

Financial Results (v13)

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COMPANY INFORMATION SECTION			
Announcement Type	<input checked="" type="radio"/> New Announcement	<input type="radio"/> Amended Announcement	
Company Name	FRASER & NEAVE HOLDINGS BHD		
Stock Name	F&N		
Stock Code	3689		
Board	Main Market		

CONTACT DETAIL			
Contact Person	Designation	Contact No	Email Address
FRASER & NEAVE HOLDINGS BHD		012-2337664	timothy.ooi@fn.com.my

MAIN			
General Information			
Financial Year End	30 Sep 2024		
Quarter	2 Qtr		
Quarterly report for the financial period ended	31 Mar 2024		
The figures	have not been audited		
Remarks			
Please attach the full Quarterly Report here	No	File Name	Size
	1	Interim Q2 FY24 Quarterly Announcement_for immediate release.pdf	515.5KB

DEFAULT CURRENCY

Currency	Malaysian Ringgit (MYR)
Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION	
Summary of the Key Financial Information for the financial period ended	31 Mar 2024

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Revenue	1,352,385	1,206,623	2,685,267	2,425,109
2. Profit/(loss) before Tax	204,400	119,703	409,910	342,111
3. Profit/(loss) for the period	165,720	101,964	335,896	299,817
4. Profit/(loss) attributable to ordinary equity holders of the parent	165,409	101,177	336,146	299,975
5. Basic earnings/(loss) per share (Subunit)	45.20	27.60	91.80	81.90
6. Proposed/Declared dividend per share (Subunit)	30.00	27.00	30.00	27.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7. Net assets per share attributable to ordinary equity holders of the parent (\$\$)	9.5600		9.1200	
Remarks				

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.
Example for the subunit as follows:

Country	Base unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Part A3 : ADDITIONAL INFORMATION (This Information is for Exchange's Internal Use only)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023

	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Gross interest income	5,855	2,334	11,578	4,926
2. Gross interest expense	8,929	8,603	18,388	17,527
Remarks				

OTHER CURRENCY

Other Currency				
Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION				
Summary of the Key Financial Information for the financial period ended		31 Mar 2024		
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Revenue				
2. Profit/(loss) before Tax				
3. Profit/(loss) for the period				
4. Profit/(loss) attributable to ordinary equity holders of the parent				
5. Basic earnings/(loss) per share (Subunit)				
6. Proposed/Declared dividend per share (Subunit)				
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7. Net assets per share attributable to ordinary equity holders of the parent (\$\$)				
Remarks				

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.
Example for the subunit as follows:

Country	Base unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Part A3 : ADDITIONAL INFORMATION (This Information is for Exchange's Internal Use only)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Gross interest income				
2. Gross interest expense				
Remarks				



FRASER & NEAVE HOLDINGS BHD
(Company No: 196101000155 (4205-V))
(Incorporated in Malaysia)

No. 1, Jalan Bukit Belimbing 26/38,
Persiaran Kuala Selangor, Seksyen 26,
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Tel: 03-51014288 Fax: 603-5103 2230

For immediate release

QUARTERLY FINANCIAL REPORT

Second Quarter Ended 31 March 2024

The Directors are pleased to release the unaudited quarterly financial report for the quarter and six months ended 31 March 2024.

The contents of the financial report comprise the following attached unaudited condensed consolidated financial statements, explanatory notes and additional disclosures and these must be read in conjunction with the Group's audited financial statements for the financial year ended 30 September 2023:

- Schedule A : Unaudited Condensed Consolidated Income Statement
- Schedule B : Unaudited Condensed Consolidated Statement of Comprehensive Income
- Schedule C : Unaudited Condensed Consolidated Statement of Financial Position
- Schedule D : Unaudited Condensed Consolidated Statement of Cash Flows
- Schedule E : Unaudited Condensed Consolidated Statement of Changes in Equity
- Schedule F : Selected Explanatory Notes
- Schedule G : Additional Disclosures

The unaudited quarterly financial report has been prepared in accordance with the accounting standard on interim financial reporting issued by the Malaysian Accounting Standards Board and contains additional disclosures prescribed by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Unless specified otherwise, the same accounting policies and methods of computation applied to the Group's financial statements for the previous financial year had been followed throughout this quarterly financial report.

By Order of the Board
Shah Alam, Selangor
30 April 2024

Schedule A : Unaudited Condensed Consolidated Income Statement

For the quarter and six months ended 31 March 2024

RM'000	Individual 2 nd quarter			Cumulative 2 nd quarter		
	31/03/2024	31/03/2023	% chg	31/03/2024	31/03/2023	% chg
Revenue	1,352,385	1,206,623	12.1%	2,685,267	2,425,109	10.7%
Cost of sales	(912,897)	(876,101)		(1,826,026)	(1,756,605)	
Gross profit	439,488	330,522	33.0%	859,241	668,504	28.5%
Other income	9,421	4,363		19,874	102,638	
Net gain/(loss) on impairment of financial instruments	606	(440)		635	(309)	
Operating expenses	(242,018)	(208,433)		(462,936)	(419,965)	
Operating profit	207,497	126,012	64.7%	416,814	350,868	18.8%
Finance income	5,855	2,334		11,578	4,926	
Finance costs	(8,929)	(8,603)		(18,388)	(17,527)	
Share of profit of equity-accounted associate, net of tax [^]	-	-		-	3,913	
Share of loss of equity-accounted joint venture, net of tax [#]	(23)	(40)		(94)	(69)	
Profit before tax	204,400	119,703	70.8%	409,910	342,111	19.8%
Tax expense (Schedule G, Note 5)	(38,680)	(17,739)		(74,014)	(42,294)	
Profit for the period	165,720	101,964	62.5%	335,896	299,817	12.0%
Profit for the period attributable to:						
Owners of the Company	165,409	101,177	63.5%	336,146	299,975	12.1%
Non-controlling interests	311	787		(250)	(158)	
Profit for the period	165,720	101,964	62.5%	335,896	299,817	12.0%
Basic earnings per ordinary share (sen) (Schedule G, Note 10)	45.2	27.6		91.8	81.9	
Diluted earnings per ordinary share (sen) (Schedule G, Note 10)	45.1	27.6		91.6	81.8	

[^] The share of results of an associate for the cumulative quarter ended 31 March 2023 refers to Cocoland Holdings Berhad and was derived from its unaudited management accounts for the period ended 31 October 2022. Cocoland Holdings Berhad was accounted as a wholly-owned subsidiary from 4 November 2022.

[#] The share of results of a joint venture for the quarter refers to Vacaron Company Sdn Bhd and is derived from its unaudited management accounts for the quarter and six months ended 31 March 2024.

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the financial year ended 30 September 2023.

Schedule B : Unaudited Condensed Consolidated Statement of Comprehensive Income

For the quarter and six months ended 31 March 2024

RM'000	Individual 2 nd quarter			Cumulative 2 nd quarter		
	31/03/2024	31/03/2023	% chg	31/03/2024	31/03/2023	% chg
Profit for the period	165,720	101,964	62.5%	335,896	299,817	12.0%
Other comprehensive income, net of tax:						
<i>Item that is or may be reclassified subsequently to profit or loss:</i>						
Foreign currency translation differences for foreign operations	(39,755)	11,343		6,713	41,783	
Total comprehensive income for the period	125,965	113,307	11.2%	342,609	341,600	0.3%
Total comprehensive income attributable to:						
Owners of the Company	125,654	112,520	11.7%	342,859	341,758	0.3%
Non-controlling interests	311	787		(250)	(158)	
	125,965	113,307	11.2%	342,609	341,600	0.3%

Schedule C : Unaudited Condensed Consolidated Statement of Financial Position
 As at 31 March 2024

RM'000	31/03/2024	30/09/2023
Non-current assets		
Property, plant and equipment	1,604,770	1,592,064
Right-of-use assets	375,803	359,766
Investment properties	63,000	63,000
Properties held for development	54,933	54,933
Intangible assets	433,296	433,366
Investment in a joint venture (<i>Schedule F, Note 9</i>)	87,617	87,711
Deferred tax assets	10,554	11,670
	<u>2,629,973</u>	<u>2,602,510</u>
Current assets		
Trade and other receivables	896,436	713,342
Inventories	844,040	764,182
Derivative financial assets (<i>Schedule F, Note 18</i>)	257	49
Cash and cash equivalents	1,067,735	1,031,534
	<u>2,808,468</u>	<u>2,509,107</u>
Total assets	<u>5,438,441</u>	<u>5,111,617</u>
Equity		
Share capital and reserves	3,505,455	3,343,200
Non-controlling interests	9,648	8,401
Total equity	<u>3,515,103</u>	<u>3,351,601</u>
Non-current liabilities		
Loans and borrowings (<i>Schedule F, Note 18 and Schedule G, Note 7</i>)	704,000	706,000
Lease liabilities	49,760	49,498
Employee benefits	34,865	35,471
Deferred tax liabilities	124,005	118,480
	<u>912,630</u>	<u>909,449</u>
Current liabilities		
Trade and other payables	825,275	724,761
Contract liabilities	120,342	85,267
Loans and borrowings (<i>Schedule F, Note 18 and Schedule G, Note 7</i>)	4,000	4,000
Lease liabilities	8,510	8,378
Current tax liabilities	52,552	28,137
Derivative financial liabilities (<i>Schedule F, Note 18</i>)	29	24
	<u>1,010,708</u>	<u>850,567</u>
Total liabilities	<u>1,923,338</u>	<u>1,760,016</u>
Total equity and liabilities	<u>5,438,441</u>	<u>5,111,617</u>
Net assets per share (RM) attributable to owners of the Company	<u>9.56</u>	<u>9.12</u>

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the financial year ended 30 September 2023.

Schedule D : Unaudited Condensed Consolidated Statement of Cash Flows

For the six months ended 31 March 2024

RM'000	Cumulative 2 nd quarter	
	31/03/2024	31/03/2023
Cash flows from operating activities		
Profit before tax	409,910	342,111
Add/(less) non-cash items:		
- Depreciation of property, plant and equipment and amortisation of intangible assets	62,217	55,586
- Depreciation of right-of-use assets	8,275	11,190
- Employee share-based expense	3,276	2,566
- Finance costs	18,388	17,527
- Finance income	(11,578)	(4,926)
- Intangible assets written off	-	98
- Net gain on disposal of property, plant and equipment	(72)	(266)
- Net (reversal of impairment loss)/impairment loss on property, plant and equipment	(563)	31
- Property, plant and equipment written off	95	115
- Remeasurement gain of previously held equity interest in an associate	-	(89,256)
- Reversal of impairment loss on intangible assets	-	(294)
- Share of profit of equity-accounted associate, net of tax	-	(3,913)
- Share of loss of equity-accounted joint venture, net of tax	94	69
- Others	(560)	(621)
Changes in working capital	(123,958)	205,795
Tax paid	(42,479)	(36,220)
Net cash from operating activities	323,045	499,592
Cash flows from investing activities		
Acquisition of intangible assets	(2,035)	(1,975)
Acquisition of property, plant and equipment	(69,054)	(59,422)
Acquisition of right-of-use assets	(18,293)	-
Acquisition of subsidiaries, net of cash and cash equivalent	-	(597,951)
Interest received	8,368	4,475
Investment in a joint venture	-	(500)
Proceeds from disposal of property, plant and equipment	333	812
Net cash used in investing activities	(80,681)	(654,561)
Cash flows from financing activities		
Dividend paid to owners of the Company	(183,389)	(121,037)
Interest paid	(18,636)	(7,515)
Payment of lease liabilities	(5,739)	(8,786)
Proceeds from issue of shares by a subsidiary to a non-controlling interest	1,497	-
Proceeds from loans and borrowings	-	500,000
Purchase of shares by Share Grant Plan ("SGP") Trust	(333)	(2,091)
Repayment of loans and borrowings	(2,000)	(38,575)
Net cash (used in)/from financing activities	(208,600)	321,996
Net increase in cash and cash equivalents	33,764	167,027
Effects of exchange rate fluctuations on cash and cash equivalents	2,437	23,807
Cash and cash equivalents at 1 October 2023/2022	1,031,534	461,887
Cash and cash equivalents at 31 March	1,067,735	652,721
Cash and bank balances	537,340	416,007
Short term deposits with licensed banks with a maturity period of 3 months or less	530,395	236,714
Cash and cash equivalents at 31 March	1,067,735	652,721

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the financial year ended 30 September 2023.

Schedule E : Unaudited Condensed Consolidated Interim Statement of Changes in Equity

For the six months ended 31 March 2024

RM'000	<----- Attributable to owners of the Company ----->									Non-controlling interests	Total equity
	Share capital	Shares held by SGP Trust (Note a)	Loss on purchase of shares for SGP (Note b)	Translation reserve	Share-based payment reserve	Legal reserve	Revaluation reserve	Retained earnings	Total		
At 1 October 2023	816,770	(10,890)	(7,186)	83,502	17,129	9,934	2,282	2,431,659	3,343,200	8,401	3,351,601
Total comprehensive income/(expense)	-	-	-	6,713	-	-	-	336,146	342,859	(250)	342,609
Transactions with owners:											
Purchase of shares by SGP Trust	-	(333)	-	-	-	-	-	-	(333)	-	(333)
Employee share-based expense	-	-	-	-	3,118	-	-	-	3,118	-	3,118
Issue of shares by a subsidiary to a non-controlling interest	-	-	-	-	-	-	-	-	-	1,497	1,497
Dividend to owners of the Company	-	-	-	-	-	-	-	(183,389)	(183,389)	-	(183,389)
Total transactions with owners	-	(333)	-	-	3,118	-	-	(183,389)	(180,604)	1,497	(179,107)
At 31 March 2024	816,770	(11,223)	(7,186)	90,215	20,247	9,934	2,282	2,584,416	3,505,455	9,648	3,515,103
At 1 October 2022	816,770	(6,387)	(8,978)	41,565	15,539	9,934	-	2,114,080	2,982,523	1,866	2,984,389
Total comprehensive income/(expense)	-	-	-	41,783	-	-	-	299,975	341,758	(158)	341,600
Transactions with owners:											
Purchase of shares by SGP Trust	-	(2,091)	-	-	-	-	-	-	(2,091)	-	(2,091)
Employee share-based expense	-	-	-	-	2,562	-	-	-	2,562	-	2,562
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	1,406	1,406
Dividend to owners of the Company	-	-	-	-	-	-	-	(121,037)	(121,037)	-	(121,037)
Total transactions with owners	-	(2,091)	-	-	2,562	-	-	(121,037)	(120,566)	1,406	(119,160)
At 31 March 2023	816,770	(8,478)	(8,978)	83,348	18,101	9,934	-	2,293,018	3,203,715	3,114	3,206,829

Note a: The "Shares held by SGP Trust" relates to shares purchased by the Company for the SGP.

Note b: Upon vesting of share awards, there will be a difference between total purchase price paid by SGP Trust to acquire the shares from the open market and the fair value of the share awards granted to employees of subsidiaries. This difference will be consolidated into Group's consolidated financial statements as a deduction from equity and classified as "loss on purchase of shares for SGP" reserve.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134

1. Corporate information

Fraser & Neave Holdings Bhd (“F&NHB” or “the Company”) is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements of the Group (“interim financial statements”) as at and for the six months ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in a joint venture.

These interim financial statements were approved by the Board of Directors on 30 April 2024.

2. Basis of preparation

These interim financial statements are unaudited and have been prepared in accordance with applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board and with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. These interim financial statements do not include all of the information required for annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the financial year ended 30 September 2023.

The audited consolidated financial statements of the Group for the year ended 30 September 2023 are available upon request from the Company’s registered office at No. 1, Jalan Bukit Belimbing 26/38, Persiaran Kuala Selangor, Seksyen 26, 40400 Shah Alam, Selangor, Malaysia.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2023. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 September 2023.

The accounting policies and presentation applied by the Group in these interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the financial year ended 30 September 2023.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

3. Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendment to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements - Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures - Supplier Finance Arrangements*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The adoption of the above standards, interpretations and amendments are not expected to have any material impact on the financial statements in the period of initial application.

4. Auditors' report

The auditors' report of the preceding annual financial statements of the Company and of the Group was not subject to any qualification.

5. Comment on seasonality or cyclicity of operation

The Group's performance is normally not affected by seasonal or cyclical events on a year-to-year basis. However, on a quarter-to-quarter basis, the demand for certain products such as soft drinks, evaporated milk and rice cakes may be skewed towards major festivities and weather pattern.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

6. Unusual items due to their nature, size and incidence

There were no other unusual items affecting assets, liabilities, equity, net income, or cash flows during the quarter.

7. Significant estimates and changes in estimates

There were no significant estimates or changes in estimates that have had any material effect on the results of the current quarter.

8. Investment in an associate

RM'000	31/03/2024	30/09/2023
Quoted shares at cost	-	68,727
Share of post-acquisition reserves	-	90,434
Dividends received	-	(61,783)
Deemed disposal *	-	(97,378)
	<u>-</u>	<u>-</u>

The summarised financial information of the associate is as follows:

RM'000	Individual 2 nd quarter		Cumulative 2 nd quarter	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Revenue	-	-	-	91,721
Profit	-	-	-	14,169

* On 4 November 2022, the Group acquired the entire equity interest in its associate not already owned by the Company and has obtained control over the associate. The associate is accounted as a wholly-owned subsidiary of the Group thereafter.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

9. Investment in a joint venture

RM'000	31/03/2024	30/09/2023
Unquoted shares, at cost	128,320	128,320
Share of post-acquisition reserves	(23,705)	(23,611)
	104,615	104,709
Interest on shareholder's loan	38,294	38,294
	142,909	143,003
Less: Unrealised profit	(55,292)	(55,292)
	87,617	87,711

The summarised financial information of the joint venture is as follows:

RM'000	31/03/2024	30/09/2023
Total assets	286,103	286,363
Total liabilities	(76,892)	(76,964)

RM'000	Individual 2 nd quarter		Cumulative 2 nd quarter	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Revenue	-	-	-	-
Loss	(46)	(80)	(188)	(138)

10. Issuance or repayments of debt/equity securities

There has been no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the current quarter.

11. Dividends paid

The following dividends were declared and paid by the Company:

RM'000	Date of payment	Sen per share	Total amount
<u>Six months ended 31 March 2024</u>			
Final 2023 ordinary	6 February 2024	33.0	121,037
Final 2023 special	6 February 2024	17.0	62,352
			183,389
<u>Six months ended 31 March 2023</u>			
Final 2022 ordinary	10 February 2023	33.0	121,037

Please refer to *Schedule G, Note 9* for dividend declared subsequent to 31 March 2024.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

12. Segmental information

Segment results

For management purposes, the Group's operating businesses are organised according to products and services, namely Food and Beverages Malaysia ("F&B Malaysia"), Food and Beverages Thailand ("F&B Thailand"), Property and Others segments. 'Others' segment include subsidiaries whose principal activities are investment holding, provision of management, financial and treasury services, and dairy farm and agriculture. Segment performance is evaluated based on operating profit. Inter-segment transactions and pricing arrangements, where applicable, are determined on a commercial basis. The results by segments for the current, preceding and last year same quarter are as follows:

RM'000	Revenue				Total
	F&B Malaysia	F&B Thailand	Property	Others	
<u>2nd quarter - 31/03/2024</u>					
Total revenue	787,666	568,687	626	34,501	1,391,480
Inter-segment	-	(4,857)	(430)	(33,808)	(39,095)
External	787,666	563,830	196	693	1,352,385
<u>2nd quarter - 31/03/2023</u>					
Total revenue	707,586	507,576	576	21,553	1,237,291
Inter-segment	-	(9,435)	(387)	(20,846)	(30,668)
External	707,586	498,141	189	707	1,206,623
<u>1st quarter - 31/12/2023</u>					
Total revenue	762,641	573,998	617	19,995	1,357,251
Inter-segment	-	(4,946)	(420)	(19,003)	(24,369)
External	762,641	569,052	197	992	1,332,882
<u>Cumulative 2nd quarter - 31/03/2024</u>					
Total revenue	1,550,307	1,142,685	1,243	54,496	2,748,731
Inter-segment	-	(9,803)	(850)	(52,811)	(63,464)
External	1,550,307	1,132,882	393	1,685	2,685,267
<u>Cumulative 2nd quarter - 31/03/2023</u>					
Total revenue	1,420,850	1,021,981	1,312	43,026	2,487,169
Inter-segment	-	(19,650)	(935)	(41,475)	(62,060)
External	1,420,850	1,002,331	377	1,551	2,425,109

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

12. Segmental information (cont'd)

Segment results (cont'd)

RM'000	Operating profit/(loss)				Total
	F&B Malaysia	F&B Thailand	Property	Others	
<u>2nd quarter - 31/03/2024</u>					
Operating profit/(loss)	92,877	116,849	(378)	(1,851)	207,497
Finance income					5,855
Finance costs					(8,929)
Share of results of a joint venture					(23)
Profit before tax					<u>204,400</u>
<u>2nd quarter - 31/03/2023</u>					
Operating profit/(loss)	48,198	78,056	(358)	116	126,012
Finance income					2,334
Finance costs					(8,603)
Share of results of a joint venture					(40)
Profit before tax					<u>119,703</u>
<u>1st quarter - 31/12/2023</u>					
Operating profit/(loss)	83,267	125,886	(306)	470	209,317
Finance income					5,723
Finance costs					(9,459)
Share of results of a joint venture					(71)
Profit before tax					<u>205,510</u>

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

12. Segmental information (cont'd)

Segment results (cont'd)

RM'000	Operating profit/(loss)				Total
	F&B Malaysia	F&B Thailand	Property	Others	
<u>Cumulative 2nd quarter - 31/03/2024</u>					
Operating profit/(loss)	176,144	242,735	(684)	(1,381)	416,814
Finance income					11,578
Finance costs					(18,388)
Share of results of a joint venture					(94)
Profit before tax					<u>409,910</u>
<u>Cumulative 2nd quarter - 31/03/2023</u>					
Operating profit/(loss)	118,642	145,943	(662)	86,945	350,868
Finance income					4,926
Finance costs					(17,527)
Share of results of an associate					3,913
Share of results of a joint venture					(69)
Profit before tax					<u>342,111</u>

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

12. Segmental information (cont'd)

Segment assets

The total of segment assets is measured based on all assets excluding cash and cash equivalents.

RM'000	<u>31/03/2024</u>	<u>30/09/2023</u>
F&B Malaysia	2,721,977	2,594,501
F&B Thailand	1,078,353	1,046,105
Property	198,111	198,026
Others	372,265	241,451
	<u>4,370,706</u>	<u>4,080,083</u>

Segment liabilities

The total of segment liabilities is measured based on all liabilities excluding loans and borrowings.

RM'000	<u>31/03/2024</u>	<u>30/09/2023</u>
F&B Malaysia	727,175	607,677
F&B Thailand	463,289	420,977
Property	1,293	1,250
Others	23,581	20,112
	<u>1,215,338</u>	<u>1,050,016</u>

Group financing (including finance costs), cash and cash equivalents and loans and borrowings are managed on a group basis and are not allocated to operating segments.

13. Significant events during the quarter

On 15 February 2024, F&N Foods (Cambodia) Co., Ltd., a wholly-owned subsidiary of F&NHB entered into a lease agreement with Suvannaphum Investment Co., Ltd. for the lease of a parcel of land in Cambodia's Suvannaphum Special Economic Zone at a total lease consideration of US\$3,864,000 (approximately RM18,500,000) and for a term of 50 years for the purpose of setting up a dairy manufacturing facility to strengthen our presence in Cambodia.

14. Subsequent event

There were no material events subsequent to the end of the quarter that have not been reflected in the current quarter.

15. Changes in the composition of the Group during the quarter

Incorporation of new subsidiaries

- a) F&N International Market Sdn. Bhd. ("FNIM") was incorporated in Malaysia on 6 February 2024 with total issued share capital of RM3,000,000 comprising 3,000,000 ordinary shares. The Company holds a shareholding interest 50.1% (or 1,503,000 shares) whilst the remaining 49.9% interest (or 1,497,000 shares) is held by its holding company, Fraser and Neave, Limited. FNIM will be principally engaged in the export of dairy products, soft drinks and food products.
- b) F&N Foods (Cambodia) Co., Ltd., a wholly-owned subsidiary of F&NHB, was incorporated in Cambodia on 14 February 2024 with an authorised and issued share capital of USD5,500,000 comprising 5,500,000 ordinary shares. The principal activities of F&N Foods (Cambodia) Co., Ltd. are manufacturing, sale, marketing, distribution, import and export of dairy products, beverages, confectionery and food products.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

15. Changes in the composition of the Group during the quarter (cont'd)

Liquidation of a subsidiary

The Company announced that its wholly-owned subsidiary, Elsinburg Holdings Sdn Bhd (“Elsinburg”) has on 30 April 2024 commenced member’s voluntary winding up pursuant to Section 439(1) of the Companies Act, 2016 (“Winding Up”). Elsinburg was incorporated in Malaysia on 23 September 2004. The principal activity of Elsinburg was property development activities prior to engaging in investment holding. Elsinburg ceased property development and investment holding activities in 2011 and 2023 respectively, and remained dormant since then. The Winding Up of Elsinburg will not have any material effect on the net assets and the earnings of the F&NHB Group for the financial year ending 30 September 2024.

16. Contingent liabilities

There were no contingent liabilities of a material nature since the last annual reporting date.

17. Contingent assets

There were no contingent assets of a material nature since the last annual reporting date.

18. Fair value information

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with fair values and carrying amounts shown in the statements of financial position.

RM'000	Fair value of financial instruments carried at fair value Level 2	Fair value of financial instruments not carried at fair value Level 3	Total fair value	Carrying amount
31/03/2024				
<u>Financial asset</u>				
Derivative financial assets	257	-	257	257
<u>Financial liabilities</u>				
Derivative financial liabilities	29	-	29	29
Fixed-rate loans and borrowings	-	615,626	615,626	610,000
	-	615,626	615,655	610,029
30/09/2023				
<u>Financial asset</u>				
Derivative financial assets	49	-	49	49
<u>Financial liabilities</u>				
Derivative financial liabilities	24	-	24	24
Fixed-rate loans and borrowings	-	606,337	606,337	610,000
	-	606,337	606,361	610,024

There was no transfer between any levels of the fair value hierarchy and there was no change in the purpose of any financial asset that subsequently resulted in a different classification of that asset during the quarter.

The Group held investment properties amounting to RM63,000,000 (2023: RM63,000,000) carried at Level 3: significant unobservable inputs.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

19. Capital commitments

The outstanding capital commitments are as follows:

RM'000	<u>31/03/2024</u>	<u>30/09/2023</u>
<u>Property, plant and equipment</u>		
Contracted but not provided for	<u>919,585</u>	<u>106,421</u>

20. Related party disclosures

Significant related party transactions

Related party transactions had been entered into in the ordinary course of business on normal commercial terms. The following are significant related party transactions:

RM'000	Individual 2 nd quarter		Cumulative 2 nd quarter	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
<u>Fraser and Neave, Limited Group</u>				
Sales	80,253	63,608	160,395	135,255
Purchases	(57,202)	(35,375)	(103,912)	(80,098)
Royalties paid	(20,315)	(18,455)	(40,759)	(37,950)
Receipt of corporate service fees	657	749	1,612	1,623
<u>Thai Beverage Public Company Limited Group</u>				
Sales	2,494	2,045	4,811	4,168
Purchases	(722)	(45)	(1,323)	(914)
Marketing expenses	(11,632)	(5,918)	(14,154)	(12,502)
Logistic expenses	(2,175)	-	(4,696)	-
<u>Berli Jucker Public Company Limited Group</u>				
Sales	15,949	13,038	34,159	24,082
Purchases	(920)	(892)	(1,476)	(1,566)
<u>Fraser Property Limited Group</u>				
Rental expenses	(1,527)	(1,501)	(3,135)	(2,976)
<u>Other related parties of TCC Assets Limited Group</u>				
Purchases	(13,644)	(4,980)	(25,262)	(14,045)
Acquisition of leasehold land	(18,293)	-	(18,293)	-
<u>Compensation</u>				
Compensation of key management personnel of the Group	(4,501)	(3,921)	(11,364)	(10,026)
Directors' fees and remuneration	(435)	(429)	(828)	(740)

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134 (cont'd)

20. Related party disclosures (cont'd)

Related party balances

The related party balances are shown below:

RM'000	31/03/2024	30/09/2023
<u>Amount due from related parties</u>		
Fraser and Neave, Limited Group	65,303	68,918
Vacaron Company Sdn Bhd	38,305	38,305
Thai Beverage Public Company Limited Group	1,173	1,153
Berli Jucker Public Company Limited Group	10,144	10,663
Other related parties of TCC Assets Limited Group	45	23
<u>Amount due to related parties</u>		
Fraser and Neave, Limited Group	(47,568)	(39,310)
Frasers Property Limited Group	(600)	(522)
Thai Beverage Public Company Limited Group	(9,284)	(6,637)
Berli Jucker Public Company Limited Group	(740)	(478)
Other related parties of TCC Assets Limited Group	(6,020)	(3,707)

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements

1. Operations review

Current quarter ("Q2") ended 31 March 2024 vs corresponding quarter ended 31 March 2023

RM'000	Individual 2 nd quarter		% chg
	31/03/2024	31/03/2023	
Revenue	1,352,385	1,206,623	12.1%
Operating profit	207,497	126,012	64.7%
Adjusted operating profit *	207,964	125,867	65.2%
Profit before tax	204,400	119,703	70.8%
Adjusted profit before tax *	204,867	119,558	71.4%
Profit after tax	165,720	101,964	62.5%
Adjusted profit after tax	166,178	101,851	63.2%
* Adjustments for one-off non-operating items:			
Flood related items:			
Impairment loss/(Reversal of impairment loss) on plant and machinery	205	(145)	
Other flood related items	139	-	
	344	(145)	
Relocation and renovation costs due to move to new manufacturing premise	123	-	
	467	(145)	

The Group revenue for Q2 FY2024 grew 12.1% to RM1,352.4 million (Q2 FY2023: RM1,206.6 million) driven by continuing momentum for F&B Thailand and F&B Malaysia, festive sales and aided by favourable foreign exchange translation from stronger Thai Baht.

Group operating profit for Q2 FY2024 increased by 64.7% to RM207.5 million (Q2 FY2023: RM126.0 million) due to higher sales and supported by improvement in margins from favourable product/country mix, lower input costs, manufacturing overhead efficiencies, and savings in the supply chain.

The Group profit after tax for Q2 2024 increased by 62.5% to RM165.7 million (Q2 FY2023: RM102.0 million) from higher profits, although moderated by higher interest costs and tax expense.

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements

1. Operations review (cont'd)

Current quarter ("Q2") ended 31 March 2024 vs corresponding quarter ended 31 March 2023 (cont'd)

• F&B Malaysia

RM'000	Individual 2 nd quarter		% chg
	<u>31/03/2024</u>	<u>31/03/2023</u>	
Revenue	<u>787,666</u>	<u>707,586</u>	11.3%
Operating profit	92,877	48,198	92.7%
Adjustment for one-off non-operating items:			
Flood related items:			
Reversal of impairment loss on plant and machinery	-	(145)	
Other flood related items	139	-	
	139	(145)	
Relocation and renovation costs due to move to new manufacturing premise	<u>123</u>	<u>-</u>	
	<u>262</u>	<u>(145)</u>	
Adjusted operating profit	<u>93,139</u>	<u>48,053</u>	93.8%

F&B Malaysia revenue for Q2 FY2024 increased by 11.3% to RM787.7 million (Q2 FY2023: RM707.6 million). This was primarily driven by robust sales during the Chinese New Year and earlier Hari Raya sales period this year.

Correspondingly, F&B Malaysia Q2 FY2024 operating profit grew by 92.7% to RM92.9 million (Q2 FY2023: RM48.2 million) on the back of higher revenue, margin improvements from favourable product/country mix, and savings in manufacturing overheads and logistic costs. This was offset by escalating input costs for certain commodities (sugar, rice, gelatine and cocoa powder).

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

1. Operations review (cont'd)

Current quarter ("Q2") ended 31 March 2024 vs corresponding quarter ended 31 March 2023 (cont'd)

• F&B Thailand

	Individual 2 nd quarter		% chg
	31/03/2024	31/03/2023	
Revenue (RM'000)	563,830	498,141	13.2%
Operating profit (RM'000)	116,849	78,056	49.7%
Adjustment for one-off non-operating item (RM'000):			
Impairment loss on plant and machinery	205	-	
Adjusted operating profit (RM'000)	117,054	78,056	50.0%
Revenue (THB'000)	4,287,494	3,883,105	10.4%
Operating profit (THB'000)	889,009	609,250	45.9%
Adjustment for one-off non-operating items (THB'000):			
Impairment loss on property, plant and equipment	1,532	-	
Adjusted operating profit (THB'000)	890,541	609,250	46.2%

F&B Thailand revenue for Q2 FY2024 delivered positive performance in Q2 FY2024, with revenue registering 13.2% growth (+10.4% in constant currency) at RM563.8 million (Q2 FY2023: RM498.1 million), mainly driven by successful loyalty programmes, higher exports to Indochina and other countries, and aided by favourable THB/MYR translation.

Correspondingly, F&B Thailand operating profit for Q2 FY2024 increased 49.7% (+45.9% in constant currency) to RM116.8 million (Q2 FY2023: RM78.1 million). The improvement in operating profit is attributed to net favourable commodity costs and lower freight and distribution costs.

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

1. Operations review (cont'd)

Half year ("1H") vs corresponding period last year

RM'000	Cumulative 2 nd quarter		% chg
	31/03/2024	31/03/2023	
Revenue	2,685,267	2,425,109	10.7%
Operating profit	416,814	350,868	18.8%
Adjusted operating profit *	412,854	256,518	60.9%
Profit before tax	409,910	342,111	19.8%
Adjusted profit before tax *	405,950	247,761	63.8%
Profit after tax	335,896	299,817	12.0%
Adjusted profit after tax	332,206	205,453	61.7%

* Adjustments for one-off non-operating items:

Flood related items:

Impairment loss on plant and machinery	-	43
Gain on disposal of damaged stock-in-trade and machinery	-	(10)
Reversal of repair expenses of plant and machinery	-	(127)
Interim insurance claim received/receivable in respect of building, plant & machinery and inventories damaged and business interruption due to flood	(4,236)	(5,000)
Other flood related items	139	-
	(4,097)	(5,094)

Relocation and renovation costs due to move to new manufacturing premise

137 -

Remeasurement gain of the previously held equity interest in an associate

- (89,256)

(3,960) (94,350)

Overall, Group revenue for 1H FY 2024 grew by 10.7% to RM2,685.3 million, an increase of RM260.2 million over the previous year (1H FY2023: RM2,425.1 million) driven by effective sales execution during festive seasons and early sell-in for Hari Raya, as well as higher exports which contributed to revenue growth for both F&B Malaysia and F&B Thailand.

Group operating profit for 1H FY2024 increased by 18.8% to RM416.8 million (1H FY2023: RM350.9 million) on the back of higher revenue and better margins from both F&B Malaysia and F&B Thailand. Excluding one-off non-operating items primarily due to RM89.3 million fair value gain recognised from remeasurement of previously held equity interest in Cocoland in 1H FY2023. The adjusted Group operating profit increased by 60.9% to RM412.9 million (1H FY2023: RM256.5 million) despite escalating input costs for certain key commodities.

The adjusted Group profit after tax for 1H FY2024 is higher at RM332.2 million (1H FY2023: RM205.5 million) from higher profits, although moderated by marginally higher interest costs and tax expense.

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

1. Operations review (cont'd)

Half year ("1H") vs corresponding period last year (cont'd)

• F&B Malaysia

RM'000	Cumulative 2 nd quarter		% chg
	31/03/2024	31/03/2023	
Revenue	<u>1,550,307</u>	<u>1,420,850</u>	9.1%
Operating profit	176,144	118,642	48.5%
Adjustment for one-off non-operating items:			
Flood related items:			
Impairment loss on plant and machinery	-	43	
Gain on disposal of damaged stock-in-trade and machinery	-	(10)	
Reversal of repair expenses of plant and machinery	-	(127)	
Interim insurance claim received/receivable in respect of building, plant & machinery and inventories damaged and business interruption due to flood	(4,236)	(5,000)	
Other flood related items	139	-	
	(4,097)	(5,094)	
Relocation and renovation costs due to move to new manufacturing premise	137	-	
	<u>(3,960)</u>	<u>(5,094)</u>	
Adjusted operating profit	<u>172,184</u>	<u>113,548</u>	51.6%

F&B Malaysia recorded revenue growth of 9.1% to RM1,550.3 million (1H FY2023: RM1,420.9 million) for 1H FY2024. The revenue growth is fuelled by improved festive demand, early sell-in for Hari Raya compared to previous year, higher exports and contribution from the food pillar, mainly gummy and chocolate segments. There is also additional 1 month of Cocoaland contribution (the acquisition of Cocoaland was completed on 4 November 2022).

Operating profit for F&B Malaysia rose 48.5% to RM176.1 million (1H FY2023: RM118.6 million) on the back of higher revenue, better margin from lower input costs (except sugar, rice, gelatine and cocoa powder), and favourable country mix for exports.

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

1. Operations review (cont'd)

Half year ("1H") vs corresponding period last year (cont'd)

• F&B Thailand

	Cumulative 2 nd quarter		% chg
	<u>31/03/2024</u>	<u>31/03/2023</u>	
Revenue (RM'000)	<u>1,132,882</u>	<u>1,002,331</u>	13.0%
Operating profit (RM'000)	<u>242,735</u>	<u>145,943</u>	66.3%
Revenue (THB'000)	<u>8,548,525</u>	<u>7,885,446</u>	8.4%
Operating profit (THB'000)	<u>1,831,636</u>	<u>1,148,146</u>	59.5%

F&B Thailand revenue for 1H FY2024 grew 13.0% (8.4% in constant currency) to RM1,132.9 million (1H FY2023: RM1,002.3 million) mainly from the successful launch of new product pack size in Q1 FY2024, higher exports to Indochina and other countries and aided by favourable forex translation.

F&B Thailand's operating profit for 1H FY2024 also grew by 66.3% (59.5% in constant currency) to RM242.7 million, due to higher volume, favourable commodity prices and savings from logistics.

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

2. Comment on material change in Group profit before tax for the quarter ended 31 March 2024 vs preceding 1st quarter ("Q1") ended 31 December 2023

RM'000	Individual quarter		% chg
	31/03/2024	31/12/2023	
Revenue	1,352,385	1,332,882	1.5%
Operating profit	207,497	209,317	-0.9%
Adjusted operating profit *	207,964	204,890	1.5%
Profit before tax	204,400	205,510	-0.5%
Adjusted profit before tax *	204,867	201,083	1.9%

* Adjustments for one-off non-operating items:

Flood related items:

Interim insurance claim received in respect of plant & machinery and inventories damaged due to flood

Impairment loss on plant and machinery

Other flood related items

	-	(4,236)
	205	-
	139	-
	344	(4,236)
Reversal of impairment loss on property, plant and equipment	-	(205)
Relocation and renovation costs due to move to new manufacturing premise	123	14
	467	(4,427)

The Group recorded 1.5% higher revenue for the quarter at RM1,352.4 million compared to preceding 1st quarter (Q1 FY2024: RM1,332.9 million) mainly due to phasing of sell-in for Chinese New Year and Hari Raya coinciding in Q2 FY2024 compared to the previous quarter.

Correspondingly, the adjusted Group profit before tax (excluding one-off non-operating items) increased by 1.9% to RM204.9 million (Q1 FY2024: RM201.1 million) in line with higher revenue.

3. Prospects

Given that performance in the first half of the year was heavily skewed to festive sales, we are mindful of performance in the second half.

On the outlook for the F&B industry for both Malaysia and Thailand for the remainder of FY2024, the Group will remain vigilant and adaptable to market shifts and wider geopolitical and macroeconomic movements. Although we have benefited from an overall improvement in commodity prices, we anticipate challenges with the rising costs of raw materials such as sugar, rice, gelatine and cocoa powder. Nevertheless, we have taken measures to address these challenges as these commodities are vital to our business.

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

4. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter in a public document.

5. Tax expense

The details of the tax expense are as follows:

RM'000	Individual 2 nd quarter		Cumulative 2 nd quarter	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Current income tax	34,140	16,586	68,171	36,662
Deferred tax – origination and reversal of temporary differences	5,484	3,860	8,666	8,460
Over/(Under) provision in respect of previous years				
- Income tax	(359)	376	(864)	376
- Deferred tax	(585)	(3,083)	(1,959)	(3,204)
	<u>38,680</u>	<u>17,739</u>	<u>74,014</u>	<u>42,294</u>

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follows:

RM'000	Individual 2 nd quarter		Cumulative 2 nd quarter	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Profit before tax	<u>204,400</u>	<u>119,703</u>	<u>409,910</u>	<u>342,111</u>
Tax at Malaysian statutory tax rate of 24% (FY2023: 24%)	49,056	28,729	98,378	82,107
Effect of tax rates in foreign jurisdictions	(4,922)	(3,236)	(10,158)	(6,061)
Tax exempt income	(8,978)	(8,222)	(19,997)	(35,320)
Non-deductible expenses	4,239	2,932	8,229	5,036
Over provision of income and deferred tax in prior years	(944)	(2,707)	(2,823)	(2,828)
Foreign withholding tax	224	235	362	284
Others	5	8	23	(924)
Total income tax expense	<u>38,680</u>	<u>17,739</u>	<u>74,014</u>	<u>42,294</u>
Effective income tax rate	<u>18.9%</u>	<u>14.8%</u>	<u>18.1%</u>	<u>12.4%</u>

The effective income tax rate for 1H FY2023 was comparatively lower at 12.4% (normalised effective income tax rate: 16.6%) due to a non-taxable remeasurement gain of the previously held equity interest in an associate amounting to RM89.3 million.

6. Status of corporate proposals

There were no outstanding corporate proposals or announcements made in the current quarter.

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

7. Loans and borrowings

The details of the Group's loans and borrowings are as follows:

RM'000	Currency	31/03/2024	30/09/2023
<u>Non-current (unsecured)</u>			
Islamic Medium Term Notes	RM	610,000	610,000
Term loan	RM	94,000	96,000
		<u>704,000</u>	<u>706,000</u>
<u>Current (unsecured)</u>			
Term loan	RM	4,000	4,000
		<u>708,000</u>	<u>710,000</u>

Islamic Commercial Papers ("ICP") and Islamic Medium Term Notes ("IMTN") programmes of RM3,000,000,000

A subsidiary of the Company, F&N Capital Sdn Bhd ("the Issuer"), had established an Islamic Commercial Papers ("ICP") Programme ("ICP Programme") and an Islamic Medium Term Notes ("IMTN") Programme ("IMTN Programme") both based on the Shariah principle of Murabahah (via a Tawarruq arrangement) with a combined limit of up to RM3,000,000,000 in nominal value and guaranteed by the Company. The ICP Programme has a tenure of seven years from the first issue date whilst the tenure of the IMTN Programme is perpetual.

The proceeds from the ICP Programme and the IMTN Programme shall be advanced to companies within the F&NHB Group for Shariah-compliant general corporate purposes of the Group and the refinancing of any existing borrowings/financings/corporate bonds/Sukuk issues and/or future Sukuk issues/Shariah-compliant financings of the Group. The utilisation of proceeds of these programmes shall at all times be for Shariah-compliant purposes.

On 3 August 2022, the Issuer had issued the second tranche of IMTN amounting to RM110,000,000 with a tenure of three years from the issued date and a profit rate of 4.01% per annum. The proceeds from this IMTN were used to partially finance the acquisition of the entire equity interest in Ladang Permai Damai Sdn Bhd by the Company's indirect 65%-owned subsidiary, Dagang Sejahtera Sdn Bhd ("DSSB").

On 5 October 2022, the Issuer had issued the third and fourth tranche of IMTN of RM250,000,000 each with a tenure of three and five years from the issued date and profit rates of 4.21% and 4.68% per annum, respectively. The proceeds from issuance of the IMTNs are used to partially finance the acquisition of the entire equity interest in Cocoland Holdings Berhad not already owned by the Company and for working capital purposes.

As at 31 March 2024, the outstanding IMTN amounted to RM610,000,000 (2023: RM610,000,000).

As at 31 March 2024, the unutilised ICP Programme and IMTN Programme available for use amounted to RM2,390,000,000 (2023: RM2,390,000,000).

Term loan of RM100,000,000

On 25 July 2022, a subsidiary of the Company, DSSB was granted a term loan of RM100,000,000 with a tenure of up to seven years from the date of the first drawdown of the facility. DSSB had made full drawdown of the term loan on 22 August 2022 at floating interest rate of 3.95% per annum. The proceeds from this term loan are used to partially finance the acquisition of Ladang Permai Damai Sdn Bhd. As at 31 March 2024, the outstanding term loan amounted to RM98,000,000 (2023:RM100,000,000).

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

8. Material litigation

There is no material litigation to be disclosed in these interim financial statements.

9. Dividend declared subsequent to 31 March 2024

The Directors are pleased to declare an interim single tier dividend of 30.0 sen per share (2023: 27.0 sen) for the financial year ending 30 September 2024. This dividend amounting to approximately RM110.0 million (2023: RM99.0 million) will be paid on 31 May 2024.

The entitlement date for the above dividend shall be 16 May 2024 and a depositor shall qualify for entitlement to the dividend only in respect of:

- (a) Shares transferred into the depositor's securities account before 4.00pm on 16 May 2024 in respect of ordinary transfer; and
- (b) Shares bought on BURSA MALAYSIA SECURITIES BERHAD on a cum entitlement basis according to the Rules of the BURSA MALAYSIA SECURITIES BERHAD.

10. Earnings per ordinary share (EPS)

- (a) The calculation of basic earnings per ordinary share at 31 March 2024 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Individual 2 nd quarter		Cumulative 2 nd quarter	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Profit for the period attributed to owners of the Company (RM'000)	165,409	101,177	336,146	299,975
Weighted average number of ordinary shares net of treasury shares and shares held by SGP Trust ('000)	366,335	366,380	366,327	366,380
Basic earnings per ordinary share (sen)	45.2	27.6	91.8	81.9

- (b) The calculation of diluted earnings per ordinary share at 31 March 2024 was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	Individual 2 nd quarter		Cumulative 2 nd quarter	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
Profit for the period attributed to owners of the Company (RM'000)	165,409	101,177	336,146	299,975
Weighted average number of ordinary shares net of treasury shares and shares held by SGP Trust ('000)	366,335	366,380	366,327	366,380
Adjustments pursuant to the SGP ('000)	558	531	558	531
Adjusted weighted average number of ordinary shares net of treasury shares and shares held by SGP Trust ('000)	366,893	366,911	366,885	366,911
Diluted earnings per ordinary share (sen)	45.1	27.6	91.6	81.8

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

11. Notes to the Condensed Consolidated Income Statement

Profit before tax is arrived at after charging/(crediting) the following items:

RM'000	Individual 2 nd quarter		Cumulative 2 nd quarter	
	<u>31/03/2024</u>	<u>31/03/2023</u>	<u>31/03/2024</u>	<u>31/03/2023</u>
(a) Bad debts recovered	(4)	(7)	(70)	(53)
(b) Depreciation of property, plant and equipment and amortisation of intangible assets	31,476	29,467	62,217	55,586
(c) Depreciation of right-of-use assets	3,933	5,638	8,275	11,190
(d) Remeasurement gain of the previously held equity interest in	-	-	-	(89,256)
(e) Reversal of impairment loss on intangible assets	-	(294)	-	(294)
(f) Insurance claim received/receivables	-	-	(4,236)	(5,000)
(g) Inventories written off	793	3,009	3,309	3,806
(h) Net fair value gain on derivatives	(155)	(479)	(209)	(158)
(i) Net (reversal of impairment loss)/impairment loss on property, plant and equipment	(352)	(151)	(563)	31
(j) Net (reversal of impairment loss)/impairment loss on receivables	(606)	440	(635)	309
(k) Net inventories written down	1,583	3,858	903	7,239
(l) Net loss/(gain) on disposal/write-offs of property, plant and equipment	90	(46)	23	(151)
(m) Net (gain)/loss on foreign exchange	(4,797)	(1,672)	(2,589)	3,005

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements (cont'd)

12. Outstanding derivatives

- (a) Outstanding derivatives consist of foreign exchange contracts which are measured at fair value together with their corresponding notional value amounts as follows:

	31/03/2024		30/09/2023	
	Notional value	Fair value RM'000	Notional value	Fair value RM'000
Forward foreign exchange contracts (less than 1 year)				
USD ('000)	1,000	254	-	-
AUD ('000)	1,246	(21)	1,748	25
RMB ('000)	1,246	(5)	-	-
		<u>228</u>		<u>25</u>

There is no significant change for the financial derivatives in respect of the following since the financial year ended 30 September 2023:

- (i) The credit risk, market risk and liquidity risk associated with these financial derivatives;
 - (ii) The cash requirements of the financial derivatives;
 - (iii) The policy in place for mitigating or controlling the risks associated with these financial derivatives; and
 - (iv) The related accounting policies.
- (b) Disclosure of gains/loss arising from fair value changes of derivative financial instruments

During the current period, the Group recognised a total net gain of RM209,000 (2023: RM158,000) in the consolidated income statement arising from the fair value changes on the foreign exchange contracts which are marked-to-market as at 31 March 2024.