



TPC PLUS BERHAD (615330-T)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019**

The figures have not been audited.

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
		31.12.2019 RM'000	31.12.2018 RM'000	31.12.2019 RM'000	31.12.2018 RM'000
CONTINUING OPERATIONS :					
Revenue		63,836	61,948	245,450	213,058
Operating expenses		(70,415)	(54,136)	(239,992)	(208,074)
Other operating income		616	1,617	2,071	3,401
(Loss)/Profit from operations		(5,963)	9,429	7,529	8,385
Finance costs		(813)	(991)	(3,371)	(3,935)
(Loss)/Profit before taxation	B14	(6,776)	8,438	4,158	4,450
Taxation	B6	(370)	(1,193)	(2,074)	(1,161)
(Loss)/Profit after taxation		(7,146)	7,245	2,084	3,289
Other comprehensive income		-	47	-	47
Total comprehensive (expenses)/income for the period		(7,146)	7,292	2,084	3,336
(Loss)/Profit after taxation attributable to :					
Equity holders of the Company		(7,146)	7,245	2,084	3,289
		(7,146)	7,245	2,084	3,289
Total comprehensive (expenses)/income attributable to :					
Equity holders of the Company		(7,146)	7,292	2,084	3,336
		(7,146)	7,292	2,084	3,336
(Loss)/Earnings per share					
- basic (sen)	B17(a)	(3.06)	3.10	0.89	1.41
- diluted (sen)	B17(b)	N/A	2.74	0.77	1.22

The Condensed Consolidated Statement of Profit or Loss and Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.



TPC PLUS BERHAD (615330-T)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

The figures have not been audited.

		As at Current Quarter Ended	As at Preceding Financial Year Ended
	Note	31.12.2019	31.12.2018
		RM'000	RM'000
		<i>UNAUDITED</i>	<i>AUDITED</i>
ASSETS			
Non-Current Assets			
Property, plant and equipment		95,618	112,599
Right-of-use assets		10,963	-
Investment properties		400	640
		106,981	113,239
Current Assets			
Inventories		7,321	6,245
Biological assets		36,320	35,029
Current tax assets		4	-
Trade receivables	B16	40,014	22,191
Other receivables, deposits and prepayments		1,048	3,424
Fixed deposits with financial institutions		565	460
Short-term investment		925	571
Cash and bank balances		4,828	7,332
		91,025	75,252
TOTAL ASSETS		198,006	188,491
EQUITY AND LIABILITIES			
Share capital		52,009	52,009
Warrant reserve		19,325	19,325
Retained earnings		16,063	13,979
Shareholders' equity		87,397	85,313
Non-Current Liabilities			
Long term borrowings	B10	14,360	23,600
Lease liabilities	B10	3,983	-
Deferred tax liabilities		11,823	9,782
		30,166	33,382
Current Liabilities			
Trade payables		44,613	39,925
Other payables and accruals		3,153	2,529
Amount owing to related companies		454	2,176
Short term borrowings	B10	26,733	24,220
Lease liabilities	B10	3,844	-
Bank overdrafts	B10	1,646	928
Current tax liabilities		-	18
		80,443	69,796
TOTAL LIABILITIES		110,609	103,178
TOTAL EQUITY AND LIABILITIES		198,006	188,491
		-	-
NET ASSETS PER SHARE (RM)		0.37	0.36

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.

**TPC PLUS BERHAD (615330-T)***(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019***The figures have not been audited.*

	Share Capital	Share Premium	Warrant Reserve	Retained Earnings	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	52,009	-	19,325	13,979	85,313
Total comprehensive income for the period	-	-	-	2,084	2,084
At 31 DECEMBER 2019	52,009	-	19,325	16,063	87,397

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 31 DECEMBER 2018

	Share Capital	Share Premium	Warrant Reserve	Retained Earnings	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2018	46,764	5,245	19,325	10,643	81,977
Reclassification pursuant to S618(2) of CA 2016	5,245	(5,245)	-	-	-
Total comprehensive expenses for the period	-	-	-	3,336	3,336
At 31 DECEMBER 2018	52,009	-	19,325	13,979	85,313

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.



TPC PLUS BERHAD (615330-T)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED

31 DECEMBER 2019

The figures have not been audited.

	Current Year-to-Date 31.12.2019 RM'000	Preceding Year-to-Date 31.12.2018 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	4,158	4,450
<i>Adjustments for :</i>		
Assets written off	455	-
Depreciation of property, plant and equipment	8,242	8,848
Depreciation of right-of-use assets	1,122	-
Depreciation of investment property	240	240
Impairment losses on trade receivables	2,863	467
Interest expenses	3,371	3,935
Gain on disposal of property, plant and equipment	-	(1,150)
Dividend and interest income	(70)	(36)
Operating profit before working capital changes	20,381	16,754
Net change in inventories	(1,076)	(2,759)
Net change in biological assets	(1,291)	(4,853)
Net change in trade and other receivables	(18,310)	(1,974)
Net change in trade and other payables	3,591	5,482
Cash from operations	3,295	12,650
Income tax paid	(56)	(81)
Net cash from operating activities	3,239	12,569
CASH FLOW FOR INVESTING ACTIVITIES		
Dividend and interest income	70	36
Increase in fixed deposit pledged	(105)	-
Proceeds from disposal of property, plant and equipment	-	2,241
Acquisition of property, plant and equipment	(127)	(7,771)
Acquisition of right-of-use assets	(263)	-
Net cash for investing activities	(425)	(5,494)
CASH FLOW FOR FINANCING ACTIVITIES		
Interest paid	(3,371)	(3,935)
Advance from related companies	95	180
Drawdown of bankers' acceptances	4,794	7,239
Repayment of hire purchase obligations	-	(4,064)
Repayment of lease liabilities	(3,465)	-
Drawdown of term loans	-	6,150
Repayment of term loans	(3,735)	(9,306)
Net cash for financing activities	(5,682)	(3,736)
Net changes in cash and cash equivalents	(2,868)	3,339
Cash and cash equivalents at beginning of the financial period	6,975	3,636
Cash and cash equivalents at end of the period	4,107	6,975

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018.



A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements

A1. Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with 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 2018 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 are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

During the current financial year, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

MFRS 16 Leases

IC Interpretation 23 Uncertainty Over Income Tax Treatments

Amendments to MFRS 9: Prepayment Features with Negative Compensation

Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement

Amendments to MFRS 128: Long-term Interests in Associate and Joint Ventures

Annual Improvements to MFRS Standards 2015-2017 Cycles

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020



A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements (Cont’d)

A3. Auditors’ report

The auditors’ report on the financial statements for the year ended 31 December 2018 was not subject to any audit qualification.

A4. Seasonal and Cyclical Factors

The business operations of the Group was not significantly affected by any unusual seasonal or cyclical factors.

A5. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that were unusual because of their nature, size or incidence.

A6. Material Change in Estimates

There were no material changes in estimates of the amounts reported in the current interim period of the current financial year.

A7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities during the financial period 31 December 2019.

A8. Dividends Paid

There were no dividends paid during the current quarter under review.

A9. Segmental Information

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business segment is not presented.

A10. Valuations of Property, Plant and Equipment

There were no valuations carried out on property, plant and equipment of the Group during period under review.

A11. 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.

A12. Changes in the Composition of the Group

There were no major changes in the composition of the Group for the current financial quarter under review.



TPC PLUS BERHAD (615330-T)

(Incorporated in Malaysia)

A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements (Cont’d)

A13. Capital Commitments

The capital commitments of the Group as at 31 December 2019 are as follow:-

	RM’000
Purchase of property, plant and equipment	<u>4,195</u>

A14. Changes in Contingent Liabilities

Changes in material contingent liabilities of the Group and Company since 31 December 2018 were as follows:

	Group		Company	
	31.12.2019 RM’000	31.12.2018 RM’000	31.12.2019 RM’000	31.12.2018 RM’000
Guarantees granted by the Company to third parties for credit facilities extended to subsidiaries	Nil	Nil	69,039	56,319
Outstanding guarantees granted by the Company to third parties for credit facilities extended to subsidiaries	Nil	Nil	42,740	41,001

A15. Related Party Transactions

The following related party transactions have been entered into the normal course of business at arm’s length:

	Current Period Quarter	Cumulative Year to-Date
	31.12.2019	31.12.2019
	RM’000	RM’000
Immediate holding company		
Sales of eggs, feeds and raw materials	7,777	39,601
Purchase of eggs, feeds, raw materials and livestock	11,255	52,062
Fellow subsidiaries		
Sales of feeds, raw materials and spent layers	20,647	60,782
Purchase of feeds, raw materials and egg trays	1,409	4,917



B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements

B1. Performance Review

	Individual Period (4 th Quarter)		Changes (%)	Cumulative Period		Changes (%)
	Current Year Quarter	Preceding Year Corresponding Quarter		Current Year To-Date	Preceding Year Corresponding Period	
	31.12.2019	31.12.2018		31.12.2019	31.12.2018	
	RM'000	RM'000		RM'000	RM'000	
Revenue	63,836	61,948	3.05	245,450	213,058	15.20
(Loss) / Profit From Operations	(5,963)	9,429	(163.24)	7,529	8,385	(10.21)
(Loss) / Profit Before Taxation	(6,776)	8,438	(180.30)	4,158	4,450	(6.56)
(Loss) / Profit After Taxation	(7,146)	7,245	(198.63)	2,084	3,289	(36.64)
(Loss) / Profit After Taxation Attributable to Owners of the Company	(7,146)	7,245	(198.63)	2,084	3,289	(36.64)

For the current quarter period ended 31 December 2019, the Group registered a revenue of RM63.84 million as compared to the preceding year quarter of RM61.95 million, indicating a growth of about RM1.89 million or 3%. This growth was due to the increase in number of eggs sold as the results of higher egg production despite of the drop in the average egg selling price for the current quarter under review.

However, the Group reported a loss before taxation of RM6.78 million for the current quarter under review as compared to the profit before taxation of RM8.44 million during Q4 2018, revealing a significant drop of approximately RM15.22 million or 180%. This was mainly due to the decrease in the average egg selling prices and therefore resulted in the fair value losses on the biological assets for the current quarter under review.



B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

B2. Comparison with the Preceding Quarter's Results

	Current Quarter	Immediate Preceding Quarter	Changes (%)
	31.12.2019	30.9.2019	
	RM'000	RM'000	
Revenue	63,836	67,278	(5.12)
(Loss) / Profit From Operations	(5,963)	2,232	(367.16)
(Loss) / Profit Before Taxation	(6,776)	1,422	(576.51)
(Loss) / Profit After Taxation	(7,146)	1,276	(660.03)
(Loss) / Profit After Taxation Attributable to Owners of the Company	(7,146)	1,276	(660.03)

For the current quarter ended 31 December 2019, the Group registered a lower revenue of RM63.84 million as compared to the preceding quarter of RM67.28 million, which indicates a drop of approximately RM3.44 million or 5.12%. This was mainly due to lower average selling prices of eggs despite of the increase in the number of eggs sold.

As a result, the Group recorded a loss before taxation of RM6.78 million during Q4 2019 as compared to profit before taxation of RM1.42 million during Q3 2019. The main cause to the loss before taxation for current quarter was contributed by the lower average selling price of eggs. In addition, the recognition of fair value losses in biological assets was also bringing substantial impact towards the Group's overall performance.

B3. Commentary on Current Year Prospect

Currently, the egg markets continue to be under pressure and we do not expect to see any significant improvement until there is a better balance between the supply and demand of eggs. Despite the above, the Group will continue its current expansion projects in order to spur the growth trajectory in the production of eggs to create greater efficiency in its operation.

B4. Profit Forecast or Profit Guarantee

The Group did not publish any profit forecast or issue any profit guarantee during the reporting year.

B5. Statement by Directors

The Group did not issue any profit forecast or projection in a public document in the current quarter or prior financial period.



B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

B6. Taxation

Income tax expense comprises the following:

	Individual Period		Cumulative Period	
	Current period quarter	Preceding year corresponding quarter	Current year-to-date (12 months)	Preceding year-to-date (12 months)
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
In respect of the financial period Malaysian income tax	34	53	34	53
Deferred tax expense	336	1,140	2,040	1,108
Total	370	1,193	2,074	1,161

B7. Landed Properties

There was no disposal of any landed properties for the current financial year.

B8. Quoted Investment

There were no purchases or sales of quoted securities for the current financial year.

B9. Status of Corporate Proposal and Utilisation of Proceeds

There were no corporate proposals announced but not completed as at 31 December 2019.

A total of 80,000,000 free Warrants were issued on 20 January 2016 and listed on Main Market of Bursa Malaysia Securities Berhad on 22 January 2016 with a 5 years' exercise period and each warrant carries the entitlement to subscribe for one (1) new TPC Share at an exercise price of RM0.20 per warrant. The maturity date for the warrants is on 19 January 2021.

As at 31 December 2019, a total of 21,000 warrants have been converted into shares and the proceed has been deposited into TPC Warrant Account for working capital purpose.

No Warrants 2016/2021 were exercised during the current quarter under review.

B10. Group Borrowings and Debt Securities

The Group's borrowings as at 31 December 2019 are all denominated in Ringgit Malaysia ("RM") and the breakdown of the total borrowings under current and non-current categories are as follows:

	RM'000		RM'000
Current		Non-Current	
Bankers' acceptances – secured	22,082	Term loans – secured	14,360
Term loans – secured	4,651	Lease liabilities	3,983
Lease liabilities	3,844		
Overdrafts – secured	1,646		
	<u>32,223</u>		<u>18,343</u>
TOTAL BORROWINGS	<u>50,566</u>		



B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

B10. Group Borrowings and Debt Securities (Cont'd)

The Group's borrowings as at 31 December 2019 are all denominated in Ringgit Malaysia ("RM") and the breakdown of the total borrowings under current and non-current categories are as follows (Cont'd):

- i. As at 31 December 2019, there were no borrowings denominated in foreign currencies.
- ii. Effective average cost of borrowings based on exposure as at 31 December 2019 ranges from 4.48-8.39%.

B11. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 31 December 2019.

B12. Changes in Material Litigation since the Last Annual Statement of Financial Position

Other than the summons as described below, there were no material litigations involving the Group for the current quarter under review.

The status of the two (2) summons, MA-63AP-4-08/2019 and MA-63AP-5-08/2019, both of which were filed against the Company's wholly-owned subsidiary, Teck Ping Chan Agriculture Sdn Bhd (Company No. 197801004928 (41913-X)) ("TPCA"), which are currently pending before the Melaka Sessions Court, as follows:

(a) MA-63AP-4-08/2019

The matter was called up before the Melaka Sessions Court on 10 February 2020. The prosecution has requested for an adjournment of the matter for them to consider TPCA's letter of representation for the withdrawal of the charge. The matter has been fixed for trial on 11 March 2020 and 31 March 2020. However, the prosecution is to inform the court earlier in the event that the prosecution decides to withdraw the charge against TPCA; and

(b) MA-63AP-5-08/2019

The matter was called up before the Melaka Sessions Court on 10 February 2020. The prosecution has requested for an adjournment of the matter for them to consider TPCA's letter of representation for the withdrawal of the charge. The matter has been fixed for trial on 11 March 2020 and 31 March 2020. However, the prosecution is to inform the court earlier in the event that the prosecution decides to withdraw the charge against TPCA.

The Company will make further announcement on this matter in due course.

B13. Dividend Payable

The Group has not recommended or declared any dividend during the current quarter and period to date ended 31 December 2019.



B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

B14. (Loss)/Profit Before Taxation Is Arrived at After Charging/(Crediting)

	Current Period Quarter	Cumulative Year to-Date
	31.12.2019	31.12.2019
	RM'000	RM'000
(Loss)/Profit before taxation is arrived at after charging/(crediting):-		
Assets written off	230	455
Auditors' remuneration – Audit fees	-	90
Depreciation of property, plant and equipment	2,107	8,242
Depreciation of right-of-use assets	329	1,122
Depreciation of investment property	60	240
Impairment loss on financial assets – MFRS 9	140	539
Impairment losses on trade receivables	-	2,324
Interest expenses	813	3,371
Other income including investment income	(616)	(2,071)

Other than the above items, there were no provision for and write off of inventories, gain or loss on disposal of unquoted investment or properties, gain or loss on derivatives and exceptional items for the current and financial year-to-date.

B15. Cash and Cash Equivalent at The End of The Financial Period

	RM'000
Cash and bank balances	4,828
Short-term investment	925
Fixed deposits with financial institutions	565
Bank overdrafts (secured)	(1,646)
	<u>4,672</u>
Less: Fixed deposits pledged	(565)
	<u><u>4,107</u></u>

B16. Trade Receivables

	Cumulative Year to-Date	Cumulative Year to-Date
	31.12.2019	30.9.2019
	RM'000	RM'000
Third parties	9,100	10,659
Fellow subsidiaries	34,244	21,151
Impairment loss on financial assets – MFRS 9	(782)	(642)
Impairment losses on trade receivables	(2,548)	(2,548)
Total	40,014	28,620



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(Incorporated in Malaysia)

B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

B17. (Loss)/Earnings Per Share (“EPS”)

	Individual Quarter		Cumulative Quarter	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
a) Basic (Loss)/Earnings per Share				
Net (Loss)/Earnings for the period	(7,146)	7,245	2,084	3,289
Weighted average number of ordinary shares	233,795	233,795	233,795	233,795
Basic (Loss)/Earnings per Share (sen)	(3.06)	3.10	0.89	1.41
b) Diluted Earnings Per Share				
Net Earnings for the period	-	7,245	2,084	3,289
Weighted average number of ordinary shares	-	233,795	233,795	233,795
Number of shares deemed to have been issued for no consideration – Warrants	-	30,488	36,360	36,508
Weighted average number of ordinary shares	-	264,283	270,155	270,303
Diluted Earnings per Share (sen)	*-	2.74	0.77	1.22

*The diluted loss per share is not presented as there is an anti-dilutive effect arising from the assumed exercise of warrants.