

Press Release



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LEONG HUP INTERNATIONAL BERHAD INDONESIA'S RECOVERY, POTENTIAL IN PHILIPPINES

KUALA LUMPUR, 30 May 2024 – Leong Hup International Berhad (“LHI” or the “Group”), one of the largest fully integrated producers of poultry, egg and livestock feed in Southeast Asia, announced its unaudited consolidated financial results for the first quarter of 2024 (“**Q1FY24**”).

The Group registered revenue of RM2.41 billion, 9.5% higher as compared to RM2.20 billion posted in the preceding year’s corresponding quarter ended 31 March 2023 (“**Q1FY23**”). Profit after tax and minority interests (“**PATMI**”) increased 155.6% from RM22.14 million in Q1FY23 to RM56.58 million in Q1FY24.

The revenue of livestock and poultry segment improved by 10.0% to RM1.32 billion, as compared to RM1.20 billion recorded in Q1FY23. Indonesia recorded higher sales volume of broiler DOC, broiler duck and increase in average selling price of broiler chickens; Philippines revenue increased due mainly to higher sales volume of broiler chickens while Singapore sales volume of fresh chickens increased as it continues to recover from June 2022 export ban by Malaysian government. Meanwhile, feedmil segment revenue increased by 10.1% to RM1.09 billion, up from RM0.99 billion recorded in Q1FY23. The increase was due mainly to higher average selling price and sales volume in Indonesia and higher sales volume in Philippines.

On geographical segmentation review, Indonesia was the highest revenue contributor to the Group’s revenue at RM974.86 million (40.5%). Malaysia was the second highest contributing segment of the Group at RM584.21 million (24.3%), Vietnam contributed RM471.69 million (19.6%), Singapore contributed RM210.01 million (8.7%) and the Philippines at RM167.26 million (6.9%).

Executive Director / Group Chief Executive Officer of LHI, Tan Sri Lau Tuang Nguang shared, “Indonesia showed strong recovery with EBITDA at RM65.90 million, a significant improvement from a loss of RM28.91 million in Q1FY23, thanks to better margins for DOC and broiler chickens. Meanwhile, revenue in the Philippines has grown 10.8 times since Q1FY19, rising its revenue contribution from 1.4% to 6.9%. With a population of 115 million, we see potential for more long-term investment in the Philippines.”

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“Looking forward, we expect lower inflation, reduced interest rates, and strong economic growth to boost demand for our products.” Tan Sri Lau Tuang Nguang added.

ABOUT LEONG HUP INTERNATIONAL BERHAD

Leong Hup International Berhad (“LHI”) is a Malaysian-incorporated company listed on the Main Market of Bursa Malaysia Securities Berhad and one of the largest fully integrated producers of poultry, eggs and livestock feed in Southeast Asia.

The LHI Group has a strong and growing presence in Malaysia, Singapore, Indonesia, Vietnam and the Philippines – all of which are attractive consumer markets with significant growth potential. Established in Malaysia with a track record of more than 40 years, the Leong Hup brand is well-entrenched in the business of feedmill and pure-play poultry. Under its livestock business, the LHI Group produces day-old-chicks, broiler chickens, table eggs and a range of further processed poultry and food products under a number of well-recognised brands, including “Ayam A1”, “SunnyGold”, “Happy Egg” and “Ciki Wiki”. Completing its “Farm-to-Plate” business model and through the “Baker’s Cottage” outlets, LHI retails quality ready-to-eat poultry meals at outstanding value directly to consumers in Malaysia.

For more information, please visit www.leonghupinternational.com

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