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

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For immediate release

QUARTERLY FINANCIAL REPORT

Financial year ended 30 September 2018

The Directors are pleased to release the unaudited quarterly financial report for the quarter and financial year ended 30 September 2018.

The contents of the financial report comprise the following attached unaudited condensed consolidated financial statements, explanatory notes and additional disclosures and these must be read in conjunction with the Group's audited financial statements for the year ended 30 September 2017:

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

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

By Order of the Board
Kuala Lumpur
8 November 2018

Schedule A : Unaudited Condensed Consolidated Income Statement
For the quarter and year ended 30 September 2018

	Individual 4th quarter			Cumulative 4th quarter		
RM'000	30/09/2018	30/09/2017	*% chg*	30/09/2018	30/09/2017	*% chg*
Revenue	996,640	976,275	*2.1%*	4,109,859	4,101,374	*0.2%*
Cost of sales	(653,123)	(685,158)		(2,727,681)	(2,732,883)	
Gross profit	343,517	291,117	*18.0%*	1,382,178	1,368,491	*1.0%*
Other income	5,017	4,534		18,076	20,106	
Operating expenses	(249,853)	(276,346)		(980,014)	(1,043,531)	
Operating profit	98,681	19,305	*411.2%*	420,240	345,066	*21.8%*
Finance income	5,334	3,707		16,047	14,776	
Finance costs	(4,259)	(3,826)		(15,571)	(15,305)	
Share of results of a joint venture #	(1,670)	(1,779)		(6,558)	(2,083)	
Share of results of an associate ^	1,563	1,983		8,571	11,259	
Profit before tax (PBT)	99,649	19,390	*413.9%*	422,729	353,713	*19.5%*
Taxation (*Schedule G, Note 5*)	(18,419)	245		(37,633)	(30,366)	
Profit after tax (PAT)	81,230	19,635	*313.7%*	385,096	323,347	*19.1%*
Attributable to:						
Equity holders of the Company	81,239	19,648		385,133	323,377	
Non-controlling interests	(9)	(13)		(37)	(30)	
Profit after tax	81,230	19,635		385,096	323,347	
Basic earnings per share (sen) attributable to equity holders of the Company	22.2	5.4		104.9	88.3	
Diluted earnings per share (sen) attributable to equity holders of the Company	22.1	5.3		104.5	88.0	

\# *The share of results of a joint venture for the quarter refers to Vacaron Company Sdn Bhd and is derived from its unaudited management accounts for the quarter and year ended 30 September 2018.*

^ *The share of results of an associate for the quarter refers to Cocoaland Holdings Berhad and is derived from its unaudited quarterly announcement for the quarter ended 30 June 2018 dated 30 August 2018.The cumulative results are the sum total of its quarterly results recognised by the Group for the year ended 30 June 2018.*

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2017.

Schedule B: Unaudited Condensed Consolidated Statement of Comprehensive Income

For the quarter and year ended 30 September 2018

	Individual 4th quarter			Cumulative 4th quarter		
RM'000	30/09/2018	30/09/2017	*% chg*	30/09/2018	30/09/2017	*% chg*
Profit after tax	81,230	19,635	*313.7%*	385,096	323,347	*19.1%*
Other comprehensive income, net of tax:						
Item that is not to be reclassified subsequently to profit or loss:						
Remeasurement of defined benefit plans	352	596		352	596	
Item that is or may be reclassified subsequently to profit or loss:						
Foreign currency translation differences for foreign operations	20,630	533		1,505	30,176	
	20,982	1,129		1,857	30,772	
Total comprehensive income	102,212	20,764	*392.3%*	386,953	354,119	*9.3%*
Total comprehensive income attributable to:						
Equity holders of the Company	102,221	20,777		386,990	354,149	
Non-controlling interests	(9)	(13)		(37)	(30)	
	102,212	20,764	*392.3%*	386,953	354,119	*9.3%*

Schedule C : Unaudited Condensed Consolidated Statement of Financial Position

As at 30 September 2018

RM'000	30/09/2018	30/09/2017
Non-current assets		
Property, plant and equipment	1,281,679	1,193,851
Investment properties	49,318	49,315
Intangible assets	122,289	122,218
Properties held for development	56,047	56,047
Investment in a joint venture *(Schedule F, Note 8)*	89,094	89,822
Investment in an associate *(Schedule F, Note 9)*	84,252	83,768
Deferred tax assets	13,070	25,726
	1,695,749	1,620,747
Current assets		
Trade and other receivables	604,644	620,185
Inventories	497,165	540,716
Current tax asset	10,548	25,280
Derivative financial assets	60	137
Cash and short term deposits	537,092	424,433
	1,649,509	1,610,751
Total assets	3,345,258	3,231,498
Equity		
Share capital and reserves	2,312,336	2,132,558
Non-controlling interests	135	172
Total equity	2,312,471	2,132,730
Non-current liabilities		
Loans and borrowings *(Schedule G, Note 7)*	115,153	181,639
Retirement benefits	40,176	38,070
Deferred tax liabilities	28,716	29,944
	184,045	249,653
Current liabilities		
Provisions	-	7,405
Trade and other payables	620,310	628,685
Loans and borrowings *(Schedule G, Note 7)*	220,371	197,458
Current tax liabilities	7,921	14,020
Derivative financial liabilities	140	1,547
	848,742	849,115
Total liabilities	1,032,787	1,098,768
Total equity and liabilities	3,345,258	3,231,498
Net assets per share (RM) attributable to owners of the Company	6.31	5.82

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2017.

Schedule D : Unaudited Condensed Consolidated Statement of Cash Flows

For the year ended 30 September 2018

RM'000	30/09/2018	30/09/2017
Cash flows from operating activities		
Profit before tax	422,729	353,713
Add non-cash items:		
- Depreciation and amortisation	91,014	91,725
- Net (reversal of impairment loss)/impairment loss on property, plant and equipment	(2,188)	494
- Net (reversal of impairment loss)/impairment loss on receivables	(60)	520
- Net inventories written down	6,626	3,205
- Inventories written off	4,950	10,060
- Share-based payment transactions expense	7,221	9,216
- Property, plant and equipment written off	2,534	1,444
- Reversal of provisions for litigation claims	-	(5,749)
- Change in fair value of investment properties	(3)	(29)
- Net (gain)/loss on disposal of property, plant and equipment	(687)	678
- Net fair value (gain)/loss on derivatives	(1,330)	1,580
- Finance income	(16,047)	(14,776)
- Finance costs	15,571	15,305
- Share of results of a joint venture	6,558	2,083
- Share of results of an associate	(8,571)	(11,259)
- Others	2,827	(4,963)
Changes in working capital #	35,316	(202,957)
Tax paid	(17,583)	(30,311)
Net cash from operating activities	548,877	219,979
Cash flows from investing activities		
Interest received	9,735	9,879
Dividend received	8,087	6,221
Loan to a joint venture	-	(2,000)
Proceeds from disposal of property, plant and equipment	1,428	1,252
Purchase of property, plant and equipment	(181,218)	(155,356)
Purchase of intangible assets	(213)	(291)
Net cash used in investing activities	(162,181)	(140,295)
Cash flows from financing activities		
Dividends paid	(210,761)	(210,761)
Interest paid	(14,920)	(15,798)
Proceeds from borrowings	153,537	-
Repayment of borrowings	(197,458)	(25,500)
Purchase of shares by Share Grant Plan ("SGP") Trust	(2,838)	(9,006)
Net cash used in financing activities	(272,440)	(261,065)
Net increase/(decrease) in cash and cash equivalents	114,256	(181,381)
Effects of foreign exchange rate changes	(1,597)	12,260
Cash and cash equivalents at 1 October	424,433	593,554
Cash and cash equivalents at 30 September	537,092	424,433
Cash and cash equivalents comprise:		
Cash and bank balances	185,396	244,435
Short term deposits with licensed banks with a maturity period of 3 months or less	351,696	179,998
Cash and short term deposits	537,092	424,433

Included the interest amounting to RM5,830,000 (2017: RM5,602,000) accrued on loan to a joint venture.

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2017.

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

For the year ended 30 September 2018

	<------ Attributable to owners of the Company ------>											
	<------ Non-distributable ------>								Distributable			
RM'000	Share capital	Share premium	Treasury shares	Shares held by SGP Trust (Note b)	Loss on purchase of shares for SGP (Note c)	Translation reserve	Share-based payment reserve	Legal reserve	Retained earnings	Total	Non-controlling interests	Total equity
At 1 October 2017	816,770	-	(1,716)	(12,079)	(2,092)	85,910	16,940	9,934	1,218,891	2,132,558	172	2,132,730
Total comprehensive income	-	-	-	-	-	1,505	-	-	385,485	386,990	(37)	386,953
Transactions with owners:												
Issuance of shares upon vesting of SGP	-	-	-	10,878	(3,974)	-	(6,904)	-	-	-	-	-
Purchase of shares by SGP Trust	-	-	-	(2,838)	-	-	-	-	-	(2,838)	-	(2,838)
Employee share-based payment expense	-	-	-	-	-	-	6,387	-	-	6,387	-	6,387
Dividends paid	-	-	-	-	-	-	-	-	(210,761)	(210,761)	-	(210,761)
Total transactions with owners	-	-	-	8,040	(3,974)	-	(517)	-	(210,761)	(207,212)	-	(207,212)
At 30 September 2018	816,770	-	(1,716)	(4,039)	(6,066)	87,415	16,423	9,934	1,393,615	2,312,336	135	2,312,471
At 1 October 2016	366,779	449,991	(1,716)	(12,060)	(797)	55,734	15,416	9,934	1,105,679	1,988,960	202	1,989,162
Total comprehensive income	-	-	-	-	-	30,176	-	-	323,973	354,149	(30)	354,119
Transactions with owners:												
Issuance of shares upon vesting of SGP	-	-	-	8,987	(1,295)	-	(7,692)	-	-	-	-	-
Purchase of shares by SGP Trust	-	-	-	(9,006)	-	-	-	-	-	(9,006)	-	(9,006)
Employee share-based payment expense	-	-	-	-	-	-	9,216	-	-	9,216	-	9,216
Dividends paid	-	-	-	-	-	-	-	-	(210,761)	(210,761)	-	(210,761)
Transition to no-par value regime on 31 Jan 2017 (Note a)	449,991	(449,991)	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	449,991	(449,991)	-	(19)	(1,295)	-	1,524	-	(210,761)	(210,551)	-	(210,551)
At 30 September 2017	816,770	-	(1,716)	(12,079)	(2,092)	85,910	16,940	9,934	1,218,891	2,132,558	172	2,132,730

Note a: *In accordance with section 74 of the Companies Act, 2016, the Company's shares no longer have a par or nominal value with effect from 31 January 2017. There is no impact on the number of shares in issue or the relative entitlement of any of the members as a result of this transition. In accordance with the transitional provisions set out in section 618 of the Companies Act, 2016, any amount standing to the credit of the share premium account becomes part of the Company's share capital. Companies have twenty-four months upon the commencement of Companies Act, 2016 to utilise the credit. During the previous financial year, the Company had utilised none of the credit of the share premium account which had become part of the share capital.*

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

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

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2017.

Schedule F : Selected Explanatory Notes Pursuant to MFRS 134

1. Corporate information

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

The condensed consolidated interim financial statements of the Group ("interim financial statements") as at and for the year ended 30 September 2018 comprise the Company and its subsidiaries (together referred to as the Group) and the Group's interest in an associate and a joint venture.

These interim financial statements were approved by the Board of Directors on 8 November 2018.

2. Basis of preparation

These interim financial statements are unaudited and have been prepared in accordance with applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board and with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. These interim financial statements do not include all of the information required for annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30 September 2017.

The audited consolidated financial statements of the Group for the year ended 30 September 2017 are available upon request from the Company's registered office at Level 3A, F&N Point, No. 3, Jalan Metro Pudu 1, Fraser Business Park, Off Jalan Yew, 55100 Kuala Lumpur, Malaysia.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 September 2017. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30 September 2017.

The accounting policies and presentation applied by the Group in these interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 30 September 2017.

3. Standards issued but not yet effective

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

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9 *Financial Instruments*
- MFRS 15 *Revenue from Contracts with Customers*
- Clarifications to MFRS 15 *Revenue from Contracts with Customers*
- IC Interpretation 22 *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 2 *Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 4 *Insurance Contracts: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts* *
- Amendments to MFRS 140 *Transfer of Investment Property*
- Annual Improvements to MFRSs 2014-2016 Cycle

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

3. Standards issued but not yet effective (cont'd)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16 *Leases*
- IC Interpretation 23 *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 128 *Long-term Interests in Associates and Joint Ventures*
- Amendments to MFRS 9 *Prepayment Features with Negative Compensation*
- Amendments to MFRS 119 *Employee Benefits*
- Annual Improvements to MFRSs 2015-2017 Cycle

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- MFRS 17 *Insurance Contracts* *

MFRSs, interpretations and amendments effective for a date yet to be confirmed

- Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

** not applicable*

The Directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

MFRS 9 *Financial Instruments*

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, impairment of financial assets and on hedge accounting.

The Group has established a structured implementation programme which includes establishing a project team, training programme and undertaking impact assessment to ensure readiness and smooth implementation of MFRS 9.

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. The new standard contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL), and eliminates the existing MFRS 139 categories of held to maturity, loans and receivables and available for sale.

The Group does not expect that the application of the new classification requirement will have a material impact on accounting for its financial assets.

MFRS 9 also replaces the incurred loss model in MFRS 139 with a forward-looking expected credit loss (ECL) model. Under MFRS 9, loss allowances will be measured on either 12-month ECLs or lifetime ECLs.

With the adoption of MFRS 9 by following the ECL model, the impairment loss based on MFRS 9 is expected to be less than 1% of trade and other receivables and this is to be adjusted to the opening retained earnings as of 1 October 2018.

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

3. Standards issued but not yet effective (cont'd)

MFRS 15 *Revenue from Contracts with Customers*
MFRS 15 sets a new guidance for revenue accounting. It supersedes MFRS 111 *Construction Contracts*, MFRS 118 and all revenue-related interpretations: Revenue, IC Interpretation 13 *Customer Loyalty Programmes*, IC Interpretation 15 *Agreements for Construction of Real Estate*, IC Interpretation 18 *Transfers of Assets from Customers* and IC Interpretation 131 *Revenue - Barter Transactions Involving Advertising Services*.

The Group has established a structured implementation programme which includes training programme, reviewing of contracts, undertaking impact assessment, changes to system and process, as well as engaging with relevant experts within the Group. The Group has established a steering committee and a cross-functional project team comprising members from the finance function, commercial operations and other relevant functions to manage the implementation of MFRS 15.

Currently, the Group's contracts with customers contain product sales and also consideration payable to customers. Each of these components is either recognised as revenue or operating expenses. With the adoption of MFRS 15, the consideration payable to customers which are currently recognised as expenses would be required to be recognised as part of the transaction price and hence to be reclassified to net off against revenue. This reclassification is expected to reduce revenue by 6% while operating expenses is expected to reduce by 24%. There is no impact to profit before tax.

MFRS 16 *Leases*
MFRS 16 replaces the guidance in MFRS 117 *Leases*, IC Interpretation 4 *Determining whether an Arrangement contains a Lease*, IC Interpretation 115 *Operating Leases – Incentives* and IC Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease.*

The Group has established a structured implementation programme which includes establishing a project team, training programme, review of lease agreements, undertaking impact assessment and changes to system and process to ensure readiness and smooth implementation of MFRS 16.

MFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 16.

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

4. Auditors' report

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

5. Comment on seasonality or cyclicality of operation

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

6. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the year ended 30 September 2018.

7. Significant estimates and changes in estimates

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

8. Investment in a joint venture

RM'000	30/09/2018	30/09/2017
Unquoted shares, at cost	500	500
Share of post-acquisition reserves	(15,399)	(8,841)
	(14,899)	(8,341)
Shareholder's loan	126,820	126,820
Interest on shareholder's loan	32,465	26,635
	144,386	145,114
Less: Unrealised profit	(55,292)	(55,292)
	89,094	89,822

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

RM'000	30/09/2018	30/09/2017
Total assets	289,136	290,581
Total liabilities	(318,954)	(307,282)

	Individual 4th quarter		Cumulative 4th quarter	
RM'000	30/09/2018	30/09/2017	30/09/2018	30/09/2017
Revenue	-	-	-	-
Loss	(3,340)	(3,558)	(13,117)	(4,166)

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

9. Investment in an associate

RM'000	30/09/2018	30/09/2017
Quoted shares at cost	68,727	68,727
Share of post-acquisition reserves	56,156	47,585
Dividend received	(40,631)	(32,544)
	84,252	83,768
Fair value of investment in an associate for which there is published price quotation	133,755	174,192

The summarised financial information of the associate is as follows:

RM'000	30/09/2018	30/09/2017
Total assets	283,657	277,154
Total liabilities	(40,573)	(35,853)

	Individual 4th quarter		Cumulative 4th quarter	
RM'000	30/09/2018	30/09/2017	30/09/2018	30/09/2017
Revenue	62,610	63,412	266,983	269,893
Profit	5,747	7,293	31,521	41,408

10. Dividends paid

The following dividends were declared and paid by the Company:

RM'000	Date of payment	Sen per share	Total amount
Year ended 30 September 2018			
Final 2017 ordinary dividend	9 February 2018	30.5	111,795
Interim 2018 ordinary dividend	7 June 2018	27.0	98,966
			210,761
Year ended 30 September 2017			
Final 2016 ordinary dividend	6 February 2017	30.5	111,795
Interim 2017 ordinary dividend	15 June 2017	27.0	98,966
			210,761

11. Issuance or repayments of debt/equity securities

There has been no issuance, cancellation, repurchases and resale of debt and equity securities in the current quarter. Medium term note amounting to RM150,000,000 was repaid in the current quarter.

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

12. Segmental information

Segment results

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

	Revenue				
RM'000	F&B Malaysia	F&B Thailand	Property	Others	Total
4th quarter - 30/09/2018					
Total revenue	545,401	454,312	816	23,021	1,023,550
Inter-segment	-	(3,366)	(596)	(22,948)	(26,910)
External	545,401	450,946	220	73	996,640
4th quarter - 30/09/2017					
Total revenue	535,372	443,278	1,342	22,626	1,002,618
Inter-segment	-	(2,558)	(1,151)	(22,634)	(26,343)
External	535,372	440,720	191	(8)	976,275
3rd quarter - 30/06/2018					
Total revenue	594,061	438,954	797	22,722	1,056,534
Inter-segment	-	(3,541)	(588)	(22,658)	(26,787)
External	594,061	435,413	209	64	1,029,747
Cumulative 4th quarter - 30/09/2018					
Total revenue	2,321,693	1,798,746	3,281	90,155	4,213,875
Inter-segment	(26)	(11,695)	(2,407)	(89,888)	(104,016)
External	2,321,667	1,787,051	874	267	4,109,859
Cumulative 4th quarter - 30/09/2017					
Total revenue	2,318,846	1,793,005	4,864	113,713	4,230,428
Inter-segment	(5)	(11,531)	(4,131)	(113,387)	(129,054)
External	2,318,841	1,781,474	733	326	4,101,374

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

12. Segmental information (cont'd)

Segment results (cont'd)

RM'000	F&B Malaysia	F&B Thailand	Property	Others	Adjustments and eliminations	Total	Profit before tax
	Operating profit/(loss)						
4th quarter - 30/09/2018							
Operating profit/(loss)	36,544	61,677	(163)	(927)	1,550	98,681	98,681
Finance income							(4,259)
Finance costs							5,334
Share of results of a joint venture							(1,670)
Share of results of an associate							1,563
Profit before tax							99,649
One-off items:							
- Restructuring costs/(Reversal of restructuring costs)	1,659	-	-	(113)	-	1,546	1,546
- Provision for damaged inventories	-	(1,281)	-	-	-	(1,281)	(1,281)
- Others	(4,711)	-	-	-	-	(4,711)	(4,711)
	(3,052)	(1,281)	-	(113)	-	(4,446)	(4,446)
Operating profit/(loss) excluding one-off items	33,492	60,396	(163)	(1,040)	1,550	94,235	
Profit before tax excluding one-off items							95,203

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

12. Segmental information (cont'd)

Segment results (cont'd)

RM'000	Operating profit/(loss) F&B Malaysia	F&B Thailand	Property	Others	Adjustments and eliminations	Total	Profit before tax
4th quarter - 30/09/2017							
Operating (loss)/profit	(11,468)	31,641	(203)	299	(964)	19,305	19,305
Finance income							3,707
Finance costs							(3,826)
Share of results of a joint venture							(1,779)
Share of results of an associate							1,983
Profit before tax							19,390
One-off items:							
- Restructuring costs	24,937	-	134	199	-	25,270	25,270
- Others	5,306	2,053	-	-	-	7,359	7,359
	30,243	2,053	134	199	-	32,629	32,629
Operating profit/(loss) excluding one-off items	18,775	33,694	(69)	498	(964)	51,934	
Profit before tax excluding one-off items							52,019

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

12. Segmental information (cont'd)

Segment results (cont'd)

RM'000	F&B Malaysia	F&B Thailand	Property	Others	Adjustments and eliminations	Total	Profit before tax
	Operating profit						
3rd quarter - 30/06/2018							
Operating profit	49,115	57,414	151	342	(184)	106,838	106,838
Finance income							4,199
Finance costs							(3,789)
Share of results of a joint venture							(2,542)
Share of results of an associate							2,331
Profit before tax							107,037
One-off item:							
- Restructuring costs	1,200	-	-	-	-	1,200	1,200
Operating profit excluding one-off item	50,315	57,414	151	342	(184)	108,038	
Profit before tax excluding one-off item							108,237

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

12. Segmental information (cont'd)

Segment results (cont'd)

RM'000	F&B Malaysia	F&B Thailand	Property	Others	Adjustments and eliminations	Total	Profit before tax
	Operating profit/(loss)						
Cumulative 4th quarter - 30/09/2018							
Operating profit/(loss)	166,734	257,973	463	(2,150)	(2,780)	420,240	420,240
Finance income							(15,571)
Finance costs							16,047
Share of results of a joint venture							(6,558)
Share of results of an associate							8,571
Profit before tax							422,729
One-off items:							
- Restructuring costs/(Reversal of restructuring costs)	611	-	-	(113)	-	498	498
- Provision for inventories damaged by fire	-	1,637	-	-	-	1,637	1,637
- Others	(5,368)	-	-	-	-	(5,368)	(5,368)
	(4,757)	1,637	-	(113)	-	(3,233)	(3,233)
Operating profit/(loss) excluding one-off items	161,977	259,610	463	(2,263)	(2,780)	417,007	
Profit before tax excluding one-off items							419,496

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

12. Segmental information (cont'd)

Segment results (cont'd)

RM'000	Operating profit F&B Malaysia	F&B Thailand	Property	Others	Adjustments and eliminations	Total	Profit before tax
Cumulative 4th quarter - 30/09/2017							
Operating profit	120,706	228,000	581	6,571	(10,792)	345,066	345,066
Finance income							14,776
Finance costs							(15,305)
Share of results of a joint venture							(2,083)
Share of results of an associate							11,259
Profit before tax							353,713
One-off items:							
- Restructuring costs	43,569	-	134	4,685	-	48,388	48,388
- Reversal of provisions for litigation claims	-	-	-	(5,749)	-	(5,749)	(5,749)
- Others	5,306	4,790	-	-	-	10,096	10,096
	48,875	4,790	134	(1,064)	-	52,735	52,735
Operating profit excluding one-off items	169,581	232,790	715	5,507	(10,792)	397,801	
Profit before tax excluding one-off items							406,448

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

12. Segmental information (cont'd)

Segment assets

The total of segment assets is measured based on all assets excluding deferred tax assets, current tax asset, cash and short term deposits, joint venture and associate.

RM'000	30/09/2018	30/09/2017
F&B Malaysia	1,753,746	1,698,902
F&B Thailand	728,893	748,673
Property	117,574	117,756
Others	10,989	17,138
	2,611,202	2,582,469

Segment liabilities

The total of segment liabilities is measured based on all liabilities excluding deferred tax liabilities, current tax liabilities and bank borrowings.

RM'000	30/09/2018	30/09/2017
F&B Malaysia	353,420	386,470
F&B Thailand	301,323	282,117
Property	814	1,143
Others	5,069	5,977
	660,626	675,707

13. Significant events

There were no significant events during the quarter.

14. Subsequent events

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

15. Changes in the composition of the Group

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

16. Contingent liabilities

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

17. Contingent assets

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

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

18. Fair value hierarchy

The Group held foreign currency forward contracts carried at fair value based on Level 2: significant observable inputs for identical assets or liabilities as follows:

RM'000	Fair value 30/09/2018	Fair value 30/09/2017
Derivative financial assets	60	137
Derivative financial liabilities	140	1,547

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

The Group held investment properties amounting to RM49,318,000 (30 September 2017: RM49,315,000) carried at Level 3: significant unobservable inputs.

19. Capital and lease commitments

Capital commitments

The outstanding capital commitments are as follows:

RM'000	30/09/2018	30/09/2017
Property, plant and equipment		
Contracted but not provided for	149,617	111,079
Authorised but not contracted for	122,384	257,545
	272,001	368,624

Lease commitments

The balances of the non-cancellable operating lease rentals receivable and payable under rental agreements are as follows:

RM'000	30/09/2018	30/09/2017
Non-cancellable operating lease commitments - Group as lessor		
Future minimum rentals receivable:		
- Not later than 1 year	873	973
- Later than 1 year and not later than 5 years	379	376
	1,252	1,349
Non-cancellable operating lease commitments - Group as lessee		
Future minimum rentals payable:		
- Not later than 1 year	19,158	23,504
- Later than 1 year and not later than 5 years	14,525	27,287
- Later than 5 years	989	1,052
	34,672	51,843

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

20. Related party disclosures

Significant related party transactions

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

RM'000	Individual 4th quarter 30/09/2018	Individual 4th quarter 30/09/2017	Cumulative 4th quarter 30/09/2018	Cumulative 4th quarter 30/09/2017
Fraser and Neave, Limited ("F&N Limited") Group				
Sales	68,392	68,585	287,658	276,432
Rental income	(37)	79	204	349
Purchases	(37,918)	(43,703)	(161,379)	(182,314)
Royalties paid	(12,330)	(12,368)	(50,409)	(52,202)
Internal audit fees paid	(193)	(302)	(1,161)	(1,412)
Other expenses	(125)	-	(125)	-
Vacaron Company Sdn Bhd				
Sales	-	-	-	2
Receipt of corporate service fees	20	30	110	192
Finance income	1,496	1,416	5,830	5,602
Shareholder's loan granted	-	-	-	(2,000)
Cocoaland Holdings Berhad Group				
Purchases	(71)	(1,832)	(3,508)	(5,809)
Dividend income	-	-	8,087	6,221
Thai Beverage Public Company Limited Group				
Sales	438	233	1,442	984
Purchases	(212)	(2,009)	(2,260)	(8,527)
Marketing expenses	(7,164)	(5,391)	(25,487)	(41,137)
Corporate service fees paid	(623)	-	(623)	-
Other expenses	(668)	-	(668)	-
Berli Jucker Public Company Limited Group				
Sales	13,733	14,522	52,932	50,367
Purchases	(5,141)	(5,781)	(25,266)	(28,864)
Other expenses	(1,790)	(84)	(2,002)	(295)
Other related parties of TCC Group				
Sales	84	97	355	915
Purchases	(9,748)	(9,426)	(40,685)	(31,450)
Management fees	(516)	(504)	(2,623)	(2,488)
Insurance premium paid	(22)	(13)	(2,569)	(2,758)
Other expenses	(222)	(366)	(320)	(666)
Permodalan Nasional Berhad ("PNB") Group *				
Sales	13,353	10,688	58,288	59,637
Purchases	(12,606)	(10,106)	(54,768)	(42,185)
Rental of equipment paid	(873)	(619)	(2,989)	(2,547)
Other expenses	(11)	(76)	(366)	(305)
Compensation				
Compensation of key management personnel of the Group	(3,210)	(3,163)	(13,794)	(14,748)
Directors' fees and remuneration	(409)	(318)	(1,290)	(1,279)

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

20. Related party disclosures (cont'd)

Related party balances

The related party balances are shown below:

RM'000	30/09/2018	30/09/2017
Amount due from related parties		
F&N Limited Group	69,177	102,305
Vacaron Company Sdn Bhd	159,295	153,455
Cocoaland Holdings Berhad Group	4	4
Thai Beverage Public Company Limited Group	8,887	487
Berli Jucker Public Company Limited Group	8,988	9,006
Other related parties of TCC Group	26	38
PNB Group	8,045	8,577
Amount due to related parties		
F&N Limited Group	(26,601)	(39,470)
Frasers Property Limited Group	(12)	(3)
Vacaron Company Sdn Bhd	-	(34)
Cocoaland Holdings Berhad Group	(8)	(936)
Thai Beverage Public Company Limited Group	(5,859)	(3,951)
Berli Jucker Public Company Limited Group	(4,109)	(2,793)
Other related parties of TCC Group	(3,617)	(3,855)
PNB Group	(4,600)	(1,987)

* PNB is deemed a related party to F&NHB by virtue of PNB holding 18,500,000 shares as of 30 September 2018 through Amanahraya Trustees Berhad, representing 5.05% equity interest in F&NHB and having representation on the Board of Directors of F&NHB.

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

1. Operations review

Current quarter ended 30 September 2018 vs corresponding quarter ended 30 September 2017

Group revenue for the current quarter increased by 2.1%, from RM976.3 million to RM996.6 million whilst Group profit before tax soared by 413.9% from RM19.4 million to RM99.6 million, attributed to increased contribution from both F&B Malaysia and F&B Thailand.

- F&B Malaysia

F&B Malaysia current quarter revenue grew by 1.9%, from RM535.4 million to RM545.4 million with higher sales for the domestic and export market driven by continuous efforts to improve local trade execution and higher export sales.

F&B Malaysia recovered from operating loss of RM11.5 million in the corresponding quarter last year to operating profit of RM36.5 million in the current quarter, mainly due to:
(i) higher revenue;
(ii) operational cost savings and lower overheads from cost control initiatives;
(iii) favourable input cost for sugar for the quarter which was partially offset by higher packaging material costs;
(iv) lower advertising and promotions spend; and
(v) lower restructuring costs and other one-off items incurred in the current quarter compared to corresponding quarter last year.
Excluding restructuring costs (4th quarter financial year ("FY") 2018: RM1.7 million; 4th quarter FY2017: RM24.9 million) and other one-off items, operating profit grew by 78.4%.

- F&B Thailand

F&B Thailand revenue increased by 2.3% from RM440.7 million to RM450.9 million (revenue grew by 8.3% in Thai Baht terms) where:
(i) domestic revenue grew due to successful promotional activities and brand loyalty campaigns; and
(ii) higher export sales from market expansion and execution of loyalty campaigns across Cambodia and Laos.

With higher revenue, favourable input costs and partly offset by higher advertising and promotions spend, operating profit for F&B Thailand improved by 94.9% from RM31.6 million to RM61.7 million (operating profit grew by 101.3% in Thai Baht terms).

Full financial year vs corresponding last financial year

Group revenue maintained at RM4.1 billion, with a marginal growth of 0.2% (from RM4,101.4 million to RM4,109.9 million).

Group profit before tax improved by 19.5% from RM353.7 million to RM422.7 million with uplift in profits for both F&B Malaysia and F&B Thailand in the second half of the financial year compared to corresponding period last year largely due to improvement in input costs during the year and lower restructuring costs and other one-off items compared to last year. Excluding restructuring costs and other one-off items, profit before tax grew by 3.2%.

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

1. Operations review (cont'd)

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

- F&B Malaysia

F&B Malaysia faced various headwinds and challenges throughout the financial year:
(i) market contraction in the beverages product categories;
(ii) soft consumer sentiments; and
(iii) floods in peninsular Malaysia and Sabah in the 1st quarter.
Despite the above, F&B Malaysia has shown resilience with revenue recorded at RM2,321.7 million, representing a marginal increase of 0.1% over last year.

On the domestic front:
(i) There were continuous efforts to improve trade execution and optimise our route-to market.
(ii) F&B Malaysia introduced a broader portfolio of healthier choice products while supporting Government's call for lower sugar content in beverages. 100PLUS Reduced Sugar was introduced as the lowest sugar carbonated isotonic drink in the industry and the entire 100PLUS range has been reformulated and now carries the Healthier Choice logo.
(iii) 100PLUS ACTIVE in powder sachets was also introduced to meet increasing consumer demand for greater convenience and flexibility, particularly for people who are constantly on the go.
(iv) F&B Malaysia also broadened its healthier product portfolio with the new F&N Ice Mountain Drinking Water, produced at the new water line at the Shah Alam plant.
(v) 100PLUS ACTIVE, OYOSHI and F&N SEASONS range of products are produced at the new Cold Aseptic Filling Polyethylene Terephthalate (PET) line at the Shah Alam plant that uses 40% less PET resin packaging. The commissioning of the new line will further accelerate F&NHB's expansion into new product offerings in the near future.

Exports revenue grew by double digit through the establishment of presence and penetration into new markets of Africa and Middle East and further deepening and widening into the existing markets of Greater China and South East Asia through the differentiation of packaging formats to cater to the different needs of the export consumers.

F&B Malaysia operating profit grew by 38.1% from RM120.7 million to RM166.7 million largely due to:
(i) cost synergies and lower overheads;
(ii) favourable input cost for sugar and partially offset by higher costs for other dairy-based input and packaging material costs;
(iii) net favourable foreign currency impact from volatile Ringgit Malaysia/US Dollar movements;
(vi) lower restructuring costs and other one-off items incurred compared to last year; and
(iv) offset by higher marketing spend on brand building and trade promotions.
Excluding restructuring costs (FY2018: RM0.6 million; FY2017: RM43.6 million) and other one-off items, operating profit for the year eased by 4.5%.

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

1. Operations review (cont'd)

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

- F&B Thailand

F&B Thailand revenue grew by 2.2% in Thai Baht terms but gained marginally by 0.3% from RM1,781.5 million to RM1,787.1 million as a result of the Ringgit strengthening against the Thai Baht.

Amid a challenging domestic market due to intensifying competition, F&B Thailand managed to sustain its growth and market leadership through successful innovations with the introduction of new products and packaging formats (sweetened beverage creamer in squeeze tube format for Teapot and Carnation *Plus)*, supported by effective branding and consumer trade campaigns. There was also loss of UHT milk revenue caused by product shortage resulting from a co-manufacturer's plant that was damaged by fire in November 2017 (sale of UHT milk products recommenced in May 2018).

Exports to Indochina region grew by double-digit with the increase in network and distribution points and the expansion to other regions in Cambodia and successful brand building activities executed across Cambodia and Laos.

F&B Thailand improvement in operating profit by 13.1% from RM228.0 million to RM258.0 million was mainly contributed by:
(i) higher revenue;
(ii) favourable input costs;
(iii) lower overheads from cost control initiatives; and
(iv) partly offset by higher advertising and promotions spend for brand building activities and new products launched during the year.

2. Comment on material change in Group profit before tax for the quarter ended 30 September 2018 vs preceding 3rd quarter ended 30 June 2018

Current quarter Group revenue eased by 3.2% to RM996.6 million compared to preceding quarter due to lower revenue for F&B Malaysia.

Profit before tax decreased by 6.9% from RM107.0 million to RM99.6 million compared to preceding quarter.

- F&B Malaysia

F&B Malaysia revenue decreased by 8.2% to RM545.4 million compared to the preceding quarter mainly attributed to higher sales in the preceding 3rd quarter due to the Hari Raya festive season.

Consequently, F&B Malaysia operating profit decreased by 25.6% to RM36.5 million from lower revenue and partially offset by favourable sugar and other input costs.

- F&B Thailand

F&B Thailand revenue grew by 3.6% to RM450.9 million compared to the preceding quarter from higher sales from the domestic market.

F&B Thailand operating profit improved by 7.4% to RM61.7 million assisted by favourable input cost for sugar and partially offset by higher marketing expenditure for Mother's Day themed campaigns and brand loyalty campaigns in this quarter.

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

3. Prospects

The overall domestic market for both Malaysia and Thailand is expected to remain challenging with continuing competitive price pressures and intensifying competition as well as volatility in foreign currency movements and commodity prices. The Group has partially hedged its core commodity requirements for the next financial year along with the corresponding foreign currency exposure wherever possible.

In Malaysia, management will assess and closely monitor the impact of the imposition of excise duty at 40 cents per litre on ready-to-drink beverages that contain sugar exceeding 5 grams per 100 millilitres, starting 1 April 2019 as announced during the recent tabling of the Budget 2019, including taking appropriate actions as necessary.

F&B Thailand had fully utilised the promotional privileges granted by the Board of Investment relating to the manufacture of dairy products which include the exemption from payment of corporate income tax for certain operations. F&B Thailand is expected to commence paying corporate taxes next year after the utilisation of the carried forward losses from non-promoted businesses.

The Group will remain focused on the following priorities to ensure sustainable growth for its businesses:
(i) capacity and capability building;
(ii) cost optimisation and the extraction of synergies;
(iii) consumer-focused innovations to deliver new and unique product offerings while focusing on meeting consumers' evolving needs toward healthier beverage choices, convenience and affordability; and
(iv) expanding our global reach for our Exports pillar.

The Board and management will continue to be vigilant and take decisive actions in managing the changes in external environment.

4. Profit forecast or profit guarantee

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

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

5. Taxation

The details of the tax expense/(income) are as follows:

RM'000	Individual 4th quarter 30/09/2018	Individual 4th quarter 30/09/2017	Cumulative 4th quarter 30/09/2018	Cumulative 4th quarter 30/09/2017
Current income tax	7,152	(3,088)	28,700	27,620
Deferred tax – origination and reversal of temporary differences	9,149	(620)	16,512	1,561
(Over)/Underprovision in respect of previous years				
- Income tax	(185)	-	(2,420)	(863)
- Deferred tax	2,303	3,463	(5,159)	2,048
	18,419	(245)	37,633	30,366

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

RM'000	Individual 4th quarter 30/09/2018	Individual 4th quarter 30/09/2017	Cumulative 4th quarter 30/09/2018	Cumulative 4th quarter 30/09/2017
Profit before tax	99,649	19,390	422,729	353,713
Tax at Malaysian statutory tax rate of 24% (2017: 24%)	23,916	4,653	101,455	84,891
Different tax rates in other countries	(3,003)	(1,598)	(12,587)	(10,719)
Income not subject to tax	(3,839)	(3,397)	(47,291)	(49,968)
Expenses not deductible for tax purposes	(59)	2,001	2,893	9,511
Recognition of previously unrecognised tax losses	-	(3,214)	(91)	(8,618)
Deferred tax assets recognised	(1,402)	-	(1,050)	-
Deferred tax assets not recognised	-	(3,093)	-	2,789
(Over)/Underprovision in respect of previous years				
- Income tax	(176)	-	(2,420)	(863)
- Deferred tax	2,303	3,463	(5,159)	2,048
Foreign withholding tax	653	-	2,366	-
Share of results of a joint venture	401	427	1,574	500
Share of results of an associate	(375)	(476)	(2,057)	(2,702)
Others	-	989	-	3,497
Total income tax expense/(income)	18,419	(245)	37,633	30,366
Effective income tax rate	18.5%	-1.3%	8.9%	8.6%

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

6. Status of corporate proposals

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

7. Loans and borrowings

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

RM'000	Currency	30/09/2018	30/09/2017
Current (unsecured)			
Medium term notes ("MTN")	RM	150,000	150,000
Loans	THB	70,371	47,458
		220,371	197,458
Non-current (unsecured)			
MTN	RM	-	150,000
Loans	THB	115,153	31,639
		115,153	181,639
		335,524	379,097

Commercial Paper ("CP")/MTN of RM1,500,000,000
A subsidiary of the Company, F&N Capital Sdn Bhd ("the Issuer"), is able to issue up to RM750,000,000 in nominal value under each of the CP and the MTN programmes respectively, which are unconditionally and irrevocably guaranteed by the Company. The CP has a tenure of seven (7) years from the first issue date of the CP under the CP Programme whilst the MTN has a tenure of fifteen (15) years from the first issue date under the MTN Programme.

The Issuer had on 26 September 2013 and 7 October 2013, issued MTN of RM150,000,000 each with the tenure of five (5) years from the issue date. These MTNs bear interest at rates of 4.38% and 4.24% per annum respectively. MTN (bearing interest at 4.38%) amounting to RM150,000,000 was repaid in the current quarter.

As at 30 September 2018, the unutilised CP/MTN facility available for use amounted to RM1,350,000,000 (2017: RM1,200,000,000). The remaining MTN balance (bearing interest at 4.24%) amounting to RM150,000,000 was repaid in October 2018.

Term loan of Thai Baht 2,200,000,000
On 1 December 2015 and 6 June 2018, a subsidiary of the Company, F&N Dairies (Thailand) Limited ("FNDT"), was granted term loans of Thai Baht 1,000,000,000 each with the tenure of three (3) years from the issued date and interest rates of 2.35% and 2.44% per annum respectively. Term loans amounting to Thai Baht 375,000,000 were repaid during the financial year.

On 7 June 2018, FNDT was granted a short-term loan of Thai Baht 200,000,000 with the tenure of six (6) months and interest rate of 1.83% per annum.

8. Material litigation

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

9. Proposed dividend

The Directors recommend a final single tier dividend of 30.5 sen per share (2017: 30.5 sen per share) for approval by shareholders at the forthcoming Annual General Meeting of the Company. If approved by shareholders, the total dividends for the year would amount to 57.5 sen per share (2017: 57.5 sen per share).

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

10. Earnings per share (EPS)

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

	Individual 4th quarter		Cumulative 4th quarter	
	30/09/2018	30/09/2017	30/09/2018	30/09/2017
Group attributable profit to shareholders of the Company (RM'000)	81,239	19,648	385,133	323,377
Weighted average number of ordinary shares net of treasury shares and shares held by SGP Trust ('000)	366,410	366,120	367,242	366,215
Basic earnings per share (sen)	22.2	5.4	104.9	88.3

(b) The diluted EPS were computed by dividing the Group attributable profit to owners of the Company by the weighted average number of ordinary shares in issue (net of treasury shares and shares held by SGP Trust), adjusted for the dilutive effects of potential ordinary shares, i.e. share grants granted pursuant to the SGP.

	Individual 4th quarter		Cumulative 4th quarter	
	30/09/2018	30/09/2017	30/09/2018	30/09/2017
Group attributable profit to shareholders of the Company (RM'000)	81,239	19,648	385,133	323,377
Weighted average number of ordinary shares net of treasury shares and shares held by SGP Trust ('000)	366,410	366,120	367,242	366,215
Adjustments pursuant to the SGP ('000)	1,215	1,303	1,215	1,303
Adjusted weighted average number of ordinary shares net of treasury shares ('000)	367,625	367,423	368,457	367,518
Diluted earnings per share (sen)	22.1	5.3	104.5	88.0

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

11. Notes to the Condensed Consolidated Income Statement

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

		Individual 4th quarter		Cumulative 4th quarter	
	RM'000	30/09/2018	30/09/2017	30/09/2018	30/09/2017
(a)	Depreciation and amortisation	23,423	23,082	91,014	91,725
(b)	Net (reversal of impairment loss)/impairment loss on property, plant and equipment	(2,463)	1,462	(2,188)	494
(c)	Net impairment loss/(reversal of impairment loss) on receivables	1	520	(60)	520
(d)	Bad debts recovered	(13)	(1)	(35)	(24)
(e)	Bad debts written off		-		-
(f)	Net inventories written down	3,365	2,565	6,626	3,205
(g)	Inventories written off	2,282	2,668	4,950	10,060
(h)	Net (gain)/loss on disposal/write-offs of property, plant and equipment/intangible assets	(246)	221	1,847	2,122
(i)	Net (gain)/loss on foreign exchange	(3,172)	324	6,216	10,455
(j)	Net loss/(gain) on forward foreign exchange contracts	342	867	(1,330)	1,580
(k)	Change in fair value of investment properties	(3)	(29)	(3)	(29)

12. Outstanding derivatives

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

RM'000	30/09/2018	30/09/2017
Forward foreign exchange contracts (Less than 1 year)		
- Notional value	20,673	79,571
- Fair value	(80)	(1,410)

There is no significant change for the financial derivatives in respect of the following since the year ended 30 September 2017:

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

(ii) The cash requirements of the financial derivatives;

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

(iv) The related accounting policies.

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

During the year ended 30 September 2018, the Group recognised a total net gain of RM1,330,000 (2017: net loss of RM1,580,000) in the consolidated income statement arising from the fair value changes on the foreign exchange contracts which are marked-to-market as at 30 September 2018.