



**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 2015

The Directors are pleased to release the unaudited quarterly financial report for the quarter and financial year ended 30 September 2015.

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 2014:

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

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

By Order of the Board

Soon Wing Chong  
Wong May Fun  
Joint Secretaries

Kuala Lumpur  
3 November 2015

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

For the quarter and year ended 30 September 2015

RM'000	Individual 4 <sup>th</sup> quarter			Cumulative 4 <sup>th</sup> quarter		
	30/09/2015	30/09/2014 (Restated)	% chg	30/09/2015	30/09/2014 (Restated)	% chg
Revenue	1,007,813	964,515	4.5%	4,060,239	3,818,802	6.3%
Cost of sales	(676,199)	(692,176)		(2,802,508)	(2,703,056)	
Gross profit	331,614	272,339	21.8%	1,257,731	1,115,746	12.7%
Other income	7,071	380		12,852	6,614	
Operating expenses	(271,841)	(197,465)		(938,595)	(808,159)	
Operating profit	66,844	75,254	-11.2%	331,988	314,201	5.7%
Interest expense	(3,965)	* (3,856)		(16,241)	* (15,338)	
Interest income	3,312	* 3,124		13,389	* 11,635	
Share of results of a joint venture #	(516)	(368)		(3,362)	(903)	
Share of results of an associate ^	2,053	1,207		8,055	5,874	
Profit before tax (PBT)	67,728	75,361	-10.1%	333,829	315,469	5.8%
Taxation (Schedule G, Note 5)	(11,005)	(13,177)		(53,757)	(56,061)	
<b>Profit after tax (PAT)</b>	<b>56,723</b>	<b>62,184</b>	<b>-8.8%</b>	<b>280,072</b>	<b>259,408</b>	<b>8.0%</b>
<b>Attributable to:</b>						
Equity holders of the Company	56,724	62,195	-8.8%	280,074	259,429	8.0%
Non-controlling interests	(1)	(11)		(2)	(21)	
Profit after tax	56,723	62,184		280,072	259,408	
Basic earnings per share (sen) attributable to equity holders of the Company	15.5	17.0	-8.8%	76.5	71.0	7.7%
Diluted earnings per share (sen) attributable to equity holders of the Company	15.5	17.0	-8.8%	76.4	70.9	7.8%

# 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 2015.

^ The share of results of an associate for the quarter refers to Coccoland Holdings Berhad and is derived from its unaudited quarterly announcement for the quarter ended 30 June 2015 dated 24 August 2015. The cumulative results are the sum total of its quarterly results recognised by the Group for the four quarters ended 30 June 2015.

\* The comparatives for the quarter and financial year ended 30 September 2015 have been restated as disclosed in Schedule F, Note 22.

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 2014.

**Schedule B: Unaudited Condensed Consolidated Statement of Comprehensive Income**

For the quarter and year ended 30 September 2015

RM'000	Individual 4 <sup>th</sup> quarter			Cumulative 4 <sup>th</sup> quarter		
	30/09/2015	30/09/2014	% chg	30/09/2015	30/09/2014	% chg
Profit after tax	56,723	62,184	-8.8%	280,072	259,408	8.0%
<b>Other comprehensive income, net of tax:</b>						
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>						
Remeasurement gains on defined benefit plans	748	2,687		748	2,687	
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>						
Exchange differences on translation of foreign operations	55,487	8,832		101,450	(13,770)	
<b>Total comprehensive income</b>	<b>112,958</b>	<b>73,703</b>	<b>53.3%</b>	<b>382,270</b>	<b>248,325</b>	<b>53.9%</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	112,959	73,714		382,272	248,346	
Non-controlling interests	(1)	(11)		(2)	(21)	
	112,958	73,703	53.3%	382,270	248,325	53.9%

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 2014.

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

As at 30 September 2015

RM'000	30/09/2015	30/09/2014 (Audited)
<b>Non-current assets</b>		
Property, plant and equipment	1,064,821	1,028,919
Investment properties	50,763	57,084
Properties held for development	55,291	54,654
Investment in a joint venture <i>(Schedule F, Note 8)</i>	80,196	71,496
Investment in an associate <i>(Schedule F, Note 9)</i>	72,410	78,353
Intangible assets	131,155	135,437
Deferred tax assets	49,330	58,693
	<u>1,503,966</u>	<u>1,484,636</u>
<b>Current assets</b>		
Inventories	542,775	390,713
Receivables	562,042	492,592
Tax recoverable	14	670
Cash and short term deposits	412,209	365,387
	<u>1,517,040</u>	<u>1,249,362</u>
<b>Total assets</b>	<b>3,021,006</b>	<b>2,733,998</b>
<b>Equity</b>		
Share capital and reserves	1,876,803	1,688,613
Non-controlling interests	204	206
<b>Total equity</b>	<b>1,877,007</b>	<b>1,688,819</b>
<b>Non-current liabilities</b>		
Borrowings	300,000	300,000
Provision for retirement benefits	37,937	36,353
Deferred tax liabilities	32,682	30,971
	<u>370,619</u>	<u>367,324</u>
<b>Current liabilities</b>		
Payables	753,291	609,645
Provisions	7,925	5,749
Borrowings	-	50,000
Provision for taxation	12,164	12,461
	<u>773,380</u>	<u>677,855</u>
<b>Total liabilities</b>	<b>1,143,999</b>	<b>1,045,179</b>
<b>Total equity and liabilities</b>	<b>3,021,006</b>	<b>2,733,998</b>
Net assets per share (RM) attributable to equity holders of the Company	5.12	4.62

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 2014.

**Schedule D : Unaudited Condensed Consolidated Statement of Cash Flows**

For the year ended 30 September 2015

RM'000	30/09/2015	30/09/2014 (Restated)
<b>Operating activities</b>		
Profit before tax	333,829	315,469
Add non-cash items:		
- Depreciation and amortisation	93,108	87,768
- Impairment of property, plant and equipment	1,991	2,118
- Impairment loss on receivables	1,493	* 5,240
- Inventories written down	6,624	* 871
- Inventories written off	12,813	* 10,398
- Bad debts recovered	(526)	* (4,811)
- Share-based payment transactions expense	10,340	* 359
- Provision for litigation claim	-	4,040
- Property, plant and equipment written off	1,685	* 1,526
- Change in fair value of investment properties	6,321	-
- Net loss on disposal of property, plant and equipment	602	* 202
- Net fair value gain on derivatives	(4,408)	* (1,099)
- Interest expense	16,241	* 15,338
- Interest income	(13,389)	* (11,635)
- Share of results of a joint venture	3,362	903
- Share of results of an associate	(8,055)	(5,874)
- Others	187	* (1,141)
Changes in working capital #	(82,370)	* (68,565)
Insurance claims received	-	36,766
Tax paid	(42,097)	(31,868)
<b>Net cash flows generated from operating activities</b>	<b>337,751</b>	<b>356,005</b>
<b>Investing activities</b>		
Interest received	7,788	8,084
Dividend received	3,500	3,032
Loan to a joint venture	(6,700)	* (39,500)
Placement of deposits with licensed bank	(3,066)	-
Proceeds from disposal of property, plant and equipment	906	787
Purchase of property, plant and equipment	(72,280)	(60,801)
Purchase of intangible assets	(258)	(153)
<b>Net cash flows used in investing activities</b>	<b>(70,110)</b>	<b>(88,551)</b>
<b>Financing activities</b>		
Interest paid	(16,260)	(8,188)
Dividends paid	(201,379)	(226,657)
Net movement in borrowings	(50,000)	(40,000)
Purchase of shares by Share Grant Plan ("SGP") Trust	(11,933)	-
Proceeds from the exercise of the Executives' Share Options Scheme ("ESOS")	8,890	18,125
<b>Net cash flows used in financing activities</b>	<b>(270,682)</b>	<b>(256,720)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(3,041)</b>	<b>10,734</b>
<b>Effects of foreign exchange rate changes</b>	<b>46,797</b>	<b>* (6,058)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>365,387</b>	<b>360,711</b>
<b>Cash and cash equivalents at end of year</b>	<b>409,143</b>	<b>365,387</b>

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2014.

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**Schedule D : Unaudited Condensed Consolidated Statement of Cash Flows (cont'd)**

For the year ended 30 September 2015

RM'000	30/09/2015	30/09/2014 (Restated)
Cash and cash equivalents comprise:		
Cash and bank balances	252,813	197,230
Short term deposits with licensed banks	159,396	168,157
Cash and short term deposits	412,209	365,387
Deposits with licensed bank for maturity of over 3 months	(3,066)	-
	409,143	365,387

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# Included the interest amounting to RM5,362,000 (2014: RM4,111,000) accrued on loan to a joint venture.  
\* The comparatives for the year ended 30 September 2015 have been restated as disclosed in Schedule F, Note 22.

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

For the year ended 30 September 2015

<----- Attributable to equity holders of the Company ----->  
<----- Non-distributable -----> Distributable

RM'000	Share capital	Share premium	Treasury shares	Shares held by SGP Trust (Note a)	Loss on purchase of shares for SGP (Note b)	Foreign exchange reserve	Share-based payment reserve	Legal reserve	Retained earnings (Restated)	Total	Non-controlling interests	Total equity
<b>At 1 October 2014</b>	366,028	438,206	(1,716)	-	-	(3,687)	8,382	9,934	871,466	1,688,613	206	1,688,819
<b>Total comprehensive income</b>	-	-	-	-	-	101,450	-	-	280,822	382,272	(2)	382,270
<b>Transactions with owners:</b>												
Issuance of shares upon exercise of ESOS and Share Grant Plan ("SGP")	619	9,698	-	4,200	(190)	-	(5,437)	-	-	8,890	-	8,890
Purchase of shares by SGP Trust	-	-	-	(11,933)	-	-	-	-	-	(11,933)	-	(11,933)
Employee share-based payment expense	-	-	-	-	-	-	10,340	-	-	10,340	-	10,340
Dividends paid	-	-	-	-	-	-	-	-	(201,379)	(201,379)	-	(201,379)
<b>Total transactions with owners</b>	619	9,698	-	(7,733)	(190)	-	4,903	-	(201,379)	(194,082)	-	(194,082)
<b>At 30 September 2015</b>	366,647	447,904	(1,716)	(7,733)	(190)	97,763	13,285	9,934	950,909	1,876,803	204	1,877,007
<b>At 1 October 2013</b>	364,658	417,309	(1,716)	-	-	10,083	12,165	9,934	* 836,007	1,648,440	227	1,648,667
<b>Total comprehensive income</b>	-	-	-	-	-	(13,770)	-	-	262,116	248,346	(21)	248,325
<b>Transactions with owners:</b>												
Issuance of shares upon exercise of ESOS and SGP	1,370	20,897	-	-	-	-	(4,142)	-	-	18,125	-	18,125
Employee share-based payment expense	-	-	-	-	-	-	359	-	-	359	-	359
Dividends paid	-	-	-	-	-	-	-	-	(226,657)	(226,657)	-	(226,657)
<b>Total transactions with owners</b>	1,370	20,897	-	-	-	-	(3,783)	-	(226,657)	(208,173)	-	(208,173)
<b>At 30 September 2014</b>	366,028	438,206	(1,716)	-	-	(3,687)	8,382	9,934	871,466	1,688,613	206	1,688,819

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

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

\* The comparatives for the year ended 30 September 2015 have been restated as disclosed in Schedule F, Note 22.

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 2014.

## Schedule F : Selected Explanatory Notes Pursuant to MFRS 134

### 1. Corporate information

Fraser & Neave Holdings Bhd ("FNHB" 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.

These condensed consolidated interim financial statements ("interim financial statements") were approved by the Board of Directors on 3 November 2015.

### 2. Basis of preparation

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

The audited consolidated financial statements of the Group for the year ended 30 September 2014 are available upon request from the Company's registered office at Level 8, F&N Point, No. 3, Jalan Metro Pudu 1, Fraser Business Park, Off Jalan Yew, 55100 Kuala Lumpur, Malaysia.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 September 2014. 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 2014.

The accounting policies and presentation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the year ended 30 September 2014, except for:

- (i) the adoption of the following new and amended MFRSs, and Issues Committee (IC) Interpretations mandatory for annual financial periods beginning on or after 1 October 2014.
  - Preface to MASB Approved Accounting Standards
  - Amendments to MFRS 10, MFRS 12 and MFRS 127 *Investment Entities*
  - Amendments to MFRS 119 *Defined Benefit Plans: Employee Contributions*
  - Amendments to MFRS 132 *Offsetting Financial Assets and Financial Liabilities*
  - Amendments to MFRS 136 *Recoverable Amount Disclosures for Non-Financial Assets*
  - Amendments to MFRS 139 *Novation of Derivatives and Continuation of Hedge Accounting*
  - Annual Improvements to MFRSs 2010–2012 Cycle
  - Annual Improvements to MFRSs 2011–2013 Cycle
  - IC Interpretation 21 *Levies*

The adoption of the above standards and interpretations did not have any significant effect on the financial performance, position or presentation of financials of the Group.

- (ii) Share Grant Plan ("SGP") Trust

The Company has established a trust pursuant to the SGP and it is administered by an appointed trustee. The trustee will be entitled from time to time to accept financial assistance from the Company upon such terms and conditions as the Company and the trustee may agree to purchase the Company's share from the open market for the purposes of this trust.

The shares purchased are measured and carried at the cost of purchase on initial recognition and subsequently. The SGP Trust is consolidated into Group's consolidated financial statements as a deduction from equity and classified as "shares held by SGP Trust".



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

### 2. Basis of preparation (cont'd)

#### (iii) Loss on purchase of shares for SGP

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".

### 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.

#### Effective for annual periods beginning on or after 1 January 2016

- MFRS 14 *Regulatory Deferral Accounts* \*
- Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- Amendments to MFRS 10, MFRS 12 and MFRS 128 *Investment Entities: Applying the Consolidation Exception* \*
- Amendments to MFRS 11 *Accounting for Acquisitions of Interests in Joint Operations* \*
- Amendments to MFRS 101 *Disclosure Initiative*
- Amendments to MFRS 116 and MFRS 138 *Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116 and MFRS 141 *Agriculture: Bearer Plants* \*
- Amendments to MFRS 127 *Equity Method in Separate Financial Statements*
- Annual Improvements to MFRSs 2012-2014 Cycle

#### Effective for annual periods beginning on or after 1 January 2018

- MFRS 9 *Financial Instruments (IFRS 9 as issued by IASB in July 2014)*
- MFRS 15 *Revenue from Contracts with Customers*

\* *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 reflects the first phase of work on the replacement of MFRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in MFRS 139. The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to MFRS 9 *Mandatory Effective Date of MFRS 9 and Transition Disclosures*, issued in March 2012, moved the mandatory effective date to 1 January 2015. On 24 July 2014, the IASB issued the final version of MFRS 9 which will come into effect on 1 January 2018, with early application permitted. The adoption of the first phase of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will not have an impact on classification and measurements of the Group's financial liabilities. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

**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 replaces the guidance in MFRS 111 *Construction Contracts*, MFRS 118 *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*. Upon adoption of MFRS 15, it is expected that the timing of revenue recognition might be different as compared with the current practices.

The adoption of MFRS 15 will result in change in accounting policy. The Group is currently assessing the financial impact of adopting MFRS 15.

4. Auditors' report

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

5. Comment on seasonality or cyclicity of operation

The Group's performance is normally not affected by seasonal or cyclical events on a year to year basis. However, on a quarter to quarter basis, the demand for certain group 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 2015.

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	30/09/2015	30/09/2014
Unquoted shares, at cost	500	500
Share of post-acquisition reserves	(5,144)	(1,782)
	(4,644)	(1,282)
Shareholder's loan	124,820	118,120
Interest on shareholder's loan	15,312	9,950
	135,488	126,788
Less: Unrealised profit	(55,292)	(55,292)
	80,196	71,496

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

RM'000	30/09/2015	30/09/2014
Total assets	273,595	253,588
Total liabilities	(282,902)	(256,171)

RM'000	Individual 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
Revenue	-	-	-	-
Loss	(1,031)	(737)	(6,724)	(1,806)

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

9. Investment in an associate

RM'000	<u>30/09/2015</u>	<u>30/09/2014</u>
Quoted shares at cost	68,727	68,727
Share of post-acquisition reserves	26,584	18,529
Dividend received	<u>(22,901)</u>	<u>(8,903)</u>
	<u>72,410</u>	<u>78,353</u>
Fair value of investment in an associate for which there is published price quotation	<u>114,314</u>	<u>78,386</u>

The summarised financial information of the associate is as follows:

RM'000	<u>30/09/2015</u>	<u>30/09/2014</u>
Total assets	279,221	257,416
Total liabilities	<u>(49,517)</u>	<u>(44,573)</u>

RM'000	Individual 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	<u>30/09/2015</u>	<u>30/09/2014</u>	<u>30/09/2015</u>	<u>30/09/2014</u>
Revenue	61,668	65,074	265,842	251,218
Profit	<u>7,549</u>	<u>4,439</u>	<u>29,626</u>	<u>21,602</u>

10. Issuance or repayments of debt/equity securities

There have been no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the cumulative 4<sup>th</sup> quarter except for the issuance of 25,300 and 594,000 ordinary shares pursuant to the ESOS Scheme at the exercise price of RM10.47 and RM14.52 each respectively.

11. Dividends paid during the financial year

A final single tier dividend of 33 sen per share amounting to RM120.8 million (2013: final single tier dividend of 30 sen per share amounting to RM109.6 million together with a special single tier dividend of 10 sen per share amounting to RM36.6 million) in respect of the financial year ended 30 September 2014 was paid on 26 February 2015.

An interim single tier dividend of 22 sen per share (2014: 22 sen) was declared for the financial year ended 30 September 2015 on 5 May 2015. This dividend amounting to RM80.6 million (2014: RM80.4 million) was paid on 12 June 2015.

**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 Soft Drinks, Dairies Malaysia, Dairies Thailand, Property and Others segments. Segment performance is evaluated based on operating profit. Inter-segment transactions and pricing arrangements, where applicable, are determined on a commercial basis. The results by segments for the quarter, preceding quarter and cumulative 4<sup>th</sup> quarter are as follows:

RM'000	Revenue					Total
	Soft Drinks	Dairies Malaysia	Dairies Thailand	Property	Others	
<u>4<sup>th</sup> quarter - 30/09/2015</u>						
Total revenue	365,557	272,906	375,661	1,363	17,627	1,033,114
Inter-segment	(37)	(2,167)	(4,546)	(1,138)	(17,413)	(25,301)
External	365,520	270,739	371,115	225	214	1,007,813
<u>4<sup>th</sup> quarter - 30/09/2014</u>						
Total revenue	389,150	258,060	330,245	586	18,056	996,097
Inter-segment	(140)	(9,273)	(3,785)	(409)	(17,975)	(31,582)
External	389,010	248,787	326,460	177	81	964,515
<u>3<sup>rd</sup> quarter - 30/06/2015</u>						
Total revenue	444,289	259,249	386,658	1,165	19,584	1,110,945
Inter-segment	(53)	(6,025)	(8,375)	(847)	(19,429)	(34,729)
External	444,236	253,224	378,283	318	155	1,076,216
<u>Cumulative 4<sup>th</sup> quarter - 30/09/2015</u>						
Total revenue	1,511,528	1,090,927	1,491,231	4,773	73,075	4,171,534
Inter-segment	(153)	(8,194)	(27,122)	(3,444)	(72,382)	(111,295)
External	1,511,375	1,082,733	1,464,109	1,329	693	4,060,239
<u>Cumulative 4<sup>th</sup> quarter - 30/09/2014</u>						
Total revenue	1,522,753	1,060,893	1,265,238	3,574	70,144	3,922,602
Inter-segment	(194)	(9,273)	(21,421)	(2,988)	(69,924)	(103,800)
External	1,522,559	1,051,620	1,243,817	586	220	3,818,802





**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, cash and short term deposits, joint venture and associate.

RM'000	<u>30/09/2015</u>	<u>30/09/2014</u>
Soft Drinks	753,384	747,985
Dairies Malaysia	785,142	718,608
Dairies Thailand	688,347	506,833
Property	118,255	125,651
Others	61,733	60,992
	<u>2,406,861</u>	<u>2,160,069</u>

**Segment liabilities**

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

RM'000	<u>30/09/2015</u>	<u>30/09/2014</u>
Soft Drinks	289,130	270,771
Dairies Malaysia	226,831	188,241
Dairies Thailand	258,938	169,706
Property	1,417	3,209
Others	22,837	19,820
	<u>799,153</u>	<u>651,747</u>

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

RM'000	Individual 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	<u>30/09/2015</u>	<u>30/09/2014</u>	<u>30/09/2015</u>	<u>30/09/2014</u>
Acquisitions (cost)	15,826	17,757	72,538	60,954
Disposals/write-offs (net carrying amount)	353	264	3,193	2,515
Net loss on disposals/write-offs	<u>181</u>	<u>237</u>	<u>2,287</u>	<u>1,728</u>

14. Significant events

There were no significant events during the quarter.

15. Subsequent events

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

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

16. Changes in the composition of the Group

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

17. Contingent liabilities

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

18. Contingent assets

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

19. Fair value hierarchy

As at 30 September 2015, the Group held foreign currency forward contracts carried at fair value of approximately RM5,713,000 (30 September 2014: RM1,305,000) based on Level 2: significant observable inputs for identical assets or liabilities. There was no transfer between any levels of the fair value hierarchy and there was no change in the purpose of any financial asset that subsequently resulted in a different classification of that asset during the quarter.

The Group held investment properties amounting to RM50,763,000 (30 September 2014: RM57,084,000) carried at Level 3: significant unobservable inputs.

20. Capital and lease commitments

**Capital commitments**

The outstanding capital commitments are as follows:

RM'000	<u>30/09/2015</u>	<u>30/09/2014</u>
<u>Property, plant and equipment</u>		
Approved and contracted for:		
- Building	4,005	-
- Machinery and equipment	39,548	19,536
- Others	887	4,043
	44,440	23,579
Approved and not contracted for:		
- Building	58	3,950
- Machinery and equipment	37,809	43,910
- Others	1,724	4,697
	39,591	52,557
	<u>84,031</u>	<u>76,136</u>

**Lease commitments**

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

RM'000	<u>30/09/2015</u>	<u>30/09/2014</u>
<u>Non-cancellable operating lease commitments - Group as lessee</u>		
Future minimum rentals payable:		
- Not later than 1 year	11,617	11,224
- Later than 1 year and not later than 5 years	27,647	1,310
- Later than 5 years	1,170	1,017
	<u>40,434</u>	<u>13,551</u>



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

21. Related party disclosure

**Significant related party transactions**

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

RM'000	Individual 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
<u>Fraser and Neave, Limited ("F&amp;N Limited") Group</u>				
Sales	54,586	48,713	193,255	167,870
Receipt of corporate service fees	178	73	187	73
Rental income	92	92	368	335
Purchases	58,925	54,105	215,069	205,307
Royalties paid	12,741	12,851	54,804	52,639
Corporate charges paid	654	187	1,865	1,422
Other expenses	-	-	57	65
<u>Vacaron Company Sdn Bhd</u>				
Sales	-	-	12	-
Receipt of corporate service fees	132	225	996	1,037
Rental income	9	27	89	107
Interest income	1,210	1,359	5,362	4,111
Shareholder's loan granted	3,000	23,000	6,700	39,500
<u>Cocoaland Holdings Berhad Group</u>				
Purchases	2,279	1,428	5,728	3,899
<u>Thai Beverage Public Company Limited Group</u>				
Sales	149	184	510	600
Purchases	2,386	1,095	6,064	1,934
Marketing expenses paid	103	-	103	-
<u>Berli Jucker Public Company Limited Group</u>				
Sales	186	1,209	568	4,138
Receipt of corporate service fees	41	-	41	-
Purchases	20,982	10,861	71,018	42,678
Other expenses	129	4	386	13
<u>Other related parties of TCC Group</u>				
Sales	109	60	587	60
Management fees	330	262	1,614	1,140
Insurance premium paid	77	-	2,968	2,324
Other expenses	15	438	32	564
<u>Permodalan Nasional Berhad ("PNB") Group *</u>				
Sales	15,864	16,234	73,310	67,014
Purchases	15,782	11,196	51,916	54,664
Purchase of office equipment	-	-	-	973
Repair and maintenance of motor vehicle	-	-	-	30
Rental of equipment paid	471	603	1,905	1,848
Other expenses	90	14	388	90
<u>Compensation</u>				
Compensation of key management personnel of the Group	1,908	3,196	7,029	7,434
Directors' fees	336	211	1,292	916

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

21. Related party disclosure (cont'd)

**Related party balances**

The related party balances are shown below:

RM'000	<u>30/09/2015</u>	<u>30/09/2014</u>
<u>Amount due from related parties</u>		
F&N Limited Group	39,757	31,367
Vacaron Company Sdn Bhd	140,206	128,070
Cocoaland Holdings Berhad Group	10,502	7
Thai Beverage Public Company Limited Group	185	143
Berli Jucker Public Company Limited Group	210	1,092
Other related parties of TCC Group	35	-
PNB Group	13,877	10,536
<u>Amount due to related parties</u>		
F&N Limited Group	41,973	30,133
Cocoaland Holdings Berhad Group	1,159	925
Thai Beverage Public Company Limited Group	1,556	581
Berli Jucker Public Company Limited Group	8,668	3,643
Other related parties of TCC Group	127	141
PNB Group	9,073	5,103

\* Permodalan Nasional Berhad ("PNB") is deemed a related party to FNHB by virtue of PNB holding 63,000,000 shares as of 30 September 2015 through Amanahraya Trustees Berhad, representing 17.19% equity interest in FNHB and having two nominee directors on the Board of FNHB.

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

22. Change in comparatives

The comparatives for the financial quarter and year ended 30 September 2015 have been restated as follows:

RM'000	As previously stated	Adjustments (a)	(b)	(c)	As restated
<u>Income statement:</u>					
<u>For the quarter ended 30 September 2014</u>					
Interest expense	(2,498)	(1,358)	-	-	(3,856)
Interest income	1,766	1,358	-	-	3,124
<u>For the year ended 30 September 2014</u>					
Interest expense	(11,227)	(4,111)	-	-	(15,338)
Interest income	7,524	4,111	-	-	11,635
<u>Statement of cash flows:</u>					
<u>For the year ended 30 September 2014</u>					
Impairment loss on receivables	-	-	-	5,240	5,240
Inventories written down	-	-	-	871	871
Inventories written off	-	-	-	10,398	10,398
Bad debts recovered	-	-	-	(4,811)	(4,811)
Share-based payment transaction expenses	-	-	-	359	359
Property, plant and equipment written off	-	-	-	1,526	1,526
Net loss on disposal of property, plant and equipment	-	-	-	202	202
Net fair value gain on derivatives	-	-	-	(1,099)	(1,099)
Interest expense	11,227	4,111	-	-	15,338
Interest income	(7,524)	(4,111)	-	-	(11,635)
Others	10,365	-	-	(11,506)	(1,141)
Changes in working capital	(64,395)	-	-	(4,170)	(68,565)
Loan to a joint venture	(43,670)	-	-	4,170	(39,500)
Effects of foreign exchange rate changes	(4,878)	-	-	(1,180)	(6,058)
<u>Statement of changes in equity:</u>					
<u>As at 1 October 2013</u>					
Share capital and reserves	1,650,173	9	(1,742)	-	1,648,440
Retained earnings	837,740	9	(1,742)	-	836,007

(a) Adjustments pursuant to the adoption of MFRS 11 Joint Arrangements.

(b) Adjustments pursuant to the adoption of MFRS 119 Employee Benefits.

(c) Being reclassification to conform with current year's presentation.

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

### 1. Operations review

#### Current quarter vs corresponding quarter

Group's current quarter turnover grew by 4.5% to RM1,007.8 million from RM964.5 million, whilst profit before tax decreased by 10.1% from RM75.4 million to RM67.7 million. Although both dairies business units contributed to higher turnover and operating profit this quarter, the overall profit before tax was impacted by Soft Drinks's lower revenue and operating profit.

Soft Drinks's revenue declined from RM389.0 million to RM365.5 million (-6.0%) compared with the corresponding quarter, on higher trade discounting effected due to intense price competition. Operating profit decreased by 43.6% from RM48.6 million to RM27.4 million due to lower revenue and higher advertising and promotions expenditure. During the quarter, Ranger, a Fraser and Neave, Limited's owned energy drink brand, was introduced as a replacement for Red Bull with the termination of the exclusive marketing, distribution and sale of Red Bull energy drink in phases during this quarter.

Continuing favourable volume growth, along with increasing trade penetration, helped Dairies Malaysia in growing its revenue by 8.8% from RM248.8 million to RM270.7 million. Trade pricing, however, remained competitive as the favourable milk-based commodity cost were passed on to the trade. Although partly negated by higher foreign exchange stemming from the weaker Ringgit, operating profit improved significantly by 158.5% from RM12.2 million to RM31.4 million, on account of lower cost of raw materials and continuous realised production cost savings. During the quarter, Dairies Malaysia introduced the premium Farmhouse UHT milk, increasing its ready-to-drink (packaged) milk consumer offerings.

Dairies Thailand's revenue in Thai Baht remained flat but upon translation, revenue increased by RM45.5 million or 13.7%. Dairies Thailand's operating profit in Thai Baht declined by 8.7% on account of higher advertising and promotion and offset by lower milk-based commodity costs. Dairies Thailand also undertook a rebranding of the Teapot brand (regionally together with Dairies Malaysia), whilst increasing distribution coverage of its recently launched Magnolia Gingko Plus UHT milk.

The Property segment recorded a higher operating loss this quarter due to the change in fair value of investment properties amounting to RM6.3 million. The Others segment recorded higher operating loss this quarter mainly due to foreign exchange loss on the provision for liabilities.

#### Cumulative four quarters vs corresponding period last year

Group's revenue increased by RM241.4 million (+6.3%) from RM3,818.8 million to RM4,060.2 million mainly due to increase in revenue from both Dairies units, with Dairies Malaysia and Dairies Thailand recording an increase of 3.0% and 17.7% respectively. Stemming from the higher revenue and aided by lower milk-based commodity cost, profit before tax for the Group increased by 5.8% from RM315.5 million to RM333.8 million.

The Soft Drinks business was impacted by the East Coast floods in the first quarter, lower consumer sentiment post-GST, increasing competition and a loss of two months modern trade sales of Red Bull in view of the contract expiry on 30 September 2015. Revenue was flat (-0.7%) while operating profit was correspondingly lower (by 21.6%) due to higher trade discounts and increased investments in advertising and promotions. During the year under review, the Soft Drinks business unit rolled-out various new product offerings and nationwide branding and consumer campaigns such as Est Cola and Coco Life, along with the introduction of the new sleek cans for its 100PLUS and F&N Fun Flavours range.

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

### 1. Operations review (cont'd)

#### Cumulative four quarters vs corresponding period last year (cont'd)

The continued growth of its core products saw Dairies Malaysia end the year with a 3.0% revenue growth from RM1,051.6 million to RM1,082.7 million. Operating profit soared 41.1% from RM69.9 million to RM 98.7 million, mainly aided by lower milk-based commodity cost. During the year, the division capitalised on its Number One position in the condensed milk and evaporated milk market segments to extend and drive consumer awareness, whilst increasing its presence in the 'on-premise' segment and positioning in food and beverages applications.

Dairies Thailand continued its stellar performance throughout the year registering a 17.7% gain in revenue on the back of higher off-take from increased outlet penetration and coverage, higher trade and consumer off-take trajectory propelled by effective promotional and trade management activities. Buoyed by the robust revenue, lower milk-based commodity costs and favourable foreign exchange translation, Dairies Thailand registered a significant 41.8% (from RM78.3 million to RM111.1 million) improvement in operating profit, in the process setting a new benchmark surpassing the Thai Baht 1 billion contribution in profits.

The Property segment recorded a higher operating loss for the year due to the change in fair value of investment properties adjustment recognised on its investment property amounting to RM6.3 million. The Others segment recorded higher operating loss for the year mainly due to foreign exchange loss on the provision for liabilities.

### 2. Comment on material change in Group's profit before tax vs preceding 3<sup>rd</sup> quarter

The Group's revenue for the quarter was lower at RM1,007.8 million compared with RM1,076.2 million in the preceding 3<sup>rd</sup> quarter. However, the Group's profit before tax decreased by 31.1% from RM98.3 million to RM67.7 million mainly due to heavier advertising and promotions expenditure spent on rebranding activity and new product introductions.

Soft Drinks's revenue for the current quarter decreased by RM78.7 million due to lower shipments and price competition. Consequently operating profit declined from RM42.9 million to RM27.4 million on the back of softer post-festival sales, higher trade discounts and higher production overheads.

Dairies Malaysia's revenue grew by 6.9% (from RM253.2 million to RM270.7 million) and operating profit increased significantly by 57.4% (from RM20.0 million to RM31.4 million) due to lower tactical discounts extended to the trade and lower milk-based commodity cost.

Dairies Thailand's revenue decreased marginally by 1.9% due to lower sales volume. Operating profit declined from RM34.0 million to RM21.0 million (-38.3%) on lower sales volume and higher advertising and promotions expenditure incurred on Teapot rebranding and increasing distribution coverage of its recently launched Magnolia UHT milk. Although the sales volume for its core products (sweetened beverage creamer and evaporated milk) grew, the revenue declined marginally from RM378.3 million to RM371.1 million (-1.9%), impacted by the return of Milo UHT and Bear Brand UHT for the Thailand and Indochina markets to Nestlé effective 1 July 2015.

### 3. Prospects

During the financial year, an internal reorganisation of the Group was undertaken to align the Group's operations and management structure. This is in line with the growth strategies of the ultimate parent company and will better position the Group to face the challenges ahead stemming from the expected challenging trading conditions in Malaysia and Thailand against a backdrop of softer consumer sentiment and volatile currency exchange rates.

The weaker consumer demand is expected to be characterised by intense price competition. Selling costs, in particular advertising and promotion related costs are expected to increase significantly and with the sales and marketing strategies that have been initiated, the Group is confident that it can maintain its existing market leadership positions.

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

3. Prospects (cont'd)

A significant part of our production costs like milk based products and canning materials are denominated in foreign currencies and these are largely hedged for the coming financial year.

We will continue to execute our plans to deliver shareholder value and believe that the Group will be able to invest on its growth strategies whilst sustaining its current dividend trends.

4. Profit forecast or profit guarantee

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

5. Taxation

The details of the tax expense are as follows:

RM'000	Individual 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	2015	2014	2015	2014
Current income tax	9,480	12,227	42,556	41,792
Deferred tax – origination and reversal of temporary differences	2,986	2,236	12,941	18,457
(Over)/under provision in respect of previous years				
- Income tax	(58)	3	(82)	(1,189)
- Deferred tax	(1,403)	(1,289)	(1,658)	(2,999)
	<u>11,005</u>	<u>13,177</u>	<u>53,757</u>	<u>56,061</u>

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

RM'000	Individual 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	2015	2014	2015	2014
Profit before tax	<u>67,728</u>	<u>75,361</u>	<u>333,829</u>	<u>315,469</u>
Tax at Malaysian statutory tax rate of 25%	16,932	18,840	83,457	78,867
Different tax rates in other countries	(1,313)	(1,187)	(6,727)	(4,804)
Effect of reduction in income tax rate on deferred tax	(94)	-	592	-
Income not subject to tax	(11,655)	(4,673)	(30,787)	(18,968)
Expenses not deductible for tax purposes	5,967	820	11,618	5,956
Utilisation of previously unrecognised tax losses	(491)	(453)	(3,761)	(1,369)
Deferred tax assets recognised	(160)	-	(1,986)	-
Deferred tax assets not recognised	3,471	-	3,471	-
Over provision in respect of previous years				
- Income tax	(58)	3	(82)	(1,189)
- Deferred tax	(1,403)	(1,289)	(1,658)	(2,999)
Share of results of a joint venture	129	92	841	226
Share of results of an associate	(513)	(302)	(2,014)	(1,469)
Others	193	1,326	793	1,810
<b>Total income tax expense</b>	<u>11,005</u>	<u>13,177</u>	<u>53,757</u>	<u>56,061</u>
<b>Effective income tax rate</b>	<u>16.2%</u>	<u>17.5%</u>	<u>16.1%</u>	<u>17.8%</u>

6. Status of corporate proposals

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

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

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

<u>CP/MTN – RM1.5 billion</u>	<u>Currency</u>	<u>30/09/2015</u>	<u>30/09/2014</u>
Commercial Papers ("CP") – Current	RM'000	-	50,000
Medium term notes ("MTN") – Non-current	RM'000	300,000	300,000
		<u>300,000</u>	<u>350,000</u>

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

8. Material litigation  
 There is no material litigation to be disclosed in this interim financial statements.
9. Proposed dividend  
 The Directors recommend a final single tier dividend of 35.5 sen per share (2014: 33 sen per share) for approval by shareholders at the forthcoming Annual General Meeting of the Company. If approved by shareholders, the total dividend for the year would amount to 57.5 sen per share (2014: 55 sen per share).
10. Earnings per share (EPS)  
 (a) The basic EPS were computed by dividing the Group attributable profit to shareholders of the Company by the weighted average number of ordinary shares in issue (net of treasury shares).

	<u>Individual 4<sup>th</sup> quarter</u>		<u>Cumulative 4<sup>th</sup> quarter</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Group attributable profit to shareholders of the Company (RM'000)	<u>56,724</u>	<u>62,195</u>	<u>280,074</u>	<u>259,429</u>
Weighted average number of ordinary shares net of treasury shares ('000)	366,394	365,740	366,164	365,429
Basic earnings per share (sen)	15.5	17.0	76.5	71.0

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

10. Earnings per share (EPS) (cont'd)

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

	Individual 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
	2015	2014	2015	2014
Group attributable profit to shareholders of the Company (RM'000)	<u>56,724</u>	<u>62,195</u>	<u>280,074</u>	<u>259,429</u>
Weighted average number of ordinary shares net of treasury shares ('000)	366,394	365,740	366,164	365,429
Adjustments pursuant to the ESOS/SGP ('000)	<u>171</u>	<u>212</u>	<u>187</u>	<u>335</u>
Adjusted weighted average number of ordinary shares net of treasury shares ('000)	<u>366,565</u>	<u>365,952</u>	<u>366,351</u>	<u>365,764</u>
Diluted earnings per share (sen)	15.5	17.0	76.4	70.9

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

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

RM'000	30/09/2015	30/09/2014
Total revenue reserve of the Company and its subsidiaries		
- Realised	941,135	827,105
- Unrealised	<u>56,397</u>	<u>26,431</u>
	997,532	853,536
Total share of accumulated losses from a joint venture		
- Realised	(6,672)	(2,325)
- Unrealised	<u>1,528</u>	<u>543</u>
	(5,144)	(1,782)
Total share of retained earnings from an associate		
- Realised	6,103	11,225
- Unrealised	<u>(2,420)</u>	<u>(1,599)</u>
	3,683	9,626
Consolidation adjustments	<u>(45,162)</u>	<u>10,086</u>
Total Group retained profits as per financial statements	<u>950,909</u>	<u>871,466</u>



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

12. Notes to the Condensed Consolidated Income Statement  
 PBT is arrived at after charging/(crediting) the following items:

	RM'000	Individual 4 <sup>th</sup> quarter		Cumulative 4 <sup>th</sup> quarter	
		2015	2014	2015	2014
(a)	Depreciation and amortisation	25,163	22,212	93,108	87,768
(b)	Impairment of intangible assets	-	-	-	-
(c)	Impairment loss on property, plant and equipment	884	2,118	1,991	2,118
(d)	Reversal of impairment loss on property, plant and equipment	(724)	(401)	(2,185)	(1,905)
(e)	Impairment loss on receivables	(140)	(939)	1,493	5,240
(f)	Reversal of impairment loss on receivables	(71)	(584)	(465)	(584)
(g)	Bad debts written off	-	-	-	-
(h)	Bad debts recovered	(429)	(2)	(526)	(4,811)
(i)	Inventories written down	142	486	6,624	871
(j)	Reversal of inventories written down	(489)	(1,116)	(907)	(2,634)
(k)	Inventories written off	6,325	2,969	12,813	10,398
(l)	(Gain)/loss on disposal of quoted or unquoted investments	-	-	-	-
(m)	Net loss on disposal/write offs of property, plant and equipment/intangible assets	181	237	2,287	1,728
(n)	Impairment of other assets	-	-	-	-
(o)	Foreign exchange gain	(1,125)	(701)	(173)	(207)
(p)	Gain on forward foreign exchange contracts	(4,650)	(1,387)	(4,408)	(1,099)
(q)	Change in fair value of investment properties	6,321	-	6,321	-
(r)	Unusual items				
	- Provision for litigation claim	-	4,040	-	4,040

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

13. Outstanding derivatives (cont'd)

(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	<u>30/09/2015</u>	<u>30/09/2014</u>
Forward foreign exchange contracts (Less than 1 year)		
- Notional value	67,527	50,625
- Fair value	<u>5,713</u>	<u>1,305</u>

There is no significant change for the financial derivatives in respect of the following since the year ended 30 September 2014:

- (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 2015, the Group recognised a total net gain of RM4,408,000 (2014: RM1,099,000) 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 2015.