

Press Release



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LEONG HUP INTERNATIONAL REPORTS RESULTS FOR Q4FY21

KUALA LUMPUR, 22 February 2022 – Leong Hup International Berhad (“LHI” or the “Group”), one of the largest fully integrated producers of poultry, egg and livestock feed in Southeast Asia, today announced its unaudited consolidated financial results for the fourth (4th) quarter of 2021 (“Q4FY21”) and the twelve (12)-month period ended 31 December 2021 (“FY21”), demonstrating its continuing efforts to build resilience and recover from the impact of the Covid-19 pandemic.

The Group registered revenue of RM1.81 billion, an increase of 12.8% from RM1.61 billion in the preceding year’s corresponding quarter ended 31 December 2020 (“Q4FY20”). This was achieved on the back of stable revenue growth in both livestock and poultry related products segment and feedmill segment, which expanded by 17.9% and 6.5% respectively. Performance of livestock and poultry related products segment was due to stronger contribution from Malaysia on further strengthening of the average selling price (“ASP”) of eggs, DOC and broiler chickens as well as its business-to-consumer channel, while Vietnam and Philippines both recorded higher sales volume and ASP of broiler chickens. Meanwhile, the Group’s feedmill segment was resilient on stronger ASP of livestock feed in Vietnam.

Profit after tax and minority interests (“PATMI”) was RM37.99 million for Q4FY21, 27.7% lower as compared to RM52.56 million for Q4FY20 due to elevated input cost of feed which affected the Group’s livestock and poultry related products segment, despite the increase in the ASP of poultry products during the quarter under review.

On a geographical segmentation review, Malaysia was the largest contributing segment of the Group, contributing RM542.30 million (29.9%) to the Group’s total revenue for Q4FY21. Indonesia was the second highest revenue contributor to the Group’s revenue at RM523.05 million or 28.8%. Vietnam contributed RM476.11 million (26.2%) while the remaining contribution was by both Singapore at RM209.55 million (11.6%) and Philippines at RM63.08 million (3.5%).

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Executive Director / Group Chief Executive Officer of LHI, Tan Sri Lau Tuang Nguang (“**Tan Sri Francis Lau**”) shared, “We are pleased to report a strong recovery as compared to the prior quarter, as the region emerged from the Covid-19 pandemic lockdowns. We look forward to better results ahead as improved economic environment, driven by pent-up demand, paves the way for more robust increase in consumption.”

Despite the challenging year, the Group concluded FY21 on a firm note with a record revenue of RM7.15 billion, an increase of 18.4% as compared to RM6.04 billion for the previous financial year. PATMI for FY21 stood at RM85.40 million versus RM113.15 million recorded in the preceding year, representing a decline of 24.5%, impacted by the rise in raw material costs which outpaced the increase in the ASP of livestock feed.

“Entering into 2022 and amid the current threat of the Omicron variant, we observe that the region is rebuilding itself from the pandemic as society learns to coexist with Covid-19 in the “new normal”. Against this improving economic backdrop, we are proceeding with several key strategic initiatives such as the expansion of our aquatic feed products, as well as continued integration of our “Farm-to-Plate” business to build resilience and to position the Group to capture potential upside in the recovery narrative of our operating markets.” Tan Sri Francis Lau added.

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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.

LHI is a constituent of the MSCI Global Small Cap Indexes' MSCI Malaysia Index and the FTSE Bursa Malaysia Mid 70 Index.

For more information, please visit www.leonghupinternational.com

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