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DIRECTORS' STATEMENT

The directors have pleasure in presenting their statement together with the audited financial statements of Fraser and Neave, Limited (the "Company") and its subsidiaries (the "Group") for the financial year ended 30 September 2017.

1. DIRECTORS

The directors of the Company in office at the date of this statement are:

Mr Charoen Sirivadhanabhakdi (Chairman)
Khunying Wanna Sirivadhanabhakdi (Vice-Chairman)
Tengku Syed Badarudin Jamalullail
Mr Timothy Chia Chee Ming
Mr Koh Poh Tiong
Mrs Siripen Sitasuwan
Mr Chotiphat Bijananda
Mr Thapana Sirivadhanabhakdi
Mr Sithichai Chaikriangkrai
Mr Prapakon Thongtheppairot (Alternate Director to Mr Sithichai Chaikriangkrai)
Mr Michael Chye Hin Fah (Alternate Director to Mr Thapana Sirivadhanabhakdi)

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of, nor at any time during, the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of an acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed in this statement.

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

(a) The following directors who held office at the end of the financial year had, according to the register required to be kept under Section 164 of the Companies Act (Chapter 50 of Singapore), interest in the shares in, or debentures of, the Company and its related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct Interest		Deemed Interest	
Name of Director	**As at 1 Oct 2016**	**As at 30 Sep 2017**	**As at 1 Oct 2016**	**As at 30 Sep 2017**
Charoen Sirivadhanabhakdi				
Fraser and Neave, Limited				
• Ordinary Shares	-	**-**	1,270,503,884 [(1)]	**1,270,503,884 [(1)]**
Frasers Centrepoint Limited				
• Ordinary Shares	-	**-**	2,541,007,768 [(1)]	**2,541,007,768 [(1)]**
FCL Treasury Pte. Ltd.				
• S$600,000,000 4.88% Subordinated Perpetual Securities (Series 3)	-	**-**	S$250,000,000	**S$250,000,000**
• S$700,000,000 5.00% Subordinated Perpetual Securities (Series 5)	-	**-**	S$300,000,000	**S$300,000,000**
Fraser & Neave Holdings Bhd				
• Ordinary Shares	-	**-**	203,470,910	**203,470,910**
TCC Assets Limited				
• Ordinary Shares	25,000	**25,000**	-	**-**

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (cont'd)

Name of Director	Direct Interest As at 1 Oct 2016	Direct Interest As at 30 Sep 2017	Deemed Interest As at 1 Oct 2016	Deemed Interest As at 30 Sep 2017
Khunying Wanna Sirivadhanabhakdi				
Fraser and Neave, Limited				
• Ordinary Shares	-	**-**	1,270,503,884 [(1)]	**1,270,503,884 [(1)]**
Frasers Centrepoint Limited				
• Ordinary Shares	-	**-**	2,541,007,768 [(1)]	**2,541,007,768 [(1)]**
FCL Treasury Pte. Ltd.				
• S$600,000,000 4.88% Subordinated Perpetual Securities (Series 3)	-	**-**	S$250,000,000	**S$250,000,000**
• S$700,000,000 5.00% Subordinated Perpetual Securities (Series 5)	-	**-**	S$300,000,000	**S$300,000,000**
Fraser & Neave Holdings Bhd				
• Ordinary Shares	-	**-**	203,470,910	**203,470,910**
TCC Assets Limited				
• Ordinary Shares	25,000	**25,000**	-	**-**
Tengku Syed Badarudin Jamalullail				
Fraser & Neave Holdings Bhd				
• Ordinary Shares	2,062,000	**2,062,000**	-	**-**
Koh Poh Tiong				
Fraser and Neave, Limited				
• Ordinary Shares	251,315	**251,315**	-	**-**
Frasers Centrepoint Limited				
• Ordinary Shares	385,660	**385,660**	-	**-**
FCL Treasury Pte Ltd				
• S$700,000,000 5.00% Subordinated Perpetual Securities (Series 5)	S$250,000	**S$250,000**	-	**-**

(1) Each of Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, owns 50% of the issued share capital of TCC Assets Limited ("TCCA"), and is therefore deemed to be interested in all of the shares in the Company in which TCCA has an interest. Both the Company and Frasers Centrepoint Limited ("FCL") are direct subsidiaries of TCCA.

Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi also jointly hold a 51% direct interest in Siriwana Company Limited ("Siriwana"). Siriwana holds an aggregate of approximately 45.27% interest in Thai Beverage Public Company Limited ("ThaiBev"). This comprises a direct interest of 43.68% and an indirect interest of 1.59% held through Sirisopha Company Ltd. ("Sirisopha"). Siriwana holds an approximate 99.98% direct interest in Sirisopha which in turn holds an approximate 1.59% direct interest in ThaiBev.

Further, Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi jointly hold a 100% direct interest in MM Group Limited ("MM Group"). MM Group holds a 100% direct interest in each of Maxtop Management Corp. ("Maxtop"), Risen Mark Enterprise Ltd. ("RM") and Golden Capital (Singapore) Limited ("GC"). Maxtop holds a 17.23% direct interest in ThaiBev; RM holds a 3.32% direct interest in ThaiBev; and GC holds a 0.06% direct interest in ThaiBev.

ThaiBev holds a 100% direct interest in International Beverage Holdings Limited, which in turns holds a 100% direct interest in InterBev Investment Limited ("IBIL"). Each of Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is therefore deemed to be interested in all the shares in the Company in which IBIL has an interest.

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (cont'd)

(b) There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 October 2017.

(c) By virtue of Section 4 of the Securities and Futures Act, Chapter 289, each of Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is deemed to have interests in the shares of the subsidiaries held by the Company and in the shares of the subsidiaries held by FCL.

(d) Except as disclosed in this statement, no director who held office at the end of the financial year had any interest in shares in, or debentures of, the Company, or its related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

4. SHARE OPTIONS AND SHARE PLANS

(a) F&N Restricted Share Plan ("RSP") and F&N Performance Share Plan ("PSP")

The Company has in place the RSP and PSP (collectively, the "Share Plans"). The Share Plans were approved by the shareholders of the Company at the Extraordinary General Meeting held on 22 January 2009.

The Remuneration Committee administers the Share Plans. During the financial year, the Remuneration Committee comprised the following non-executive directors:

Mr Timothy Chia Chee Ming (Chairman)
Mrs Siripen Sitasuwan
Mr Thapana Sirivadhanabhakdi

Share Grants under RSP and PSP

Under the RSP and PSP, the Company grants a base number of conditional share awards (the "Base Award") to eligible participants annually. The Base Award represents the right to receive fully paid ordinary shares of the Company, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions are met. The Remuneration Committee, as the administrator of the Share Plans, has absolute discretion in granting the Base Awards.

Depending on the level of achievement of the pre-determined targets over a two-year performance period for the RSP and three-year performance period for the PSP, an achievement factor will be applied to the relevant Base Award to determine the final number of RSP shares and PSP shares to be awarded at the end of the respective performance periods. The achievement factor ranges from 0% to 150% for the RSP and 0% to 200% for the PSP. Accordingly, the actual number of RSP shares to be awarded pursuant to the RSP will range from 0% to 150% and the actual number of PSP shares to be awarded pursuant to the PSP will range from 0% to 200% of the relevant Base Award (the "Final Award").

At the end of the two-year performance period, 50% of the number of shares under the RSP Final Award will be vested to the participants. The balance will be vested in equal instalments over a period of two years. All the shares under the PSP Final Award will be vested to the participants at the end of the three-year performance period.

Senior management participants are required to hold a minimum number of shares that are vested to them under the RSP and PSP for the duration of their employment or tenure with the Company.

No awards have been granted to controlling shareholders or their associates, or parent group directors or employees under the Share Plans.

No awards have been granted to directors of the Company.

No participant has received 5% or more of the total number of shares available/delivered pursuant to grants under the RSP and PSP.

4. SHARE OPTIONS AND SHARE PLANS (cont'd)

(a) F&N Restricted Share Plan ("RSP") and F&N Performance Share Plan ("PSP") (cont'd)

The first grant of the RSP and PSP was made in December 2009 for Financial Year 2009/10. The details of the shares awarded under the RSP and PSP in aggregate are as follows:

(i) RSP

Shares	Grant Date	Balance as at 1.10.2016 or Grant Date if later	Cancelled	Achievement Factor	Vested	Balance as at 30.9.2017
Year 4	14.12.2012	402,350	-	-	(402,350)	-
Year 5	01.10.2014	545,750	(4,225)	-	(272,425)	269,100
Year 6	06.05.2015	984,800	(8,100)	(45,500)	(468,150)	463,050
Year 7	26.02.2016	1,230,476	(37,000)	-	-	1,193,476
Year 8	28.12.2016	1,070,354	(36,000)	-	-	1,034,354
		4,233,730^	(85,325)*	(45,500)	(1,142,925)	2,959,980

^ This takes into account the adjustments made on 7 October 2014 following the Company's distribution to its shareholders by way of dividend *in specie* and a capital reduction undertaken by the Company during the financial year ended 30 September 2014.

* Cancelled due to resignations.

(ii) PSP

Shares	Grant Date	Balance as at 1.10.2016 or Grant Date if later	Achievement Factor	Vested	Balance as at 30.9.2017
Year 5	01.10.2014	32,546	(2,546)	(30,000)	-
Year 6	06.05.2015	30,500	-	-	30,500
Year 7	26.02.2016	84,383	-	-	84,383
Year 8	28.12.2016	67,538	-	-	67,538
		214,967^	(2,546)	(30,000)	182,421

^ This takes into account the adjustments made on 7 October 2014 following the Company's distribution to its shareholders by way of dividend *in specie* and a capital reduction undertaken by the Company during the financial year ended 30 September 2014.

(b) Share Options pursuant to the Fraser & Neave Holdings Bhd ("F&NHB") Executives' Share Option Scheme ("F&NHB 2007 Scheme")

The F&NHB 2007 Scheme expired on 1 October 2017. All options granted under the F&NHB 2007 Scheme have been fully exercised.

4. SHARE OPTIONS AND SHARE PLANS (cont'd)

(c) F&NHB Restricted Share Plan ("F&NHB RSP") and F&NHB Performance Share Plan ("F&NHB PSP") (collectively, the "Share Grant Plan")

The Share Grant Plan was approved by Bursa Malaysia Securities Berhad on 20 December 2011 and subsequently approved by the shareholders of F&NHB at its Extraordinary General Meeting held on 13 January 2012.

Under the F&NHB RSP and F&NHB PSP, F&NHB grants a base number of conditional share awards (the "F&NHB Base Award") to eligible participants annually. The F&NHB Base Award represents the right to receive fully paid shares of F&NHB, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions are met. The Remuneration Committee of F&NHB, as administrator of the Share Grant Plan, has absolute discretion in the granting of shares under the F&NHB RSP and F&NHB PSP.

Depending on the achievement of pre-determined targets over a two-year performance period for the F&NHB RSP and three-year performance period for the F&NHB PSP, the final number of F&NHB RSP shares and F&NHB PSP shares to be awarded could range between 0% to 150% of the initial grant of the F&NHB RSP Base Award and 0% to 200% of the initial grant of F&NHB PSP Base Award, respectively (the "F&NHB Final Award").

At the end of the two-year performance period, 50% of the F&NHB RSP shares under the F&NHB Final Award will be vested to the participants. The balance will be vested in equal instalments over a period of two years.

All of the F&NHB PSP shares under the F&NHB Final Award will be vested to the participants at the end of the three-year performance period.

No awards have been granted to the directors of F&NHB.

The first grant of the F&NHB RSP was made in March 2012. The details of the shares awarded under the F&NHB RSP are as follows:

RSP

Shares	Grant Date	Balance as at 1.10.2016 or Grant Date if later	Cancelled	Achievement Factor	Vested	Balance as at 30.9.2017
Year 2	07.02.2013	84,275	(1,900)	-	(82,375)	-
Year 3	12.08.2014	299,700	(29,375)	-	(146,075)	124,250
Year 4	15.01.2015	517,600	(37,250)	(27,300)	(244,050)	209,000
Year 5	05.01.2016	596,500	(120,000)	-	-	476,500
Year 6	22.12.2016	557,100	(63,900)	-	-	493,200
		2,055,175	(252,425)*	(27,300)	(472,500)	1,302,950

* Cancelled due to resignations.

(d) Other than those disclosed in this paragraph 4, no shares of the Company or any corporation in the Group were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or any corporation in the Group, whether granted before or during that financial year.

(e) Other than those reported in this paragraph 4, there were no unissued shares of the Company or any corporation in the Group under options as at the end of the financial year to which this statement relates.

5. AUDIT COMMITTEE

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Companies Act (Chapter 50 of Singapore), which include, *inter alia*, the following:

(a) reviewing quarterly and full-year financial statements of the Company and of the Group for the financial year and the independent auditors' report for the full-year prior to approval by the Board;

(b) reviewing and approving the internal and external audit plans to ensure the adequacy of the audit scope;

(c) reviewing the adequacy and effectiveness of the Group's internal controls;

(d) reviewing with internal and external auditors, the audit report and their recommendations, and monitoring the timely and proper implementation of any required corrective or improvement measures;

(e) reviewing the adequacy and effectiveness of the Group's internal audit function, including the adequacy of internal audit resources and its appropriate standing within the Group;

(f) meeting with the external and internal auditors, in each case without the presence of the Company's management to review various audit matters as well as the assistance given by the Company's management to the external and internal auditors; and

(g) recommending to the Board regarding the appointment, re-appointment and removal of the external auditor, and reviewing and approving the remuneration and terms of engagement of the external auditor.

Further details regarding the Audit Committee are disclosed in the Corporate Governance Report.

The Audit Committee has nominated KPMG LLP for re-appointment by the shareholders as independent auditors at the forthcoming Annual General Meeting.

6. INDEPENDENT AUDITORS

The independent auditors, KPMG LLP, have expressed their willingness to accept re-appointment.

7. OPINION OF THE DIRECTORS

In the opinion of the directors,

(i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2017 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended 30 September 2017; and

(ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board

SIRIPEN SITASUWAN	**SITHICHAI CHAIKRIANGKRAI**
Director	Director

8 November 2017

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
FRASERS AND NEAVE, LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Frasers and Neave, Limited (the Company) and its subsidiaries (the Group), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 30 September 2017, the consolidated statement of changes in equity of the Group and statement of changes in equity of the Company and the consolidated profit statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 95 to 175.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 September 2016 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of fixed assets and investment in subsidiaries
(Refer to Note 2.8, Note 2.18, Note 12 and Note 15 to the financial statements)

The key audit matter	***How the matter was addressed in our audit***
Fixed assets constitutes 10.3% of the Group's total assets and investment in subsidiaries constitutes 64.8% of the Company's total assets as at 30 September 2017. Impairment of $2.0 million was recorded for fixed assets at Group level and $58.4 million was recorded for investment in subsidiaries at Company level during the year. The impairments are mainly from the printing and publishing segment. When there are indicators of impairment noted in a business segment, the Group will estimate the recoverable amount of the fixed assets and investment in subsidiaries at the Company level based on the discounted future cash flows expected to be generated from the business segment. The net present value of the forecast cash flows is derived from profit forecasts which include key assumptions such as sales growth rates and gross profit margins for the next 5 years, and discount rate. The assessment of management's judgements in arriving at these key assumptions is a key focus area of our audit.	Our procedures included, among others, assessing the appropriateness of the methodology used in determining the recoverable amount of the fixed assets and investment in subsidiaries. We also assessed the reasonableness of the key assumptions used in the 5-year profit forecasts by comparing sales growth rates and gross profit margins to past performance and future plans. We also compared the discount rates applied to the cost of capital of comparable listed companies. We evaluated the sensitivity of the profit forecasts by considering the downside scenarios against reasonably plausible changes to the key assumptions. **Our findings** – We found the methodology used to be appropriate and key assumptions applied in the impairment testing to be reasonable.

<table>
<tr><th colspan="2">Impairment of goodwill and intangible assets (including brands)
(Refer to Note 2.12, Note 2.13, Note 2.18, Note 18, Note 19 and Note 22 to the financial statements)</th></tr>
<tr><td>The key audit matter
As at 30 September 2017, the Group has goodwill of $73.9 million mainly relating to the printing and publishing group and beverages group, and intangible assets (including brands) of $46.8 million mainly relating to development costs of published products and brands owned by the Group.

The Group will estimate the recoverable amount of goodwill and intangible assets with indicators of impairment based on discounted future cash flows expected to be generated from the respective operating unit. The net present value of the forecast cash flows is derived from profit forecasts which include key assumptions such as sales growth rates and gross profit margins for the next 5 years, and discount rate for the operating units which the goodwill and intangible assets are allocated to.

As there are judgement and estimation involved in the preparation of the discounted future cash flows and determination of certain key inputs, this is a key focus area in our audit.</td>
<td>How the matter was addressed in our audit
We assessed the determination of the operating units that goodwill is allocated to based on our understanding of the nature of the Group's business.

For goodwill and intangible assets with indicators of impairment, our procedures included, among others, assessing the appropriateness of the methodology used in determining the recoverable amount of the goodwill and intangible assets. We assessed the reasonableness of the key assumptions used in the 5-year profit forecasts, by comparing sales growth rates and gross profit margins to past performance and future plans. We also compared the discount rates applied to the cost of capital of comparable listed companies. We evaluated the sensitivity of the profit forecasts by considering the downside scenarios against reasonably plausible changes to the key assumptions.

Our findings – We found the methodology used to be appropriate and key assumptions applied in the impairment testing to be reasonable.</td></tr>
</table>

<table>
<tr><th colspan="2">Classification of investment in Vinamilk
(Refer to Note 2.4, Note 2.15, Note 17 and Note 20 to the financial statements)</th></tr>
<tr><td>The key audit matter
The Group acquired additional interest in Vinamilk during the year and increased the shareholding interest in Vinamilk from 10.95% to 18.74%.

On 15 April 2017, at the annual general meeting of Vinamilk, the Group's representation on the board of directors of Vinamilk increased to two directors.

Assessing when the Group obtained significant influence requires judgement and management assessed that with the increased shareholding and representation on the board of Vinamilk, the Group is deemed to have significant influence in Vinamilk and accordingly, investment in Vinamilk was classified from other investment to an investment in associated company on 15 April 2017.

Consequently, fair value reserve of $1.2 billion was realised from fair value adjustment reserve on the deemed disposal of other investment and a provisional goodwill of $2.1 billion was recognised arising from the acquisition of an associated company according to FRS 28 Investments in Associates and Joint Ventures.</td>
<td>How the matter was addressed in our audit
We evaluated management's assessment of when significant influence was obtained with reference to FRS 28 Investments in Associates and Joint Ventures.

We assessed the appropriateness of the accounting treatment over the realisation of the fair value reserve by reviewing the computations. Also, we assessed the reasonableness of the computation of the provisional goodwill and the assumptions used in the computation by reviewing the source information the assumptions are based on and basis used.

Our findings – We found that the judgement applied by the Group in determining when significant influence was obtained to be balanced. We also found the accounting treatment over the realisation of the fair value reserve to be appropriate and the assumptions used in the computation of the provisional goodwill to be reasonable.</td></tr>
</table>

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
FRASERS AND NEAVE, LIMITED

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report except for the Shareholding Statistics which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Shareholding Statistics, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Quek Shu Ping.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
8 November 2017

PROFIT STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	THE GROUP 2017 ($'000)	THE GROUP 2016 ($'000)
REVENUE	3	**1,897,959**	1,978,622
Cost of sales		**(1,236,660)**	(1,250,256)
GROSS PROFIT		**661,299**	728,366
Other income (net)	4(a)	**1,614**	12,917
Operating expenses			
- Distribution		**(174,595)**	(176,754)
- Marketing		**(271,996)**	(299,640)
- Administration		**(129,363)**	(136,950)
		(575,954)	(613,344)
TRADING PROFIT		**86,959**	127,939
Share of joint venture company's loss		**(668)**	(540)
Share of associated companies' profit		**53,921**	3,186
Gross income from investments	6	**33,394**	48,566
PROFIT BEFORE INTEREST AND TAXATION ("PBIT")		**173,606**	179,151
Finance income		**10,671**	14,779
Finance cost		**(16,187)**	(4,969)
Net finance (cost)/income	4(b)	**(5,516)**	9,810
PROFIT BEFORE FAIR VALUE ADJUSTMENT, TAXATION AND EXCEPTIONAL ITEMS		**168,090**	188,961
Fair value adjustment of investment properties		**(1,724)**	(1,532)
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	4(c)	**166,366**	187,429
Exceptional items	7	**1,177,566**	735
PROFIT BEFORE TAXATION		**1,343,932**	188,164
Taxation	8	**(14,707)**	(22,506)
PROFIT AFTER TAXATION		**1,329,225**	165,658
ATTRIBUTABLE PROFIT TO:			
Shareholders of the Company			
- Before fair value adjustment and exceptional items		**99,906**	108,963
- Fair value adjustment of investment properties		**(1,728)**	(1,548)
- Exceptional items		**1,184,887**	681
		1,283,065	108,096
Non-controlling interests		**46,160**	57,562
		1,329,225	165,658
Earnings per share attributable to the shareholders of the Company	10		
Basic - before fair value adjustment and exceptional items		**6.9 cts**	7.5 cts
- after fair value adjustment and exceptional items		**88.7 cts**	7.5 cts
Fully diluted - before fair value adjustment and exceptional items		**6.9 cts**	7.5 cts
- after fair value adjustment and exceptional items		**88.5 cts**	7.4 cts

The Notes on pages 103 to 175 form an integral part of the Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Profit after taxation	**1,329,225**	165,658
Other comprehensive income:		
Items that are or may be reclassified subsequently to profit statement		
Share of other comprehensive income of associated companies	**(2,365)**	(762)
Realisation of reserves on dilution of interest in an associated company	**6,795**	-
Realisation of fair value gains on change of interest/disposal of available-for-sale financial assets	**(1,200,750)**	(152)
Realisation of reserve on settlement of a net investment	**-**	(10,915)
Realisation of reserve on liquidation of a subsidiary company	**-**	(621)
Net fair value changes on available-for-sale financial assets	**24,424**	524,301
Currency translation difference	**(74,384)**	8,548
	(1,246,280)	520,399
Items that will not be reclassified to profit statement		
Remeasurement of defined benefit obligations	**1,283**	(2,656)
Revaluation of fixed assets	**-**	9,292
	1,283	6,636
Other comprehensive income for the year, net of taxation	**(1,244,997)**	527,035
Total comprehensive income for the year	**84,228**	692,693
Total comprehensive income attributable to:		
Shareholders of the Company	**40,937**	636,841
Non-controlling interests	**43,291**	55,852
	84,228	692,693

The Notes on pages 103 to 175 form an integral part of the Financial Statements.

BALANCE SHEET
AS AT 30 SEPTEMBER 2017

	Notes	THE GROUP 2017 ($'000)	THE GROUP 2016 ($'000) (Restated)	THE COMPANY 2017 ($'000)	THE COMPANY 2016 ($'000)
SHARE CAPITAL AND RESERVES					
Share capital	11(a)	**849,301**	849,301	**849,301**	849,301
Treasury shares	11(b)	**(267)**	(2,655)	**(267)**	(2,655)
Reserves	11(c)	**1,969,551**	1,996,438	**864,916**	876,012
		2,818,585	2,843,084	**1,713,950**	1,722,658
NON-CONTROLLING INTERESTS		**317,108**	309,460	**-**	-
		3,135,693	3,152,544	**1,713,950**	1,722,658
Represented by:					
NON-CURRENT ASSETS					
Fixed assets	12	**505,643**	492,793	**332**	393
Investment properties	13	**40,581**	42,863	**-**	-
Properties held for development	14	**18,025**	18,232	**-**	-
Subsidiary companies	15	**-**	-	**1,915,824**	1,123,027
Joint venture company	16	**46,669**	46,011	**-**	-
Associated companies	17	**2,380,648**	43,003	**-**	18,100
Intangible assets	18	**93,574**	95,786	**167**	187
Brands	22	**27,115**	27,892	**212**	212
Other investments	20	**30,131**	1,363,389	**222,705**	185,240
Other receivables	24	**1,350**	1,131	**-**	-
Deferred tax assets	30	**9,677**	13,267	**-**	-
Bank fixed deposits	21	**2,927**	2,900	**-**	-
		3,156,340	2,147,267	**2,139,240**	1,327,159
CURRENT ASSETS					
Inventories	23	**247,085**	247,359	**-**	-
Trade receivables	24	**279,654**	267,178	**-**	-
Other receivables	24	**59,165**	53,894	**675**	1,074
Related parties	24	**7,054**	4,565	**1**	6
Subsidiary companies	15	**-**	-	**518,309**	13,905
Joint venture companies	16	**571**	558	**-**	-
Associated companies	17	**1**	3	**-**	-
Bank fixed deposits	21	**291,028**	563,282	**8,684**	231,018
Cash and bank balances	21	**843,953**	479,347	**287,584**	270,726
		1,728,511	1,616,186	**815,253**	516,729
Assets held for sale	26	**9,887**	10,375	**-**	-
		1,738,398	1,626,561	**815,253**	516,729
Deduct: CURRENT LIABILITIES					
Trade payables	27	**155,029**	180,548	**-**	-
Other payables	27	**202,234**	211,685	**7,993**	7,423
Related parties	27	**13,689**	12,650	**1,265**	21
Subsidiary companies	15	**-**	-	**328,014**	6,470
Joint venture companies	16	**11**	-	**-**	-
Associated companies	17	**1,583**	1,565	**-**	-
Borrowings	28	**785,591**	12,223	**360,000**	-
Provision for taxation		**32,990**	30,851	**3,148**	3,972
		1,191,127	449,522	**700,420**	17,886
Liabilities held for sale	26	**2,371**	2,339	**-**	-
		1,193,498	451,861	**700,420**	17,886
NET CURRENT ASSETS		**544,900**	1,174,700	**114,833**	498,843
Deduct: NON-CURRENT LIABILITIES					
Other payables	27	**13,169**	2,710	**-**	-
Related parties	27	**-**	1,265	**-**	1,265
Subsidiary companies	15	**-**	-	**540,123**	101,894
Borrowings	28	**517,498**	124,825	**-**	-
Provision for employee benefits	29	**17,807**	20,671	**-**	-
Deferred tax liabilities	30	**17,073**	19,952	**-**	185
		565,547	169,423	**540,123**	103,344
		3,135,693	3,152,544	**1,713,950**	1,722,658

The Notes on pages 103 to 175 form an integral part of the Financial Statements.

STATEMENT OF CHANGES IN EQUITY

THE GROUP

	Notes	Share Capital ($'000)	Treasury Shares ($'000)	Capital Reserve ($'000)	Revenue Reserve ($'000)	Exchange Reserve ($'000)	Fair Value Adjustment Reserve ($'000)	Hedging Reserve ($'000)	Share-based Payment Reserve ($'000)	Dividend Reserve ($'000)	Total ($'000)	Non-controlling Interests ($'000)	Total Equity ($'000)
YEAR ENDED 30 SEPTEMBER 2017													
Balance at 1 October 2016		849,301	(2,655)	18,746	889,151	(142,346)	1,177,590	(425)	10,349	43,373	2,843,084	309,460	3,152,544
Comprehensive income													
Share of other comprehensive income of associated companies		-	-	-	(2,542)	199	-	-	(22)	-	(2,365)	-	(2,365)
Realisation of reserves on dilution of interest in an associated company		-	-	-	1,699	4,868	-	425	(197)	-	6,795	-	6,795
Realisation of fair value gains on change of interest in available-for-sale financial asset		-	-	-	-	-	(1,200,750)	-	-	-	(1,200,750)	-	(1,200,750)
Net fair value changes on available-for-sale financial assets		-	-	-	-	-	24,424	-	-	-	24,424	-	24,424
Remeasurement of defined benefit obligations		-	-	-	1,198	-	-	-	-	-	1,198	85	1,283
Currency translation difference		-	-	-	-	(71,430)	-	-	-	-	(71,430)	(2,954)	(74,384)
Other comprehensive income for the year		-	-	-	355	(66,363)	(1,176,326)	425	(219)	-	(1,242,128)	(2,869)	(1,244,997)
Profit for the year		-	-	-	1,283,065	-	-	-	-	-	1,283,065	46,160	1,329,225
Total comprehensive income for the year		-	-	-	1,283,420	(66,363)	(1,176,326)	425	(219)	-	40,937	43,291	84,228
Contributions by and distributions to owners													
Employee share-based expenses		-	-	-	-	-	-	-	3,836	-	3,836	1,318	5,154
Treasury shares reissued pursuant to share plans	11	-	2,388	901	-	-	-	-	(3,289)	-	-	-	-
Purchase of shares by a subsidiary company		-	-	-	(1,608)	-	-	-	-	-	(1,608)	(1,289)	(2,897)
Shares of a subsidiary company reissued pursuant to its share plans		-	-	(231)	1,604	-	-	-	(1,373)	-	-	-	-
Capital repayment to non-controlling interests		-	-	-	-	-	-	-	-	-	-	(70)	(70)
Dividends:	9												
Dividends paid		-	-	-	(21,739)	-	-	-	-	(43,373)	(65,112)	(30,615)	(95,727)
Dividends proposed		-	-	-	(43,408)	-	-	-	-	43,408	-	-	-
Total contributions by and distributions to owners		-	2,388	670	(65,151)	-	-	-	(826)	35	(62,884)	(30,656)	(93,540)
Changes in ownership interests													
Change of interests in subsidiary companies		-	-	-	(2,552)	-	-	-	-	-	(2,552)	(4,987)	(7,539)
Total changes in ownership interests		-	-	-	(2,552)	-	-	-	-	-	(2,552)	(4,987)	(7,539)
Total transactions with owners in their capacity as owners		-	2,388	670	(67,703)	-	-	-	(826)	35	(65,436)	(35,643)	(101,079)
Balance at 30 September 2017		849,301	(267)	19,416	2,104,868	(208,709)	1,264	-	9,304	43,408	2,818,585	317,108	3,135,693

The Notes on pages 103 to 175 form an integral part of the Financial Statements.

STATEMENT OF CHANGES IN EQUITY

THE GROUP

	Notes	Share Capital ($'000)	Treasury Shares ($'000)	Capital Reserve ($'000)	Revenue Reserve ($'000)	Exchange Reserve ($'000)	Fair Value Adjustment Reserve ($'000)	Hedging Reserve ($'000)	Share-based Payment Reserve ($'000)	Dividend Reserve ($'000)	Total ($'000)	Non-controlling Interests ($'000)	Total Equity ($'000)
YEAR ENDED 30 SEPTEMBER 2016													
Balance at 1 October 2015		849,301	(5,759)	8,751	849,404	(141,090)	653,441	(273)	10,947	43,327	2,268,049	288,028	2,556,077
Comprehensive income													
Share of other comprehensive income of associated companies		-	-	-	(827)	244	-	(152)	(27)	-	(762)	-	(762)
Realisation of reserve on liquidation of a subsidiary company		-	-	-	-	(621)	-	-	-	-	(621)	-	(621)
Realisation of fair value gains on disposal of available-for-sale financial asset		-	-	-	-	-	(152)	-	-	-	(152)	-	(152)
Realisation of reserve on settlement of a net investment		-	-	-	-	(6,061)	-	-	-	-	(6,061)	(4,854)	(10,915)
Revaluation of fixed assets		-	-	9,292	-	-	-	-	-	-	9,292	-	9,292
Net fair value changes on available-for-sale financial asset		-	-	-	-	-	524,301	-	-	-	524,301	-	524,301
Remeasurement of defined benefit obligations		-	-	-	(2,434)	-	-	-	-	-	(2,434)	(222)	(2,656)
Currency translation difference		-	-	-	-	5,182	-	-	-	-	5,182	3,366	8,548
Other comprehensive income for the year		-	-	9,292	(3,261)	(1,256)	524,149	(152)	(27)	-	528,745	(1,710)	527,035
Profit for the year		-	-	-	108,096	-	-	-	-	-	108,096	57,562	165,658
Total comprehensive income for the year		-	-	9,292	104,835	(1,256)	524,149	(152)	(27)	-	636,841	55,852	692,693
Contributions by and distributions to owners													
Employee share-based expenses		-	-	-	-	-	-	-	4,654	-	4,654	1,403	6,057
Treasury shares reissued pursuant to share plans	11	-	3,104	814	-	-	-	-	(3,918)	-	-	-	-
Purchase of shares by a subsidiary company		-	-	-	(2,209)	-	-	-	-	-	(2,209)	(1,769)	(3,978)
Shares of a subsidiary company reissued pursuant to its share plans		-	-	(111)	1,418	-	-	-	(1,307)	-	-	-	-
Contribution of capital by non-controlling interests		-	-	-	-	-	-	-	-	-	-	630	630
Dividends:	9												
Dividends paid		-	-	-	(21,733)	-	-	-	-	(43,327)	(65,060)	(33,875)	(98,935)
Dividends proposed		-	-	-	(43,373)	-	-	-	-	43,373	-	-	-
Total contributions by and distributions to owners		-	3,104	703	(65,897)	-	-	-	(571)	46	(62,615)	(33,611)	(96,226)
Changes in ownership interests													
Change of interests in a subsidiary company		-	-	-	809	-	-	-	-	-	809	(809)	-
Total changes in ownership interests		-	-	-	809	-	-	-	-	-	809	(809)	-
Total transactions with owners in their capacity as owners		-	3,104	703	(65,088)	-	-	-	(571)	46	(61,806)	(34,420)	(96,226)
Balance at 30 September 2016		849,301	(2,655)	18,746	889,151	(142,346)	1,177,590	(425)	10,349	43,373	2,843,084	309,460	3,152,544

The Notes on pages 103 to 175 form an integral part of the Financial Statements.

STATEMENT OF CHANGES IN EQUITY

		THE COMPANY							
	Notes	Share Capital ($'000)	Treasury Shares ($'000)	Capital Reserve ($'000)	Revenue Reserve ($'000)	Fair Value Adjustment Reserve ($'000)	Share-based Payment Reserve ($'000)	Dividend Reserve ($'000)	Total Equity ($'000)
YEAR ENDED 30 SEPTEMBER 2017									
Balance at 1 October 2016		849,301	(2,655)	(2,000)	753,938	75,014	5,687	43,373	1,722,658
Comprehensive income									
Net fair value changes on available-for-sale financial assets		-	-	-	-	8,799	-	-	8,799
Other comprehensive income for the year		-	-	-	-	8,799	-	-	8,799
Profit for the year		-	-	-	45,414	-	-	-	45,414
Total comprehensive income for the year		-	-	-	45,414	8,799	-	-	54,213
Contributions by and distributions to owners									
Employee share-based expenses		-	-	-	-	-	2,191	-	2,191
Treasury shares reissued pursuant to share plans	11	-	2,388	901	-	-	(3,289)	-	-
Dividends:	9								
Dividends paid		-	-	-	(21,739)	-	-	(43,373)	(65,112)
Dividends proposed		-	-	-	(43,408)	-	-	43,408	-
Total transactions with owners in their capacity as owners		-	2,388	901	(65,147)	-	(1,098)	35	(62,921)
Balance at 30 September 2017		849,301	(267)	(1,099)	734,205	83,813	4,589	43,408	1,713,950
YEAR ENDED 30 SEPTEMBER 2016									
Balance at 1 October 2015		849,301	(5,759)	(2,814)	735,604	3,936	6,703	43,327	1,630,298
Comprehensive income									
Net fair value changes on available-for-sale financial asset		-	-	-	-	71,230	-	-	71,230
Realisation of fair value gains on disposal of available-for-sale financial asset		-	-	-	-	(152)	-	-	(152)
Other comprehensive income for the year		-	-	-	-	71,078	-	-	71,078
Profit for the year		-	-	-	83,440	-	-	-	83,440
Total comprehensive income for the year		-	-	-	83,440	71,078	-	-	154,518
Contributions by and distributions to owners									
Employee share-based expenses		-	-	-	-	-	2,902	-	2,902
Treasury shares reissued pursuant to share plans	11	-	3,104	814	-	-	(3,918)	-	-
Dividends:	9								
Dividends paid		-	-	-	(21,733)	-	-	(43,327)	(65,060)
Dividends proposed		-	-	-	(43,373)	-	-	43,373	-
Total transactions with owners in their capacity as owners		-	3,104	814	(65,106)	-	(1,016)	46	(62,158)
Balance at 30 September 2016		849,301	(2,655)	(2,000)	753,938	75,014	5,687	43,373	1,722,658

The Notes on pages 103 to 175 form an integral part of the Financial Statements.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	THE GROUP	
	2017 ($'000)	2016 ($'000) (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and exceptional items	**166,366**	187,429
Adjustments for:		
Depreciation of fixed assets	**44,567**	46,804
Impairment of fixed assets and intangible assets	**1,088**	1,052
Reversal of impairment of fixed assets and intangible assets	**(886)**	(464)
Impairment of other investments	**-**	25
Fixed assets and intangible assets written off	**589**	430
Provision for employee benefits	**329**	1,526
Write back of provision for employee benefits	**(462)**	(140)
(Gain)/Loss on disposal of fixed assets and intangible assets	**(70)**	309
Amortisation of brands and intangible assets	**12,865**	14,943
Interest income	**(10,671)**	(14,779)
Interest expenses	**16,187**	4,969
Share of joint venture company's loss	**668**	540
Share of associated companies' profit	**(53,921)**	(3,186)
Investment income	**(33,394)**	(48,566)
Employee share-based expenses	**5,154**	6,057
Fair value adjustment of financial instruments	**454**	(422)
Fair value adjustment of investment properties	**1,724**	1,532
Loss on disposal of financial instruments	**672**	2,124
Operating cash before working capital changes	**151,259**	200,183
Change in inventories	**275**	7,066
Change in receivables	**(7,493)**	20,263
Change in related parties' and joint venture and associated companies' balances	**(2,698)**	(4,836)
Change in payables	**(50,592)**	(10,563)
Development expenditure on properties held for development	**(235)**	(8)
Currency realignment	**129**	(11,012)
Cash generated from operations	**90,645**	201,093
Interest income received	**8,886**	12,414
Interest expenses paid	**(13,656)**	(4,864)
Income taxes paid	**(12,945)**	(24,417)
Payment of employee benefits	**(1,380)**	(1,059)
Net cash from operating activities	**71,550**	183,167
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends from associated companies	**34,633**	5,779
Investment income	**33,394**	48,566
Proceeds from sale of fixed assets	**1,061**	414
Proceeds from redemption of other investments	**-**	6,069
Payment of deferred consideration for prior years' acquisition of subsidiary companies	**(6,071)**	-
Net cash outflow on acquisition of subsidiary companies	**-**	(20,521)
Investment in an associated company	**(51,252)**	-
Purchase of other investment	**(964,901)**	-
Purchase of fixed assets and investment properties	**(64,733)**	(65,471)
Payment for intangible assets	**(10,506)**	(10,887)
Loan to a joint venture company	**(643)**	-
Deposits pledged in relation to acquisition of subsidiary companies	**3,832**	(2,900)
Deposits made in relation to acquisition of subsidiary companies completed after the financial year	**(8,000)**	-
Net cash used in investing activities	**(1,033,186)**	(38,951)

The Notes on pages 103 to 175 form an integral part of the Financial Statements.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	THE GROUP	
	2017 ($'000)	2016 ($'000) (Restated)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from term loans and bank borrowings	**1,169,532**	32,594
Acquisition of non-controlling interests in subsidiary companies	**(7,539)**	-
Purchase of shares by a subsidiary company	**(2,897)**	(3,978)
Capital repayment to non-controlling interests	**(70)**	-
Proceeds from issue of shares by subsidiary companies to non-controlling interests	**-**	630
Payment of dividends:		
- by subsidiary companies to non-controlling interests	**(30,615)**	(33,875)
- by the Company to shareholders	**(65,112)**	(65,060)
Net cash from/(used in) financing activities	**1,063,299**	(69,689)
Net increase in cash and cash equivalents	**101,663**	74,527
Cash and cash equivalents at beginning of year	**1,037,871**	961,036
Effects of exchange rate changes on cash and cash equivalents	**(5,151)**	2,308
Cash and cash equivalents at end of year	**1,134,383**	1,037,871
Cash and cash equivalents at end of year comprise:		
Cash and bank deposits (Note 21)	**1,137,908**	1,045,529
Bank overdrafts (Note 28)	**(598)**	(802)
	1,137,310	1,044,727
Less: Deposits pledged in relation to acquisition of subsidiary companies (Note 21)	**(2,927)**	(6,856)
	1,134,383	1,037,871
Analysis of acquisition of subsidiary companies		
Net assets acquired:		
Fixed assets	**-**	7,345
Intangible assets	**-**	645
Current assets	**-**	1,251
Bank borrowings	**-**	(1,758)
Other current liabilities	**-**	(2,034)
Other non-current liabilities	**-**	(694)
Cash and cash equivalents	**-**	4,079
	-	8,834
Goodwill on acquisition	**-**	20,688
Consideration paid	**-**	29,522
Deferred consideration	**-**	(4,922)
Less: Cash and cash equivalents of subsidiary companies acquired	**-**	(4,079)
Net cash outflow on acquisition of subsidiary companies	**-**	20,521

The Notes on pages 103 to 175 form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

The following Notes form an integral part of the Financial Statements on pages 95 to 102.

The financial statements were authorised for issue in accordance with a resolution of the Directors on 8 November 2017.

1. GENERAL

Fraser and Neave, Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The registered office of the Company is located at 438 Alexandra Road, #20-00 Alexandra Point, Singapore 119958. TCC Assets Limited incorporated in the British Virgin Islands is the immediate and ultimate holding company.

The principal activities of the Group are:
(a) production and sale of beverages and dairy products; and
(b) printing and publishing.

These activities are carried out through the Company's subsidiary, joint venture and associated companies to which the Company provides management and administrative services.

The Company's operation is managed through a wholly-owned subsidiary company.

The financial statements of the Group as at and for the year ended 30 September 2017 comprise the Company and its subsidiary companies (together referred to as the "Group").

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") as required by the Companies Act (Chapter 50 of Singapore). The financial statements are prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar and all values are rounded to the nearest thousand ($'000) unless otherwise stated.

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year and are consistent with those used in the previous financial year, except as disclosed below.

On 1 October 2016, the Group and the Company adopted the following new, revised and amendments to standards that are mandatory for application from that date.

FRS 114	Regulatory Deferral Accounts
Amendments to FRS 27	Equity Method in Separate Financial Statements
Amendments to FRS 16 and FRS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to FRS 16 and FRS 41	Agriculture: Bearer Plants
Amendments to FRS 111	Accounting for Acquisitions of Interests in Joint Operations
Amendments to FRS 110, FRS 112 and FRS 28	Investment Entities: Applying the Consolidation Exception
Amendments to FRS 1	Disclosure Initiative
Improvements to FRSs 2014:	
Amendment to FRS 105	Non-current Assets Held for Sale and Discontinued Operations
Amendment to FRS 107	Financial Instruments: Disclosures
Amendment to FRS 19	Employee Benefits
Amendment to FRS 34	Interim Financial Reporting

The adoption of the above new, revised and amendments to standards had no material effect on the financial performance or position of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. ACCOUNTING POLICIES (cont'd)

2.2 Basis of Consolidation and Business Combinations

Subsidiary companies are those companies controlled by the Group. Subsidiary companies are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial year of the Company and all its subsidiary companies ends on 30 September unless otherwise stated. The consolidated financial statements of the Group incorporate the financial statements of the Company and all its subsidiary companies made up to 30 September. The financial statements of subsidiary companies are prepared using consistent accounting policies.

Acquisitions of subsidiary companies are accounted for using the acquisition method. The consideration transferred for the acquisition of a subsidiary company comprises the fair value of the assets transferred, liabilities incurred, equity interest issued by the Group and any contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any change in the contingent consideration to be paid will be recognised in the profit statement. Acquisition-related costs are expensed as incurred.

All intra group transactions, balances and unrealised gains are eliminated on consolidation. Unrealised gains resulting from transactions with associated and joint venture companies are eliminated to the extent of the Group's interest in them. Unrealised losses are also eliminated but only to the extent that there is no evidence of impairment.

Losses within a subsidiary company are attributed to the non-controlling interest even if that results in a deficit balance.

Non-controlling interests in the acquiree is recognised on the acquisition date at the non-controlling interests' proportionate share of the acquiree's net identifiable assets.

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in the profit statement.

When a change in the Company's ownership interest in a subsidiary company results in a loss of control over the subsidiary company, the assets and liabilities of the subsidiary company including any goodwill are derecognised. Any retained interest in the entity is re-measured at fair value. The difference between the carrying amount of the retained interest and its fair value is recognised in the profit statement.

The accounting policy on goodwill on acquisition of subsidiary companies is included in Note 2.12(b).

Business combinations prior to 1 October 2010

Business combinations were accounted for using the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs.

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interests were treated as a revaluation and recognised in equity. Any additional acquired interest did not affect previously recognised goodwill.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent measurements to the contingent consideration affected goodwill.

Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiary companies not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income, statement of changes in equity and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

2. ACCOUNTING POLICIES (cont'd)

2.2 Basis of Consolidation and Business Combinationss (cont'd)

Transactions with non-controlling interests (cont'd)

A change in ownership interest in subsidiary companies that do not result in a change of control is accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests will be adjusted to reflect the changes in their relative interests in the subsidiary company. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognised directly in equity and attributed to owners of the parent company.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less accumulated impairment losses.

A list of the significant subsidiary companies is shown in Note 41.

2.3 Joint Arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. 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.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

(a) Joint operations

A joint operation is an arrangement which provides the Group with the rights to the assets and obligations for the liabilities relating to the arrangement.

The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation. The Group combines its share of each of the assets, liabilities, income and expenses of the joint operations with the similar items, line by line, in its consolidated financial statements.

(b) Joint venture companies

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group recognises its interest in joint venture companies using equity method. The Group's investments in joint venture companies are recorded at cost and adjusted to recognise the Group's share of post-acquisition reserves of the joint venture companies and less accumulated impairment losses, if any.

Investments in joint venture companies include goodwill. When the Group's share of losses in a joint venture company equals or exceeds its interest in the joint venture company, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture company.

The Group's share of the operating results and exceptional items of joint venture companies are shown separately in the profit statement. The Group's share of other comprehensive income is recognised in other comprehensive income. Net assets of the joint venture companies are included in the consolidated financial statements under the equity method based on their latest audited financial statements except where their financial periods do not end on 30 September, then management accounts to 30 September are used.

The joint venture is equity accounted for until the date on which the Group ceases to have joint control over the joint venture.

In the Company's separate financial statements, investments in joint venture companies are carried at cost less accumulated impairment losses.

A list of the significant joint arrangements is shown in Note 41.

2. ACCOUNTING POLICIES (cont'd)

2.4 Associated Companies

An associated company (not being a subsidiary company or joint venture company) is a company in which the Group exercises significant influence over the financial and operating policy decisions.

The Group's investments in associated companies are carried at cost and adjusted to recognise the Group's share of post-acquisition reserves of the associated companies, and less accumulated impairment losses, if any. Investments in associated companies include goodwill.

When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

The Group's share of the operating results, exceptional items and fair value adjustment of investment properties of associated companies are shown separately in the profit statement. The Group's share of other comprehensive income is recognised in other comprehensive income. Net assets of the associated companies are included in the consolidated financial statements under the equity method based on their latest audited financial statements except where their financial periods do not end on 30 September, then management accounts to 30 September are used.

An associated company is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associated company. Upon loss of significant influence over the associated company, the Group measures the retained interest at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in the profit statement.

In the Company's separate financial statements, investments in associated companies are carried at cost less accumulated impairment losses.

A list of the significant associated companies is shown in Note 41.

2.5 Revenue Recognition

Sale of Goods

Revenue from sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer, which generally coincides with delivery and acceptance of the goods sold.

Revenue from sale of goods represents the invoiced value of net sales (including excise duties and net of trade discounts).

Sale of Services

Service income is recognised upon rendering of services.

Others

Rental income is recognised on a straight line basis over the lease term commencing on the date from which the lessee is entitled to exercise its right to use the leased asset.

Interest income is taken up on an accrual basis (using the effective interest method).

Dividend income is recognised when the Group's right to receive payment is established.

Other categories of revenue are taken up on an accrual basis.

2. ACCOUNTING POLICIES (cont'd)

2.6 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

2.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit statement except to the extent it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income.

(a) Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Temporary differences are not recognised for goodwill, the initial recognition of assets or liabilities that affects neither accounting nor taxable profit, and differences relating to investments in subsidiary, joint venture and associated companies to the extent that the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced by the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

(i) Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2. ACCOUNTING POLICIES (cont'd)

2.8 Fixed Assets

Fixed assets are carried at cost less accumulated depreciation and accumulated impairment loss. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Dismantlement, removal or restoration costs are included as part of the cost of fixed assets if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Expenditure for additions, improvements and replacements are capitalised and expenditure for maintenance and repairs are charged to the profit statement. Subsequent expenditure relating to fixed assets that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured, otherwise it is recognised as an expense during the financial year in which it is incurred. The carrying amount of the replaced parts is derecognised.

An asset is derecognised upon sale or retirement and any gain or loss on derecognition of the asset is included in the profit statement. Any amount in revaluation reserve relating to that asset is transferred to revenue reserve.

Depreciation is calculated on the straight-line method to write off the cost or valuation of fixed assets less residual value over their estimated useful lives. No depreciation is charged for freehold land and capital work-in-progress. The residual values, depreciation method and useful lives are reviewed and adjusted as appropriate at each balance sheet date. The annual depreciation rates applied to write down the fixed assets over their estimated useful lives are as follows:

Leasehold land	-	Lease term (ranging from 10 to 99 years)
Building	-	Lease term (ranging from 10 to 60 years)
Plant, machinery and equipment	-	6.7% to 33%
Motor vehicle and forklift	-	10% to 20%
Postmix and vending machine	-	10% to 20%
Furniture and fitting, computer equipment and beer cooler	-	10% to 50%

Capital Work-in-Progress includes fixed assets under construction and advance payments and progress payments made for fixed assets and are not depreciated until each stage of development is completed and becomes operational.

The carrying amounts of fixed assets are reviewed for impairment when events or circumstances indicate that the carrying value may not be recoverable.

2.9 Investment Properties

Investment properties are properties that are held for long term rental yields and/or capital appreciation. Completed investment properties are initially recognised at cost, including transaction cost and subsequently measured at fair value, determined annually by independent professional valuers on balance sheet date. Changes in fair values are recognised in the profit statement in the year in which they arise.

Transfers are made to or from completed investment properties only when there is a change in use. For a transfer from completed investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to completed investment property, the property is accounted for in accordance with the accounting policy for fixed assets up to the date of change in use.

On disposal of a completed investment property, the difference between the disposal proceeds and the carrying amount is recognised in the profit statement.

2. ACCOUNTING POLICIES (cont'd)

2.10 Properties Held for Development

Properties held for development are stated at cost less provision for foreseeable losses. The cost of properties held for development includes cost of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle.

Allowance for foreseeable losses of properties held for development is made when it is anticipated that the net realisable value has fallen below cost.

Properties held for development are reclassified as property development costs at the point where the development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

2.11 Borrowing Costs

Borrowing costs are generally expensed as incurred. However, borrowing costs that are directly attributable to acquisition and construction are capitalised as part of the cost of fixed assets and development properties. Capitalisation of borrowing costs commences when activities to prepare the assets are in progress until the asset is ready for its intended use. Borrowing costs capitalised in development properties are determined after netting off interest income earned from progress billings received and placed on fixed deposits.

2.12 Intangible Assets

Intangible assets acquired separately are capitalised at cost. Intangible assets from a business acquisition are capitalised at fair value as at the date of acquisition. After initial recognition, an intangible asset is carried at cost less any accumulated amortisation and any accumulated impairment loss.

The useful lives of these intangible assets are assessed to be either finite or indefinite. Amortisation charged on finite intangible assets is taken to the profit statement as amortisation expense. Intangible assets with indefinite useful lives are subjected to impairment test annually or more frequently if events or changes in circumstances indicate that the carrying value might be impaired.

Internally generated goodwill and internally generated intangible assets arising from research are not capitalised and the expenditure is charged to the profit statement when it is incurred. Deferred development costs arising from deferred expenditure are recognised when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditure during the development.

Intangible assets are tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value might be impaired. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

(a) Development costs of published products are expensed as incurred, except for development costs which can reasonably be expected to be recovered from related future revenues.

The development costs are then amortised in accordance with their estimated economic useful lives, upon completion of published products as follows:

	Directories	Education	General	Reference
1st year	100%	33%	50%	33%
2nd year	-	33%	30%	27%
3rd year	-	34%	20%	20%
4th year	-	-	-	13%
5th year	-	-	-	7%

At each balance sheet date, the Group assesses whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated.

2. ACCOUNTING POLICIES (cont'd)

2.12 Intangible Assets (cont'd)

(b) Goodwill on acquisition is identified as being the excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree, over the net fair value of the acquiree's identifiable assets and liabilities. In instances where the latter amount exceeds the former, the excess is recognised as a gain in the profit statement on the acquisition date.

Positive goodwill is carried at cost less any accumulated impairment loss. Goodwill is subjected to impairment test annually or more frequently if events or changes in circumstances indicate that the carrying value might be impaired.

Internally generated goodwill is not capitalised.

(c) Other intangible assets are amortised on a straight-line basis in accordance with their estimated economic useful lives as follows:

Intangible assets	Useful lives
Imprints	5%
Co-publishing rights	21.7%
Non-contractual customers	10.0%
Customer relationships	6.7% to 20.0%
Publishing rights	12.5%
Licensing rights	10.0%
Software	12.5% to 33.3%

2.13 Brands

Brands with finite lives are stated at cost less accumulated amortisation and accumulated impairment losses. They are assessed for impairment annually or whenever there is an indication of impairment. The useful life is also examined on an annual basis and an adjustment, where applicable, is made on a prospective basis. Amortisation is calculated to write off their cost over their estimated useful lives of up to 14 years on a straight-line method to the profit statement.

Brands with indefinite lives are stated at cost less any impairment loss. The useful life of the brand is estimated to be indefinite because based on the current market share of the brand, management believes there is no foreseeable limit to the period over which the brand is expected to generate net cash flows to the Group. The indefinite useful life is reviewed annually to determine whether it continues to be supportable. The brand is tested for impairment annually or more frequently when indicators of impairment are identified.

Internally generated brands are not capitalised and the expenditure is charged against profit in the year in which the expenditure is incurred.

2.14 Inventories

All inventories are stated at the lower of cost and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses.

Cost in respect of raw materials, consumable stores and goods purchased for resale is stated based on first-in-first-out, weighted average or standard cost (which approximates average actual cost). Cost in respect of manufactured inventories and work-in-progress includes attributable production overheads. Engineering spares and other inventories are valued on the weighted average cost basis less appropriate allowances for obsolete items.

2. ACCOUNTING POLICIES (cont'd)

2.15 Financial Assets

(a) Classification

The classification of financial assets is determined at initial recognition. The Group classifies its investments in financial assets in the following categories:

(i) Financial assets at fair value through profit or loss

Derivative financial instruments whose fair value is positive are classified as financial assets at fair value through profit or loss. The accounting policy for derivative financial instruments is included in Note 2.17.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables comprise trade receivables, other receivables, cash and cash equivalents, amount due from related parties, subsidiary, joint venture and associated companies.

Cash and cash equivalents include cash on hand and in bank, deposits with financial institutions and bank overdrafts that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the cash flow statement, pledged deposits (including fixed deposits held as profit guarantee) are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless there is intention to dispose of the assets within 12 months after the balance sheet date. Available-for-sale financial assets comprise equity securities.

(b) Recognition and derecognition

Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Purchases and sales of investments are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or when all risks and rewards of ownership have been substantially transferred. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (a) the consideration received and (b) any cumulative gain or loss recognised directly in equity is recognised in the profit statement.

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

(d) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method, less any impairment losses.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss are included in the profit statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income and accumulated under fair value adjustment reserve within equity.

When available-for-sale financial assets are sold or impaired, the accumulated fair value adjustments in the fair value adjustment reserve within equity will be released through the profit statement.

2. ACCOUNTING POLICIES (cont'd)

2.15 Financial Assets (cont'd)

(e) Determination of fair value

The fair value of quoted financial assets are based on current market prices. Unquoted investments that do not have quoted market prices in an active market nor methods of reasonably estimating the fair value, are carried at cost.

(f) Impairment

(i) Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the profit statement.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the profit statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

(ii) Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss is not reversed in subsequent periods.

(iii) Available-for-sale financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the investment below its cost is considered in determining whether the investments are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the profit statement is removed from the fair value adjustment reserve within equity and recognised in the profit statement. Impairment losses recognised in the profit statement on equity investments are not reversed through the profit statement, until the equity investments are disposed of.

(g) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2. ACCOUNTING POLICIES (cont'd)

2.16 Financial Liabilities

Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the profit statement when the liabilities are derecognised as well as through the amortisation process. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Other financial liabilities comprise trade payables, other payables, amounts due to subsidiary, joint venture, associated companies and related parties, borrowings and bank overdrafts.

2.17 Derivative Financial Instruments

The Company and the Group use derivative financial instruments to hedge against risks associated with foreign currency and interest rate fluctuations. Foreign exchange forward contracts are used to hedge its risks associated primarily with foreign currency fluctuations. Interest rate swap contracts are used to hedge its risks associated with interest rate fluctuations. It is the Group's policy not to trade in derivative financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The changes in fair value of any derivative instrument that do not qualify for hedge accounting are recognised directly in the profit statement.

The fair value of forward foreign currency contracts is calculated by reference to current forward foreign exchange rates for contracts with similar maturity profiles. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

Derivative instruments that qualify for hedge accounting are classified either as cash flow hedge or fair value hedge.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedge item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges which meet the criteria for hedge accounting are accounted for as cash flow hedges.

Cash flow hedges are hedges of the exposure to the variability of cash flow that is attributable to a particular risk associated with a recognised asset or liability that could affect the profit statement.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in hedging reserve within equity, while the ineffective portion is recognised in the profit statement.

Amounts taken to hedging reserve are transferred to the profit statement when the hedged transaction affects the profit statement, such as when the hedged financial income or financial expense is recognised or when a forecast sale or purchase occurs. When the hedged item is the cost of a non-financial asset or liability, the amounts taken to hedging reserve are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction is no longer expected to occur, amounts previously recognised in hedging reserve are transferred to the profit statement. If the hedging instrument expires or is sold, terminated, or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in hedging reserve remain in hedging reserve until the forecast transaction occurs. If the related transaction is not expected to occur, the amount is taken to the profit statement.

2. ACCOUNTING POLICIES (cont'd)

2.18 Impairment of Non-Financial Assets

The carrying amounts of the Group's assets are reviewed at each reporting date or when annual impairment testing is required, to determine whether there is any indication of impairment. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost of disposal and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating unit ("CGU") to which the asset belongs. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised whenever the carrying amount of an asset or CGU exceeds its recoverable amount. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Reversal of impairment losses previously recognised is recorded when the decrease in impairment loss can be objectively related to an event occurring after the write down. The carrying amount is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss is recognised in the profit statement. Impairment loss on goodwill is not reversed in a subsequent period.

2.19 Discontinued Operations and Assets and Liabilities Held for Sale

A component of the Group is classified as a discontinued operation when the criteria to be classified as held-for-sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations, is part of a single co-ordinated major line of business or geographical area of operations. A component is deemed to be held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or component is available for immediate sale in its present condition.

Immediately before the initial classification of the asset (or disposal group) as held for sale, the carrying amounts of the assets (or all the assets and liabilities in the group) are measured in accordance with the applicable FRSs. Upon classification as held for sale, non-current assets and disposal groups are not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in the profit statement.

Any impairment loss on initial classification and subsequent measurement is recognised as expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in the profit statement.

In the profit statement of the current reporting period, and of the comparative period, all income and expenses from discontinued operations are reported separately from income and expenses from continuing activities.

2.20 Treasury Shares

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit statement on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2. ACCOUNTING POLICIES (cont'd)

2.21 Employee Benefits

(a) Retirement Benefits

Provision for retirement benefits is made in accordance with:

(i) the terms of agreements concluded with various categories of employees, or

(ii) pension and retirement benefit schemes, or

(iii) defined contribution plans under statutory regulations in the country, where applicable.

Retirement Benefits in accordance with agreements

The provisions represent the present value of the amounts likely to become payable in respect of services already rendered. An independent actuarial calculation of the provision is made every three years. Internal calculation of the provision is made each intervening year on the same basis as those used for the independent actuarial calculation.

Pension and Retirement Benefit Schemes

The cost of providing benefits under the defined benefits plans are determined by the project 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 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 they arise.

Past service costs are recognised immediately in the profit statement.

Defined contribution plans under statutory regulations

Obligations for contributions to defined contribution plans are recognised as an expense in the profit statement as incurred.

(b) Equity Compensation Plans

Employees of the Group receive remuneration in the form of share awards as consideration for services rendered.

Equity-settled transactions

The fair value of the employee services received in exchange for the grant of the awards is recognised as an expense in the profit statement with a corresponding increase in the employee share-based payment reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the awards on the date of grant. At each balance sheet date, the number of share awards that are expected to be vested are estimated. The impact of the revision of the original estimates is recognised as an expense and as a corresponding adjustment to equity over the remaining vesting period, unless the revision to the original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimates due to market conditions.

When the awards are released, the share-based payment reserve is credited to share capital if new shares are issued. If treasury shares purchased are re-issued to employees, the share-based payment reserve is credited to treasury shares with any gain/loss on reissuance taken to capital reserve.

(c) Accrued Annual Leave

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for employee entitlements to annual leave as a result of services rendered by employees up to the balance sheet date.

2. ACCOUNTING POLICIES (cont'd)

2.22 Leases

(a) Lessee

A finance lease which effectively transfers to the Group substantially all the risks and benefits incidental to ownership of the leased item is capitalised at the lower of the fair value of the leased item and the present value of the minimum lease payments at the inception of the lease term and disclosed as fixed asset. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit statement. Contingent rents, if any, are expensed in the periods in which they are incurred.

A lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item is classified as an operating lease. Operating lease payments are recognised as an expense in the profit statement on a straight-line basis over the lease term.

(b) Lessor

A lease whereby the lessor effectively retains substantially all the risks and benefits of ownership of the leased item is classified as an operating lease. Properties leased out under operating leases are included in investment properties and are stated at revalued amounts and not depreciated. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Contingent rents, if any, are recorded as income in the periods in which they are earned.

2.23 Government Grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised in the profit statement over the period necessary to match them on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is recognised as deferred capital grant and is amortised to the profit statement over the expected useful life of the relevant asset by equal annual installments.

2.24 Exceptional Items

Exceptional items are items of income and expense of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the year.

2.25 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and the Company; or

(b) a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised on the balance sheet of the Group and the Company, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2. ACCOUNTING POLICIES (cont'd)

2.26 Functional and Foreign Currencies

(a) Functional currency

The currency of the primary economic environment in which the Company operates ("the functional currency") is Singapore Dollar. The consolidated financial statements are presented in Singapore Dollar, which is the Company's functional and presentation currency.

(b) Foreign currency transactions

Foreign currency transactions are recorded in the functional currencies of the Company and the respective subsidiary companies at rates of exchange approximating those ruling at transaction date. Foreign currency monetary assets and liabilities at the balance sheet date are translated at the rates ruling at that date. Exchange differences are dealt with in the profit statement except where exchange differences arise on foreign currency monetary items that in substance form part of the Group's net investment in the foreign entity. These exchange differences are taken to exchange reserve as a separate component of the shareholders' funds until the disposal of the net investment at which time they are recognised in the profit statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined. Currency translation differences on equity investments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Currency translation differences on equity investments classified as available-for-sale financial assets, are included in the fair value adjustment reserve within equity.

Currency translation differences arising from events which are treated as exceptional are dealt with as exceptional items in the profit statement.

(c) Foreign currency translations

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) profit statement items are translated into presentation currency at exchange rates ruling at the dates of the transactions;

(ii) assets and liabilities are translated into presentation currency at exchange rates ruling at the balance sheet date; and

(iii) exchange differences arising from translation of foreign subsidiary, joint venture and associated companies are recognised in other comprehensive income under exchange reserve as a separate component of the shareholders' funds.

On disposal of a foreign operation, the cumulative amount of exchange differences deferred in shareholders' funds relating to that foreign operation is recognised in the profit statement as a component of the gain or loss on disposal.

In the case of a partial disposal without loss of control of a subsidiary company that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit statement. For partial disposals of associated or joint venture companies that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit statement.

2.27 Significant Accounting Estimates and Judgements

Estimates and assumptions concerning the future are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. ACCOUNTING POLICIES (cont'd)

2.27 Significant Accounting Estimates and Judgements (cont'd)

(a) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date are discussed below.

(i) Impairment of non-financial and financial assets

Goodwill and brands

Goodwill and brands are tested for impairment at least on an annual basis. This requires an estimation of the value-in-use of the CGUs to which the goodwill and brands are allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the goodwill and brands at balance sheet date is disclosed in Note 18 and Note 22 respectively.

Investment in joint venture and associated companies

The Group assesses at each reporting date whether there is any objective evidence that investment in joint venture and associated companies are impaired. Where there is objective evidence of impairment, the recoverable amount is estimated based on the higher of the value-in-use and the fair value less costs to sell. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows to be generated by the joint venture and associated companies and also to choose a suitable discount rate in order to calculate the present value of those cash flows which reflects the risk profile of the investee and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates. Changes in assumptions about these factors could affect the recoverable amount of the investee. The carrying amount of the investment in joint venture and associated companies at balance sheet date have been disclosed in the balance sheet.

Investment in available-for-sale financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that any available-for-sale financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the market condition and whether there is a significant or prolonged decline in the values of these financial assets.

Where there is objective evidence of impairment for quoted available-for-sale financial assets, the difference between the cost and current fair value is recognised as impairment loss. Where there is objective evidence of impairment for unquoted available-for-sale financial assets, the recoverable value is estimated based on the amount and timing of the future cash flows. The carrying amount of the investment in available-for-sale financial assets at balance sheet date is disclosed in Note 20.

Loans and receivables

The Group assesses at each balance sheet date whether there is any objective evidence that a loan or receivable is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the loans and receivables at balance sheet date is disclosed in Note 35(g).

(ii) Taxes

The Group has exposure to taxes in numerous jurisdictions. Significant judgment is involved in determining the provision for taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of taxation and deferred taxation at balance sheet date are disclosed in the balance sheet.

2. ACCOUNTING POLICIES (cont'd)

2.27 Significant Accounting Estimates and Judgements (cont'd)

(a) **Key sources of estimation uncertainty** (cont'd)

(iii) Depreciation of fixed assets

Fixed assets are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these fixed assets to be within 2 to 99 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of the fixed assets at balance sheet date is disclosed in the balance sheet.

(b) **Critical judgements made in applying accounting policies**

Management is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimates.

3. REVENUE

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Sale of goods	**1,778,974**	1,857,353
Sale of services	**107,637**	109,995
Others	**11,348**	11,274
Total revenue	**1,897,959**	1,978,622

4. PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS

(a) **Included in other income (net):**

Management and support services	**1,846**	1,610
Sale of scrap items	**1,605**	1,609
Subscription fee income	**1,155**	1,160
Rental income	**951**	638
Cost recovery	**887**	-
Wage credit allowance	**836**	1,097
Service fee income	**603**	396
Gain/(Loss) on disposal of fixed assets	**70**	(239)
Exchange (loss)/gain	**(6,434)**	5,087
Loss on disposal of derivatives	**(320)**	(2,231)
Fair value (loss)/gain on derivatives	**(468)**	299
Recovery of withholding tax	**-**	2,805

(b) **Net finance (cost)/income:**

Finance income		
Interest income from bank and other deposits	**8,676**	12,859
Others	**1,995**	1,920
	10,671	14,779
Finance cost		
Interest expense from bank and other borrowings	**(16,069)**	(4,912)
Others	**(118)**	(57)
	(16,187)	(4,969)
	(5,516)	9,810

4. PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS (cont'd)

	THE GROUP	
	2017 ($'000)	2016 ($'000)
(c) Profit before taxation and exceptional items have been arrived at after charging:		
Depreciation of fixed assets	**44,567**	46,804
Impairment of fixed assets	**996**	890
Impairment of other investments	**-**	25
Impairment of intangible assets	**92**	162
Amortisation of brands	**135**	135
Amortisation of intangible assets	**12,730**	14,808
Intangible assets written off	**22**	6
Fixed assets written off	**567**	424
Bad debts written off	**4**	147
Allowance for bad and doubtful trade debts	**1,981**	1,200
Allowance for inventory obsolescence	**8,750**	11,280
Directors of the Company:		
Fee	**586**	651
Remuneration of members of Board committees	**536**	495
Adviser fees and allowances	**1,947**	1,929
Key executive officers:		
Remuneration	**5,173**	5,532
Provident Fund contribution	**98**	86
Employee share-based expense	**246**	621
Staff costs (exclude directors and key executives)	**244,319**	250,609
Employee share-based expense (exclude directors and key executives)	**4,908**	5,436
Defined contribution plans (exclude directors and key executives)	**23,790**	22,190
Defined benefit plans	**329**	1,526
Auditors' remuneration:		
Auditor of the Company	**751**	611
Member firms of the Auditor of the Company	**633**	615
Other auditors	**25**	14
Professional fees paid to:		
Auditor of the Company	**131**	6
Member firms of the Auditor of the Company	**73**	80
Other auditors	**569**	192
and crediting:		
Write back of defined benefit plans	**462**	140
Write back of allowance for bad and doubtful trade debts	**936**	937
Write back of allowance for inventory obsolescence	**575**	2,076
Reversal of impairment of fixed assets	**861**	464
Reversal of impairment of intangible assets	**25**	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

5. SEGMENT INFORMATION

The Group's operating businesses are organised and managed separately according to the nature of activities. The Group's operating segments are namely beverages, dairies, printing and publishing and others. The Group operates in the following key geographical areas, namely Singapore, Malaysia, Thailand, Vietnam and other countries.

Year ended 30 September 2017

The following table presents financial information regarding operating segments:

Operating Segment	Beverages ($'000)	Dairies ($'000)	Printing & Publishing ($'000)	Others ($'000)	Elimination ($'000)	Per Consolidated Financial Statements ($'000)
Revenue - external	499,317	1,105,292	293,032	318	-	1,897,959
Revenue - inter-segment	4,553	-	90	108,721	(113,364)	-
Total revenue	**503,870**	**1,105,292**	**293,122**	**109,039**	**(113,364)**	**1,897,959**
Subsidiary companies	(3,897)	156,851	(4,108)	(28,493)	-	120,353
Joint venture and associated companies	-	50,726	(415)	2,942	-	53,253
PBIT	**(3,897)**	**207,577**	**(4,523)**	**(25,551)**	**-**	**173,606**
Finance income						10,671
Finance cost						(16,187)
Profit before fair value adjustment, taxation and exceptional items						**168,090**
Fair value adjustment of investment properties						(1,724)
Exceptional items						1,177,566
Profit before taxation						**1,343,932**
Taxation						(14,707)
Profit after taxation						**1,329,225**
Non-controlling interests						(46,160)
Attributable profit						**1,283,065**
Assets	354,238	590,070	299,157	76,371	-	1,319,836
Investment in joint venture and associated companies	-	2,353,708	-	73,609	-	2,427,317
Tax assets						9,677
Bank deposits & cash balances						1,137,908
Total assets						**4,894,738**
Liabilities	74,908	185,323	90,181	55,481	-	405,893
Tax liabilities						50,063
Borrowings						1,303,089
Total liabilities						**1,759,045**
Other segment information:						
Capital expenditure	41,190	17,325	15,445	1,279	-	75,239
Depreciation and amortisation	16,350	21,826	17,968	1,288	-	57,432
Impairment losses	541	454	92	1	-	1,088
Reversal of impairment losses	(419)	(442)	(25)	-	-	(886)
Attributable (loss)/profit before fair value adjustment and exceptional items	(11,954)	149,351	(6,059)	(31,432)	-	99,906
Fair value adjustment of investment properties	-	-	(1,733)	5	-	(1,728)
Exceptional items	(4,099)	1,197,982	(8,788)	(208)	-	1,184,887
Attributable (loss)/profit	(16,053)	1,347,333	(16,580)	(31,635)	-	1,283,065

The following information are based on the geographical location of the Group's customers, which are essentially in the same location as the business operation and are as follows:

Geographical Information	Singapore ($'000)	Malaysia ($'000)	Thailand ($'000)	Vietnam ($'000)	Others ($'000)	Per Consolidated Financial Statements ($'000)
Total revenue	473,566	734,333	584,838	346	104,876	1,897,959
PBIT	(29,418)	48,673	73,666	81,962	(1,277)	173,606
Non-current assets	113,691	402,538	109,137	82	90,971	716,419
Investment in joint venture and associated companies	-	73,609	-	2,353,708	-	2,427,317
Current assets	173,163	245,180	138,233	708	46,133	603,417
Capital expenditure	12,990	47,902	8,574	107	5,666	75,239

Others: Myanmar, Brunei, Indonesia, China, India, Australia, Europe and USA

5. SEGMENT INFORMATION (cont'd)

Year ended 30 September 2016 (Restated)

The following table presents financial information regarding operating segments:

Operating Segment	Beverages ($'000)	Dairies ($'000)	Printing & Publishing ($'000)	Others ($'000)	Elimination ($'000)	Per Consolidated Financial Statements ($'000)
Revenue - external	571,697	1,098,960	307,592	373	-	1,978,622
Revenue - inter-segment	32,660	16,656	95	141,144	(190,555)	-
Total revenue	**604,357**	**1,115,616**	**307,687**	**141,517**	**(190,555)**	**1,978,622**
Subsidiary companies	22,967	167,116	(5,127)	(8,451)	-	176,505
Joint venture and associated companies	-	-	(76)	2,722	-	2,646
PBIT	**22,967**	**167,116**	**(5,203)**	**(5,729)**	**-**	**179,151**
Finance income						14,779
Finance cost						(4,969)
Profit before fair value adjustment, taxation and exceptional items						**188,961**
Fair value adjustment of investment properties						(1,532)
Exceptional items						735
Profit before taxation						**188,164**
Taxation						(22,506)
Profit after taxation						**165,658**
Non-controlling interests						(57,562)
Attributable profit						**108,096**
Assets	367,541	1,888,761	276,054	93,662	-	2,626,018
Investment in joint venture and associated companies	-	-	17,054	71,960	-	89,014
Tax assets						13,267
Bank deposits & cash balances						1,045,529
Total assets						**3,773,828**
Liabilities	101,796	184,295	86,617	60,725	-	433,433
Tax liabilities						50,803
Borrowings						137,048
Total liabilities						**621,284**
Other segment information:						
Capital expenditure	34,747	20,269	18,277	3,065	-	76,358
Depreciation and amortisation	18,415	20,081	20,320	2,931	-	61,747
Impairment losses	342	548	187	-	-	1,077
Reversal of impairment losses	(188)	(276)	-	-	-	(464)
Attributable profit/(loss) before fair value adjustment and exceptional items	5,384	107,597	(6,033)	2,015	-	108,963
Fair value adjustment of investment properties	-	-	(1,568)	20	-	(1,548)
Exceptional items	388	(66)	(144)	503	-	681
Attributable profit/(loss)	5,772	107,531	(7,745)	2,538	-	108,096

The following information are based on the geographical location of the Group's customers, which are essentially in the same location as the business operation and are as follows:

Geographical Information	Singapore ($'000)	Malaysia ($'000)	Thailand ($'000)	Vietnam ($'000)	Others ($'000)	Per Consolidated Financial Statements ($'000)
Total revenue	473,075	855,812	558,919	-	90,816	1,978,622
PBIT	(10,993)	80,440	65,718	48,438	(4,452)	179,151
Non-current assets	123,223	390,321	104,935	1,363,374	60,233	2,042,086
Investment in joint venture and associated companies	-	71,960	-	-	17,054	89,014
Current assets	170,538	245,147	126,006	-	42,241	583,932
Capital expenditure	18,337	37,037	15,858	-	5,126	76,358

Others: Myanmar, Brunei, Indonesia, China, India, Australia, Europe and USA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	THE GROUP	
	2017 ($'000)	2016 ($'000)

6. GROSS INCOME FROM INVESTMENTS

Interest income	**-**	128
Dividend income	**33,394**	48,438
	33,394	48,566

7. EXCEPTIONAL ITEMS

Effect of change of interest in other investment	**1,199,415**	-
Effect of change of interest in an associated company	**4,671**	756
Reversal of provision for litigation claims	**1,843**	-
Provision for restructuring and re-organisation costs of operations	**(16,614)**	(1,170)
Retirement benefit plan buy-out relating to restructuring of operations	**(10,612)**	-
Impairment loss on fixed assets relating to restructuring of operations	**(1,032)**	-
Loss on liquidation of subsidiary and joint venture companies (net)	**(105)**	(144)
Insurance claim relating to flood	**-**	1,263
Gain on redemption of other investment	**-**	30
	1,177,566	735

8. TAXATION

Based on profit for the year:		
Singapore tax	**4,935**	6,296
Overseas tax		
- current year	**8,506**	15,537
- withholding tax	**2,134**	2,728
Deferred tax		
- current year	**753**	5,640
- adjustment of tax rate	**-**	7
	16,328	30,208
(Over)/Under provision in preceding years		
- current income tax	**(2,476)**	(7,300)
- withholding tax	**(145)**	-
- deferred tax	**1,000**	(402)
	14,707	22,506

8. TAXATION (cont'd)

	THE GROUP	
	2017	2016
	%	%
A reconciliation of the statutory tax rate to the Group's effective tax rate applicable to profit for the year is as follows:		
Singapore statutory rate	**17.0**	17.0
Effect of different tax rates of other jurisdictions	**0.3**	4.6
Effect of tax losses of subsidiary and joint venture companies not available for set-off against profits of other companies within the group	**-**	0.2
Income not subject to tax (tax incentive/exemption)	**(2.4)**	(15.5)
Expenses not deductible for tax purposes	**1.0**	5.5
Utilisation of previously unrecognised tax losses	**-**	(0.1)
Over provision in prior years	**(0.1)**	(4.1)
Deferred tax benefits not recognised	**0.5**	3.2
Withholding tax	**0.2**	1.5
Tax benefits on previously unrecognised losses	**(0.2)**	-
Effect of non-taxable exceptional items	**(15.2)**	-
Others	**-**	(0.3)
	1.1	12.0

As at 30 September 2017, certain Singapore subsidiary companies have unutilised tax losses carried forward of approximately $22,497,000 (2016: $22,497,000) and unabsorbed capital allowances of $199,000 (2016: $199,000) available for set off against future profits. In addition, certain overseas subsidiary companies have unutilised tax losses carried forward of approximately $139,165,000 (2016: $139,565,000), unutilised investment allowances of approximately $74,939,000 (2016: $94,466,000) and unabsorbed capital allowances of $16,946,000 (2016: $13,536,000). The availability of these losses and capital allowances to set off against future profits is subject to the meeting of certain statutory requirements by those subsidiary companies in their countries of tax residence. The deferred tax benefits of these losses recognised in the financial statements are disclosed in Note 30.

For the year of assessment ("YA") 2017 certain subsidiary companies have transferred loss items of $16,296,000 (YA 2016: $18,918,000) to offset against the taxable income of other companies in the Group. Tax benefits of $616,000 (YA 2016: $911,000) were recognised on the tax losses utilised under the group relief system. Tax benefits of $4,436,000 (2016: $3,058,000) arising from the utilisation of group relief are not recognised as they are subject to compliance with the relevant tax legislation governing group relief and agreement of the Inland Revenue Authority of Singapore.

9. DIVIDENDS

	THE GROUP & THE COMPANY	
	2017	2016
	($'000)	($'000)
Interim paid of 1.5 cents per share (2016: 1.5 cents per share)	**21,739**	21,733
Final proposed of 3.0 cents per share (2016: 3.0 cents per share)	**43,408**	43,373
	65,147	65,106

The final dividend is proposed by the Directors after the balance sheet date and subject to the approval of shareholders at the next annual general meeting of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

10. EARNINGS PER SHARE

(a) Basic Earnings Per Share

Basic earnings per share is computed by dividing the Group attributable profit to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Group attributable profit to shareholders of the Company		
- before fair value adjustments and exceptional items	**99,906**	108,963
- after fair value adjustments and exceptional items	**1,283,065**	108,096
	------ **No. of shares** ------	
Weighted average number of ordinary shares in issue	**1,446,751,141**	1,445,519,595
Earnings Per Share (Basic)		
- before fair value adjustments and exceptional items	**6.9 cts**	7.5 cts
- after fair value adjustments and exceptional items	**88.7 cts**	7.5 cts

(b) Diluted Earnings Per Share

Diluted earnings per share is computed by dividing the Group adjusted attributable profit to shareholders of the Company by the adjusted weighted average number of ordinary shares in issue during the year.

For diluted earnings per share, the Group attributable profit to shareholders of the Company is adjusted for changes in subsidiary companies attributable profit resulting from dilutive potential shares under share plans of a subsidiary company. The reconciliation of the Group adjusted attributable profit to shareholders of the Company used to compute diluted earnings per share is as follows:

Group attributable profit to shareholders of the Company before fair value adjustments and exceptional items	**99,906**	108,963
Change in attributable profit due to dilutive potential shares under share plans of a subsidiary company	**(225)**	(297)
Group adjusted attributable profit to shareholders of the Company before fair value adjustments and exceptional items	**99,681**	108,666
Group attributable profit to shareholders of the Company after fair value adjustments and exceptional items	**1,283,065**	108,096
Change in attributable profit due to dilutive potential shares under share plans of a subsidiary company	**(207)**	(297)
Group adjusted attributable profit to shareholders of the company after fair value adjustments and exceptional items	**1,282,858**	107,799

10. EARNINGS PER SHARE (cont'd)

(b) Diluted Earnings Per Share (cont'd)

The weighted average number of ordinary shares is adjusted to assume exercise of all dilutive potential shares under share plans of the Company. The reconciliation of the weighted average number of ordinary shares used to compute diluted earnings per share is as follows:

	THE GROUP	
	2017	2016
	------ No. of shares ------	
Weighted average number of ordinary shares used to compute the basic earnings per share	**1,446,751,141**	1,445,519,595
Adjustment for dilutive potential shares under share plans of the Company	**3,142,401**	3,310,805
Weighted average number of ordinary shares used to compute diluted earnings per share	**1,449,893,542**	1,448,830,400
Earnings Per Share (Fully diluted)		
- before fair value adjustments and exceptional items	**6.9 cts**	7.5 cts
- after fair value adjustments and exceptional items	**88.5 cts**	7.4 cts

11. SHARE CAPITAL, TREASURY SHARES AND RESERVES

(a) Share capital

	THE GROUP & THE COMPANY			
	2017		2016	
	No. of shares	**($'000)**	No. of shares	($'000)
Ordinary shares issued and fully paid up				
Balance at beginning and end of year	**1,447,077,754**	**849,301**	1,447,077,754	849,301

The holders of ordinary shares (except for treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

The Company has the following employee share plans under which share awards conditional on the achievement of pre-determined targets have been granted.

(i) Fraser and Neave Limited Restricted Share Plan
(ii) Fraser and Neave Limited Performance Share Plan

11. SHARE CAPITAL, TREASURY SHARES AND RESERVES (cont'd)

(b) Treasury shares

	THE GROUP & THE COMPANY			
	2017		2016	
	No. of shares	**($'000)**	No. of shares	($'000)
Balance at beginning of year	**(1,304,051)**	**(2,655)**	(2,828,700)	(5,759)
Reissued during the year:				
- Reissued pursuant to share plans	**1,172,925**	**-**	1,524,649	-
- Transferred from share-based payment reserve	**-**	**3,289**	-	3,918
- Gain on reissuance of treasury shares	**-**	**(901)**	-	(814)
	1,172,925	**2,388**	1,524,649	3,104
Balance at end of year	**(131,126)**	**(267)**	(1,304,051)	(2,655)

Treasury shares relate to ordinary shares of the Company that is held by the Company.

The Company did not acquire shares in the Company through purchases on the Singapore Exchange during the financial years ended 30 September 2017 and 2016.

The Company reissued 1,172,925 (2016: 1,524,649) treasury shares pursuant to its share plans at a weighted average price of $2.04 (2016: $2.04) in this financial year.

(c) Reserves

	THE GROUP		THE COMPANY	
	2017 ($'000)	2016 ($'000)	**2017 ($'000)**	2016 ($'000)
The reserves comprise the following:				
Capital Reserve	**19,416**	18,746	**(1,099)**	(2,000)
Fair Value Adjustment Reserve	**1,264**	1,177,590	**83,813**	75,014
Hedging Reserve	**-**	(425)	**-**	-
Share-based Payment Reserve	**9,304**	10,349	**4,589**	5,687
Revenue Reserve	**2,104,868**	889,151	**734,205**	753,938
Dividend Reserve (Note 9)	**43,408**	43,373	**43,408**	43,373
Exchange Reserve	**(208,709)**	(142,346)	**-**	-
Total reserves	**1,969,551**	1,996,438	**864,916**	876,012

Capital reserve of the Company comprises the net loss on reissuance of treasury shares. The capital reserve of the Group comprises statutory reserve, asset revaluation reserve of subsidiary companies and the net loss on reissuance of treasury shares.

Fair value adjustment reserve comprises the cumulative fair value changes, net of tax, of available-for-sale financial assets until they are disposed or impaired.

Hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments related to hedged transactions that have not yet occurred.

11. SHARE CAPITAL, TREASURY SHARES AND RESERVES (cont'd)

(c) Reserves (cont'd)

Movement of hedging instruments designated as cash flow hedges are as follows:

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Balance at beginning of year	**(425)**	(273)
Realisation of reserve on dilution of interest in an associated company	**425**	-
Share of associated company's hedging reserve	**-**	(152)
Balance at end of year	**-**	(425)

Share-based payment reserve represents the share plans granted to employees and is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of share plans and is reduced by the shares awarded.

Dividend reserve relates to proposed final dividend of 3.0 cents (2016: 3.0 cents) per share.

Exchange reserve comprises the exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

12. FIXED ASSETS

	THE GROUP							THE COMPANY
	Freehold Land ($'000)	Leasehold Land ($'000)	Building ($'000)	Plant & Machinery ($'000)	Capital Work-in-Progress ($'000)	Other Assets ($'000)	Total ($'000)	Other Assets and Total ($'000)
For the year ended 30 September 2017								
At cost								
Balance at beginning of year	40,717	41,669	278,012	570,167	42,315	208,398	1,181,278	440
Currency realignment	(397)	(640)	(1,347)	(3,180)	(229)	(902)	(6,695)	-
Additions	-	-	1,747	11,213	40,529	11,244	64,733	3
Disposals	-	-	(15)	(9,179)	-	(15,196)	(24,390)	-
Write off	-	-	(6)	(556)	(23)	(3,092)	(3,677)	-
Reclassification	-	8,367	1,081	30,499	(42,301)	2,354	-	-
Reclassified to intangible assets	-	-	-	-	(670)	(10)	(680)	-
Balance at end of year	40,320	49,396	279,472	598,964	39,621	202,796	1,210,569	443
Accumulated depreciation and impairment								
Balance at beginning of year	775	11,518	88,683	443,064	-	144,445	688,485	47
Currency realignment	(18)	(123)	(210)	(2,233)	-	(197)	(2,781)	-
Depreciation charge	-	713	5,401	20,729	-	17,724	44,567	64
Impairment charge	-	-	1	193	-	1,834	2,028	-
Reversal of impairment charge	-	-	(1)	(341)	-	(519)	(861)	-
Disposals	-	-	(5)	(8,949)	-	(14,445)	(23,399)	-
Write off	-	-	(1)	(440)	-	(2,669)	(3,110)	-
Reclassified to intangible assets	-	-	-	-	-	(3)	(3)	-
Balance at end of year	757	12,108	93,868	452,023	-	146,170	704,926	111
Net book value at end of year	39,563	37,288	185,604	146,941	39,621	56,626	505,643	332

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12. FIXED ASSETS (cont'd)

	THE GROUP							THE COMPANY
	Freehold Land ($'000)	Leasehold Land ($'000)	Building ($'000)	Plant & Machinery ($'000)	Capital Work-in-Progress ($'000)	Other Assets ($'000)	Total ($'000)	Other Assets and Total ($'000)
For the year ended 30 September 2016 (Restated)								
At cost								
Balance at beginning of year	40,707	38,415	275,680	555,517	11,190	204,460	1,125,969	-
Currency realignment	468	(145)	994	1,817	398	1,811	5,343	-
Additions	-	-	275	7,192	42,109	15,793	65,369	440
Acquisition of subsidiary companies *	-	3,500	-	323	-	3,522	7,345	-
Disposals	-	(101)	(16)	(2,878)	-	(9,894)	(12,889)	-
Write off	-	-	-	(673)	-	(7,973)	(8,646)	-
Revaluation	-	-	9,292	-	-	-	9,292	-
Reclassification	(458)	-	2,179	8,869	(11,269)	679	-	-
Reclassified to intangible assets	-	-	-	-	(113)	-	(113)	-
Reclassified from investment properties	-	-	523	-	-	-	523	-
Reclassified to investment properties	-	-	(10,915)	-	-	-	(10,915)	-
Balance at end of year	40,717	41,669	278,012	570,167	42,315	208,398	1,181,278	440
Accumulated depreciation and impairment								
Balance at beginning of year	760	11,035	84,419	421,427	-	143,940	661,581	-
Currency realignment	15	(26)	8	628	-	912	1,537	-
Depreciation charge	-	610	5,664	23,963	-	16,567	46,804	47
Impairment charge	-	-	4	735	-	151	890	-
Reversal of impairment charge	-	-	-	(387)	-	(77)	(464)	-
Disposals	-	(101)	(7)	(2,661)	-	(9,467)	(12,236)	-
Write off	-	-	-	(637)	-	(7,585)	(8,222)	-
Reclassification	-	-	-	(4)	-	4	-	-
Reclassified to investment properties	-	-	(1,405)	-	-	-	(1,405)	-
Balance at end of year	775	11,518	88,683	443,064	-	144,445	688,485	47
Net book value at end of year	39,942	30,151	189,329	127,103	42,315	63,953	492,793	393

* In accordance with FRS103 *Business Combinations*, the management has assessed the fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition. Accordingly, provisional goodwill recognised last year has now been adjusted to reflect their fair values.

(a) Other assets comprise motor vehicles and forklift, postmix and vending machines, beer coolers, fixture and fittings and computer equipment.

(b) The Group's carrying amount of assets held under finance leases at 30 September 2017 amounted to $39,000 (2016: $1,900,000).

(c) The net book value of leasehold land pledged to financial institutions as security for borrowings at 30 September 2017 amounted to $Nil (2016: $1,789,000).

(d) In the previous financial year, a change in use led to a building being transferred to investment property. Immediately before the transfer, the Group remeasured the property to its fair value and recognised a gain of $9,292,000 in other comprehensive income. The valuation techniques and significant unobservable inputs used in measuring the fair value of the building at the date of transfer were the same as those applied to investment property at the reporting date.

(e) During the financial year, the Group's subsidiary company, Times Publishing Group ("TPL"), set out a restructuring plan as a result of a strategic review of its business. As part of this plan, an impairment loss of $1,032,000 (2016: $Nil), representing the write-down of these assets to its recoverable amount was recognised in "Exceptional Items" as disclosed in Note 7. The recoverable amount of these assets were determined based on its value in use. The pre-tax discount rate applied to the cash flow projections range from 7.3% to 10.5%.

13. INVESTMENT PROPERTIES

		THE GROUP	
		2017 ($'000)	2016 ($'000)
(a)	**Completed Investment Properties**		
	Balance at beginning of year	**42,863**	35,018
	Currency realignment	**(558)**	288
	Additions	**-**	102
	Reclassified from fixed assets	**-**	9,510
	Reclassified to fixed assets	**-**	(523)
	Net fair value loss recognised in the profit statement	**(1,724)**	(1,532)
	Balance at end of year	**40,581**	42,863

(b) Completed investment properties comprise commercial properties that are leased mainly to third parties under operating leases (Note 32).

The following amounts are recognised in the profit statement:

	2017	2016
Rental income from investment properties:		
- Minimum lease payments	**925**	1,392
Direct operating expenses arising from rental generating properties	**255**	432

(c) As at 30 September 2017, investment properties amounting to $10,330,000 (2016: $9,544,000) have been pledged to financial institutions as security for bank facilities. The total bank facilities drawn down is $Nil (2016: $291,000).

Completed investment properties are stated at fair value which has been determined based on valuations performed at balance sheet date. Valuations are performed by accredited independent valuers with recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued.

The valuations are based on open market values on the as-is basis and were prepared primarily using the Investment and Comparison Method. In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

Independent professional valuations were carried out by the following valuers:

Valuers	**Country**
CBRE Pte Ltd	Singapore
Roma Appraisals Ltd	Hong Kong
Henry Butcher Malaysia Sdn Bhd	Malaysia

14. PROPERTIES HELD FOR DEVELOPMENT

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Balance at beginning of year	**18,232**	17,848
Currency realignment	**(442)**	376
Cost incurred	**235**	8
Balance at end of year	**18,025**	18,232
Properties held for development comprise:		
Freehold land	**16,010**	16,408
Development costs	**2,015**	1,824
	18,025	18,232

15. SUBSIDIARY COMPANIES

	THE COMPANY	
	2017 ($'000)	2016 ($'000)
Quoted shares at cost	**256,353**	256,353
Unquoted shares at cost	**1,928,754**	861,366
Allowance for impairment	**(269,362)**	(210,929)
	1,915,745	906,790
Amounts owing by subsidiary companies (unsecured)	**79**	216,237
	1,915,824	1,123,027
MARKET VALUE		
Quoted shares	**1,613,658**	1,613,560

During the financial year, the Company increased its shareholdings in F&N Dairy Investments Pte Ltd ("F&NDI") and F&NBev Manufacturing Pte. Ltd. ("F&N Bev Mfg") through capital injections amounting to $672,530,000 and $358,500,000 respectively. There was no change to the Company's effective ownership interest in the subsidiary companies.

During the financial year, an impairment loss of $58,433,000 (2016: $Nil) was recognised on the cost of investment of a subsidiary company to bring its carrying value to its recoverable value. The recoverable amount of the subsidiary company had been determined based on the higher of the fair value less cost to sell and the value-in-use. The value-in-use calculations were determined using 5 year cash flow projections approved by management. The pre-tax discount rate applied to the cash flow projections was 8.0% and the terminal growth rate was 3.4%.

The amounts owing by subsidiary companies are unsecured, not repayable within the next 12 months and are interest free except for amounts of $Nil (2016: $187,085,000) which bear an interest rate of Nil% (2016: 1.12%) per annum.

The amounts owing to subsidiary companies disclosed under non-current liabilities are unsecured, not repayable within the next 12 months, non-trade in nature, interest free except for amounts of $460,000,000 (2016: $Nil) which bear interest between 2.9% to 3.9% (2016: Nil%) per annum, and to be settled in cash.

The amounts owing from and to subsidiary companies disclosed under current assets and current liabilities are unsecured, non-trade in nature, have no fixed repayment term, interest free except for amounts payable of $320,000,000 (2016: $Nil) which bears interest of 1.6% (2016: Nil%) per annum and amounts receivable of $515,000,000 (2016: $Nil) which bears interest of 1.3% to 1.4% (2016: Nil%) per annum, and are to be settled in cash.

The carrying amounts of the amounts owing from and to subsidiary companies are largely denominated in Singapore Dollar, Malaysia Ringgit and Thai Baht.

Details of the significant subsidiary companies are included in Note 41.

15. SUBSIDIARY COMPANIES (cont'd)

(a) Acquisition of subsidiary companies

Soft Drinks

On 1 July 2016, the Group through F&N Foods Pte Ltd, a wholly-owned subsidiary company, completed the acquisition of 100% shareholding interest in Warburg Vending Pte Ltd ("WV"), Warburg Engineering Pte. Ltd. ("WE") and Warburg Vending Services Pte. Ltd. ("WVS") and obtained control. Upon acquisition, WV, WE and WVS became subsidiary companies of the Group. A provisional goodwill of $22,311,000 was recognised on the acquisition based on the difference between the consideration and the provisional fair value of the identifiable assets and liabilities at the date of the acquisition subject to completion of the Purchase Price Allocation exercise ("PPA"). The consideration was arrived at on a "willing-buyer-willing-seller" basis, taking into consideration, inter alia, the net asset value and earnings of WV, WE and WVS.

In accordance with FRS 103 *Business Combinations*, the fair value of the identifiable assets and liabilities was determined provisionally for the acquisition of WV, WE and WVS as of 30 September 2016. Additional information was obtained as part of the process of finalising the PPA during the 12 months period allowed under FRS 103 and this resulted in certain aspects of the PPA being revised to reflect the finalisation of the allocation process. The impact of these revisions on the acquired assets is as follows:

	As previously reported 30 September 2016 ($'000)	Adjustment ($'000)	Revised as at 30 September 2016 ($'000)
Fixed assets	5,438	1,907	7,345
Intangible assets	-	645	645
Current assets	1,224	27	1,251
Bank borrowings	(1,758)	-	(1,758)
Other current liabilities	(2,034)	-	(2,034)
Other non-current liabilities	(260)	(434)	(694)
Cash and cash equivalents	4,079	-	4,079
Total identifiable net assets at fair value	6,689	2,145	8,834
Goodwill arising from acquisition	22,311	(1,623)	20,688
Consideration paid	29,000	522	29,522
Deferred consideration	-	(4,922)	(4,922)
Less: Cash and cash equivalents in subsidiary companies acquired	(4,079)	-	(4,079)
Net cash outflow on acquisition of subsidiary companies	24,921	(4,400)	20,521

All the above fair value adjustments have been recorded with effect from the date of acquisition by revising the 30 September 2016 reported balance sheet. There is no impact on the profit statement for the year ended 30 September 2016 due to the above fair value adjustments.

As at the date of acquisition, the fair value of purchase consideration yet to be paid amounted to $4,922,000. During the year ended 30 September 2017, the Group paid $2,212,000 in accordance with the Sales and Purchase Agreement and is expected to pay the remaining amount in 2019.

15. SUBSIDIARY COMPANIES (cont'd)

(b) Acquisition of non-controlling interests in subsidiary companies

On 1 December 2016, the Group through Magnolia-PDL Dairies (1993) Sdn Bhd ("MDSB") acquired the remaining 30% of the issued share capital of Yoke Food Industries Sdn Bhd ("YFI"). On completion of the acquisition, MDSB's shareholdings in YFI increased from 70% to 100%. The differences between the consideration and the carrying values of the additional interests acquired has been recognised in revenue reserve within equity.

The following summarises the effect of the change in the Group's ownership in the above subsidiary companies on equity attributable to owners of the Group:

	($'000)
Carrying amount of non-controlling interests acquired	5,577
Consideration paid to non-controlling interests	7,539
Decrease in equity attributable to owners of the Group	(1,962)

(c) Liquidation of subsidiary companies

During the financial year, the Group liquidated the following companies:
(i) F&N Services (L) Bhd
(ii) Goodwill Binding Pte. Ltd.
(iii) F&N Beverages (Thailand) Limited

(d) Subsidiary company with material non-controlling interest ("NCI")

The Group's subsidiary company that has material NCI is as follows:

	Fraser & Neave Holdings Bhd	
	2017 ($'000)	2016 ($'000)
NCI percentage of ownership and voting interest	**44.5%**	44.5%
Carrying amount of NCI	**305,181**	291,136
Profit after taxation allocated to NCI	**46,125**	57,394
Dividends paid to NCI	**30,156**	33,578
Summarised financial information before inter-group elimination		
Non-current assets	**521,232**	506,771
Current assets	**518,018**	549,885
Non-current liabilities	**(80,288)**	(148,085)
Current liabilities	**(273,075)**	(252,943)
Net assets	**685,887**	655,628
Revenue	**1,314,901**	1,395,718
Profit for the year	**103,665**	129,060
Other comprehensive income	**10,220**	(16,394)
Total comprehensive income	**113,885**	112,666
Net cash from operating activities	**70,745**	160,979
Net cash flows used in investing activities	**(45,119)**	(41,556)
Net cash flows used in financing activities	**(83,959)**	(48,867)
Net (decrease)/increase in cash and cash equivalents	**(58,333)**	70,556

16. JOINT VENTURE COMPANIES

		THE GROUP	
		2017 ($'000)	2016 ($'000)
(a)	Unquoted investment, at cost	**161**	165
	Share of post acquisition reserves, net	**(2,843)**	(2,227)
		(2,682)	(2,062)
	Shareholder's loan	**49,351**	48,073
		46,669	46,011

Shareholder's loan

On 11 November 2011, the Group had through its non-wholly owned subsidiary, Fraser & Neave Holdings Bhd ("F&NHB"), entered into a conditional subscription cum shareholders' agreement ("SSA") with FCL Centrepoint Pte Ltd ("FCLC") to form a joint venture, Vacaron Company Sdn Bhd ("VCSB") for the purpose of carrying out a proposed mixed development on the land held under PN 3679 for Lot No. 35 and PN 3681 for Lot No. 37, Seksyen 13, Bandar Petaling Jaya, Daerah Petaling, Selangor.

The Group and FCLC had both granted shareholder's loans to VCSB pursuant to the SSA. The loans are unsecured, bear interest at KLIBOR + 1.25% (2016: KLIBOR + 1.25%) per annum, not repayable within the next 12 months and are denominated in Malaysia Ringgit.

(b) The summarised financial information of the joint venture company held by the Group is as follows:

	2017	2016
Expenses	**(385)**	(790)
Loss before interest and taxation	**(385)**	(790)
Interest income	**7**	-
Interest expense	**(1,401)**	-
Net interest	**(1,394)**	-
Loss before taxation	**(1,779)**	(790)
Taxation	**444**	(290)
Loss after taxation	**(1,335)**	(1,080)
Non-current assets	**1,178**	760
Cash and bank balances	**542**	102
Other current assets	**91,731**	91,639
Other current liabilities	**(98,822)**	(96,632)
Net liabilities	**(5,371)**	(4,131)
Proportion of F&NHB's ownership	**50.0%**	50.0%
Group's share of net liabilities	**(2,685)**	(2,065)
Goodwill	**3**	3
Shareholder's loan	**49,351**	48,073
Carrying amount of the investment	**46,669**	46,011

(c) The share of the results as stated in paragraph (b) above are based on the accounts of the joint venture company for the financial year ended 30 September.

(d) The amounts owing from/to joint venture companies classified under current assets and current liabilities are unsecured, trade and non-trade in nature, interest free, repayable on demand, to be settled in cash and are denominated mostly in Singapore Dollar.

(e) There is no share of capital commitments and contingent liabilities of the joint venture company as at 30 September 2017 and 2016.

Details of the significant joint venture company is included in Note 41.

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17. ASSOCIATED COMPANIES

	THE GROUP		THE COMPANY	
	2017 ($'000)	2016 ($'000)	**2017 ($'000)**	2016 ($'000)
Vietnam Dairy Products Joint Stock Company ("Vinamilk")	**2,353,708**	-	**-**	-
Other associated companies	**26,940**	43,003	**-**	18,100
	2,380,648	43,003	**-**	18,100
MARKET VALUE				
Quoted shares	**2,480,459**	65,793	**-**	26,014

(a) On 21 December 2016, the Group, through its wholly owned subsidiary companies, F&NDI and F&N Bev Mfg, completed its acquisition of additional shares representing approximately 5.4% interest in Vinamilk through a competitive bid process. Thereafter, F&NDI acquired additional shares representing approximately 2.4% interest through further purchases from the market. This brought the Group's shareholdings in Vinamilk to a total of approximately 18.7%.

At the annual general meeting of Vinamilk on 15 April 2017, its shareholders approved the appointment of Mr Michael Chye, a representative of Fraser and Neave, Limited ("FNL"), to the board of directors of Vinamilk ("the Vinamilk Board"). This increased FNL's representation on the Vinamilk Board to two directors. In accordance with FRS 28, *Investments in Associates and Joint Ventures*, FNL is deemed to have significant influence through its representation on the Vinamilk Board and will henceforth account for its investment in Vinamilk as an "Investment in Associated Company". As a result, the Group's investment in Vinamilk which was previously recorded as available-for-sale financial assets in Other Investments (Note 20) was reclassified to Investment in Associated Company.

The following table summarises the financial information of Vinamilk based on its consolidated financial statements prepared in accordance with FRS and modified for differences in the Group's accounting policies:

	THE GROUP
	2017 ($'000)
Summarised statement of comprehensive income	
Revenue	**1,297,102**
Profit before taxation	**328,756**
Taxation	**(58,200)**
Profit after taxation	**270,556**
Other comprehensive income	**(26,313)**
Total comprehensive income	**244,243**
Attributable to:	
Non-controlling interests	**(13,075)**
Shareholders of Vinamilk	**257,318**

17. ASSOCIATED COMPANIES (cont'd)

	THE GROUP 2017 ($'000)
Summarised balance sheet	
Non-current assets	**775,013**
Current assets	**1,094,174**
Current liabilities	**(27,191)**
Non-current liabilities	**(396,872)**
Net assets	**1,445,124**
Attributable to:	
Non-controlling interests	**1,076**
Shareholders of Vinamilk	**1,444,048**
Proportion of the Group's ownership	**18.7%**
Group's share of net assets	**270,615**
Provisional goodwill	**2,083,093**
Carrying amount of the investment	**2,353,708**

The provisional goodwill of $2,083,093,000 was recognised based on the provisional fair value of the identifiable assets and liabilities at the date of the acquisition and subject to completion of the Purchase Price Allocation exercise.

(b) The summarised financial information of the associated companies held by the Group that are not individually material are as follows:

	THE GROUP 2017 ($'000)	THE GROUP 2016 ($'000)
Carrying amount of interest	**26,940**	43,003
Share of profit before taxation	**4,202**	4,554
Share of taxation	**(1,007)**	(1,368)
Share of profit after taxation	**3,195**	3,186
Share of other comprehensive income	**137**	(762)
Share of total comprehensive income	**3,332**	2,424

(c) The amounts due from/to associated companies classified under current assets and current liabilities are unsecured, trade and non-trade in nature, interest free, repayable on demand, to be settled in cash and are denominated mostly in Malaysia Ringgit and Chinese Renminbi.

(d) The Group's share of contingent liabilities of the associated companies as at 30 September 2017 is $269,000 (2016: $276,000).

Details of the significant associated companies are included in Note 41.

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18. INTANGIBLE ASSETS

	THE GROUP				THE COMPANY
	Goodwill ($'000)	Deferred Development Costs ($'000)	Other Intangible Assets ($'000)	Total ($'000)	Other Intangible Assets and Total ($'000)
For the year ended 30 September 2017					
At cost					
Balance at beginning of year	**80,483**	**80,017**	**41,824**	**202,324**	**200**
Currency realignment	**(620)**	**(591)**	**(353)**	**(1,564)**	**-**
Additional expenditure	**-**	**9,321**	**1,185**	**10,506**	**-**
Reclassified from fixed assets	**-**	**-**	**680**	**680**	**-**
Write off	**-**	**(61,322)**	**(2,513)**	**(63,835)**	**-**
Balance at end of year	**79,863**	**27,425**	**40,823**	**148,111**	**200**
Accumulated amortisation and impairment					
Balance at beginning of year	**5,979**	**66,393**	**34,166**	**106,538**	**13**
Currency realignment	**(43)**	**(670)**	**(275)**	**(988)**	**-**
Amortisation charge	**-**	**10,109**	**2,621**	**12,730**	**20**
Impairment charge	**-**	**92**	**-**	**92**	**-**
Reversal of impairment charge	**-**	**(25)**	**-**	**(25)**	**-**
Reclassified from fixed assets	**-**	**-**	**3**	**3**	**-**
Write off	**-**	**(61,322)**	**(2,491)**	**(63,813)**	**-**
Balance at end of year	**5,936**	**14,577**	**34,024**	**54,537**	**33**
Net book value	**73,927**	**12,848**	**6,799**	**93,574**	**167**
For the year ended 30 September 2016 (Restated)					
At cost					
Balance at beginning of year	59,972	72,687	40,274	172,933	-
Currency realignment	(177)	(1,976)	321	(1,832)	-
Additional expenditure	-	10,140	747	10,887	200
Acquisition of subsidiary companies*	20,688	-	645	21,333	-
Reclassified from fixed assets	-	-	113	113	-
Disposal for the year	-	-	(100)	(100)	-
Write off	-	(834)	(176)	(1,010)	-
Balance at end of year	80,483	80,017	41,824	202,324	200
Accumulated amortisation and impairment					
Balance at beginning of year	5,943	56,921	31,319	94,183	-
Currency realignment	36	(1,830)	183	(1,611)	-
Amortisation charge	-	11,974	2,834	14,808	13
Impairment charge	-	162	-	162	-
Write off	-	(834)	(170)	(1,004)	-
Balance at end of year	5,979	66,393	34,166	106,538	13
Net book value	74,504	13,624	7,658	95,786	187

All intangible assets, other than goodwill, have finite useful lives of not more than 20 years.

* In accordance with FRS 103 *Business Combinations*, the management has assessed the fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition. Accordingly, provisional goodwill recognised last year has now been adjusted to reflect their fair values.

19. IMPAIRMENT TESTS FOR INTANGIBLE ASSETS

(a) Goodwill

The carrying value of the Group's goodwill arising from acquisitions of subsidiary companies was assessed for impairment during the financial year.

	($'000)	Basis on which recoverable values are determined	Terminal growth rate	Pre-tax Discount rate
Carrying value of capitalised goodwill based on CGUs				
As at 30 September 2017				
Subsidiary companies:				
Printing and Publishing Group	**15,236**	**Value-in-use and Fair value less cost to sell**	**0%**	**7.3% - 7.6%**
Dairies Group	**322**	**Value-in-use**	**0%**	**10.2%**
Beverages Group	**58,369**	**Value-in-use and Fair value less cost to sell**	**0% - 1.0%**	**7.0% - 10.2%**
	73,927			
As at 30 September 2016 (Restated)				
Subsidiary companies:				
Printing and Publishing Group	15,401	Value-in-use and Fair value less cost to sell	0%	7.4%
Dairies Group	330	Value-in-use	0%	10.5%
Beverages Group	58,773	Value-in-use and Fair value less cost to sell	0% - 2.0%	7.3% - 10.5%
	74,504			

Goodwill is allocated for impairment testing purposes to the individual entity which is also the CGU. The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management covering 3 to 5 year period. Cash flows beyond these periods are extrapolated using the estimated growth rates stated in the table above. The fair value less cost to sell calculations are based on quoted market prices obtained from active markets or using the net carrying amount adjusted for the unrecognised fair value changes to the properties.

The terminal growth rate used does not exceed the long term average growth rate of the respective industry and country in which the entity operates.

The discount rates applied to the cash flow projections reflect management's estimates of the risks specific to the respective CGUs at the date of assessment.

There was no impairment loss recognised in the profit statement during the current financial year and the previous financial year.

19. IMPAIRMENT TESTS FOR INTANGIBLE ASSETS (cont'd)

(b) Deferred development costs

The carrying value of deferred development costs was assessed for impairment during the financial year.

An impairment loss of $92,000 (2016: $162,000) was recognised in the profit statement as the carrying value was assessed to be in excess of its recoverable value due to shift in market demand for certain products.

The recoverable amount of the deferred development costs has been determined based on value-in-use calculations using 5 year cash flow projection approved by management. The pre-tax discount rate applied to the cash flow projections is 7.3% (2016: 7.4%) and the terminal growth rate is 0% (2016: 0%).

(c) Other intangible assets

The carrying value of other intangible assets was assessed for impairment during the financial year.

There was no impairment loss recognised in the profit statement during the current financial year and the previous financial year.

A reasonable change to the assumptions used by the management to determine the impairment required, particularly the discount rate and terminal growth rate, would not significantly affect the results.

20. OTHER INVESTMENTS

	THE GROUP		THE COMPANY	
	2017 ($'000)	2016 ($'000)	**2017 ($'000)**	2016 ($'000)
Quoted available-for-sale financial assets				
Equity investments				
At fair value	**30,117**	1,363,375	**222,691**	185,226
Unquoted available-for-sale financial assets				
Equity investments				
At cost (less impairment loss)	**14**	14	**14**	14
Total	**30,131**	1,363,389	**222,705**	185,240

(a) Market value of quoted investments are determined by reference to stock exchange quoted prices.

(b) Certain unquoted investments do not have quoted market prices in an active market nor are other methods of reasonably estimating the fair values readily available. Hence it is not practicable to determine their fair value with sufficient reliability without incurring excessive costs.

(c) As at 30 September 2017, the Group's shareholdings in Vinamilk which was previously recorded as quoted available-for-sale financial assets was reclassified to Investment in Associated Company (Note 17).

21. CASH AND BANK DEPOSITS

	THE GROUP		THE COMPANY	
	2017 ($'000)	2016 ($'000)	**2017 ($'000)**	2016 ($'000)
Non-Current				
Bank fixed deposits	**2,927**	2,900	**-**	-
Current				
Bank fixed deposits	**291,028**	563,282	**8,684**	231,018
Cash and bank balances	**843,953**	479,347	**287,584**	270,726
	1,134,981	1,042,629	**296,268**	501,744
	1,137,908	1,045,529	**296,268**	501,744

The weighted average effective interest rate for non-current fixed deposits is 0.96% (2016: 1.00%) and current fixed deposits is 1.59% (2016: 1.38%).

The Group's non-current bank fixed deposits of $2,927,000 (2016: $2,900,000) and current bank deposit of $Nil (2016: $3,956,000) relates to the portion of consideration for acquisition of subsidiary companies held as profit guarantee. The profit guarantee will be released upon the achievement of pre-defined targets as set out in the sale and purchase agreement. These fixed deposits are excluded from the Group Cash Flow Statement.

As at 30 September 2017, cash and bank deposits held by the Group are in the following major currencies: Vietnamese Dong - 8.4% (2016: 2.6%), Malaysia Ringgit - 8.1% (2016: 11.8%), United States Dollar - 5.6% (2016: 5.1%) and Thai Baht - 4.6% (2016: 7.1%).

22. BRANDS

	THE GROUP		THE COMPANY	
	2017 ($'000)	2016 ($'000)	**2017 ($'000)**	2016 ($'000)
At cost				
Balance at beginning of year	**41,359**	40,747	**8,647**	8,647
Currency realignment	**(639)**	612	**-**	-
Balance at end of year	**40,720**	41,359	**8,647**	8,647
Accumulated amortisation and impairment				
Balance at beginning of year	**13,467**	13,266	**8,435**	8,435
Currency realignment	**3**	66	**-**	-
Amortisation charge	**135**	135	**-**	-
Balance at end of year	**13,605**	13,467	**8,435**	8,435
Net book value	**27,115**	27,892	**212**	212

Included in the Group's brands are brands with indefinite useful life of carrying amount of $26,040,000 (2016: $26,683,000).

The recoverable amount of the brands have been determined based on value-in-use calculations using 3 to 10 year cash flow projections approved by management.

The terminal growth rate used does not exceed the long term average growth rate of the respective industry and country in which the CGU operates.

The discount rate applied to the cash flow projections reflect managements' estimates of the risks specific to the respective CGUs at the date of assessment.

The pre-tax discount rates applied to the cash flow projections were 10.2% (2016: 10.5%) and terminal growth rates applied were 1.0% (2016: 1.0% - 2.0%).

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23. INVENTORIES

	THE GROUP	
	2017 ($'000)	2016 ($'000) (Restated)
Raw materials	**123,348**	102,836
Manufactured inventories	**78,637**	101,476
Engineering spares, work-in-progress and other inventories	**6,762**	9,493
Packaging materials	**12,572**	10,760
Goods purchased for resale	**25,766**	22,794
	247,085	247,359

The cost of inventories recognised as an expense in cost of sales during the year was $1,152,775,000 (2016: $1,160,336,000).

24. TRADE RECEIVABLES, OTHER RECEIVABLES AND RELATED PARTIES

	THE GROUP		THE COMPANY	
	2017 ($'000)	2016 ($'000)	**2017 ($'000)**	2016 ($'000)
Trade receivables	**279,654**	267,178	**-**	-
Other receivables:				
Current				
Accrued income	**1,444**	2,783	**215**	34
Prepayments	**4,999**	5,043	**68**	120
Deposits paid	**12,669**	4,853	**-**	-
Tax recoverable	**17,921**	15,105	**392**	78
Staff loans	**3,109**	3,541	**-**	-
Derivative financial instruments (Note 25)	**236**	549	**-**	22
Sundry debtors	**9,053**	5,986	**-**	-
Other receivables	**9,734**	16,034	**-**	820
	59,165	53,894	**675**	1,074
Related parties	**7,054**	4,565	**1**	6
	345,873	325,637	**676**	1,080
Non-current				
Staff loans	**300**	615	**-**	-
Tax recoverable	**289**	149	**-**	-
Deposits paid	**761**	367	**-**	-
	1,350	1,131	**-**	-
	347,223	326,768	**676**	1,080

(a) As at 30 September 2017, trade receivables, other receivables and related parties held by the Group are in the following major currencies: Malaysia Ringgit - 36.2% (2016: 37.6%), Thai Baht - 17.2% (2016: 15.8%), United States Dollar - 9.5% (2016: 8.4%) and Chinese Renminbi - 4.3% (2016: 4.7%).

(b) Current amounts due from related parties are trade and non-trade related, unsecured, interest free, repayable upon demand and to be settled in cash.

24. TRADE RECEIVABLES, OTHER RECEIVABLES AND RELATED PARTIES (cont'd)

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to $61,107,000 (2016: $58,938,000) that are past due at balance sheet date but not impaired. These receivables are unsecured and the ageing analysis at the balance sheet date is as follows:

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Trade receivables past due:		
1 to 30 days	**39,452**	41,013
31 to 60 days	**10,011**	8,123
61 to 90 days	**5,512**	3,210
91 to 120 days	**1,452**	1,192
more than 120 days	**4,680**	5,400
	61,107	58,938

Trade receivables that are impaired

The Group's trade receivables that are impaired at the balance sheet date and the movement of the allowance accounts used to record the impairment are as follows:

	THE GROUP			
	Collectively impaired		Individually impaired	
	2017 ($'000)	2016 ($'000)	**2017 ($'000)**	2016 ($'000)
Trade receivables - nominal amounts	**668**	136	**5,219**	7,267
Less: Allowance for impairment	**(668)**	(136)	**(2,889)**	(4,107)
	-	-	**2,330**	3,160
Movement in allowance accounts:				
Balance at beginning of year	**136**	141	**4,107**	5,108
Impairment charge	**1,111**	155	**870**	1,045
Write back	**(575)**	(149)	**(361)**	(788)
Write off	**-**	(16)	**(1,687)**	(1,238)
Currency realignment	**(4)**	5	**(40)**	(20)
Balance at end of year	**668**	136	**2,889**	4,107

Receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

25. DERIVATIVE FINANCIAL INSTRUMENTS

	THE GROUP		THE COMPANY	
	2017 ($'000)	2016 ($'000)	**2017 ($'000)**	2016 ($'000)
Assets				
Current				
Forward currency contracts	**236**	549	**-**	22
Liabilities				
Current				
Forward currency contracts	**799**	242	**2**	20
Net position	**(563)**	307	**(2)**	2

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26. ASSETS AND LIABILITIES HELD FOR SALE

The assets and liabilities of a subsidiary company, Shanxi Xinhua Times Packaging Printing Co., Ltd ("SXTP") is presented as held for sale following the commitment of the Group's management to a plan to sell the subsidiary company. As at the date of this report, discussions on the sales terms are still on-going.

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Assets		
Fixed assets	**5,043**	5,476
Inventories	**1,702**	1,227
Trade and other receivables	**3,110**	3,575
Cash and bank balances	**32**	97
	9,887	10,375
Liabilities		
Trade and other payables	**2,371**	2,339

27. TRADE PAYABLES, OTHER PAYABLES AND RELATED PARTIES

	THE GROUP		THE COMPANY	
	2017 ($'000)	2016 ($'000) (Restated)	**2017 ($'000)**	2016 ($'000)
Current				
Trade payables	**155,029**	180,548	**-**	-
Other payables				
Accrued operating expenses	**81,785**	76,836	**254**	59
Sundry accruals	**27,731**	38,189	**316**	270
Sundry deposits	**7,352**	6,150	**-**	-
Staff costs payable	**44,224**	44,913	**-**	-
Accrual for unconsumed annual leave	**2,609**	3,674	**-**	-
Deferred income	**783**	655	**-**	-
Derivative financial instruments (Note 25)	**799**	242	**2**	20
Interest payable	**3,943**	1,412	**215**	-
Other payables *	**33,008**	39,614	**7,206**	7,074
	202,234	211,685	**7,993**	7,423
Related parties	**13,689**	12,650	**1,265**	21
	370,952	404,883	**9,258**	7,444
Non-current				
Other payables *	**13,169**	2,710	**-**	-
Related parties	**-**	1,265	**-**	1,265
	13,169	3,975	**-**	1,265
	384,121	408,858	**9,258**	8,709

* In accordance with FRS 103 *Business Combinations*, the management has assessed the fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition. Accordingly, provisional goodwill recognised last year has now been adjusted to reflect their fair values.

27. TRADE PAYABLES, OTHER PAYABLES AND RELATED PARTIES (cont'd)

(a) As at 30 September 2017, the trade payables, other payables and related parties held by the Group are in the following major currencies: Malaysia Ringgit - 32.3% (2016: 39.7%), Thai Baht - 25.1% (2016: 22.3%), United States Dollar - 6.8% (2016: 3.7%) and Sterling Pound - 4.3% (2016: 2.0%).

(b) Current amounts due to related parties are trade and non-trade related, unsecured, interest free, repayable upon demand and to be settled in cash.

(c) Non-current amounts due to related parties are non-trade related, unsecured, interest free, have no fixed term of repayment and to be settled in cash.

(d) Included in the Group's current and non-current other payables are amounts of $Nil (2016: $2,212,000) and $2,810,000 (2016: $2,710,000) respectively, relating to deferred consideration payable for acquisition of subsidiary companies.

28. BORROWINGS

	Weighted average effective interest rate %	Notes	THE GROUP 2017 ($'000)	THE GROUP 2016 ($'000)	THE COMPANY 2017 ($'000)	THE COMPANY 2016 ($'000)
Repayable within one year:						
Unsecured						
Bank loans	1.47%		**736,665**	10,432	**360,000**	-
Bank overdrafts	7.95%		**598**	802	**-**	-
			737,263	11,234	**360,000**	-
Term loans	4.38%	(a)	**48,322**	79	**-**	-
Secured						
Bank loans	-	(b)	**-**	291	**-**	-
Term loans	-	(b)	**-**	84	**-**	-
Finance leases			**6**	535	**-**	-
			785,591	12,223	**360,000**	-
Repayable after one year:						
Unsecured						
Bank loans	2.35%		**10,175**	24,625	**-**	-
Term loans	3.23%	(a)	**507,323**	99,309	**-**	-
Secured						
Term loans	-	(b)	**-**	691	**-**	-
Finance leases			**-**	200	**-**	-
		(d)	**517,498**	124,825	**-**	-
Total			**1,303,089**	137,048	**360,000**	-
Fair value		(c)	**1,308,997**	132,308	**360,000**	-

28. BORROWINGS (cont'd)

Notes

(a) As at 30 September 2017 and 2016, term loans include medium term notes issued by certain subsidiary companies.

(b) As at 30 September 2016, the secured bank loans and term loans are secured by way of pledge over certain subsidiary companies' fixed assets (Note 12) and investment properties (Note 13).

(c) The carrying amounts of bank borrowings and finance leases approximate fair value as they bear interest at rates which approximate the current incremental borrowing rate for similar types of lending and borrowing arrangements except for bank loans and term loans of $580,664,000 (2016: $133,355,000) which have a fair value of $586,572,000 (2016: $128,615,000).

The aggregate fair value of bank loans and term loans are determined by using present value calculations.

(d) Maturity of non-current borrowings is as follows:

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Between 1 and 2 years	**58,501**	49,786
Between 2 and 5 years	**359,475**	74,668
After 5 years	**99,522**	371
	517,498	124,825

(e) As at 30 September 2017, the borrowings held by the Group are in the following major currencies: Singapore Dollar - 90.4% (2016: Nil%), Malaysia Ringgit - 7.6% (2016: 73.5%) and Thai Baht - 2.0% (2016: 25.2%).

29. PROVISION FOR EMPLOYEE BENEFITS

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Defined benefit plan	**17,737**	20,601
Long service leave/severance allowance/gratuity	**70**	70
	17,807	20,671

(a) Defined Contribution Plan

The Group makes contributions to several post employment benefit plans. Most of these plans are defined contribution plans whereby contributions are made to approved provident and superannuation funds in Singapore, Malaysia, Hong Kong and Australia.

Accruals for defined contribution plans are included in Other Payables under Note 27.

29. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(b) Defined Benefit Plan

The defined benefit plan in the United Kingdom is a funded, defined benefit pension plan where the assets are held in a separate trustee-administrated fund. The defined benefit plans in Malaysia, Thailand and Indonesia do not have separately funded assets. They provide a lump sum benefit at normal retirement age.

The following tables summarise the components of net benefit expense and benefit liability:

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Net benefit (income)/expense		
Current service cost	**1,055**	605
Interest cost	**730**	781
Past service credit	**(1,918)**	-
	(133)	1,386
Actual return on plan assets	**488**	2,393
Benefit liability		
Present value of funded defined benefit obligation	**25,702**	26,332
Fair value of plan assets	**(21,074)**	(20,222)
	4,628	6,110
Present value of unfunded defined benefit obligation	**13,109**	14,491
Net liability arising from defined benefit obligation	**17,737**	20,601

The weighted average duration of the defined benefit obligation as at 30 September 2017 was 14.2 years (2016: 13.8 years).

The Group expects to contribute $691,000 to the defined benefit plans in the financial year ended 30 September 2018 (2017: $673,000).

Changes in present value of defined benefit obligations are as follows:		
Balance at beginning of year	**40,823**	40,422
Interest cost	**1,193**	1,560
Current service cost	**1,055**	605
Past service credit	**(1,918)**	-
Benefits paid	**(1,570)**	(1,461)
Remeasurements:		
- actuarial gain arising from change in demographic assumptions	**-**	(1,996)
- actuarial (gain)/losses arising from change in financial assumptions	**(1,065)**	6,548
- experience adjustments	**(253)**	(8)
Currency realignment	**546**	(4,847)
Balance at end of year	**38,811**	40,823

29. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(b) Defined Benefit Plan (cont'd)

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Changes in fair value of plan assets are as follows:		
Balance at beginning of year	**20,222**	22,291
Interest income	**463**	779
Contributions by employer	**691**	618
Benefits paid	**(881)**	(1,020)
Remeasurements on return on plan assets	**25**	1,614
Currency realignment	**554**	(4,060)
Balance at end of year	**21,074**	20,222
The proportion of fair value of plan assets at the end of the year is analysed as follows:		
Equity instruments	**10,055**	9,099
Debt instruments	**7,817**	8,086
Other assets	**3,202**	3,037
	21,074	20,222
The major assumptions used by the qualified independent actuaries were:		
Future salary growth	**4.0% to 7.0%**	4.0% to 7.0%
Discount rate	**2.5% to 7.8%**	2.3% to 7.5%

Sensitivity analysis

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming if all other assumptions were held constant:

		Increase/(Decrease) in defined benefit obligation	
	Change in assumption	**Increase in assumption ($'000)**	**Decrease in assumption ($'000)**
The Group			
Year Ended 30 September 2017			
Future salary growth	**1%**	**1,170**	**(1,028)**
Discount rate	**1%**	**(4,404)**	**5,614**
Year Ended 30 September 2016			
Future salary growth	1%	1,615	(1,421)
Discount rate	1%	(5,174)	6,444

(c) Long Service Leave/Severance Allowances/Gratuity

Long service leave, severance allowances and gratuity are provided based on the number of years of service the employees have rendered at the end of each financial year as required by local legislation.

(d) Share Options pursuant to the Fraser & Neave Holdings Bhd ("F&NHB") Executives' Share Option Scheme ("F&NHB 2007 Scheme")

The Fraser & Neave Holdings Bhd ("F&NHB") Executives' Share Option Scheme expired on 1 October 2017. All options granted under the F&NHB 2007 Scheme have been fully exercised.

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29. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(e) Share Plans

Fraser and Neave Limited Restricted Share Plan ("RSP")

The RSP is a share-based incentive plan for senior executives and key senior management, which was approved by shareholders of the Company at an Extraordinary General Meeting held on 22 January 2009.

Information regarding the RSP

(i) Depending on the level of achievement of pre-determined targets over a two-year performance period for the RSP, the final number of RSP shares to be awarded could range between 0% to 150% of the initial grant of the RSP shares.

(ii) Based on meeting stated performance conditions over a two-year performance period, 50% of the RSP share awards will vest. The balance will vest equally over the subsequent two years upon fulfillment of service requirements.

Information with respect to the number of shares granted under the RSP is as follows:

Shares	Grant Date	Balance as at 1.10.2016 or Grant Date if later	Cancelled	Achievement Factor	Vested	Balance as at 30.9.2017
Year 4	14.12.2012	402,350	-	-	(402,350)	-
Year 5	01.10.2014	545,750	(4,225)	-	(272,425)	269,100
Year 6	06.05.2015	984,800	(8,100)	(45,500)	(468,150)	463,050
Year 7	26.02.2016	1,230,476	(37,000)	-	-	1,193,476
Year 8	28.12.2016	1,070,354	(36,000)	-	-	1,034,354
		4,233,730^	(85,325)*	(45,500)	(1,142,925)	2,959,980

^ This takes into account the adjustments made on 7 October 2014 following the Company's distribution to its shareholders by way of dividend *in specie* and a capital reduction undertaken by the Company during the financial year ended 30 September 2014.

* Cancelled due to resignations.

The expense recognised in profit statement granted under the RSP during the financial year is $2,088,000 (2016: $2,815,000).

The estimated fair value of shares granted during the year ranges from $1.90 to $1.99 (2016: $1.79 to $1.87). The fair value of equity-settled contingent award of shares are determined using Monte Carlo Valuation Model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used are as follows:

	2017	2016
Dividend yield (%)	**2.2**	2.5
Expected volatility (%)	**15.1**	21.0
Risk-free interest rate (%)	**1.4 to 1.8**	1.1 to 1.5
Expected life (years)	**2.0 to 4.0**	1.9 to 3.9
Share price at date of grant ($)	**2.08**	1.97

29. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(e) **Share Plans** (cont'd)

Fraser and Neave Limited Performance Share Plan ("PSP")

The PSP is a share-based incentive plan for senior executives and key senior management, which were approved by shareholders of the Company at an Extraordinary General Meeting held on 22 January 2009.

Information regarding the PSP

(i) Depending on the level of achievement of pre-determined targets over a three-year performance period, the final number of PSP shares awarded could range between 0% to 200% of the initial grant of the PSP shares.

(ii) PSP share awards will vest based on meeting stated performance conditions over a three-year performance period.

Information with respect to the number of shares granted under the PSP is as follows:

Shares	Grant Date	Balance as at 1.10.2016 or Grant Date if later	Achievement Factor	Vested	Balance as at 30.9.2017
Year 5	01.10.2014	32,546	(2,546)	(30,000)	-
Year 6	06.05.2015	30,500	-	-	30,500
Year 7	26.02.2016	84,383	-	-	84,383
Year 8	28.12.2016	67,538	-	-	67,538
		214,967 ^	(2,546)	(30,000)	182,421

^ This takes into account the adjustments made on 7 October 2014 following the Company's distribution to its shareholders by way of dividend *in specie* and a capital reduction undertaken by the Company during the financial year ended 30 September 2014.

The expense recognised in profit statement granted under the PSP during the financial year is $103,000 (2016: $87,000).

The estimated fair value of shares granted during the year is $1.65 (2016: $1.78). The fair value of equity-settled contingent award of shares are determined using Monte Carlo Valuation Model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used are as follows:

	2017	2016
Dividend yield (%)	**2.2**	2.5
Expected volatility (%)	**15.1**	21.0
Cost of equity (%)	**10.5**	9.9
Risk-free interest rate (%)	**1.6**	1.2
Expected life (years)	**3.0**	2.8
Share price at date of grant ($)	**2.08**	1.97

29. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(e) Share Plans (cont'd)

F&NHB Restricted Share Plan ("F&NHB RSP")

The F&NHB RSP is a share-based incentive plan for senior executives and key senior management, which was approved by shareholders of F&NHB at an Extraordinary General Meeting held on 13 January 2012.

Information regarding the F&NHB RSP

(i) Depending on the achievement of pre-determined targets over a two-year performance period, the final number of RSP shares awarded could range between 0% to 150% of the initial grant of the RSP shares.

(ii) Based on meeting stated performance conditions over a two-year performance period, 50% of the F&NHB RSP awards will vest. The balance will vest equally over the subsequent two years with fulfillment of service requirements.

Information with respect to the number of shares granted under the F&NHB RSP is as follows:

Shares	Grant Date	Balance as at 1.10.2016 or Grant Date if later	Cancelled	Achievement Factor	Vested	Balance as at 30.9.2017
Year 2	07.02.2013	84,275	(1,900)	-	(82,375)	-
Year 3	12.08.2014	299,700	(29,375)	-	(146,075)	124,250
Year 4	15.01.2015	517,600	(37,250)	(27,300)	(244,050)	209,000
Year 5	05.01.2016	596,500	(120,000)	-	-	476,500
Year 6	22.12.2016	557,100	(63,900)	-	-	493,200
		2,055,175	(252,425)*	(27,300)	(472,500)	1,302,950

* Cancelled due to resignations.

The estimated fair value of shares granted during the year ranges from RM15.66 to RM16.58 (2016: RM15.36 to RM16.80). The fair value of equity-settled contingent award of shares are determined using Monte Carlo Valuation Model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used are as follows:

	2017	2016
Dividend yield (%)	**3.3**	3.6
Expected volatility (%)	**12.7**	8.4
Risk-free interest rate (%)	**3.6 to 3.9**	3.0 to 3.5
Expected life (years)	**2.0 to 4.0**	2.0 to 4.0
Share price at date of grant (RM)	**22.86**	18.50

F&NHB Performance Share Plan ("F&NHB PSP")

The F&NHB PSP is a share-based incentive plan for senior executives and key senior management, which was approved by shareholders of F&NHB at an Extraordinary General Meeting held on 13 January 2012.

Information regarding the F&NHB PSP

(i) Depending on the achievement of pre-determined targets over a three-year performance period, the final number of PSP shares awarded could range between 0% to 200% of the initial grant of the PSP shares.

(ii) PSP share awards will vest based on meeting stated performance conditions over a three-year performance period.

As at 30 September 2017, no shares has been granted under F&NHB PSP.

30. DEFERRED TAX ASSETS AND LIABILITIES

	THE GROUP				THE COMPANY	
	Balance Sheet		Profit Statement		Balance Sheet	
	2017 ($'000)	2016 ($'000) (Restated)	**2017 ($'000)**	2016 ($'000)	**2017 ($'000)**	2016 ($'000)
Deferred tax liabilities						
Differences in depreciation	**16,101**	16,220	**138**	(222)	**-**	-
Provisions, expenses and income taken in a different period	**1,394**	1,253	**88**	(338)	**-**	-
Fair value adjustments *	**917**	2,895	**(137)**	65	**-**	185
Other deferred tax liabilities	**1,132**	856	**37**	(47)	**-**	-
Gross deferred tax liabilities	**19,544**	21,224	**126**	(542)	**-**	185
Less: Deferred tax assets						
Employee benefits	**(1,023)**	(778)	**(257)**	98	**-**	-
Unabsorbed losses and capital allowances	**85**	122	**(213)**	(98)	**-**	-
Provisions, expenses and income taken in a different period	**(1,345)**	(616)	**(257)**	(84)	**-**	-
Fair value adjustments	**(188)**	-	**-**	-	**-**	-
Gross deferred tax assets	**(2,471)**	(1,272)	**(727)**	(84)	**-**	-
Net deferred tax liabilities	**17,073**	19,952	**(601)**	(626)	**-**	185

Some subsidiary companies have net deferred tax assets relating to the following:

Employee benefits	**(1,608)**	(1,639)	**11**	472	**-**	-
Differences in depreciation	**10,391**	11,218	**(33)**	1,132	**-**	-
Unabsorbed losses and capital allowances	**3,336**	5,062	**(2,053)**	303	**-**	-
Provisions	**(7,838)**	(8,604)	**281**	(521)	**-**	-
Investment allowances	**(13,917)**	(19,259)	**4,146**	3,895	**-**	-
Fair value adjustments	**(41)**	(45)	**2**	590	**-**	-
Net deferred tax assets	**(9,677)**	(13,267)	**2,354**	5,871	**-**	-

The deferred tax provision of $1,363,000 relating to fair value adjustment in other comprehensive income was written back during the year (2016: tax charge of $525,000).

Deferred tax liabilities of $1,508,000 (2016: $1,285,000) have not been recognised in the consolidated financial statements for withholding and other taxes that would be payable on the unremitted earnings of $8,870,000 at 30 September 2017 (2016: $7,559,000).

Deferred tax liabilities of $436,000 (2016: $410,000) have not been recognised in the consolidated financial statements for withholding and other taxes that would be payable on the undistributed earnings of $2,756,000 at 30 September 2017 (2016: $2,602,000) of certain of the Group's subsidiary companies as the Group has determined that the undistributed earnings of its subsidiary companies will not be distributed in the foreseeable future.

* In accordance with FRS 103 *Business Combinations*, the management has assessed the fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition. Accordingly, provisional goodwill recognised last year has now been adjusted to reflect their fair values.

30. DEFERRED TAX ASSETS AND LIABILITIES (cont'd)

Deferred tax assets have not been recognised in respect of the following items:

	THE GROUP	
	2017 ($'000)	2016 ($'000) (Restated)
Deductible temporary differences	**34,858**	32,265
Tax losses	**144,129**	141,037
	178,987	173,302

Tax losses of $90,414,000 (2016: $90,920,000) expire in 2027. The remaining tax losses and the deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

31. FUTURE COMMITMENTS

		THE GROUP	
		2017 ($'000)	2016 ($'000)
Commitments not provided for in the financial statements:			
(a)	Commitments in respect of contracts placed		
	Fixed assets	**41,799**	17,482
(b)	Other amounts approved by directors but not contracted for		
	Fixed assets	**82,826**	94,096
	Total	**124,625**	111,578

32. LEASE COMMITMENTS

Operating Leases

Lease commitments under non-cancellable operating leases where the Group is a lessee:

	2017 ($'000)	2016 ($'000)
Payable within one year	**11,525**	9,905
Payable between one and five years	**17,830**	17,102
Payable after five years	**27,207**	28,191
	56,562	55,198
Operating lease expense for the year	**19,427**	20,065

The operating leases do not contain any escalation clauses and do not provide for contingent rents. Lease terms do not contain restrictions on the Group activities concerning dividends, additional debts or entering into other leasing agreements.

32. LEASE COMMITMENTS (cont'd)

Operating Leases (cont'd)

Lease commitments under non-cancellable operating leases where the Group is a lessor:

	THE GROUP	
	2017 ($'000)	2016 ($'000)
Receivable within one year	**299**	723
Receivable between one and five years	**-**	301
	299	1,024

Finance Leases

Lease commitments under non-cancellable finance leases where the Group is a lessee:

	THE GROUP			
	2017 ($'000)		2016 ($'000)	
	Minimum lease payments	**Present value of payments**	Minimum lease payments	Present value of payments
Minimum lease payments due:				
Payable within one year	**6**	**6**	567	535
Payable between one and five years	**-**	**-**	214	200
Total minimum lease payments	**6**	**6**	781	735
Less: Future finance charges				
Payable within one year	**-**	**-**	(32)	-
Payable between one and five years	**-**	**-**	(14)	-
	-	**-**	(46)	-
	6	**6**	735	735

The finance leases do not contain any escalation clauses and do not provide for contingent rents. Lease terms do not contain restrictions on the Group activities concerning dividends, additional debts or entering into other leasing agreements.

33. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the direct and indirect ability to control the party, jointly control or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the information disclosed elsewhere in the financial statements, the following were the significant related party transactions entered into between the Group and related parties based on agreed fees or terms between the parties.

		THE GROUP	
		2017 ($'000)	2016 ($'000)
(a)	Transactions with TCC Group of Companies		
	Sales	**18,531**	3,597
	Corporate service recoveries	**1,027**	1,238
	Advertising & promotion support	**5,958**	2,578
	Service fee and other income	**2,776**	2,105
	Purchases	**(30,585)**	(27,109)
	Marketing expense	**(21,043)**	(4,866)
	Insurance premium expense	**(1,080)**	(1,339)
	Management fee expense	**(798)**	(674)
	Payment for intangible assets	**-**	(200)
	Rental and other expenses	**(4,184)**	(4,566)
(b)	Transactions with Joint Operation and Associated Companies		
	Sales	**862**	1,019
	Receipt of corporate service fees	**62**	184
	Finance income	**1,796**	1,916
	Purchases	**(4,762)**	(5,766)
	Shareholder's loan granted	**(641)**	-

34. CONTINGENT LIABILITIES

The Company issued corporate guarantees to the extent of $2,780,000,000 (2016: $2,460,978,000) for the purpose of assisting its subsidiary companies to obtain external borrowings. Of the $2,780,000,000 (2016: $2,460,978,000) corporate guarantees given by the Company, $820,000,000 (2016: $Nil) has been utilised by its subsidiary companies as security for its borrowings.

35. FINANCIAL RISK MANAGEMENT

The Group and the Company are exposed to financial risks, including primarily the effects of changes in currency exchange rates and interest rates and use derivatives and other instruments in connection with their risk management activities. The Group and the Company do not hold or issue derivative financial instruments for trading purposes.

The Group has established processes to monitor and control hedging transactions in a timely and accurate manner.

These policies are reviewed regularly by the Audit Committee to ensure that the Group's policies and guidelines are adhered to. The Group's accounting policies in relation to derivatives are set out in Note 2.

35. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Foreign Currency Risk

The Group and the Company have exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising from normal trading and investment activities. Where exposures are certain, it is the Group's and Company's policy to hedge these risks as they arise. For those exposures less certain in their timing and extent, it is the Group's and the Company's policy to cover 50% to 90% of anticipated exposures for a maximum period of 12 months forward. The Group and the Company use foreign currency forward exchange contracts to manage these foreign exchange risks.

At 30 September 2017, the Group had entered into foreign currency forward exchange buy contracts amounting to $46,495,000 (2016: $27,171,000) and sell contracts amounting to $8,378,000 (2016: $13,480,000). The fair value adjustments of the buy contracts and sell contracts (which is the difference between the notional principal amount and market value of the contracts) are losses of $467,000 (2016: gains of $266,000) and $96,000 (2016: gains of $41,000) respectively.

At 30 September 2017, the Company had entered into foreign currency forward exchange sell contracts amounting to $812,000 (2016: $2,625,000). The fair value adjustments of the sell contracts (which is the difference between the notional principal amount and market value of the contracts) is a loss of $2,000 (2016: gain of $2,000).

The fair values of foreign currency forward exchange contracts have been calculated using rates quoted by the Group's and Company's bankers to terminate the contracts at the balance sheet date.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's total equity and the Group's profit net of tax to a reasonably possible 10% strengthening of the Australia Dollar, Sterling Pound, United States Dollar, Vietnamese Dong, Euro, Singapore Dollar and Malaysia Ringgit exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	THE GROUP		THE COMPANY	
	Equity ($'000)	Profit ($'000)	Equity ($'000)	Profit ($'000)
Year Ended 30 September 2017				
Australia Dollar	**3,012**	**560**	**3,012**	**-**
Sterling Pound	**-**	**(1,035)**	**-**	**-**
United States Dollar	**-**	**6,228**	**-**	**4,544**
Vietnamese Dong	**-**	**7,879**	**19,257**	**-**
Euro	**-**	**103**	**-**	**-**
Singapore Dollar	**-**	**1,325**	**-**	**-**
Malaysia Ringgit	**-**	**(521)**	**-**	**53**
Year Ended 30 September 2016				
Australia Dollar	-	393	-	-
Sterling Pound	-	(116)	-	-
United States Dollar	-	5,900	-	1,764
Vietnamese Dong	136,201	2,259	18,504	-
Euro	-	62	-	-
Singapore Dollar	-	190	-	-
Malaysia Ringgit	-	(882)	-	(183)

A 10% weakening of the above currencies at the balance sheet date would have had the equal but opposite effect on the respective functional currencies of the Group entities as the amounts shown above, on the basis that all other variables remain constant.

35. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity Risk

The Group's and the Company's exposure to liquidity risk arises in the general funding of the Group's and the Company's business activities. It includes the risks of being able to fund business activities in a timely manner.

The Group adopts a prudent approach to managing its liquidity risk. The Group maintains sufficient cash and marketable securities, and have available funding through diverse sources of committed and uncommitted credit facilities from various banks.

The table below analyses the maturity profile of the Group's and Company's financial assets and liabilities (including derivative financial instruments) based on contractual undiscounted cash flows.

		Cash Flows			
	Carrying amount ($'000)	Contractual Cash flow ($'000)	Less than 1 year ($'000)	Between 1 and 5 years ($'000)	Over 5 years ($'000)
The Group					
Year Ended 30 September 2017					
Financial Assets					
Trade receivables	279,654	279,654	279,654	-	-
Other receivables (excluding derivative financial instruments)	24,939	24,939	24,257	682	-
Derivative financial instruments	236	236	236	-	-
Related parties	7,054	7,054	7,054	-	-
Joint venture companies	49,922	49,922	571	-	49,351
Associated companies	1	1	1	-	-
Bank fixed deposits	293,955	295,757	292,805	2,952	-
Cash and bank balances	843,953	847,625	847,625	-	-
	1,499,714	1,505,188	1,452,203	3,634	49,351
Financial Liabilities					
Trade payables	155,029	155,029	155,029	-	-
Other payables (excluding derivative financial instruments)	203,854	203,854	190,685	13,169	-
Derivative financial instruments	799	799	799	-	-
Borrowings	1,303,089	1,394,233	805,130	472,267	116,836
Related parties	13,689	13,689	13,689	-	-
Joint venture companies	11	11	11	-	-
Associated companies	1,583	1,583	1,583	-	-
	1,678,054	1,769,198	1,166,926	485,436	116,836
Total net undiscounted financial (liabilities)/assets		(264,010)	285,277	(481,802)	(67,485)

35. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity Risk (cont'd)

	Carrying amount ($'000)	Cash Flows Contractual Cash flow ($'000)	Less than 1 year ($'000)	Between 1 and 5 years ($'000)	Over 5 years ($'000)
The Group					
Year Ended 30 September 2016					
Financial Assets					
Trade receivables	267,178	267,178	267,178	-	-
Other receivables (excluding derivative financial instruments)	30,286	30,286	29,671	615	-
Derivative financial instruments	549	549	549	-	-
Related parties	4,565	4,565	4,565	-	-
Joint venture companies	48,631	48,631	558	-	48,073
Associated companies	3	3	3	-	-
Bank fixed deposits	566,182	568,967	566,067	2,900	-
Cash and bank balances	479,347	482,601	482,601	-	-
	1,396,741	1,402,780	1,351,192	3,515	48,073
Financial Liabilities					
Trade payables	180,548	180,548	180,548	-	-
Other payables (excluding derivative financial instruments)	203,809	203,809	201,099	2,710	-
Derivative financial instruments	242	242	242	-	-
Borrowings	137,048	147,084	17,332	129,355	397
Related parties	13,915	13,915	12,650	1,265	-
Associated companies	1,565	1,565	1,565	-	-
	537,127	547,163	413,436	133,330	397
Total net undiscounted financial assets/(liabilities)		855,617	937,756	(129,815)	47,676

35. FINANCIAL RISK MANAGEMENT (cont'd)

(b) **Liquidity Risk** (cont'd)

	Carrying amount ($'000)	Cash Flows Contractual Cash flow ($'000)	Less than 1 year ($'000)	Between 1 and 5 years ($'000)	Over 5 years ($'000)
The Company					
Year Ended 30 September 2017					
Financial Assets					
Other receivables	**215**	**215**	**215**	**-**	**-**
Subsidiary companies	**518,388**	**518,616**	**518,537**	**79**	**-**
Related parties	**1**	**1**	**1**	**-**	**-**
Bank fixed deposits	**8,684**	**8,686**	**8,686**	**-**	**-**
Cash and bank balances	**287,584**	**291,257**	**291,257**	**-**	**-**
	814,872	**818,775**	**818,696**	**79**	**-**
Financial Liabilities					
Other payables (excluding derivative financial instruments)	**7,991**	**7,991**	**7,991**	**-**	**-**
Derivative financial instruments	**2**	**2**	**2**	**-**	**-**
Subsidiary companies	**868,137**	**873,422**	**333,299**	**540,123**	**-**
Borrowings	**360,000**	**360,234**	**360,234**	**-**	**-**
Related parties	**1,265**	**1,265**	**1,265**	**-**	**-**
	1,237,395	**1,242,914**	**702,791**	**540,123**	**-**
Total net undiscounted financial (liabilities)/assets		**(424,139)**	**115,905**	**(540,044)**	**-**
Year Ended 30 September 2016					
Financial Assets					
Other receivables (excluding derivative financial instruments)	854	854	854	-	-
Derivative financial instruments	22	22	22	-	-
Subsidiary companies	230,142	230,153	13,916	216,237	-
Related parties	6	6	6	-	-
Bank fixed deposits	231,018	231,235	231,235	-	-
Cash and bank balances	270,726	273,933	273,933	-	-
	732,768	736,203	519,966	216,237	-
Financial Liabilities					
Other payables (excluding derivative financial instruments)	7,403	7,403	7,403	-	-
Derivative financial instruments	20	20	20	-	-
Subsidiary companies	108,364	108,364	6,470	101,894	-
Related parties	1,286	1,286	21	1,265	-
	117,073	117,073	13,914	103,159	-
Total net undiscounted financial assets		619,130	506,052	113,078	-

35. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Credit Risk

At the balance sheet date, the Group's and the Company's total exposure to credit risk in the event that the counterparties fail to perform their obligations is represented by the carrying amount of each class of financial assets recognised in the balance sheets, including derivatives with positive fair values.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and business segment profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the balance sheet date is as follows:

	THE GROUP			
	2017		2016	
	($'000)	**% of total**	($'000)	% of total
By Geographical Segment:				
Singapore	**96,246**	**34%**	92,747	35%
Malaysia	**107,729**	**39%**	104,793	39%
Thailand	**56,056**	**20%**	49,621	19%
Others	**19,623**	**7%**	20,017	7%
	279,654	**100%**	267,178	100%
By Business Segment:				
Beverages	**111,374**	**39%**	67,941	25%
Dairies	**100,968**	**36%**	128,252	48%
Printing & Publishing	**65,886**	**24%**	70,977	27%
Others	**1,426**	**1%**	8	0%
	279,654	**100%**	267,178	100%

The Group and the Company have no significant concentration of credit risk. The Group and the Company have policies in place to monitor its credit risk. Sales of products and services are made to customers with an appropriate credit history. Contractual deposits are collected and scheduled progress payments are received from the buyers when due.

Cash and fixed deposits are placed in banks and financial institutions which are regulated. The Group limits its credit risk exposure in respect of investments by only investing in liquid securities and only with counterparties that have a sound credit rating. Management does not expect any counterparty to fail to meet its obligations.

Information regarding financial assets that are either past due or impaired and ageing analysis is disclosed in Note 24. Management believes that no additional credit risk beyond that provided for is inherent in the Group's trade and other receivables.

With respect to derivative financial instruments, credit risk arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. The Group's total credit risk exposure for foreign exchange contracts are limited to the fair value adjustments of these contracts. It is the Group's and the Company's policy to enter into financial instruments with a diversity of credit worthy counterparties. The Group and the Company do not expect to incur material credit losses on their financial assets or other financial instruments.

The Group and the Company do not have significant exposure to any individual customer or counterparty.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

35. FINANCIAL RISK MANAGEMENT (cont'd)

(d) Interest Rate Risk

The Group's exposure to market risk for changes in interest rates relate primarily to debt obligation with financial institutions. The Group's policy is to manage interest cost using a mix of fixed and variable rate debts, and interest rate economic effect of converting borrowings from fixed rates to variable rates or vice versa.

The following table sets out the carrying amount, by maturity, of the Group's and the Company's financial instruments that are exposed to interest rate risk:

	Floating rates	Fixed rates		
	($'000)	Less than 1 year ($'000)	Between 1 to 5 years ($'000)	After 5 years ($'000)
The Group				
Year Ended 30 September 2017				
Assets				
Cash and bank deposits	**2,094**	**964,490**	**2,927**	**-**
Liabilities				
Borrowings	**721,017**	**64,911**	**417,639**	**99,522**
Year Ended 30 September 2016				
Assets				
Cash and bank deposits	2,174	933,680	2,900	-
Liabilities				
Borrowings	2,376	10,967	123,705	-
Other financial liabilities	-	3,955	-	-
The Company				
Year Ended 30 September 2017				
Assets				
Cash and bank deposits	**-**	**295,707**	**-**	**-**
Other financial assets	**-**	**515,000**	**-**	**-**
Liabilities				
Borrowings	**360,000**	**-**	**-**	**-**
Other financial liabilities	**-**	**320,000**	**460,000**	**-**
Year Ended 30 September 2016				
Assets				
Cash and bank deposits	-	499,505	-	-
Other financial assets	-	-	187,085	-

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument. The other financial instruments of the Group and the Company that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

The Group and the Company are in a net finance cost position for the year ended 30 September 2017 (2016: net finance income).

Sensitivity analysis for interest rate risk

It is estimated that a hundred basis points (bps) increase in interest rate, with all other variables held constant, would decrease the Group's profit after tax by approximately $5,967,000 (2016: $2,000) and the Company's profit after tax by approximately $2,988,000 (2016: $Nil) . A decrease of a hundred bps in interest rate would have an equal but opposite effect. The analysis is performed on the same basis for 2016.

35. FINANCIAL RISK MANAGEMENT (cont'd)

(e) Market Price Risk

The Group and the Company are exposed to market price risk and the risk of impairment in the value of investments held. The Group and the Company manage the risk of impairment by evaluation of investment opportunities, continuously monitoring the performance of investments held and assessing market risk relevant to which the investments operate.

Sensitivity analysis for quoted investment risk

If prices for available-for-sale investments increase by 10% with all other variables including tax rate being held constant, the impact on fair value adjustment reserve will be as follows:

	THE GROUP		THE COMPANY	
	2017 ($'000)	2016 ($'000)	**2017 ($'000)**	2016 ($'000)
Fair value adjustment reserve	**3,012**	136,201	**22,269**	18,504

There will be no impact to profit after tax.

A 10% decrease in the underlying equity prices would have had the equal but opposite effect as the amounts shown above. The analysis is performed on the same basis as for 2016 and assumes that all other variables remain constant.

(f) Fair Values

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

(i) Cash and bank deposits, other receivables and other payables

The carrying amounts of these items in current assets and current liabilities approximate fair value due to their short term nature. The carrying amount of non-current fixed deposits approximates their fair values as these fixed deposits bear interest rate at the market prevailing interest for similar type of fixed deposits instrument at the end of the reporting period.

(ii) Trade receivables and trade payables

The carrying amounts of receivables and payables approximate fair value because these are subject to normal trade credit terms.

(iii) Amounts due from/to related companies

The carrying amounts of amounts due from/to related companies in current assets and current liabilities approximate fair value due to their short term nature. For amounts due to related companies included in long term liabilities, no disclosure of the fair value has been made, as it is not practicable to determine the fair value with sufficient reliability since these balances have no fixed terms of repayment.

(iv) Other investments

Market value of quoted investment is determined by reference to stock exchange quoted prices.

Certain unquoted investments do not have quoted market prices in an active market nor are there other methods of reasonably estimating the fair value readily available. It is not practicable to determine fair value with sufficient reliability without incurring excessive costs.

(v) Bank borrowings and term loans

The fair value of fixed rate bank borrowings and term loans are disclosed in Note 28. The carrying values of bank borrowings, and term loans maturing within one year and the floating rate bank borrowings and term loans approximate their fair value.

35. FINANCIAL RISK MANAGEMENT (cont'd)

(f) **Fair Values** (cont'd)

(vi) ***Assets and liabilities measured at fair value***

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - Inputs for the asset or liability that are not based on observable market data

The following table shows an analysis of assets and liabilities financial instruments carried at fair value by level of fair value hierarchy:

	Level 1 ($'000)	Level 2 ($'000)	Level 3 ($'000)	Total ($'000)
The Group				
Year Ended 30 September 2017				
Financial Assets				
Other investments (Note 20)				
- Quoted available-for-sale financial assets	**30,117**	**-**	**-**	**30,117**
Derivative financial instruments (Note 25)	**-**	**236**	**-**	**236**
	30,117	**236**	**-**	**30,353**
Non-Financial Assets				
Investment properties (Note 13)				
- Commercial	**-**	**-**	**40,581**	**40,581**
Financial Liabilities				
Derivative financial instruments (Note 25)	**-**	**799**	**-**	**799**
Year Ended 30 September 2016				
Financial Assets				
Other investments (Note 20)				
- Quoted available-for-sale financial assets	1,363,375	-	-	1,363,375
Derivative financial instruments (Note 25)	-	549	-	549
	1,363,375	549	-	1,363,924
Non-Financial Assets				
Investment properties (Note 13)				
- Commercial	-	-	42,863	42,863
Financial Liabilities				
Derivative financial instruments (Note 25)	-	242	-	242

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FOR THE YEAR ENDED 30 SEPTEMBER 2017

35. FINANCIAL RISK MANAGEMENT (cont'd)

(f) Fair Values (cont'd)

(vi) Assets and liabilities measured at fair value (cont'd)

	Level 1 ($'000)	Level 2 ($'000)	Level 3 ($'000)	Total ($'000)
The Company				
Year Ended 30 September 2017				
Financial Assets				
Other investments (Note 20)				
- Quoted available-for-sale financial assets	**222,691**	**-**	**-**	**222,691**
Financial Liabilities				
Derivative financial instruments (Note 25)	**-**	**2**	**-**	**2**
Year Ended 30 September 2016				
Financial Assets				
Other investments (Note 20)				
- Quoted available-for-sale financial assets	185,226	-	-	185,226
Derivative financial instruments (Note 25)	-	22	-	22
	185,226	22	-	185,248
Financial Liabilities				
Derivative financial instruments (Note 25)	-	20	-	20

There have been no transfers between Level 1, Level 2 and Level 3 for the Group and the Company during the financial year ended 2017 and 2016.

The fair value of quoted investments categorised within Level 1 of the fair value hierarchy is determined directly by reference to the quoted market price at the balance sheet date.

The fair value of derivatives categorised within Level 2 of the fair value hierarchy are valued using a valuation technique with market observable inputs. These include forward pricing and swap models, using present value calculations. The models incorporate various inputs such as foreign exchange spot and forward rates.

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy:

Description	Fair value as at 30.9.2017 ($'000)	Valuation techniques	Unobservable inputs	Range
Investment Properties	**40,581**	**Investment Approach**	**Discount rate**	**7.25%**
		Discounted cash flows	**Discount rate**	**8.40%**
		Direct Comparison Approach	**Market value**	**0% to 37%**

Description	Fair value as at 30.9.2016 ($'000)	Valuation techniques	Unobservable inputs	Range
Investment Properties	42,863	Investment Approach	Discount rate	7.25%
		Discounted cash flows	Discount rate	8.10%
		Direct Comparison Approach	Market value	0% to 16%

The investment properties categorised under Level 3 of the fair value hierarchy are generally sensitive to the various unobservable inputs tabled above. A significant movement of each input would result in significant change to the fair value of the properties.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

35. FINANCIAL RISK MANAGEMENT (cont'd)

(f) **Fair Values** (cont'd)

(vi) ***Assets and liabilities measured at fair value*** *(cont'd)*

The following table presents the reconciliation for the investment properties measured at fair value based on unobservable inputs (Level 3):

	2017 ($'000)	2016 ($'000)
The Group		
Balance at beginning of year	**42,863**	35,018
Currency realignment	**(558)**	288
Additions	**-**	102
Reclassified from fixed assets	**-**	9,510
Reclassified to fixed assets	**-**	(523)
Net fair value loss recognised in the profit statement	**(1,724)**	(1,532)
Balance at end of year	**40,581**	42,863

(g) **Classification of Financial Instruments**

Set out below is a comparison by category of carrying amounts of all the Group's and the Company's financial instruments that are carried in the financial statements:

	Loans and receivables ($'000)	Fair value through profit and loss ($'000)	Available-for-sale ($'000)	Liabilities at amortised cost ($'000)	Non-financial assets/ liabilities ($'000)	Total ($'000)
The Group						
Year Ended 30 September 2017						
Assets						
Fixed assets	-	-	-	-	505,643	505,643
Investment properties	-	-	-	-	40,581	40,581
Properties held for development	-	-	-	-	18,025	18,025
Joint venture companies	49,922	-	-	-	(2,682)	47,240
Associated companies	1	-	-	-	2,380,648	2,380,649
Intangible assets	-	-	-	-	93,574	93,574
Brands	-	-	-	-	27,115	27,115
Other investments	-	-	30,131	-	-	30,131
Other receivables	24,939	236	-	-	35,340	60,515
Deferred tax assets	-	-	-	-	9,677	9,677
Inventories	-	-	-	-	247,085	247,085
Trade receivables	279,654	-	-	-	-	279,654
Related parties	7,054	-	-	-	-	7,054
Bank fixed deposits	293,955	-	-	-	-	293,955
Cash and bank balances	843,953	-	-	-	-	843,953
Assets held for sale	3,142	-	-	-	6,745	9,887
	1,502,620	236	30,131	-	3,361,751	4,894,738
Liabilities						
Trade payables	-	-	-	155,029	-	155,029
Other payables	-	799	-	203,854	10,750	215,403
Joint venture companies	-	-	-	11	-	11
Associated companies	-	-	-	1,583	-	1,583
Related parties	-	-	-	13,689	-	13,689
Borrowings	-	-	-	1,303,089	-	1,303,089
Provision for taxation	-	-	-	-	32,990	32,990
Liabilities held for sale	-	-	-	2,371	-	2,371
Provision for employee benefits	-	-	-	-	17,807	17,807
Deferred tax liabilities	-	-	-	-	17,073	17,073
	-	799	-	1,679,626	78,620	1,759,045

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FOR THE YEAR ENDED 30 SEPTEMBER 2017

35. FINANCIAL RISK MANAGEMENT (cont'd)

(g) Classification of Financial Instruments (cont'd)

	Loans and receivables ($'000)	Fair value through profit and loss ($'000)	Available-for-sale ($'000)	Liabilities at amortised cost ($'000)	Non-financial assets/ liabilities ($'000)	Total ($'000)
The Group						
Year Ended 30 September 2016						
Assets						
Fixed assets	-	-	-	-	492,793	492,793
Investment properties	-	-	-	-	42,863	42,863
Properties held for development	-	-	-	-	18,232	18,232
Joint venture companies	48,631	-	-	-	(2,062)	46,569
Associated companies	3	-	-	-	43,003	43,006
Intangible assets	-	-	-	-	95,786	95,786
Brands	-	-	-	-	27,892	27,892
Other investments	-	-	1,363,389	-	-	1,363,389
Other receivables	30,286	549	-	-	24,190	55,025
Deferred tax assets	-	-	-	-	13,267	13,267
Inventories	-	-	-	-	247,359	247,359
Trade receivables	267,178	-	-	-	-	267,178
Related parties	4,565	-	-	-	-	4,565
Bank fixed deposits	566,182	-	-	-	-	566,182
Cash and bank balances	479,347	-	-	-	-	479,347
Assets held for sale	3,672	-	-	-	6,703	10,375
	1,399,864	549	1,363,389	-	1,010,026	3,773,828
Liabilities						
Trade payables	-	-	-	180,548	-	180,548
Other payables	-	242	-	203,809	10,344	214,395
Associated companies	-	-	-	1,565	-	1,565
Related parties	-	-	-	13,915	-	13,915
Borrowings	-	-	-	137,048	-	137,048
Provision for taxation	-	-	-	-	30,851	30,851
Liabilities held for sale	-	-	-	2,339	-	2,339
Provision for employee benefits	-	-	-	-	20,671	20,671
Deferred tax liabilities	-	-	-	-	19,952	19,952
	-	242	-	539,224	81,818	621,284

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FOR THE YEAR ENDED 30 SEPTEMBER 2017

35. FINANCIAL RISK MANAGEMENT (cont'd)

(g) Classification of Financial Instruments (cont'd)

	Loans and receivables ($'000)	Fair value through profit and loss ($'000)	Available-for-sale ($'000)	Liabilities at amortised cost ($'000)	Non-financial assets/ liabilities ($'000)	Total ($'000)
The Company						
Year Ended 30 September 2017						
Assets						
Fixed assets	**-**	**-**	**-**	**-**	**332**	**332**
Subsidiary companies	**518,388**	**-**	**-**	**-**	**1,915,745**	**2,434,133**
Intangible assets	**-**	**-**	**-**	**-**	**167**	**167**
Brands	**-**	**-**	**-**	**-**	**212**	**212**
Other investments	**-**	**-**	**222,705**	**-**	**-**	**222,705**
Other receivables	**215**	**-**	**-**	**-**	**460**	**675**
Related parties	**1**	**-**	**-**	**-**	**-**	**1**
Bank fixed deposits	**8,684**	**-**	**-**	**-**	**-**	**8,684**
Cash and bank balances	**287,584**	**-**	**-**	**-**	**-**	**287,584**
	814,872	**-**	**222,705**	**-**	**1,916,916**	**2,954,493**
Liabilities						
Other payables	**-**	**2**	**-**	**7,991**	**-**	**7,993**
Subsidiary companies	**-**	**-**	**-**	**868,137**	**-**	**868,137**
Related parties	**-**	**-**	**-**	**1,265**	**-**	**1,265**
Borrowings	**-**	**-**	**-**	**360,000**	**-**	**360,000**
Provision for taxation	**-**	**-**	**-**	**-**	**3,148**	**3,148**
	-	**2**	**-**	**1,237,393**	**3,148**	**1,240,543**
Year Ended 30 September 2016						
Assets						
Fixed assets	-	-	-	-	393	393
Subsidiary companies	230,142	-	-	-	906,790	1,136,932
Associated companies	-	-	-	-	18,100	18,100
Intangible assets	-	-	-	-	187	187
Brands	-	-	-	-	212	212
Other investments	-	-	185,240	-	-	185,240
Other receivables	854	22	-	-	198	1,074
Related parties	6	-	-	-	-	6
Bank fixed deposits	231,018	-	-	-	-	231,018
Cash and bank balances	270,726	-	-	-	-	270,726
	732,746	22	185,240	-	925,880	1,843,888
Liabilities						
Other payables	-	20	-	7,403	-	7,423
Subsidiary companies	-	-	-	108,364	-	108,364
Related parties	-	-	-	1,286	-	1,286
Provision for taxation	-	-	-	-	3,972	3,972
Deferred tax liabilities	-	-	-	-	185	185
	-	20	-	117,053	4,157	121,230

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FOR THE YEAR ENDED 30 SEPTEMBER 2017

36. UNUSUAL ITEM

On 9 January 2014, Fraser & Neave Holdings Bhd ("F&NHB"), a subsidiary of the Company listed on Bursa Malaysia, entered into a settlement agreement (the "Settlement Agreement") with BJC O-I Glass Pte Ltd ("BJC O-I"), Berli Jucker Public Company Ltd ("BJC") and ACI International Pty Ltd ("ACI") in respect of a suit instituted by BJC O-I against F&NHB.

The Settlement Agreement covered all claims pleaded in the Suit and/or in connection with a share purchase agreement dated 14 May 2010 (the "Share Purchase Agreement") between BJC, ACI and F&NHB for the sale by F&NHB to BJC and ACI as purchasers of the entire issued and paid-up share capital of Malaya Glass Products Sdn Bhd ("MGP"), save and except for:

(a) claims relating to Sichuan Malaya Glass Co Ltd ("SMG") as pleaded in the Suit ("SMG Claims"). SMG is one of the subsidiaries of MGP; and

(b) claims relating to taxation assessment liabilities pursuant to the terms and conditions in the Share Purchase Agreement ("Tax Claims").

F&NHB, BJC, ACI and BJC O-I expressly agreed, consented to and acknowledged that:

(a) ACI's right to institute fresh proceedings against the Company in respect of the Share Purchase Agreement is limited to the SMG Claims as pleaded in the Suit; and

(b) BJC O-I's right to institute fresh proceedings against the Company in respect of the Share Purchase Agreement is limited to the Tax Claims.

No claims have been filed against F&NHB in respect of the SMG Claims and Tax Claims. These claims are now time-barred. F&NHB has reversed the provision during this financial year.

37. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios to support its business and maximise shareholder value. No changes were made in the objectives, policies or processes during the years ended 30 September 2017 and 2016.

The Group monitors its cashflow, debt maturity profile, cost of funds, overall liquidity position and gearing ratio on a continuous basis. The Group's policy is to keep gearing ratio at not more than 80% of total equity.

The gearing ratio is calculated as net borrowings divided by total equity. Net borrowings is calculated as borrowings less cash and bank deposits. Total equity is calculated as shareholders' fund plus non-controlling interests.

	THE GROUP		THE COMPANY	
	2017 ($'000)	2016 ($'000)	**2017 ($'000)**	2016 ($'000)
Cash & bank deposits	**1,137,908**	1,045,529	**296,268**	501,744
Borrowings	**(1,303,089)**	(137,048)	**(360,000)**	-
Net (borrowings)/cash	**(165,181)**	908,481	**(63,732)**	501,744
Shareholders' fund	**2,818,585**	2,843,084	**1,713,950**	1,722,658
Total equity (including non-controlling interests)	**3,135,693**	3,152,544	**1,713,950**	1,722,658

Certain entities in the Group are required to comply with certain externally imposed capital requirements in respect of certain external borrowings. The Group and the Company are in compliance with all externally imposed capital requirements.

38. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATION

The Group has not adopted the following relevant standards and interpretations that have been issued as at balance sheet date but are not yet effective:

Description		**Effective for annual periods beginning on or after**
Amendments to FRS 110 and FRS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
Amendments to FRS 7	Disclosure Initiative	1 January 2017
Amendments to FRS 12	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
FRS 115	Revenue from Contracts with Customers	1 January 2018
FRS 109	Financial Instruments	1 January 2018
Amendments to FRS 102	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to FRS 40	Transfers of Investment Property	1 January 2018
INT FRS 122	Foreign Currency Transactions and Advance Consideration Illustrative Examples	1 January 2018
Improvements to FRSs (December 2016)		
Amendment to FRS 112	Disclosures of interests in other entities	1 January 2017
Amendment to FRS 101	First-time adoption of financial reporting standards	1 January 2018
Amendment to FRS 28	Investments in associates and joint ventures	1 January 2018
Amendments to FRS 104	Applying FRS 109 Financial Instruments with FRS 104 Insurance Contracts	1 January 2018
FRS 116	Leases	1 January 2019

Except for FRS 115, FRS 109 and FRS 116, the Directors expect that the adoption of the other new and amendments to standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the following FRS are described below.

(a) FRS 115 Revenue from Contracts with Customers

FRS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. FRS 115 will supersede the current revenue recognition guidance including FRS 18 Revenue, FRS 11 Construction Contracts and the related interpretations when it becomes effective. The core principle of FRS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Furthermore, extensive disclosures are required by FRS 115.

The Group is currently determining the impact of the new accounting standard.

(b) FRS 109 Financial Instruments

FRS 109 Financial Instruments replaces the existing guidance in FRS 39 Financial Instruments: Recognition and Measurement. FRS 109 includes revised guidance on the classification and measurement of financial instruments, including classification and measurement of financial assets, impairment of financial assets and hedge accounting. Retrospective application is required, but comparative information is not compulsory in the year of adoption.

The Group is currently determining the impact of the new accounting standard.

38. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATION (cont'd)

(c) FRS 116 Leases

FRS 116 Leases will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised, with exceptions to short-term and low-value leases. The accounting for lessors will not change significantly. The standard will affect primarily the accounting for the Group's operating leases.

The Group is currently determining the impact of the new accounting standard.

On 29 May 2014, the Accounting Standards Council (ASC) announced that Singapore-incorporated companies listed on SGX will apply a new financial reporting framework identical to the International Financial Reporting Standards (IFRS) for the financial year ending 31 December 2018 onwards. This means that the Group's comparative information for the financial year ended 30 September 2018 and the opening balance sheet as at 1 October 2017 would have to comply with this new financial reporting framework.

39 SUBSEQUENT EVENT

On 9 January 2017, the Company announced that Times Publishing Limited, a wholly-owned subsidiary of the Company, entered into a conditional agreement (the "Share Purchase Agreement") to acquire the entire issued share capital in Penguin Random House Pte. Ltd. and Penguin Books Malaysia Sdn. Bhd. The aggregate consideration for the purchase is $8,000,000, subject to certain post-completion cash, debt and working capital adjustments to be made in accordance with the Share Purchase Agreement. The proposed acquisition was completed on 2 October 2017.

40 COMPARATIVE FIGURES

Certain comparative figures have been changed due to the PPA adjustment for acquisition of WV, WE and WVS, as disclosed in Note 15(a).

41. SIGNIFICANT SUBSIDIARY COMPANIES, JOINT ARRANGEMENTS AND ASSOCIATED COMPANIES

		Effective Shareholding 2017	Effective Shareholding 2016	Principal Activities
	SUBSIDIARY COMPANIES OF THE COMPANY			
	Country of Incorporation and Place of Business: **Singapore**			
(A)	Fraser & Neave (Singapore) Pte. Limited	**100.0%**	100.0%	Management Services
(A)	F&N Investments Pte Ltd	**100.0%**	100.0%	Investment Holding
(A)	F&N Foods Pte Ltd	**100.0%**	100.0%	Manufacture and Distribution of Dairy Products and Beverages
(A)	Asia Dairies (S) Pte Ltd	**100.0%**	100.0%	Dormant
(A)	F&N Dairy Investments Pte Ltd	**100.0%**	100.0%	Investment Holding
(A)	F&N Interflavine Pte. Ltd.	**100.0%**	100.0%	Beverage Base Manufacturing
(A)	InterF&B Pte. Ltd.	**100.0%**	100.0%	Dormant
(A)	Times Publishing Limited	**100.0%**	100.0%	Investment Holding
(A)	F&NBev Manufacturing Pte. Ltd.	**100.0%**	100.0%	Investment Holding
(A)	F&N Treasury Pte. Ltd.	**100.0%**	100.0%	Provision of Treasury and Financial Services
(A)	F&N Creameries (S) Pte. Ltd. *(Held by a subsidiary company)*	**100.0%**	100.0%	Distribution of Ice-Cream
(A)	Warburg Vending Pte Ltd *(Held by a subsidiary company)*	**100.0%**	100.0%	Vending Machine Operator
(A)	Warburg Engineering Pte. Ltd. *(Held by a subsidiary company)*	**100.0%**	100.0%	Machine Repair and Servicing
(A)	Warburg Vending Services Pte. Ltd. *(Held by a subsidiary company)*	**100.0%**	100.0%	Vending Machine Operator
(A)	F&N Myanmar Investments Pte. Ltd.	**100.0%**	-	Investment Holding
	Country of Incorporation and Place of Business: **Hong Kong**			
(B)	Fraser & Neave Investments (Hong Kong) Limited	**100.0%**	100.0%	Dormant
	Country of Incorporation and Place of Business: **Malaysia**			
(B)	Fraser & Neave Holdings Bhd	**55.5%**	55.5%	Investment Holding
(B)	Tiger Tavern Sdn. Bhd.	**100.0%**	100.0%	Dormant
(B)	Magnolia - PDL Dairies (1993) Sdn. Bhd.	**100.0%**	100.0%	Investment Holding
(B)	F&N Services (F&B) Sdn Bhd	**100.0%**	100.0%	Technical Application and Brand Marketing Support Services
(B)	Yoke Food Industries Sdn Bhd *(Held by a subsidiary company)*	**100.0%**	70.0%	Manufacture, Export and Distribution of Soft Drinks
	Country of Incorporation and Place of Business: **Thailand**			
(B)	F&N United Limited *(Held by a subsidiary company)*	**95.0%**	95.0%	Manufacture and Distribution of Dairy Products

Notes:

(A) Audited by KPMG LLP Singapore.

(B) Audited by KPMG in the respective countries.

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41. SIGNIFICANT SUBSIDIARY COMPANIES, JOINT ARRANGEMENTS AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2017	Effective Shareholding 2016	Principal Activities
	SUBSIDIARY COMPANIES OF THE COMPANY (cont'd)			
	Country of Incorporation and Place of Business : **Indonesia**			
(C)	PT. F&N Indonesia *(Held by subsidiary companies)*	**100.0%**	100.0%	Dormant
	Country of Incorporation and Place of Business: **Vietnam**			
(B)	F&N Vietnam Limited Liability Company *(Held by a subsidiary company)*	**100.0%**	100.0%	Distribution of Non-alcoholic Beverages and Provision of Management Services
	Country of Incorporation and Place of Business: **Myanmar**			
(C)	F&N Myanmar Services Limited *(Held by a subsidiary company)*	**100.0%**	-	Management Services
	SUBSIDIARY COMPANIES OF F&N CREAMERIES GROUP			
	Country of Incorporation and Place of Business: **Malaysia**			
(B)	F&N Ice Cream Manufacturing (M) Sdn Bhd	**100.0%**	100.0%	Manufacture and Distribution of Ice-Cream
(B)	F&N Creameries (M) Sdn Bhd	**100.0%**	100.0%	Distribution of Ice-Cream
(B)	F&N Ice Cream Manufacturing (Sarawak) Sdn Bhd	**100.0%**	100.0%	Dormant
(B)	F&N Creameries (Sarawak) Sdn Bhd	**100.0%**	100.0%	Dormant
	SUBSIDIARY COMPANIES OF YOKE FOOD INDUSTRIES GROUP			
	Country of Incorporation and Place of Business: **Malaysia**			
(E)	Lee Fah Marketing Sdn Bhd	**100.0%**	70.0%	Dormant
	Country of Incorporation and Place of Business: **Indonesia**			
(B)	PT Yoke Food Industries Indonesia	**100.0%**	70.0%	Distribution of Soft Drinks
	SUBSIDIARY COMPANIES OF FRASER & NEAVE HOLDINGS GROUP			
	Country of Incorporation and Place of Business: **Malaysia**			
(B)	Fraser & Neave (Malaya) Sdn Bhd	**55.5%**	55.5%	Trading of Goods, Management Services and Property Investment Holding
(B)	F&N Beverages Marketing Sdn Bhd	**55.5%**	55.5%	Distribution of Soft Drinks and Dairy Products
(B)	F&N Beverages Manufacturing Sdn Bhd	**55.5%**	55.5%	Manufacture and Distribution of Soft Drinks

Notes:

(B) Audited by KPMG in the respective countries.

(C) To be appointed.

(E) Not required to be audited under the laws of the country of incorporation.

41. SIGNIFICANT SUBSIDIARY COMPANIES, JOINT ARRANGEMENTS AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding		
		2017	2016	**Principal Activities**
	SUBSIDIARY COMPANIES OF FRASER & NEAVE HOLDINGS GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Malaysia** (cont'd)			
(B)	F&N Dairies (Malaysia) Sdn Bhd	**55.5%**	55.5%	Dormant
(B)	Premier Milk (Malaya) Sdn Bhd	**55.5%**	55.5%	Dormant
(B) *	F&N Foods Sdn Bhd	**55.5%**	55.5%	Dormant
(B) *	Kuala Lumpur Glass Manufacturers Company Sdn Bhd	**55.5%**	55.5%	Dormant
(B)	Wimanis Sdn Bhd	**55.5%**	55.5%	Dormant
(B)	Lettricia Corporation Sdn Bhd	**38.9%**	38.9%	Property Development
(B)	Elsinburg Holdings Sdn Bhd	**55.5%**	55.5%	Dormant
(B)	Nuvak Company Sdn Bhd	**55.5%**	55.5%	Property Development
(B)	Greenclipper Corporation Sdn Bhd	**55.5%**	55.5%	Property Development
(B)	Utas Mutiara Sdn Bhd	**55.5%**	55.5%	Property Investment Holding
(B)	Borneo Springs Sdn Bhd	**55.5%**	55.5%	Manufacture and Sale of Mineral Water
(B)	F&N Dairies Manufacturing Sdn Bhd	**55.5%**	55.5%	Manufacture and Distribution of Dairy Products
(B)	F&N Properties Sdn Bhd	**55.5%**	55.5%	Provision of Property Management Services
(B)	F&N Capital Sdn Bhd	**55.5%**	55.5%	Provision of Treasury and Financial Services
(B)	Tropical League Sdn Bhd	**55.5%**	55.5%	Dormant
	Country of Incorporation and Place of Business: **Singapore**			
(A)	F&N Dairies Distribution (Singapore) Pte Ltd	**55.5%**	55.5%	Distribution of Dairy Products
	Country of Incorporation and Place of Business: **Thailand**			
(B)	F&N Dairies (Thailand) Limited	**55.5%**	55.5%	Manufacture and Distribution of Dairy Products
	Country of Incorporation and Place of Business: **British Virgin Islands**			
(B)	Lion Share Management Limited	**55.5%**	55.5%	Brand Owner
	Country of Incorporation and Place of Business: **Brunei**			
(B)	F&N Marketing (B) Sdn Bhd	**55.5%**	55.5%	Distribution of Soft Drinks and Dairy Products

Notes:
(A) Audited by KPMG LLP Singapore.
(B) Audited by KPMG in the respective countries.
* In voluntary liquidation

41. SIGNIFICANT SUBSIDIARY COMPANIES, JOINT ARRANGEMENTS AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding 2017	2016	Principal Activities
	SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP			
	Country of Incorporation and Place of Business: **Singapore**			
(A)	Marshall Cavendish International Private Limited	**100.0%**	100.0%	Investment Holding
(A)	Marshall Cavendish International (Asia) Private Limited	**100.0%**	100.0%	Publishing of Trade Books
(A)	Marshall Cavendish Education Pte. Ltd.	**100.0%**	100.0%	Publishing - Education
(A)	Marshall Cavendish Business Information Private Limited	**100.0%**	100.0%	Publishing of Trade Directory and Business Information
(E)	Educational Technologies Private Limited	**100.0%**	100.0%	Dormant
(A)	Marshall Cavendish Institute Pte. Ltd.	**100.0%**	100.0%	Publishing - Education
(A)	Pansing Distribution Private Limited	**100.0%**	100.0%	Distribution of Books and Magazines
(A)	Times Experience Pte. Ltd.	**100.0%**	100.0%	Organising Conventions/ Conferences and E-retail of Products & Services
(E)	Times Graphics Private Limited	**100.0%**	100.0%	Dormant
(A)	Times Printers Private Limited	**100.0%**	100.0%	Commercial Printing
	Country of Incorporation: **Singapore** Place of Business: **Singapore and Malaysia**			
(A)	Times The Bookshop Pte Ltd	**100.0%**	100.0%	Retail of Books, Stationery, Magazines and Periodicals
	Country of Incorporation and Place of Business: **Malaysia**			
(B)	Marshall Cavendish (Malaysia) Sdn. Bhd.	**100.0%**	100.0%	Publishing - Education, Business Information and Trade Books
(B)	STP Distributors (M) Sendirian Berhad	**100.0%**	100.0%	Dormant
(B)	Pansing Marketing Sdn Bhd	**100.0%**	100.0%	Distribution of Books and Magazines
(B)	Times Offset (Malaysia) Sdn Bhd	**100.0%**	100.0%	Commercial Printing
(B)	Pansing Distribution Sdn Bhd	**100.0%**	100.0%	Distribution of Books and Magazines
	Country of Incorporation: **Hong Kong** Place of Business: **Hong Kong/Thailand**			
(B)	Far East Publications Limited	**100.0%**	100.0%	Distribution of Home Library Reference Books

Notes:
(A) Audited by KPMG LLP Singapore.
(B) Audited by KPMG in the respective countries.
(E) Not required to be audited under the laws of the country of incorporation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

41. SIGNIFICANT SUBSIDIARY COMPANIES, JOINT ARRANGEMENTS AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding		
		2017	2016	**Principal Activities**
	SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP (cont'd)			
	Country of Incorporation and Place of Business: **Thailand**			
(B)(1)	Marshall Cavendish International (Thailand) Co., Ltd	**49.0%**	49.0%	Publishing - Education
	Country of Incorporation and Place of Business: **Hong Kong**			
(B)	Everbest Printing Holdings Limited	**100.0%**	100.0%	Investment Holding
(B)	Everbest Printing Investment Limited	**100.0%**	100.0%	Investment Holding and Commercial Printing
(B)	Everbest Printing Company Limited	**100.0%**	100.0%	Commercial Printing
(B)	Marshall Cavendish Business Information (HK) Limited	**100.0%**	100.0%	Publishing of Trade Directory and Business Information
(B)	Times Publishing (Hong Kong) Limited	**100.0%**	100.0%	Education Publishing and Distribution of Magazines
(B)	Educational Technologies Limited	**100.0%**	100.0%	Publishing and Selling of Home Library Reference Books
	Country of Incorporation and Place of Business: **China**			
(B)	Everbest Printing (Guangzhou) Company Limited	**100.0%**	100.0%	Commercial Printing
(D)(2)	Shanxi Xinhua Times Packaging Printing Co., Ltd	**51.0%**	51.0%	Commercial Printing and Packaging
(E)	Marshall Cavendish (Beijing) Co. Ltd *(All the above companies, incorporated in China, accounting year ends on 31 December)*	**100.0%**	100.0%	Dormant
	Country of Incorporation and Place of Business: **India**			
(B)	Direct Educational Technologies India Pvt. Ltd. *(Accounting year ends on 31 March)*	**100.0%**	100.0%	Distribution of Home Library Reference Books
	Country of Incorporation and Place of Business: **Australia**			
(E)	Musicway Corporation Pty Ltd	**100.0%**	100.0%	Distribution of Lifestyle Accessories and Storage Products
(E)	Marshall Cavendish (Australia) Pty. Limited	**100.0%**	100.0%	Investment Holding
	Country of Incorporation and Place of Business: **United Kingdom**			
(B)	Marshall Cavendish Limited	**100.0%**	100.0%	Investment Holding

Notes:

(B) Audited by KPMG in the respective countries.

(D) Audited by other firms of auditors.

(E) Not required to be audited under the laws of the country of incorporation.

(1) Company is treated as a subsidiary of the Group by virtue of management control over financial and operating policies of the company.

(2) Classified as Assets and Liabilities Held for Sale (Note 26).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

41. SIGNIFICANT SUBSIDIARY COMPANIES, JOINT ARRANGEMENTS AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding		
		2017	2016	**Principal Activities**
	SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP (cont'd)			
	Country of Incorporation and Place of Business: **United States of America**			
(E)	Marshall Cavendish Corporation	**100.0%**	100.0%	Publishing of Library Reference Books
	Country of Incorporation and Place of Business: **Chile**			
(D)	Marshall Cavendish Education Chile SpA *(Accounting year ends on 31 December)*	**100.0%**	100.0%	Publishing - Education
	JOINT VENTURE COMPANY OF FRASER & NEAVE HOLDINGS GROUP			
	Country of Incorporation and Place of Business: **Malaysia**			
(B)	Vacaron Company Sdn Bhd	**27.8%**	27.8%	Property Development
	JOINT OPERATION OF TIMES PUBLISHING GROUP			
	Country of Incorporation and Place of Business: **Singapore**			
(D)	Times Newslink *(Accounting year ends on 31 December)*	**50.0%**	50.0%	Retail of Books and Magazines
	ASSOCIATED COMPANY OF THE FRASER AND NEAVE, LIMITED GROUP			
	Country of Incorporation and Place of Business: **Vietnam**			
(B)(3)	Vietnam Dairy Products Joint Stock Company *(Accounting year ends on 31 December)*	**18.7%**	11.0%	Manufacture and Distribution of Dairy Products and Beverages
	ASSOCIATED COMPANY OF FRASER & NEAVE HOLDINGS GROUP			
	Country of Incorporation and Place of Business: **Malaysia**			
(D)	Cocoaland Holdings Berhad *(Accounting year ends on 31 December)*	**15.1%**	15.1%	Investment Holding
	ASSOCIATED COMPANIES OF TIMES PUBLISHING GROUP			
	Country of Incorporation and Place of Business: **China**			
(E)	Beijing Universal Times Culture Development Co., Ltd. *(Accounting year ends on 31 December)*	**40.0%**	40.0%	Dormant
	Country of Incorporation and Place of Business: **Nigeria**			
(E)	Transworld Times Press (Africa) Limited *(Accounting year ends on 31 December)*	**40.0%**	40.0%	Dormant

Notes:

(B) Audited by KPMG in the respective countries.

(D) Audited by other firms of auditors.

(E) Not required to be audited under the laws of the country of incorporation.

(3) Company is treated as an associated company of the Group by virtue of significant influence over the company.

PARTICULARS OF GROUP PROPERTIES

The main properties as at 30 September 2017 and their net book values are indicated below:
("F&N" refers to Fraser and Neave Group and "TPL" refers to Times Publishing Group)

				Land ($'000)	Building ($'000)
(A)	**CLASSIFIED AS FIXED ASSETS (Note 12 to the Financial Statements)**				
	FREEHOLD				
	Singapore				
	TPL	- 1.1	hectares industrial property at Times Centre, 1 New Industrial Road	6,100	3,916
	Peninsular Malaysia				
	F&N	- 12.8	hectares industrial property at No. 1, Jalan Bukit Belimbing 26/38, Persiaran Kuala Selangor, Section 26, Shah Alam, Selangor	11,867	19,050
		- 5.2	hectares industrial park land at Lot 3-2, Lion Industrial Park, Shah Alam, Selangor	3,756	-
		- 2.3	hectares industrial property at 3724 to 3726, Jalan Sungei Nyior, Butterworth, Pulau Pinang	1,518	556
		- 2.7	hectares industrial property at 217, Jalan Lahat, Ipoh, Perak	905	1,030
		- 2.2	hectares industrial property at Batu 4 3/4, Jalan Tampoi, Johor Bahru, Johor	2,464	924
		- 0.6	hectares industrial property at Lot 6, Jalan Tampoi, Johor Bahru, Johor	338	45
		- 0.1	hectares office premise at No. 3, Jalan Metro Pudu 1, Fraser Business Park, Off Jalan Yew, Kuala Lumpur	-	3,962
		- 0.4	hectares industrial property at Seksyen 26, Shah Alam, Selangor	535	253
		- 2.0	hectares industrial property at Lot 7399 & 8081, Jalan Mempaga, Mukim Sabai, Karak, Pahang	742	3,959
		- 0.3	hectares office premise at Level 1, 5, 6 & 7, Kompleks Metro Pudu, No. 1, Jalan Metro Pudu 2, Fraser Business Park, Off Jalan Yew, Kuala Lumpur	-	3,818
		- Other properties		300	84
	TPL	- 1.2	hectares industrial property at Lot 46, Subang Hi-Tech Industrial Park, Batu Tiga, Shah Alam, Selangor	1,239	1,700
	East Malaysia				
	F&N	- 1.1	hectares industrial property at No. 94, Batu 11, Jalan Matang, Kuching, Sarawak	1,408	1,232
	Thailand				
	F&N	- 1.2	hectares industrial property at 90 Moo 8 Mittraparp Road, Phayayen District, Amphur Pakchong, Nakornratchasima Province 30320	-	1,135
		- 9.2	hectares industrial property at 668 Moo 4 Rojana Industrial Park Zone 2, U-thai, Phra Nakhon Si Ayutthaya 13210	6,900	44,604
	Australia				
	TPL	- 0.2	hectares commercial property at Unit 7 & 8 Monash Business Park, 29 Business Park Drive, Nottinghill, Melbourne - Victoria	812	274
	United States of America				
	TPL	- 0.2	hectares commercial property at 99 White Plains Road, Tarrytown, New York	679	2,584
	Total Freehold			**39,563**	**89,126**
	LEASEHOLD				
	Singapore				
	F&N	- 4.0	hectares industrial property at 214 Pandan Loop (Lease expires year 2040)	-	10,247
		- 0.1	hectares industrial property at 51 Quality Road (Lease expires year 2044)	-	29
		- 0.1	hectares industrial property at 53 Loyang Way (Lease expires year 2029)	3,376	-

PARTICULARS OF GROUP PROPERTIES

				Land ($'000)	Building ($'000)
(A)	**CLASSIFIED AS FIXED ASSETS** (cont'd) **(Note 12 to the Financial Statements)**				
	LEASEHOLD (cont'd)				
	Singapore (cont'd)				
	TPL	-	Commercial property at Unit #04-08 - #04-11, The Centrepoint, 176 Orchard Road (Lease expires year 2078)	-	2
		-	1.9 hectares industrial property at 16 & 18 Tuas Avenue 5 (Lease expires year 2043)	-	11,096
	Peninsular Malaysia				
	F&N	-	15.1 hectares industrial property at Lot 56, Jalan Sungai Pinang 4/5, Selangor Halal Hub Taman Perindustrian Pulau Indah Fasa 2, Pulau Indah, Selangor (Lease expires year 2097)	8,572	49,427
		-	2.0 hectares industrial property at Plot 183 & 184, Jalan Cyber 9, Senai, Johor (Lease expires year 2068)	1,425	3,965
		-	2.0 hectares industrial property at Plot 182, Jalan Cyber 9, Senai, Johor (Lease expires year 2073)	955	1,500
		-	Other properties	343	197
	East Malaysia				
	F&N	-	2.6 hectares industrial property at 5 1/2 Mile, Jalan Tuaran, Inanam, Kota Kinabalu, Sabah (Lease expires year 2062)	630	1,603
		-	8.6 hectares industrial park land at Lot 808, Kota Kinabalu Industrial Park, Sabah (Lease expires year 2096)	8,351	-
		-	2.4 hectares industrial property at Lot 1581 Block 4, Matang Land District, Kuching, Sarawak (Lease expires year 2071)	1,275	864
		-	2.9 hectares industrial property at 3 1/2 Mile, Jalan Penrissen, Kuching, Sarawak (Lease expires year 2074)	2,082	5,188
		-	Shop office at Lot 142, Section 63, Kuching, Sarawak (Lease expires year 2784)	72	49
		-	0.4 hectares industrial property at Lot 1008, Bintawa Industrial Estate, Kuching, Sarawak (Lease expires year 2035)	-	88
	Thailand				
	F&N	-	3.5 hectares industrial property at No. 19/111 Moo 7 95 Thakarm Road, Samaedam, Bangkhuntien, Bangkok (Lease expires year 2029)	-	107
	TPL	-	Warehouse at Soi Wat Kok #20/526-527, Rama II Road, Bangkok (Lease expires year 2021)	-	12
	China/Hong Kong				
	TPL	-	Residential property at Unit 1AF Riverside Garden, Shenyang, China (Lease expires year 2054)	-	155
		-	Industrial property at Nansha District, Guangzhou City, Guangdong, China (Lease expires year 2044)	2,212	11,764
		-	Offices at Seaview Estate - 10th Floor Block C, No. 8 Watson Road, North Point, Hong Kong (Lease expires year 2057)	4,103	98
		-	Offices at Seaview Estate - 9th Floor Block C, No. 8 Watson Road, North Point, Hong Kong (Lease expires year 2057)	3,892	87
	Total Leasehold			**37,288**	**96,478**
	TOTAL PROPERTIES (CLASSIFIED AS FIXED ASSETS)			**76,851**	**185,604**

PARTICULARS OF GROUP PROPERTIES

				Land ($'000)	Building ($'000)
(B)	**CLASSIFIED AS COMPLETED INVESTMENT PROPERTIES (Note 13 to the Financial Statements)**				
	Singapore				
	TPL	-	0.7 hectares industrial property at 438 Ang Mo Kio Industrial Park 1 Leasehold (Lease expires year 2038)	-	13,000
	Peninsular Malaysia				
	F&N	-	A building comprising office (LG to 5th Floor) at Kompleks Metro Pudu, No. 1, Jalan Metro Pudu 2, Fraser Business Park, Off Jalan Yew, Kuala Lumpur Freehold, lettable area - 4,702 sqm	-	15,686
		-	Office at Lot 682 Seksyen 92, Fraser Business Park, Off Jalan Yew, Kuala Lumpur Freehold, lettable area - 3,787 sqm	-	174
	Hong Kong				
	TPL	-	Shop unit at Houston Centre, 63 Mody Road, Tsim Sha Tsui, Kowloon Leasehold (Lease expires year 2053), lettable area - 68 sqm	1,283	108
		-	0.2 hectares office at Unit 1, 10th Floor of Block A & Unit 5, 10th Floor of Block C, Ko Fai Industrial Building, No. 7 Ko Fai Road, Yau Tong, Kowloon Leasehold (Lease expires year 2047)	-	10,330
	TOTAL PROPERTIES (CLASSIFIED AS INVESTMENT PROPERTIES)			**1,283**	**39,298**

			Stage of Completion %	Estimated Date of Completion	Effective Group Interest %
CLASSIFIED AS PROPERTIES HELD FOR DEVELOPMENT (Note 14 to the Financial Statements)					
Peninsular Malaysia					
F&N	-	Freehold land of approximately 3,787 sqm at Fraser Business Park, Off Jalan Yew, Kuala Lumpur.	-	-	56
	-	Freehold land of approximately 188,182 sqm for a residential property development at Lot 609, Mukim Hulu Semenyih, District of Hulu Langat, Selangor.	-	-	56
	-	Freehold land of approximately 57,105 sqm for a residential property development at Lot 1954, Mukim Hulu Semenyih, District of Hulu Langat, Selangor.	-	-	56
	-	Freehold land of approximately 12,759 sqm for a commercial property development at Lot 47261, Jalan Balau 1, Jalan Dato Sulaiman, Jalan Tebrau, Mukim Bandar, Johor Bahru.	-	-	56

SHAREHOLDING STATISTICS

AS AT 12 DECEMBER 2017

Class of Shares - Ordinary shares
Voting Rights - One vote per share

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%*
1 - 99	119	1.63	3,801	0.00
100 - 1,000	1,382	18.97	1,233,219	0.08
1,001 - 10,000	4,455	61.15	19,071,681	1.32
10,001 - 1,000,000	1,316	18.07	61,942,717	4.28
1,000,001 and above	13	0.18	1,364,695,210	94.32
TOTAL	**7,285**	**100.00**	**1,446,946,628**	**100.00**

TOP TWENTY SHAREHOLDERS (as shown in the Register of Members and Depository Register)

No.	Shareholder's Name	Shareholdings	%*
1	DBS Nominees Pte Ltd	441,931,235	30.54
2	United Overseas Bank Nominees Pte Ltd	430,465,951	29.75
3	InterBev Investment Limited	412,423,822	28.50
4	Citibank Nominees Singapore Pte Ltd	46,222,629	3.20
5	DBS Vickers Securities (Singapore) Pte Ltd	10,352,830	0.72
6	UOB Kay Hian Pte Ltd	6,457,260	0.45
7	BPSS Nominees Singapore (Pte.) Ltd.	6,001,620	0.42
8	Raffles Nominees (Pte) Ltd	4,864,928	0.34
9	Phay Thong Huat Pte Ltd	1,799,000	0.12
10	Chua Eng Him	1,065,000	0.07
11	HSBC (Singapore) Nominees Pte Ltd	1,057,407	0.07
12	Morgan Stanley Asia (Singapore) Securities Pte Ltd	1,046,808	0.07
13	The Titular Roman Catholic Archbishop of Kuala Lumpur	1,006,720	0.07
14	Choo Meileen	906,065	0.06
15	Chee Swee Cheng & Co Pte Ltd	846,610	0.06
16	DBSN Services Pte Ltd	728,546	0.05
17	CIMB Securities (Singapore) Pte Ltd	727,722	0.05
18	OCBC Nominees Singapore Pte Ltd	607,860	0.04
19	Chong Kah Yung	600,000	0.04
20	Janice Khoo Bee Khim	585,000	0.04
TOTAL		**1,369,697,013**	**94.66**

SUBSTANTIAL SHAREHOLDERS (as shown in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
	No. of Shares	%*	No. of Shares	%*
TCC Assets Limited	858,080,062	59.30	-	-
InterBev Investment Limited	412,423,822	28.50	-	-
International Beverage Holdings Limited (1)	-	-	412,423,822	28.50
Thai Beverage Public Company Limited (2)	-	-	412,423,822	28.50
Siriwana Company Limited (3)	-	-	412,423,822	28.50
MM Group Limited (4)	-	-	412,423,822	28.50
Maxtop Management Corp. (4)	-	-	412,423,822	28.50
Risen Mark Enterprise Ltd. (4)	-	-	412,423,822	28.50
Golden Capital (Singapore) Limited (4)	-	-	412,423,822	28.50
Charoen Sirivadhanabhakdi (5)	-	-	1,270,503,884	87.81
Khunying Wanna Sirivadhanabhakdi (5)	-	-	1,270,503,884	87.81

To the best of the Company's knowledge and based on records of the Company as at 12 December 2017, approximately 12%* of the issued shares (excluding treasury shares) of the Company are held in the hands of the public and this complies with Rule 723 of the Listing Manual.

Notes:

* Percentage is based on 1,446,946,628 shares (excluding 131,126 treasury shares) as at 12 December 2017. For Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi, any discrepancy between the percentage figures for their deemed interests in Shares held by InterBev Investment Limited and TCC Assets Limited and the total thereof is due to rounding.

(1) International Beverage Holdings Limited ("**IBHL**") holds a 100% direct interest in InterBev Investment Limited ("**IBIL**") and is therefore deemed to be interested in all of the shares of Fraser and Neave, Limited ("**F&N**") in which IBIL has an interest.

(2) Thai Beverage Public Company Limited ("**ThaiBev**") holds a 100% direct interest in IBHL, which in turn holds a 100% direct interest in IBIL. ThaiBev is therefore deemed to be interested in all of the shares of F&N in which IBIL has an interest.

(3) Siriwana Company Limited ("**Siriwana**") holds approximately an aggregate of 45.27% direct interest in ThaiBev. This comprises a direct interest of 43.68% and an indirect interest of 1.59% held through Sirisopha Company Limited ("**Sirisopha**"). Siriwana holds an approximate 99.98% direct interest in Sirisopha, which in turn holds an approximate 1.59% direct interest in ThaiBev. ThaiBev holds a 100% direct interest in IBHL. IBHL holds a 100% direct interest in IBIL. Siriwana is therefore deemed to be interested in all of the shares of F&N in which IBIL has an interest.

(4) MM Group Limited ("**MM Group**") holds a 100% direct interest in each of Maxtop Management Corp. ("**Maxtop**"), Risen Mark Enterprise Ltd. ("**RM**") and Golden Capital (Singapore) Limited ("**GC**");
- Maxtop holds a 17.23% direct interest in ThaiBev;
- RM holds a 3.32% direct interest in ThaiBev;
- GC holds a 0.06% direct interest in ThaiBev;
- ThaiBev holds a 100% direct interest in IBHL; and
- IBHL holds a 100% direct interest in IBIL.

MM Group is therefore deemed to be interested in all of the shares of F&N in which IBIL has an interest.

(5) Each of Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, owns 50% of the issued share capital of TCC Assets Limited ("**TCCA**"), and is therefore deemed to be interested in all of the shares of F&N in which TCCA has an interest. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi also jointly hold:
- a 51% direct interest in Siriwana. Siriwana holds an aggregate of approximately 45.27% interest in ThaiBev. This comprises a direct interest of 43.68% and an indirect interest of 1.59% held through Sirisopha. Siriwana holds an approximate 99.98% direct interest in Sirisopha, which in turn holds an approximate 1.59% direct interest in ThaiBev; and
- a 100% direct interest in MM Group. MM Group holds a 100% direct interest in each of Maxtop, RM and GC. Maxtop holds a 17.23% direct interest in ThaiBev; RM holds a 3.32% direct interest in ThaiBev; and GC holds a 0.06% direct interest in ThaiBev.

ThaiBev holds a 100% direct interest in IBHL, which in turn holds a 100% direct interest in IBIL. Each of Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is therefore deemed to be interested in all of the shares of F&N in which IBIL has an interest.

INTERESTED PERSON TRANSACTIONS

Particulars of interested person transactions ("IPTs") for the period from 1 October 2016 to 30 September 2017 as required under Rule 907 of the SGX Listing Manual are set out below.

Name of interested person	Aggregate value of all IPTs during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) ($'000)	Aggregate value of all IPTs conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) ($'000)
TCC Group of Companies [1]		
- Sale of products and provision of services	Nil	1,515
- Provision of management and support services	1,895	707
- Reimbursement and recovery of advertising and promotional expenses	13,956	Nil
- Purchase of products and obtaining of services	Nil	9,289
- Obtaining of marketing services	426	Nil
- Lease of office/commercial space	Nil	6,002

Note:

[1] This refers to the companies and entities in the TCC Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi.

MATERIAL CONTRACTS (RULE 1207(8) OF THE SGX LISTING MANUAL)

There were no material contracts entered into by the Company or any of its subsidiaries involving the interests of any director or controlling shareholder of the Company during the financial year under review, save as disclosed above and in this Annual Report.