

Press Release



For Immediate Distribution

LEONG HUP INTERNATIONAL BERHAD ACHIEVED EBITDA OF RM1.04 BILLION in FY23

KUALA LUMPUR, 27 February 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 fourth quarter of 2023 (“**Q4FY23**”) and the twelve (12) month period ended 31 December 2023 (“**FY23**”)

The Group registered revenue of RM2.41 billion, 3.9% higher as compared to RM2.32 billion posted in the preceding year’s corresponding quarter ended 31 December 2022 (“**Q4FY22**”). Profit after tax and minority interests (“**PATMI**”) decreased 10.0% from RM90.71 million in Q4FY22 to RM81.60 million in Q4FY23.

The revenue of livestock and poultry segment improved by 0.2% to RM1,263.7 million, as compared to RM1,261.5 million recorded in Q4FY22. Indonesia recorded higher sales volume of broiler chickens and broiler DOC; Philippines revenue increased due mainly to higher sales volume of dressed chickens while Singapore sales volume of fresh chickens increased with the lift of broiler chickens export ban by the Malaysian government. Meanwhile, feedmill segment revenue increased by 8.7% to RM1.15 billion, up from RM1.05 billion recorded in Q4FY22. The increase was due mainly to higher sales volume of feed in Indonesia and Philippines.

On geographical segmentation review, Indonesia was the highest revenue contributor to the Group’s revenue at RM927.03 million or 38.5%. Malaysia was the second highest contributing segment of the Group at RM587.26 million or 24.4%, Vietnam contributed RM534.52 million or 22.2%, Singapore contributed RM201.96 million or 8.4% and the Philippines at RM158.91 million or 6.6%.

Despite the myriad of challenges presented by the global economy, including geopolitical tensions, and inflationary pressures, the Group has demonstrated resilience and performance throughout FY23. The Group concluded FY23 with a record revenue of RM9.54 billion, an increase of 5.5% as compared to RM9.04 billion for the previous financial year. PATMI for FY23 stood at RM301.70 million versus RM218.90 million recorded in the preceding year, representing an increase of 37.8%. This was due to improved profits in the feedmill segment, driven by higher average selling prices and reduced raw material costs across Vietnam, Indonesia, and the Philippines, along with better margins from better average selling prices due to improved sales mix in Malaysia's livestock and poultry segment.

Press Release



For Immediate Distribution

Executive Director / Group Chief Executive Officer of LHI, Tan Sri Lau Tuang Nguang shared, “We are pleased to have achieved the highest profit ever for the Group with EBITDA of RM1.04 billion and PATMI of RM301.74 million. During the year, the Group had reduced its borrowings by RM574.63 million and lowered its net gearing ratio to 0.59x. This provides the Group with a strong financial position to capture potential opportunities in our operating markets.”

“As we enter into 2024, lower inflation outlook and expected reduction in interest rate would stimulate demand. Poultry is a relatively affordable source of protein, therefore we are confident that the industry will continue to thrive.” 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

Issued by: Leong Hup International Berhad (Registration No.: 201401022577 (1098663-D))

Date: 27 February 2024

For more information, please contact:

Tel : +603 7980 8086

Email : ir@lhib.com
