

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

	3rd Quarter ended		9 Months ended	
	30 September		30 September	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Revenue	1,348,727	1,457,594	3,955,284	4,458,203
Cost of sales	(1,216,883)	(1,304,135)	(3,518,970)	(3,997,066)
Gross profit	131,844	153,459	436,314	461,137
Other operating (loss)/ income	(9,920)	81,392	95,410	231,365
Distribution costs	(49,449)	(50,929)	(145,237)	(157,832)
Administrative expenses	(75,703)	(54,764)	(197,469)	(167,975)
Other expenses	(1,744)	(2,142)	(4,486)	(5,325)
Share of results of associates	223,364	284,879	752,724	737,940
Share of results of joint venture	1,406	2,055	3,844	4,528
Finance costs	(10,706)	(15,031)	(30,893)	(57,081)
Profit before taxation	209,092	398,919	910,207	1,046,757
Tax expense	(17,726)	(15,024)	(58,548)	(62,473)
Profit for the period	191,366	383,895	851,659	984,284
Attributable to :				
Owners of the parent	208,120	372,554	854,210	952,905
Non-controlling interests	(16,754)	11,341	(2,551)	31,379
Profit for the period	191,366	383,895	851,659	984,284
Basic earnings per share (sen)	14.63	26.19	60.05	66.98

(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 September 2024

	3rd Quarter ended		9 Months ended	
	30 September		30 September	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit for the period	191,366	383,895	851,659	984,284
Other comprehensive (loss)/income, net of tax				
<u>Items that will not be subsequently reclassified to profit or loss</u>				
Fair value loss on investment in equity instruments designated as fair value through other comprehensive income	(9,718)	(27,230)	(2,684)	(36,129)
Share of associates' other comprehensive (loss)/income	(29,344)	9,567	(26,539)	27,145
<u>Items that will be subsequently reclassified to profit or loss</u>				
Exchange differences on translation of foreign operations	(3,009,105)	112,048	(2,399,098)	1,473,632
Share of associates' other comprehensive income/(loss)	635,501	(194,051)	201,074	(680,982)
Total comprehensive (loss)/income	<u>(2,221,300)</u>	<u>284,229</u>	<u>(1,375,588)</u>	<u>1,767,950</u>
Attributable to :				
Owners of the parent	(2,184,003)	273,333	(1,351,183)	1,717,868
Non-controlling interests	(37,297)	10,896	(24,405)	50,082
Total comprehensive (loss)/income	<u>(2,221,300)</u>	<u>284,229</u>	<u>(1,375,588)</u>	<u>1,767,950</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 Financial Position

	As at 30-Sep-24 RM'000	As at 31-Dec-23 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,175,674	1,206,554
Investment properties	345,078	359,761
Right-of-use assets	430,943	484,173
Bearer plants	4,004	4,204
Land held for property development	98,170	98,170
Goodwill	70,232	70,232
Other intangible assets	17,215	18,008
Investment in associates	21,342,486	23,435,075
Investment in joint venture	36,856	36,614
Other investments	331,886	321,429
Deferred tax assets	44,963	43,526
Total non-current assets	<u>23,897,507</u>	<u>26,077,746</u>
Current assets		
Inventories	1,013,719	764,541
Biological assets	18,367	25,200
Property development costs	3,089	3,009
Trade receivables	661,659	618,147
Other receivables	238,559	266,766
Derivative financial assets	183	7,855
Current tax assets	8,698	15,776
Cash and cash equivalents	1,716,602	1,629,324
Total current assets	<u>3,660,876</u>	<u>3,330,618</u>
TOTAL ASSETS	<u>27,558,383</u>	<u>29,408,364</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	1,429,314	1,429,314
Reserves	23,776,549	25,707,316
Equity attributable to owners of the parent	<u>25,205,863</u>	<u>27,136,630</u>
Non-controlling interests	647,976	674,548
Total equity	<u>25,853,839</u>	<u>27,811,178</u>

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

	As at 30-Sep-24 RM'000	As at 31-Dec-23 RM'000
Non-current liabilities		
Borrowings	30,946	55,444
Lease obligations	402,590	455,548
Deferred tax liabilities	123,362	117,754
Provision for restoration cost	51,308	51,850
Total non-current liabilities	<u>608,206</u>	<u>680,596</u>
Current liabilities		
Trade payables	292,440	193,355
Other payables	310,680	282,813
Derivative financial liabilities	24,242	7,075
Borrowings	392,839	377,654
Lease obligations	49,734	46,018
Current tax liabilities	26,403	9,675
Total current liabilities	<u>1,096,338</u>	<u>916,590</u>
Total liabilities	<u>1,704,544</u>	<u>1,597,186</u>
TOTAL EQUITY AND LIABILITIES	<u><u>27,558,383</u></u>	<u><u>29,408,364</u></u>

(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 September 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
<u>9 Months ended 30 September 2024</u>						
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	-	-	854,210	854,210	(2,551)	851,659
Other comprehensive (loss)/income	-	(2,207,263)	1,870	(2,205,393)	(21,854)	(2,227,247)
Total comprehensive (loss)/income	-	(2,207,263)	856,080	(1,351,183)	(24,405)	(1,375,588)
Transfer of reserves	-	53,819	(53,819)	-	-	-
Share of other changes in equity of associates	-	16,358	1,550	17,908	-	17,908
Dividends paid to shareholders of the Company	-	-	(597,492)	(597,492)	-	(597,492)
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	(2,167)	(2,167)
At 30 September 2024	<u>1,429,314</u>	<u>2,512,634</u>	<u>21,263,915</u>	<u>25,205,863</u>	<u>647,976</u>	<u>25,853,839</u>
<u>9 Months ended 30 September 2023</u>						
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	-	-	952,905	952,905	31,379	984,284
Other comprehensive income	-	764,963	-	764,963	18,703	783,666
Total comprehensive income	-	764,963	952,905	1,717,868	50,082	1,767,950
Transfer of reserves	-	33,487	(33,487)	-	-	-
Dividends paid to shareholders of the Company	-	-	(569,040)	(569,040)	-	(569,040)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	(31,531)	(31,531)
Issue of shares to non-controlling interests	-	-	-	-	4,434	4,434
Realisation upon liquidation of subsidiary	-	-	-	-	(1,792)	(1,792)
Share of other changes in equity of associates	-	(25,562)	-	(25,562)	-	(25,562)
Disposal of subsidiaries	-	-	-	-	(53,460)	(53,460)
At 30 September 2023	<u>1,429,314</u>	<u>4,888,104</u>	<u>20,636,689</u>	<u>26,954,107</u>	<u>705,400</u>	<u>27,659,507</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 September 2024

	9 Months ended 30 September	
	2024	2023
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	910,207	1,046,757
Adjustments:		
Non-cash items	(556,761)	(679,690)
Non-operating items	(25,182)	8,992
Operating profit before working capital changes	<u>328,264</u>	<u>376,059</u>
Working capital changes:-		
Net change in current assets	(363,447)	205,622
Net change in current liabilities	172,377	76,908
Cash generated from operations	<u>137,194</u>	<u>658,589</u>
Tax paid	(29,700)	(18,102)
Net cash generated from operating activities	107,494	640,487
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition of property, plant and equipment, investment properties, biological assets and other intangible assets	(120,320)	(110,335)
Proceeds from disposal of property, plant and equipment	1,132	796
Investments in associates	(49,635)	(169)
Addition of other investment	(5,000)	-
Proceeds from disposal of a subsidiary	-	124,498
Proceeds from disposal of an associate	35,601	-
Dividends received	705,363	677,453
Income received from short-term fund placements	26,093	29,181
Interest received	11,926	13,026
Repayment from/(advances to) associates	40,115	(347)
Distribution of profit from joint venture	1,919	3,767
Proceeds from liquidation of a subsidiary	-	3,722
Net cash generated from investing activities	647,194	741,592
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(Repayment) of bank borrowings	11,187	(559,844)
Interest paid	(16,192)	(47,272)
Dividends paid to shareholders of the Company	(597,492)	(569,040)
Dividends paid to non-controlling interests of subsidiaries	(2,167)	(31,531)
Payment of lease obligations	(49,431)	(40,519)
Shares issued to non-controlling interest of a subsidiary	-	4,434
Net cash used in financing activities	(654,095)	(1,243,772)
Net increase in cash and cash equivalents	100,593	138,307
Cash and cash equivalents brought forward	1,629,324	1,596,559
Effect of exchange rate changes	(13,315)	12,966
Cash and cash equivalents carried forward	1,716,602	1,747,832
(including cash in assets classified as held for sale)		
<u>Cash and cash equivalents represented by:</u>		
Cash and bank balances	275,919	321,465
Bank deposits	170,372	205,772
Short-term fund placements	1,270,311	1,220,595
	<u>1,716,602</u>	<u>1,747,832</u>

(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 September 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

During the financial period ended 30 September 2024, a final dividend of 30 sen per share in respect of financial year ended 31 December 2023 was paid on 7 June 2024. An interim dividend of 12 sen per share in respect of financial year ending 31 December 2024, was paid on 26 September 2024.

A7. Segmental reporting

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

Business segments: 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>
REVENUE							
External revenue	2,884,491	582,400	438,866	39,718	9,809	-	3,955,284
Inter-segment sales	84,740	4,648	-	621	-	(90,009)	-
Total revenue	2,969,231	587,048	438,866	40,339	9,809	(90,009)	3,955,284
RESULTS							
Segment results	157,336	6,083	(6,208)	6,128	16,802	-	180,141
Share of results of associates	23,960	1,503	6,722	1,420	719,119	-	752,724
Share of results of joint venture	-	-	-	-	3,844	-	3,844
Unallocated corporate expenses	-	-	-	-	-	-	(26,502)
Profit before taxation	181,296	7,586	514	7,548	739,765	-	910,207

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 may 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 represented 15% of the issued ordinary shares in Techbond at the point of acquisition. Arising therefrom, Techbond has become an associate of the Company. On 16 October 2024, the Company converted its entire holding of Techbond warrants into 34,046,325 additional Techbond ordinary shares at an exercise price of RM0.33 per warrant, totaling to RM11.2 million. With this, the Company's interest in Techbond increased to 17.46% as at 16 October 2024.

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 September 2024 are as follows:

	RM'000
Property, plant and equipment, investment properties and other intangible assets	
- contracted	69,694
- not contracted	345,690
	<u>415,384</u>
Other commitments	
- contracted	309,001
Total	<u>724,385</u>

A12. Significant related party transactions

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

	RM'000
Transactions with associates	
- Sales of goods	8,540
- Purchase of goods	5,566
	<u>14,106</u>
Transactions with subsidiaries of the ultimate holding company	
- Sales of goods	24,517
- Supervision fee income	1,817
	<u>26,334</u>
Transactions with subsidiaries of associates	
- Purchase of goods	505,912
- Sales of goods	46,471
- Rental income	2,904
- Security and other service expenses	9,813
- Freight cost	73,936
- Disposal of an associate	35,619
	<u>675,652</u>

B1. Performance analysis

Group financial performance by business segment

Business segments: 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>
3Q2024							
REVENUE							
External revenue	1,008,340	187,222	138,894	12,650	1,621	-	1,348,727
Inter-segment sales	26,183	1,548	-	21	-	(27,752)	-
Total revenue	1,034,523	188,770	138,894	12,671	1,621	(27,752)	1,348,727
RESULTS							
Segment results	(4,752)	4,219	(1,788)	3,608	(7,664)	-	(6,377)
Share of results of associates	16,244	536	1,078	421	205,085	-	223,364
Share of results of joint venture	-	-	-	-	1,406	-	1,406
Unallocated corporate expenses	-	-	-	-	-	-	(9,301)
Profit/(loss) before taxation	11,492	4,755	(710)	4,029	198,827	-	209,092
3Q2023							
REVENUE							
External revenue	1,058,640	187,980	166,906	42,336	1,732	-	1,457,594
Inter-segment sales	26,229	1,609	-	201	-	(28,039)	-
Total revenue	1,084,869	189,589	166,906	42,537	1,732	(28,039)	1,457,594
RESULTS							
Segment results	82,816	6,531	6,934	10,588	12,511	-	119,380
Share of results of associates	13,578	56	(1,591)	29	272,807	-	284,879
Share of results of joint venture	-	-	-	-	2,055	-	2,055
Unallocated corporate expenses	-	-	-	-	-	-	(7,395)
Profit before taxation	96,394	6,587	5,343	10,617	287,373	-	398,919
Variance							
Revenue (%)	-5%	0%	-17%	-70%	-6%	1%	-7%
Profit before taxation (%)	-88%	-28%	n.m	-62%	-31%	-	-48%

n.m. - not meaningful

B1. Performance analysis

Group financial performance by business segment

Business segments: 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>9M2024</u>							
REVENUE							
External revenue	2,884,491	582,400	438,866	39,718	9,809	-	3,955,284
Inter-segment sales	84,740	4,648	-	621	-	(90,009)	-
Total revenue	2,969,231	587,048	438,866	40,339	9,809	(90,009)	3,955,284
RESULTS							
Segment results	157,336	6,083	(6,208)	6,128	16,802	-	180,141
Share of results of associates	23,960	1,503	6,722	1,420	719,119	-	752,724
Share of results of joint venture	-	-	-	-	3,844	-	3,844
Unallocated corporate expenses	-	-	-	-	-	-	(26,502)
Profit before taxation	181,296	7,586	514	7,548	739,765	-	910,207
<u>9M2023</u>							
REVENUE							
External revenue	3,317,580	576,386	463,257	87,308	13,672	-	4,458,203
Inter-segment sales	84,548	4,576	-	602	-	(89,726)	-
Total revenue	3,402,128	580,962	463,257	87,910	13,672	(89,726)	4,458,203
RESULTS							
Segment results	219,610	19,286	14,164	13,041	61,466	-	327,567
Share of results of associates	3,470	(783)	5,198	938	729,117	-	737,940
Share of results of joint venture	-	-	-	-	4,528	-	4,528
Unallocated corporate expenses	-	-	-	-	-	-	(23,278)
Profit before taxation	223,080	18,503	19,362	13,979	795,111	-	1,046,757
Variance							
Revenue (%)	-13%	1%	-5%	-55%	-28%	0%	-11%
Profit before taxation (%)	-19%	-59%	-97%	-46%	-7%	-	-13%

Group performance review

For 3Q2024 and 9M2024, the Group recorded lower revenue at RM1.35 billion and RM3.96 billion respectively (3Q2023: RM1.46 billion; 9M2023: RM4.46 billion). The decrease in revenue was mainly due to the absence of contribution from the Indonesian flour operations which was divested on 11 September 2023.

Pre-tax profit for 3Q2024 was lower by 48% to RM209 million (3Q2023: RM399 million). The lower profit in 3Q2024 was mainly attributable to lower contribution from Wilmar International Limited ("Wilmar") at RM205 million (3Q2023: RM268 million), as well as lower profit from core business segments by 97% to RM4 million (3Q2023: RM131 million).

Pre-tax profit for 9M2024 was lower by 13% to RM910 million (9M2023: RM1.05 billion). Contribution from Wilmar amounted to RM715 million (9M2023: RM728 million). Excluding the one-off divestment gain of YKS (Refer to Note A9) amounting to RM12.6 million (9M2023: Divestment gain on PT Pundi Kencana ("PTPK") and Malayan Adhesives and Chemicals Sdn Bhd ("MAC") totaling to RM55.8 million), core business segments profit was lower by RM80 million to RM183 million in 9M2024 (9M2023: RM263 million).

Grains and agribusiness

Segment revenue for 3Q2024 and 9M2024 decreased by 5% to RM1.01 billion (3Q2023: RM1.06 billion) and 13% to RM2.88 billion (9M2023: RM3.32 billion) respectively, mainly attributable to the absence of revenue contribution from the divested Indonesia flour operations. Excluding that, segment revenue for 3Q2024 and 9M2024 was higher by 6% and 1% respectively.

The segment recorded a decrease in profit by 88% to RM11 million in 3Q2024 (3Q2023: RM96 million), attributable to a lower profit recorded by key sub-segments of flour, livestock, maize, and soybean meal. Typhoon Yagi in Vietnam had not just affected business operations but also caused damages to wheat and flour inventories, a provision was made for these damages totaling to RM28 million, consequentially, the Vietnam operation recorded a loss of RM35 million (3Q2023: RM4 million). Performance of the Malaysia operation was also affected by fair value losses on derivative instruments for hedging purposes amounted to RM18 million (3Q2023: RM23 million gain).

For 9M2024, the segment recorded lower profit by 19% to RM181 million (9M2023: RM223 million). Excluding the one-off gains from divestments mentioned above, the segment recorded higher profit at RM197 million, 6% higher as compared to 9M2023.

Consumer products

Segment revenue for 3Q2024 and 9M2024 was at RM187 million (3Q2023: RM188 million) and RM582 million (9M2023: RM576 million) respectively. The segment recorded lower profit by 28% to RM4.8 million in 3Q2024 (3Q2023: RM6.6 million) and 59% to RM7.6 million in 9M2024 (9M2023: RM19 million) respectively, mainly attributable to higher operational costs.

Film exhibition and distribution

Segment revenue for 3Q2024 and 9M2024 was lower by 17% to RM139 million (3Q2023: RM167 million) and 5% to RM439 million (9M2023: RM463 million) respectively. The segment recorded a loss of RM710,000 in 3Q2024 (3Q2023: RM5.3 million profit) and lower profit at RM514,000 in 9M2024 (9M2023: RM19 million). The lower profit was mainly attributable to lower net box office collection, lower concession income, higher new cinema operating costs, and cinema closure costs.

Property

Segment revenue for 3Q2024 and 9M2024 was lower by 70% to RM13 million (3Q2023: RM42 million) and 55% to RM40 million (9M2023: RM87 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. Consequently, segment profit for 3Q2024 and 9M2024 was lower by 62% to RM4 million (3Q2023: RM11 million) and 46% to RM7.5 million (9M2023: RM14 million) respectively.

Other operations

Segment profit for 3Q2024 and 9M2024 was lower by 31% to RM199 million (3Q2023: RM287 million) and 7% to RM740 million (9M2023: RM795 million) respectively. Contribution from Wilmar for 3Q2024 and 9M2024 was lower by 24% to RM205 million (3Q2023: RM268 million) and 2% to RM715 million (9M2023: RM728 million) respectively.

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

For 3Q2024, profit before taxation was lower by 37% to RM209 million, as compared to RM334 million recorded in 2Q2024. This was mainly attributable to lower contribution from Wilmar at RM205 million (2Q2024: RM244 million). Lower contribution by core business segments at RM4 million (2Q2024: RM90 million) mainly from *Grains and Agribusiness* segment at RM11 million (2Q2024: RM68 million) and the *Film Exhibition and Distribution* segment at a loss of RM710,000 (2Q2024: RM16 million gain).

B3. Prospects

The Malaysian economy expanded by 5.3% in the third quarter of 2024 (2Q2024: 5.9%). The growth was driven by stronger investment activities and continued improvement in exports; sustained household spending amid positive labor market conditions and policy support. Overall, the Malaysian economy expanded by 5.2% in the first three quarters of 2024. Going forward, the Malaysian economy is expected to be driven by robust expansion in investment activity, ongoing improvement in exports and tourism spending, as well as resilient household consumption.

Performance of the *Grains and Agribusiness* segment in 3Q2024 was affected by Typhoon Yagi in the Vietnam operation. The Group had made a provision of RM28 million for the damaged wheat and flour inventories. The Group anticipates continued volatility in the global commodity market, with potential adverse weather condition in key grain-growing regions likely to affect commodity prices.

Despite these challenges, we continue to leverage our market intelligence, extensive grain procurement experience, and strong technical expertise to deliver consistently high-quality products. We expect the segment's performance to remain satisfactory for the remainder of the year.

The *Consumer Products* segment will focus on expanding its product range and strengthening market presence, capitalizing on its established marketing & distribution network; and logistical resources. Although business costs are rising, we anticipate this segment to deliver sustainable profit through the end of the year.

The *Film Exhibition and Distribution* segment recorded a loss in the third quarter, primarily due to fewer blockbuster releases and a weaker box office performance. Fourth quarter results will be heavily dependent on the performance of the movie lineup during the holiday period. Management is also committed to optimizing operating costs to enhance overall performance in 2024.

With several property development projects at various stages of planning, enhancing mall performance will remain as key focus 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

	3rd Quarter ended 30-Sep-24 RM'000	9 Months ended 30-Sep-24 RM'000
Profit before taxation was stated after crediting/(charging):		
Interest income and income from short-term fund placements	15,951	46,576
Dividend income	1,507	9,499
Net foreign exchange loss	(12,134)	(14,898)
Gain on disposal of an associate	-	12,566
Net fair value (loss)/gain on derivatives	(16,323)	35,167
Net impairment on receivables	(9,132)	(18,520)
Depreciation and amortisation	(47,965)	(143,259)
Interest expense on lease obligations	(5,169)	(14,702)
	<u> </u>	<u> </u>

B6. Tax expense

	3rd Quarter ended 30-Sep-24 RM'000	9 Months ended 30-Sep-24 RM'000
Taxation based on the profit for the financial period:		
Malaysian taxation:		
Current tax expense	(18,698)	(44,122)
Deferred tax credit/(expense)	6,338	(8,794)
	<u> </u>	<u> </u>
	(12,360)	(52,916)
Foreign taxation:		
Current tax expense	(920)	(1,678)
Deferred tax credit	1,487	1,979
	<u> </u>	<u> </u>
	(11,793)	(52,615)
(Under)/Over provision in prior years:		
Current tax	(8,590)	(8,590)
Deferred tax	2,657	2,657
	<u> </u>	<u> </u>
	<u>(17,726)</u>	<u>(58,548)</u>

For 9M2024, the Group's effective tax rate was higher than the statutory rate, mainly due to non-deductible expenses, deferred tax assets not recognised on tax losses of certain subsidiaries, underprovision of income tax in prior years, partially offset by income not subjected to tax.

B7. Status of corporate proposals

There were no corporate proposals announced but not completed.

B8. Group borrowings

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

	Total RM'000	Secured RM'000	Unsecured RM'000
Long-term bank borrowings			
Long-term bank loan (RM)	21,700	21,700 (a)	-
Long-term bank loan (VND)	9,246	9,246 (b)	-
	30,946	30,946	-
Short-term bank borrowings			
Revolving credit (RM)	195,902	100,000 (a)	95,902
Short-term loan (RM)	22,800	22,800 (a)	-
Short-term loan (VND)	174,137	7,397 (b)	166,740
	392,839	130,197	262,642

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 September 2024

	Contract / Notional value RM'000	Fair value - Assets / Liabilities RM'000
<u>Derivative financial assets</u>		
i) Forward foreign currency contracts	18,812	183
Total derivative assets		183
<u>Derivative financial liabilities</u>		
i) Options contracts	70,299	1,610
ii) Futures contracts	179,079	10,585
iii) Forward foreign currency contracts	281,514	12,047
Total derivative liabilities		24,242

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 3Q2024, unrealised fair value loss on derivative financial instruments amounted to RM36.0 million (3Q2023: RM12.5 million).

For 9M2024, unrealised fair value loss on derivative financial instruments amounted to RM20.5 million (9M2023: RM18.4 million gain).

B10. Material litigation

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

B11. Dividend

An interim dividend of 12 sen per share in respect of financial year ending 31 December 2024 was paid on 26 September 2024.

The directors do not recommend the payment of any dividend for the third quarter under review.

B12. Earnings per share

	3rd Quarter ended		9 Months ended	
	30 September		30 September	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Net profit for the period	208,120	372,554	854,210	952,905
Number of ordinary shares in issue ('000)	1,422,599	1,422,599	1,422,599	1,422,599
Basic earnings per share (sen)	14.63	26.19	60.05	66.98

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

By Order of the Board
Mah Teck Keong
Company Secretary