LHI (6633)

An "*Egg*"-cellent Q4 Performance



Tradingview

Loui Low
louilow@msec.com.my
(603) 2201 2100

Leong Hup International Berhad

Company profile

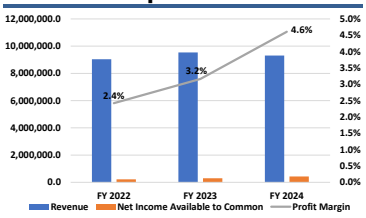
Leong Hup International Berhad is a Malaysia-based integrated producer of poultry, eggs and livestock feeds in Southeast Asia. The Company operates through two segments: (i) Livestock and poultry related products, and (ii) Feedmill.

Technical Data

Price	0.650
R1	0.740
R2	0.755
S1	0.615
S2	0.605

M+ Research, Bloomberg

Financial Snapshot



M+ Research, Bloomberg

Technical Outlook

Price formed a falling wedge breakout with volume, indicating a bullish reversal signal. Price is expected to retest its immediate resistance zone at RM0.740-0.755, while being supported at RM0.605-0.615, with a cut-loss level set at RM0.570.

Trading Catalysts

- **Improved profitability despite revenue dip.** The group recently reported a 72.6% YoY increase for 4Q24 net profit, reaching RM140.8m from RM81.6m a year ago, despite quarterly revenue declined slightly by 4.1% YoY. The profit increase was attributed to favourable forex gain and lower feed cost.

- **Short-term surge in chicken demand**. With African Swine Fever (ASF) leading to mass pig culling in Selangor, non-Muslim consumers are temporarily shifting from pork to chicken, increasing demand for poultry. This short-term boost lifts sentiment for poultry producers like LHI.

- **Integrated poultry operator in Southeast Asia.** The group operates beyond Malaysia, with businesses in Singapore, Vietnam, Indonesia, and the Philippines. In 4Q24, despite a decline in feed operations, the livestock and poultry businesses grew by 11.1% YoY, driven by particularly strong demand in Indonesia and the Philippines.

Peer Comparison

Company	Price (RM)	Market Cap (RM'm)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)	RSI	ST Trend	M+ Scoring Quality	M+ Scoring Momentum	M+ Scoring Combined
LHI	**0.650**	**2354.8**	**5.5**	**6.5**	**16.2**	**4.6**	**Positive bias**	**Up**	**A**	**A**	**A**
LAYHONG	0.340	257.6	2.5	-	17.6	8.7	Negative bias	Up	B	B	B
TEOSENG	1.070	632.9	3.5	-	33.5	24.3	Negative bias	Down	A	A	A
CAB	0.505	354.5	4.7	3.9	11.7	3.3	Negative bias	Down	A	E	D
Avg ex-LHI		**415.0**	**3.6**	**3.9**	**20.9**	**12.1**					

Source: Bloomberg, M+ Research

JOIN OUR OFFICIAL TELEGRAM
TO GET THE LATEST MARKET UPDATES

M+Online Equipping Traders For The Win
M+Global Winning The World

Disclaimer

Research analyst(s) of MSSB whom produced this report hereby certifies that the views expressed in this report accurately reflect his/her personal opinions about all of the subject corporation(s) and securities in this report. He/She does not carry out, whether for himself/herself or on behalf of MSSB or any other persons did not receive and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. As of the report date, the analyst whom prepared this report does not have any interest in the following securities covered in this report, unless otherwise stated.

As of **Tuesday, 04 Mar, 2025**, the analyst(s), Muhammad Nabil, whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:
(a) nil.