



FRASER AND NEAVE, LIMITED

(Company Registration No. 189800001R)
(Incorporated in Singapore)

**Condensed Interim Financial Statements
for the 6 months and 12 months ended
30 September 2022**

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A. Condensed interim profit statement

		The Group					
	Note	6 months ended 30 September 2022 \$'000	6 months ended 30 September 2021 \$'000	Change %	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000	Change %
Revenue	5	993,229	890,603	11.5	2,003,214	1,879,163	6.6
Cost of sales		(705,165)	(627,101)	12.4	(1,429,370)	(1,296,247)	10.3
Gross profit		288,064	263,502	9.3	573,844	582,916	(1.6)
Other (expense)/income (net)		(6,019)	(1,905)	NM	224	7,673	(97.1)
Operating expenses							
- Distribution		(82,768)	(74,515)	11.1	(163,855)	(158,929)	3.1
- Marketing		(79,183)	(79,964)	(1.0)	(155,605)	(158,535)	(1.8)
- Administration		(65,764)	(59,056)	11.4	(125,831)	(122,079)	3.1
		(227,715)	(213,535)	6.6	(445,291)	(439,543)	1.3
Trading profit		54,330	48,062	13.0	128,777	151,046	(14.7)
Share of results of joint venture companies		2,278	(3,549)	NM	4,465	(3,188)	NM
Share of results of associated companies		49,402	63,547	(22.3)	99,875	113,486	(12.0)
Gross income from other investments		298	403	(26.1)	298	403	(26.1)
Profit before interest and taxation ("PBIT")		106,308	108,463	(2.0)	233,415	261,747	(10.8)
Finance income		1,275	1,386	(8.0)	2,424	2,286	6.0
Finance costs		(12,880)	(12,853)	0.2	(26,207)	(25,138)	4.3
Net finance costs		(11,605)	(11,467)	1.2	(23,783)	(22,852)	4.1
Profit before fair value adjustment, taxation and exceptional items		94,703	96,996	(2.4)	209,632	238,895	(12.2)
Fair value adjustment of investment properties		(35)	17	NM	(35)	17	NM
Profit before taxation and exceptional items		94,668	97,013	(2.4)	209,597	238,912	(12.3)
Exceptional items		452	(7,449)	NM	(7,408)	(8,720)	(15.0)
Profit before taxation	6	95,120	89,564	6.2	202,189	230,192	(12.2)
Taxation	7	(11,010)	(11,826)	(6.9)	(25,254)	(34,718)	(27.3)
Profit after taxation		84,110	77,738	8.2	176,935	195,474	(9.5)
Attributable profit to:							
Shareholders of the Company							
- Before fair value adjustment and exceptional items		60,827	61,771	(1.5)	129,421	145,217	(10.9)
- Fair value adjustment of investment properties		(35)	17	NM	(35)	17	NM
- Exceptional items		(1,191)	(3,757)	(68.3)	(4,519)	(4,792)	(5.7)
		59,601	58,031	2.7	124,867	140,442	(11.1)
Non-controlling interests		24,509	19,707	24.4	52,068	55,032	(5.4)
		84,110	77,738	8.2	176,935	195,474	(9.5)
Earnings per share attributable to the shareholders of the Company:	9						
(a) Basic (cents)							
- before fair value adjustment and exceptional items		4.2	4.3		8.9	10.0	
- after fair value adjustment and exceptional items		4.1	4.0		8.6	9.7	
(b) Fully diluted (cents)							
- before fair value adjustment and exceptional items		4.2	4.2		8.9	10.0	
- after fair value adjustment and exceptional items		4.1	4.0		8.6	9.6	

NM – Not meaningful

B. Condensed interim statement of comprehensive income

	The Group			
	6 months ended 30 September 2022 \$'000	6 months ended 30 September 2021 \$'000	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000
Profit after taxation	84,110	77,738	176,935	195,474
Other comprehensive income:				
<u>Items that are or may be reclassified subsequently to profit statement</u>				
Share of other comprehensive income of associated and joint venture companies	2,242	(7,370)	7,908	(8,287)
Realisation of reserve on liquidation of a subsidiary company	-	144	-	144
Fair value changes on derivative financial instruments	7,981	1,640	18,139	7,575
Currency translation differences	(38,302)	21,121	(51,766)	(35,305)
	(28,079)	15,535	(25,719)	(35,873)
<u>Items that will not be reclassified to profit statement</u>				
Fair value changes on equity investments measured at fair value through other comprehensive income ("FVOCI")	(866)	(414)	(1,074)	(522)
Remeasurement of defined benefit obligations	1,762	824	1,762	824
	896	410	688	302
Other comprehensive income for the period/year, net of taxation	(27,183)	15,945	(25,031)	(35,571)
Total comprehensive income for the period/year	56,927	93,683	151,904	159,903
Total comprehensive income attributable to:				
Shareholders of the Company	54,517	85,534	122,457	122,897
Non-controlling interests	2,410	8,149	29,447	37,006
	56,927	93,683	151,904	159,903

C. Condensed interim balance sheets

	Note	The Group		The Company	
		As at 30	As at 30	As at 30	As at 30
		September	September	September	September
		2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
SHARE CAPITAL AND RESERVES					
Share capital	10	861,456	858,830	861,456	858,830
Reserves		2,208,081	2,160,640	752,771	757,150
		3,069,537	3,019,470	1,614,227	1,615,980
NON-CONTROLLING INTERESTS					
		432,948	431,766	-	-
		3,502,485	3,451,236	1,614,227	1,615,980
Represented by:					
NON-CURRENT ASSETS					
Fixed assets	12	811,329	760,021	5,341	3,353
Investment properties		16,108	16,858	-	-
Properties held for development		16,960	17,853	-	-
Subsidiary companies		-	-	2,131,698	2,172,867
Joint venture companies		149,914	154,341	38,578	38,965
Associated companies		2,728,140	2,712,634	-	-
Intangible assets		135,661	138,636	816	877
Brands		31,645	32,105	212	212
Other investments		7,986	5,625	139,413	172,339
Other receivables		11,099	726	-	26
Deferred tax assets		5,475	4,695	-	-
		3,914,317	3,843,494	2,316,058	2,388,639
CURRENT ASSETS					
Inventories		387,213	297,577	-	-
Trade receivables		286,471	254,806	-	-
Other receivables		111,475	46,177	1,616	1,291
Related parties		5,310	6,121	461	616
Subsidiary companies		-	-	68,582	122,013
Joint venture companies		1,388	1,214	163	-
Associated companies		129	84	1	-
Cash and bank deposits		274,586	471,799	4,836	12,010
		1,066,572	1,077,778	75,659	135,930
Deduct: CURRENT LIABILITIES					
Trade payables		221,958	176,224	-	-
Other payables		207,115	194,914	15,965	13,434
Related parties		6,957	6,266	287	292
Subsidiary companies		-	-	20,133	90,746
Associated companies		310	261	-	-
Lease liabilities		10,984	11,646	1,419	2,445
Borrowings	14	51,607	427,573	20,000	-
Provision for taxation		42,258	49,349	7,408	6,420
		541,189	866,233	65,212	113,337
NET CURRENT ASSETS		525,383	211,545	10,447	22,593
Deduct: NON-CURRENT LIABILITIES					
Other payables		18,030	23,802	235	-
Subsidiary companies		-	-	555,000	795,000
Lease liabilities		35,386	36,539	2,915	235
Borrowings	14	837,672	499,262	154,111	-
Provision for employee benefits		12,741	15,760	-	-
Deferred tax liabilities		33,386	28,440	17	17
		937,215	603,803	712,278	795,252
NET ASSETS		3,502,485	3,451,236	1,614,227	1,615,980

D. Condensed interim statements of changes in equity

	The Group										
	Share Capital	Capital Reserve	Revenue Reserve	Exchange Reserve	Fair Value Adjustment Reserve	Hedging Reserve	Share-based Payment Reserve	Dividend Reserve	Total	Non-controlling Interests	Total Equity
<u>12 months ended</u> <u>30 September 2022</u>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2021	858,830	(7,781)	2,166,297	(15,502)	(34,176)	(7,202)	8,190	50,814	3,019,470	431,766	3,451,236
Comprehensive income											
Share of other comprehensive income of associated companies	-	-	6,606	1,369	(67)	-	-	-	7,908	-	7,908
Fair value changes on derivative financial instruments	-	-	-	-	-	18,139	-	-	18,139	-	18,139
Fair value changes on equity investments measured at fair value through other comprehensive income	-	-	-	-	(1,074)	-	-	-	(1,074)	-	(1,074)
Remeasurement of defined benefit obligations	-	-	978	-	-	-	-	-	978	784	1,762
Currency translation difference	-	-	-	(28,361)	-	-	-	-	(28,361)	(23,405)	(51,766)
Other comprehensive income for the year	-	-	7,584	(26,992)	(1,141)	18,139	-	-	(2,410)	(22,621)	(25,031)
Profit for the year	-	-	124,867	-	-	-	-	-	124,867	52,068	176,935
Total comprehensive income for the year	-	-	132,451	(26,992)	(1,141)	18,139	-	-	122,457	29,447	151,904
Contributions by and distributions to owners											
Employee share-based expense	-	-	-	-	-	-	3,536	-	3,536	1,085	4,621
Issue of shares in the Company upon vesting of shares awarded	2,626	-	-	-	-	-	(2,626)	-	-	-	-
Purchase of shares by a subsidiary company	-	-	(1,155)	-	-	-	-	-	(1,155)	(927)	(2,082)
Shares of a subsidiary company reissued pursuant to its share plans	-	51	853	-	-	-	(904)	-	-	-	-
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	926	926
Dividends:											
Dividends paid	-	-	(21,863)	-	-	-	-	(50,814)	(72,677)	(30,248)	(102,925)
Dividends proposed	-	-	(50,874)	-	-	-	-	50,874	-	-	-
Total contributions by and distributions to owners	2,626	51	(73,039)	-	-	-	6	60	(70,296)	(29,164)	(99,460)
Changes in ownership interests											
Change of interest in a subsidiary company	-	-	(899)	-	-	-	-	-	(899)	899	-
Changes in carrying value of put option granted to non-controlling interests	-	(1,195)	-	-	-	-	-	-	(1,195)	-	(1,195)
Total changes in ownership interests	-	(1,195)	(899)	-	-	-	-	-	(2,094)	899	(1,195)
Total transactions with owners in their capacity as owners	2,626	(1,144)	(73,938)	-	-	-	6	60	(72,390)	(28,265)	(100,655)
Balance at 30 September 2022	861,456	(8,925)	2,224,810	(42,494)	(35,317)	10,937	8,196	50,874	3,069,537	432,948	3,502,485

D. Condensed interim statements of changes in equity (cont'd)

	The Group										
	Share Capital	Capital Reserve	Revenue Reserve	Exchange Reserve	Fair Value Adjustment Reserve	Hedging Reserve	Share- based Payment Reserve	Dividend Reserve	Total	Non- controlling Interests	Total Equity
<u>12 months ended</u> <u>30 September 2021</u>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2020	855,870	(6,387)	2,106,230	1,343	(33,634)	(14,777)	9,140	50,753	2,968,538	427,115	3,395,653
<u>Comprehensive income</u>											
Share of other comprehensive income of associated and joint venture companies	-	-	(8,190)	(77)	(20)	-	-	-	(8,287)	-	(8,287)
Realisation of reserve on liquidation of a subsidiary company	-	-	-	144	-	-	-	-	144	-	144
Fair value changes on derivative financial instruments	-	-	-	-	-	7,575	-	-	7,575	-	7,575
Fair value changes on equity investments measured at fair value through other comprehensive income	-	-	-	-	(522)	-	-	-	(522)	-	(522)
Remeasurement of defined benefit obligations	-	-	457	-	-	-	-	-	457	367	824
Currency translation difference	-	-	-	(16,912)	-	-	-	-	(16,912)	(18,393)	(35,305)
Other comprehensive income for the year	-	-	(7,733)	(16,845)	(542)	7,575	-	-	(17,545)	(18,026)	(35,571)
Profit for the year	-	-	140,442	-	-	-	-	-	140,442	55,032	195,474
Total comprehensive income for the year	-	-	132,709	(16,845)	(542)	7,575	-	-	122,897	37,006	159,903
<u>Contributions by and distributions to owners</u>											
Employee share-based expense	-	-	-	-	-	-	2,926	-	2,926	517	3,443
Issue of shares in the Company upon vesting of shares awarded	2,960	-	-	-	-	-	(2,960)	-	-	-	-
Purchase of shares by a subsidiary company	-	-	(1,184)	-	-	-	-	-	(1,184)	(950)	(2,134)
Shares of a subsidiary company reissued pursuant to its share plans	-	(279)	1,195	-	-	-	(916)	-	-	-	-
Dividends:											
Dividends paid	-	-	(21,839)	-	-	-	-	(50,753)	(72,592)	(31,922)	(104,514)
Dividends proposed	-	-	(50,814)	-	-	-	-	50,814	-	-	-
Total contributions by and distributions to owners	2,960	(279)	(72,642)	-	-	-	(950)	61	(70,850)	(32,355)	(103,205)
<u>Changes in ownership interests</u>											
Changes in carrying value of put option granted to non-controlling interests	-	(1,115)	-	-	-	-	-	-	(1,115)	-	(1,115)
Total changes in ownership interests	-	(1,115)	-	-	-	-	-	-	(1,115)	-	(1,115)
Total transactions with owners in their capacity as owners	2,960	(1,394)	(72,642)	-	-	-	(950)	61	(71,965)	(32,355)	(104,320)
Balance at 30 September 2021	858,830	(7,781)	2,166,297	(15,502)	(34,176)	(7,202)	8,190	50,814	3,019,470	431,766	3,451,236

D. Condensed interim statements of changes in equity (cont'd)

	The Company						
	Share Capital	Capital Reserve	Revenue Reserve	Fair Value Adjustment Reserve	Share- based Payment Reserve	Dividend Reserve	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>12 months ended 30 September 2022</u>							
Balance at 1 October 2021	858,830	(1,091)	680,765	22,478	4,184	50,814	1,615,980
Comprehensive income							
Fair value changes on equity investments measured at fair value through other comprehensive income	-	-	-	(32,926)	-	-	(32,926)
Other comprehensive income for the year	-	-	-	(32,926)	-	-	(32,926)
Profit for the year	-	-	101,666	-	-	-	101,666
Total comprehensive income for the year	-	-	101,666	(32,926)	-	-	68,740
Contributions by and distributions to owners							
Employee share-based expense	-	-	-	-	2,184	-	2,184
Issue of shares in the Company upon vesting of shares awarded	2,626	-	-	-	(2,626)	-	-
Dividends:							
Dividends paid	-	-	(21,863)	-	-	(50,814)	(72,677)
Dividends proposed	-	-	(50,874)	-	-	50,874	-
Total transactions with owners in their capacity as owners	2,626	-	(72,737)	-	(442)	60	(70,493)
Balance at 30 September 2022	861,456	(1,091)	709,694	(10,448)	3,742	50,874	1,614,227
<u>12 months ended 30 September 2021</u>							
Balance at 1 October 2020	855,870	(1,091)	660,393	56,437	4,863	50,753	1,627,225
Comprehensive income							
Fair value changes on equity investments measured at fair value through other comprehensive income	-	-	-	(33,959)	-	-	(33,959)
Other comprehensive income for the year	-	-	-	(33,959)	-	-	(33,959)
Profit for the year	-	-	93,025	-	-	-	93,025
Total comprehensive income for the year	-	-	93,025	(33,959)	-	-	59,066
Contributions by and distributions to owners							
Employee share-based expense	-	-	-	-	2,281	-	2,281
Issue of shares in the Company upon vesting of shares awarded	2,960	-	-	-	(2,960)	-	-
Dividends:							
Dividends paid	-	-	(21,839)	-	-	(50,753)	(72,592)
Dividends proposed	-	-	(50,814)	-	-	50,814	-
Total transactions with owners in their capacity as owners	2,960	-	(72,653)	-	(679)	61	(70,311)
Balance at 30 September 2021	858,830	(1,091)	680,765	22,478	4,184	50,814	1,615,980

E. Condensed interim cash flow statement

	The Group	
	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000
	Note	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation and exceptional items	209,597	238,912
Adjustments for:		
Depreciation of fixed assets	6 71,682	76,935
Amortisation of brands and intangible assets	6 13,488	12,878
Impairment of fixed assets and intangible assets	1,275	1,247
Reversal of impairment of fixed assets and intangible assets	(1,227)	(448)
Fixed assets and intangible assets written off	555	250
Property development cost written off	-	8
Gross income from other investments	(298)	(403)
Provision for employee benefits	1,754	1,429
Write back of provision for employee benefits	(240)	(205)
Gain on disposal of fixed assets	6 (249)	(28)
Loss/(Gain) on derecognition of leases	9	(132)
Interest income	(2,424)	(2,286)
Interest expenses	26,207	25,138
Share of results of joint venture companies	(4,465)	3,188
Share of results of associated companies	(99,875)	(113,486)
Employee share-based expense	6 4,621	3,443
Fair value adjustment of investment properties	35	(17)
Fair value adjustment of financial instruments	459	(145)
(Gain)/Loss on disposal of financial instruments	(696)	52
Operating cash before working capital changes	220,208	246,330
Change in inventories	(95,967)	1,788
Change in receivables	(91,467)	72,256
Change in related parties' and joint venture and associated companies' balances	2,107	3,669
Change in payables	49,444	(12,958)
Currency realignment	(16,309)	(6,259)
Cash generated from operations	68,016	304,826
Interest income received	2,176	2,330
Interest expenses paid	(24,658)	(24,776)
Income taxes paid	(25,065)	(32,880)
Payment of employee benefits	(1,317)	(2,097)
Net cash from operating activities	19,152	247,403
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Dividends from associated companies	98,231	92,825
Gross income from other investments	298	403
Proceeds from disposal of fixed assets	880	617
Purchase of fixed assets	(138,515)	(90,279)
Purchase of other investments	(3,435)	-
Payment for intangible assets	(8,347)	(9,185)
Net cash outflow on acquisition of subsidiary companies	13 (2,478)	(16,207)
Net cash used in investing activities	(53,366)	(21,826)

E. Condensed interim consolidated cash flow statement (cont'd)

	The Group	
	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Proceeds from borrowings	442,251	142,404
Repayment of borrowings	(476,978)	(50,889)
Payment of lease liabilities	(14,909)	(18,683)
Purchase of shares by a subsidiary company	(2,082)	(2,134)
Capital contribution by non-controlling interests	926	-
Payment of dividends:		
- by subsidiary companies to non-controlling interests	(30,248)	(31,922)
- by the Company to shareholders	(72,677)	(72,592)
Net cash used in financing activities	(153,717)	(33,816)
Net (decrease)/increase in cash and cash equivalents	(187,931)	191,761
Cash and cash equivalents at beginning of year	471,799	285,479
Effects of exchange rate changes on cash and cash equivalents	(9,282)	(5,441)
Cash and cash equivalents at end of year	274,586	471,799
Analysis of acquisition of subsidiary companies		
Net assets acquired:		
Fixed assets	1,760	1,019
Intangible assets	55	-
Brands	-	4,908
Current assets	326	5,916
Current liabilities	(963)	(2,761)
Non-current liabilities	(170)	(1,663)
Cash and cash equivalents	211	3,130
Total identifiable net assets at fair value	1,219	10,549
Goodwill on acquisition	1,470	8,788
Consideration paid	2,689	19,337
Less: Cash and cash equivalents of subsidiary companies acquired	(211)	(3,130)
Net cash outflow on acquisition of subsidiary companies	2,478	16,207

F. Notes to the condensed interim financial statements

1. General information

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 is the immediate and ultimate holding company.

The condensed interim financial statements as at and for the six months and the year ended 30 September 2022 comprise the Company and its subsidiary companies (together referred to as the "Group").

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. The Company provides management and administrative services to some subsidiary companies.

2. Basis of preparation

The condensed interim financial statements for the six months and the year ended 30 September 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the audited financial statements for the year ended 30 September 2021.

The condensed interim 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 interim financial statements and are consistent with those used in the previous financial year which were prepared in accordance with SFRS(I), except as disclosed below.

The following are the amendments to the standards that are mandatory for application from 1 October 2021:

Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, Interest Rate Benchmark Reform – Phase 2
SFRS(I) 4, SFRS(I) 16

The adoption of the above amendment to the standards had no material impact on the financial statements of the Group and the Company.

2.1 Significant accounting estimates and judgments

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended 30 September 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

The Group's performance is normally not affected by seasonal or cyclical events on a year to year basis. However, on a half-yearly basis, the demand for certain products may be skewed towards major festivities, events and weather pattern.

F. Notes to the condensed interim financial statements (cont'd)**4. 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.

The following tables presents financial information regarding operating segments:

Segment results for 6 months ended 30 September 2022

Operating Segment	Beverages	Dairies	Printing & Publishing	Others	Elimination	Per Consolidated Financial Statements
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue - external	280,410	596,943	106,903	8,973	-	993,229
Revenue - inter segment	1,869	305	401	52,829	(55,404)	-
Total revenue	282,279	597,248	107,304	61,802	(55,404)	993,229
Subsidiary companies	10,488	45,318	770	(1,948)	-	54,628
Joint venture and associated companies	-	48,065	-	3,615	-	51,680
Profit before interest and taxation	10,488	93,383	770	1,667	-	106,308
Finance income						1,275
Finance costs						(12,880)
Profit before fair value adjustment, taxation and exceptional items						94,703
Fair value adjustment of investment properties						(35)
Exceptional items						452
Profit before taxation						95,120
Taxation						(11,010)
Profit after taxation						84,110
Non-controlling interests						(24,509)
Attributable profit						59,601
Attributable profit/(loss) before fair value adjustment and exceptional items	673	66,249	2,330	(8,425)	-	60,827
Fair value adjustment of investment properties	-	-	(35)	-	-	(35)
Exceptional items	63	(419)	(802)	(33)	-	(1,191)
Attributable profit/(loss)	736	65,830	1,493	(8,458)	-	59,601
Geographical Segment	Singapore	Malaysia	Thailand	Vietnam	Others	Per Consolidated Financial Statements
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total revenue	211,997	379,321	333,410	8	68,493	993,229
(Loss)/Profit before interest and taxation	(2,622)	30,415	40,803	47,874	(10,162)	106,308

F. Notes to the condensed interim financial statements (cont'd)**4. Segment information (cont'd)**Segment results for 6 months ended 30 September 2021

Operating Segment	Beverages	Dairies	Printing & Publishing	Others	Elimination	Per Consolidated Financial Statements
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue - external	202,490	572,157	106,952	9,004	-	890,603
Revenue - inter segment	1,190	172	1,118	41,724	(44,204)	-
Total revenue	203,680	572,329	108,070	50,728	(44,204)	890,603
Subsidiary companies	(1,875)	47,186	213	2,941	-	48,465
Joint venture and associated companies	-	62,764	-	(2,766)	-	59,998
(Loss)/Profit before interest and taxation	(1,875)	109,950	213	175	-	108,463
Finance income						1,386
Finance costs						(12,853)
Profit before fair value adjustment, taxation and exceptional items						96,996
Fair value adjustment of investment properties						17
Exceptional items						(7,449)
Profit before taxation						89,564
Taxation						(11,826)
Profit after taxation						77,738
Non-controlling interests						(19,707)
Attributable profit						58,031
Attributable (loss)/profit before fair value adjustment and exceptional items	(4,790)	82,956	179	(16,574)	-	61,771
Fair value adjustment of investment properties	-	-	17	-	-	17
Exceptional items	(2,267)	(632)	(545)	(313)	-	(3,757)
Attributable (loss)/profit	(7,057)	82,324	(349)	(16,887)	-	58,031
Geographical Segment	Singapore	Malaysia	Thailand	Vietnam	Others	Per Consolidated Financial Statements
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total revenue	206,104	308,150	314,929	38	61,382	890,603
Profit/(Loss) before interest and taxation	1,085	14,581	40,727	62,570	(10,500)	108,463

F. Notes to the condensed interim financial statements (cont'd)**4. Segment information (cont'd)**Segment results for 12 months ended 30 September 2022

Operating Segment	Beverages	Dairies	Printing & Publishing	Others	Elimination	Per Consolidated Financial Statements
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue - external	568,871	1,199,055	214,593	20,695	-	2,003,214
Revenue - inter segment	3,400	396	737	114,472	(119,005)	-
Total revenue	572,271	1,199,451	215,330	135,167	(119,005)	2,003,214
Subsidiary companies	37,752	97,734	(10,834)	4,423	-	129,075
Joint venture and associated companies	-	97,401	-	6,939	-	104,340
Profit/(Loss) before interest and taxation	37,752	195,135	(10,834)	11,362	-	233,415
Finance income						2,424
Finance costs						(26,207)
Profit before fair value adjustment, taxation and exceptional items						209,632
Fair value adjustment of investment properties						(35)
Exceptional items						(7,408)
Profit before taxation						202,189
Taxation						(25,254)
Profit after taxation						176,935
Non-controlling interests						(52,068)
Attributable profit						124,867
Attributable profit/(loss) before fair value adjustment and exceptional items	15,100	138,115	(9,177)	(14,617)	-	129,421
Fair value adjustment of investment properties	-	-	(35)	-	-	(35)
Exceptional items	(2,732)	(884)	(802)	(101)	-	(4,519)
Attributable profit/(loss)	12,368	137,231	(10,014)	(14,718)	-	124,867
Segment assets as at 30 September 2022*	514,639	3,552,090	250,901	383,198	-	4,700,828
Segment liabilities as at 30 September 2022#	133,799	236,357	92,110	51,215	-	513,481

Geographical Segment	Singapore	Malaysia	Thailand	Vietnam	Others	Consolidated Financial Statements
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total revenue	433,437	755,006	671,030	30	143,711	2,003,214
(Loss)/Profit before interest and taxation	(4,989)	62,127	86,446	97,104	(7,273)	233,415

* Segment assets exclude deferred tax assets and cash and bank deposits

Segment liabilities exclude borrowings, provision for taxation and deferred tax liabilities

F. Notes to the condensed interim financial statements (cont'd)**4. Segment information (cont'd)**Segment results for 12 months ended 30 September 2021

Operating Segment	Beverages	Dairies	Printing & Publishing	Others	Elimination	Per Consolidated Financial Statements
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue - external	452,746	1,190,040	222,369	14,008	-	1,879,163
Revenue - inter segment	2,284	408	1,381	100,044	(104,117)	-
Total revenue	455,030	1,190,448	223,750	114,052	(104,117)	1,879,163
Subsidiary companies	19,953	126,466	(2,547)	7,577	-	151,449
Joint venture and associated companies	-	111,657	-	(1,359)	-	110,298
Profit/(Loss) before interest and taxation	19,953	238,123	(2,547)	6,218	-	261,747
Finance income						2,286
Finance costs						(25,138)
Profit before fair value adjustment, taxation and exceptional items						238,895
Fair value adjustment of investment properties						17
Exceptional items						(8,720)
Profit before taxation						230,192
Taxation						(34,718)
Profit after taxation						195,474
Non-controlling interests						(55,032)
Attributable profit						140,442
Attributable profit/(loss) before fair value adjustment and exceptional items	5,208	169,226	(3,249)	(25,968)	-	145,217
Fair value adjustment of investment properties	-	-	17	-	-	17
Exceptional items	(2,434)	(632)	(1,408)	(318)	-	(4,792)
Attributable profit/(loss)	2,774	168,594	(4,640)	(26,286)	-	140,442
Segment assets as at 30 September 2021*	470,888	3,445,552	247,414	280,924	-	4,444,778
Segment liabilities as at 30 September 2021#	87,946	238,465	91,422	47,579	-	465,412
Geographical Segment	Singapore	Malaysia	Thailand	Vietnam	Others	Per Consolidated Financial Statements
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total revenue	422,163	665,757	666,265	86	124,892	1,879,163
Profit/(Loss) before interest and taxation	11,021	36,209	111,900	111,126	(8,509)	261,747

* Segment assets exclude deferred tax assets and cash and bank deposits

Segment liabilities exclude borrowings, provision for taxation and deferred tax liabilities

F. Notes to the condensed interim financial statements (cont'd)

5. Revenue information

(a) Disaggregation of revenue

	Operating Segments				Total \$'000
	Beverages \$'000	Dairies \$'000	Printing & Publishing \$'000	Others \$'000	
6 months ended 30 September 2022					
Primary geographical markets					
Singapore	69,453	77,845	64,699	-	211,997
Malaysia	175,761	182,209	12,378	8,973	379,321
Thailand	-	333,380	30	-	333,410
Others	35,196	3,509	29,796	-	68,501
	<u>280,410</u>	<u>596,943</u>	<u>106,903</u>	<u>8,973</u>	<u>993,229</u>
Major products/service lines					
Sale of goods	279,447	596,943	60,568	8,842	945,800
Sale of services	516	-	41,320	21	41,857
Others	447	-	5,015	110	5,572
	<u>280,410</u>	<u>596,943</u>	<u>106,903</u>	<u>8,973</u>	<u>993,229</u>
Timing of transfer of goods or services					
At a point in time	279,182	596,943	103,452	8,973	988,550
Over time	1,228	-	3,451	-	4,679
	<u>280,410</u>	<u>596,943</u>	<u>106,903</u>	<u>8,973</u>	<u>993,229</u>
6 months ended 30 September 2021					
Primary geographical markets					
Singapore	61,164	84,232	60,708	-	206,104
Malaysia	120,403	168,895	9,848	9,004	308,150
Thailand	-	314,785	144	-	314,929
Others	20,923	4,245	36,252	-	61,420
	<u>202,490</u>	<u>572,157</u>	<u>106,952</u>	<u>9,004</u>	<u>890,603</u>
Major products/service lines					
Sale of goods	199,950	572,157	56,077	8,922	837,106
Sale of services	2,389	-	44,512	19	46,920
Others	151	-	6,363	63	6,577
	<u>202,490</u>	<u>572,157</u>	<u>106,952</u>	<u>9,004</u>	<u>890,603</u>
Timing of transfer of goods or services					
At a point in time	202,490	572,157	103,966	9,004	887,617
Over time	-	-	2,986	-	2,986
	<u>202,490</u>	<u>572,157</u>	<u>106,952</u>	<u>9,004</u>	<u>890,603</u>

F. Notes to the condensed interim financial statements (cont'd)**5. Revenue information (cont'd)****(a) Disaggregation of revenue (cont'd)**

	Operating Segments				Total \$'000
	Beverages \$'000	Dairies \$'000	Printing & Publishing \$'000	Others \$'000	
12 months ended 30 September 2022					
Primary geographical markets					
Singapore	136,969	159,035	137,433	-	433,437
Malaysia	347,547	361,566	25,198	20,695	755,006
Thailand	-	670,989	41	-	671,030
Others	84,355	7,465	51,921	-	143,741
	<u>568,871</u>	<u>1,199,055</u>	<u>214,593</u>	<u>20,695</u>	<u>2,003,214</u>
Major products/service lines					
Sale of goods	562,416	1,199,055	120,912	20,440	1,902,823
Sale of services	5,842	-	83,850	40	89,732
Others	613	-	9,831	215	10,659
	<u>568,871</u>	<u>1,199,055</u>	<u>214,593</u>	<u>20,695</u>	<u>2,003,214</u>
Timing of transfer of goods or services					
At a point in time	562,416	1,199,055	209,073	20,695	1,991,239
Over time	6,455	-	5,520	-	11,975
	<u>568,871</u>	<u>1,199,055</u>	<u>214,593</u>	<u>20,695</u>	<u>2,003,214</u>
12 months ended 30 September 2021					
Primary geographical markets					
Singapore	124,470	161,895	135,792	6	422,163
Malaysia	276,538	354,871	20,346	14,002	665,757
Thailand	-	666,097	168	-	666,265
Others	51,738	7,177	66,063	-	124,978
	<u>452,746</u>	<u>1,190,040</u>	<u>222,369</u>	<u>14,008</u>	<u>1,879,163</u>
Major products/service lines					
Sale of goods	444,454	1,190,040	119,449	13,767	1,767,710
Sale of services	8,002	-	91,800	45	99,847
Others	290	-	11,120	196	11,606
	<u>452,746</u>	<u>1,190,040</u>	<u>222,369</u>	<u>14,008</u>	<u>1,879,163</u>
Timing of transfer of goods or services					
At a point in time	452,746	1,190,040	215,081	14,008	1,871,875
Over time	-	-	7,288	-	7,288
	<u>452,746</u>	<u>1,190,040</u>	<u>222,369</u>	<u>14,008</u>	<u>1,879,163</u>

(b) Breakdown of sales

A breakdown of sales and profit after taxation (before deduction of non-controlling interests) for the continuing operations are as follows: -

	The Group		
	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000	Change %
(a) Sales reported for first half year	1,009,985	988,560	2.2
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	92,825	117,736	(21.2)
(c) Sales reported for second half year	993,229	890,603	11.5
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	84,110	77,738	8.2

F. Notes to the condensed interim financial statements (cont'd)**6. Profit before taxation**

Profit before taxation have been arrived at after charging/(crediting):

	The Group			
	6 months ended 30 September 2022 \$'000	6 months ended 30 September 2021 \$'000	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000
Operating expenses				
Included in operating expenses are:				
Depreciation of fixed assets	36,113	38,009	71,682	76,935
Amortisation of brands and intangible assets	6,197	6,070	13,488	12,878
Allowance for bad and doubtful debts	617	4,877	858	4,753
Allowance for inventory obsolescence	2,553	2,892	5,552	5,953
Employee share-based expense	3,333	1,366	4,621	3,443
Other (income)/expense (net)				
Gain on disposal of fixed assets	(92)	(36)	(249)	(28)
Foreign exchange loss	8,424	5,251	5,792	5,022
Exceptional items				
(Write back of)/Provision for impairment of assets and other expenses relating to flood and fire	(1,358)	-	11,711	-
Provision for restructuring and re-organisation costs of operations	906	7,106	1,423	8,377
Insurance claim relating to flood	-	-	(5,726)	-
Effect of change of interest in an associated company	-	343	-	343
	<u>(452)</u>	<u>7,449</u>	<u>7,408</u>	<u>8,720</u>

7. Taxation

	The Group			
	6 months ended 30 September 2022 \$'000	6 months ended 30 September 2021 \$'000	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000
Current income tax	10,077	13,961	24,704	34,703
Deferred tax	4,370	753	5,412	3,908
Over provision in respect of previous years				
- Income tax	(999)	(801)	(4,038)	(1,755)
- Deferred tax	(2,438)	(2,087)	(824)	(2,138)
	<u>11,010</u>	<u>11,826</u>	<u>25,254</u>	<u>34,718</u>

F. Notes to the condensed interim financial statements (cont'd)**8. Dividends**

	The Group and The Company	
	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000
Interim paid of 1.5 cents per share (2021: 1.5 cents per share)	21,803	21,778
Final proposed of 3.5 cents per share (2021: 3.5 cents per share)	50,874	50,814
	<u>72,677</u>	<u>72,592</u>

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.

9. 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 period/year.

	The Group			
	6 months ended 30 September 2022 \$'000	6 months ended 30 September 2021 \$'000	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000
Group attributable profit to shareholders of the Company				
- before fair value adjustment and exceptional items	60,827	61,771	129,421	145,217
- after fair value adjustment and exceptional items	59,601	58,031	124,867	140,442
	----- Number of shares -----			
Weighted average number of ordinary shares in issue	1,453,549,775	1,451,835,276	1,453,264,025	1,451,543,660
Earnings per share (basic) (cents)				
- before fair value adjustment and exceptional items	4.2	4.3	8.9	10.0
- after fair value adjustment and exceptional items	4.1	4.0	8.6	9.7

F. Notes to the condensed interim financial statements (cont'd)**9. Earnings per share (cont'd)****(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 company's 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:

	The Group				
	6 months ended 30 September 2022 \$'000	6 months ended 30 September 2021 \$'000	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000	
	Group attributable profit to shareholders of the Company before fair value adjustment and exceptional items	60,827	61,771	129,421	145,217
	Change in attributable profit due to dilutive potential shares under share plans of a subsidiary company	(80)	(55)	(166)	(134)
Group adjusted attributable profit to shareholders of the Company before fair value adjustment and exceptional items	60,747	61,716	129,255	145,083	
Group attributable profit to shareholders of the Company after fair value adjustment and exceptional items	59,601	58,031	124,867	140,442	
Change in attributable profit due to dilutive potential shares under share plans of a subsidiary company	(80)	(50)	(158)	(129)	
Group adjusted attributable profit to shareholders of the Company after fair value adjustment and exceptional items	59,521	57,981	124,709	140,313	

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				
	6 months ended 30 September 2022	6 months ended 30 September 2021	12 months ended 30 September 2022	12 months ended 30 September 2021	
	----- Number of shares -----				
	Weighted average number of ordinary shares used to compute basic earnings per share	1,453,549,775	1,451,835,276	1,453,264,025	1,451,543,660
Adjustment for dilutive potential shares under share plans of the Company	3,719,603	3,907,753	3,719,603	3,907,753	
Weighted average number of ordinary shares used to compute diluted earnings per share	1,457,269,378	1,455,743,029	1,456,983,628	1,455,451,413	
Earnings per share (fully diluted) (cents)					
- before fair value adjustment and exceptional items	4.2	4.2	8.9	10.0	
- after fair value adjustment and exceptional items	4.1	4.0	8.6	9.6	

F. Notes to the condensed interim financial statements (cont'd)**10. Share capital**

	The Group and The Company	
	6 months ended 30 September 2022	6 months ended 31 March 2022
	----- Number of Shares -----	
Issued and fully paid ordinary shares:		
As at beginning of the period	1,453,549,775	1,451,835,276
Shares issued pursuant to the vesting of shares awarded under share plans	-	1,714,499
As at end of the period	<u>1,453,549,775</u>	<u>1,453,549,775</u>
	As at 30 September 2022	As at 30 September 2021
The number of shares awarded conditionally under share plans as at the end of the year	<u>3,719,603</u>	<u>3,907,753</u>
The number of issued shares excluding treasury shares at the end of the year	<u>1,453,549,775</u>	<u>1,451,835,276</u>

The Company did not hold any treasury shares as at 30 September 2022 (30 September 2021: Nil).

The Company did not have any subsidiary holdings as at 30 September 2022 and 30 September 2021.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares and subsidiary holdings by the Company during the six months ended 30 September 2022 and 30 September 2021.

11. Net asset value

	The Group		The Company	
	As at 30 September 2022	As at 30 September 2021	As at 30 September 2022	As at 30 September 2021
Net asset value per ordinary share based on issued share capital	<u>\$2.11</u>	<u>\$2.08</u>	<u>\$1.11</u>	<u>\$1.11</u>

12. Fixed assets

During the six months ended 30 September 2022, the Group acquired assets amounting to \$86,606,000 (six months ended 30 September 2021: \$69,240,000) and disposed of assets amounting to \$871,000 (six months ended 30 September 2021: \$2,192,000).

F. Notes to the condensed interim financial statements (cont'd)**13. Acquisition of subsidiary companies**

On 15 December 2021, Warburg Vending Malaysia Sdn Bhd, an indirect wholly-owned Malaysia-incorporated subsidiary company of the Group, completed the acquisition of the entire issued share capital of Ventaserv Sdn Bhd and its subsidiary company, Balance Fountain Sdn Bhd (collectively, "Ventaserv"). The cash consideration was RM8,706,000 (approximately \$2,689,000). A goodwill of \$1,470,000 was recognised on the acquisition based on the difference between the consideration and the fair value of the identifiable assets and liabilities at the date of the acquisition determined upon completion of the Price Purchase Allocation exercise. The consideration was arrived at on a "willing-buyer-willing-seller" basis, taking into account inter alia, the existing assets, financial position and business prospects of Ventaserv and precedent transactions for companies engaged in similar businesses.

The fair value of the identifiable assets and liabilities as at the date of acquisition were as follows:

	Fair value as at date of acquisition \$'000
Fixed assets	1,760
Intangible assets	55
Current assets	326
Current liabilities	(963)
Non-current liabilities	(170)
Cash and cash equivalents	211
Total identifiable net assets at fair value	1,219
Goodwill arising from acquisition	1,470
Consideration paid	2,689
Less: Cash and cash equivalents in subsidiary companies acquired	(211)
Net cash outflow on acquisition of subsidiary companies	2,478

14. Borrowings

	The Group	
	As at 30 September 2022 \$'000	As at 30 September 2021 \$'000
Amount repayable in one year or less, or on demand		
Unsecured	51,607	427,573
Amount repayable after one year		
Unsecured	837,672	499,262

- The Group's wholly-owned subsidiary company, F&N Treasury Pte. Ltd. ("FNT") has redeemed in full the S\$160,000,000 3.09% Notes due 2022 (the "Series 13 Notes") on 23 March 2022, being the maturity date of the Series 13 Notes. The Series 13 Notes were issued under the S\$2,000,000,000 Multicurrency Debt Issuance Programme established by FNT on 7 May 2007, which is unconditionally and irrevocably guaranteed by the Company. Following the redemption, the Series 13 Notes have been cancelled and delisted from the Singapore Exchange Securities Trading Limited ("SGX-ST").
- Fraser and Neave, Limited has issued S\$140,000,000 in aggregate principal amount of 3.00 per cent. Notes due 2025 comprised in Series 17 (the "Series 17 Notes") pursuant to its S\$2,000,000,000 multicurrency debt issuance programme on 9 May 2022. The Series 17 Notes were listed on the SGX-ST on 10 May 2022.
- FNT has repurchased S\$100,000,000 in aggregate principal amount of the Series 15 Notes from the market (on a willing buyer and willing seller basis) (the "Repurchased Notes") on 9 May 2022 and cancelled the Repurchased Notes on 20 May 2022. Following the cancellation of the Repurchased Notes, the aggregate outstanding principal amount of the Series 15 Notes was S\$100,000,000. On 22 August 2022, FNT has redeemed the remaining Series 15 Notes, being the maturity date of the Series 15 Notes. Following the redemption, the remaining Series 15 Notes have been cancelled and delisted from the SGX-ST.

F. Notes to the condensed interim financial statements (cont'd)**15. Significant related party transactions**

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				
	6 months ended 30 September 2022 \$'000	6 months ended 30 September 2021 \$'000	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000	
	(a) Transactions with TCC Group of Companies ⁽ⁱ⁾				
	Sales	10,613	12,732	22,906	24,641
Advertising & promotion support	1,538	839	2,976	6,311	
Service fee and other income	333	336	577	869	
Purchases	(16,643)	(15,089)	(31,056)	(31,615)	
Marketing expense	(2,729)	(1,426)	(5,751)	(5,701)	
Logistic expense	(521)	(1,309)	(908)	(3,195)	
Insurance premium expense	(972)	(730)	(1,801)	(1,694)	
Rental and other expenses	(6,559)	(4,617)	(10,568)	(7,285)	
	<u>(6,559)</u>	<u>(4,617)</u>	<u>(10,568)</u>	<u>(7,285)</u>	
(b) Transactions with Joint Venture and Associated Companies					
Sales	95	-	235	1,120	
Receipt of corporate service fees	19	19	38	39	
Purchases	(1,202)	(1,302)	(2,334)	(2,312)	
	<u>(1,202)</u>	<u>(1,302)</u>	<u>(2,334)</u>	<u>(2,312)</u>	

⁽ⁱ⁾ This refers to the companies and entities in the TCC Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi.

16. Contingent liabilities

The Company issued corporate guarantees to the extent of \$3,425,911,000 (2021: \$2,897,158,000) for the purpose of assisting its subsidiary and joint venture companies to obtain external borrowings. Of the \$3,425,911,000 (2021: \$2,897,158,000) corporate guarantees given by the Company, \$639,875,000 (2021: \$920,486,000) has been utilised by its subsidiary and joint venture companies as security for their borrowings.

17. Classification of financial assets and liabilities

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

	The Group		The Company	
	As at 30 September 2022 \$'000	As at 30 September 2021 \$'000	As at 30 September 2022 \$'000	As at 30 September 2021 \$'000
Financial Assets				
Other investments at FVOCI	7,986	5,625	139,413	172,339
Derivative financial instruments designated as a hedge	10,937	-	-	-
Derivative financial instruments at fair value through profit and loss	198	546	78	-
Financial assets at amortised cost	601,532	766,124	89,143	135,465
	<u>620,653</u>	<u>772,295</u>	<u>228,634</u>	<u>307,804</u>
Financial Liabilities				
Derivative financial instruments designated as a hedge	-	7,202	-	-
Derivative financial instruments at fair value through profit and loss	624	419	3	17
Financial liabilities at amortised cost	1,350,595	1,335,879	769,020	900,992
	<u>1,351,219</u>	<u>1,343,500</u>	<u>769,023</u>	<u>901,009</u>

F. Notes to the condensed interim financial statements (cont'd)**17. Classification of financial assets and liabilities (cont'd)**

Financial assets at amortised cost includes cash and bank deposits, trade and other receivables, amount due from related parties, subsidiary, joint venture and associated companies.

Financial liabilities at amortised cost includes trade and other payables, amount due to related parties, subsidiary and associated companies, lease liabilities and borrowings.

18. Fair value measurement

The Group and the Company 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 (unadjusted) 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 (i.e. prices) or indirectly (i.e. derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following table shows the analysis of assets and liabilities carried at fair value and their levels in the fair value hierarchy:

	The Group			Total
	Level 1	Level 2	Level 3	
	\$'000	\$'000	\$'000	\$'000
As at 30 September 2022				
<u>Financial Assets</u>				
Other investments				
- Quoted equity investments at FVOCI	4,551	-	-	4,551
Derivative financial instruments	-	11,135	-	11,135
	<u>4,551</u>	<u>11,135</u>	<u>-</u>	<u>15,686</u>
<u>Non-Financial Asset</u>				
Investment properties	-	-	16,108	16,108
<u>Financial Liability</u>				
Derivative financial instruments	-	624	-	624
As at 30 September 2021				
<u>Financial Assets</u>				
Other investments				
- Quoted equity investments at FVOCI	5,611	-	-	5,611
Derivative financial instruments	-	546	-	546
	<u>5,611</u>	<u>546</u>	<u>-</u>	<u>6,157</u>
<u>Non-Financial Asset</u>				
Investment properties	-	-	16,858	16,858
<u>Financial Liability</u>				
Derivative financial instruments	-	7,621	-	7,621

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 Direct Comparison Approach. 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.

F. Notes to the condensed interim financial statements (cont'd)**18. Fair value measurement (cont'd)**

	The Company			Total \$'000
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	
As at 30 September 2022				
<u>Financial Assets</u>				
Other investments				
- Quoted equity investments at FVOCI	139,413	-	-	139,413
Derivative financial instruments	-	78	-	78
	<u>139,413</u>	<u>78</u>	<u>-</u>	<u>139,491</u>
<u>Financial Liability</u>				
Derivative financial instruments	-	3	-	3
As at 30 September 2021				
<u>Financial Assets</u>				
Other investments				
- Quoted equity investments at FVOCI	172,325	-	-	172,325
<u>Financial Liability</u>				
Derivative financial instruments	-	17	-	17

There have been no transfers between Level 1, Level 2 and Level 3 for the Group and the Company during the financial year ended 30 September 2022 and 2021.

19. Subsequent events

On 12 October 2022, Fraser & Neave Holdings Bhd ("F&NHB"), a 55.5%-owned subsidiary company of the Company, announced that its indirect 65.0%-owned subsidiary company, Dagang Sejahtera Sdn Bhd, had completed the acquisition of the entire equity interest of Ladang Permai Damai Sdn Bhd ("LPDSB") for a total cash consideration of RM215,588,000 (\$66,560,000). As a result, LPDSB became an indirect 65.0%-owned subsidiary company of F&NHB. The acquisition was financed by F&NHB's internal funds and bank borrowings.

On 4 November 2022, F&NHB announced its wholly-owned subsidiary company, Awana Citra Sdn Bhd ("Awana"), had acquired 326,129,868 shares in Cocoaland Holdings Berhad ("Cocoaland"), representing approximately 72.4% of the issued share capital of Cocoaland, for a total cash consideration of RM489,195,000 (approximately \$151,033,000). As a result, Cocoaland became an indirect wholly-owned subsidiary company of F&NHB. The acquisition was financed by F&NHB's internal funds and borrowings. It is expected that all ordinary shares of Cocoaland will be de-listed from the Main Market of Bursa Malaysia Securities Berhad by or around 16 November 2022.

G. Other information required by Listing Rule Appendix 7.2**1. Review**

The condensed consolidated balance sheet of Fraser and Neave, Limited and its subsidiary companies as at 30 September 2022, the related condensed consolidated profit statement and other comprehensive income for the six-month and financial year ended 30 September 2022, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the financial year ended 30 September 2022 and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group**Profit Statement for the 12 months ended 30 September 2022**

Revenue increased 6.6% to \$2,003.2 million, up from \$1,879.2 million as compared to last year. PBIT of \$233.4 million was a decrease of 10.8% from \$261.7 million a year ago while attributable profit before fair value adjustment and exceptional items of \$129.4 million decreased 10.9% as compared to last year.

Beverages

Beverages revenue of \$568.9 million was 25.6% higher than last year. The continued easing of Covid-19 movement restrictions in the markets we operate in and its resultant economic recovery together with the successful execution of festive campaigns, increase in selling prices and acquisition of Ventaserv in Dec 2021 all helped contribute to higher Soft Drinks revenue for the year. In Myanmar, the continued ramp up in sales volume led to higher revenue contribution from Beer operations. These increases were partly offset by the strengthening of the Singapore Dollar, leading to unfavourable currency translation.

PBIT almost doubled to \$37.8 million driven by PBIT growth in both Soft Drinks and Beer. Soft Drinks earnings improved on the back of increased revenue and improved operational efficiency despite challenges faced from higher commodity, material and freight charges. Profit contribution from Beer operations increased mainly due to significantly higher beer sales volume.

Dairies

Dairies revenue increased by \$9.0 million to \$1,199.1 million as compared to last year. In Dairies operations, cost-based price increases and easing of lockdown measures resulted in recovery in domestic canned milk sales and together with stronger export volumes contributed to the increase in revenue from Dairies Malaysia and Dairies Thailand. This helped cushion the adverse impact of unfavourable currency translation. Ice-cream operations recorded an increase in revenue on the back of higher domestic and export sales, driven by new product launches and increase in selling price.

Despite improved profitability from Dairies Malaysia, Dairies PBIT decreased by 18.1% to \$195.1 million as compared to last year. This was largely attributed to lower share of profits from Vinamilk and lower contribution from Dairies Thailand which was impacted by higher input and packaging costs and unfavourable currency translation.

Printing and Publishing

Printing and Publishing ("P&P") revenue was \$214.6 million, down 3.5% compared to last year. Revenue was impacted by softer textbook adoption, lower advertising revenue from business directories and disruption in print sales volume in China due to government regulations on education policies and ongoing Covid-19 pandemic lockdowns. This was partially offset by higher revenue from Retail and Book Distribution aided by improvement in retail conditions and rebound in market demand for books.

Despite continued stringent cost discipline, PBIT loss widened from \$2.5 million to \$10.8 million. While revenue decreased slightly compared to last year, tough market competition and contractual job obligations tempered efforts to raise selling prices. In addition, the impact of inflation across commodity and energy markets, coupled with the absence of government subsidies enjoyed in the previous year affected profitability negatively, leading to the increase in loss contribution.

Tax

The Group effective tax rate ("ETR") of 12.5% (2021:15.1%) is lower than the corporate tax rate of 17%. This is mainly due to non-taxable income.

G. Other information required by Listing Rule Appendix 7.2 (cont'd)**2. Review of performance of the Group (cont'd)****Group Balance Sheet as at 30 September 2022**

The increase in Reserves was mainly due to profits of \$124.9 million retained for the year and fair value changes on derivative financial instruments of \$18.1 million. This was partly offset by payment of dividends and currency translation loss arising from the appreciation of Singapore Dollar against other regional currencies on the Group's interest in its subsidiary companies.

Non-current assets increased by \$70.8 million or 1.8% from \$3,843.5 million to \$3,914.3 million as at 30 September 2022 mainly due to the acquisition of fixed assets relating to factory expansion in Malaysia and Singapore during the year.

Current assets decreased by \$11.2 million or 1.0% from \$1,077.8 million to \$1,066.6 million as at 30 September 2022 mainly due to a decrease in cash and bank balance as a result of cash utilized for working capital requirements, payment of dividends and acquisition of fixed assets. This was partly offset by the increase in inventories and trade receivables as a result of higher levels of raw materials and finished goods maintained to support higher sales expected from the easing of Covid-19 movement restrictions and upcoming festive holidays. Other receivables also increased, mainly due to prepayments made for the acquisition of the entire equity interest in Ladang Permai Damai Sdn Bhd.

Liabilities increased slightly by \$8.4 million from \$1,470.0 million to \$1,478.4 million as at 30 September 2022 mainly due to the issuance of \$140.0 million of Series 17 Notes and bank borrowings drawn down offset by the redemption of \$260.0 million of Series 13 and Series 15 Notes in the financial year.

Group Cash Flow Statement for the 12 months ended 30 September 2022

The cash inflows and outflows are detailed in the Group Cash Flow Statement.

Net cash inflow due to operating activities for the year was \$19.2 million as compared to \$247.4 million for last year. This was mainly due to timing of payments arising from higher working capital required to support an increase in expected consumer demand as a result of economic recovery upon the easing of Covid-19 restrictions.

Net cash outflow due to investing activities of \$53.4 million was higher as compared to \$21.8 million for last year. This was mainly due to the increase in purchase of fixed assets during the year offset by lower cash outflow on acquisition of subsidiary companies.

Net cash outflow due to financing activities for the period was \$153.7 million as compared to \$33.8 million for last year. The higher cash outflow during this period was mainly due to the redemption of \$260.0 million of Series 13 and Series 15 Notes due during the year. This was partly offset by the issuance of \$140.0 million of Series 17 Notes and bank borrowings drawn down during the year.

Profit Statement for the 6 months ended 30 September 2022

Group revenue increased 11.5% to \$993.2 million as compared to the corresponding period last year. The increase in revenue was mainly due to increased contribution from Beverages and Dairies operations despite unfavourable currency translation.

Despite the increase in revenue, PBIT decreased 2.0% to \$106.3 million as compared to the corresponding period last year. PBIT was impacted by unfavourable currency translation, higher input costs, increase in freight charges and lower share of profits from Vinamilk.

As compared to the corresponding period last year, group attributable profit before fair value adjustment and exceptional items and basic earnings per share before fair value adjustment and exceptional items were 1.5% and 2.3% lower at \$60.8 million and 4.2 cents respectively.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

G. Other information required by Listing Rule Appendix 7.2 (cont'd)**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

In FY 2022 the Group emerged stronger as the markets we operate in progressively transitioned out from Covid related restrictions. The Group continued to adapt its business processes and strengthen its supply chains to ensure we will remain resilient for future pandemics. During the year, the Group had to manage inflationary pressure on our input cost and weak domestic currencies in overseas countries we operate in.

Despite these challenges, the Group managed to capture market shares and grow its volume and revenue. The Group is committed to continue driving productivity improvements, make strategic investments and make adjustments to mitigate input costs challenges in order to achieve sustainable financial performance.

The outlook for the F&B industry for the next 12 months looks cautiously optimistic as economic activities return to pre Covid levels. However there will be headwinds as inflationary pressure appears to be persistent while tightening of monetary policy around the world could lead to recession. This could dampen consumer spending. While we continue to drive sales for the coming festive seasons, we look towards driving innovation as well as improving efficiencies to build a stronger and more sustainable business for the future. In Malaysia, the Group had entered into an agreement to acquire Ladang Permai Damai Sdn Bhd and completed the privatisation of Cocoland Holdings Berhad. These acquisitions, together with our recent capital expenditure, will enable the Group to boldly take strategic steps towards new product offerings, integrated farming and potential partnership development. In Singapore, we will consolidate our F&B operations into our new purpose built factory and logistic hub in Tuas which will allow us to operate more efficiently and scale our operations. In Thailand, the opening of the new Wangmuang plant to replace the old Pakchong plant has given the Group additional dairy manufacturing capacity to capture new markets.

In our P&P business, we will continue to remain vigilant as the business outlook for our key markets remains patchy while recovery across our various business segments is uneven. In addition to rising commodity prices and logistic costs, changes in government regulations on education policies in China have led to increasing pressure on margins. The printing business has pivoted towards sustainable packaging products in the second half of FY 2022 which will help broaden our printing revenue base while education's international growth strategy is on track as it continues to expand its network of partnerships, most notably with a Middle-Eastern education group and a local university. Fuelled by these opportunities, we will continue to review and refine the business model so as to remain relevant in the fast-changing printing and publishing landscape.

5. If a decision regarding dividend has been made:-

(a) Whether a final ordinary dividend has been recommended: Yes

(b) (i) Amount per share : 3.5 cents

(ii) Previous corresponding period : 3.5 cents

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Tax-exempt (one-tier).

(d) The date the dividend is payable.

The Directors propose, subject to shareholders' approval at the Annual General Meeting to be held on 18 January 2023, a final dividend of 3.5 cents (last year: 3.5 cents) per share, to be paid on 10 February 2023. Taken with the interim dividend of 1.5 cents per share already paid, this will give a total distribution for the year of 5.0 cents per share (last year: 5.0 cents).

(e) The date on which Registrable Transfers received by the Company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.

Registrable transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road, #02-00, Singapore 068898 up to 5.00 p.m. on 26 January 2023 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed on 27 January – 30 January 2023 for the preparation of dividend warrants.

G. Other information required by Listing Rule Appendix 7.2 (cont'd)

6. **If no dividend has been declared (recommended), a statement to the effect and the reason(s) for the decision.**

Not applicable.

7. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

Particulars of interested person transactions ("IPTs") for the financial year ended 30 September 2022.

<u>Name of interested person</u>	<u>Nature of relationship</u>	<u>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000</u>
Companies and entities in the TCC Group	Associates (as defined in the SGX Listing Manual) of Mr. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi, who are the Chairman and Vice-Chairman of the Board of Directors respectively, and the controlling shareholders of the Company.	23,070

8. **In the review of performance, the factors leading to any material changes in contribution to turnover and earnings by the business or geographical segments.**

Refer to No. 2

9. **Confirmation By the Company Pursuant to Rule 720(1) of the SGX Listing Manual**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX Listing Manual.

10. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX Listing Manual"), the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is related to the director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD
Samuel Lee
Company Secretary

10 November 2022