

Company Name : Teo Seng Capital Berhad
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Teo Seng's Net Income 60% Higher In 2Q, Inflated By Govt Subsidies



KUALA LUMPUR (Aug 19): Teo Seng Capital Bhd (KL:TEOSEN) said on Tuesday its net profit jumped nearly 60% in the second quarter thanks largely to government subsidies for eggs to maintain price control.

Net profit in the three months ended June 30, 2025 (2QFY2025), was RM42.1 million, according to an exchange filing. The subsidies, booked as other income in its financial statements, totalled RM41.03 million during the quarter.

Revenue for the quarter, however, declined 7.4% year-on-year to RM171.38 million as average selling prices fell even as sales volume rose.

Teo Seng declared another dividend of 1.5 sen per share, bringing its year-to-date payout to three sen per share, lower than the 5.5 sen in the same period last year. Malaysia's biggest poultry company by revenue Leong Hup International Bhd (KL:LHI) controls Teo Seng.

Looking ahead, the company cautioned that the expanded scope of the sales and services tax is expected to raise operating costs across industries. Still, the poultry market in Malaysia is expected to remain resilient, sustained by demand for eggs as an affordable source of protein, it said.

"The group is actively pursuing capacity expansion initiatives, underpinned by a focus on operational excellence and long-term sustainability," the company added.

Teo Seng shares were unchanged at RM1, valuing the group at RM600 million market capitalisation ahead of the results announcement. Year-to-date, the stock has declined 9%.