

FRASER AND NEAVE, LIMITED

(Company Registration No. 189800001R)
(Incorporated in the Republic of Singapore)

Condensed Interim Financial Statements for the 6 months and 12 months ended 30 September 2021

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A. Condensed interim profit statement

	Note	The Group					
		6 months ended 30 September 2021 $'000	6 months ended 30 September 2020 $'000	Change %	12 months ended 30 September 2021 $'000	12 months ended 30 September 2020 $'000	Change %
Revenue	5	890,603	864,058	3.1	1,879,163	1,833,501	2.5
Cost of sales		(627,101)	(587,276)	6.8	(1,296,247)	(1,237,627)	4.7
Gross profit		263,502	276,782	(4.8)	582,916	595,874	(2.2)
Other income (net)		(1,905)	18,149	NM	7,673	23,309	(67.1)
Operating expenses							
- Distribution		(74,515)	(74,041)	0.6	(158,929)	(159,649)	(0.5)
- Marketing		(79,964)	(93,468)	(14.4)	(158,535)	(180,831)	(12.3)
- Administration		(59,056)	(70,917)	(16.7)	(122,079)	(136,989)	(10.9)
		(213,535)	(238,426)	(10.4)	(439,543)	(477,469)	(7.9)
Trading profit		48,062	56,505	(14.9)	151,046	141,714	6.6
Share of results of joint venture companies		(3,549)	(866)	NM	(3,188)	2,131	NM
Share of results of associated companies		63,547	69,596	(8.7)	113,486	123,276	(7.9)
Gross income from other investments		403	285	41.4	403	285	41.4
Profit before interest and taxation ("PBIT")		**108,463**	**125,520**	**(13.6)**	**261,747**	**267,406**	**(2.1)**
Finance income		1,386	742	86.8	2,286	2,830	(19.2)
Finance costs		(12,853)	(12,246)	5.0	(25,138)	(24,788)	1.4
Net finance costs		(11,467)	(11,504)	(0.3)	(22,852)	(21,958)	4.1
Profit before fair value adjustment, taxation and exceptional items		**96,996**	**114,016**	(14.9)	**238,895**	**245,448**	(2.7)
Fair value adjustment of investment properties		17	(413)	NM	17	(413)	NM
Profit before taxation and exceptional items		**97,013**	113,603	(14.6)	**238,912**	245,035	(2.5)
Exceptional items		(7,449)	(422)	NM	(8,720)	(621)	NM
Profit before taxation	6	**89,564**	**113,181**	**(20.9)**	**230,192**	**244,414**	**(5.8)**
Taxation	7	(11,826)	(11,056)	7.0	(34,718)	(36,722)	(5.5)
Profit after taxation		**77,738**	**102,125**	**(23.9)**	**195,474**	**207,692**	**(5.9)**
Attributable profit to:							
Shareholders of the Company							
- Before fair value adjustment and exceptional items		61,771	78,550	(21.4)	145,217	150,397	(3.4)
- Fair value adjustment of investment properties		17	(237)	NM	17	(237)	NM
- Exceptional items		(3,757)	(751)	NM	(4,792)	(950)	NM
		58,031	77,562	(25.2)	140,442	149,210	(5.9)
Non-controlling interests		19,707	24,563	(19.8)	55,032	58,482	(5.9)
		77,738	102,125	(23.9)	195,474	207,692	(5.9)
Earnings per share attributable to the shareholders of the Company:	9						
(a) Basic (cents)							
- before fair value adjustment and exceptional items		4.3	5.4		10.0	10.4	
- after fair value adjustment and exceptional items		4.0	5.3		9.7	10.3	
(b) Fully diluted (cents)							
- before fair value adjustment and exceptional items		4.2	5.4		10.0	10.3	
- after fair value adjustment and exceptional items		4.0	5.3		9.6	10.2	

NM – Not meaningful

B. Condensed interim statement of comprehensive income

	The Group			
	6 months ended 30 September 2021 $'000	**6 months ended 30 September 2020 $'000**	**12 months ended 30 September 2021 $'000**	**12 months ended 30 September 2020 $'000**
Profit after taxation	77,738	102,125	195,474	207,692
Other comprehensive income:				
Items that are or may be reclassified subsequently to profit statement				
Share of other comprehensive income of associated and joint venture companies	(7,370)	(63)	(8,287)	(59)
Realisation of reserve on liquidation of a subsidiary company	144	-	144	-
Fair value changes on derivative financial instruments	1,640	(7,265)	7,575	(13,330)
Currency translation differences	21,121	(81,161)	(35,305)	(21,627)
	15,535	(88,489)	(35,873)	(35,016)
Items that will not be reclassified to profit statement				
Fair value changes on equity investments measured at fair value through other comprehensive income ("FVOCI")	(414)	(181)	(522)	(1,509)
Remeasurement of defined benefit obligations	824	(405)	824	(405)
	410	(586)	302	(1,914)
Other comprehensive income for the period/year, net of taxation	15,945	(89,075)	(35,571)	(36,930)
Total comprehensive income for the period/year	93,683	13,050	159,903	170,762
Total comprehensive income attributable to:				
Shareholders of the Company	85,534	(9,706)	122,897	113,885
Non-controlling interests	8,149	22,756	37,006	56,877
	93,683	13,050	159,903	170,762

C. Condensed interim balance sheets

	Note	The Group		The Company	
		As at 30 September 2021 $'000	As at 30 September 2020 $'000	As at 30 September 2021 $'000	As at 30 September 2020 $'000
SHARE CAPITAL AND RESERVES					
Share capital	10	858,830	855,870	858,830	855,870
Reserves		2,160,640	2,112,668	757,150	771,355
		3,019,470	2,968,538	1,615,980	1,627,225
NON-CONTROLLING INTERESTS		431,766	427,115	-	-
		3,451,236	3,395,653	1,615,980	1,627,225
Represented by:					
NON-CURRENT ASSETS					
Fixed assets	12	760,021	771,571	3,353	5,288
Investment properties		16,858	17,075	-	-
Properties held for development		17,853	18,114	-	-
Subsidiary companies		-	-	2,172,867	2,172,844
Joint venture companies		154,341	166,605	38,965	38,965
Associated companies		2,712,634	2,668,602	-	-
Intangible assets		138,636	133,695	877	652
Brands		32,105	27,354	212	212
Other investments		5,625	6,147	172,339	206,298
Other receivables		726	2,272	26	249
Deferred tax assets		4,695	4,516	-	-
		3,843,494	3,815,951	2,388,639	2,424,508
CURRENT ASSETS					
Inventories		297,577	296,724	-	-
Trade receivables		254,806	271,823	-	-
Other receivables		46,177	94,899	1,291	4,813
Related parties		6,121	8,664	616	735
Subsidiary companies		-	-	122,013	49,862
Joint venture companies		1,214	1,179	-	-
Associated companies		84	7	-	4
Cash and bank deposits		471,799	285,479	12,010	8,622
		1,077,778	958,775	135,930	64,036
Deduct: CURRENT LIABILITIES					
Trade payables		176,224	161,122	-	-
Other payables		194,914	211,759	13,434	13,850
Related parties		6,266	4,891	292	220
Subsidiary companies		-	-	90,746	5,174
Associated companies		261	398	-	-
Lease liabilities		11,646	14,268	2,445	2,353
Borrowings	14	427,573	42,701	-	-
Provision for taxation		49,349	49,639	6,420	4,296
		866,233	484,778	113,337	25,893
NET CURRENT ASSETS		211,545	473,997	22,593	38,143
Deduct: NON-CURRENT LIABILITIES					
Other payables		23,802	30,262	-	-
Subsidiary companies		-	-	795,000	833,019
Lease liabilities		36,539	25,168	235	2,380
Borrowings	14	499,262	795,888	-	-
Provision for employee benefits		15,760	18,414	-	-
Deferred tax liabilities		28,440	24,563	17	27
		603,803	894,295	795,252	835,426
NET ASSETS		3,451,236	3,395,653	1,615,980	1,627,225

D. Condensed interim statements of changes in equity

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

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

	The Group										
12 months ended 30 September 2020	Share Capital $'000	Capital Reserve $'000	Revenue Reserve $'000	Exchange Reserve $'000	Fair Value Adjustment Reserve $'000	Hedging Reserve $'000	Share-based Payment Reserve $'000	Dividend Reserve $'000	Total $'000	Non-controlling Interests $'000	Total Equity $'000
Balance at 1 October 2019	853,549	(5,257)	2,030,987	21,678	(32,099)	(1,447)	7,911	57,961	2,933,283	399,828	3,333,111
Comprehensive income											
Share of other comprehensive income of associated companies	-	-	99	(132)	(26)	-	-	-	(59)	-	(59)
Fair value changes on derivative financial instruments	-	-	-	-	-	(13,330)	-	-	(13,330)	-	(13,330)
Fair value changes on equity investments measured at fair value through other comprehensive income	-	-	-	-	(1,509)	-	-	-	(1,509)	-	(1,509)
Remeasurement of defined benefit obligations	-	-	(224)	-	-	-	-	-	(224)	(181)	(405)
Currency translation difference	-	-	-	(20,203)	-	-	-	-	(20,203)	(1,424)	(21,627)
Other comprehensive income for the year	-	-	(125)	(20,335)	(1,535)	(13,330)	-	-	(35,325)	(1,605)	(36,930)
Profit for the year	-	-	149,210	-	-	-	-	-	149,210	58,482	207,692
Total comprehensive income for the year	-	-	149,085	(20,335)	(1,535)	(13,330)	-	-	113,885	56,877	170,762
Contributions by and distributions to owners											
Employee share-based expense	-	-	-	-	-	-	4,632	-	4,632	1,124	5,756
Issue of shares in the Company upon vesting of shares awarded	2,321	-	-	-	-	-	(2,321)	-	-	-	-
Purchase of shares by a subsidiary company	-	-	(1,314)	-	-	-	-	-	(1,314)	(1,054)	(2,368)
Shares of a subsidiary company reissued pursuant to its share plans	-	(88)	1,170	-	-	-	(1,082)	-	-	-	-
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	1,595	1,595
Dividends:											
Dividends paid	-	-	(21,793)	-	-	-	-	(57,961)	(79,754)	(32,292)	(112,046)
Dividends proposed	-	-	(50,753)	-	-	-	-	50,753	-	-	-
Total contributions by and distributions to owners	2,321	(88)	(72,690)	-	-	-	1,229	(7,208)	(76,436)	(30,627)	(107,063)
Changes in ownership interests											
Change of interests in subsidiary companies	-	-	(1,132)	-	-	-	-	-	(1,132)	1,132	-
Acquisition of non-controlling interests in a subsidiary company	-	-	(20)	-	-	-	-	-	(20)	(95)	(115)
Changes in carrying value of put option granted to non-controlling interests	-	(1,042)	-	-	-	-	-	-	(1,042)	-	(1,042)
Total changes in ownership interests	-	(1,042)	(1,152)	-	-	-	-	-	(2,194)	1,037	(1,157)
Total transactions with owners in their capacity as owners	2,321	(1,130)	(73,842)	-	-	-	1,229	(7,208)	(78,630)	(29,590)	(108,220)
Balance at 30 September 2020	855,870	(6,387)	2,106,230	1,343	(33,634)	(14,777)	9,140	50,753	2,968,538	427,115	3,395,653

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

	The Company						
	Share Capital	Capital Reserve	Revenue Reserve	Fair Value Adjustment Reserve	Share-based Payment Reserve	Dividend Reserve	Total Equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
12 months ended 30 September 2021							
Balance at 1 October 2020	855,870	(1,091)	660,393	56,437	4,863	50,753	1,627,225
Comprehensive income							
Fair value changes on equity investments measured at fair value through other comprehensive income	-	-	-	(33,959)	-	-	(33,959)
Other comprehensive income for the year	-	-	-	(33,959)	-	-	(33,959)
Profit for the year	-	-	93,025	-	-	-	93,025
Total comprehensive income for the year	-	-	93,025	(33,959)	-	-	59,066
Contributions by and distributions to owners							
Employee share-based expense	-	-	-	-	2,281	-	2,281
Issue of shares in the Company upon vesting of shares awarded	2,960	-	-	-	(2,960)	-	-
Dividends:							
Dividends paid	-	-	(21,839)	-	-	(50,753)	(72,592)
Dividends proposed	-	-	(50,814)	-	-	50,814	-
Total transactions with owners in their capacity as owners	2,960	-	(72,653)	-	(679)	61	(70,311)
Balance at 30 September 2021	858,830	(1,091)	680,765	22,478	4,184	50,814	1,615,980
12 months ended 30 September 2020							
Balance at 1 October 2019	853,549	(1,091)	722,593	57,939	3,953	57,961	1,694,904
Comprehensive income							
Fair value changes on equity investments measured at fair value through other comprehensive income	-	-	-	(1,502)	-	-	(1,502)
Other comprehensive income for the year	-	-	-	(1,502)	-	-	(1,502)
Profit for the year	-	-	10,346	-	-	-	10,346
Total comprehensive income for the year	-	-	10,346	(1,502)	-	-	8,844
Contributions by and distributions to owners							
Employee share-based expense	-	-	-	-	3,231	-	3,231
Issue of shares in the Company upon vesting of shares awarded	2,321	-	-	-	(2,321)	-	-
Dividends:							
Dividends paid	-	-	(21,793)	-	-	(57,961)	(79,754)
Dividends proposed	-	-	(50,753)	-	-	50,753	-
Total transactions with owners in their capacity as owners	2,321	-	(72,546)	-	910	(7,208)	(76,523)
Balance at 30 September 2020	855,870	(1,091)	660,393	56,437	4,863	50,753	1,627,225

E. Condensed interim cash flow statement

	Note	The Group 12 months ended 30 September 2021 $'000	The Group 12 months ended 30 September 2020 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation and exceptional items		238,912	245,035
Adjustments for:			
Depreciation of fixed assets	6	76,935	74,251
Amortisation of brands and intangible assets	6	12,878	13,673
Impairment of fixed assets and intangible assets		1,247	550
Reversal of impairment of fixed assets and intangible assets		(448)	(264)
Fixed assets and intangible assets written off		250	256
Property development cost written off		8	357
Gross income from other investments		(403)	(285)
Provision for employee benefits		1,429	2,439
Write back of provision for employee benefits		(205)	(26)
Gain on disposal of fixed assets	6	(28)	(223)
Gain on lease termination/modification		(132)	(157)
Interest income		(2,286)	(2,830)
Interest expenses		25,138	24,788
Share of results of joint venture companies		3,188	(2,131)
Share of results of associated companies		(113,486)	(123,276)
Employee share-based expense	6	3,443	5,372
Fair value adjustment of investment properties		(17)	413
Fair value adjustment of financial instruments		(145)	(339)
Loss/(Gain) on disposal of financial instruments		52	(163)
Operating cash before working capital changes		246,330	237,440
Change in inventories		1,788	(34,594)
Change in receivables		72,256	(24,247)
Change in related parties' and joint venture and associated companies' balances		3,669	(3,922)
Change in payables		(12,958)	(53,840)
Currency realignment		(6,259)	(8,394)
Cash generated from operations		304,826	112,443
Interest income received		2,330	3,064
Interest expenses paid		(24,776)	(24,735)
Income taxes paid		(32,880)	(34,563)
Payment of employee benefits		(2,097)	(1,897)
Retirement benefit plan buy-out		-	(11,622)
Net cash from operating activities		**247,403**	**42,690**
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends from associated companies		92,825	96,547
Gross income from other investments		403	285
Proceeds from disposal of fixed assets		617	11,677
Purchase of fixed assets		(90,279)	(108,348)
Payment for intangible assets		(9,185)	(16,163)
Net cash outflow on acquisition of subsidiary companies	13	(16,207)	-
Investments in joint venture and associated companies		-	(41,747)
Payment of deferred consideration for prior years' acquisition of subsidiary companies		-	(3,525)
Deposit pledged in relation to acquisition of subsidiary companies		-	3,025
Net cash used in investing activities		**(21,826)**	**(58,249)**

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

	The Group	
	12 months ended 30 September 2021 $'000	**12 months ended 30 September 2020 $'000**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	142,404	27,501
Repayment of borrowings	(50,889)	(15,607)
Payment of lease liabilities	(18,683)	(17,396)
Purchase of shares by a subsidiary company	(2,134)	(2,368)
Acquisition of non-controlling interests in a subsidiary company	-	(115)
Capital contribution by non-controlling interests	-	1,595
Payment of dividends:		
- by subsidiary companies to non-controlling interests	(31,922)	(32,292)
- by the Company to shareholders	(72,592)	(79,754)
Net cash used in financing activities	**(33,816)**	**(118,436)**
Net increase/(decrease) in cash and cash equivalents	191,761	(133,995)
Cash and cash equivalents at beginning of year	285,479	417,327
Effects of exchange rate changes on cash and cash equivalents	(5,441)	2,147
Cash and cash equivalents at end of year	**471,799**	**285,479**
Analysis of acquisition of subsidiary companies		
Net assets acquired:		
Fixed assets	1,019	-
Brands	4,908	-
Current assets	5,916	-
Current liabilities	(2,761)	-
Non-current liabilities	(1,663)	-
Cash and cash equivalents	3,130	-
	10,549	-
Goodwill on acquisition	8,788	-
Consideration paid	19,337	-
Less: Cash and cash equivalents of subsidiary companies acquired	(3,130)	-
Net cash outflow on acquisition of subsidiary companies	16,207	-

F. Notes to the condensed interim financial statements

1. General information

Fraser and Neave, Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The registered office of the Company is located at 438 Alexandra Road, #20-00 Alexandra Point, Singapore 119958. TCC Assets Limited incorporated in the British Virgin Islands is the immediate and ultimate holding company.

The condensed interim financial statements as at and for the six months and the year ended 30 September 2021 comprise the Company and its subsidiary companies (together referred to as the "Group").

The principal activities of the Group are:
(a) production and sale of beverages and dairy products; and
(b) printing and publishing.

These activities are carried out through the Company's subsidiary, joint venture and associated companies. The Company provides management and administrative services to some subsidiary companies.

2. Basis of preparation

The condensed interim financial statements for the six months and the year ended 30 September 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the audited financial statements for the year ended 30 September 2020.

The condensed interim financial statements are presented in Singapore Dollar and all values are rounded to the nearest thousand ($'000) unless otherwise stated.

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the interim financial statements and are consistent with those used in the previous financial year which were prepared in accordance with SFRS(I), except as disclosed below.

The following are the amendments to the standards that are mandatory for application from 1 October 2020:

Various	*Amendments to References to the Conceptual Framework in SFRS(I) standards* *Amendments to illustrative examples, implementation guidance and SFRS(I) practice statements*
Amendments to SFRS(I) 3	*Definition of a Business*
Amendments to SFRS(I) 1-1 and SFRS(I) 1-8	*Definition of Material*
Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7	*Interest Rate Benchmark Reform*
Amendments to SFRS(I) 16	*Covid-19-Related Rent Concessions beyond 30 June 2021*

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

2.1 Significant accounting estimates and judgments

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended 30 September 2020.

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

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

3. Seasonal operations

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

4. Segment information

The Group's operating businesses are organised and managed separately according to the nature of activities. The Group's operating segments are namely beverages, dairies, printing and publishing and others. The Group operates in the following key geographical areas, namely Singapore, Malaysia, Thailand, Vietnam and other countries.

The following tables presents financial information regarding operating segments:

Segment results for 6 months ended 30 September 2021

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

Geographical Segment	Singapore $'000	Malaysia $'000	Thailand $'000	Vietnam $'000	Others $'000	Per Consolidated Financial Statements $'000
Total revenue	206,104	308,150	314,929	38	61,382	890,603
Profit/(Loss) before interest and taxation	1,085	14,581	40,727	62,570	(10,500)	108,463

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

4. Segment information (cont'd)

Segment results for 6 months ended 30 September 2020

Operating Segment	Beverages $'000	Dairies $'000	Printing & Publishing $'000	Others $'000	Elimination $'000	Per Consolidated Financial Statements $'000
Revenue - external	205,542	554,542	103,854	120	-	864,058
Revenue - inter segment	983	151	293	43,840	(45,267)	-
Total revenue	**206,525**	**554,693**	**104,147**	**43,960**	**(45,267)**	**864,058**
Subsidiary companies	9,731	55,431	522	(8,894)	-	56,790
Joint venture and associated companies	-	68,835	-	(105)	-	68,730
Profit/(Loss) before interest and taxation	**9,731**	**124,266**	**522**	**(8,999)**	**-**	**125,520**
Finance income						742
Finance costs						(12,246)
Profit before fair value adjustment, taxation and exceptional items						**114,016**
Fair value adjustment of investment properties						(413)
Exceptional items						(422)
Profit before taxation						**113,181**
Taxation						(11,056)
Profit after taxation						**102,125**
Non-controlling interests						(24,563)
Attributable profit						**77,562**
Attributable (loss)/profit before fair value adjustment and exceptional items	(355)	93,074	(542)	(13,627)	-	78,550
Fair value adjustment of investment properties	-	-	(18)	(219)	-	(237)
Exceptional items	-	410	(811)	(350)	-	(751)
Attributable (loss)/profit	(355)	93,484	(1,371)	(14,196)	-	77,562

Geographical Segment	Singapore $'000	Malaysia $'000	Thailand $'000	Vietnam $'000	Others $'000	Per Consolidated Financial Statements $'000
Total revenue	200,830	300,361	307,533	50	55,284	864,058
Profit/(Loss) before interest and taxation	(5,231)	14,056	48,613	68,488	(406)	125,520

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

4. Segment information (cont'd)

Segment results for 12 months ended 30 September 2021

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

Geographical Segment	Singapore $'000	Malaysia $'000	Thailand $'000	Vietnam $'000	Others $'000	Per Consolidated Financial Statements $'000
Total revenue	422,163	665,757	666,265	86	124,892	1,879,163
Profit/(Loss) before interest and taxation	11,021	36,209	111,900	111,126	(8,509)	261,747

* Segment assets exclude deferred tax assets and cash and bank deposits
# Segment liabilities exclude borrowings, provision for taxation and deferred tax liabilities

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

4. Segment information (cont'd)

Segment results for 12 months ended 30 September 2020

Operating Segment	Beverages $'000	Dairies $'000	Printing & Publishing $'000	Others $'000	Elimination $'000	Per Consolidated Financial Statements $'000
Revenue - external	439,354	1,163,772	230,046	329	-	1,833,501
Revenue - inter segment	2,096	162	424	104,086	(106,768)	-
Total revenue	**441,450**	**1,163,934**	**230,470**	**104,415**	**(106,768)**	**1,833,501**
Subsidiary companies	17,327	142,781	(10,496)	(7,613)	-	141,999
Joint venture and associated companies	-	120,714	-	4,693	-	125,407
Profit/(Loss) before interest and taxation	**17,327**	**263,495**	**(10,496)**	**(2,920)**	**-**	**267,406**
Finance income						2,830
Finance costs						(24,788)
Profit before fair value adjustment, taxation and exceptional items						**245,448**
Fair value adjustment of investment properties						(413)
Exceptional items						(621)
Profit before taxation						**244,414**
Taxation						(36,722)
Profit after taxation						**207,692**
Non-controlling interests						(58,482)
Attributable profit						**149,210**
Attributable (loss)/profit before fair value adjustment and exceptional items	(183)	184,645	(12,020)	(22,045)	-	150,397
Fair value adjustment of investment properties	-	-	(18)	(219)	-	(237)
Exceptional items	-	410	(1,010)	(350)	-	(950)
Attributable (loss)/profit	(183)	185,055	(13,048)	(22,614)	-	149,210
Segment assets as at 30 September 2020*	**516,143**	**3,367,522**	**275,276**	**325,790**	**-**	**4,484,731**
Segment liabilities as at 30 September 2020#	**89,192**	**220,489**	**103,377**	**53,224**	**-**	**466,282**

Geographical Segment	Singapore $'000	Malaysia $'000	Thailand $'000	Vietnam $'000	Others $'000	Per Consolidated Financial Statements $'000
Total revenue	421,353	648,209	658,109	106	105,724	1,833,501
Profit/(Loss) before interest and taxation	(4,690)	37,137	121,635	119,739	(6,415)	267,406

* Segment assets exclude deferred tax assets and cash and bank deposits
# Segment liabilities exclude borrowings, provision for taxation and deferred tax liabilities

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

5. Revenue information

(a) Disaggregation of revenue

	Operating Segments				
	Beverages $'000	**Dairies $'000**	**Printing & Publishing $'000**	**Others $'000**	**Total $'000**
6 months ended 30 September 2021					
Primary geographical markets					
Singapore	**61,164**	**84,232**	**60,708**	**-**	**206,104**
Malaysia	**120,403**	**168,895**	**9,848**	**9,004**	**308,150**
Thailand	**-**	**314,785**	**144**	**-**	**314,929**
Others	**20,923**	**4,245**	**36,252**	**-**	**61,420**
	202,490	**572,157**	**106,952**	**9,004**	**890,603**
Major products/service lines					
Sale of goods	**199,950**	**572,157**	**56,077**	**8,922**	**837,106**
Sale of services	**2,389**	**-**	**44,512**	**19**	**46,920**
Others	**151**	**-**	**6,363**	**63**	**6,577**
	202,490	**572,157**	**106,952**	**9,004**	**890,603**
Timing of transfer of goods or services					
At a point in time	**202,490**	**572,157**	**103,966**	**9,004**	**887,617**
Over time	**-**	**-**	**2,986**	**-**	**2,986**
	202,490	**572,157**	**106,952**	**9,004**	**890,603**
6 months ended 30 September 2020					
Primary geographical markets					
Singapore	56,955	87,698	56,177	-	200,830
Malaysia	133,736	158,127	8,378	120	300,361
Thailand	-	307,221	312	-	307,533
Others	14,851	1,496	38,987	-	55,334
	205,542	554,542	103,854	120	864,058
Major products/service lines					
Sale of goods	205,542	554,542	49,135	-	809,219
Sale of services	-	-	46,073	19	46,092
Others	-	-	8,646	101	8,747
	205,542	554,542	103,854	120	864,058
Timing of transfer of goods or services					
At a point in time	205,542	554,542	98,084	120	858,288
Over time	-	-	5,770	-	5,770
	205,542	554,542	103,854	120	864,058

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

5. Revenue information (cont'd)

(a) Disaggregation of revenue (cont'd)

	Operating Segments				
	Beverages $'000	**Dairies $'000**	**Printing & Publishing $'000**	**Others $'000**	**Total $'000**
12 months ended 30 September 2021					
Primary geographical markets					
Singapore	**124,470**	**161,895**	**135,792**	**6**	**422,163**
Malaysia	**276,538**	**354,871**	**20,346**	**14,002**	**665,757**
Thailand	**-**	**666,097**	**168**	**-**	**666,265**
Others	**51,738**	**7,177**	**66,063**	**-**	**124,978**
	452,746	**1,190,040**	**222,369**	**14,008**	**1,879,163**
Major products/service lines					
Sale of goods	**444,454**	**1,190,040**	**119,449**	**13,767**	**1,767,710**
Sale of services	**8,002**	**-**	**91,800**	**45**	**99,847**
Others	**290**	**-**	**11,120**	**196**	**11,606**
	452,746	**1,190,040**	**222,369**	**14,008**	**1,879,163**
Timing of transfer of goods or services					
At a point in time	**452,746**	**1,190,040**	**215,081**	**14,008**	**1,871,875**
Over time	**-**	**-**	**7,288**	**-**	**7,288**
	452,746	**1,190,040**	**222,369**	**14,008**	**1,879,163**
12 months ended 30 September 2020					
Primary geographical markets					
Singapore	112,262	171,942	137,149	-	421,353
Malaysia	293,581	331,315	22,984	329	648,209
Thailand	-	657,710	399	-	658,109
Others	33,511	2,805	69,514	-	105,830
	439,354	1,163,772	230,046	329	1,833,501
Major products/service lines					
Sale of goods	439,354	1,163,772	122,456	-	1,725,582
Sale of services	-	-	96,037	39	96,076
Others	-	-	11,553	290	11,843
	439,354	1,163,772	230,046	329	1,833,501
Timing of transfer of goods or services					
At a point in time	439,354	1,163,772	217,945	329	1,821,400
Over time	-	-	12,101	-	12,101
	439,354	1,163,772	230,046	329	1,833,501

(b) Breakdown of sales

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

		The Group		
		12 months ended 30 September 2021 $'000	**12 months ended 30 September 2020 $'000**	**Change %**
(a)	Sales reported for first half year	988,560	969,443	2.0
(b)	Operating profit after tax before deducting non-controlling interests reported for first half year	117,736	105,567	11.5
(c)	Sales reported for second half year	890,603	864,058	3.1
(d)	Operating profit after tax before deducting non-controlling interests reported for second half year	77,738	102,125	(23.9)

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

6. Profit before taxation

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

	The Group			
	6 months ended 30 September 2021 $'000	**6 months ended 30 September 2020 $'000**	**12 months ended 30 September 2021 $'000**	**12 months ended 30 September 2020 $'000**
Operating expenses				
Included in operating expenses are:				
Depreciation of fixed assets	38,009	36,770	76,935	74,251
Amortisation of brands and intangible assets	6,070	7,019	12,878	13,673
Allowance for bad and doubtful debts	4,877	8,412	4,753	8,559
Allowance for inventory obsolescence	2,892	5,021	5,953	9,179
Employee share-based expense	1,366	2,676	3,443	5,372
Other income (net)				
Gain on disposal of fixed assets	(36)	(153)	(28)	(223)
Foreign exchange loss/(gain)	5,251	(373)	5,022	(939)
Exceptional items				
Provision for restructuring and re-organisation costs of operations	7,106	811	8,377	1,010
Effect of change of interest in an associated company	343	-	343	-
Share of exceptional items of a joint venture company	-	350	-	350
Insurance claim relating to fire	-	(739)	-	(739)
	7,449	422	8,720	621

7. Taxation

	The Group			
	6 months ended 30 September 2021 $'000	**6 months ended 30 September 2020 $'000**	**12 months ended 30 September 2021 $'000**	**12 months ended 30 September 2020 $'000**
Current income tax	13,961	15,796	34,703	40,169
Deferred tax	753	2,744	3,908	4,005
Over provision in respect of previous years				
- Income tax	(801)	(6,962)	(1,755)	(7,405)
- Deferred tax	(2,087)	(522)	(2,138)	(47)
	11,826	11,056	34,718	36,722

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

8. Dividends

	The Group and The Company	
	12 months ended 30 September 2021 $'000	**12 months ended 30 September 2020 $'000**
Interim paid of 1.5 cents per share (2020: 1.5 cents per share)	21,839	21,793
Final proposed of 3.5 cents per share (2020: 3.5 cents per share)	50,814	50,753
	72,653	72,546

The final dividend is proposed by the Directors after the balance sheet date and subject to the approval of shareholders at the next annual general meeting of the Company.

9. Earnings per share

(a) Basic earnings per share

Basic earnings per share is computed by dividing the Group attributable profit to shareholders of the Company by the weighted average number of ordinary shares in issue during the period/year.

	The Group			
	6 months ended 30 September 2021 $'000	**6 months ended 30 September 2020 $'000**	**12 months ended 30 September 2021 $'000**	**12 months ended 30 September 2020 $'000**
Group attributable profit to shareholders of the Company				
- before fair value adjustment and exceptional items	61,771	78,550	145,217	150,397
- after fair value adjustment and exceptional items	58,031	77,562	140,442	149,210
	---------- Number of shares ----------			
Weighted average number of ordinary shares in issue	1,451,835,276	1,450,085,578	1,451,543,660	1,449,909,345
Earnings per share (basic) (cents)				
- before fair value adjustment and exceptional items	4.3	5.4	10.0	10.4
- after fair value adjustment and exceptional items	4.0	5.3	9.7	10.3

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

9. Earnings per share (cont'd)

(b) Diluted earnings per share

Diluted earnings per share is computed by dividing the Group adjusted attributable profit to shareholders of the Company by the adjusted weighted average number of ordinary shares in issue during the year.

For diluted earnings per share, the Group attributable profit to shareholders of the Company is adjusted for changes in subsidiary company's attributable profit resulting from dilutive potential shares under share plans of a subsidiary company. The reconciliation of the Group adjusted attributable profit to shareholders of the Company used to compute diluted earnings per share is as follows:

	The Group			
	6 months ended 30 September 2021 $'000	6 months ended 30 September 2020 $'000	12 months ended 30 September 2021 $'000	12 months ended 30 September 2020 $'000
Group attributable profit to shareholders of the Company before fair value adjustment and exceptional items	61,771	78,550	145,217	150,397
Change in attributable profit due to dilutive potential shares under share plans of a subsidiary company	(55)	(78)	(134)	(184)
Group adjusted attributable profit to shareholders of the Company before fair value adjustment and exceptional items	61,716	78,472	145,083	150,213
Group attributable profit to shareholders of the Company after fair value adjustment and exceptional items	58,031	77,562	140,442	149,210
Change in attributable profit due to dilutive potential shares under share plans of a subsidiary company	(50)	(82)	(129)	(188)
Group adjusted attributable profit to shareholders of the Company after fair value adjustment and exceptional items	57,981	77,480	140,313	149,022

The weighted average number of ordinary shares is adjusted to assume exercise of all dilutive potential shares under share plans of the Company. The reconciliation of the weighted average number of ordinary shares used to compute diluted earnings per share is as follows:

	The Group			
	6 months ended 30 September 2021	6 months ended 30 September 2020	12 months ended 30 September 2021	12 months ended 30 September 2020
	---------- Number of shares ----------			
Weighted average number of ordinary shares used to compute basic earnings per share	1,451,835,276	1,450,085,578	1,451,543,660	1,449,909,345
Adjustment for dilutive potential shares under share plans of the Company	3,907,753	4,140,625	3,907,753	4,140,625
Weighted average number of ordinary shares used to compute diluted earnings per share	1,455,743,029	1,454,226,203	1,455,451,413	1,454,049,970
Earnings per share (fully diluted) (cents)				
- before fair value adjustment and exceptional items	4.2	5.4	10.0	10.3
- after fair value adjustment and exceptional items	4.0	5.3	9.6	10.2

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

10. Share capital

	The Group and The Company	
	6 months ended 30 September 2021	**6 months ended 31 March 2021**
	---------- Number of Shares ----------	
Issued and fully paid ordinary shares:		
As at beginning of the period	1,451,835,276	1,450,085,578
Shares issued pursuant to the vesting of shares awarded under share plans	-	1,749,698
As at end of the period	1,451,835,276	1,451,835,276

	As at 30 September 2021	**As at 30 September 2020**
The number of shares awarded conditionally under share plans as at the end of the year	3,907,753	4,140,625
The number of issued shares excluding treasury shares at the end of the year	1,451,835,276	1,450,085,578

The Company did not hold any treasury shares as at 30 September 2021 (30 September 2020: Nil).

The Company did not have any subsidiary holdings as at 30 September 2021 and 30 September 2020.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares and subsidiary holdings by the Company during the six months ended 30 September 2021 and 30 September 2020.

11. Net asset value

	The Group		**The Company**	
	As at 30 September 2021	**As at 30 September 2020**	**As at 30 September 2021**	**As at 30 September 2020**
Net asset value per ordinary share based on issued share capital	$2.08	$2.05	$1.11	$1.12

12. Fixed assets

During the six months ended 30 September 2021, the Group acquired assets amounting to $51,818,000 (six months ended 30 September 2020: $50,868,000) and disposed of assets amounting to $471,000 (six months ended 30 September 2020: $168,000).

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

13. Acquisition of subsidiary companies (cont'd)

On 15 January 2021, Fraser and Neave Holdings Bhd, a subsidiary company of the Group, through its direct wholly-owned subsidiary, Awana Citra Sdn Bhd, completed the acquisition of the entire equity interest in each of the following companies:

(i) Sri Nona Food Industries Sdn Bhd;
(ii) Sri Nona Industries Sdn Bhd; and
(iii) Lee Shun Hing Sauce Industries Sdn Bhd,

for an aggregate purchase consideration of RM59,489,000 (approximately $19,337,000). A goodwill of $8,788,000 was recognised on the acquisition based on the difference between the consideration and the fair value of the identifiable assets and liabilities at the date of the acquisition, upon completion of the Purchase Price Allocation exercise. The consideration was arrived at on a "willing-buyer-willing-seller" basis, taking into consideration, inter alia, the net asset value, brands and earnings of the 3 companies.

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

	Fair value as at date of acquisition $'000
Fixed assets	1,019
Brands	4,908
Current assets	5,916
Current liabilities	(2,761)
Non-current liabilities	(1,663)
Cash and cash equivalents	3,130
	10,549
Goodwill arising from acquisition	8,788
Consideration paid	19,337
Less: Cash and cash equivalents of subsidiary companies acquired	(3,130)
Net cash outflow on acquisition of subsidiary companies	16,207

14. Borrowings

	The Group	
	As at 30 September 2021 $'000	**As at 30 September 2020 $'000**
Amount repayable in one year or less, or on demand		
Unsecured	427,573	42,701
Amount repayable after one year		
Unsecured	499,262	795,888

On 16 June 2021, a wholly-owned subsidiary of the Company, F&N Treasury Pte. Ltd. ("F&NT"), has issued S$100,000,000 in aggregate principal amount of 2.00 per cent. notes due 2026 comprised in Series 16 ("the Series 16 Notes") pursuant to the S$2,000,000,000 multicurrency debt issuance programme of F&NT. The Series 16 Notes are unconditionally and irrevocably guaranteed by the Company.

15. Significant related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following were the significant related party transactions entered into between the Group and related parties based on agreed fees or terms between the parties.

	The Group			
	6 months ended 30 September 2021 $'000	6 months ended 30 September 2020 $'000	12 months ended 30 September 2021 $'000	12 months ended 30 September 2020 $'000
(a) Transactions with TCC Group of Companies [(i)]				
Sales	12,732	9,357	24,641	25,559
Advertising & promotion support	839	4,163	6,311	8,992
Service fee and other income	336	484	869	1,890
Purchases	(15,089)	(13,414)	(31,615)	(35,693)
Marketing expense	(1,426)	(3,056)	(5,701)	(7,911)
Logistic expense	(1,309)	(1,907)	(3,195)	(4,311)
Insurance premium expense	(730)	(703)	(1,694)	(1,598)
Management fee expense	-	-	-	(100)
Rental and other expenses	(4,617)	(2,878)	(7,285)	(6,295)
(b) Transactions with Joint Venture and Associated Companies				
Sales	-	1,933	1,120	5,177
Receipt of corporate service fees	19	19	39	39
Finance income	-	-	-	5
Purchases	(1,302)	(882)	(2,312)	(1,829)

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

16. Contingent liabilities

The Company issued corporate guarantees to the extent of $2,897,158,000 (2020: $2,892,707,000) for the purpose of assisting its subsidiary and joint venture companies to obtain external borrowings. Of the $2,897,158,000 (2020: $2,892,707,000) corporate guarantees given by the Company, $920,486,000 (2020: $808,209,000) has been utilised by its subsidiary and joint venture companies as security for their borrowings.

17. Classification of financial assets and liabilities

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

	The Group		The Company	
	As at 30 September 2021 $'000	As at 30 September 2020 $'000	As at 30 September 2021 $'000	As at 30 September 2020 $'000
Financial Assets				
Other investments at FVOCI	5,625	6,147	172,339	206,298
Derivative financial instruments at fair value through profit and loss	546	629	-	5
Financial assets at amortised cost	766,124	646,677	135,465	63,637
	772,295	653,453	307,804	269,940
Financial Liabilities				
Derivative financial instruments designated as a hedge	7,202	14,777	-	-
Derivative financial instruments at fair value through profit and loss	419	320	17	-
Financial liabilities at amortised cost	1,335,879	1,237,591	900,992	855,572
	1,343,500	1,252,688	901,009	855,572

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

17. Classification of financial assets and liabilities (cont'd)

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

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

18. Fair value measurement

The Group and the Company classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

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

	The Group			
	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
As at 30 September 2021				
Financial Assets				
Other investments				
- Quoted equity investments at FVOCI	5,611	-	-	5,611
Derivative financial instruments	-	546	-	546
	5,611	546	-	6,157
Non-Financial Asset				
Investment properties	-	-	16,858	16,858
Financial Liability				
Derivative financial instruments	-	7,621	-	7,621
As at 30 September 2020				
Financial Assets				
Other investments				
- Quoted equity investments at FVOCI	6,133	-	-	6,133
Derivative financial instruments	-	629	-	629
	6,133	629	-	6,762
Non-Financial Asset				
Investment properties	-	-	17,075	17,075
Financial Liability				
Derivative financial instruments	-	15,097	-	15,097

Investment properties are stated at fair value which has been determined based on valuations performed at balance sheet date. Valuations are performed by accredited independent valuers with recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued. The valuations are based on open market values on the as-is basis and were prepared primarily using the Investment and Direct Comparison Approach. In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

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

18. Fair value measurement (cont'd)

	The Company			
	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
As at 30 September 2021				
Financial Assets				
Other investments				
- Quoted equity investments at FVOCI	172,325	-	-	172,325
Financial Liability				
Derivative financial instruments	-	17	-	17
As at 30 September 2020				
Financial Assets				
Other investments				
- Quoted equity investments at FVOCI	206,284	-	-	206,284
Derivative financial instruments	-	5	-	5
	206,284	5	-	206,289

There have been no transfers between Level 1, Level 2 and Level 3 for the Group and the Company during the financial year ended 30 September 2021 and 2020.

19. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

G. Other information required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated balance sheet of Fraser and Neave, Limited and its subsidiary companies as at 30 September 2021, the related condensed consolidated profit statement and other comprehensive income for the six-month and financial year ended 30 September 2021, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the financial year ended 30 September 2021 and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Profit Statement for the 12 months ended 30 September 2021

Revenue increased 2.5% to $1,879.2 million from $1,833.5 million last year. PBIT of $261.7 million decreased 2.1% from $267.4 million while attributable profit before fair value adjustment and exceptional items of $145.2 million decreased 3.4% as compared to last year.

Beverages

Overall Beverages revenue of $452.7 million was 3.0% higher as compared to last year. The increase was mainly due to the ramp up in sales volume at Emerald Brewery, which is in its second year of operations, favourable sales performance in Indonesia and aided by the distribution of functional products.

PBIT increased 15.2% from $17.3 million to $20.0 million this year. Earnings improved on the back of improved sales volume and mix, lower marketing spend and reduced promotional expenses in new markets and partly offset by higher freight costs and foreign currency translation losses.

Dairies

Dairies revenue at $1,190.0 million increased 2.3% from $1,163.8 million as compared to last year. This was mainly attributed to Dairies Malaysia and Dairies Thailand, driven by higher domestic canned milk sales and stronger export volumes.

Despite the improvement in revenue, Dairies PBIT decreased by 9.6% to $238.1 million as compared to last year impacted by bulk milk shipment delays, higher freight costs and unfavourable input costs. Lower profit contribution from Vietnam Dairy Products Joint Stock Company (“Vinamilk”), the Group’s associated company in Vietnam, as a result of higher input costs and unfavourable currency translation also contributed to the decrease.

Printing and Publishing

Despite the on-going uncertainties surrounding the resurgence of Covid-19 and a volatile global economy, Printing and Publishing (“P&P”) managed to stabilize its business performance and remain resilient, achieving a revenue of $222.4 million, a marginal decline of 3.3% compared to last year. This result came on the back of a very encouraging start to the year.

Notwithstanding substantial challenges in generating revenue growth during this period, P&P managed to reduce its PBIT loss by 75.7% from $10.5 million last year to $2.5 million this year through rigorous cost restructuring measures. In addition, there was a strong rebound in Education Publishing and Book Distribution.

Education Publishing continued to be the main profit driver, fuelled by favourable education sales mix coupled with the expansion of its international portfolio while Book Distribution benefited from new publisher acquisitions and significant progress achieved in the penetration into e-commerce platforms.

Tax

The Group effective tax rate (“ETR”) of 15.1% (2020:15.0%) which is lower than the corporate tax rate of 17% is attributed to non-taxable income.

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

2. Review of performance of the Group (cont'd)

Group Balance Sheet as at 30 September 2021

The increase in Reserves was mainly due to profits of $140.4 million retained for the year. This was partly offset by payment of dividends and currency translation loss arising from the depreciation of the Myanmar Kyat against the Singapore Dollar on the Group's interest in Emerald Brewery.

Current assets increased by $119.0 million or 12.4% from $958.8 million to $1,077.8 million as at 30 September 2021 mainly due to the increase in cash balances generated from operations. This was partly offset by the decrease in trade and other receivables as a result of prompt collection of receivables and accrued dividend receivable from Vinamilk being received in the current year.

Liabilities increased by $91.0 million or 6.6% from $1,379.1 million to $1,470.0 million as at 30 September 2021 mainly due to the issuance of $100.0 million bank borrowings during the year.

Group Cash Flow Statement for the 12 months ended 30 September 2021

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

Net cash inflow due to operating activities for the year was $247.4 million as compared to $42.7 million for last year. This was mainly due to timing of payments resulting in favourable working capital requirements for the year. Last year also included payments made for retirement benefit plan buy-out in the United Kingdom.

Net cash outflow due to investing activities of $21.8 million was lower than $58.2 million for last year mainly due to the smaller investment made in the acquisition of Sri Nona Group this year as compared to the additional investment made in Vinamilk last year. Purchases of fixed assets and payments for intangible assets were also lower in the current year.

Net cash outflow due to financing activities for the year was $33.8 million as compared to $118.4 million for last year. The lower cash outflow this year was mainly due to proceeds received upon the issuance of $100.0 million bank borrowings partly offset by higher repayment of borrowings.

Profit Statement for the 6 months ended 30 September 2021

Group revenue increased 3.1% to $890.6 million as compared to the corresponding period last year. The increase in revenue was mainly due to increased contribution from Dairies Malaysia and Dairies Thailand partly offset by challenges faced by Beverages Malaysia.

PBIT at $108.5 million decreased 13.6% as compared to the corresponding period last year. The decrease was mainly due to lower profit contributions from Emerald Brewery and Dairies Thailand, which were affected by unfavourable exchange rate movements, higher input costs, increased freight charges and lower share of profits from Vinamilk.

As compared to the corresponding period last year, group attributable profit before fair value adjustment and exceptional items and basic earnings per share before fair value adjustment and exceptional items were 21.4% and 20.4% lower at $61.8 million and 4.3 cents respectively.

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

Not applicable.

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

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

As Covid-19 enters into an endemic phase, the Group expects the markets we operate in to be negatively impacted from time to time due to new waves of Covid-19 infections resulting in some form of business disruptions. The Group remains cautious and continues to stay vigilant to mitigate the challenges posed by rising input costs, supply chain disruptions, spike in freight charges, adverse foreign currency movements and challenging market conditions posed by any resurgence of Covid-19. We will continue to exercise financial prudence in managing our cash flows and focus on disciplined execution of growth initiatives to strengthen the resilience of our businesses.

In our F&B business, our key markets are still operating with Covid-19 enhanced pandemic-related movement restrictions although some of these restrictions have been eased. While we expect consumer sentiment to remain cautious and impact our F&B business, particularly recovery of the on-premise sector, the gradual reopening from the easing of movement restrictions is nevertheless a positive step towards normalization of our on-premise trade. Rising commodities prices and weakness in the regional currencies will add pressure on our margins which may have to be passed on to our customers in terms of higher prices and managed through productivity improvements. Management is focused on long-term growth including innovation, brand building, business expansion and optimising our route-to-market.

The business outlook for the key markets of our P&P business remains patchy while recovery in revenue may continue to be uneven. Numerous measures have been taken to re-examine every aspect of our business including making structural changes in the operating cost base which has substantially reduced losses this year. Going forward, with a more efficient cost structure, P&P has a strong foundation to weather continued uncertainties in the market and emerge stronger when the Covid-19 pandemic stabilises.

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

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

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

(ii) Previous corresponding period : 3.5 cents

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

Tax-exempt (one-tier).

(d) The date the dividend is payable.

The Directors propose, subject to shareholders' approval at the Annual General Meeting to be held on 18 January 2022, a final dividend of 3.5 cents (last year: 3.5 cents) per share, to be paid on 14 February 2022. Taken with the interim dividend of 1.5 cents per share already paid, this will give a total distribution for the year of 5.0 cents per share (last year: 5.0 cents).

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

Registrable transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road, #02-00, Singapore 068898 up to 5.00 p.m. on 25 January 2022 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed on 26 January – 27 January 2022 for the preparation of dividend warrants.

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

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

Not applicable.

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

Particulars of interested person transactions ("**IPTs**") for the financial year ended 30 September 2021.

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) $'000
Companies and entities in the TCC Group	Associates (as defined in the SGX Listing Manual) of Mr. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi, who are the Chairman and Vice-Chairman of the Board of Directors respectively, and the controlling shareholders of the Company.	14,302

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

Refer to No. 2

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

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

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

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

BY ORDER OF THE BOARD
Hui Choon Kit
Company Secretary

5 November 2021