FRASER & NEAVE HOLDINGS BHD.
(Company No: 004205-V, Incorporated in Malaysia)

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Tel: 03-92352288 Fax:03-92227878**

For immediate release

QUARTERLY FINANCIAL REPORT

Quarter 3 : Financial Year Ending 30 September 2014

The Directors are pleased to release the unaudited quarterly financial report for the quarter and nine months ended 30th June 2014.

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 financial statements for the year ended 30 September 2013:

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 standards 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 year had been followed throughout this quarterly financial report.

By Order of the Board

Soon Wing Chong
Company Secretary

Kuala Lumpur
6 August 2014

Schedule A : Unaudited Condensed Consolidated Income Statement
For the quarter and nine months ended 30 June 2014

RM'000	Individual 3rd Quarter 30/06/2014	Individual 3rd Quarter 30/06/2013 (Restated)	% chg	Cumulative 3rd Quarter 30/06/2014	Cumulative 3rd Quarter 30/06/2013 (Restated)	% chg
Revenue	971,131	* 891,212	9.0%	2,854,287	* 2,610,697	9.3%
Cost of sales	(696,608)	* (623,833)		(2,010,880)	*(1,831,916)	
Gross profit	274,523	267,379	2.7%	843,407	778,781	8.3%
Other income	1,352	20,228		6,234	20,515	
Operating expenses	(204,568)	* (196,937)		(610,694)	* (574,179)	
Operating profit	71,307	90,670	-21.4%	238,947	225,117	6.1%
Interest expense	(2,983)	(3,820)		(8,729)	(10,849)	
Interest income	2,081	* 1,295		5,758	* 3,193	
Share of results of a joint venture #	(121)	* (118)		(535)	* (425)	
Share of results of an associate ^	928	1,115		4,667	3,549	
Profit before tax (PBT)	71,212	89,142	-20.1%	240,108	220,585	8.9%
Taxation (Schedule G, Note 5)	(10,836)	* (20,822)		(42,884)	* (41,133)	
Profit after tax (PAT)	60,376	68,320	-11.6%	197,224	179,452	9.9%
Attributable to:						
Equity holders of the Company	60,377	68,329	-11.6%	197,234	179,470	9.9%
Non-controlling interests	(1)	(9)		(10)	(18)	
Profit for the year	60,376	68,320		197,224	179,452	
Basic earnings per share (sen) attributable to equity holders of the Company	16.5	18.8	-12.2%	54.0	49.4	9.3%
Diluted earnings per share (sen) attributable to equity holders of the Company	16.5	18.7	-11.8%	53.9	49.2	9.6%

* *The comparatives for the financial quarter and nine months ended 30 June 2014 have been restated as disclosed in Schedule F, Note 19.*

\# *The share of results of a joint venture for the quarter refers to Vacaron Company Sdn Bhd and is derived from its management accounts for the quarter and nine months ended 30 June 2014.*

^ *The share of results of an associate for the quarter refers to Cocoaland Holdings Berhad and is derived from its quarterly announcement for the year ended 31 March 2014 dated 26 May 2014 and its cumulative results is the sum total of its quarterly results recognised by the Group for the three quarters ended 31 March 2014.*

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 year ended 30 September 2013.

Schedule B : Unaudited Condensed Consolidated Statement of Comprehensive Income
For the quarter and nine months ended 30 June 2014

RM'000	Individual 3rd Quarter 30/06/2014	Individual 3rd Quarter 30/06/2013 (Restated)	% chg	Cumulative 3rd Quarter 30/06/2014	Cumulative 3rd Quarter 30/06/2013 (Restated)	% chg
Profit for the year	60,376	68,320	*-11.6%*	197,224	179,452	*9.9%*
Other comprehensive income, net of tax:						
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:						
Re-measurement gains on defined benefit plans	-	34		-	100	
***Other comprehensive income to be reclassified to profit or loss in subsequent periods*:**						
Exchange differences on translation of foreign operations	(6,388)	(15,164)		(22,602)	8,940	
Total comprehensive income	53,988	53,190	*1.5%*	174,622	188,492	*-7.4%*
Total comprehensive income attributable to:						
Equity holders of the Company	53,989	53,199		174,632	188,510	
Non-controlling interests	(1)	(9)		(10)	(18)	
	53,988	53,190	*1.5%*	174,622	188,492	*-7.4%*

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 year ended 30 September 2013.

Schedule C : Unaudited Condensed Consolidated Statement of Financial Position
As at 30 June 2014

RM'000	30/06/2014	30/09/2013 (Restated)	1/10/2012 (Restated)
Non-current assets			
Property, plant and equipment	1,030,474	* 1,065,773	1,074,386
Investment properties	57,084	57,084	-
Properties held for development	54,560	54,518	* 54,641
Joint venture (*Schedule F, Note 7)*	47,632	* 28,729	* 17,195
Associate	77,146	75,511	73,737
Intangible assets	134,824	136,476	134,970
Deferred tax assets	58,207	* 71,113	* 78,983
	1,459,927	1,489,204	1,433,912
Current assets			
Inventories	374,273	350,134	370,775
Receivables	566,162	* 517,462	* 526,000
Tax recoverable	5,475	3,948	* 4,745
Cash and cash equivalents	401,689	* 360,711	* 227,683
	1,347,599	1,232,255	1,129,203
Non-current assets held for sale #	-	-	55,897
	1,347,599	1,232,255	1,185,100
Total assets	2,807,526	2,721,459	2,619,012
Equity			
Share capital and reserves	1,616,711	* 1,648,440	* 1,553,585
Non-controlling interests	217	227	254
Total equity	1,616,928	1,648,667	1,553,839
Non-current liabilities			
Borrowings	300,000	150,000	-
Provision for retirement benefits	38,281	* 36,784	* 35,935
Deferred tax liabilities	28,568	26,833	15,047
	366,849	213,617	50,982
Current liabilities			
Payables	654,239	* 594,225	* 582,130
Dividend payable	80,400	-	-
Provisions	1,709	17,934	6,000
Borrowings	75,000	240,000	423,711
Provision for taxation	12,401	7,016	2,350
	823,749	859,175	1,014,191
Total liabilities	1,190,598	1,072,792	1,065,173
Total equity and liabilities	2,807,526	2,721,459	2,619,012
Net assets per share (RM) attributable to equity holders of the Company	4.42	4.52	4.28

Comprises Car Park and Techno Centre which have been reclassified to "Property, plant and equipment" and "Investment Properties" in the previous financial year ended 30 September 2013 as the criteria under MFRS 5: Non-current Assets Held for Sale and Discontinued Operations was no longer met.

* *The comparatives for the nine months ended 30 June 2014 have been restated as disclosed in Schedule F, Note 19.*

Schedule D : Unaudited Condensed Consolidated Statement of Cash Flows
For the nine months ended 30 June 2014

RM'000	Cumulative 3rd quarter 30/06/2014	30/06/2013 (Restated)
Operating activities		
Profit before tax	240,108	220,585
Add non-cash items:		
- Depreciation and amortisation	65,556	66,487
- Impairment of intangible assets	-	5,392
- Others	(3,687)	* 13,712
Interest income	(5,758)	* (3,193)
Interest expense	8,729	* 10,849
Share of results of a joint venture	535	* 425
Share of results of an associate	(4,667)	(3,549)
Changes in working capital	(49,302)	* 6,094
Tax paid	(24,019)	(22,013)
Net cash flows generated from operating activities	227,495	294,789
Investing activities		
Interest income	5,758	3,193
Dividend income	3,032	2,917
Proceeds from disposal of property, plant and equipment	760	* 1,762
Purchase of property, plant and equipment	(40,447)	* (51,316)
Purchase of intangible assets	(2,750)	(3,118)
Net cash flows used in investing activities	(33,647)	(46,562)
Financing activities		
Interest expenses	(8,729)	(10,849)
Dividends paid	(146,199)	(138,156)
Net movement in borrowings	(15,000)	26,289
Proceeds from the exercise of the Executives' Share Options Scheme ("ESOS")	17,058	9,336
Net cash flows used in financing activities	(152,870)	(113,380)
Net change in cash and cash equivalents	40,978	134,847
Cash and cash equivalents at beginning of year	360,711	* 227,683
Cash and cash equivalents at end of quarter	401,689	362,530
Cash and cash equivalents as at end of quarter comprise:		
Cash and bank balances	214,166	245,948
Short term deposits with local licensed banks	187,523	116,582
	401,689	362,530

Note:
( ) denotes cash outflow

* *The comparatives for the nine months ended 30 June 2014 have been restated as disclosed in Schedule F, Note 19.*

Schedule E : Unaudited Condensed Consolidated Interim Statement of Changes in Equity
For the nine months ended 30 June 2014

	<---Attributable to equity holders of the Company--->									
	<---Non-distributable--->						Distributable			
RM'000	Share capital	Share premium	Treasury shares	Foreign exchange reserve	Share-based payment reserve	Legal reserve	Retained earnings (Restated)	Total	Non-controlling interests	Total equity
At 1 October 2013	364,658	417,309	(1,716)	10,083	12,165	9,934	* 836,007	1,648,440	227	1,648,667
Total comprehensive income	-	-	-	(22,602)	-	-	197,234	174,632	(10)	174,622
Transactions with owners:										
Issuance of shares upon exercise of ESOS and Share Grant Plan ("SGP")	1,294	17,165	-	-	(1,401)	-	-	17,058	-	17,058
Employee share-based payment expense	-	-	-	-	3,180	-	-	3,180	-	3,180
Dividends	-	-	-	-	-	-	(226,599)	(226,599)	-	(226,599)
Total transactions with owners	1,294	17,165	-	-	1,779	-	(226,599)	(206,361)	-	(206,361)
At 30 June 2014	365,952	434,474	(1,716)	(12,519)	13,944	9,934	806,642	1,616,711	217	1,616,928
At 1 October 2012	362,997	395,810	(1,716)	(9,268)	8,552	9,934	* 787,276	1,553,585	254	1,553,839
Total comprehensive income	-	-	-	8,940	-	-	179,570	188,510	(18)	188,492
Transactions with owners:										
Issuance of shares upon exercise of ESOS	907	8,429	-	-	-	-	-	9,336	-	9,336
Employee share-based payment expense	-	-	-	-	5,138	-	-	5,138	-	5,138
Dividends	-	-	-	-	-	-	(210,890)	(210,890)	-	(210,890)
Total transactions with owners	907	8,429	-	-	5,138	-	(210,890)	(196,416)	-	(196,416)
At 30 June 2013	363,904	404,239	(1,716)	(328)	13,690	9,934	755,956	1,545,679	236	1,545,915

* *The comparatives for the nine months ended 30 June 2014 have been restated as disclosed in Schedule F, Note 19.*

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 2013.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134

1. Corporate information

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.

These condensed consolidated interim financial statements ("interim financial statements") were approved by the Board of Directors on 6 August 2014.

2. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These interim financial statements also comply with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The audited consolidated financial statements of the Group for the year ended 30 September 2013 which were prepared under MFRS are available upon request from the Company's registered office at Level 8, F&N Point, No. 3, Jalan Metro Pudu 1, Fraser Business Park, Off Jalan Yew, 55100 Kuala Lumpur, 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 2013. 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 2013.

The accounting policies and presentation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the year ended 30 September 2013, except for the adoption of the following new and amended MFRS, and Issues Committee (IC) Interpretations mandatory for annual financial periods beginning on or after 1 October 2013.

- MFRS 3 *Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)*
- MFRS 10 *Consolidated Financial Statements*
- MFRS 11 *Joint Arrangements*
- MFRS 12 *Disclosure of Interests in Other Entities*
- MFRS 13 *Fair Value Measurement*
- MFRS 119 *Employee Benefits (IAS 19 as amended by IASB in June 2011)*
- MFRS 127 *Consolidated and Separate Financial Statements (IAS 27 revised by IASB in December 2003)*
- MFRS 127 *Separate Financial Statements (IAS 27 as amended by IASB in May 2011)*
- MFRS 128 *Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)*
- Amendments to MFRS 1 *First-time Adoption of MFRS - Government Loans* *
- Amendments to MFRS 7 *Disclosures - Offsetting Financial Assets and Financial Liabilities*
- Amendments to MFRS 10, MFRS 11 and MFRS 12: *Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*
- Amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income*
- IC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine* *
- Annual Improvements 2009-2011 Cycle

** not applicable*

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

2. Basis of preparation (cont'd)

The adoption of the above pronouncements did not have any significant effect on the financial performance, position or presentation of financials of the Group, except for those described below:

MFRS 11 *Joint Arrangements*

MFRS 11 replaces MFRS 131 *Interests in Joint Ventures* and IC Interpretation 113 *Jointly-Controlled Entities – Non-monetary Contributions by Venturers*.

The classification of joint arrangements under MFRS 11 is determined based on the rights and obligations of the parties to the joint arrangements by considering the structure, the legal form, the contractual terms agreed by the parties to the arrangement and when relevant, other facts and circumstances. Under MFRS 11, joint arrangements are classified as either joint operations or joint ventures.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

MFRS 11 removes the option to account for jointly controlled entities ("JCE") using proportionate consolidation. Instead, JCE that meet the definition of a joint venture must be accounted for using the equity method.

The application of this new standard affected the financial position of the Group. This is due to the cessation of proportionate consolidation of Vacaron Company Sdn Bhd. Under MFRS 11, Vacaron Company Sdn Bhd is treated as a joint venture and is accounted for using the equity method.

MFRS 11 has been applied in accordance with the relevant transitional provisions set out in MFRS 11. The initial investment as at 1 October 2012 for the purposes of applying the equity method is measured as the aggregate of the carrying amounts of the assets and liabilities that the Group had previously proportionately consolidated.

The above change in accounting policy has affected the amounts reported in the Group's consolidated financial statements, as shown in Schedule F, Note 19.

The accounting policies for joint ventures have been revised as follows:

"A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

On acquisition of an investment in joint venture, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the joint venture's profit or loss for the period in which the investment is acquired.

A joint venture is equity accounted for from the date on which the investee becomes a joint venture.

Under the equity method, on initial recognition the investment in a joint venture is recognised at cost and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition.

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

2. Basis of preparation (cont'd)

MFRS 11 *Joint Arrangements* (cont'd)
The interest in a joint venture is the carrying amount of the investment in the joint venture determined using the equity method together with any long-term interests that, in substance, form part of the entity's net investment in the joint venture. When the Group's share of losses in a joint venture equal or exceeds its interest in the joint venture, including any long-term interests that, in substance, form part of the Group's net investment in the joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

Profits and losses resulting from upstream and downstream transactions between the Group and its joint venture are recognised in the Group's financial statements only to the extent of unrelated investors' interests in the joint venture. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The financial statements of the joint ventures are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group applies MFRS 139 *Financial Instruments: Recognition and Measurement* to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the joint venture. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with MFRS 136 *Impairment of Assets* as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

In the Company's separate financial statements, investment in joint venture is accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss."

MFRS 12 *Disclosures of Interests in Other Entities*
MFRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

MFRS 13 *Fair Value Measurement*
MFRS 13 establishes a single source of guidance under MFRS for all fair value measurements. MFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under MFRS. MFRS 13 defines fair value as an exit price. As a result of the guidance in MFRS 13, the Group re-assessed its policies for measuring fair values, in particular, its valuation inputs such as non-performance risk for fair value measurement of liabilities. MFRS 13 also requires additional disclosures.

Application of MFRS 13 has not materially impacted the fair value measurement of the Group.

Amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income*
The amendments to MFRS 101 requires entities to group items presented in "Other Comprehensive Income" in the Statement of Comprehensive Income on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

The amendments affect presentation only and have no impact on the Group's financial position or performance.

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

2. Basis of preparation (cont'd)

MFRS 119 *Employee Benefits (IAS 19 as amended by IASB in June 2011)*
The Group applied MFRS 119 (revised) retrospectively in the current period in accordance with the transitional provisions set out in the revised standard. The opening statement of financial position of the earliest comparative period presented (1 October 2012) and the comparative figures have been accordingly restated.

The amendments to MFRS 119 revised the accounting for defined benefit plans and termination benefits. The significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor method' permitted under the previous version of MFRS 119 as well as accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the statements of financial position to reflect the full value of the plan deficit or surplus.

The Group has adopted MFRS 119 and applied this standard retrospectively during the current period. The financial effects on initial adoption of MFRS 119, together with certain reclassification made to conform with current period's presentation are shown in Schedule F, Note 19.

Accordingly, the accounting policy for the defined benefit plan has been revised as follows:

"Certain subsidiaries of the Group operate unfunded defined benefit plan for its employees. The plan pays a lump sum amount (instead of a pension) at retirement.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. The liability recognised in the balance sheet is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period when arise. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised immediately in profit or loss."

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

4. Comment on seasonality or cyclicality 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 group products such as soft drinks and evaporated milk may be skewed towards major festivities and weather pattern.

5. Unusual items affecting assets, liabilities, equity, net income or cash flows
There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter and nine months ended 30 June 2014.

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

6. 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.

7. Investment in joint venture

RM'000	30/06/2014	30/09/2013 (Restated)	1/10/2012 (Restated)
Unquoted shares, at cost	500	500	500
Share of post-acquisition reserves	(1,414)	(879)	(248)
	(914)	(379)	252
Shareholder's loan	103,838	84,400	72,235
	102,924	84,021	72,487
Less: Unrealised profit	(55,292)	(55,292)	(55,292)
	47,632	28,729	17,195

The summarised financial information of the joint venture, not adjusted for the proportion of ownership interest held by the Group, is as follows:

RM'000	30/06/2014	30/09/2013	1/10/2012
Total assets	205,622	167,884	144,462
Total liabilities	(207,468)	(168,660)	(143,976)

	Individual 3rd quarter		Cumulative 3rd quarter	
RM'000	30/06/2014	30/06/2013	30/06/2014	30/06/2013
Revenue	-	-	-	-
Loss	(242)	(236)	(1,070)	(850)

8. Issuance or repayments of debt/equity securities

There have been no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the cumulative 3rd quarter except for the issuance of:

(i) 152,600 and 1,064,800 ordinary shares pursuant to its Executives' Share Option Scheme at the exercise price of RM10.47 and RM14.52 each respectively; and

(ii) 76,900 ordinary shares pursuant to its Share Grant Plan.

The share premium of RM17,165,000 arising from the exercise of ESOS and Share Grant Plan have been included in the share premium account. The new ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

9. Dividends

A final single tier dividend of 30 sen per share amounting to RM109.6 million (2012: 23 sen per share amounting to RM83.6 million) together with a special single tier dividend of 10 sen per share amounting to RM36.6 million (2012: 15 sen per share amounting to RM54.5 million) in respect of the financial year ended 30 September 2013 were paid on 26 February 2014.

An interim single tier dividend of 22 sen per share (2013: 20 sen) was declared for the financial year ending 30 September 2014 on 7 May 2014. This dividend amounting to RM80.4 million (2013: RM72.7 million) is payable on 8 August 2014.

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

10. Segmental information

Segment results

For management purposes, the Group's operating businesses are organised according to products and services, namely Soft Drinks, Dairies Malaysia, Dairies Thailand, Property and Others segments. 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 quarter and cumulative 3rd quarter are as follows:

	Revenue				
	Individual 3rd quarter		2nd quarter	Cumulative 3rd quarter	
RM'000	2014	2013	2014	2014	2013
Soft drinks	390,367	* 365,954	365,558	1,133,549	* 1,092,066
Dairies Malaysia	268,561	245,593	261,514	802,833	730,494
Dairies Thailand	312,020	279,470	308,104	917,357	787,636
Property	144	103	169	409	347
Others	39	92	50	139	154
	971,131	891,212	935,395	2,854,287	2,610,697

	Operating profit				
	Individual 3rd quarter		2nd quarter	Cumulative 3rd quarter	
RM'000	2014	2013	2014	2014	2013
Soft drinks	32,268	* 32,790	38,484	114,164	* 103,830
Dairies Malaysia (a)	18,193	(b) * 10,117	19,285	57,800	(b) * 34,751
Dairies Thailand	18,175	25,381	21,260	58,738	65,104
Property	132	* 1,951	82	462	* (717)
Others	2,539	2,113	2,654	7,783	3,831
	71,307	72,352	81,765	238,947	206,799
Insurance claims (c)	-	18,318	-	-	18,318
	71,307	90,670	81,765	238,947	225,117
Interest expense	(2,983)	(3,820)	(2,818)	(8,729)	(10,849)
Interest income	2,081	* 1,295	1,847	5,758	* 3,193
Share of results of a joint venture	(121)	* (118)	(193)	(535)	* (425)
Share of results of an associate	928	1,115	2,165	4,667	3,549
Profit before tax	71,212	89,142	82,766	240,108	220,585

(a) Included net expenses/(income) relating to the shift from Section 13, Petaling Jaya to Pulau Indah along with the crating and storage of useable manufacturing machineries [Individual Q3: RMNil vs LY (RM1.2 million), Cumulative Q3: RMNil vs LY RM3.0 million].

(b) Included the impairment of goodwill of a subsidiary of RM5.4 million.

(c) The amount recognised represents the final business interruption claim in relation to the flood in the dairy products manufacturing facilities in Rojana Industrial Park, Thailand and forms part of the segment results of Dairies Thailand.

* *The comparatives for the financial quarter and nine months ended 30 June 2014 have been restated as disclosed in Schedule F, Note 19.*

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

10. Segmental information (cont'd)

Segment assets
The total of segment assets is measured based on all assets excluding deferred tax assets, cash and cash equivalents, joint venture and associate.

RM'000	Assets 30/06/2014	30/9/2013
Soft drinks	784,737	731,048
Dairies Malaysia	708,486	658,355
Dairies Thailand	490,387	551,744
Property	181,717	* 188,162
Others	57,525	56,086
	2,222,852	2,185,395

Segment liabilities
The total of segment liabilities is measured based on all liabilities excluding deferred tax liabilities, provision for taxation and bank borrowings.

RM'000	Liabilities 30/06/2014	30/09/2013
Soft drinks	312,375	* 301,067
Dairies Malaysia	200,490	* 163,533
Dairies Thailand	166,334	* 148,146
Property	2,699	* 9,737
Others	92,731	26,460
	774,629	648,943

* *The comparatives for the nine months ended 30 June 2014 have been restated as disclosed in Schedule F, Note 19.*

11. Acquisitions and disposals/write offs of property, plant and equipment and intangible assets

RM'000	Individual 3rd quarter 30/06/2014	30/06/2013	Cumulative 3rd quarter 30/06/2014	30/06/2013
Acquisitions (cost)	16,650	22,112	43,197	54,434
Disposals/write offs (net carrying amount)	856	1,019	2,251	3,018
Net (gain)/loss on disposals/write offs	515	(105)	1,491	1,256

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

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

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

15. 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)

16. Capital commitments

The outstanding capital commitments are as follows:

RM'000	30/06/2014	30/09/2013
Property, plant and equipment		
- Approved and contracted for	19,122	9,674
- Approved and not contracted for	78,590	29,814
	97,712	39,488

17. Significant related party transactions

The following are significant related party transactions:

	Individual 3rd quarter		Cumulative 3rd quarter	
RM'000	30/06/2014	30/06/2013	30/06/2014	30/06/2013
Fraser and Neave, Limited ("F&N Limited") Group				
Sales	45,243	32,323	119,157	93,659
Rental income	92	75	243	226
Purchases	50,052	44,349	151,202	141,073
Royalties paid	13,805	12,645	39,788	37,836
Corporate charges paid	298	321	1,235	1,942
Vacaron Company Sdn Bhd				
Receipt of corporate service fees and staff costs	214	248	812	967
Rental income	26	-	80	54
Interest income	1,043	876	2,752	2,472
Thai Beverage Public Company Limited Group				
Sales	121	81	416	235
Purchases	97	-	839	-
Berli Jucker Public Company Limited Group				
Sales	1,479	431	2,929	1,346
Purchases	8,563	3,320	31,817	21,683
Logistic cost	3	-	9	-
Other related parties of TCC Group				
Management fees paid	261	-	878	-
Insurance premium paid	-	-	2,433	-
Other expenses paid	126	-	126	-
Permodalan Nasional Berhad ("PNB") Group *				
Sales	17,123	18,388	50,780	51,538
Purchases	17,716	12,860	43,468	26,371
Purchase of office equipment	391	-	973	-
Repair and maintenance of motor vehicle paid	30	47	30	54
Rental of equipment paid	386	606	1,245	1,535
Other expenses paid	26	7	76	169
Compensation of key management	1,076	1,163	4,238	5,513
Directors fees	208	183	705	574

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

17. Significant related party transactions (cont'd)

The above transactions had been entered into in the ordinary course of business on normal commercial terms.

* Permodalan Nasional Berhad ("PNB") is deemed a related party to Fraser & Neave Holdings Bhd ("FNHB") by virtue of PNB holding 67,000,000 shares as of 30 June 2014 through Amanahraya Trustees Berhad, representing 18.32% equity interest in FNHB and having two nominee directors on the Board of FNHB.

18. Fair value hierarchy

As at 30 June 2014, the Group held foreign currency forward contracts carried at fair value of approximately RM82,457 (30 September 2013: RM306,410) based on level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities. 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 financial quarter.

19. Change in comparatives

The comparatives for the financial quarter and nine months ended 30 June 2014 have been restated as follows:

RM'000	As previously stated	Adjustments (a)	(b)	(c)	As restated
Income statement:					
For the quarter ended 30 June 2013					
Revenue	909,999	-	-	(i) (18,787)	891,212
Cost of sales	642,620	-	-	(i) (18,787)	623,833
Operating expenses	196,816	(171)	292		196,937
Interest income	1,298	(3)	-	-	1,295
Share of results of a joint venture	-	(118)	-	-	(118)
Taxation	(20,771)	(51)	-	-	(20,822)
For the nine months ended 30 June 2013					
Revenue	2,665,763	-	-	(i) (55,066)	2,610,697
Cost of sales	1,886,982	-	-	(i) (55,066)	1,831,916
Operating expenses	573,884	(581)	876		574,179
Interest income	3,198	(5)	-	-	3,193
Share of results of a joint venture	-	(425)	-	-	(425)
Taxation	(40,981)	(152)	-	-	(41,133)
Statement of financial position:					
As at 30 September 2013					
Property, plant and equipment	1,065,776	(3)	-	-	1,065,773
Joint venture	-	28,729	-	-	28,729
Deferred tax assets	71,404	(291)	-	-	71,113
Property development costs	26,834	(26,834)	-	-	-
Receivables	559,722	(42,260)	-	-	517,462
Cash and cash equivalents	362,172	(1,461)	-	-	360,711
Provision for retirement benefits	35,042	-	1,742	-	36,784
Payables	636,354	(42,129)	-	-	594,225
Share capital and reserves	1,650,173	9	(1,742)	-	1,648,440

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

19. Change in comparatives (cont'd)

RM'000	As previously stated	Adjustments (a)	(b)	(c)	As restated
Statement of financial position:					
As at 1 October 2012					
Properties held for development	62,276	(7,635)	-	-	54,641
Joint venture	-	17,195	-	-	17,195
Deferred tax assets	79,050	(67)	-	-	78,983
Property development costs	9,047	(9,047)	-	-	-
Receivables	518,315	(248)	-	(ii) 7,933	526,000
Tax recoverable	-	-	-	(ii) 4,745	4,745
Cash and cash equivalents	227,873	(190)	-	-	227,683
Provision for retirement benefits	35,227	-	708	-	35,935
Payables	569,454	(2)	-	(ii) 12,678	582,130
Share capital and reserves	1,554,283	10	(708)	-	1,553,585
Statement of cash flows:					
For the nine months ended 30 June 2013					
Others	7,519	-	876	(ii) 5,317	13,712
Interest income	-	-	-	(ii) (3,193)	(3,193)
Interest expense	-	-	-	(ii) 10,849	10,849
Share of results of a joint venture	-	425	-	-	425
Share of results of an associate	-	-	-	(ii) (3,549)	(3,549)
Changes in working capital	15,694	(4,283)	-	(ii) (5,317)	6,094
Capital expenditure	(49,557)	-	-	(ii) 49,557	-
Proceeds from disposal of property, plant and equipment	-	-	-	(ii) 1,762	1,762
Purchase of property, plant and equipment	-	3	-	(ii) (51,319)	(51,316)
Cash and cash equivalents at beginning of year	227,873	(190)	-	-	227,683
Statement of changes in equity:					
As at 1 October 2013					
Share capital and reserves	1,650,173	9	(1,742)	-	1,648,440
Retained earnings	837,740	9	(1,742)	-	836,007
As at 1 October 2012					
Share capital and reserves	1,554,283	10	(708)	-	1,553,585
Retained earnings	787,974	10	(708)	-	787,276
Segment revenue:					
For the quarter ended 30 June 2013					
Soft drinks	384,741	-	-	(i) (18,787)	365,954
For the nine months ended 30 June 2013					
Soft drinks	1,147,132	-	-	(i) (55,066)	1,092,066

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

19. Change in comparatives (cont'd)

RM'000	As previously stated	Adjustments (a)	(b)	(c)	As restated
Segment operating profit:					
For the quarter ended 30 June 2013					
Soft drinks	32,979	-	(189)	-	32,790
Dairies Malaysia	10,220	-	(103)	-	10,117
Property	1,780	171	-	-	1,951
Interest income	1,298	(3)	-	-	1,295
Share of results of a joint venture	-	(118)	-	-	(118)
For the nine months ended 30 June 2013					
Soft drinks	104,397	-	(567)	-	103,830
Dairies Malaysia	35,060	-	(309)	-	34,751
Property	(1,298)	581	-	-	(717)
Interest income	3,198	(5)	-	-	3,193
Share of results of a joint venture	-	(425)	-	-	(425)
Segment assets:					
As at 30 September 2013					
Property	257,259	(69,097)	-	-	188,162
Segment liabilities:					
As at 30 September 2013					
Soft drinks	301,871	-	(804)	-	301,067
Dairies Malaysia	159,978	-	3,555	-	163,533
Dairies Thailand	149,155	-	(1,009)	-	148,146
Property	51,866	(42,129)	-	-	9,737

(a) Adjustments pursuant to the adoption of MFRS 11 Joint Arrangements (See Schedule F, Note 2)
(b) Adjustments pursuant to the adoption of MFRS 119 Employee Benefits (See Schedule F, Note 2)
(c)(i) Being adjustment for the elimination of sales tax. The adjustment has no impact on the results of the quarter and nine months ended 30 June 2013.
(c)(ii) Being reclassification to conform with current year's presentation.

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

1. Operations review

Current quarter vs corresponding quarter

Group revenue for the quarter rose by 9.0% from RM891 million to RM971 million driven by stronger sales from all its business units, building upon the momentum garnered from the previous quarter and also on effective trade and consumer marketing executions along with higher distribution points and trade presence. Despite heavy competitors' trade discounting, Soft Drinks' sales grew by 6.7% to RM390 million. There was higher consumer off-take with the hotter weather experienced. Both Dairies Malaysia and Thailand registered growth of 9.4% and 11.6% respectively, driven by stronger domestic market off-take and increased outlet penetration and presence.

Excluding the one off insurance claims of RM18.3 million in the corresponding quarter Group profit before tax was up marginally from RM70.8 million to RM71.2 million. Operating profit of Soft Drinks eased from 9.0% to 8.3% on the back of less favourable sales mix, higher commodity costs and promotional expenses. Dairies Malaysia posted an increase in operating profit from RM10.1 million to RM18.2 million. However, the operating profit in the corresponding quarter was impacted by a goodwill impairment charge of RM5.4 million. Discounting this charge, the increase in operating profit was 17.3%, attributed to higher sales, favourable sales mix, effective trade terms and savings from operational efficiencies. As alluded in the Second Quarterly Announcement, Dairies Thailand had a difficult quarter mainly due to high commodity prices especially milk-based products. Coupled with the inability to raise selling price to compensate for the increased production costs, operating profit margins contracted to 5.8% from 9.1% in the corresponding quarter. Consequently, operating profit of Dairies Thailand declined by 28.4% from RM25.4 million to RM18.2 million.

The Thailand political situation and Selangor water rationing did not materially impact the quarter's financial performance.

Cumulative three quarters vs corresponding period last year

Group revenue rose 9.3% to RM2.85 billion for the nine months of the year with higher contributions from all its business units. Despite continued high competitive pressure during this period, the business units' continued focus on strengthening and deepening its sales distribution network and trade presence, effective execution of various trade promotions (especially during the major festive periods) and managed trade terms have enabled all its business units to reinforce its market share.

Group profit before tax increased from RM220.6 million to RM240.1 million. It should be noted that there was a one-time insurance claim of RM18.3 million in the corresponding period. The improved performance was mainly contributed by Soft Drinks and Dairies Malaysia attributed to better sales, lower trade discounts, favourable sales mix, and improved production yields. However, despite an impressive growth in sales revenue of 16.5% the profit performance of Dairies Thailand was adversely affected by its inability to pass on the higher cost of milk-based products to end customers.

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

2. Comment on material change in Group profit before tax vs preceding 2nd quarter

Group profit before tax in the current quarter was lower at RM71.2 million compared to RM82.8 million in the preceding 2nd quarter, despite higher sales performance. The contraction is mainly due to lower margins posted by Soft Drinks. Its operating profit in the current quarter was RM6.2 million lower due to less favourable sales mix and higher promotional expenses to support the higher off take. Operating profit of Dairies Malaysia and Dairies Thailand were also lower by RM1.1 million and RM3.1 million respectively due to higher milk-based commodity prices and a stronger US dollar which impacted the cost of commodities denominated in that currency.

3. Prospects

Prospects for the remainder of the current financial year continue to be challenging in the markets in which we operate. In Malaysia, pressures on consumer spending could gain momentum following the recent upward revision of the cost of borrowing and together with concerns over the high level of household debt and the progressive reduction of subsidies on fuel and electricity could further weaken consumer confidence.

High input costs could impact margins and in the case of Dairies Thailand, price controls of milk based products reduce our flexibility to recover cost increases.

The Group has taken appropriate measures to safeguard our commercial interests.

4. Profit forecast or profit guarantee

The Group has not issued any profit forecast or profit guarantee for the current financial year in a public document.

5. Tax expense

The details of the tax expense are as follows:

	Individual 3rd quarter		Cumulative 3rd quarter	
RM'000	2014	2013	2014	2013
Current income tax	8,698	9,423	29,565	26,243
Deferred tax – origination and reversal of temporary differences	4,172	3,828	16,221	8,857
(Over)/under provision in respect of previous years				
- Income tax	-	1,158	(1,192)	(3,073)
- Deferred tax	(2,034)	6,413	(1,710)	9,106
	10,836	20,822	42,884	41,133

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

5. Tax expense (cont'd)

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 3rd quarter 2014	Individual 3rd quarter 2013	Cumulative 3rd quarter 2014	Cumulative 3rd quarter 2013
Profit before tax	71,212	89,142	240,108	220,585
Tax at Malaysian statutory tax rate of 25%	17,803	22,285	60,027	55,146
Different tax rates in other countries	(1,120)	(3,755)	(3,617)	(2,492)
Effect of reduction in income tax rate	(21)	-	275	-
Income not subject to tax	(5,364)	(6,083)	(14,295)	(21,986)
Expenses not deductible for tax purposes	1,956	3,662	5,136	6,415
Utilisation of previously unrecognised tax losses	(364)	-	(916)	-
(Over)/under provision in respect of previous years				
- Income tax	-	1,158	(1,192)	(3,073)
- Deferred tax	(2,034)	6,413	(1,710)	9,106
Share of results of a joint venture	30	29	134	106
Share of results of an associate	(232)	(278)	(1,167)	(887)
Others	182	(2,609)	209	(1,202)
Total income tax expense	10,836	20,822	42,884	41,133
Effective income tax rate	15.2%	23.4%	17.9%	18.6%

6. Status of corporate proposals
There were no outstanding corporate proposals or announcements made in the current financial quarter.

7. Group borrowings and debt securities
The details of the Group's borrowings are as follows:

CP/MTN – RM1.5 billion	Currency	30/06/2014	30/09/2013
Commercial Papers ("CP")			
- Current	RM'000	75,000	240,000
Medium term notes ("MTN")			
- Non-current	RM'000	300,000	150,000
		375,000	390,000

On 24 February 2014, the Issuer utilised RM75 million of the CP facility with the tenure of six (6) months and interest rate of 3.62% per annum.

On 26 September 2013 and 7 October 2013, its subsidiary F&N Capital Sdn Bhd ("the Issuer") issued MTN of RM150 million each with the tenure of five (5) years from the issued date. These MTN bear interest at rates of 4.38% and 4.24% per annum respectively and payable semi-annually in arrears.

8. Material litigation
There is no material litigation to be disclosed in this interim financial statements.

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

9. Proposed interim dividend

No dividend has been declared in this financial quarter.

10. Earnings per share (EPS)

(a) The basic EPS were computed by dividing the Group attributable profit to shareholders of the Company by the weighted average number of ordinary shares in issue (net of treasury shares).

	Individual 3rd quarter		Cumulative 3rd quarter	
	2014	2013	2014	2013
Group attributable profit to shareholders of the Company (RM'000)	60,377	68,329	197,234	179,470
Weighted average number of ordinary shares net of treasury shares ('000)	365,666	363,650	365,328	363,448
Basic earnings per share (sen)	16.5	18.8	54.0	49.4

(b) The diluted EPS were computed by dividing the Group attributable profit to shareholders of the Company by the weighted average number of ordinary shares in issue (net of treasury shares), adjusted for the dilutive effects of potential ordinary shares, i.e. share options granted pursuant to the Employees' Share Option Scheme ("ESOS") and Share Grant Plan ("SGP").

	Individual 3rd quarter		Cumulative 3rd quarter	
	2014	2013	2014	2013
Group attributable profit to shareholders of the Company (RM'000)	60,377	68,329	197,234	179,470
Weighted average number of ordinary shares net of treasury shares ('000)	365,666	363,650	365,328	363,448
Adjustment for share options granted pursuant to the ESOS/SGP ('000)	515	1,208	593	1,324
Adjusted weighted average number of ordinary shares net of treasury shares ('000)	366,181	364,858	365,921	364,772
Diluted earnings per share (sen)	16.5	18.7	53.9	49.2

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

11. Disclosure of realised and unrealised portions of the revenue reserve

The breakdown of the retained profits of the Group into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and 20 December 2010, and prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:

RM'000	30/06/2014	30/09/2013
Total revenue reserve of the Company and its subsidiaries		
Realised	844,211	783,301
Unrealised	23,462	46,182
	867,673	829,483
Total share of accumulated losses from a joint venture		
Realised	(1,414)	(879)
Total share of retained earnings from an associate		
Realised	8,419	6,784
Consolidation adjustments	(68,036)	619
Total Group retained profits as per financial statements	806,642	836,007

12. Notes to the Condensed Consolidated Income Statement

PBT is arrived at after charging/(crediting) the following items:

	RM'000	Individual 3rd quarter 2014	Individual 3rd quarter 2013	Cumulative 3rd quarter 2014	Cumulative 3rd quarter 2013
(a)	Other income	(1,262)	(567)	(6,131)	(763)
(b)	Depreciation and amortisation	22,087	19,511	65,556	66,487
(c)	Impairment of intangible assets	-	5,392	-	5,392
(d)	Impairment of assets	N/A	N/A	N/A	N/A
(e)	Impairment loss on receivables	1,047	1,162	6,179	2,939
(f)	Bad debts written off	-	429	-	666
(g)	Bad debts recovered	(48)	(456)	(4,809)	(3,084)
(h)	Inventories written down	-	1,930	385	2,674
(i)	Inventories written off	2,734	2,769	7,065	8,882
(j)	(Gain)/loss on disposal of quoted or unquoted investments	N/A	N/A	N/A	N/A
(k)	Net (gain)/loss on disposal/write offs of property, plant and equipment/intangible assets	515	(105)	1,491	1,256
(l)	Impairment of other assets	N/A	N/A	N/A	N/A
(m)	Foreign exchange (gain)/loss	(41)	(647)	494	(841)

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

12. Notes to the Condensed Consolidated Income Statement (cont'd)

		Individual 3rd quarter		Cumulative 3rd quarter	
	RM'000	2014	2013	2014	2013
(n)	(Gain)/loss on forward foreign exchange contracts	(9)	(52)	288	(106)
(o)	Unusual items - Business interruption insurance claim	-	(18,318)	-	(18,318)

13. 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:

RM'000	30/06/2014	30/09/2013
Forward foreign exchange contracts (Less than 1 year)		
- Notional value	11,459	23,347
- Fair value	82	306

There is no significant change for the financial derivatives in respect of the following since the financial year ended 30 September 2013:

(i) The credit risk, market risk and liquidity risk associated with these financial derivatives;

(ii) The cash requirements of the financial derivatives; and

(iii) The policy in place for mitigating or controlling the risks associated with these financial derivatives.

(iv) The related accounting policies

(b) Disclosure of gains/loss arising from fair value changes of financial liabilities

During the current financial period, the Group recognised a total net loss of RM287,768 (2013: net gain of RM106,407) in the consolidated income statement arising from the fair value changes on the foreign exchange contracts which are marked to market as at 30 June 2014.