

**Unaudited Condensed Consolidated Income Statements For The Financial Period Ended  
30 June 2024**

	2nd Quarter ended 30 June		6 Months ended 30 June	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Revenue	1,319,002	1,480,934	2,606,557	3,000,609
Cost of sales	(1,154,047)	(1,326,891)	(2,302,087)	(2,692,931)
Gross profit	164,955	154,043	304,470	307,678
Other operating income	41,458	77,215	105,330	149,973
Distribution costs	(48,343)	(53,292)	(95,788)	(106,903)
Administrative expenses	(66,945)	(56,455)	(121,766)	(113,211)
Other expenses	(1,586)	(2,024)	(2,742)	(3,183)
Share of results of associates	253,022	132,283	529,360	453,061
Share of results of joint venture	1,313	1,473	2,438	2,473
Finance costs	(10,356)	(20,419)	(20,187)	(42,050)
<b>Profit before taxation</b>	<b>333,518</b>	<b>232,824</b>	<b>701,115</b>	<b>647,838</b>
Tax expense	(22,552)	(24,953)	(40,822)	(47,449)
<b>Profit for the period</b>	<b>310,966</b>	<b>207,871</b>	<b>660,293</b>	<b>600,389</b>
Attributable to :				
Owners of the parent	308,919	202,814	646,090	580,351
Non-controlling interests	2,047	5,057	14,203	20,038
<b>Profit for the period</b>	<b>310,966</b>	<b>207,871</b>	<b>660,293</b>	<b>600,389</b>
Basic earnings per share (sen)	21.72	14.26	45.42	40.80

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023)

**PPB GROUP BERHAD** [196801000571 (8167-W)]  
**Unaudited Condensed Consolidated Statements Of Comprehensive Income**  
**For The Financial Period Ended 30 June 2024**

	<b>2nd Quarter ended</b>		<b>6 Months ended</b>	
	<b>30 June</b>		<b>30 June</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Profit for the period</b>	<b>310,966</b>	<b>207,871</b>	<b>660,293</b>	<b>600,389</b>
Other comprehensive (loss)/income, net of tax				
<b><u>Items that will not be subsequently reclassified to profit or loss</u></b>				
Fair value gain/(loss) on investment in equity instruments designated as fair value through other comprehensive income	16,777	(43,437)	7,034	(8,899)
Share of associates' other comprehensive (loss)/income	(2,946)	12,035	2,805	17,578
<b><u>Items that will be subsequently reclassified to profit or loss</u></b>				
Exchange differences on translation of foreign operations	(20,739)	1,210,960	610,007	1,361,584
Share of associates' other comprehensive loss	(85,122)	(610,834)	(434,427)	(486,931)
<b>Total comprehensive income</b>	<b>218,936</b>	<b>776,595</b>	<b>845,712</b>	<b>1,483,721</b>
Attributable to :				
Owners of the parent	218,659	760,701	832,820	1,444,535
Non-controlling interests	277	15,894	12,892	39,186
<b>Total comprehensive income</b>	<b>218,936</b>	<b>776,595</b>	<b>845,712</b>	<b>1,483,721</b>

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023)

**PPB GROUP BERHAD** [196801000571 (8167-W)]  
**Unaudited Condensed Consolidated Statements Of Financial Position**

	<b>As at 30-Jun-24 RM'000</b>	<b>As at 31-Dec-23 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,219,178	1,206,554
Investment properties	346,539	359,761
Right-of-use assets	435,887	484,173
Bearer plants	4,102	4,204
Land held for property development	98,170	98,170
Goodwill	70,232	70,232
Other intangible assets	17,031	18,008
Investment in associates	23,728,403	23,435,075
Investment in joint venture	39,248	36,614
Other investments	337,047	321,429
Deferred tax assets	45,646	43,526
<b>Total non-current assets</b>	<b><u>26,341,483</u></b>	<b><u>26,077,746</u></b>
<b>Current assets</b>		
Inventories	899,034	764,541
Biological assets	20,338	25,200
Property development costs	3,062	3,009
Trade receivables	647,402	618,147
Other receivables	340,144	266,766
Derivative financial assets	29,104	7,855
Current tax assets	14,472	15,776
Cash and cash equivalents	1,775,056	1,629,324
<b>Total current assets</b>	<b><u>3,728,612</u></b>	<b><u>3,330,618</u></b>
<b>TOTAL ASSETS</b>	<b><u><u>30,070,095</u></u></b>	<b><u><u>29,408,364</u></u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,429,314	1,429,314
Reserves	26,124,797	25,707,316
<b>Equity attributable to owners of the parent</b>	<b><u>27,554,111</u></b>	<b><u>27,136,630</u></b>
Non-controlling interests	685,632	674,548
<b>Total equity</b>	<b><u>28,239,743</u></b>	<b><u>27,811,178</u></b>

**PPB GROUP BERHAD** [196801000571 (8167-W)]  
**Unaudited Condensed Consolidated Statements Of Financial Position**  
*(continued)*

	<b>As at 30-Jun-24 RM'000</b>	<b>As at 31-Dec-23 RM'000</b>
<b>Non-current liabilities</b>		
Borrowings	39,619	55,444
Lease obligations	405,352	455,548
Deferred tax liabilities	134,516	117,754
Provision for restoration cost	51,495	51,850
<b>Total non-current liabilities</b>	<b><u>630,982</u></b>	<b><u>680,596</u></b>
 <b>Current liabilities</b>		
Trade payables	275,327	193,355
Other payables	307,033	282,813
Derivative financial liabilities	24,494	7,075
Borrowings	525,393	377,654
Lease obligations	49,801	46,018
Current tax liabilities	17,322	9,675
<b>Total current liabilities</b>	<b><u>1,199,370</u></b>	<b><u>916,590</u></b>
 <b>Total liabilities</b>	<b><u>1,830,352</u></b>	<b><u>1,597,186</u></b>
 <b>TOTAL EQUITY AND LIABILITIES</b>	<b><u><u>30,070,095</u></u></b>	<b><u><u>29,408,364</u></u></b>

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023)

**Unaudited Condensed Consolidated Statements Of Changes In Equity For The Financial Period Ended 30 June 2024**

	Share capital RM'000	Non-distributable reserves RM'000	Retained earnings RM'000	Attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>6 Months ended 30 June 2024</b>						
At 1 January 2024	1,429,314	4,649,720	21,057,596	27,136,630	674,548	27,811,178
Profit for the period	-	-	646,090	646,090	14,203	660,293
Other comprehensive income/(loss)	-	184,860	1,870	186,730	(1,311)	185,419
Total comprehensive income	-	184,860	647,960	832,820	12,892	845,712
Transfer of reserves	-	55,878	(55,878)	-	-	-
Share of other changes in equity of associates	-	9,891	1,550	11,441	359	11,800
Dividends paid to shareholders of the Company	-	-	(426,780)	(426,780)	-	(426,780)
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	(2,167)	(2,167)
At 30 June 2024	<u>1,429,314</u>	<u>4,900,349</u>	<u>21,224,448</u>	<u>27,554,111</u>	<u>685,632</u>	<u>28,239,743</u>
<b>6 Months ended 30 June 2023</b>						
At 1 January 2023	1,429,314	4,115,216	20,286,311	25,830,841	737,667	26,568,508
Profit for the period	-	-	580,351	580,351	20,038	600,389
Other comprehensive income	-	864,184	-	864,184	19,148	883,332
Total comprehensive income	-	864,184	580,351	1,444,535	39,186	1,483,721
Transfer of reserves	-	34,717	(34,717)	-	-	-
Dividends paid to shareholders of the Company	-	-	(398,328)	(398,328)	-	(398,328)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	(31,531)	(31,531)
Issue of shares to non-controlling interests	-	-	-	-	2,643	2,643
Share of other changes in equity of associates	-	(30,700)	-	(30,700)	-	(30,700)
Disposal of a subsidiary	-	-	-	-	(150)	(150)
At 30 June 2023	<u>1,429,314</u>	<u>4,983,417</u>	<u>20,433,617</u>	<u>26,846,348</u>	<u>747,815</u>	<u>27,594,163</u>

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023)

**PPB GROUP BERHAD** [196801000571 (8167-W)]  
**Unaudited Condensed Consolidated Statements Of Cash Flows**  
**For The Financial Period Ended 30 June 2024**

	<b>6 Months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>701,115</b>	<b>647,838</b>
Adjustments:		
Non-cash items	(445,575)	(419,861)
Non-operating items	(18,430)	10,795
Operating profit before working capital changes	237,110	238,772
Working capital changes:-		
Net change in current assets	(268,331)	58,142
Net change in current liabilities	115,262	24,569
Cash generated from operations	84,041	321,483
Tax paid	(17,027)	(5,582)
<b>Net cash generated from operating activities</b>	<b>67,014</b>	<b>315,901</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition of property, plant and equipment, investment properties, biological assets and other intangible assets	(103,658)	(67,719)
Proceeds from disposal of property, plant and equipment	577	186
Investments in associates	(46,795)	(169)
Proceeds from disposal of a subsidiary	-	50,322
Proceeds from disposal of an associate	35,601	-
Dividends received	462,065	433,714
Income received from short-term fund placements	14,595	18,833
Interest received	7,680	8,098
Repayment from/(advances to) associates	40,339	(209)
Distribution of profit from joint venture	1,926	1,920
Proceeds from liquidation of a subsidiary	-	3,722
<b>Net cash generated from investing activities</b>	<b>412,330</b>	<b>448,698</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown/(Repayment) of bank borrowings	136,889	(295,433)
Interest paid	(10,653)	(33,961)
Dividends paid to shareholders of the Company	(426,780)	(398,328)
Dividends paid to non-controlling interests of subsidiaries	(2,167)	(31,531)
Payment of lease obligations	(32,635)	(27,957)
Shares issued to non-controlling interest of a subsidiary	-	4,434
<b>Net cash used in financing activities</b>	<b>(335,346)</b>	<b>(782,776)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>143,998</b>	<b>(18,177)</b>
Cash and cash equivalents brought forward	1,629,324	1,596,559
Effect of exchange rate changes	1,734	14,810
<b>Cash and cash equivalents carried forward</b>	<b>1,775,056</b>	<b>1,593,192</b>
(including cash in assets classified as held for sale)		
<u>Cash and cash equivalents represented by:</u>		
Cash and bank balances	323,741	417,362
Bank deposits	224,141	155,474
Short-term fund placements	1,227,174	1,020,356
	<b>1,775,056</b>	<b>1,593,192</b>

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023)

## **NOTES**

### **A1. Accounting policies**

The interim financial statements of the Group have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") MFRS 134 Interim Financial Reporting and Chapter 9, Part K of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB").

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the audited financial statements for the financial year ended 31 December 2023 except for the adoption of the following Amendments to MFRS that are effective for financial periods beginning on or after 1 January 2024 :

- Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101 Presentation of Financial Statements: Non-current Liabilities with Covenants
- Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements

The adoption of the above Amendments to MFRS did not have any material impact on the condensed financial statements in the period of initial application.

### **A2. Seasonality or cyclical of interim operations**

The Group's operations are not materially affected by any seasonal or cyclical factors.

### **A3. Exceptional or unusual items**

There were no exceptional or unusual items for the financial period ended 30 June 2024.

### **A4. Nature and amount of changes in estimates**

There were no changes in estimates of amounts reported in the previous financial year which have a material effect in the current interim period.

### **A5. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities**

There were no issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period to-date.

### **A6. Dividends paid**

A final dividend of 30 sen per share in respect of financial year ended 31 December 2023 was paid on 7 June 2024.

**A7. Segmental reporting**

Performance of the Group's business segments for the financial period ended 30 June 2024 is as follows :

<b>Business segments:</b> All figures in RM'000	<u>Grains and agribusiness</u>	<u>Consumer products</u>	<u>Film exhibition and distribution</u>	<u>Property</u>	<u>Other operations</u>	<u>Inter-segment elimination</u>	<u>Total</u>
<b>REVENUE</b>							
External revenue	1,876,151	395,178	299,972	27,068	8,188	-	2,606,557
Inter-segment sales	58,557	3,100	-	600	-	(62,257)	-
<b>Total revenue</b>	<b>1,934,708</b>	<b>398,278</b>	<b>299,972</b>	<b>27,668</b>	<b>8,188</b>	<b>(62,257)</b>	<b>2,606,557</b>
<b>RESULTS</b>							
Segment results	162,088	1,864	(4,420)	2,520	24,466	-	186,518
Share of results of associates	7,716	967	5,644	999	514,034	-	529,360
Share of results of joint venture	-	-	-	-	2,438	-	2,438
Unallocated corporate expenses	-	-	-	-	-	-	(17,201)
<b>Profit before taxation</b>	<b>169,804</b>	<b>2,831</b>	<b>1,224</b>	<b>3,519</b>	<b>540,938</b>	<b>-</b>	<b>701,115</b>



**A8. Material events subsequent to the end of the interim period**

There were no material events or transactions since the end of the financial period to the date of this announcement which materially affect the results of the Group.

**A9. Changes in the composition of the Group**

On 26 March 2024, the Company's 80%-owned subsidiary, FFM Berhad ("FFM"), completed the disposal of its entire 20% interest in Yihai Kerry (Shenyang) Oils, Grains & Foodstuffs Industries Co., Ltd ("YKS"), to Yihai Kerry Arawana Holdings Co., Ltd for a cash consideration of RMB54.5 million (equivalent to RM35.6 million). Arising therefrom, YKS has ceased to be an associate of the Company. A gain on disposal of RM12.6 million has been recorded in the financial statements for the interim period.

On 14 June 2024, the Company acquired 82,391,165 ordinary shares and 34,046,325 issued and unexercised warrants in Techbond Group Berhad ("Techbond"), for a total cash consideration of RM37.7 million. The acquired ordinary shares represent 15% of the fully paid-up ordinary shares in Techbond. Arising therefrom, Techbond has become an associate of the Company. Subject to the full exercise of the acquired warrants by the Company, and on the assumption that all the other outstanding warrants are exercised on or before expiry, the Company's effective interest in Techbond would remain unchanged at 15%. The Company's eventual investment in Techbond would increase to RM48.9 million in the event that the warrants are exercised.

Other than the above, there were no material changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinued operations for the financial period under review.

**A10. Changes in contingent liabilities or contingent assets**

There were no material changes in contingent assets and liabilities since the end of the previous financial year.

**A11. Capital and other commitments**

Authorised capital and other commitments not provided for in the financial statements as at 30 June 2024 are as follows:

	RM'000
Property, plant and equipment, investment properties and other intangible assets	
- contracted	85,049
- not contracted	348,189
	<u>433,238</u>
Other commitments	
- contracted	353,800
<b>Total</b>	<b><u><u>787,038</u></u></b>

**A12. Significant related party transactions**

Significant related party transactions during the financial period ended 30 June 2024 are as follows:

	RM'000
Transactions with associates	
- Sales of goods	5,516
- Purchase of goods	4,209
	<u>9,725</u>
Transactions with subsidiaries of the ultimate holding company	
- Sales of goods	18,073
- Supervision fee income	1,412
	<u>19,485</u>
Transactions with subsidiaries of associates	
- Purchase of goods	289,207
- Sales of goods	31,689
- Rental income	1,935
- Security and other service expenses	6,492
- Freight cost	44,072
- Disposal of an associate	35,619
	<u>369,005</u>

**B1. Performance analysis**

**Group financial performance by business segment**

<b>Business segments:</b> All figures in RM'000							
	<u>Grains and agribusiness</u>	<u>Consumer products</u>	<u>Film exhibition and distribution</u>	<u>Property</u>	<u>Other operations</u>	<u>Inter- segment elimination</u>	<u>Total</u>
<u>2Q2024</u>							
<b>REVENUE</b>							
External revenue	927,961	188,690	181,134	13,242	7,975	-	1,319,002
Inter-segment sales	26,884	1,851	-	-	-	(28,735)	-
<b>Total revenue</b>	<b>954,845</b>	<b>190,541</b>	<b>181,134</b>	<b>13,242</b>	<b>7,975</b>	<b>(28,735)</b>	<b>1,319,002</b>
<b>RESULTS</b>							
Segment results	63,284	(809)	13,654	915	11,547	-	88,591
Share of results of associates	5,160	767	2,081	965	244,049	-	253,022
Share of results of joint venture	-	-	-	-	1,313	-	1,313
Unallocated corporate expenses	-	-	-	-	-	-	(9,408)
<b>Profit/(loss) before taxation</b>	<b>68,444</b>	<b>(42)</b>	<b>15,735</b>	<b>1,880</b>	<b>256,909</b>	<b>-</b>	<b>333,518</b>
<u>2Q2023</u>							
<b>REVENUE</b>							
External revenue	1,098,153	189,083	167,999	22,075	3,624	-	1,480,934
Inter-segment sales	26,625	1,710	-	201	-	(28,536)	-
<b>Total revenue</b>	<b>1,124,778</b>	<b>190,793</b>	<b>167,999</b>	<b>22,276</b>	<b>3,624</b>	<b>(28,536)</b>	<b>1,480,934</b>
<b>RESULTS</b>							
Segment results	75,857	4,658	11,627	820	14,711	-	107,673
Share of results of associates	(7,630)	(83)	2,417	1,816	135,763	-	132,283
Share of results of joint venture	-	-	-	-	1,473	-	1,473
Unallocated corporate expenses	-	-	-	-	-	-	(8,605)
<b>Profit before taxation</b>	<b>68,227</b>	<b>4,575</b>	<b>14,044</b>	<b>2,636</b>	<b>151,947</b>	<b>-</b>	<b>232,824</b>
<b>Variance</b>							
Revenue (%)	-15%	0%	8%	-40%	>100%	-1%	-11%
Profit before taxation (%)	0%	n.m	12%	-29%	69%	-	43%

n.m. - not meaningful

**B1. Performance analysis**

**Group financial performance by business segment**

<b>Business segments:</b> All figures in RM'000							
	<u>Grains and agribusiness</u>	<u>Consumer products</u>	<u>Film exhibition and distribution</u>	<u>Property</u>	<u>Other operations</u>	<u>Inter- segment elimination</u>	<u>Total</u>
<u>1H2024</u>							
<b>REVENUE</b>							
External revenue	1,876,151	395,178	299,972	27,068	8,188	-	2,606,557
Inter-segment sales	58,557	3,100	-	600	-	(62,257)	-
<b>Total revenue</b>	<b>1,934,708</b>	<b>398,278</b>	<b>299,972</b>	<b>27,668</b>	<b>8,188</b>	<b>(62,257)</b>	<b>2,606,557</b>
<b>RESULTS</b>							
Segment results	162,088	1,864	(4,420)	2,520	24,466	-	186,518
Share of results of associates	7,716	967	5,644	999	514,034	-	529,360
Share of results of joint venture	-	-	-	-	2,438	-	2,438
Unallocated corporate expenses	-	-	-	-	-	-	(17,201)
<b>Profit before taxation</b>	<b>169,804</b>	<b>2,831</b>	<b>1,224</b>	<b>3,519</b>	<b>540,938</b>	<b>-</b>	<b>701,115</b>
<u>1H2023</u>							
<b>REVENUE</b>							
External revenue	2,258,940	388,406	296,351	44,972	11,940	-	3,000,609
Inter-segment sales	58,319	2,967	-	401	-	(61,687)	-
<b>Total revenue</b>	<b>2,317,259</b>	<b>391,373</b>	<b>296,351</b>	<b>45,373</b>	<b>11,940</b>	<b>(61,687)</b>	<b>3,000,609</b>
<b>RESULTS</b>							
Segment results	136,794	12,755	7,230	2,453	48,955	-	208,187
Share of results of associates	(10,108)	(839)	6,789	909	456,310	-	453,061
Share of results of joint venture	-	-	-	-	2,473	-	2,473
Unallocated corporate expenses	-	-	-	-	-	-	(15,883)
<b>Profit before taxation</b>	<b>126,686</b>	<b>11,916</b>	<b>14,019</b>	<b>3,362</b>	<b>507,738</b>	<b>-</b>	<b>647,838</b>
<b>Variance</b>							
Revenue (%)	-17%	2%	1%	-40%	-31%	-1%	-13%
Profit before taxation (%)	34%	-76%	-91%	5%	7%	-	8%

### **Group performance review**

For 2Q2024 and 1H2024, the Group recorded lower total revenue of RM1.32 billion and RM2.61 billion (2Q2023: RM1.48 billion; 1H2023: RM3.00 billion) respectively, mainly due to the absence of contribution from the divested Indonesian flour operations in 2Q2023 and 1H2023. Excluding that, revenue for 2Q2024 and 1H2024 was relatively unchanged from 2Q2023 and 1H2023. Pre-tax profit for 2Q2024 and 1H2024 was higher at RM334 million (2Q2023: RM233 million) and RM701 million (1H2023: RM648 million) respectively, attributable to the higher contribution from Wilmar International Limited ("Wilmar") at RM244 million (2Q2023: RM139 million) and RM510 million (1H2023: RM460 million). Excluding the one-off gain on disposal of YKS in 1H2024 (Refer to Note A9) amounting to RM12.6 million (1H2023: Gain on divestment of a subsidiary, Malayan Adhesives and Chemicals Sdn Bhd of RM24.5 million), the Group's core business segments recorded an increase in profit before tax by 9% to RM178 million in 1H2024 (1H2023: RM163 million), mainly attributable to improved performance from the *Grains and Agribusiness* segment, partially offset by lower contribution from the *Film Exhibition and Distribution* segments.

### **Grains and agribusiness**

Segment revenue for 2Q2024 and 1H2024 decreased by 15% to RM928 million (2Q2023: RM1.10 billion) and 17% to RM1.88 billion (1H2023: RM2.26 billion) respectively, mainly attributable to the absence of revenue contribution from the divested Indonesia flour operations. Excluding that, segment revenue for 2Q2024 and 1H2024 was relatively unchanged. The segment recorded a profit at RM68 million in 2Q2024 (2Q2023: RM68 million) and RM170 million in 1H2024 (1H2023: RM127 million). Excluding the gain on disposal of YKS, the segment recorded a profit amounting to RM157 million, which is 24% higher than 1H2023, mainly contributed by the flour and feed sub-segments.

### **Consumer products**

Segment revenue for 2Q2024 and 1H2024 was at RM189 million (2Q2023: RM189 million) and RM395 million (1H2023: RM388 million) respectively. The segment recorded a marginal loss of RM42,000 in 2Q2024 (2Q2023: RM5 million profit) and a profit of RM3 million in 1H2024 (1H2023: RM12 million) respectively, mainly attributable to higher trade promotion and operational costs.

### **Film exhibition and distribution**

Segment revenue for 2Q2024 and 1H2024 was higher by 8% to RM181 million (2Q2023: RM168 million) and 1% to RM300 million (1H2023: RM296 million) respectively. The segment recorded higher profit by 12% to RM16 million in 2Q2024 (2Q2023: RM14 million) and turned around into a profit for 1H2024 at RM1 million from a loss of RM15 million recorded in the first quarter of the year (1H2023: RM14 million). The lower profit was mainly attributable to higher new cinema operating costs as well as cinema closure costs.

### **Property**

Segment revenue for 2Q2024 and 1H2024 was lower at RM13 million (2Q2023: RM22 million) and RM27 million (1H2023: RM45 million) respectively, mainly attributable to the absence of the revenue recognised for the sold units at the Megah Rise residential project, partially offset by the improved malls performance. Segment profit for 2Q2024 and 1H2024 was at RM1.9 million (2Q2023: RM2.6 million) and RM3.5 million (1H2023: RM3.4 million) respectively.

### **Other operations**

Segment profit for 2Q2024 and 1H2024 was higher by 69% to RM257 million (2Q2023: RM152 million) and 7% to RM541 million (1H2023: RM508 million). Contribution from Wilmar for 2Q2024 and 1H2024 was higher at RM244 million (2Q2023: RM139 million) and RM510 million (1H2023: RM460 million) respectively.

**B2. Material changes in the quarterly results compared to the results of the preceding quarter**

For 2Q2024, profit before taxation was lower by 9% to RM334 million, as compared to RM368 million recorded in 1Q2024. This was mainly attributable to lower contribution from Wilmar at RM244 million (1Q2024: RM266 million) as well as the *Grain and Agribusiness* segment by 32% to RM68 million (1Q2024: RM101 million) with lower hedging gain recorded, partially offset by the *Film Exhibition and Distribution* segment with a turned around profit of RM16 million (1Q2024: RM15 million loss).

**B3. Prospects**

The Malaysian economy advanced by 5.9% in the second quarter of 2024 (1Q2024: 4.2%). The growth was driven by stronger domestic demand and further expansion in exports. Household spending increased amid sustained positive labour market conditions and larger policy support. Investment activity was underpinned by continued progress in multi-year projects and capacity expansion by firms. Looking ahead, the Malaysian economy is expected to continue its growth in the second half of the year, primarily driven by stronger investment activity and resilient household spending, with larger support from export recovery.

Despite higher volatility in grains prices in 2Q2024, performance of our *Grains and Agribusiness* segment remained resilient as we leveraged our market intelligence and extensive experience in grain procurement.

We remain cautious about the potential adverse weather conditions in key grains growing regions that could affect global prices. However, our strong technical expertise in product formulation and quality assurance continues to drive sales growth and enhance margins.

We are well-positioned to navigate the market challenges and seize opportunities to sustain satisfactory performance for the remainder of the year.

Despite the rising business costs, the *Consumer Products* segment remained focused on improving marketing efficiency through our established network and logistical resources, while also expanding our product range and market presence. We expect the segment's performance to remain satisfactory for the rest of the year.

The *Film Exhibition and Distribution* segment posted a profit in the second quarter of 2024, driven by a robust lineup of movies and significant contributions from both local and regional releases. However, with Hollywood's production and supply still in the early stages of recovery, we maintain a cautious outlook for the segment as we transition into the second half of the year.

With several property development projects at various stages of planning, enhancing mall performance will be a key driver for the *Property* segment in 2024.

Wilmar's performance will continue to contribute substantially to the overall profitability of the Group.

**B4. Variance of actual profit from forecast profit**

Not applicable.

**B5. Profit before taxation**

	2nd Quarter ended 30-Jun-24 RM'000	6 Months ended 30-Jun-24 RM'000
Profit before taxation was stated after crediting/(charging):		
Interest income and income from short-term fund placements	16,160	30,625
Dividend income	7,904	7,992
Net foreign exchange loss	(4,471)	(2,764)
Gain on disposal of an associate	-	12,566
Net fair value gain on derivatives	20,377	51,490
Net impairment on receivables	(9,849)	(9,388)
Depreciation and amortisation	(48,344)	(95,294)
Interest expense on lease obligations	(4,857)	(9,533)
	<u>(4,857)</u>	<u>(9,533)</u>

**B6. Tax expense**

	2nd Quarter ended 30-Jun-24 RM'000	6 Months ended 30-Jun-24 RM'000
Taxation based on the profit for the financial period:		
Malaysian taxation:		
Current tax expense	(12,818)	(25,424)
Deferred tax expense	(9,779)	(15,132)
	<u>(22,597)</u>	<u>(40,556)</u>
Foreign taxation:		
Current tax credit/(expense)	38	(758)
Deferred tax credit	7	492
	<u>(22,552)</u>	<u>(40,822)</u>

The Group's effective tax rate was in line with the statutory tax rate.

**B7. Status of corporate proposals**

There were no corporate proposals announced but not completed.

**B8. Group borrowings**

Total Group borrowings as at 30 June 2024 were as follows:

	Total RM'000	Secured RM'000	Unsecured RM'000
Long-term bank borrowings			
Long-term bank loan (RM)	27,400	27,400 (a)	-
Long-term bank loan (VND)	12,219	12,219 (b)	-
	<b>39,619</b>	<b>39,619</b>	<b>-</b>
Short-term bank borrowings			
Revolving credit (RM)	225,872	100,000 (a)	125,872
Short-term loan (RM)	67,100	17,100 (a)	50,000
Short-term loan (VND)	232,421	8,145 (b)	224,276
	<b>525,393</b>	<b>125,245</b>	<b>400,148</b>

All of the above borrowings are unsecured except for the following:

- (a) The RM-denominated term loan and revolving credits are secured by a corporate guarantee from a subsidiary.
- (b) The VND-denominated term loan is secured by a corporate guarantee from a subsidiary.

**B9. Derivative financial instruments**

(a) Derivative financial assets and financial liabilities as at 30 June 2024

	Contract / Notional value RM'000	Fair value - Assets / Liabilities RM'000
<u>Derivative financial assets</u>		
i) Futures contracts	410,546	28,281
ii) Forward foreign currency contracts	226,242	823
<b>Total derivative assets</b>		<b>29,104</b>
<u>Derivative financial liabilities</u>		
i) Options contracts	227,531	24,479
ii) Forward foreign currency contracts	20,629	15
<b>Total derivative liabilities</b>		<b>24,494</b>

All contracts will be maturing within one year.

Futures and options contracts

The Group is exposed to market risk mainly from fluctuation in the prices of agricultural commodities, namely wheat and corn which are the key raw materials used in the Group's *Grains and agribusiness* segment. Commodity futures and options contracts are entered into with the objective to manage volatility of commodity prices. It is the policy of the Group to manage the commodity prices with reference to underlying contracts of corresponding commodities that are used in its grains and agribusiness operations.

Forward foreign currency contracts

The Group enters into foreign currency forward contracts to minimise its exposure to foreign currency risks as a result of transactions denominated in currencies other than its functional currency. Under the Group's policy, foreign currency hedging is only considered for committed transactions and shall not exceed 100% of the committed amount. The Group will continue to monitor closely the market volatilities and take appropriate measures to mitigate such risks.

There have been no other significant changes in respect of the following:

- (i) the credit risk, market risk and liquidity risk associated with the derivatives;
- (ii) the cash requirements of the derivatives;
- (iii) the policies in place for mitigating or controlling the risks associated with the derivatives; and
- (iv) the related accounting policies.

(b) Fair value changes of financial instruments

The derivative financial instruments are recognised at fair value on contract dates and subsequently re-measured at fair value through profit or loss. The resulting gain or loss from the re-measurement is recognised in the income statement. Fair value changes are dependent on the market prices of derivatives as at liquidation date and end of reporting period.

For 2Q2024, unrealised fair value gain on derivative financial instruments amounted to RM9.8 million (2Q2023: RM32.4 million).

For 1H2024, unrealised fair value gain on derivative financial instruments amounted to RM15.5 million (1H2023: RM30.9 million).

**B10. Material litigation**

There was no material litigation as at the date of this report.

**B11. Dividend**

The Board of Directors is pleased to declare an interim dividend of 12 sen per share for the financial year ending 31 December 2024 (2023:12 sen per share) payable on 26 September 2024 to shareholders whose names appear in the Record of Depositors at the close of business on 13 September 2024.

**B12. Earnings per share**

	2nd Quarter ended		6 Months ended	
	30 June		30 June	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Net profit for the period	308,919	202,814	646,090	580,351
Number of ordinary shares in issue ('000)	1,422,599	1,422,599	1,422,599	1,422,599
Basic earnings per share (sen)	21.72	14.26	45.42	40.80

There were no potential dilutive ordinary shares outstanding as at 30 June 2024 and 30 June 2023. As such, there were no diluted earnings per share for the financial period ended 30 June 2024 and 30 June 2023.



**B13. Disclosure of audit report qualification and status of matters raised**

The auditors' report for the financial year ended 31 December 2023 was not subject to any qualification.

**Kuala Lumpur**  
**29 August 2024**

***By Order of the Board***  
Mah Teck Keong  
*Company Secretary*