

**LTKM Berhad (Company No: 442942-H)**  
**Condensed Consolidated Statement of Comprehensive Income**  
**For the quarter ended 30 June 2013**

	Note	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
		30/6/2013 RM'000	30/6/2012 RM'000	30/6/2013 RM'000	30/6/2012 RM'000
<b>CONTINUING OPERATIONS</b>					
Revenue		43,540	36,503	43,540	36,503
Cost of sales		(33,841)	(33,505)	(33,841)	(33,505)
Gross profit		9,699	2,998	9,699	2,998
Other income		901	378	901	378
Administrative expenses		(1,343)	(1,328)	(1,343)	(1,328)
Distribution expenses		(698)	(855)	(698)	(855)
Finance costs		(270)	(265)	(270)	(265)
Other expenses		-	(169)	-	(169)
Profit before tax		8,289	759	8,289	759
Taxation	B5	(2,229)	(231)	(2,229)	(231)
Profit net of tax		6,060	528	6,060	528
<b>DISCONTINUED OPERATIONS</b>					
Loss net of tax		-	(13)	-	(13)
Profit net of tax, representing total comprehensive income for the period		6,060	515	6,060	515
Total comprehensive income, representing net profit attributable to owners of the parent		6,060	515	6,060	515
Non controlling interest		-	-	-	-
		6,060	515	6,060	515
Earnings per share attributable to owners of the parent :	B11	13.97	1.19	13.97	1.19
Continuing operations		13.97	1.22	13.97	1.22
Discontinued operation		-	(0.03)	-	(0.03)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

**LTKM Berhad (Company No: 442942-H)**  
**Condensed Consolidated Statement of Financial Position**  
**As at 30 June 2013**

	Note	As at 30 June 2013 RM'000	As at 31 Mar 2013 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		73,743	75,045
Investment properties		36,128	36,128
Biological assets		334	276
Investment securities		10,554	6,168
		<u>120,759</u>	<u>117,617</u>
<b>Current assets</b>			
Biological assets		12,523	12,119
Inventories		10,668	12,754
Property development cost		-	3,444
Tax recoverables		276	109
Trade and other receivables		13,264	12,280
Cash and bank balances		19,511	18,384
		<u>56,242</u>	<u>59,090</u>
<b>TOTAL ASSETS</b>		<u>177,001</u>	<u>176,707</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Attributable to equity holders of the parent</b>			
Share capital		43,368	43,368
Reserves		96,019	89,960
		<u>139,387</u>	<u>133,328</u>
Non controlling interest		-	-
<b>Total equity</b>		<u>139,387</u>	<u>133,328</u>
<b>Non-current liabilities</b>			
Hire purchase payables		171	302
Borrowings	B7	10,266	11,732
Deferred tax liabilities		6,669	6,667
		<u>17,106</u>	<u>18,701</u>
<b>Current liabilities</b>			
Trade and other payables		7,133	11,533
Dividend payable		-	1,734
Hire purchase payables		662	691
Borrowings	B7	9,624	9,577
Taxation		3,089	1,143
		<u>20,508</u>	<u>24,678</u>
<b>Total liabilities</b>		<u>37,614</u>	<u>43,379</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>177,001</u>	<u>176,707</u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

**LTKM Berhad (Company No: 442942-H)**  
**Condensed Consolidated Statement of Cash Flows**

	3 months ended 30 June	
	2013	2012
	RM'000	RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	8,289	759
Loss before tax from discontinued operation	-	(13)
	<u>8,289</u>	<u>746</u>
Adjustment for non-cash flow		
Depreciation of property, plant & equipment	2,100	2,195
Amortisation of biological assets	3	2
Write off of property, plant and equipment	-	3
Gain on disposal of property, plant and equipment	-	(49)
Fair value gain on investment properties	-	(12)
Fair value (gain)/loss on investment securities	(469)	169
Gain on disposal of investment securities	(18)	(92)
Reversal of impairment loss on trade and other receivables	-	(1)
Unrealised exchange gain	(31)	(31)
Dividend income	(58)	(46)
Operating profit before changes in working capital	<u>9,816</u>	<u>2,884</u>
(Increase)/decrease in biological assets	(465)	276
Decrease/(increase) in property development costs	3,444	(56)
Decrease/(increase) in inventories	2,086	(1,191)
(Increase)/decrease in receivables	(984)	193
(Decrease)/increase in payables	<u>(4,399)</u>	<u>1,608</u>
Cash generated from operating activities	<u>9,498</u>	<u>3,714</u>
Net taxes paid	(448)	(1,729)
Net cash flows generated from operating activities	<u>9,050</u>	<u>1,985</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment	(798)	(1,258)
Purchase of marketable securities	(4,071)	(789)
Proceeds from disposal of property, plant & equipment	-	52
Proceeds from disposal of marketable securities	203	407
Dividend received	58	46
Net cash flows used in investing activities	<u>(4,608)</u>	<u>(1,542)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	(1,735)	(2,168)
Repayment of term loans	(1,431)	(1,433)
Net drawdown of other bank borrowings	12	1,321
Repayment of hire purchase	(160)	(151)
Net cash flows used in financing activities	<u>(3,314)</u>	<u>(2,431)</u>
Net change in cash and cash equivalents	1,128	(1,988)
Cash and cash equivalents at 1 April	<u>18,383</u>	<u>13,495</u>
Cash and cash equivalents at end of the period	<u>19,511</u>	<u>11,507</u>
Cash and cash equivalents comprise the following amounts:-		
Fixed deposits with licensed banks	10,298	5,872
Cash on hand and at bank	9,213	5,635
Cash and bank balances	<u>19,511</u>	<u>11,507</u>
	<u>19,511</u>	<u>11,507</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

**LTKM Berhad (Company No: 442942-H)**  
**Condensed Consolidated Statements of Changes in Equity**  
**For the quarter ended 30 June 2013**

	<-----Attributable to equity holders of the parent----->							Total equity RM'000	
	[------(Non- distributable)-----]			(Distributable)					
	Share capital RM'000	Share premium RM'000	Asset Revaluation Reserve RM'000	ESOS Reserve RM'000	Retained profits RM'000	Total RM'000	Non controlling Interest RM'000		
<b>3 months ended 30 June 2013</b>									
At 1 April 2013	43,368	2,468	12,697	-	74,794	133,327	-	133,327	
<b>Total comprehensive income</b>	-	-	-	-	6,060	6,060	-	6,060	
At 30 June 2013	43,368	2,468	12,697	-	80,854	139,387	-	139,387	
<b>3 months ended 30 June 2012</b>									
At 1 April 2012	43,368	(270)	2,468	9,101	-	69,084	124,021	38	124,059
<b>Total comprehensive income</b>	-	-	-	-	515	515	-	515	
At 30 June 2012	43,368	2,468	9,101	-	69,599	124,536	38	124,574	

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.

**PART A – Explanatory Notes Pursuant to FRS 134 – Paragraph 16**

## A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and Amendments to FRS 134: Interim Financial Reporting (Improvements to FRSs (2012)) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2013. These explanatory notes attached to the interim 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 since the year ended 31 March 2013.

The accounting policies and methods of computation adopted in the interim financial statements are consistent with those of the audited financial statements for the year ended 31 March 2013, except for the adoption of the following new and revised Financial Reporting Standards (“FRS”) and Amendments to FRSs that have become effective for the financial periods beginning 1 April 2013:-

Amendments to FRS 101: Presentation of Items of Other  
Comprehensive Income  
Amendments to FRS 101: Presentation of Financial Statements  
(Improvements to FRSs (2012))  
FRS 10: Consolidated Financial Statements  
FRS 12: Disclosure of Interests in Other Entities  
FRS 13: Fair Value Measurement  
FRS 119: Employee Benefits  
FRS 127: Separate Financial Statements  
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and  
Financial Liabilities  
Amendments to FRS 116 Property, Plant and Equipment  
(Improvement to FRSs(2012))  
Amendments to FRS 132: Financial Instruments: Presentation  
(Improvement to FRSs(2012))  
Amendments to FRS 134: Interim Financial Reporting  
(Improvement to FRSs(2012))

The adoption of the above FRSs and Amendments to FRSs did not have any significant effects on the interim financial statements.

The Group has not early adopted the following FRSs and Amendments to FRSs, which have been issued and will be effective for the financial periods as stated below :-

	Effective date for financial periods beginning on or after
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities	1 January 2014
FRS 9: Financial Instruments	1 January 2015

The above new FRSs and Amendments to FRSs will be adopted by the Group when they become effective and that the initial applications of these Standards will have no material impact on the financial statements of the Group, except as disclosed below.

#### FRS 9: Financial Instruments - Classification and Measurement

FRS 9 reflects the first phase of the work on the replacement of FRS 139 Financial Instruments: Recognition and Measurement and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139 Financial Instruments: Recognition and Measurement. The adoption of the first phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

#### Malaysian Financial Reporting Standards

The Group falls within the Transitioning Entities of the Malaysian Accounting Standards Board (MASB)'s new approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS"); and accordingly, will only be issuing its first MFRS compliant financial statements for the period beginning 1 April 2014.

#### A2. Audit Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2013 was not qualified.

#### A3. Segmental Information

	<b>3 months ended</b>	
	<b>30-Jun-13</b>	<b>30-Jun-12</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Segment revenue</b>		
Revenue from continuing operations:-		
Poultry & related products	39,805	34,508
Extraction & sale of sand	986	955
Others	2,749	1,040
	<u>43,540</u>	<u>36,503</u>
Revenue from discontinued operations	<u>-</u>	<u>-</u>
Total	<u>43,540</u>	<u>36,503</u>

Segment results	3 months ended	
	00-Jan-00 RM'000	00-Jan-00 RM'000
Profit before tax from :-		
Continuing operations :		
Poultry & related products	6,833	487
Investment holdings	460	(42)
Extraction & sale of sand	361	280
Others	635	34
	<u>8,289</u>	<u>759</u>
Discontinued operation :	-	(13)
Total	<u>8,289</u>	<u>746</u>

A4. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial quarter ended 30 June 2013.

A5. Changes in Estimate

There were no changes in the estimates that have had a material effect in the current quarter results.

A6. Comments about Seasonal or Cyclical Factors

The Group's performance is not significantly affected by major festive seasons.

A7. Dividends Paid

On 8 April 2013, the Company has paid an interim dividend of 4%, single-tier, in respect of the financial year ended 31 March 2013, amounted to RM1.73 million.

A8. Carrying Amount of Revalued Assets

There were no other changes in the valuation of property, plant and equipment brought forward from the previous annual financial statements.

A9. Debt and Equity Securities

There were no other issuances, repurchases, and repayments of debt and equity securities during the quarter under review.

A10. Changes in Composition of the Group

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

## A11. Changes in Contingent Liabilities and Contingent Assets

There were no changes in other contingent liabilities or contingent assets since the last annual balance sheet as at 31 March 2013.

## A12. Subsequent Events

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

## A13. Profit for the Period

Profit for the period is arrived at after crediting/(charging):-

	<b>3 months ended</b>	
	<b>30 June 2013</b>	<b>30 June 2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest income	90	62
Other income including		
investment income	761	144
Interest expense	(270)	(265)
Depreciation & amortisation	(2,103)	(2,197)
Provision for and write off of		
receivables	-	-
Provision for and write off of		
inventories	-	-
Gain on disposal of quoted or		
unquoted investment or		
properties	18	141
Impairment of assets	-	(3)
Foreign exchange gain	174	148
Gain/(loss) on derivatives	-	-
Exceptional items	-	-



## A14. Realised and Unrealised Profits/(Losses) Disclosure

	Group		Company	
	As at 30.06.2013 (RM'000)	As at 31.3.2013 (RM'000)	As at 30.06.2013 (RM'000)	As at 31.3.2013 (RM'000)
Total retained profits of the Company and its subsidiaries :-				
Realised profits	77,745	72,562	32,277	32,260
Unrealised (losses)/profits	(1,389)	(2,170)	0.2	0.2
	<u>76,357</u>	<u>70,392</u>	<u>32,277</u>	<u>32,260</u>
Add : Consolidation adjustments	4,497	4,403	-	-
Retained profits as per consolidated accounts	<u>80,854</u>	<u>74,794</u>	<u>32,277</u>	<u>32,260</u>

**B. BMSB Listing Requirements (Part A of Appendix 9B)****B1. Review of Performance**

The Group registered a revenue of RM43.54 million and a profit before tax (“PBT”) of RM8.29 million for the current quarter as compared to RM36.50 million and RM0.75 million respectively in preceding year corresponding quarter. Higher selling prices of eggs is the major contributor for the improved profit for the Group.

Revenue and contribution from other segments did not significantly affect the performance of the Group for the current quarter under review.

**B2. Comment on Material Change in Profit Before Tax**

The Group posted a profit before tax (“PBT”) of RM8.29 million for the current quarter as against a PBT of RM7.21 million in the preceding quarter. The Group’s revenue for this quarter at RM43.54 million is higher than the RM40.54 million in the preceding quarter, contributed mainly by the revenue recognized for property development. The increase in PBT was largely due to lower cost of major raw materials particularly soybean and corn in the poultry segment. However, the increase in poultry segment profit was largely netted off by the decrease in profits of the investment holding segment. In the preceding quarter, the investment holding segment recorded a profit of RM2.66 million arising mainly from fair valuation gain of its investment properties., as compared to RM0.46 million this quarter.

There were no material change in contributions from other segments of the Group.

**B3. Commentary on Prospects**

The Board expects the performance of the poultry segment for the rest of the year to be challenging due mainly to the volatility of major raw materials particularly soybean and corn.

The contributions from other segments namely the Extraction and Sale of Sand, Investment Holdings and Others are not expected to significantly contribute to the results of the Group.

**B4. Profit Forecast or Profit Guarantee**

This is not applicable.

**B5. Tax Expenses**

	3 months ended 30.6.13 RM’000	3 months ended 30.6.12 RM’000
Continuing operations		
- Income tax expense	2,229	232
- Deferred tax	-	(1)
Total tax expense	<u>2,229</u>	<u>231</u>

The effective tax rate for the current year-to-date is higher than the statutory rate of 25% due mainly to undeductible expenses.

B6. Corporate Proposals

(a) Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 22 August 2013.

(b) Status of Utilisation of Proceeds

Not applicable as there was no corporate proposal to raise funds.

B7. Borrowings

The total Group borrowings as at 30 June 2013 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Short term borrowings</b>			
Term loan	6,242	-	6,242
Other bank borrowings	500	2,882	3,382
Hire Purchase Payables	662	-	662
	<u>7,404</u>	<u>2,882</u>	<u>10,286</u>
<b>Long term borrowings</b>			
Term loan	10,266	-	10,266
Hire Purchase Payables	171	-	171
	<u>10,437</u>	<u>-</u>	<u>10,437</u>
Total	<u>17,841</u>	<u>2,882</u>	<u>20,723</u>

There were no borrowings in any foreign currency as at 30 June 2013.

B8. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 22 August 2013.

B9. Changes in Material Litigations

There were no material litigations involving the Group for the current quarter under review.

## B10. Dividend Payable

No interim ordinary dividend has been declared for the financial period ended 30 June 2013 (30 June 2012 : Nil).

## B11. Earnings per share (“EPS”)

	<b>3 months ended</b>	
	<b>30-Jun-13</b>	<b>30-Jun-12</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Profit/(loss) attributable to ordinary shareholders of the parent :-</b>		
Continuing operations	6,060	528
Discontinued operation	-	(13)
Group	6,060	515
	<b>No. of shares</b>	<b>No. of shares</b>
	43,368,002	43,368,002
	<b>Sen per share</b>	<b>Sen per share</b>
<b>EPS :-</b>		
Continuing operations	13.97	1.22
Discontinued operation	-	(0.03)
	13.97	1.19

Diluted earnings per share is not applicable for the respective periods.

## B12. Authorisation for Issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with resolution of the directors on 29 August 2013.

## B13. Dividends Paid / Declared

Dividend paid and declared since the financial year 2008 up to the date of this report.

Dividend No.	Financial Year	Type	Rate	Payment Date
12	2008	Interim dividend	3% per share, tax exempt	21.4.2008
13	2008	Final dividend	7% per share less tax	7.10.2008
14	2009	Interim dividend	3% per share, tax exempt	15.5.2009

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15	2009	Final dividend	5% per share, single-tier	07.10.2009
16	2010	Interim dividend	3% per share, single-tier	14.5.2010
17	2010	Final dividend	5% per share, single-tier	7.10.2010
17	2010	Special dividend	2% per share, single-tier	7.10.2010
18	2011	Interim dividend	5% per share, single-tier	14.4.2011
19	2011	Final dividend	8% per share, single-tier	6.10.2011
20	2012	Interim dividend	5% per share, single tier	3.4.2012
21	2012	Final dividend	5% per share, single tier	4.10.2012
22	2013	Interim dividend	4% per share, single tier	8.4.2013
23	2013	Final dividend	8% per share, single tier	4.10.2013