but not provided for	1,682
Approved but not contracted for	11,861

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 RM430.2 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 months ended 30-Sep-2022 RM'000	Cumulative 9 months ended 30-Sep-2022 RM'000
Sales of eggs, animal health products, egg trays and others	6,092	16,778
Purchase of day-old-chick, animal health products and raw material	4,554	13,591
Transportation	2,691	6,731
Other services	388	1,587

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-2022	30-Sep-2021		30-Sep-2022	30-Sep-2021	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue						
Poultry farming	143,008	122,909	16.4%	399,224	317,394	25.8%
Investment & Trading of poultry related products	23,568	21,618	9.0%	72,098	60,603	19.0%
TOTAL	166,576	144,527	15.3%	471,322	377,997	24.7%
Profit/(Loss) before taxation						
Poultry farming	3,210	2,092	53.4%	3,154	(19,926)	115.8%
Investment & Trading of poultry related products	2,725	3,723	-26.8%	8,979	13,276	-32.4%
TOTAL	5,935	5,815	2.1%	12,133	(6,650)	282.5%

The Group recorded a higher revenue of RM471.3 million representing an increase of 24.7% and a pre-tax profit of RM12.1 million for the cumulative period under review.

Poultry Farming

The segment reported higher revenue by RM81.8 million representing an increase of 25.8% due to the improved selling price of eggs which was in pace with the higher feed cost. Following the egg subsidy received from Government, the segment recorded a pre-tax profit of RM3.2 million for the period under review.

Investment and Trading

Despite the segment recorded an increase in revenue by RM11.5 million, a lower pre-tax profit of RM9.0 million, representing a decline of 32.4% in pre-tax profit was mainly due to the gain on disposal of right-of-use asset in the previous corresponding period.

B2. Comparison with the immediate Preceding Quarter's Results

	Current Quarter ended	Immediate Preceding Quarter ended	Variance	
	30-Sep-2022	30-Jun-2022	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	166,576	157,386	9,190	5.8%
Profit/(Loss) before interest & tax	7,534	3,869	3,665	94.7%
Profit/(Loss) before taxation	5,935	2,461	3,474	141.2%
Profit/(Loss) after taxation	516	3,932	(3,416)	-86.9%
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent	516	3,932	(3,416)	-86.9%

The improvement in revenue from RM157.4 million to RM166.6 million representing an increase of 5.8% which was mainly due to increase in sales quantity and pricing of eggs coupled with sales of spent hen. The Group recorded a pre-tax profit by RM3.5 million representing a surge of 141.2% from the recognition of higher egg subsidy in the current quarter.

B3. Current Year Prospects

In view of the high feed cost and egg subsidy given by the government, the Directors are in opinion that the financial performance is remain challenging for the remaining 3 months period ending 31 December 2022.

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	Current Year to-date
	30-Sep-2022	30-Sep-2022
	RM'000	RM'000
Current year provision/(reversal)	1,617	4,987
(Over)/Underprovision in prior year	191	74
Deferred taxation/(reversal)	3,611	(1,557)
Real property gain tax/(refund)	0	21

The effective income tax rate is above the statutory income tax rate for the current period under review due to some loss making companies and unallowable expenses incurred in the Group.

B6. Corporate Proposal

There were no corporate proposals announced as of the date of this report.



B7. Group borrowings and Debt securities

a. Details of the group borrowings as at 30 SEPTEMBER 2022 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 2022												
Secured												
Term loan	0	0	1,427	1,427	0	0	1,187	1,187	0	0	2,614	2,614
Bankers' acceptance	0	0	0	0	0	0	0	0	0	0	0	0
Revolving credit/OD	0	0	0	0	0	0	0	0	0	0	0	0
Hire purchase	0	0	3,536	3,536	6	19	3,962	3,981	6	19	7,498	7,517
Sub total (1)				4,963				5,168				10,131
Unsecured												
Term loan	0	0	42,556	42,556	0	0	10,497	10,497	0	0	53,053	53,053
Bankers' acceptance	0	0	0	0	0	0	116,370	116,370	0	0	116,370	116,370
Revolving credit/OD	0	0	0	0	0	0	5,000	5,000	0	0	5,000	5,000
Hire purchase	0	0	0	0	0	0	0	0	0	0	0	0
Sub total (2)				42,556				131,867				174,423
TOTAL Borrowings				47,519				137,035				184,554
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	0	0	0	0	0	0	0	0	0	0	0	0
Revolving credit/OD	0	0	0	0	0	0	0	0	0	0	0	0
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	0	0	41,751	41,751	0	0	11,336	11,336	0	0	53,087	53,087
Bankers' acceptance	0	0	0	0	0	0	126,798	126,798	0	0	126,798	126,798
Revolving credit/OD	0	0	0	0	0	0	8,000	8,000	0	0	8,000	8,000
Hire purchase	0	0	0	0	0	0	0	0	0	0	0	0
Sub total (2)				41,751				146,134				187,885
TOTAL Borrowings				55,542				153,463				209,005

1. The decrease of RM24.5 million in the total borrowings representing approx. 11.7% was mainly due to reduction in utilization of trade financing.
2. The foreign currency exchange rate of SGD1=RM3.2389 was used for reporting as at 30 September 2022, interest rate in the range of 2.47% p.a. to 3.5% p.a.

B8. Financial Instruments

The was no forward contract entered for the period under review.

B9. Trade Receivables

	<60 days	61-120 days	> 120 days	TOTAL	Credit Term (days)
	RM'000	RM'000	RM'000	RM'000	
External	42,047	4,010	3,126	49,183	Cash-150 days
Related parties	3,759	1,632	1	5,392	Cash-150 days
TOTAL Trade Receivables	45,806	5,642	3,127	54,575	
Impairment loss of trade receivables	(115)	(1)	(1,140)	(1,256)	
NET Trade Receivables	45,691	5,641	1,987	53,319	

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 are 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-2022	30-Jun-2022
	RM'000	RM'000
Realised profit	320,614	316,043
Unrealised loss	(27,550)	(23,496)
Retained profit	293,064	292,547

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-2022	30-Sep-2021	30-Sep-2022	30-Sep-2021
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent (RM'000)	516	2,277	8,608	(9,049)
Number of ordinary shares in issue ('000)	293,851	293,851	293,851	293,851
Basic earnings/(loss) per share (sen)	0.18	0.77	2.93	(3.08)

B14. Notes to the Statement of Comprehensive Income

	Current Quarter ended 30-Sep-22	YTD ended 30-Sep-22
	RM'000	RM'000
Interest income	(160)	(356)
Other income	(15,224)	(26,040)
Insurance claim	(196)	(196)
Reversal of impairment loss from trade receivable	(5)	(5)
(Gain) on disposal of PPE	(78)	(285)
(Gain) on disposal of right-of-use assets	0	0
(Gain)/Loss on derivative	0	(6)
(Gain)/Loss on foreign exchange - realised	108	30
(Gain)/Loss on foreign exchange - unrealised	356	301
Depreciation and amortisation:		
Depreciation of Property, plant & equipment	6,359	18,936
Amortisation of right-of-use	78	231

B15 Authorisation for Issue

The financial statements were approved by the Board of Directors on 15 November 2022.