



**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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**For immediate release**

## **QUARTERLY FINANCIAL REPORT**

### Financial Year Ended 30 September 2024

The Directors are pleased to release the unaudited quarterly financial report for the quarter and year ended 30 September 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  
5 November 2024

**Schedule A : Unaudited Condensed Consolidated Income Statement**

For the quarter and year ended 30 September 2024

RM'000	Individual 4 <sup>th</sup> quarter			Cumulative 4 <sup>th</sup> quarter		
	30/09/2024	30/09/2023	% chg	30/09/2024	30/09/2023	% chg
Revenue	1,256,237	1,244,387	1.0%	5,245,628	5,001,351	4.9%
Cost of sales	(870,726)	(871,707)		(3,594,662)	(3,566,591)	
Gross profit	385,511	372,680	3.4%	1,650,966	1,434,760	15.1%
Other income	18,089	7,785		45,205	115,045	
Net gain/(loss) on impairment of financial instruments	1,269	(1,142)		(1,688)	(1,433)	
Operating expenses	(285,011)	(213,123)		(984,975)	(905,430)	
Operating profit	119,858	166,200	-27.9%	709,508	642,942	10.4%
Finance income	6,752	4,945		25,049	13,638	
Finance costs	(8,996)	(9,279)		(36,319)	(35,670)	
Share of profit of equity-accounted associate, net of tax <sup>^</sup>	-	-		-	3,913	
Share of loss of equity-accounted joint venture, net of tax <sup>#</sup>	(1,117)	(42)		(1,199)	(151)	
Profit before tax	116,497	161,824	-28.0%	697,039	624,672	11.6%
Tax expense (Schedule G, Note 5)	(31,829)	(22,858)		(152,731)	(82,644)	
<b>Profit for the period</b>	<b>84,668</b>	<b>138,966</b>	<b>-39.1%</b>	<b>544,308</b>	<b>542,028</b>	<b>0.4%</b>
<b>Profit for the period attributable to:</b>						
Owners of the Company	84,991	137,557	-38.2%	542,766	536,899	1.1%
Non-controlling interests	(323)	1,409		1,542	5,129	
Profit for the period	84,668	138,966	-39.1%	544,308	542,028	0.4%
Basic earnings per ordinary share (sen) (Schedule G, Note 10)	23.2	37.5		148.2	146.5	
Diluted earnings per ordinary share (sen) (Schedule G, Note 10)	23.1	37.4		147.8	146.1	

<sup>^</sup> The share of results of an associate for the cumulative quarter ended 30 September 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.

<sup>#</sup> 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 year ended 30 September 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 year ended 30 September 2024

RM'000	Individual 4 <sup>th</sup> quarter			Cumulative 4 <sup>th</sup> quarter		
	30/09/2024	30/09/2023	% chg	30/09/2024	30/09/2023	% chg
Profit for the period	84,668	138,966	-39.1%	544,308	542,028	0.4%
<b>Other comprehensive (expense)/income, net of tax:</b>						
<b>Items that are not to be reclassified subsequently to profit or loss:</b>						
Remeasurement of defined benefit plan	(231)	992		(231)	992	
Revaluation of property, plant and equipment upon transfer of properties to investment properties	-	2,282		-	2,282	
Income tax effect relating to the components of OCI	49	(245)		49	(245)	
	(182)	3,029		(182)	3,029	
<b>Item that is or may be reclassified subsequently to profit or loss:</b>						
Foreign currency translation differences for foreign operations	(8,331)	(19,765)		(12,072)	41,937	
	(8,513)	(16,736)		(12,254)	44,966	
<b>Total comprehensive income for the period</b>	<b>76,155</b>	<b>122,230</b>	<b>-37.7%</b>	<b>532,054</b>	<b>586,994</b>	<b>-9.4%</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	76,478	120,821	-36.7%	530,512	581,865	-8.8%
Non-controlling interests	(323)	1,409		1,542	5,129	
	76,155	122,230	-37.7%	532,054	586,994	-9.4%

**Schedule C : Unaudited Condensed Consolidated Statement of Financial Position**

As at 30 September 2024

RM'000	30/09/2024	30/09/2023
<b>Non-current assets</b>		
Property, plant and equipment	1,727,688	1,592,064
Right-of-use assets	367,132	359,766
Investment properties	63,000	63,000
Properties held for development	52,965	54,933
Intangible assets	430,313	433,366
Investment in a joint venture ( <i>Schedule F, Note 9</i> )	86,512	87,711
Deferred tax assets	13,871	11,670
	<u>2,741,481</u>	<u>2,602,510</u>
<b>Current assets</b>		
Trade and other receivables	852,855	713,342
Inventories	744,960	764,182
Derivative financial assets ( <i>Schedule F, Note 18</i> )	311	49
Cash and cash equivalents	1,134,870	1,031,534
	<u>2,732,996</u>	<u>2,509,107</u>
<b>Total assets</b>	<b>5,474,477</b>	<b>5,111,617</b>
<b>Equity</b>		
Share capital and reserves	3,576,009	3,343,200
Non-controlling interests	10,841	8,401
<b>Total equity</b>	<b>3,586,850</b>	<b>3,351,601</b>
<b>Non-current liabilities</b>		
Loans and borrowings ( <i>Schedule F, Note 18 and Schedule G, Note 7</i> )	592,000	706,000
Lease liabilities	46,977	49,498
Employee benefits	35,511	35,471
Deferred tax liabilities	103,448	118,480
	<u>777,936</u>	<u>909,449</u>
<b>Current liabilities</b>		
Trade and other payables	825,904	724,761
Contract liabilities	108,277	85,267
Loans and borrowings ( <i>Schedule F, Note 18 and Schedule G, Note 7</i> )	114,000	4,000
Lease liabilities	7,971	8,378
Current tax liabilities	51,368	28,137
Derivative financial liabilities ( <i>Schedule F, Note 18</i> )	2,171	24
	<u>1,109,691</u>	<u>850,567</u>
<b>Total liabilities</b>	<b>1,887,627</b>	<b>1,760,016</b>
<b>Total equity and liabilities</b>	<b>5,474,477</b>	<b>5,111,617</b>
Net assets per share (RM) attributable to owners of the Company	<u>9.75</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 year ended 30 September 2024

RM'000	Cumulative 4 <sup>th</sup> quarter	
	30/09/2024	30/09/2023
<b>Cash flows from operating activities</b>		
Profit before tax	697,039	624,672
Add/(less) non-cash items:		
- Change in fair value of investment properties	-	7,080
- Depreciation of property, plant and equipment and amortisation of intangible assets	127,676	123,407
- Depreciation of right-of-use assets	17,009	22,894
- Employee share-based expense	13,082	12,037
- Finance costs	36,319	35,670
- Finance income	(25,049)	(13,638)
- Intangible assets written off	5	98
- Net gain on disposal of property, plant and equipment	(196)	(560)
- Net (reversal of impairment loss)/impairment loss on property, plant and equipment	(6,368)	33,683
- Property development costs written off	1,968	-
- Property, plant and equipment written off	4,409	1,095
- 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	1,199	151
- Others	(151)	92
Changes in working capital	10,937	389,318
Tax paid	(145,152)	(89,531)
<b>Net cash from operating activities</b>	<b>732,727</b>	<b>1,053,005</b>
<b>Cash flows from investing activities</b>		
Acquisition of intangible assets	(2,312)	(2,849)
Acquisition of property, plant and equipment	(257,675)	(105,549)
Acquisition of right-of-use assets	(18,293)	-
Acquisition of subsidiaries, net of cash and cash equivalent	-	(597,951)
Interest received	23,928	12,658
Investment in a joint venture	-	(500)
Proceeds from disposal of property, plant and equipment	662	1,295
<b>Net cash used in investing activities</b>	<b>(253,690)</b>	<b>(692,896)</b>
<b>Cash flows from financing activities</b>		
Dividend paid to owners of the Company	(293,423)	(220,067)
Dividend paid by a subsidiary to a non-controlling interest	(599)	-
Interest paid	(40,979)	(25,296)
Payment of lease liabilities	(11,136)	(16,216)
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	(16,821)	(13,020)
Repayment of loans and borrowings	(4,000)	(38,630)
<b>Net cash (used in)/from financing activities</b>	<b>(365,461)</b>	<b>186,771</b>
<b>Net increase in cash and cash equivalents</b>	<b>113,576</b>	<b>546,880</b>
<b>Effects of exchange rate fluctuations on cash and cash equivalents</b>	<b>(10,240)</b>	<b>22,767</b>
<b>Cash and cash equivalents at 1 October 2023/2022</b>	<b>1,031,534</b>	<b>461,887</b>
<b>Cash and cash equivalents at 30 September</b>	<b>1,134,870</b>	<b>1,031,534</b>
Cash and bank balances	464,920	539,765
Short term deposits with licensed banks with a maturity period of 3 months or less	669,950	491,769
<b>Cash and cash equivalents at 30 September</b>	<b>1,134,870</b>	<b>1,031,534</b>

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 year ended 30 September 2024

RM'000	Attributable to owners of the Company								Distributable		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	Non-controlling interests	
<b>At 1 October 2023</b>	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 (expense)/income	-	-	-	(12,072)	-	-	-	542,584	530,512	1,542	532,054
<b>Transactions with owners:</b>											
Shares vested under SGP	-	11,045	(156)	-	(10,889)	-	-	-	-	-	-
Purchase of shares by SGP Trust	-	(16,821)	-	-	-	-	-	-	(16,821)	-	(16,821)
Employee share-based expense	-	-	-	-	12,541	-	-	-	12,541	-	12,541
Issue of shares by a subsidiary to a non-controlling interest	-	-	-	-	-	-	-	-	-	1,497	1,497
Dividend to owners of the Company	-	-	-	-	-	-	-	(293,423)	(293,423)	-	(293,423)
Dividend paid by a subsidiary to a non-controlling interest	-	-	-	-	-	-	-	-	-	(599)	(599)
<b>Total transactions with owners</b>	-	(5,776)	(156)	-	1,652	-	-	(293,423)	(297,703)	898	(296,805)
<b>At 30 September 2024</b>	816,770	(16,666)	(7,342)	71,430	18,781	9,934	2,282	2,680,820	3,576,009	10,841	3,586,850
<b>At 1 October 2022</b>	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	-	-	-	41,937	-	-	2,282	537,646	581,865	5,129	586,994
<b>Transactions with owners:</b>											
Shares vested under SGP	-	8,517	1,792	-	(10,309)	-	-	-	-	-	-
Purchase of shares by SGP Trust	-	(13,020)	-	-	-	-	-	-	(13,020)	-	(13,020)
Employee share-based expense	-	-	-	-	11,899	-	-	-	11,899	-	11,899
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	1,406	1,406
Dividend to owners of the Company	-	-	-	-	-	-	-	(220,067)	(220,067)	-	(220,067)
<b>Total transactions with owners</b>	-	(4,503)	1,792	-	1,590	-	-	(220,067)	(221,188)	1,406	(219,782)
<b>At 30 September 2023</b>	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

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.

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## 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 year ended 30 September 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 5 November 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 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements - Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*

#### MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18 *Presentation and Disclosure in Financial Statements*
- MFRS 19 *Subsidiaries without Public Accountability: Disclosures*

#### 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 beverages, 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	<u>30/09/2024</u>	<u>30/09/2023</u>
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 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	<u>30/09/2024</u>	<u>30/09/2023</u>	<u>30/09/2024</u>	<u>30/09/2023</u>
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	30/09/2024	30/09/2023
Unquoted shares, at cost	128,320	128,320
Share of post-acquisition reserves	(24,810)	(23,611)
	103,510	104,709
Interest on shareholder's loan	38,294	38,294
	141,804	143,003
Less: Unrealised profit	(55,292)	(55,292)
	86,512	87,711

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

RM'000	30/09/2024	30/09/2023
Total assets	283,941	286,363
Total liabilities	(76,940)	(76,964)

RM'000	Individual 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
Revenue	-	-	-	-
Loss	(2,234)	(84)	(2,398)	(302)

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>Year ended 30 September 2024</u>			
Final 2023 ordinary	6 February 2024	33.0	121,037
Final 2023 special	6 February 2024	17.0	62,352
Interim 2024 ordinary	31 May 2024	30.0	110,034
			293,423
<u>Year ended 30 September 2023</u>			
Final 2022 ordinary	10 February 2023	33.0	121,037
Interim 2023 ordinary	1 June 2023	27.0	99,030
			220,067

**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	
<b><u>4<sup>th</sup> quarter - 30/09/2024</u></b>					
Total revenue	670,475	589,454	672	23,941	1,284,542
Inter-segment	-	(4,558)	(490)	(23,257)	(28,305)
External	670,475	584,896	182	684	1,256,237
<b><u>4<sup>th</sup> quarter - 30/09/2023</u></b>					
Total revenue	681,849	569,741	637	20,725	1,272,952
Inter-segment	-	(7,992)	(443)	(20,130)	(28,565)
External	681,849	561,749	194	595	1,244,387
<b><u>3<sup>rd</sup> quarter - 30/06/2024</u></b>					
Total revenue	730,038	576,638	713	26,957	1,334,346
Inter-segment	-	(3,374)	(516)	(26,332)	(30,222)
External	730,038	573,264	197	625	1,304,124
<b><u>Cumulative 4<sup>th</sup> quarter - 30/09/2024</u></b>					
Total revenue	2,950,820	2,308,777	2,628	105,394	5,367,619
Inter-segment	-	(17,735)	(1,856)	(102,400)	(121,991)
External	2,950,820	2,291,042	772	2,994	5,245,628
<b><u>Cumulative 4<sup>th</sup> quarter - 30/09/2023</u></b>					
Total revenue	2,851,548	2,183,587	2,730	86,975	5,124,840
Inter-segment	-	(37,401)	(1,969)	(84,119)	(123,489)
External	2,851,548	2,146,186	761	2,856	5,001,351

**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	
<b><u>4<sup>th</sup> quarter - 30/09/2024</u></b>					
Operating profit/(loss)	55,811	101,995	(2,351)	(35,597)	119,858
Finance income					6,752
Finance costs					(8,996)
Share of results of a joint venture					(1,117)
Profit before tax					<u>116,497</u>
<b><u>4<sup>th</sup> quarter - 30/09/2023</u></b>					
Operating profit/(loss)	59,034	120,660	(868)	(12,626)	166,200
Finance income					4,945
Finance costs					(9,279)
Share of results of a joint venture					(42)
Profit before tax					<u>161,824</u>
<b><u>3<sup>rd</sup> quarter - 30/06/2024</u></b>					
Operating profit/(loss)	73,417	105,200	(825)	(4,956)	172,836
Finance income					6,719
Finance costs					(8,935)
Share of results of a joint venture					12
Profit before tax					<u>170,632</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	
<b><u>Cumulative 4<sup>th</sup> quarter - 30/09/2024</u></b>					
Operating profit/(loss)	305,372	449,930	(3,860)	(41,934)	709,508
Finance income					25,049
Finance costs					(36,319)
Share of results of a joint venture					(1,199)
Profit before tax					<u>697,039</u>
<b><u>Cumulative 4<sup>th</sup> quarter - 30/09/2023</u></b>					
Operating profit/(loss)	204,265	371,846	(9,017)	75,848	642,942
Finance income					13,638
Finance costs					(35,670)
Share of results of an associate					3,913
Share of results of a joint venture					(151)
Profit before tax					<u>624,672</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>30/09/2024</u>	<u>30/09/2023</u>
F&B Malaysia	2,562,105	2,594,501
F&B Thailand	972,713	1,046,105
Property	195,176	198,026
Others	609,613	241,451
	<u>4,339,607</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>30/09/2024</u>	<u>30/09/2023</u>
F&B Malaysia	657,673	607,677
F&B Thailand	440,288	420,977
Property	1,259	1,250
Others	82,407	20,112
	<u>1,181,627</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

There were no significant events that have not been reflected in the current quarter.

14. Subsequent events

- (a) On 1 October 2024, Fraser & Neave (Malaya) Sdn Bhd ("F&NM", a direct wholly-owned subsidiary of F&NHB) entered into a share purchase agreement with F&N International Market Sdn Bhd ("F&NIM", a 50.1% owned subsidiary of F&NHB) pursuant to which F&NM agrees to transfer its entire stake of 300,000 shares in Fraser and Neave MENA DWC-LLC ("F&N MENA", and the F&N MENA shares being transferred, the "F&N MENA Shares", and the transfer, the "F&N MENA Share Transfer") to F&NIM for a total cash consideration of AED1.00 (approximately RM1.12). The F&N MENA Shares comprise 100% of the issued share capital of F&N MENA, which is incorporated in the United Arab Emirates. The negative shareholders' fund represented by the F&N MENA Shares as at 1 October 2024 was AED1,698,000 (approximately RM1,906,000). Completion of the F&N MENA Share Transfer is subject to, inter alia, the obtainment of relevant regulatory approvals following which F&N MENA will become a direct wholly-owned subsidiary of F&NIM; and F&NHB will hold an indirect 50.1% interest in F&N MENA via its 50.1% interest in F&NIM. The F&N MENA Share Transfer has yet to be completed as of the date of the release of this quarterly financial report.

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

14. Subsequent events (cont'd)

- (b) On 1 October 2024, F&NIM entered into an equity transfer agreement with F&N Foods Pte Ltd ("F&NF"), a direct wholly-owned subsidiary of Fraser and Neave, Limited ("F&NL", immediate holding company of F&NHB) pursuant to which F&NF agreed to transfer its entire stake in F&N International Foods (GZ) Co., Ltd. ("F&NIFG", representing 100% of F&NIFG's equity interest, the "F&NIFG Stake", and the transfer, the "F&NIFG Share Transfer") to F&NIM for a total cash consideration of RMB1,834,159 (approximately RM1,191,725). The net asset value represented by the entire equity interest of F&NIFG as at 1 October 2024 was RMB1,895,438. Completion of the F&NIFG Share Transfer is subject to, inter alia, the obtainment of relevant regulatory approvals following which F&NIFG will become a direct wholly-owned subsidiary of F&NIM; and F&NHB will hold an indirect 50.1% interest in F&NIFG via its 50.1% interest in F&NIM. The F&NIFG Share Transfer has yet to be completed as of the date of the release of this quarterly financial report.

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

There were no changes in the composition of the Group during the quarter.

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.

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

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
<b>30/09/2024</b>				
<u>Financial asset</u>				
Derivative financial assets	311	-	311	311
<u>Financial liabilities</u>				
Derivative financial liabilities	2,171	-	2,171	2,171
Fixed-rate loans and borrowings	-	487,507	487,507	500,000
	<u>2,171</u>	<u>487,507</u>	<u>489,678</u>	<u>502,171</u>
<b>30/09/2023</b>				
<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
	<u>-</u>	<u>606,337</u>	<u>606,361</u>	<u>610,024</u>

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.

19. Capital commitments

The outstanding capital commitments are as follows:

RM'000	<u>30/09/2024</u>	<u>30/09/2023</u>
<u>Property, plant and equipment</u>		
Contracted but not provided for	<u>960,237</u>	<u>106,421</u>



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

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 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
<u>Fraser and Neave, Limited Group</u>				
Sales	67,073	80,710	301,726	285,584
Purchases	(49,566)	(43,022)	(192,591)	(153,279)
Royalties paid	(17,369)	(17,800)	(77,869)	(75,013)
Corporate service fees paid	109	-	(1,558)	-
Receipt of corporate service fees	642	561	2,841	2,907
Other expenses	(208)	(95)	(946)	(1,073)
<u>Non-controlling interest</u>				
Acquisition of leasehold land	-	215,588	-	215,588
<u>Thai Beverage Public Company Limited Group</u>				
Sales	2,771	2,110	9,834	8,558
Purchases	(665)	(641)	(2,327)	(1,896)
Marketing expenses	(13,671)	(6,867)	(35,599)	(26,488)
Corporate service fees paid	957	(519)	(477)	(1,955)
Logistic expenses	(4,031)	-	(10,887)	-
Other expenses	(485)	(453)	(1,956)	(1,558)
<u>Berli Jucker Public Company Limited Group</u>				
Sales	14,631	14,893	60,893	58,312
Purchases	(451)	(609)	(2,535)	(2,682)
<u>Fraser Property Limited Group</u>				
Rental expenses	(1,532)	(1,585)	(6,187)	(6,216)
<u>Other related parties of TCC Assets Limited Group</u>				
Purchases	(17,358)	(11,006)	(59,801)	(33,511)
Acquisition of leasehold land	-	-	(18,293)	-
Corporate service fees paid	(1,254)	-	(1,254)	-
Insurance premium paid	(454)	(471)	(1,733)	(1,736)
Rental expenses	(436)	(443)	(1,629)	(1,608)
<u>Compensation</u>				
Compensation of key management personnel of the Group	(5,994)	(4,326)	(22,637)	(18,150)
Directors' fees and remuneration	(597)	(472)	(1,688)	(1,641)

**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	30/09/2024	30/09/2023
<u>Amount due from related parties</u>		
Fraser and Neave, Limited Group	56,976	68,918
Frasers Property Limited Group	6	-
Vacaron Company Sdn Bhd	38,305	38,305
Thai Beverage Public Company Limited Group	1,302	1,153
Berli Jucker Public Company Limited Group	11,967	10,663
Other related parties of TCC Assets Limited Group	29	23
<u>Amount due to related parties</u>		
Fraser and Neave, Limited Group	(39,881)	(39,310)
Frasers Property Limited Group	(556)	(522)
Thai Beverage Public Company Limited Group	(15,460)	(6,637)
Berli Jucker Public Company Limited Group	(446)	(478)
Other related parties of TCC Assets Limited Group	(5,387)	(3,707)

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

1. Operations review

Current quarter ended 30 September 2024 vs corresponding quarter ended 30 September 2023

RM'000	Individual 4 <sup>th</sup> quarter		% chg
	30/09/2024	30/09/2023	
Revenue	1,256,237	1,244,387	1.0%
Operating profit	119,858	166,200	-27.9%
Adjusted operating profit *	124,024	163,373	-24.1%
Profit before tax	116,497	161,824	-28.0%
Adjusted profit before tax *	120,663	158,997	-24.1%
Profit after tax	84,668	138,966	-39.1%
Adjusted profit after tax	89,259	135,995	-34.4%

\* Adjustments for one-off non-operating items:

Flood related items:

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

(5,075)

(3,000)

Inventories written off

101

-

Reversal of impairment loss on plant and machinery

-

(164)

Reversal of repair expenses of plant and machinery

-

(431)

Other flood related items

-

(2)

(4,974)

(3,597)

Inventories written down due to reorganisation of Food pillar

2,880

758

Property, plant and equipment written off

-

401

Relocation and renovation costs due to move to new manufacturing premise

-

299

Restructuring costs

6,260

-

Reversal of impairment loss on property, plant and equipment

-

(688)

4,166

(2,827)

The Group revenue for Q4 FY2024 increased by 1.0% to RM1,256.2 million (Q4 FY2023: RM1,244.4 million). This growth was driven by higher domestic sales in both F&B Malaysia and F&B Thailand, despite external challenges such as geopolitical tensions affecting affecting global trade and logistics, and unfavourable THB/MYR translation.

Group operating profit for Q4 FY2024 declined by 27.9% to RM119.9 million (Q4 FY2023: RM166.2 million) attributed to start-up costs from our integrated dairy farm, restructuring costs, unrealised foreign exchange losses and lower profit contribution from F&B Thailand. This decline was partly offset by a higher profit contribution from F&B Malaysia.

The Group profit after tax for Q4 2024 declined by 39.1% to RM84.7 million (Q4 FY2023: RM139.0 million) primarily due to higher tax expense resulting from the expiration of Board of Investment (BOI) incentive for F&B Thailand in Q3 FY2024 and with higher withholding taxes on dividends repatriated from F&B Thailand.

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

1. Operations review (cont'd)

Current quarter ended 30 September 2024 vs corresponding quarter ended 30 September 2023 (cont'd)

• F&B Malaysia

RM'000	Individual 4 <sup>th</sup> quarter		% chg
	30/09/2024	30/09/2023	
Revenue	<u>670,475</u>	<u>681,849</u>	-1.7%
Operating profit	55,811	59,034	-5.5%
Adjustment for one-off non-operating items:			
Flood related items:			
Interim insurance claim received in respect of plant and machinery and inventories damaged and business interruption due to flood	(5,075)	(3,000)	
Inventories written off	101	-	
Reversal of impairment loss on plant and machinery	-	(164)	
Reversal of repair expenses of plant and machinery	-	(431)	
Other flood related items	-	(2)	
	<u>(4,974)</u>	<u>(3,597)</u>	
Inventories written down due to reorganisation of Food pillar	2,880	758	
Property, plant and equipment written off	-	401	
Relocation and renovation costs due to move to new manufacturing premise	-	299	
Restructuring costs	6,260	-	
Reversal of impairment loss on property, plant and equipment	-	(4,129)	
	<u>4,166</u>	<u>(6,268)</u>	
Adjusted operating profit	<u>59,977</u>	<u>52,766</u>	13.7%

F&B Malaysia revenue for Q4 FY2024 decreased by 1.7% to RM670.5 million (Q4 FY2023: RM681.8 million) attributable due to weaker exports affected by geopolitical tensions and higher freight charges. Conversely, the domestic market for beverages and dairy products remained strong, bolstered by effective marketing strategies and greater outlet presence.

Excluding one-off non-operating items which include insurance claim and restructuring costs, F&B Malaysia adjusted Q4 FY2024 operating profit grew by 13.7% to RM60.0 million (Q4 FY2023: RM52.8 million) despite lower exports. This growth was driven by improved margins from a favourable product and country mix, and lower input costs, though partially offset by higher sea freight costs.

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

1. Operations review (cont'd)

Current quarter ended 30 September 2024 vs corresponding quarter ended 30 September 2023 (cont'd)

• F&B Thailand

	Individual 4 <sup>th</sup> quarter		
	<u>30/09/2024</u>	<u>30/09/2023</u>	<u>% chg</u>
Revenue (RM'000)	<u>584,896</u>	<u>561,749</u>	4.1%
Operating profit (RM'000)	101,995	120,660	-15.5%
Adjustment for one-off non-operating item (RM'000):			
Impairment loss on property, plant and equipment	-	3,441	
Adjusted operating profit (RM'000)	<u>101,995</u>	<u>124,101</u>	-17.8%
Revenue (THB'000)	<u>4,560,091</u>	<u>4,294,961</u>	6.2%
Operating profit (THB'000)	797,430	925,553	-13.8%
Adjustment for one-off non-operating item (THB'000):			
Impairment loss on plant and equipment	-	26,538	
Adjusted operating profit (THB'000)	<u>797,430</u>	<u>952,091</u>	-16.2%

F&B Thailand revenue for Q4 FY2024 grew by 4.1% (6.2% in THB) to RM584.9 million (Q4 FY2023: RM561.7 million) primarily driven by domestic sales and higher sales to Cambodia following the extended rights secured during FY2023 to exclusively manufacture and distribute BEAR BRAND sterilised milk in Cambodia. Export sales excluding Indochina market remained muted.

For bottom line, higher brand building and promotional spending for both domestic Thailand and Cambodia, as well as higher input costs for palm oil and sugar led to lower operating profit in Q4 FY2024 for F&B Thailand. Excluding the impairment loss on plant and equipment in corresponding quarter last year, the adjusted operating profit for F&B Thailand in Q4 FY2024 declined by 17.8% to RM102.0 million (Q4 FY2023: RM124.1 million).

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

1. Operations review (cont'd)

Cumulative financial year vs corresponding last financial year

RM'000	Cumulative 4 <sup>th</sup> quarter		% chg
	30/09/2024	30/09/2023	
Revenue	5,245,628	5,001,351	4.9%
Operating profit	709,508	642,942	10.4%
Adjusted operating profit *	709,723	592,146	19.9%
Profit before tax	697,039	624,672	11.6%
Adjusted profit before tax *	697,254	573,876	21.5%
Profit after tax	544,308	542,028	0.4%
Adjusted profit after tax	545,216	489,651	11.3%

\* Adjustments for one-off non-operating items:

Flood related items:

Gain on disposal of damaged stock-in-trade and machinery	-	(10)
Interim insurance claim received/receivable in respect of building, plant & machinery and inventories damaged and business interruption due to flood	(9,302)	(8,000)
Inventories written off	240	-
Reversal of impairment loss on plant and machinery	-	(189)
Reversal of repair expenses of plant and machinery	-	(503)
	(9,062)	(8,702)
Change in fair value of investment properties	-	7,080
Impairment loss on plant and equipment	-	35,422
Inventories written down due to reorganisation of Food pillar	2,880	3,960
Property, plant and equipment written off	-	401
Relocation and renovation costs due to move to new manufacturing premise	14	299
Remeasurement gain of the previously held equity interest in an associate (Cocoaland Holdings Berhad)	-	(89,256)
Restructuring costs	6,383	-
	215	(50,796)

The Group sustained its growth for the full financial year of 2024 (FY2024) with revenue increasing 4.9% to RM5.25 billion, up from RM5.0 billion last year. This is primarily fuelled by higher revenue from F&B Malaysia and F&B Thailand's domestic sales, as well as exports to Cambodia, with beverages, water and dairy products being the key performance drivers. However, external factors, such as geopolitical tensions affecting global trade and logistics, and rising freight costs, impacted exports during the year.

Group operating profit for FY2024 grew by 10.4% to RM709.5 million (FY2023: RM642.9 million) supported by higher profits from both F&B Malaysia and F&B Thailand, despite adjustments of non-operating items, restructuring costs and start-up costs for the integrated dairy farm.

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

1. Operations review (cont'd)

Cumulative financial year vs corresponding last financial year (cont'd)

Adjusting for one-off non-operating items which include the remeasurement gain of the previously held equity interest in Cocoland Holdings Berhad, the adjusted Group operating profit grew by 19.9% to RM709.7 million (FY2023: RM592.1 million) driven by higher revenue, lower input costs, and savings in supply chain expenses.

The Group recorded 11.3% growth in adjusted Group profit after tax for FY2024 at RM545.2 million (FY2023: RM489.7 million) despite incurring higher tax expenses this year due to the expiration of BOI incentive for F&B Thailand in Q3 FY2024 and withholding taxes from repatriation of dividends from F&B Thailand.

• F&B Malaysia

RM'000	Cumulative 4 <sup>th</sup> quarter		% chg
	30/09/2024	30/09/2023	
Revenue	<u>2,950,820</u>	<u>2,851,548</u>	3.5%
Operating profit	305,372	204,265	49.5%
Adjustment for one-off non-operating items:			
Flood related items:			
Gain on disposal of damaged stock-in-trade and machinery	-	(10)	
Interim insurance claim received/receivable in respect of building, plant & machinery and inventories damaged and business interruption due to flood	(9,302)	(8,000)	
Inventories written off	240	-	
Reversal of impairment loss on plant and machinery	-	(189)	
Reversal of repair expenses of plant and machinery	-	(503)	
	(9,062)	(8,702)	
Impairment loss on plant and equipment	-	28,920	
Inventories written down due to reorganisation of Food pillar	2,880	3,960	
Property, plant and equipment written off	-	401	
Relocation and renovation costs due to move to new manufacturing premise	14	299	
Restructuring costs	<u>6,383</u>	<u>-</u>	
	<u>215</u>	<u>24,878</u>	
Adjusted operating profit	<u>305,587</u>	<u>229,143</u>	33.4%

F&B Malaysia's full year revenue grew by 3.5% to RM2,950.8 million (Q4 FY2023: RM2,851.5 million) driven by strong festive demand and sustained momentum across all channels, supported by successful channel/outlet penetration and demand-generation campaigns, such as the F&N Rasa Pasti Gempak, Kipid 100 and Magnolia Garfield campaigns. This was also supported by successful execution of exports strategy to counter weaker exports in certain regions.

The Food pillar also contributed to the increase in F&B Malaysia's revenue, with additional one month of contribution from Cocoland compared to the previous corresponding period, following the completion of the acquisition on November 4, 2022.

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

1. Operations review (cont'd)

Cumulative financial year vs corresponding last financial year (cont'd)

• F&B Malaysia (cont'd)

Excluding one-off non-operating items which include insurance claim and restructuring costs, the adjusted operating profit for F&B Malaysia rose 33.4% to RM305.6 million (FY2023: RM229.1 million) on the back of higher revenue, improved margins from favourable product/country mix and lower input costs. The adjusted operating margin for F&B Malaysia improved by 2.4% compared to FY2023.

• F&B Thailand

	Cumulative 4 <sup>th</sup> quarter		
	30/09/2024	30/09/2023	% chg
Revenue (RM'000)	<u>2,291,042</u>	<u>2,146,186</u>	6.7%
Operating profit (RM'000)	449,930	371,846	21.0%
Adjustment for one-off non-operating item: (RM'000)			
Impairment loss on property, plant and equipment	<u>-</u>	<u>6,502</u>	
Adjusted operating profit (RM'000)	<u>449,930</u>	<u>378,348</u>	18.9%
Revenue (THB'000)	<u>17,565,812</u>	<u>16,614,592</u>	5.7%
Operating profit (THB'000)	3,449,690	2,878,625	19.8%
Adjustment for one-off non-operating item: (THB'000)			
Impairment loss on plant and equipment	<u>-</u>	<u>50,338</u>	
Adjusted operating profit (THB'000)	<u>3,449,690</u>	<u>2,928,963</u>	17.8%

F&B Thailand recorded RM2,291.0 million (FY2023: RM2,146.2 million) in revenue for FY2024, reflecting a 6.7% growth (5.7% in THB) over last year. This was mainly driven by stronger sales to Cambodia following a successful nationwide promotion and full year impact of BEAR BRAND sales (extended rights secured during FY2023 to exclusively manufacture and distribute BEAR BRAND sterilised milk in Cambodia). Domestic sales were partly dampened by a limited supply of fresh milk and margin protection initiatives for certain products.

Excluding the impairment loss on plant and equipment in previous year, F&B Thailand's adjusted operating profit for FY2024 grew by 18.9% (17.8% in THB) to RM449.9 million (FY2023: RM378.3 million). This growth was driven by higher sales volume, lower commodity prices and supply chain savings, and partly offset by higher advertising and promotions spending including to support new product launches. The adjusted operating margin for F&B Thailand nevertheless improved by 2.0% compared to FY2023.



**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 30 September 2024 vs preceding 3<sup>rd</sup> quarter ("Q3") ended 30 June 2024

RM'000	Individual quarter		% chg
	30/09/2024	30/06/2024	
Revenue	1,256,237	1,304,124	-3.7%
Operating profit	119,858	172,836	-30.7%
Adjusted operating profit *	124,024	172,845	-28.2%
Profit before tax	116,497	170,632	-31.7%
Adjusted profit before tax *	120,663	170,641	-29.3%
<b>* Adjustments for one-off non-operating items:</b>			
Flood related items:			
Interim insurance claim received in respect of plant & machinery and inventories damaged and business interruption due to flood	(5,075)	9	
Inventories written off	101	-	
	(4,974)	9	
Inventories written down due to reorganisation of Food pillar	2,880	-	
Restructuring costs	6,260	-	
	4,166	9	

The Group recorded 3.7% lower revenue for the quarter at RM1,256.2 million compared to preceding 3<sup>rd</sup> quarter (Q3 FY2024: RM1,304.1 million) primarily due to reduced sales in Malaysia as trade inventory levels were managed in anticipation of the festive season starting in Q1 FY2025. However, this decline was partially mitigated by higher sales from F&B Thailand, driven by increased sales for condensed and evaporated milk segment and price adjustments for liquid milk.

The Group profit before tax (excluding one-off non-operating items) decreased by 29.3% to RM120.7 million (Q3 FY2024: RM170.6 million) in line with lower revenue.

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

3. Prospects

The Group maintains a balanced focus on optimising the current businesses and its growth initiatives in agriculture, through F&N AgriValley. The construction of the integrated dairy farm in Gemas is progressing on schedule, although there is unexpected setback in the arrival of the livestock. Delivery of the first batch of livestock from the United States of America (initially planned to depart Washington port on 29 October 2024) has been cancelled following the receipt of a suspension letter from the Malaysia Department of Veterinary Services on 24 October 2024 due to HPAI H5N1 (Avian flu) outbreak concerns. The Group is exploring options.

Despite recent setbacks, the Group is confident in its financial strength, solid cash flow position and strategic plans moving forward, adding that the ongoing investments align with the Group's long-term growth strategy, complement existing business operations, and position the Group for future success.

Meanwhile, the development of our dairy manufacturing plant in Cambodia is also on track to bolster our presence in that market. Other new capital expenditures include new carbonated beverages and drinking water line in Butterworth, a new sterilised milk filling and packing line in Pulau Indah, as well as a new chocolate manufacturing line in Rawang.

As we look forward to the year ahead, the Group is committed to driving growth, enhancing route-to-market capabilities, and optimising operational efficiencies while remaining vigilant and agile in response to market shifts, geopolitical uncertainties and macroeconomic changes.

**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 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
Current income tax	55,575	22,636	172,279	88,688
Deferred tax – origination and reversal of temporary differences	(5,241)	5,664	2,871	8,465
Under/(Over) provision in respect of previous years				
- Income tax	67	(1,451)	(2,314)	(1,370)
- Deferred tax	(18,572)	(3,991)	(20,105)	(13,139)
	<u>31,829</u>	<u>22,858</u>	<u>152,731</u>	<u>82,644</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 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
Profit before tax	<u>116,497</u>	<u>161,824</u>	<u>697,039</u>	<u>624,672</u>
Tax at Malaysian statutory tax rate of 24% (FY2023: 24%)	27,959	38,837	167,289	149,921
Effect of tax rates in foreign jurisdictions	(4,177)	(4,927)	(18,771)	(15,376)
Tax exempt income	(626)	(12,772)	(21,066)	(55,233)
Non-deductible expenses	10,813	6,964	22,851	18,069
Utilisation of previously unrecognised tax losses	(8,637)	-	(8,637)	-
Deferred tax assets not recognised	4,954	-	-	-
Over provision of income and deferred tax in prior years	(18,505)	(5,442)	(22,419)	(14,509)
Foreign withholding tax	19,779	187	33,195	675
Others	269	11	289	(903)
<b>Total income tax expense</b>	<u>31,829</u>	<u>22,858</u>	<u>152,731</u>	<u>82,644</u>
<b>Effective income tax rate</b>	<u>27.3%</u>	<u>14.1%</u>	<u>21.9%</u>	<u>13.2%</u>

The effective income tax rate for FY2024 is higher at 21.9% vs normalised effective tax rate for FY2023 of 16.0% (excluding non-taxable remeasurement gain of the previously held equity interest in an associate amounting to RM89.3 million) mainly due to foreign withholding tax on dividends received from a Thailand subsidiary and higher income tax expenses resulting from expiration of Board of Investment Incentive (BOI) in April 2024.

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	30/09/2024	30/09/2023
<u>Non-current (unsecured)</u>			
Islamic Medium Term Notes	RM	500,000	610,000
Term loan	RM	92,000	96,000
		<u>592,000</u>	<u>706,000</u>
<u>Current (unsecured)</u>			
Islamic Medium Term Notes	RM	110,000	-
Term loan	RM	4,000	4,000
		<u>706,000</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 were used to partially finance the acquisition of the entire equity interest in Cocoaland Holdings Berhad not already owned by the Company and for working capital purposes.

As at 30 September 2024, the outstanding IMTN amounted to RM610,000,000 (2023: RM610,000,000).

As at 30 September 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. The proceeds from this term loan were used to partially finance the acquisition of Ladang Permai Damai Sdn Bhd. The term loan is subject to floating interest rates ranging from 5.02% to 5.27% (2023: 3.95% to 5.09%) per annum. As at 30 September 2024, the outstanding term loan amounted to RM96,000,000 (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. Proposed dividends

In line with the Group's performance, the Board of Directors recommend a final single tier dividend of 33.0 sen per share (2023: 33.0 sen per share and an additional special dividend of 17 sen per share) for approval by shareholders at the forthcoming Annual General Meeting. If approved by shareholders, the total dividends for the year would amount to 63.0 sen per share (2023: ordinary dividend of 60.0 sen per share and an additional special dividend of 17.0 sen per share).

10. Earnings per ordinary share (EPS)

(b) The calculation of basic earnings per ordinary share at 30 September 2024 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Individual 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
Profit for the period attributed to owners of the Company (RM'000)	<u>84,991</u>	<u>137,557</u>	<u>542,766</u>	<u>536,899</u>
Weighted average number of ordinary shares net of treasury shares and shares held by SGP Trust ('000)	<u>366,267</u>	<u>366,443</u>	<u>366,235</u>	<u>366,427</u>
Basic earnings per ordinary share (sen)	<u>23.2</u>	<u>37.5</u>	<u>148.2</u>	<u>146.5</u>

(c) The calculation of diluted earnings per ordinary share at 30 September 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 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
Profit for the period attributed to owners of the Company (RM'000)	<u>84,991</u>	<u>137,557</u>	<u>542,766</u>	<u>536,899</u>
Weighted average number of ordinary shares net of treasury shares and shares held by SGP Trust ('000)	366,267	366,443	366,235	366,427
Adjustments pursuant to the SGP ('000)	<u>1,009</u>	<u>971</u>	<u>1,003</u>	<u>971</u>
Adjusted weighted average number of ordinary shares net of treasury shares and shares held by SGP Trust ('000)	<u>367,276</u>	<u>367,414</u>	<u>367,238</u>	<u>367,398</u>
Diluted earnings per ordinary share (sen)	<u>23.1</u>	<u>37.4</u>	<u>147.8</u>	<u>146.1</u>

**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 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	<u>30/09/2024</u>	<u>30/09/2023</u>	<u>30/09/2024</u>	<u>30/09/2023</u>
(a) Bad debts recovered	(10)	(4)	(80)	(58)
(b) Change in fair value of investment properties	-	-	-	7,080
(c) Depreciation of property, plant and equipment and amortisation of intangible assets	33,408	36,206	127,676	123,407
(d) Depreciation of right-of-use assets	4,350	5,475	17,009	22,894
(e) Insurance claim received/receivables	(5,075)	(3,000)	(9,302)	(8,000)
(f) Intangible assets written off	5	-	5	98
(g) Inventories written off	2,539	227	7,333	7,025
(h) Net fair value loss on derivatives	1,990	121	1,887	2
(i) Net (reversal of impairment loss)/impairment loss on property, plant and equipment	(1,621)	(2,383)	(6,368)	33,683
(j) Net (reversal of impairment loss)/impairment loss on receivables	(1,269)	1,142	1,688	1,433
(k) Net inventories written down	2,313	2,144	6,514	7,243
(l) Net loss on disposal/write-offs of property, plant and equipment	827	753	4,213	535
(m) Net loss/(gain) on foreign exchange	23,686	(2,122)	22,050	(8,007)
(n) Remeasurement gain of the previously held equity interest in an associate	-	-	-	(89,256)
(o) Reversal of impairment loss on intangible assets	-	-	-	(294)

**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:

	30/09/2024		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)	500	(92)	-	-
AUD ('000)	3,819	(389)	1,748	25
CNY ('000)	90,579	(1,684)	-	-
THB ('000)	587,088	305	-	-
		<u>(1,860)</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 loss of RM1,887,000 (2023: RM2,000) in the consolidated income statement arising from the fair value changes on the foreign exchange contracts which are marked-to-market as at 30 September 2024.