



UTM
UNIVERSITI TEKNOLOGI MALAYSIA

AZMAN HASHIM INTERNATIONAL BUSINESS SCHOOL

SBSD 1103

FINANCIAL MANAGEMENT

“GROUP ASSIGNMENT 1”

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SECTION : 01

NO	NAME	IC NO.	MATRIC NO.
1	OOI WEI TAT (L)	010603-07-0083	A21BS0125
2	PUA ZI QI	010504-01-0018	A21BS0128
3	JUVIPRIYA SEVA	010417-07-0768	A21BS0040
4	NURIN AMNI BINTI ROSDI	010620-08-0128	A21BS0111

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1.0 INTRODUCTION

The passionate decisions of two enterprising young men, John Fraser and David Neave, who branched from their printing firm to pioneer the aerated water business in Southeast Asia in 1883, gave rise to Fraser and Neave, Limited ("F&N" or the "Group"). F&N expanded from soft drinks to include beer in 1931, dairies in 1959, real estate development and management in 1990, and publishing and printing in 2000. The Group sold a significant portion of its beer business in 2012. F&N welcomed the TCC Group as its new majority shareholder in 2013, as it celebrated its 130th year of operation. The TCC Group is involved in food and beverage, real estate, industrial trading and consumer products, insurance, and agriculture. Today, F&N could be a leading Southeast Asian shopper cluster like an expert and outstanding standing within the Food & nutrient and publication & Printing industries. investment its strengths in promoting and distribution, analysis and development, brands and money management, furthermore as years of acquisition experience, the cluster provides key resources and sets strategic directions for its subsidiary corporations across each industry. Listed at the Singapore Stock Exchange, F&N ranks as one of the maximum set up and a hit businesses withinside the vicinity with an outstanding array of famed manufacturers that revel in sturdy marketplace leadership. F&N is found in eleven nations spanning Asia Pacific and the USA and employs over 6,900 human beings worldwide. In January 2014, thru a distribution in specie and re-list of Frasers Property Limited through manner of advent at the Singapore inventory exchange, the Group demerged its properties business.

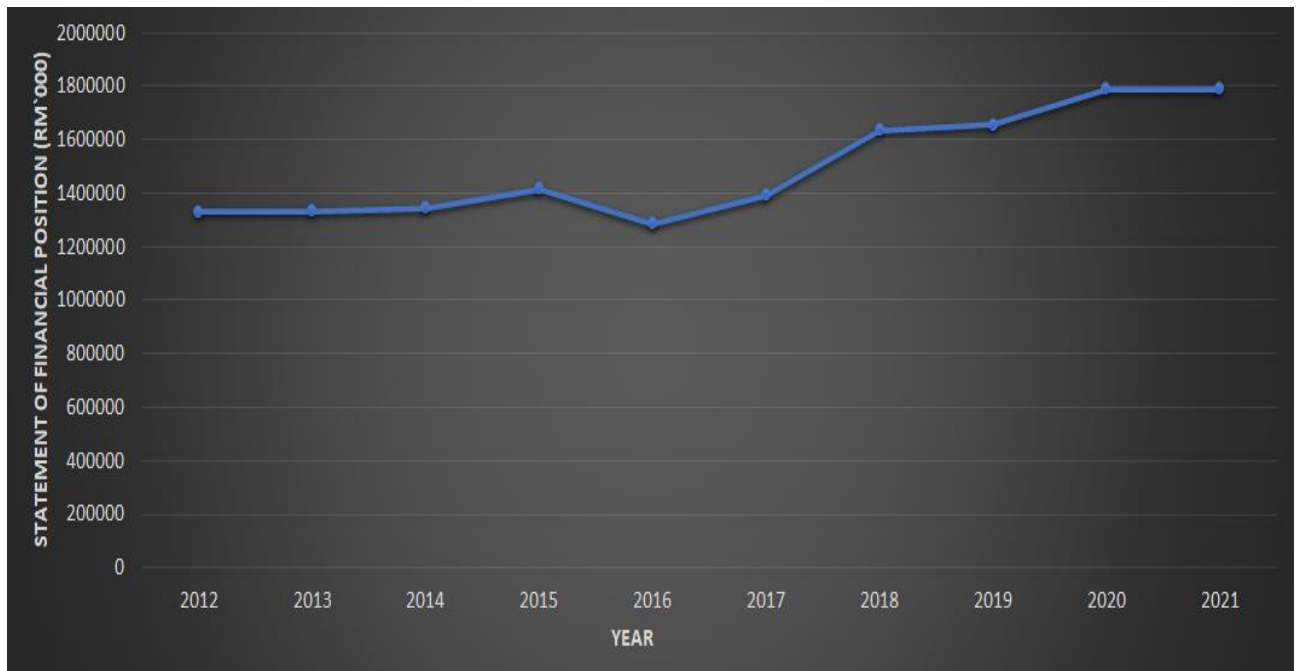
2.0 FINANCIAL STATEMENT OF COMPANY

2.1 Statement of Financial Position

In financial accounting, statement of financial position (also known as balance sheet) is a summary of the financial balance of an individual or organization, whether it be a sole proprietary, a business partnership, a corporation, private limited company, or other organization such as government or not-for-profit entity. Assets, liabilities, and ownership equity are listed as of a specific date, such as the end of its fiscal year.

Year	Total Assets = (Total Equity + Total Liabilities) (RM'000)
2012	1,329,165
2013	1,332,900
2014	1,344,289
2015	1,417,034
2016	1,285,326
2017	1,393,309
2018	1,636,236
2019	1,655,933
2020	1,788,891
2021	1,788,265

Statement of Financial Position for F&N Holdings Bhd on 30 September

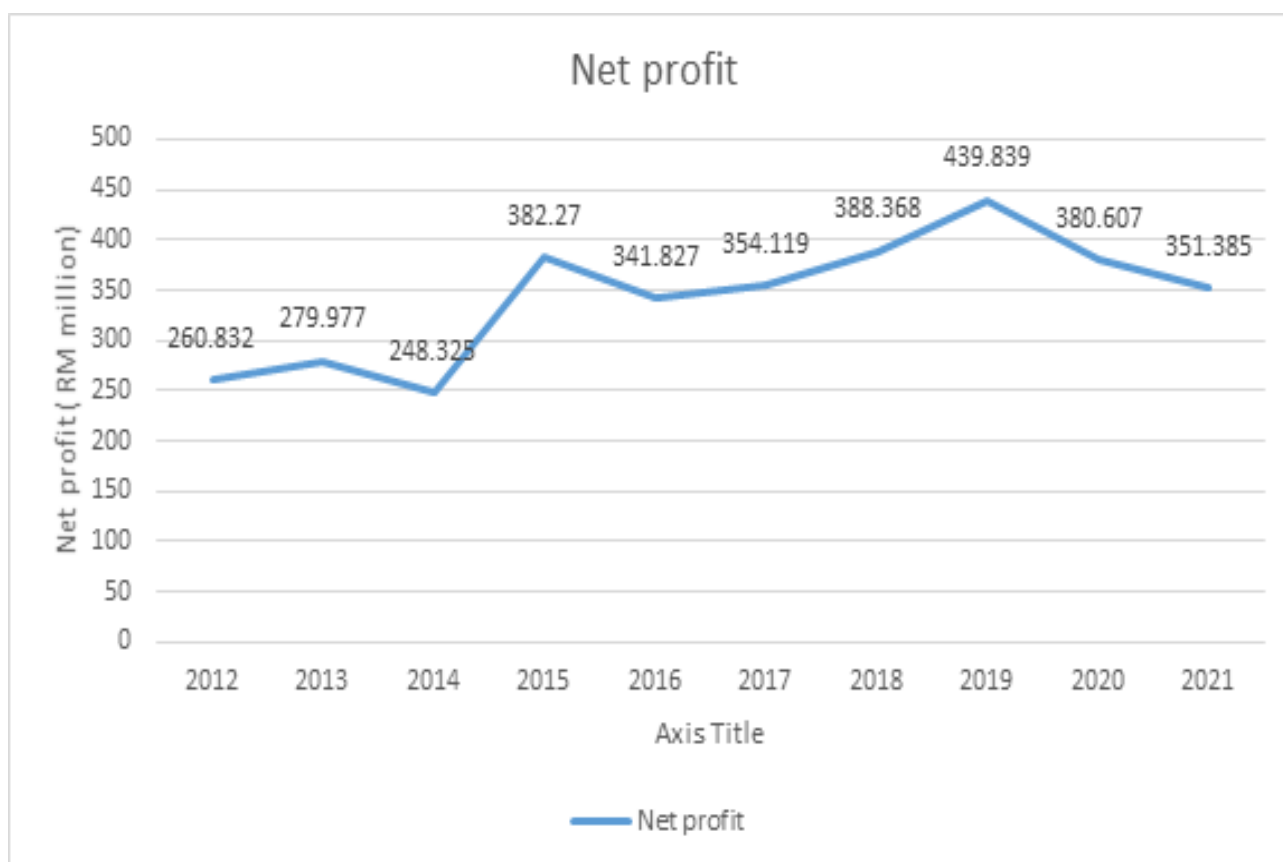


2.2 Statement of Comprehensive Income

Statement of Comprehensive Income is a part of financial statement that indicates the profitability of a company for a specified period. The Statement of Comprehensive Income includes revenue and expenses along with the resulting net profit or loss over a period due to operating activities.

Years	NET PROFIT (RM million)
2012	260.852
2013	279.977
2014	248.325
2015	382.270
2016	341.827
2017	354.119
2018	388.368
2019	439.839
2020	380.607
2021	351.385

Statement of Comprehensive Income F&N- Net Profit from year 2012 until 2021



Based on the graph above, the net profit of the Fraser & Neave Holdings Berhad (F&N) shown a fluctuating trend. The highest net profit of the Fraser & Neave Holdings Berhad (F&N) is RM 439.839 million in year 2019 while the lowest net profit of the Fraser & Neave Holdings Berhad (F&N) is RM 248.325 million in year 2014.

In year 2012, the net profit of the Fraser & Neave Holdings Berhad (F&N) is RM 260.852 million increased to RM 279.977 million in year 2013 but decreased to RM248.325 million in year 2014. The reason net profit of the Fraser & Neave Holdings Berhad increased from year 2012 to year 2013 is the recovery of F&N Thai dairy operations, which were affected by floods in year 2011 while the reason net profit of the Fraser & Neave Holdings Berhad decreased from year 2013 to year 2014 is the cost of sales F&N increased from RM 2.47 billion in year 2013 to RM 2.35 billion in year 2014. The net profit of the Fraser & Neave Holdings Berhad (F&N) in year 2014 is RM 248.325 million increased to RM 382.270 million in year 2015 but decreased to RM 341.827 million in year 2016. The net profit of the Fraser & Neave Holdings Berhad increased from year 2014 to year 2015 due to the better performance of F&N dairies segment in Malaysia and Thailand while the net profit of the Fraser & Neave Holdings Berhad decreased from year 2015 to year 2016 caused by low demand in the F&N segment in Malaysia, which was influenced by the soft consumer sentiment post-implementation goods and services tax and its revenue dropped slightly while operating profit was lower. The net profit of the Fraser & Neave Holdings Berhad (F&N) rose gradually by 28.67% from RM 341.827 million in year 2016 to RM 439.839 million in year 2019. The factors net profit of Fraser & Neave Holdings Berhad increased from year 2016 to year 2019 is higher demand in F&N segment in Thailand for its core products, operational cost savings, lower overheads, and successful festival promotion. The net profit of the Fraser & Neave Holdings Berhad (F&N) dropped slightly by 20.11% from RM 439.839 million in year 2019 to RM 351.385 million in year 2021. The reasons net profit of Fraser & Neave Holdings Berhad decreased from year 2019 to year 2021 is the impact of pandemic Covid-19, higher commodity prices and reduced export margins.

3.0 INDUSTRY LEVEL ECONOMY STATUS

Manufacturing Industry

In the year 2012, growth rate of manufacturing industry is at 4.8%. The sector has expanded due to better growth in the export and domestic market. The high domestic construction activity has contributed to the major improvement of the domestic market. Next, in year 2013, the growth rate of manufacturing industry is at 3.4%. This growth rate is because of the domestic-oriented industries and the betterment of the export-oriented industries in that year. Higher export rates in E&E and primary clusters have uplifted the production of the export-oriented businesses. Furthermore, the domestic-oriented industries have shown a stable growth throughout the year due to high consumer expenditure.

The growth rate of manufacturing industry then showed an increase to 6.3% in the year 2014 from 3.4% in the previous year. Next in the year 2015, the growth rate of manufacturing rate dropped drastically to 4.9%. The reason behind the figure is because of lower marginal growth in consumer related expenditure.

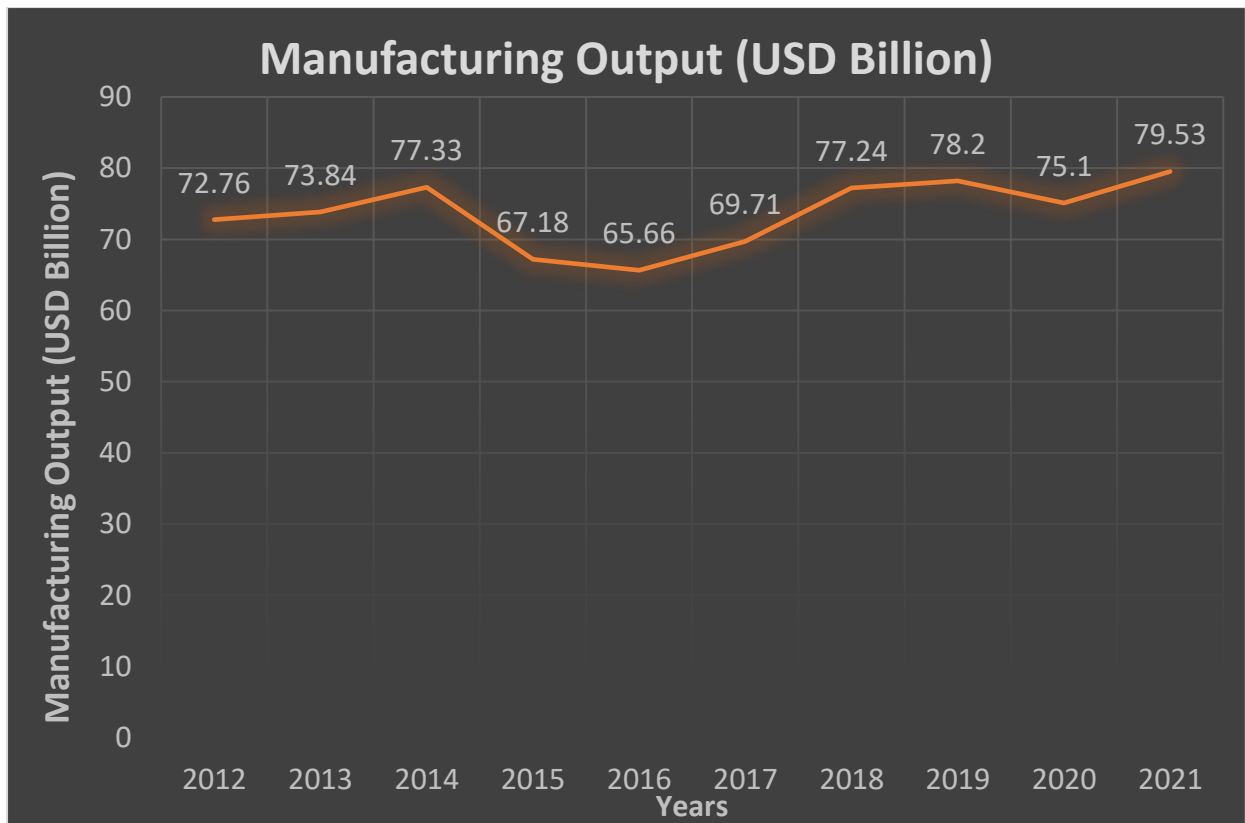
Growth rate in the year 2016 is 4.4% where it experienced a fall due to the low output production of motor vehicles, but the stable demand of food and beverage products outweighed the fall and made the growth rate remain quite steady through the year. The fall was not that drastic to the sector and had very minimal impact. Whereas in 2017, the manufacturing sector had a drastic increase which is 6% from 4.4% the previous year. This major growth is a result of a continuous betterment of both domestic-oriented and export-oriented industries. However, in this year, the production of transport equipment had a noticeable increase which contributed to the increase of the overall of manufacturing sector. A sturdy demand of food and beverages products also contributed to the increase in growth rate of manufacturing sector for that particular year.

Manufacturing sector in the year 2018 recorded a growth rate of 5.0% compared to 6.0% the year before. This decline in growth is a direct result of supply disruption of natural oil and crude palm oil which affected the production of palm-oil based products. In the year 2019, the growth rate of manufacturing industry declined to 3.8% from 5% in the year 2018. This is because of a decrease in demand of export which made worsened by a weak international trade and a decline in global growth. The inconsistent trade policies imposed at that time and a

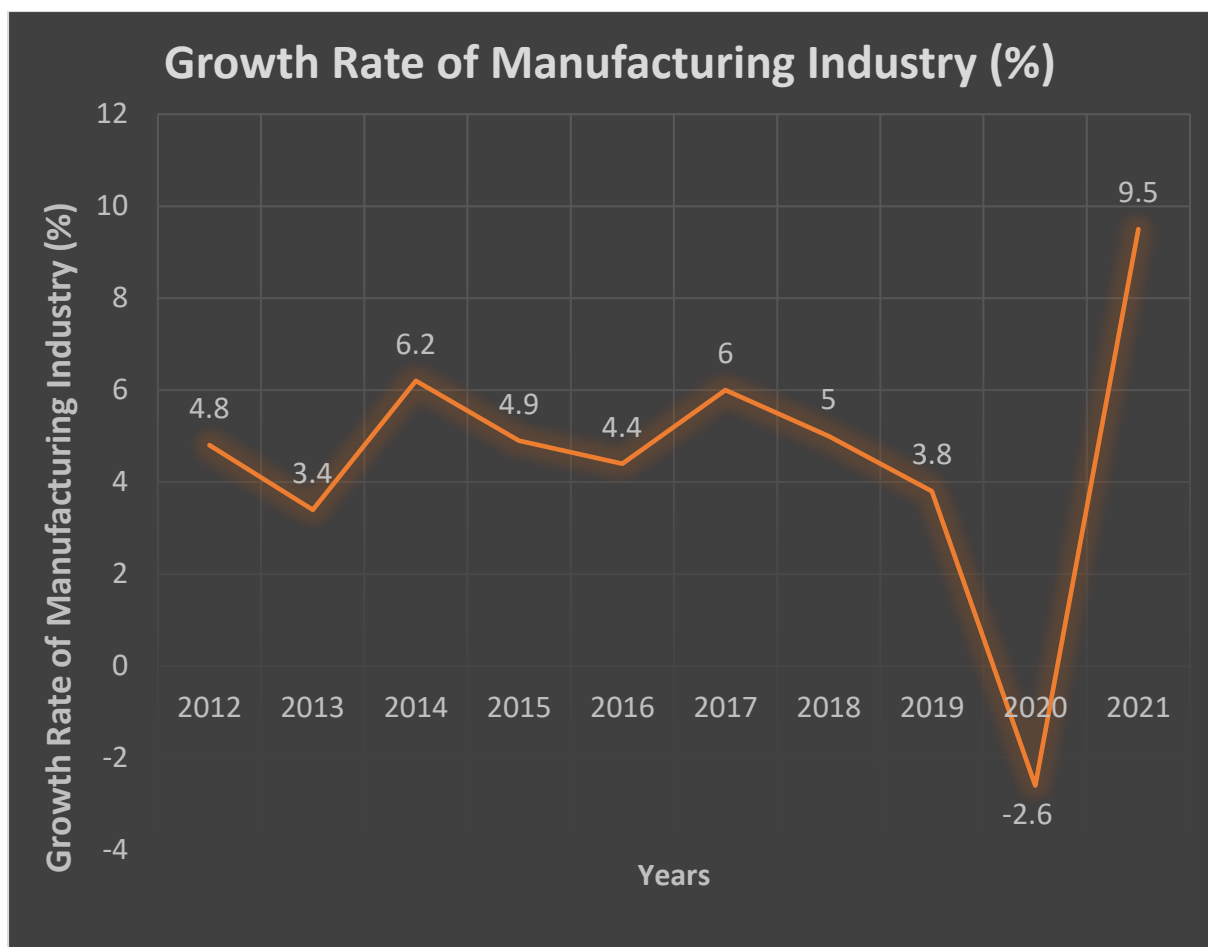
decline in export contributed to the shrinking of the manufactured goods. However, it is predicted that this sector experience higher growth in years to come.

For the year 2020, overall, the manufacturing sector had a major downfall due to the lockdown phases that was imposed by the government to curb the spread of Covid 19. The economy contracted due to the Movement Control Order (MCO) that limited the economic activities in the country. Market supply and demand that declined has an impact on the Malaysian economics that caused a negative growth. In 2021, as economic activities started to resume, the growth rate of manufacturing sector bounced from negative to a growth (3.6%). Export demand that increased and the economic sector that was running improved in growth especially the manufacturing sector that rebounded.

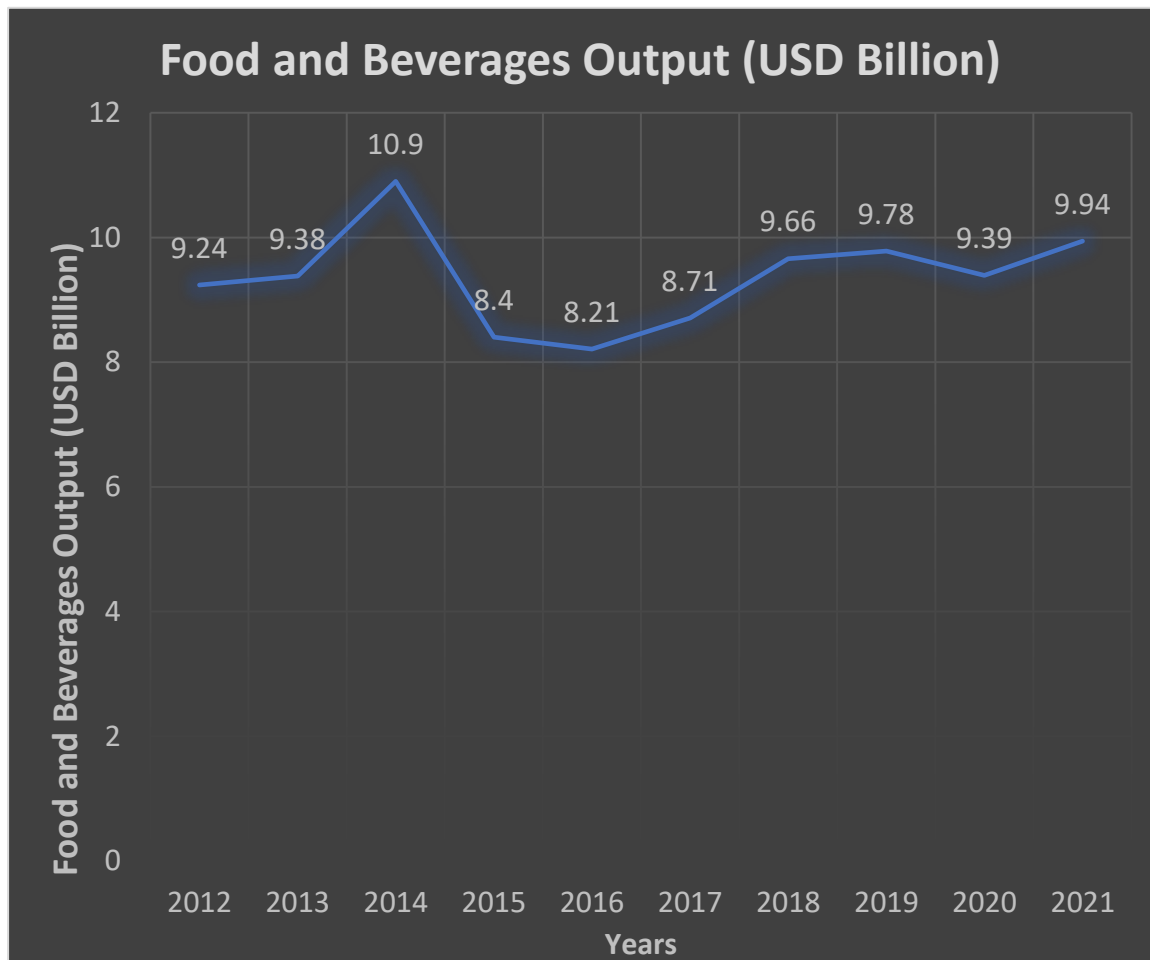
YEAR	Manufacturing Output (USD Billion)
2012	72.76
2013	73.84
2014	77.33
2015	67.18
2016	65.66
2017	69.71
2018	77.24
2019	78.20
2020	75.10
2021	79.53



YEAR	Growth Rate Of Manufacturing Industry (%)
2012	4.8
2013	3.4
2014	6.2
2015	4.9
2016	4.4
2017	6.0
2018	5.0
2019	3.8
2020	-2.6
2021	9.5



YEAR	Food and beverages Output (USD Billion)
2012	9.24
2013	9.38
2014	10.90
2015	8.40
2016	8.21
2017	8.71
2018	9.66
2019	9.78
2020	9.39
2021	9.94



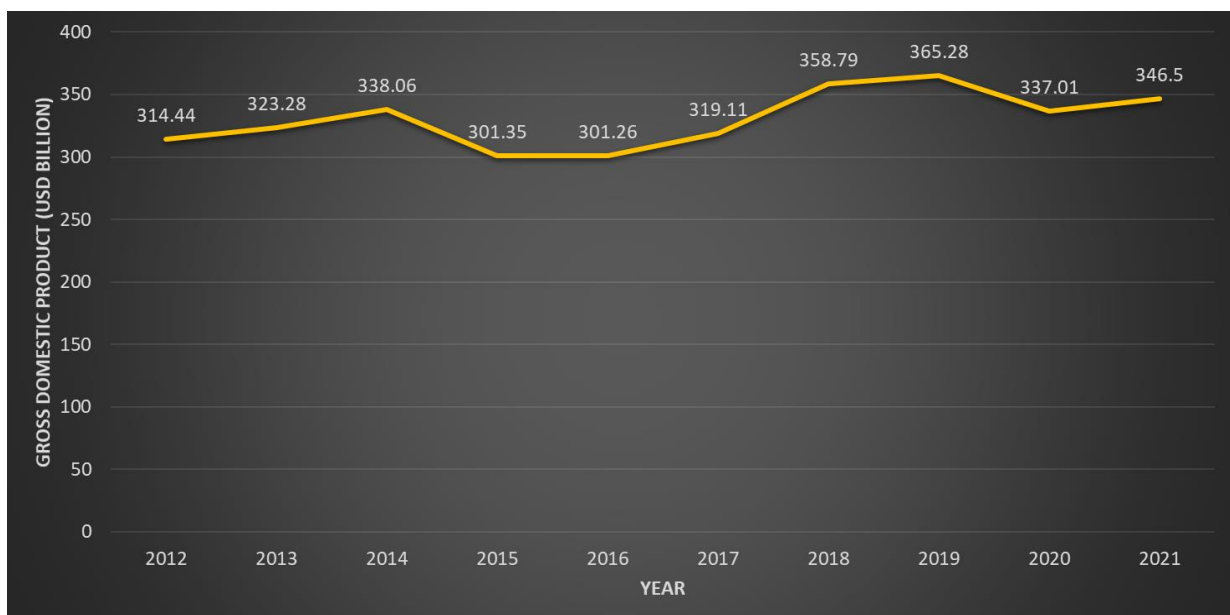
4.0 COUNTRY LEVEL ECONOMY STATUS

4.1 Gross Domestic Product at Market Price

Gross Domestic Product means that the value of final goods and service produce in a country. It will reflect the economic performance of a country, but also the national strength and wealth of a country.

Year	Gross Domestic Product (USD Billion)	GDP Growth Rate (Annual %)
2012	314.44	5.5
2013	323.28	4.7
2014	338.06	6.0
2015	301.35	5.1
2016	301.26	4.4
2017	319.11	5.8
2018	358.79	4.8
2019	365.28	4.4
2020	337.01	-5.6
2021	346.50	3.1

Gross Domestic Product at Market Price in Malaysia



In 2012, the Gross Domestic Product of Malaysia increase from 314.44 USD Billion to 338.06 USD Billion in 2014. The main reason for the Gross Domestic Product of Malaysia increase are governments have adopted an active fiscal policy and accommodative monetary policies to stimulate domestic consumption and expand private and public sector investment. At the same time, with their comparative advantages in labour resources and good sovereign credit ratings, the ASEAN countries are committed to perfecting the investment environment and actively accepting international industrial transfers, thus attracting a large amount of foreign capital inflows. This may attract a large amount of foreign investment, which has contributed to economic growth.

In 2014, the Gross Domestic Product of Malaysia decrease from 338.06USD Billion to 301.35 USD Billion in 2015 and achieved the lowest Gross Domestic Product of Malaysia in 2016 with 301.26 USD Billion. This is because of Malaysia currency has continued to decline and increase the cost of living of residents. This situation may cause dampening effect on domestic demand. Besides, the introduction of Goods and Services Tax (GST) also has increased the cost living of residents. Goods and services are becoming more expensive, and even bus and cab fares have increased significantly, with even greater increases in fares and service costs for electric trains (Commuter), light rail (LRT) and monorails. This will cause heavier financial pressure on Malaysia's low and middle-income groups and it also has an impact on the economic development.

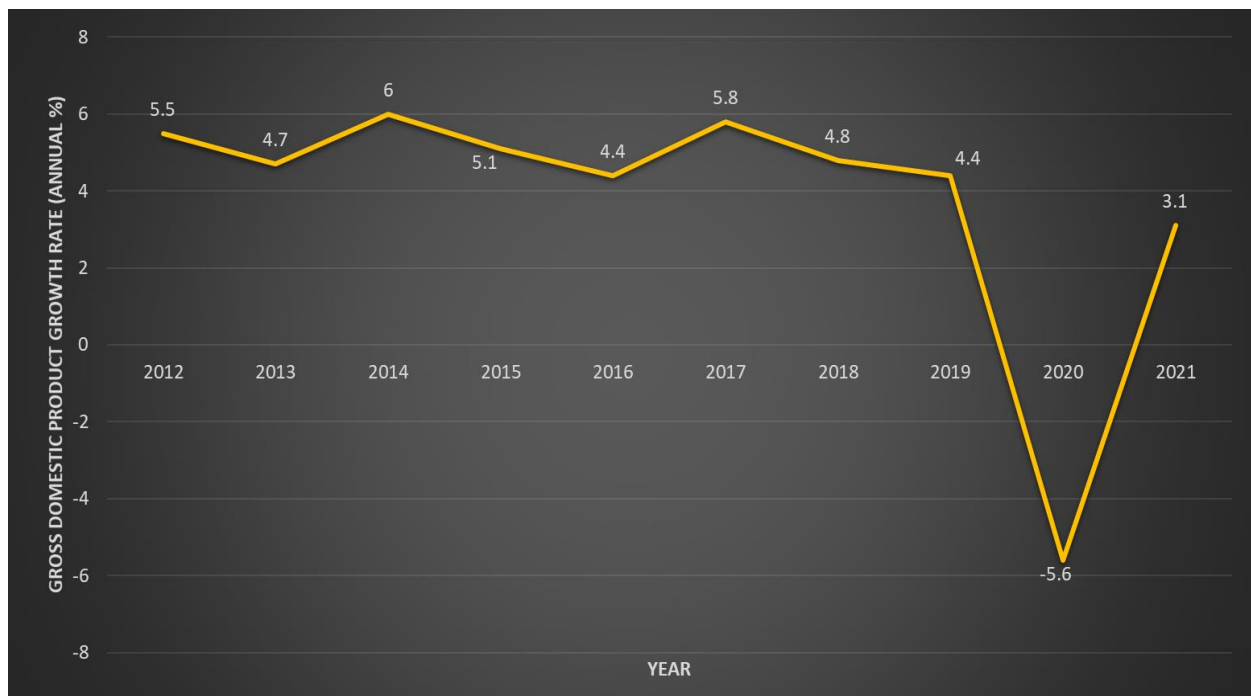
In 2016, the Gross Domestic Product of Malaysia increase from 301.26 USD Billion to 365.28 USD Billion in 2019. Malaysia's economic growth declined, due to reduced commodity supply, slower net export growth and lower public investment. The economic impact of Covid-19 pandemic will be seen in the tourism and manufacturing sectors, as it will lead to a reduction in the number of tourists, while the suspension of industry in China may also affect the supply chain. The overall economic impact of Covid-19 Pandemic has difficult to assess and it depends on the spread and evolution of the outbreak and the decisions made by other countries. This will bright an effect on economic growth in Malaysia.

In 2019, the Gross Domestic Product of Malaysia decrease from 365.28 USD Billion to 337.01 USD Billion in 2020. This due to the epidemic control measured implemented in some areas to control the spread of Pandemic Covid-19. During the period of Pandemic Covid-19, people are forces to stay at home. This will make the demand of the market decrease and effect the economic growth in Malaysia. In 2020, the Gross Domestic Product of Malaysia increase from 337.01 USD Billion to 346.5 USD Billion in 2021. This is because of standard operating procedure has become simplify, the company can start their business. Therefore, the employees have their salary and spend to buy goods. This will cause the economics of the country growth directly.

4.2 Annual Growth Rate of Gross Domestic Product

Gross Domestic Product is the best indicator which will reflect the economic performance of a country. Annual growth rate refers to the differences of the percentage from one period to another period.

Annual Growth Rate of Gross Domestic Product in Malaysia



In 2012, the annual growth rate of Gross Domestic Product in Malaysia decreases from 5.5% to 4.7% in 2013. Malaysia's economic transformation has met with some success. Although domestic demand continues to grow steadily, net exports have fallen sharply, pulling down overall growth. Malaysia has achieved the highest annual growth rate of Gross Domestic Product in Malaysia with 6% in 2014. Despite the plunge in international crude oil prices has made the economy of Malaysia continued to grow, benefiting from the country's economic diversification strategy in recent years and driven by strong private consumption and investment growth. Amidst the complex external challenges, the Malaysian economy will continue to thrive, supported by a diversified economic structure, low inflation, full employment, low levels of external debt, adequate external reserves, a well-capitalized banking system, and a maturing and developing financial market, among other fundamentals.

In 2014, the annual growth rate of Gross Domestic Product in Malaysia decreases from 6% to 4.4% in 2016. Given the uncertain external economic environment and the ongoing domestic economic reforms, there is a risk that economic growth will decline. This is because of uncertainty growth prospects of economies and concerns about falling global energy prices. In 2016, the annual growth rate of Gross Domestic Product in Malaysia increases from 4.4% to 5.8% in 2017. The private sector remains the main driver of Malaysia's economic growth, with foreign trade and capital flows also supporting the economy. All sectors continue to grow except mining.

In 2017, the annual growth rate of Gross Domestic Product in Malaysia decreases from 5.8 % to 4.4% in 2019. Malaysia's economic growth declined, due to reduced commodity supply, slower net export growth and lower public investment. During the period of Pandemic Covid-19, people begin to take precautions, all events or celebrations are postponed indefinitely, and spending on major expenditures is reduced. This will cause the circular flow of the capital and demand of the market become decrease. It will be contributing a decline in economic growth of the country.

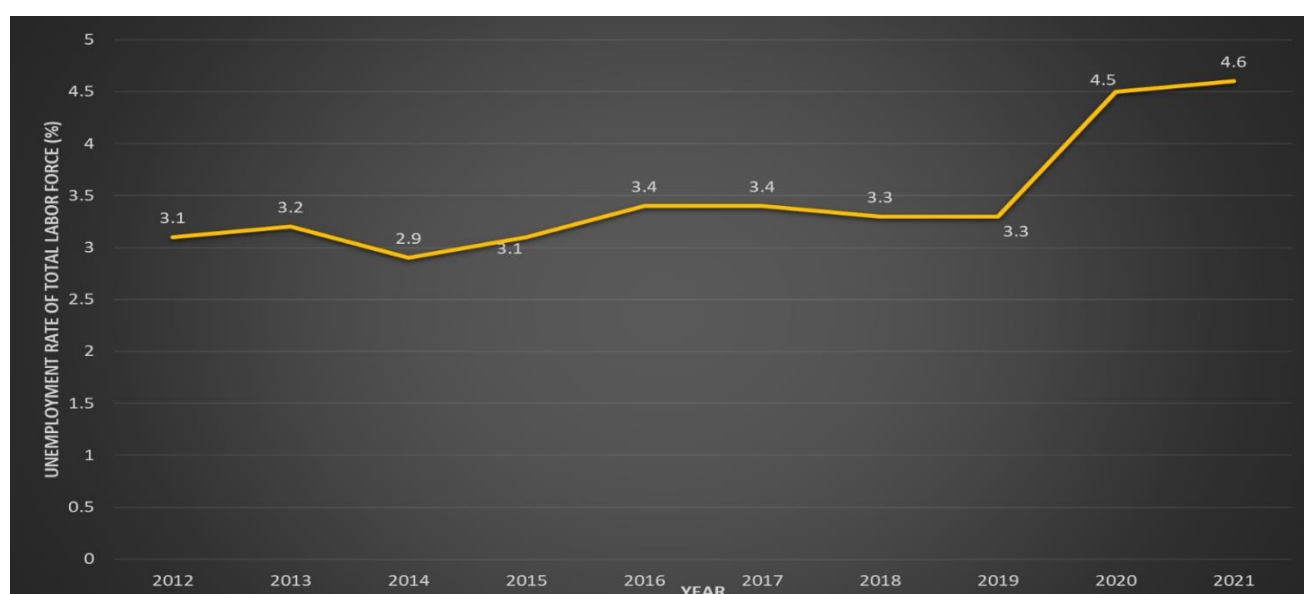
The annual growth rate of Gross Domestic Product in Malaysia decreases 5.6% in 2020 and increase 3.1% in the next year. The Malaysian economy will continue to be on a recovery path this year, thanks to continued expansion in global demand, improved labour market conditions and continued policy support, which has led to increased private sector spending, as well as progress in vaccination for the new crown.

4.3 Unemployment rate of total labour force

The unemployment rate reflects the number of people who have a desire to work but are not employed. Many people interpret this index as the sum of the number of people who are not employed, but in fact it is only the number of people who are looking for work or who have just been temporarily laid off. The unemployed population also includes those who have chosen not to work, but the unemployment rate only measures the number of people who are willing to work but temporarily unable to find a job. Under ideal market conditions, for labour supply and demand to be balanced, all labour should be under an employment relationship.

Year	Unemployment rate of total labor force (%)
2012	3.1
2013	3.2
2014	2.9
2015	3.1
2016	3.4
2017	3.4
2018	3.3
2019	3.3
2020	4.5
2021	4.6

Unemployment Rate of Total Labor Force In Malaysia



In 2012, the unemployment rate of total labour forces in Malaysia decrease from 3.1% to 2.9%. This is because of the decline in global oil prices has made Malaysia economy continue to grow and also made Malaysia Ringgit become devaluted. This will leads to the increase in export demand and create the job's chance for the employees. In 2014, the unemployment rate of total labour forces in Malaysia increase from 2.9% to 3.4% in 2017. The economic of Malaysia is uncertainty due to the impact of the global economic crisis in 2014. Therefore, the company mada the decision to layoffs the employee to overcome the cost of the company.

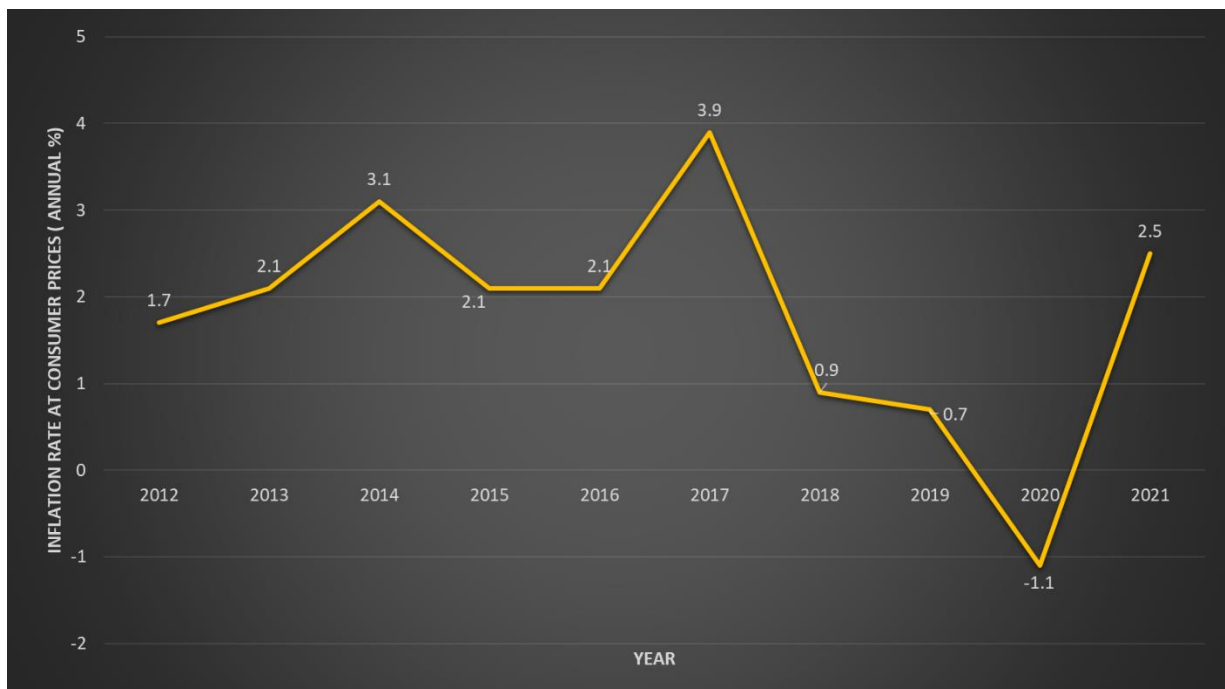
In 2017, the unemployment rate of total labour forces in Malaysia increase from 3.4% to 3.3% in 2019. This is because Malaysia's economic stability has attracted a lot of foreign investment, which has increased a lot of job opportunities for the resident. In 2019, the unemployment rate of total labour forces in Malaysia increase from 3.4% to 4.6 % in 2021. This is because of many company have to close their operation during the period of pandemic Covid-19 and people are force to stay at home. This may cause the unemployment rate of total labour forces increase directly.

4.4 Inflation rate at Consumer Prices

Inflation refers to excessive amount of money in the market, it will lead to an increase in the price of product and cause the purchasing power of the resident decrease. Inflation also refers to the phenomena of the prices growth continuously in certain period.

Year	Inflation rate at Consumer Prices (Annual %)
2012	1.7
2013	2.1
2014	3.1
2015	2.1
2016	2.1
2017	3.9
2018	0.9
2019	0.7
2020	-1.1
2021	2.5

Inflation rate at Consumer Prices in Malaysia



In 2012, the inflation rate at consumer prices in Malaysia increase from 1.7% to 3% in 2014. This is because of large amounts of foreign capital flooded into the market and create the job opportunity for the resident. When the amount of money increase in the market, it will lead the prices to become higher and cause the phenomena of inflation occur. In 2014, the inflation rate at consumer prices in Malaysia decrease from 3.1% to 2.1 % in 2016. The income level of the resident is going down due to the impact of the global economic crisis. The prices of product will going down when the purchasing power decrease.

The highest inflation rate at consumer prices in Malaysia is 3.9% in 2017. The gradual recovery of the global economy and a modest pick-up in domestic demand helped stimulate the Malaysian economy. However, the Malaysian economy is under inflationary pressure due to rising commodity and energy prices and the devaluation of the ringgit. In 2017, the inflation rate at consumer prices in Malaysia decrease from 3.9% to -1.1 % in 2020. This is because many businesses were forced to stop their operation during the period of pandemic Covid-19. Besides, people are forces to stay at home and it will lead the prices of product going down because demand is too little. In 2021, the inflation rate at consumer prices in Malaysia is 2.1%. This is because the government has simplify the rule of standard of operation (SOP). Therefore, the income level and purchasing power of the resident will be increase as their salary increase. This may cause the prices of product become higher and cause the situation of inflation.

5.0 FINANCIAL RATIO

5.1 Liquidity Ratio

Liquidity ratio is a type of financial ratio used to measure the ability of company to pay the current debt obligations. Liquidity ratios include two ratios which is current ratio and quick ratio to decide the ability of company use its current assets to cover its current liabilities.

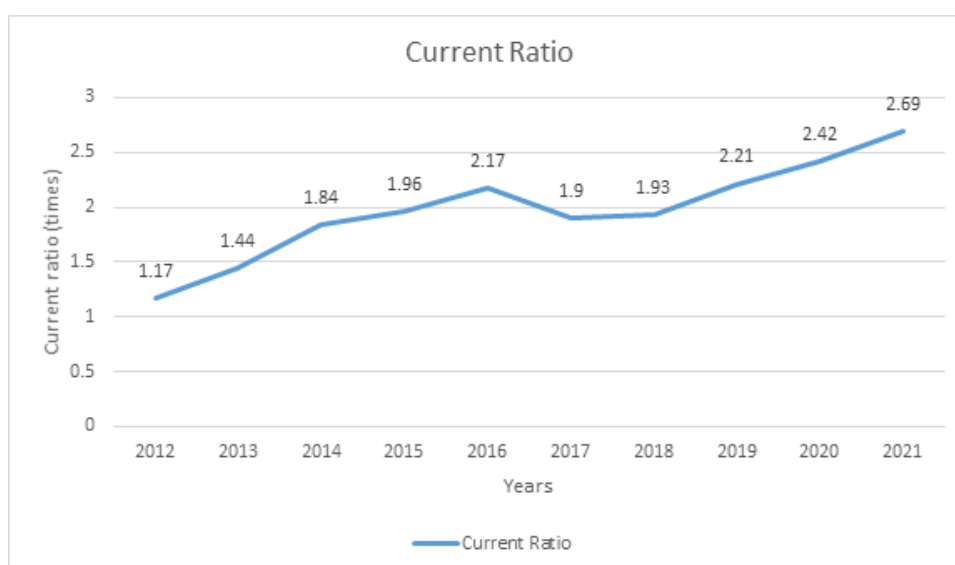
5.1.1 Current Ratio

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Years	Current Ratio = $\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2012	$\frac{1230454}{1050062}$ = 1.17 times This shows that the current assets can cover the current liabilities 1.17 times.
2013	$\frac{1302810}{901304}$ = 1.44 times This shows that the current assets can cover the current liabilities 1.44 times.
2014	$\frac{1249362}{677855}$ = 1.84 times This shows that the current assets can cover the current liabilities 1.84 times.
2015	$\frac{1517040}{773380}$ = 1.96 times

	<p>This shows that the current assets can cover the current liabilities 1.96 times.</p>
2016	$\frac{1668340}{767424}$ <p>= 2.17 times</p> <p>This shows that the current assets can cover the current liabilities 2.17 times.</p>
2017	$\frac{1610751}{849115}$ <p>= 1.90 times</p> <p>This shows that the current assets can cover the current liabilities 1.90 times.</p>
2018	$\frac{1649509}{855662}$ <p>= 1.93 times</p> <p>This shows that the current assets can cover the current liabilities 1.93 times.</p>
2019	$\frac{1755692}{795008}$ <p>= 2.21 times</p> <p>This shows that the current assets can cover the current liabilities 2.21 times.</p>
2020	$\frac{1739461}{719459}$ <p>= 2.42 times</p> <p>This shows that the current assets can cover the current liabilities 2.42 times.</p>
2021	$\frac{1764827}{655878}$ <p>= 2.69 times</p> <p>This shows that the current assets can cover the current liabilities 2.69 times.</p>

Liquidity Ratio (F&N)-Current Ratio from year 2012 to 2021



Based on the graph above, the current ratio of the Fraser & Neave Holdings Berhad (F&N) shown a fluctuating trend. The highest current ratio of the Fraser & Neave Holdings Berhad (F&N) is 2.69 times in year 2021 while the lowest current ratio of the Fraser & Neave Holdings Berhad (F&N) is 1.17 times in year 2012.

In year 2012, the current ratio of the Fraser & Neave Holdings Berhad (F&N) is 1.17 times rose significantly to 2.17 times in year 2016 but decreased to 1.9 times in year 2017. The current ratio of the Fraser & Neave Holdings Berhad (F&N) is increased gradually from 1.9 times in year 2017 to 2.69 times in year 2021. This means that the Fraser & Neave Holdings Berhad able to use its current assets to pay short-term obligations from year 2012 to year 2021 because the current ratio of the Fraser & Neave Holdings Berhad from year 2012 to year 2021 is higher than 1.

In year 2012, the current ratio of the Fraser & Neave Holdings Berhad (F&N) is 1.17 times, even though this shows that the F&N company's ability to pay short-term obligations is satisfied, but the current ratio of the Fraser & Neave Holdings Berhad (F&N) in year 2012 is lower ratio compared to other years. Floods in Thailand affected the F&N Thailand segment in the year 2012 and caused a lower current ratio. The floods in Thailand cause the F&N segment in Thailand has significant losses, include stock and assets. The F&N segment in Thailand faced the problems which are F&N segment Thailand's inventory, vehicles, fixtures, and fittings, and valuable machinery can be destroyed beyond repair. F&N company's inventories decreased because of the floods. In addition, the F&N company's payables also increased in order to recover the operation of the F&N segment in Thailand.

The solution should be used by Fraser & Neave Holding Berhad (F&N) to solve the problem is F&N company should buy flood insurance for the several segments which are factory in high flood risk area. This insurance will help the company recover more quickly after the floods and reduce the losses of the company.

5.1.2 Quick ratio

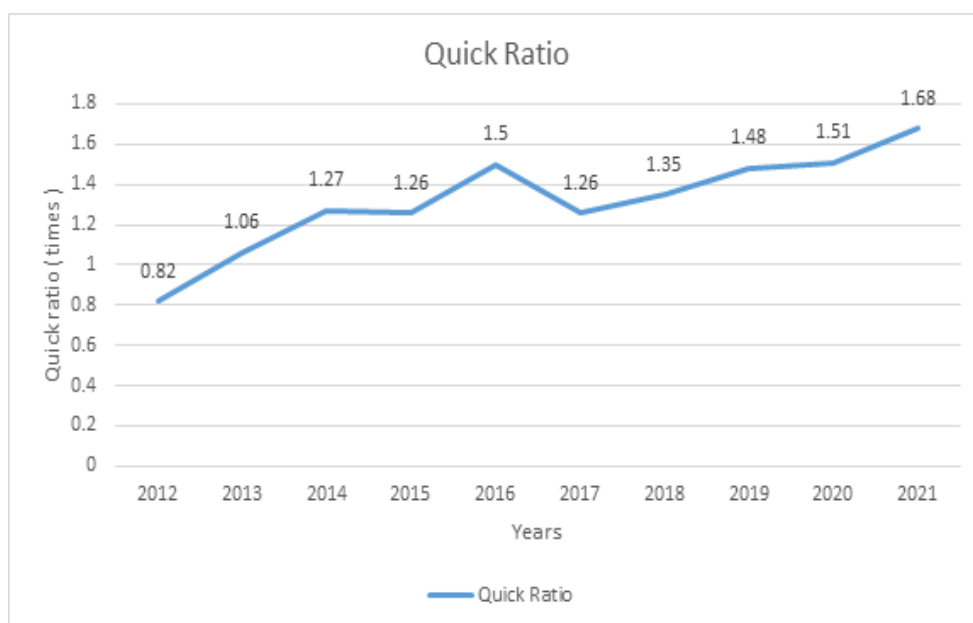
$$\text{Quick Ratio} = \frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}}$$

Years	Quick Ratio = $\frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}}$
2012	$\frac{1230454 - 370775}{1050062}$ <p>= 0.82 times</p> <p>This show that the current assets can cover the current liabilities 0.82 times after taking out the least liquid items.</p>
2013	$\frac{1302810 - 350134}{901304}$ <p>= 1.06 times</p> <p>This show that the current assets can cover the current liabilities 1.06 times after taking out the least liquid items.</p>
2014	$\frac{1249362 - 390713}{677855}$ <p>= 1.27 times</p> <p>This show that the current assets can cover the current liabilities 1.27 times after taking out the least liquid items.</p>
2015	$\frac{1517040 - 542775}{773380}$ <p>= 1.26 times</p>

	<p>This show that the current assets can cover the current liabilities 1.26 times after taking out the least liquid items.</p>
2016	$\frac{1668340 - 517329}{767424}$ <p>= 1.50 times</p> <p>This show that the current assets can cover the current liabilities 1.50 times after taking out the least liquid items.</p>
2017	$\frac{1610751 - 540716}{849115}$ <p>= 1.26 times</p> <p>This show that the current assets can cover the current liabilities 1.26 times after taking out the least liquid items.</p>
2018	$\frac{1649509 - 497165}{855662}$ <p>= 1.35 times</p> <p>This show that the current assets can cover the current liabilities 1.35 times after taking out the least liquid items.</p>
2019	$\frac{1755692 - 578404}{795008}$ <p>= 1.48 times</p> <p>This show that the current assets can cover the current liabilities 1.48 times after taking out the least liquid items.</p>
2020	$\frac{1739461 - 655981}{719459}$ <p>= 1.51 times</p> <p>This show that the current assets can cover the current liabilities 1.51 times after taking out the least liquid items.</p>

2021	$\frac{1764827 - 659745}{655878}$ <p>= 1.68 times</p> <p>This show that the current assets can cover the current liabilities 1.68 times after taking out the least liquid items.</p>
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Liquidity Ratio (F&N)- Quick Ratio from year 2012 to 2021



Based on the graph above, the quick ratio of the Fraser & Neave Holdings Berhad (F&N) shown a fluctuating trend. The highest quick ratio of the Fraser & Neave Holdings Berhad (F&N) is 1.68 times in year 2021 while the lowest current ratio of the Fraser & Neave Holdings Berhad (F&N) is 0.82 times in year 2012.

In year 2012, the quick ratio of the Fraser & Neave Holdings Berhad (F&NHB) is 0.82 times increased to 1.27 times in year 2014 but decreased to 1.26 times in year 2015. The quick ratio of the Fraser & Neave Holdings Berhad (F&NHB) is rose from 1.26 times in year 2015 to 1.5 times in year 2016 but fell again to 1.26 times in year 2017. The quick ratio of the Fraser & Neave Holdings Berhad (F&NHB) is increased gradually from 1.26 times in year 2017 to 1.68 times in year 2021. This means that the Fraser & Neave Holdings Berhad able to use its liquid assets to pay short-term obligations from year 2013 to year 2021 because the quick ratio of the Fraser & Neave Holdings Berhad (F&NHB) from year 2013 to year 2021 is more than 1.

In year 2012, the quick ratio of the Fraser & Neave Holdings Berhad (F&N) is 0.82 times. This indicates that the F&N company's ability to pay short-term obligations is

unsatisfied and the quick ratio of the Fraser & Neave Holdings Berhad (F&N) in year 2012 is lower than other years. This is because the percentages of inventories in current assets is almost 30%, so after remove the inventories which are may is not as easy to convert into cash, we can clearly see that the F&N company has more current liabilities than liquid assets.

The solution should be used by Fraser & Neave Holding Berhad (F&N) to solve the problem is F&N company should increase sales and inventory turnover. For example, F&N company can do the discount on product, increased marketing, and motivate the salesperson in order to increase sales, which will improve the turnover of inventory. This is because the inventory is excluded from quick ratio calculations, so F&N company better to sell out their inventory in order to yield more cash, which is included in the quick ratio.

5.2 Capital Structure Ratio

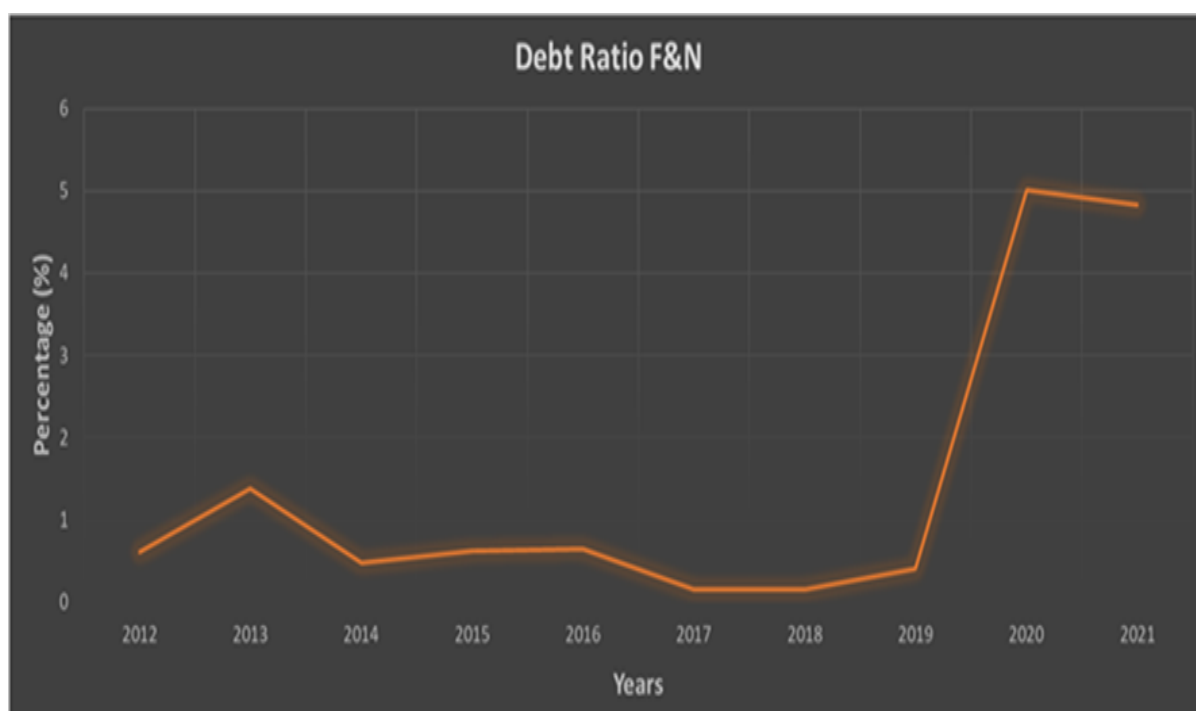
Capital structure refers to how it finances its operation and growth with various sources of funds, such as bond issues, long-term notes payable, common stock, preferred stock or retained earnings. Capital structure is sometimes referred as “financial leverage,” as each business must consider the optimal ratio for running its business between debt and equity. Corporate executives must keep capital structure in mind to try either maximize shareholders’ wealth or increase the company’s value

5.2.1 Debt Ratio

$$\text{Debt Ratio} = \frac{\text{Total Liabilities}}{\text{Total Assets}}$$

YEAR	DEBT RATIO (%)
2012	0.61
2013	1.38
2014	0.48
2015	0.62
2016	0.65
2017	0.15
2018	0.15
2019	0.41
2020	5.01
2021	4.83

Capital Structure Ratio (F&N)- Debt Ratio from 2012 to 2021



Debt Ratio- Problem and Solution

Based on the graph, the highest debt ratio of Fraser and Neave Holdings Berhad is 5.01% in 2020. The main reason is because of Covid 19. It started to spread widely in Malaysia since February 2020. Malaysian government take drastic action to prevent the spread of Covid 19 by implementing a Movement Control Order (MCO) in March 2020. Because of the MCO, a lot of company in manufacturing sector cut off their production, as the global pandemic cut the demand also the supply for the product and restricted operating capacities due to severely delayed deliveries inputs. F&N Holdings Berhad also facing the problem due to Covid 19. A lot of policy must be followed as to make sure the production still can keep going. Also, the company facing lessen in production resources because Malaysian Government close the international border and having very strict policy in import sector.

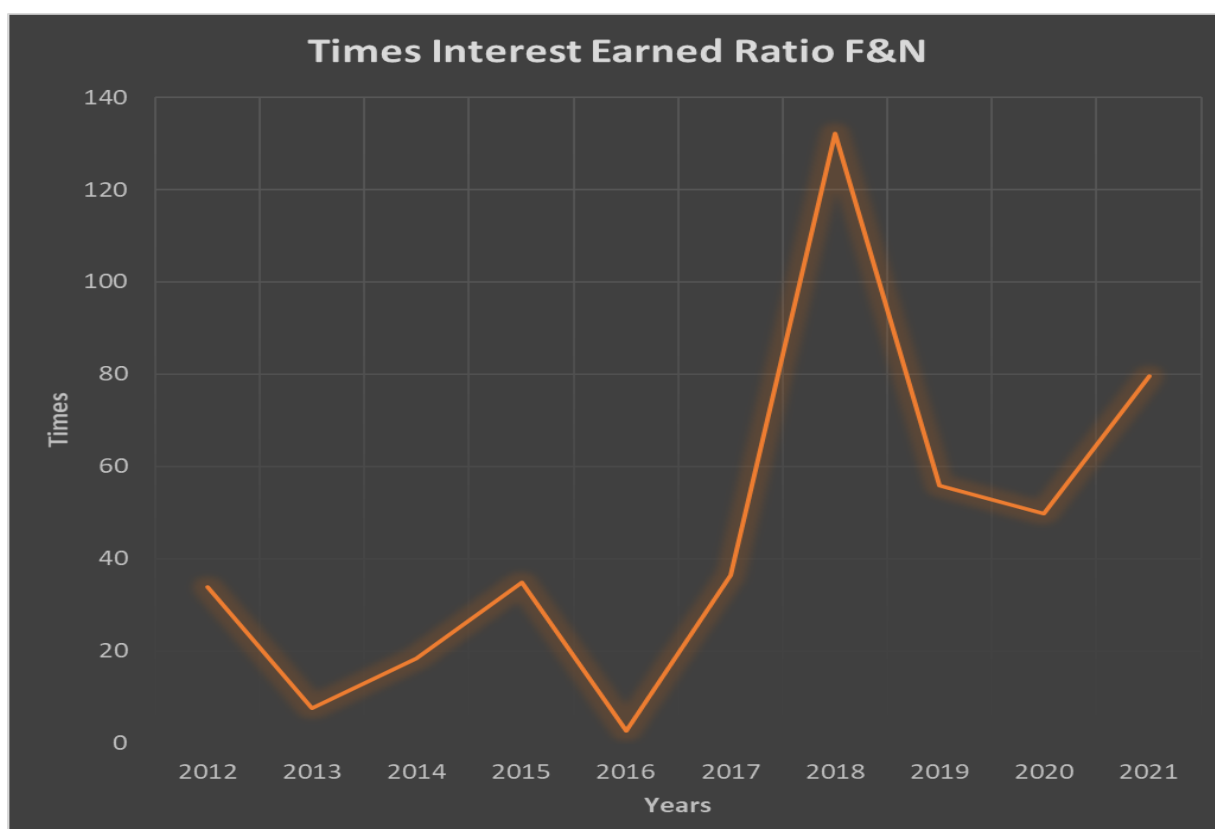
The positive solution was implemented by F&N Holdings Berhad to ensure that the production activities continue to run smoothly. F&N Holdings Berhad interacted with its trade partners and suppliers on a regular basis to assure product availability in the market. During the MCO, the company also sought approval from the Ministry of International Trade and Industry (MITI) on behalf of suppliers to continue operations. At the same time, F&N Holdings Berhad granted credit lines to a number of distributors in order to help them manage their finances. In essence, solid ties with a varied pool of suppliers in Malaysia and Thailand helped to ensure the supply chain's long-term viability.

5.2.2 Times Interest Earned Ratio (TIE)

$$\text{Times Interest Earned} = \frac{\text{Net Operating Income or EBIT}}{\text{Interest Expense}}$$

YEAR	TIMES INTEREST EARNED RATIO (times)
2012	33.86
2013	7.49
2014	18.42
2015	34.90
2016	2.58
2017	36.45
2018	132.10
2019	55.85
2020	49.72
2021	79.51

Capital Structure Ratio (F&N)- Times Interest Earned Ratio (TIE) from 2012 to 2021



TIE Ratio

Based on the graph, the lowest times earned interest ratio of Fraser & Neave Holdings Berhad happened in 2016 by 2.58 times. The US economy has slowed to the point where multiple historically reliable signals of imminent recession were raising caution lights by early 2016. Industrial production has been negative over the past 12 months, while retail sales have been dropping. The global economy has gotten considerably worse. The world's financial markets were in free fall. Negative economic reports from China sparked panic selling. The drop-in interest rates sparked widespread worries of deflation and depression. Because of that, F&N Holdings Berhad lose the ability to settle down the company's debt.

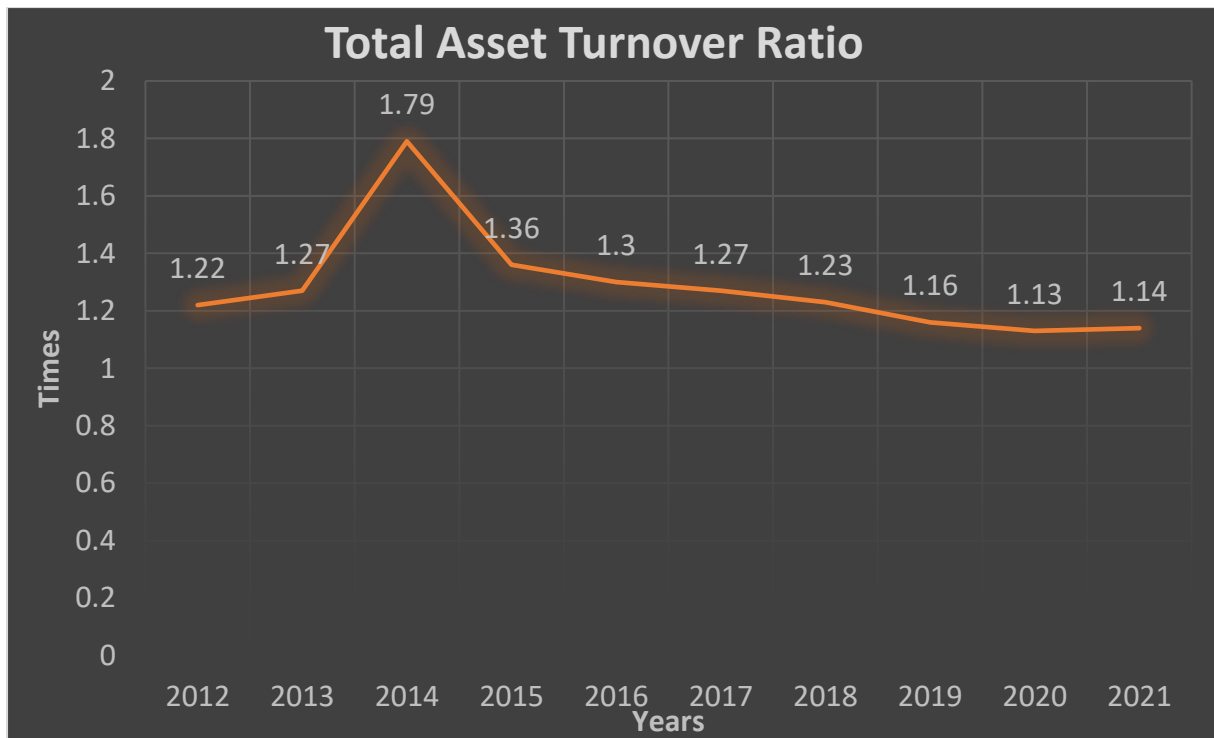
The possible solution was taken by the F&N Holdings Berhad to make sure that they have higher ability to settle down the company's debt. The company started to reorganisation the company structure, as to streamline their operations, reduce duplication of duties and maximise value from the assets and resources.

5.3 Asset Management Efficiency Ratio

5.3.1 Total Asset Turnover Ratio

$$\text{Total Asset Turnover Ratio} = \frac{\text{Sales}}{\text{Total Assets}}$$

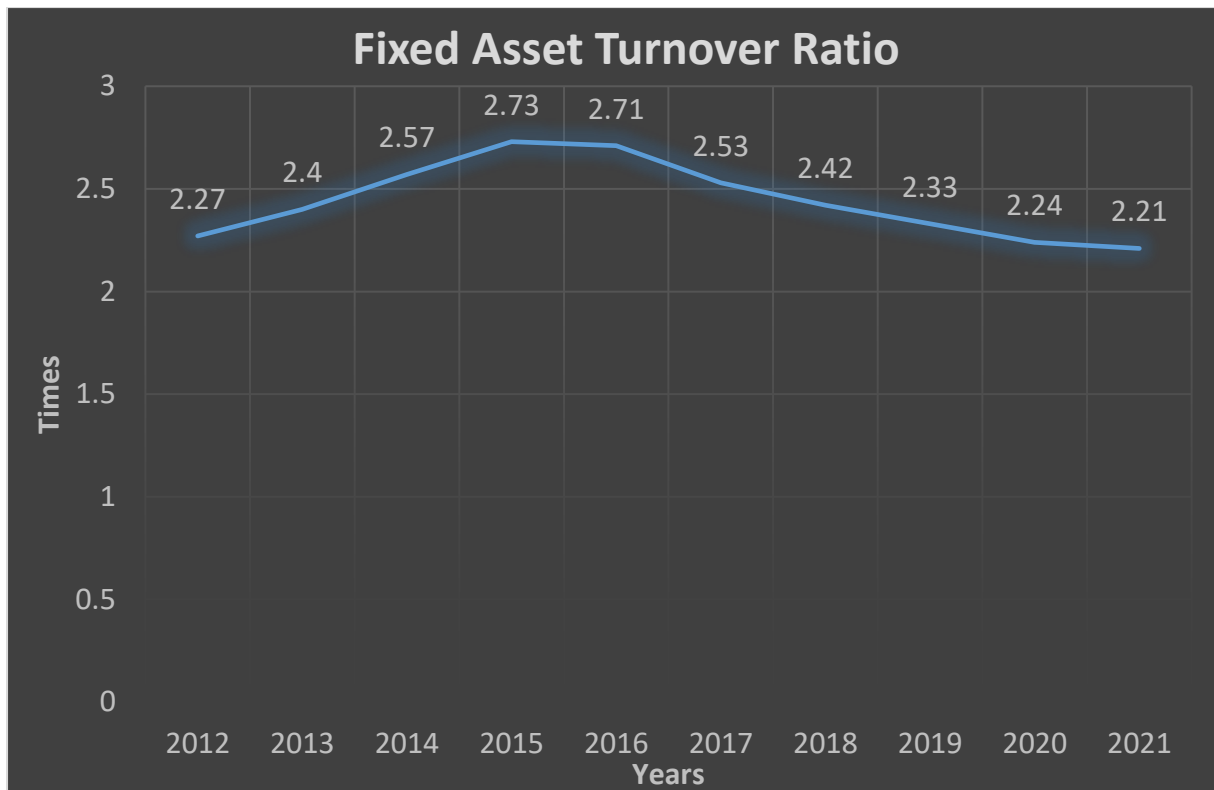
YEAR	Total Asset Turnover Ratio (Times)
2012	1.22
2013	1.27
2014	1.79
2015	1.36
2016	1.30
2017	1.27
2018	1.23
2019	1.16
2020	1.13
2021	1.14



5.3.2 Fixed Asset Turnover Ratio

$$\text{Fixed Asset Turnover Ratio} = \frac{\text{Sales}}{\text{Net Plant and Equipment}}$$

YEAR	Fixed Asset Turnover Ratio (Times)
2012	2.27
2013	2.40
2014	2.57
2015	2.73
2016	2.71
2017	2.53
2018	2.42
2019	2.33
2020	2.24
2021	2.21



Problem

Buyer behaviour changes

A clean diet is beginning to become popular among people where most consumers are more aware of what they eat and drink. Being health conscious has made people purchase healthier food and beverages in their daily life. The outbreak of Covid-19 has certainly played a significant role in promoting healthy eating habits and contributed to the change of diet to a much healthier one in many. This change in buyer behaviour can impact the demand F&N products. Furthermore, the sugar tax imposed by the Malaysian government will cause F&N's product range to be charged at a high rate as almost 90% of their products are liable to the tax. The cost production of F&N will increase as they will have to reformulate their products to minimize the imposed tax. The rise in the production cost will cause a hike in the price of goods sold. This will result in consumers opting to a different option of brands that satisfy their needs with a cheaper price and a lower sugar level. F&N may start facing challenges like losing customers to their competitors and their sales also may decline.

Solution

Strategy of the lowest-cost provider

A solution to the challenge is F&N should use the lowest-cost provider approach to attract the customers and make changes in their products to satisfy consumers expectations of products with lower sugar content. This solution is most likely to work when consumers are susceptible to adverse changes in price. (Turner 2017). F&N should also focus improvement of the products quality to ensure customers preferences are fulfilled. Research and Development (R&D) should be done to make reformulate the products with a lower sugar level and with additional nutrients values to stand out among its competitors that produce low sugar products. Next, changes in price should also be implemented by the company as consumers are drawn to products with lower price and an excellent quality. This is correlated to customer buying behaviour which shows that customers opt for products that are of excellent quality with a lower price. (Ercolano 2018). Products that meet customers' expectations and a cheaper price can increase market demand. (Turner 2017). This can benefit F&N eventually as it can attract value -conscious consumers that will help increase sales and keep F&N in a competitive advantage among other brands.

5.4 Profitability Ratio

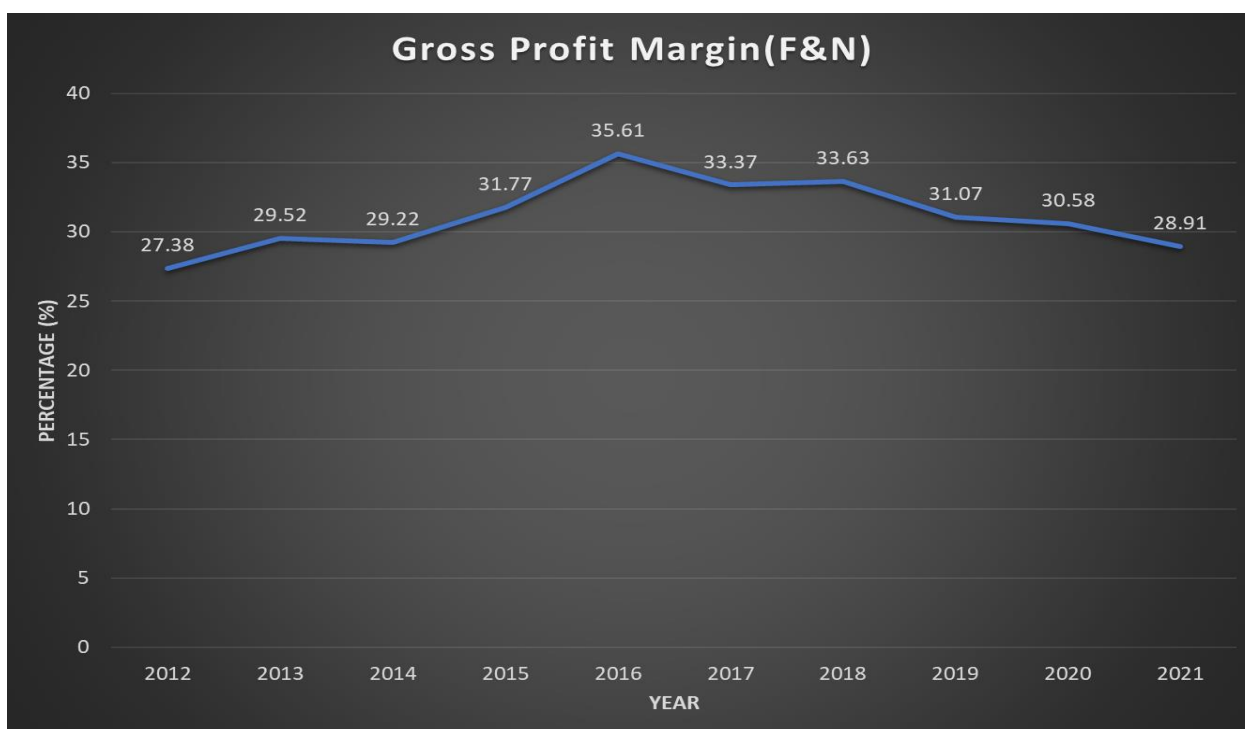
Profitability Ratio reflects investors' expectations of the company's future earnings The reason for this is that it is precisely because investors have elevated expectations for the company's future earnings that the stock price rises, and the ratio increases accordingly. This ratio is higher for fast-growing companies and lower for companies that are growing steadily. Based on this ratio, investors can also expect the growth of the company's earnings.

5.4.1 Gross Profit Margin

$$\begin{aligned} &\text{I) Gross Profit Margin} \\ &= \frac{\text{Gross Profit}}{\text{Sales}} \end{aligned}$$

Year	Gross Profit Margin(%)
2012	27.38
2013	29.52
2014	29.22
2015	31.77
2016	35.61
2017	33.37
2018	33.63
2019	31.07
2020	30.58
2021	28.91

Profitability Ratio (F&N)-Gross Profit Margin from Year 2013 to Year 2021



Problem and Solution

Based on the graph, the lowest Gross Profit Margin of Fraser & Neave Holding Berhad (F&NHB) is 27.38% in 2012. The main reason is because of the impact of the European debt crisis. Meanwhile, the political and economic uncertainty in the European region has raised concerns about the economic outlook of ASEAN and the Asia-Pacific region. Thailand is facing the process of recovery and reconstruction after suffering the worst floods in 70 years. This has led to a less than positive economic outlook for the region and is also contributing to the decline in revenue of the company. At the same time, the company's sales will be significantly affected by the 200 days suspension of production at its factories in Thailand due to the flooding, as well as the insurance and compensation claims process.

The solution needs to be taken by Fraser & Neave Holding Berhad (F&NHB) is increase the import to full fill the demand in Thailand. This is because import product from Malaysia may help its to maintain the supply pipeline and help them to maintain their market position. Besides, the profit getting from import attract the investor to invest their fund into the company. Therefore, import from other country will help the company to generate the capital and use it to buy the new machines. This makes the company fully return to production as soon as possible and it also will help the company to generate the sales. The quantity of export increase in Malaysia's company helps Fraser & Neave Holding Berhad (F&NHB) to generate the maximum profit.

Besides, Fraser & Neave Holding Berhad (F&NHB) also facing a difficult situation as their gross profit margin in 2021 is 28.91%. The main reason for getting the lower gross profit margin is because of transformation business method made by the company. This puts the company in a learning and adaptation process, which can affect the quantity and quality of the product. Consumer also keep their attention to our product even that is an uncertain situation. But the transformation prosses of the company need a lot of capital and the future development also not clear. This will lower the interest of the investor to invest their fund for the company and make the quantity of product produce become decrease because of lack of fund. This will cause the decline in Fraser & Neave Holding Berhad (F&NHB) net operating income.

The solution needs to be taken by Fraser & Neave Holding Berhad (F&NHB) is to buy new machines and offer the training courses to all the employees. This is because training will help the employees to generate new skills and can increase the efficiency of the jobs. Quality of product also can be assured by offering training to all the employees. Besides, new machines

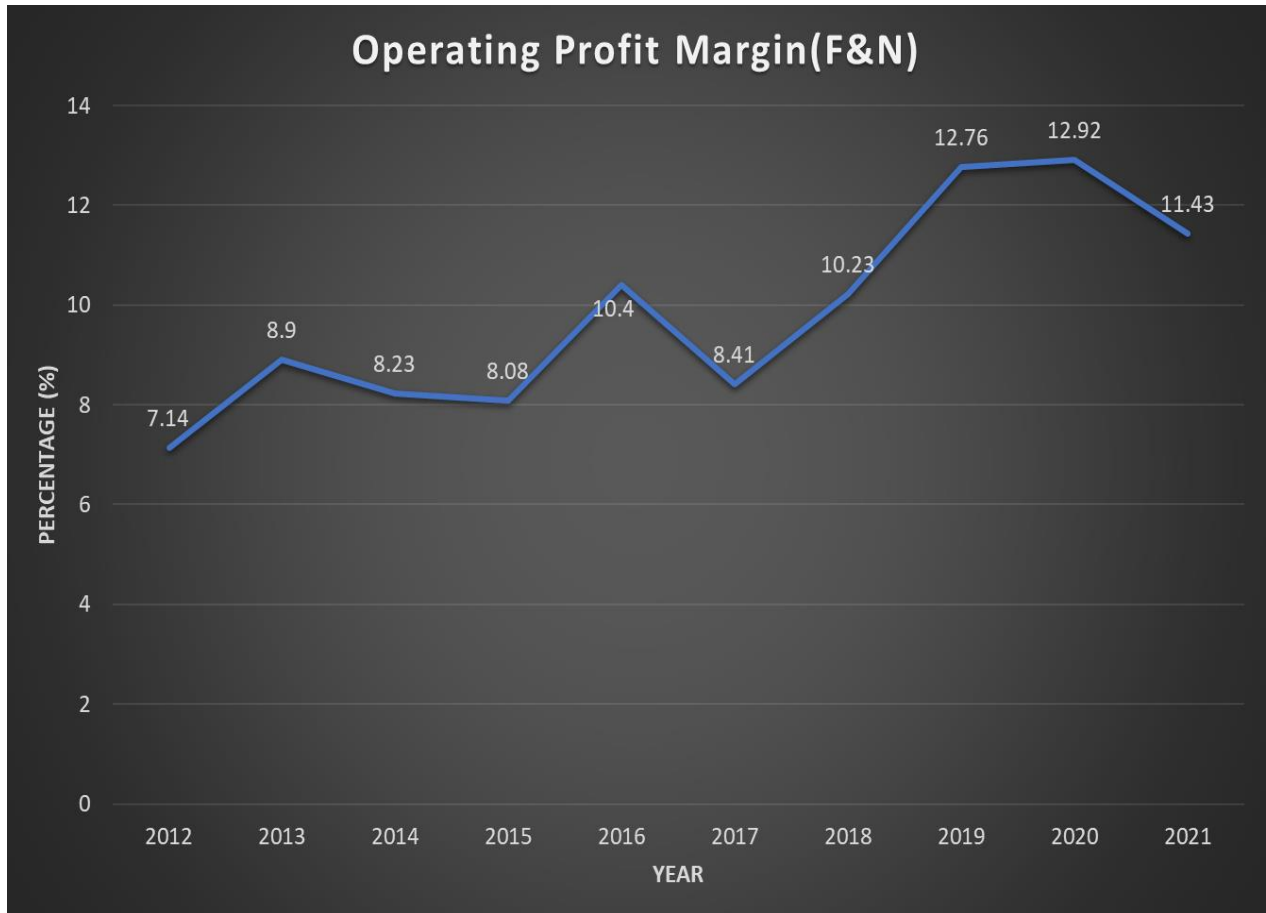
will help company to increase the quantity of product produce and make the jobs become more convenient. It can help company to full fill the external demand and generate as much revenue as possible.

5.4.2 Operating Profit Margin

$$\text{ii) Operating Profit Margin} = \frac{\text{Net Operating Income}}{\text{Sales}}$$

Year	Operating Profit Margin(%)
2012	7.14
2013	8.90
2014	8.23
2015	8.08
2016	10.40
2017	8.41
2018	10.23
2019	12.76
2020	12.92
2021	11.43

Profitability Ratio (F&N)-Operating Profit Margin from Year 2013 to Year 2021



Problem and Solution

Based on the graph, the lowest operating profit margin of Fraser & Neave Holding Berhad (F&NHB) is 7.14% in 2012. Factories in Thailand were affected by flooding, resulting in the company having to make decision for suspension for production and buy new machines to replace those that were damaged. The flooding also resulted in the destruction of office equipment and machinery, which increased the company's operating expenses. The suspension of production also resulted in the company being unable to operate normally the suspension of production also prevented the company from operating normally and undermined consumer's interest in the company's products. This may cause the decline in the sales of the company.

The solution should be taken by Fraser & Neave Holding Berhad (F&NHB) is simplify the department system of the company. This is because simplify the department system will help the company to reduce the cost and increase the efficiency of the jobs. Besides, it also will help the company to reduce the expense such as training cost, office rental and others. Therefore, the net operating profit will increase due to the operating expenses decrease.

In 2014, the Operating Profit Margin of Fraser & Neave Holding Berhad (F&N) decrease from 8.23 % to 8.08 % in 2015. Due to the impact of the plunge in oil prices, the value of the Malaysian dollar has been devalued. At the same time, the introduction of the Goods and Services Tax (GST) has increased the cost of living for residents. This also greatly reduces the people's purchasing power and cause the demand of market decrease because of the available income of resident decrease. Besides, the prices of product decrease across the board due the competition in the industry. This may cause the decline in the operating income of the company and effect the operating profit margin.

The solution needs to be taken by Fraser & Neave Holding Berhad (F&NHB) is close the unnecessary department. This is because too many of department will make the jobs become more difficult and it take the longer period of time to complete the task. It also will increase the expenses of the company such as utility bills, office rental, machines, training cost and other. Thus, the operating income of the company will increase due to the impact of close the unnecessary department.

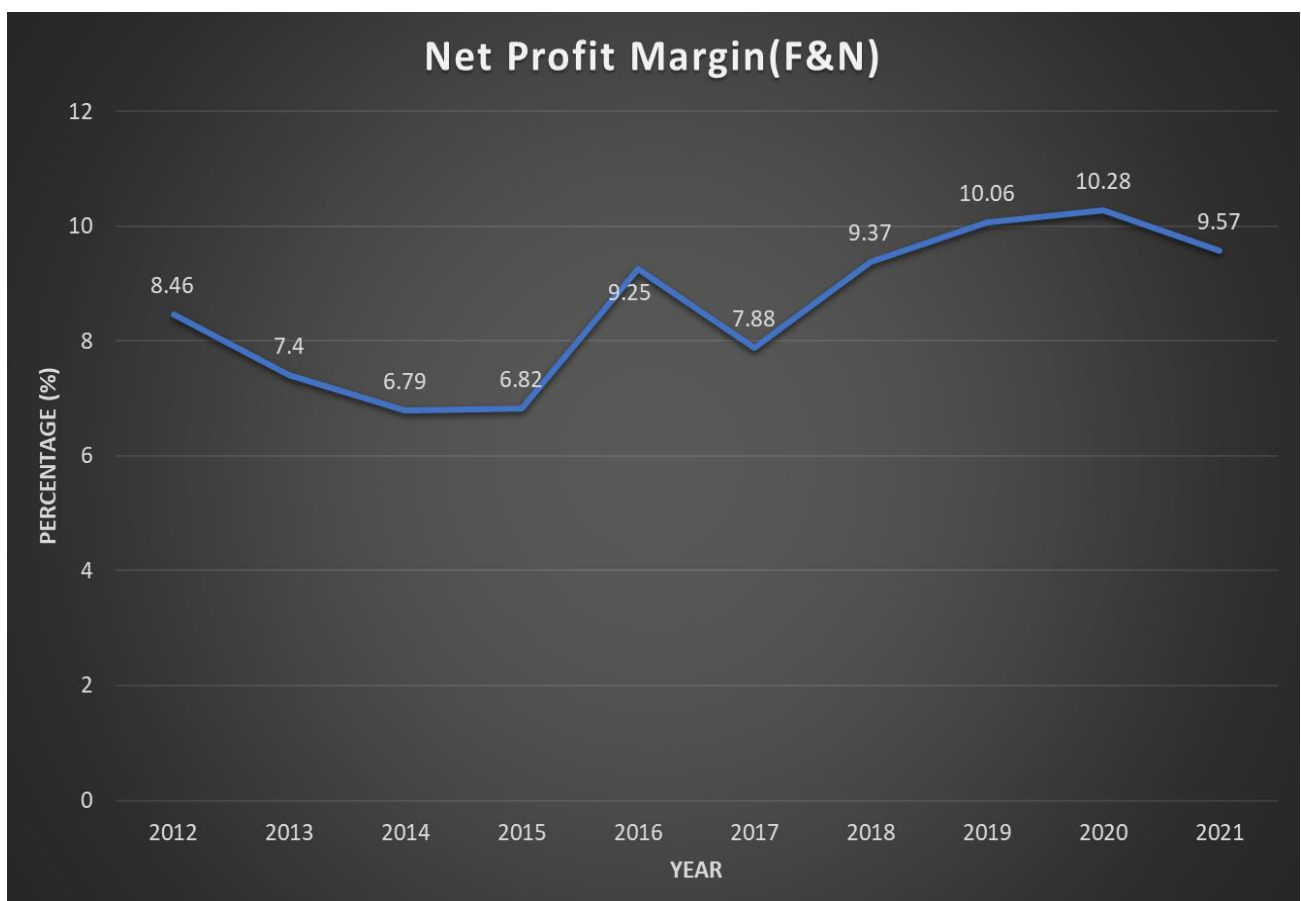
5.4.3 Net Profit Margin

iii) Net Profit Margin

$$= \frac{\text{Net Income}}{\text{Sales}}$$

Year	Net Profit Margin(%)
2012	8.46
2013	7.40
2014	6.79
2015	6.82
2016	9.25
2017	7.88
2018	9.37
2019	10.06
2020	10.28
2021	9.57

Profitability Ratio (F&N)-Net Profit Margin from Year 2013 to Year 2021



Problem and Solution

Based on the graph, the lowest net profit margin of Fraser & Neave Holding Berhad (F&NHB) is 6.79 % in 2014. It means that the company generate \$0.0679 for each dollar of sales after paying all the company's expenses. The main reason for getting the lower net profit margin is because of uncertainty about the domestic economic outlook and declining global energy prices. This will lead to an overall decrease in product prices across the board, and the company's revenue will also be affected. Therefore, the company will decide to layoffs employee to reduce company overhead, but this action will affect the purchasing power of the resident. The demand of the market will decrease as their salary decrease and it will cause the decline in the income level of the company.

The solution should be taken by Fraser & Neave Holding Berhad (F&NHB) is increase in the quantity of export. This is because the Malaysia Ringgit become devaluated make the product become more cheaper compared to other country product. Besides, the profit of export will increase the interest of the investors to invest their fund to the company. Thus, the sales of the company will be increase due to the quantity of export increase and it will help company to generate extra revenue as much as possible.

In 2015, the net profit margin of Fraser & Neave Holding Berhad (F&NHB) is 6.82%. It means that the company generate \$0.0682 for each dollar of the sales after paying all the company's expenses. This is because of Malaysia ringgit has been devaluated due to the impact of declining global oil prices. Besides, the government introduce the good and service tax (GST) and it also will increase the burden of living cost of resident. The company will take the decision to increase the price of product to reduce the cost of production and maximise their profit. This will lower the interest of the consumer to purchase our product because of the prices is getting higher and the demand of the product will be decrease. It will cause the decline in the income level of the company and effect the net profit margin.

The solution needs to be taken by Fraser & Neave Holding Berhad (F&NHB) is layoffs the excessive employees and fully use the resources. The expenses of the company can be reduced due to the impact of layoffs the excessive the employees. Besides, optimise the usage of resources will increase the quality of product and efficiency of the jobs. This will increase the interest of the consumer to purchase their product and help the company to generate the sales.

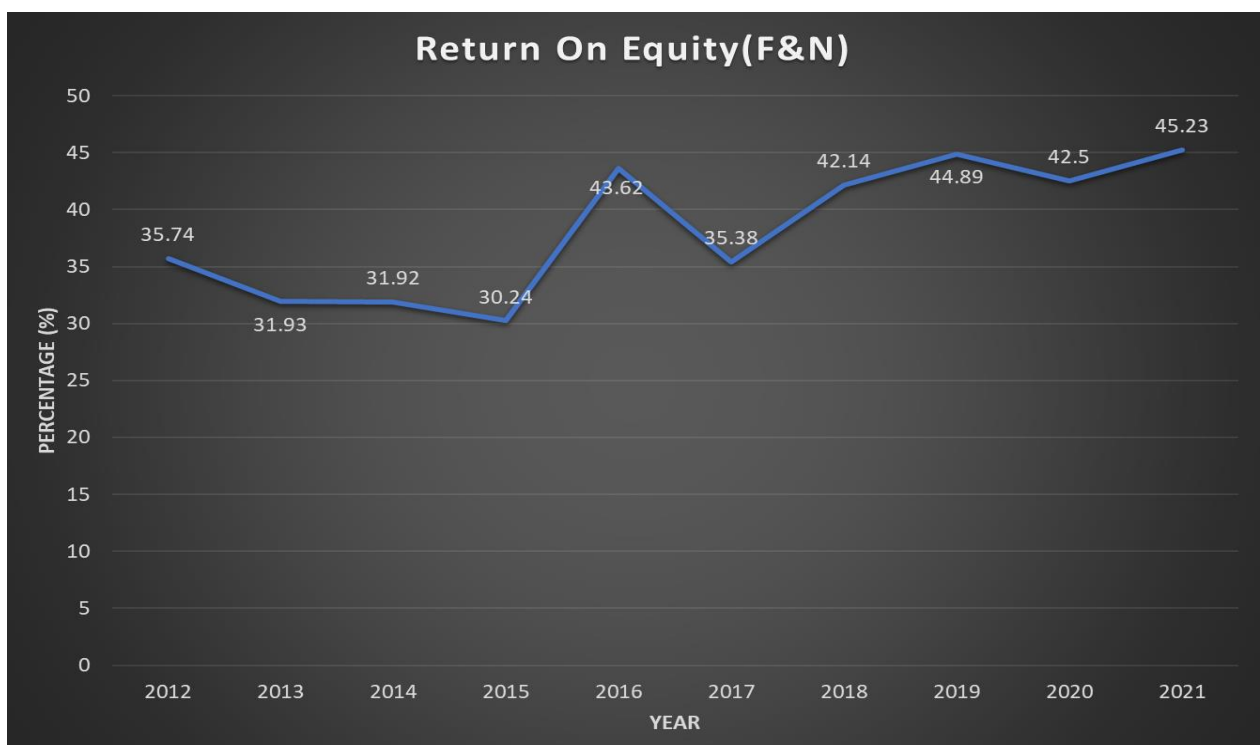
5.4.4 Return on Equity (ROE)

iv) Return on Equity (ROE)

$$= \frac{\text{Net Income}}{\text{Common equity}}$$

Year	Return On Equity(%)
2012	35.74
2013	31.93
2014	31.92
2015	30.24
2016	43.62
2017	35.38
2018	42.14
2019	44.89
2020	42.50
2021	45.23

Profitability Ratio (F&N)-Return on Equity from Year 2013 to Year 2021



Problem and Solution

In 2013, the return on equity of Fraser & Neave Holding Berhad (F&NHB) is 31.92 %. It means that the shareholders of Fraser & Neave Holding Berhad (F&NHB) earned 31.92 % on their investments. The main reason for getting the lower return on equity is because of prices of product rising and economic of Malaysia overactive. Therefore, Malaysia's central bank make the decision to raise the interest rate to overcome the higher prices of the product. This action is reducing the currency flows in the market, but it will lead to higher operating costs for the company.

The solution needs to be taken by Fraser & Neave Holding Berhad (F&NHB) is launch a new project and increase the publicity of the product. This is because new projects can divert the attention of investors and consumers and it also can generate significant capital investment for the company. This capital investment can be used to upgrade the company's equipment, buy new machines and improve the working environment. This will enhance the motivation of the employee and will increase the quality and efficiency of the jobs.

Based on the graph, the lowest return on equity of Fraser & Neave Holding Berhad (F&NHB) is 30.24 % in 2015. It means that the shareholders of Fraser & Neave Holding Berhad (F&NHB) earned 30.24% on their investments. The main reason for getting the lower return on equity is because the Malaysia Ringgit has become devaluated. At the same time, the introduction of good and service tax (GST) lead to the rising of prices of products. When the prices of products getting higher, it will cause the demand of the product decrease. This also will cause the decline in company revenue and effect the return of equity of the shareholders.

The solution needs to be taken by Fraser & Neave Holding Berhad (F&NHB) is introduce new product and create some promotional activities to generate the sales. This is because the introduction of new product and promotional activities will stimulate the consumer's purchase psychology. New products can be quickly accepted by the market and help company to increase the sales quickly. It also can help company to reduce the cost as the future development for the product is better. Besides, promotion activities will help the company to attract the customer and create the momentum and publicity for the new product.

6.0 IMPACT OF COVID-19 ON FINANCIAL SUSTAINABILITY

6.1 The Performance of the Industry

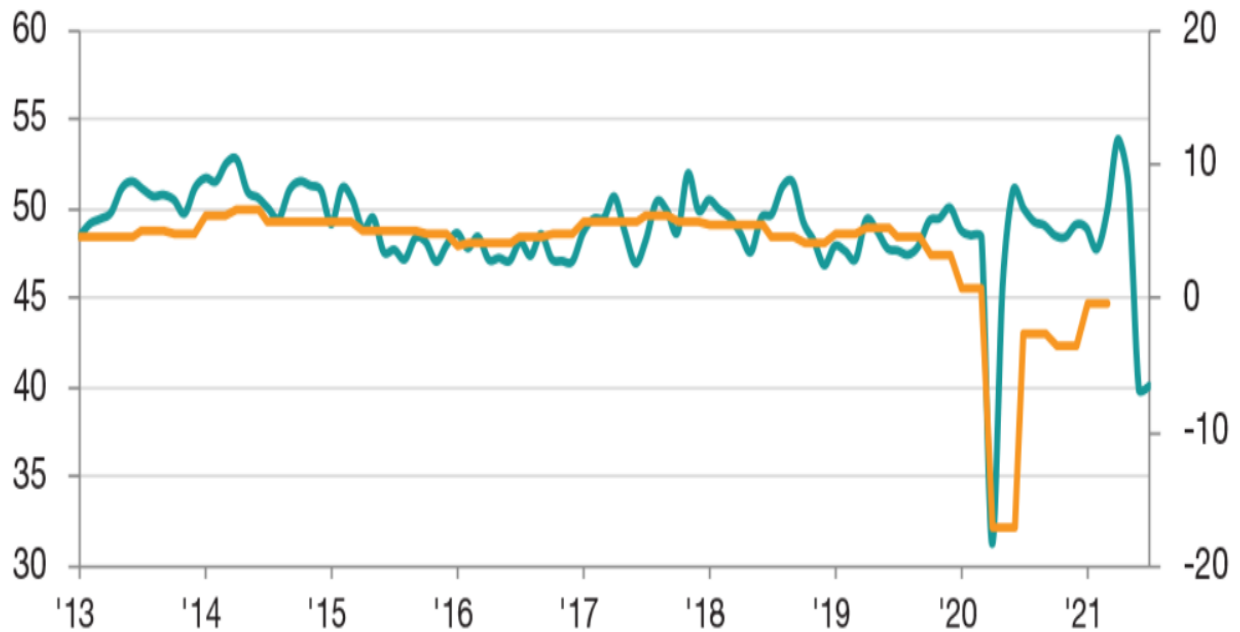
Malaysia Manufacturing PMI vs Gross Domestic Product

Malaysia Manufacturing PMI

sa, >50 = growth since previous month

Gross domestic product

%yr/yr



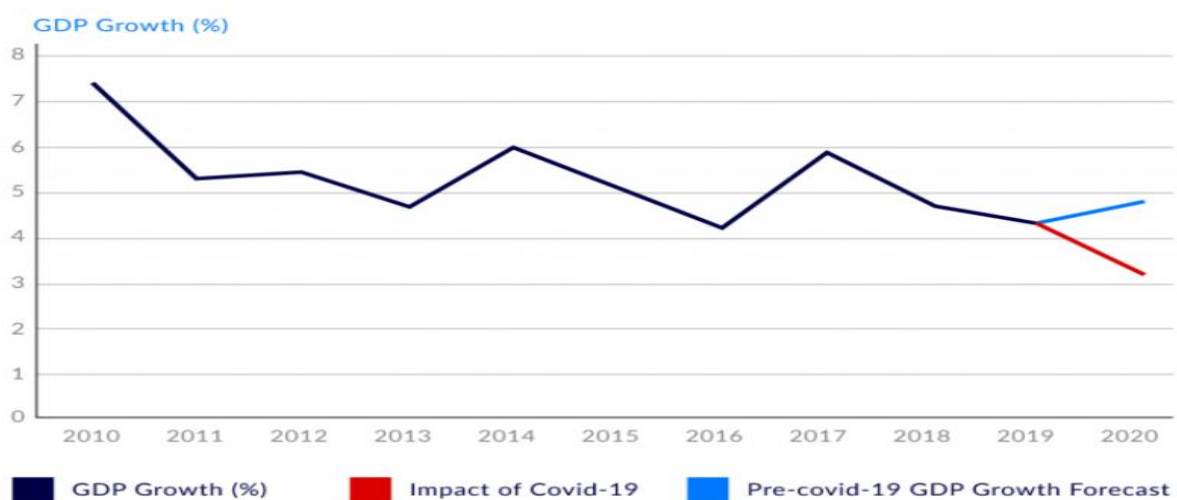
Covid-19 first appeared in Wuhan, China, it also an epidemic virus with a very high transmission rate, and the outbreak during the holiday season caused untold economic losses in many countries, including Malaysia. Besides, the outbreak of the epidemic caused many industries to be unable to operate normally and makes some companies facing the capital problem. At the same time, the import of Malaysia also will be affected due to the prevention action taking by other countries. A lot of rules and policy must be followed by the companies to make sure they still can operate during the period of epidemic. Fraser & Neave Holding Berhad (F&NHB) need to apply the lesson to continue their business because of Malaysia has close the international border and create the strict rules and policy to the import activities. This will make many companies facing disruptions in their supply chain and causing the company unable to operate properly and facing the risk of closure. Thus, the manufacturing output will be decrease due to prevention action taking by other countries.

Besides, the demand of the market also will be affected due to the introduction of Movement Control Order by Malaysia's government cause the manufacturing output decrease sharply in 2020. This is because many people are forced to stay at home during the period of the pandemic Covid-19 and make the consumption of the resident decrease. Due to the impact of the outbreak, investors also have reservations about the growth prospects of the business. This may the business facing the problem of capital and forcing the companies to make the transformation. At the same time, the epidemic has turned the mainstream trend into the Internet, which has caused businesses need to take a lot of time to adapt. This will make the efficiency of the jobs as them need take time to adapt the new ways of the work. Thus, the manufacturing output will be decrease due to introduction of Movement Control Order by the government.

Moreover, the outbreak of the epidemic has also driven up the price of raw materials and makes the cost of production increase. This is because of the shortage of the labour and the prevention action taking by other countries cause the quantity of supply decrease. Thus, the shortage situation will occur and the companies will rise up the prices to cover the cost. Therefore, the demand of the product will be decrease due to the price increase and makes the sales of the companies decrease. The company also needs to cover its expenses even if it cannot operate during the pandemic of Covid-19 such as office rental, maintenance fees of machines and others. This will make the interest of the consumer decrease and affect the revenue of the companies.

6.2 Impact on country economy

Malaysia GDP Growth Rate 2010-2020



Gross Domestic Product means that the value of final goods and service produce in a country. It will reflect the economic performance of a country, but also the national strength and wealth of a country. The government estimate the GDP growth rate of year 2020 was 4.8% but now the government only predict the GDP growth rate of year 2020 was 3% above due to the spread of the epidemic. The arrival of the epidemic has cause many industries unable operating normally and affect the GDP of the country. The export & import sectors will be affected because of the travel restriction and the prevention action taking by other countries. This may cause the supply chains of the product suspended and makes the supply cannot full fill the demand. It also will drive up the prices of the product and cause the situation of the inflation occurs.

Besides, the action taking by Malaysia's government is apply the fiscal policies which refer to the control of government expenditure and taxation. Due the spread of the epidemic, the economic of the country are in the downward trend. Therefore, Malaysia's government take the decision to increase the government expenditure such as healthcare, facilities of hospital and others. The aim of the government to increase their expenditure is to increase the circular flow of the money in the market and stimulate other people's consumption. Moreover, the government also will take the decision to decrease the taxes when there was a recession of economic. This will make the disposable income of the resident increase and cause their purchasing power increase. The demand of the market will be increase when everyone starting to spend and it also will increase the revenue of the companies. Thus, the economic of the Malaysia will become better by applying the fiscal policies.

In addition, the central bank of Malaysia also needs to increase the money supply in the market during the spread of the epidemic. This is because their need to increase the buying power of the resident and ensure that the circular flow of money in the market is enough. The central bank of Malaysia will make the decision to buy the bond and security from the resident to increase the money supply in the market. When the money supply increase, the interest rate will fall down. This is good news to the investor because they will borrow more money to make investment, but it is not good for the saving because the interest rate is lower. When people are spending more, the economic will become better. Besides, the central bank also can fixed the interest rate to stabilize the currency in the market and this cation will protect the purchasing power of the resident.

6.3 The Initiatives to achieve the Financial Sustainability

Financial sustainability refers to the ability of the companies to allocate their capital and the ability of the companies survive in the future. Financial sustainability also refers to the ability of the companies to generate new revenue, retain and recruit talent, increase supply chain resilience, stimulate investor interest and secure operational licenses. Since that the companies can operate normally due the introduction of Movement Control Order during the spread of the epidemic. This is because a lot of rules and policies must be followed by the companies such as social distance, only the employees involve in essential services can work normally, maximum employees can work in the companies and others. These rules and policies will affect the efficiency of the jobs and makes the revenue of the companies. Thus, the companies facing the new challenges to survive in the market during the introduction of Movement Control Order.

6.4 The Initiatives of F&N company to overcome the impact of Covid-19

The Covid-19 outbreak has put companies under pressure from tightening cash flow, supply chain disruptions, and a general decline in market supply and demand, with most companies expecting a significant decline in revenue in the first half of 2020.

The Fraser & Neave Holdings Berhad need to do some initiatives to overcome the impact of Covid-19. To ensure the sustained availability and accessibility of F&N's products in the market, the Fraser & Neave Holdings Berhad need to continue to take proactive safety measures. For instance, the F&N company should regular make the COVID-19 screenings at all the segments, in order to reduce the risk of infection and minimize the impact on the operations. The Fraser & Neave Holdings Berhad need to provide adequate personal protective equipment (PPE) for all employees. Besides, the F&N company should pay close attention to employee health, and reasonably arrange return-to-work plans and methods that consider the health and safety of corporate employees and the functional needs of the position during the pandemic of Covid-19.

Secondly, in order to ensure the sustainable ability to provide our core products to their customers, the Fraser & Neave Holdings Berhad should strengthen the flexible deployment of resources and actively adjust the capacity arrangements. Besides, the F&N company needs to ensure the maximum throughput with reduced production time and labor as defined by the authorities during the MCO. The F&N company needs to do some change about the cost of

products to avoid the overspending and minimize the loss of the company and ensure to provide the good quality of products to their customers.

Thirdly, the Fraser & Neave Holdings Berhad should provide the full salary and medical support available to their employees. In order to reduce the fear and anxiety of the employees do the operations during the pandemic of Covid-19, the F&N company also need to create an employee help line to aid the employees with work-related questions that can affect their health and emotional well-being. Besides, some employees and their families will face the financial challenges during the pandemic of Covid-19, the F&N company may provide various forms of financial assistances for helping their employees to overcome this period of pandemic.

7.0 CONCLUSION

Financial management is a process of managing and allocating the use of capital to achieve a company's goals and objectives. At the same time, financial management is also about making the best possible adjustments to the funds needed within department of the organization. Financial analysis also can be used to evaluate the performance of the company. We have done the financial data analysis of Fraser & Neave Holding Berhad (F&NHB) from 2012 to 2021 in this project.

Based on the analysis, we found that the profit return of the company in recent year are getting better and it is good investment for everyone investor. This is because the capital management of the company are very well and allocated in logical manner. These will help the company to generate extra sales and attract the interest of the investors to invest their funds to Fraser & Neave Holding Berhad (F&NHB). For an example, Fraser & Neave Holding Berhad (F&NHB) achieved the highest current ratio, quick ratio and return on equity in 2021. This may proof that the financial management of the company is on the right track and the future development of the company are getting better.

As technology becomes more advanced, companies are slowly moving towards digital management, which makes the future development of the company full of uncertainty. At the same time, companies also need to complete the transformation of digital management due to the impact of pandemic Covid-19. The company's money management and allocation will face a new challenge, as digital management is a completely new field

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2012- Income Statement

Income Statements

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2012

	Note	Group 2012 RM'000	2011 RM'000	Company 2012 RM'000	2011 RM'000
Revenue	3	3,238,786	3,915,431	272,589	255,858
Cost of sales		(2,351,975)	(2,713,376)	-	-
Gross profit		886,811	1,202,055	272,589	255,858
Other income	4(a)	176,629	70,207	4,788	63,753
Operating expenses					
Distribution expenses		(324,500)	(331,067)	-	-
Marketing expenses		(255,894)	(340,861)	-	-
Administrative expenses		(142,248)	(127,954)	(3,192)	(2,411)
Other expenses	4(b)	(109,417)	(14,195)	(4,764)	-
		(832,059)	(814,077)	(7,956)	(2,411)
Operating profit		231,381	458,185	269,421	317,200
Interest expense	5	(11,558)	(11,427)	-	-
Interest income	5	4,266	15,053	7,573	15,518
		224,089	461,811	276,994	332,718
Share of results of an associate		6,119	1,845	-	-
Profit before tax	6	230,208	463,656	276,994	332,718
Income tax credit/(expense)	7	43,782	(80,526)	(366)	(3,613)
Profit for the year		273,990	383,130	276,628	329,105
Profit attributable to:					
Equity holders of the Company		274,030	383,130	276,628	329,105
Non-controlling interests		(40)	-	-	-
		273,990	383,130	276,628	329,105
Basic earnings per share attributable to equity holders of the Company (sen)	8(a)	75.9	106.9		
Diluted earnings per share attributable to equity holders of the Company (sen)	8(b)	75.4	106.0		

2012- Statement of Financial Position

Statements Of Financial Position

AS AT 30 SEPTEMBER 2012

	Note	2012 RM'000	Group 2011 RM'000	2012 RM'000	Company 2011 RM'000
Assets					
Non-current assets					
Property, plant and equipment	10	1,074,386	1,008,840	-	-
Properties held for development	11	62,276	5,504	-	-
Investment in subsidiaries	12	-	-	962,180	978,298
Investment in an associate	13	73,737	55,929	68,727	54,648
Investment in a joint venture	14	-	-	500	-
Intangible assets	15	134,970	127,262	-	-
Receivables	18(b)	-	-	148,243	148,649
Deferred tax assets	26	79,050	4,705	-	-
		1,424,419	1,202,240	1,179,650	1,181,595
Current assets					
Property development costs	16	9,047	74,569	-	-
Inventories	17	370,775	314,668	-	-
Receivables	18(a)	518,315	538,175	131,555	134,589
Cash and cash equivalents	19	227,873	290,290	17,960	18,247
		1,126,010	1,217,702	149,515	152,836
Non-current assets held for sale	20	55,897	55,897	-	-
		1,181,907	1,273,599	149,515	152,836
Total assets		2,606,326	2,475,839	1,329,165	1,334,431

2013 - Income Statement

INCOME STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2013

	Note	Group 2013 RM'000	2012 RM'000 (restated)	Company 2013 RM'000	2012 RM'000
Revenue	4	3,508,225	3,171,923	183,917	272,589
Cost of sales		(2,472,460)	(2,285,112)	-	-
Gross profit		1,035,765	886,811	183,917	272,589
Other income	5(a)	63,771	176,629	7,610	4,788
Operating expenses					
Distribution expenses		(361,465)	(324,500)	-	-
Marketing expenses		(278,002)	(255,894)	-	-
Administrative expenses		(130,612)	(142,248)	(10,631)	(3,192)
Other expenses	5(b)	(16,772)	(109,417)	(11,934)	(4,764)
		(786,851)	(832,059)	(22,565)	(7,956)
Operating profit		312,685	231,381	168,962	269,421
Interest expense	6	(13,918)	(11,558)	-	-
Interest income	6	5,252	4,266	9,404	7,573
		304,019	224,089	178,366	276,994
Share of results of an associate		4,691	6,119	-	-
Profit before tax	7	308,710	230,208	178,366	276,994
Income tax (expense)/credit	8	(48,084)	43,782	(861)	(366)
Profit for the year		260,626	273,990	177,505	276,628
Profit attributable to:					
Equity holders of the Company		260,653	274,030	177,505	276,628
Non-controlling interests		(27)	(40)	-	-
		260,626	273,990	177,505	276,628
Basic earnings per share attributable to equity holders of the Company (sen)	9(a)	71.7	75.9		
Diluted earnings per share attributable to equity holders of the Company (sen)	9(b)	71.4	75.4		

2013- Statement of Financial Position

STATEMENTS OF COMPREHENSIVE INCOME					097
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2013					
	2013 RM'000	Group 2012 RM'000	2013 RM'000	Company 2012 RM'000	
Profit for the year	260,626	273,990	177,505	276,628	
Other comprehensive income					
Exchange differences on translation of foreign operations	19,351	(13,138)	-	-	
Total comprehensive income for the year	279,977	260,852	177,505	276,628	
Attributable to:					
Equity holders of the Company	280,004	260,892	177,505	276,628	
Non-controlling interests	(27)	(40)	-	-	
	279,977	260,852	177,505	276,628	

2014 - Income Statement

Income Statements					
For the financial year ended 30 September 2014					
FINANCIAL STATEMENTS					
	Note	Group 2014 RM'000	2013 RM'000 (restated)	Company 2014 RM'000	2013 RM'000
Revenue	4	3,818,802	3,508,225	234,441	183,917
Cost of sales		(2,703,056)	(2,472,460)	-	-
Gross profit		1,115,746	1,035,765	234,441	183,917
Other income	5(a)	6,614	63,771	90	7,610
Operating expenses					
Distribution expenses		(382,280)	(361,465)	-	-
Marketing expenses		(299,817)	(277,907)	-	-
Administrative expenses		(118,645)	(131,158)	(3,222)	(10,631)
Other expenses	5(b)	(7,417)	(16,604)	(8,852)	(11,934)
		(808,159)	(787,134)	(12,074)	(22,565)
Operating profit		314,201	312,402	222,457	168,962
Interest expense	6	(11,227)	(13,918)	-	-
Interest income	6	7,524	5,221	9,922	9,404
		310,498	303,705	232,379	178,366
Share of results of a joint venture	15	(903)	(631)	-	-
Share of results of an associate	16	5,874	4,691	-	-
Profit before tax	7	315,469	307,765	232,379	178,366
Income tax expense	8	(56,061)	(48,307)	(902)	(861)
Profit for the year		259,408	259,458	231,477	177,505
Profit attributable to:					
Equity holders of the Company		259,429	259,485	231,477	177,505
Non-controlling interests		(21)	(27)	-	-
		259,408	259,458	231,477	177,505
Basic earnings per share attributable to equity holders of the Company (sen)	9(a)	71.0	71.4		
Diluted earnings per share attributable to equity holders of the Company (sen)	9(b)	70.9	71.1		

2014- Statement of Financial Position

Statements of Comprehensive Income For the financial year ended 30 September 2014				
FINANCIAL STATEMENTS				
	Group 2014 RM'000	2013 RM'000 (restated)	Company 2014 RM'000	2013 RM'000
Profit for the year	259,408	259,458	231,477	177,505
Other comprehensive income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Remeasurement gains on defined benefit plans	2,687	133	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations	(13,770)	19,351	-	-
Total comprehensive income for the year, net of tax	248,325	278,942	231,477	177,505
Attributable to:				
Equity holders of the Company	248,346	278,969	231,477	177,505
Non-controlling interests	(21)	(27)	-	-
	248,325	278,942	231,477	177,505

2015 - Income Statement

INCOME STATEMENTS

For the financial year ended 30 September 2015

	Note	Group 2015 RM'000	2014 RM'000 (restated)	Company 2015 RM'000	2014 RM'000
Revenue	4	4,060,239	3,818,802	224,910	234,441
Cost of sales		(2,802,508)	(2,703,056)	-	-
Gross profit		1,257,731	1,115,746	224,910	234,441
Other income	5(a)	12,852	6,614	36,586	90
Operating expenses					
Distribution expenses		(384,927)	(382,280)	-	-
Marketing expenses		(403,999)	(299,817)	-	-
Administrative expenses		(134,464)	(118,645)	(5,107)	(3,222)
Other expenses	5(b)	(15,205)	(7,417)	(2,176)	(8,852)
		(938,595)	(808,159)	(7,283)	(12,074)
Operating profit		331,988	314,201	254,213	222,457
Interest expense	6	(16,241)	(15,338)	-	-
Interest income	6	13,389	11,635	11,346	9,922
		329,136	310,498	265,559	232,379
Share of results of a joint venture	15	(3,362)	(903)	-	-
Share of results of an associate	16	8,055	5,874	-	-
Profit before tax	7	333,829	315,469	265,559	232,379
Income tax expense	8	(53,757)	(56,061)	(1,037)	(902)
Profit for the year		280,072	259,408	264,522	231,477
Profit attributable to:					
Equity holders of the Company		280,074	259,429	264,522	231,477
Non-controlling interests		(2)	(21)	-	-
		280,072	259,408	264,522	231,477
Basic earnings per share attributable to equity holders of the Company (sen)	9(a)	76.5	71.0		
Diluted earnings per share attributable to equity holders of the Company (sen)	9(b)	76.4	70.9		

2015- Statement of Financial Position

<div>STATEMENTS OF COMPREHENSIVE INCOME</div> <div>For the financial year ended 30 September 2015</div>				
	Group		Company	
	2015 RM'000	2014 RM'000 (restated)	2015 RM'000	2014 RM'000
Profit for the year	280,072	259,408	264,522	231,477
Other comprehensive income				
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>				
Remeasurement gains on defined benefit plans	748	2,687	-	-
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of foreign operations	101,450	(13,770)	-	-
Total comprehensive income for the year, net of tax	382,270	248,325	264,522	231,477
Attributable to:				
Equity holders of the Company	382,272	248,346	264,522	231,477
Non-controlling interests	(2)	(21)	-	-
	382,270	248,325	264,522	231,477

2016 - Income Statement

STATEMENTS OF PROFIT OR LOSS

For the financial year ended 30 September 2016

	Note	Group		Company	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Revenue	4	4,167,567	4,107,606	110,707	224,910
Cost of sales		(2,683,553)	(2,802,508)	-	-
Gross profit		1,484,014	1,305,098	110,707	224,910
Other income	5(a)	38,834	12,852	18,540	36,586
Operating expenses					
Distribution expenses		(420,550)	(384,927)	-	-
Marketing expenses		(497,432)	(451,366)	-	-
Administrative expenses		(150,760)	(134,464)	(2,891)	(3,715)
Other expenses	5(b)	(20,732)	(15,205)	(33,212)	(3,568)
		(1,089,474)	(985,962)	(36,103)	(7,283)
Operating profit		433,374	331,988	93,144	254,213
Finance income	6(a)	15,791	13,389	11,309	11,346
Finance costs	6(b)	(14,356)	(16,241)	-	-
		434,809	329,136	104,453	265,559
Share of results of a joint venture	16	(1,614)	(3,362)	-	-
Share of results of an associate	17	9,742	8,055	-	-
Profit before tax	7	442,937	333,829	104,453	265,559
Income tax expense	8	(57,567)	(53,757)	(6,010)	(1,037)
Profit for the year		385,370	280,072	98,443	264,522
Profit attributable to:					
Equity holders of the Company		385,372	280,074	98,443	264,522
Non-controlling interests		(2)	(2)	-	-
		385,370	280,072	98,443	264,522
Basic earnings per share attributable to equity holders of the Company (sen)	9(a)	105.3	76.5		
Diluted earnings per share attributable to equity holders of the Company (sen)	9(b)	104.8	76.4		

2016- Statement of Financial Position

STATEMENTS OF FINANCIAL POSITION

As at 30 September 2016

	Note	Group 30 September 2016 RM'000	30 September 2015 RM'000
Assets			
Non-current assets			
Property, plant and equipment	12	1,112,752	1,064,821
Investment properties	13	49,286	50,763
Properties held for development	14	55,317	55,291
Investment in a joint venture	16	84,303	80,196
Investment in an associate	17	78,730	72,410
Intangible assets	18	125,111	131,155
Deferred tax assets	29	32,034	49,330
		1,537,533	1,503,966
Current assets			
Inventories	19	517,329	542,775
Receivables	20(a)	542,949	557,892
Tax recoverable		14,248	14
Derivative financial assets	21	260	5,713
Cash and short term deposits	22	593,554	412,209
		1,668,340	1,518,603
Total assets		3,205,873	3,022,569
Equity			
Share capital	23	366,779	366,647
Treasury shares	24	(1,716)	(1,716)
Shares held by SGP Trust	25	(12,060)	(7,733)
Reserves	26	1,635,957	1,519,605
Equity attributable to equity holders of the Company		1,988,960	1,876,803
Non-controlling interests		202	204
Total equity		1,989,162	1,877,007

2017 - Income Statement

STATEMENTS OF PROFIT OR LOSS

for the financial year ended 30 September 2017

	Note	Group		Company	
		2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Revenue	4	4,101,374	4,167,567	314,641	110,707
Cost of sales		(2,732,883)	(2,683,553)	-	-
Gross profit		1,368,491	1,484,014	314,641	110,707
Other income	5(a)	20,106	38,834	7,521	18,540
Operating expenses					
Distribution expenses		(407,301)	(420,550)	-	-
Marketing expenses		(434,144)	(497,432)	-	-
Administrative expenses		(133,010)	(150,760)	(3,215)	(2,891)
Other expenses	5(b)	(69,076)	(20,732)	(5,388)	(33,212)
		(1,043,531)	(1,089,474)	(8,603)	(36,103)
Operating profit		345,066	433,374	313,559	93,144
Finance income	6(a)	14,776	15,791	14,017	11,309
Finance costs	6(b)	(15,305)	(14,356)	-	-
Net finance (costs)/income		(529)	1,435	14,017	11,309
Share of results of a joint venture, net of tax	16	(2,083)	(1,614)	-	-
Share of results of an associate, net of tax	17	11,259	9,742	-	-
Profit before tax		353,713	442,937	327,576	104,453
Tax expense	8	(30,366)	(57,567)	(2,773)	(6,010)
Profit for the year		323,347	385,370	324,803	98,443
Profit attributable to:					
Owners of the Company		323,377	385,372	324,803	98,443
Non-controlling interests		(30)	(2)	-	-
		323,347	385,370	324,803	98,443
Basic earnings per ordinary share (sen)	9(a)	88.3	105.3		
Diluted earnings per ordinary share (sen)	9(b)	88.0	104.8		

2017- Statement of Financial Position

	Note	Group		Company	
		2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Profit for the year		323,347	385,370	324,803	98,443
Other comprehensive income, net of tax					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Remeasurement of defined benefit liability	10	596	(1,514)	-	-
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of foreign operations	10	30,176	(8,912)	-	-
Exchange differences on settlement of a net investment	10	-	(33,117)	-	-
	10	30,176	(42,029)	-	-
		30,772	(43,543)	-	-
Total comprehensive income for the year		354,119	341,827	324,803	98,443
Attributable to:					
Owners of the Company		354,149	341,829	324,803	98,443
Non-controlling interests		(30)	(2)	-	-
		354,119	341,827	324,803	98,443

2018 - Income Statement

STATEMENTS OF PROFIT OR LOSS for the financial year ended 30 September 2018

	Note	Group		Company	
		2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Revenue	20	4,109,859	4,101,374	437,918	314,641
Cost of sales		(2,727,681)	(2,732,883)	-	-
Gross profit		1,382,178	1,368,491	437,918	314,641
Other income		18,076	20,106	1,042	7,521
Distribution expenses		(407,221)	(407,301)	-	-
Marketing expenses		(430,578)	(434,144)	-	-
Administrative expenses		(125,494)	(133,010)	(2,788)	(3,215)
Other expenses		(16,721)	(69,076)	(510)	(5,388)
Operating profit		420,240	345,066	435,662	313,559
Finance income	21	16,047	14,776	18,009	14,017
Finance costs	22	(15,571)	(15,305)	-	-
Net finance income/(costs)		476	(529)	18,009	14,017
Share of profit of equity-accounted associate, net of tax	8	8,571	11,259	-	-
Share of loss of equity-accounted joint venture, net of tax	9	(6,558)	(2,083)	-	-
Profit before tax		422,729	353,713	453,671	327,576
Tax expense	23	(37,633)	(30,366)	(3,885)	(2,773)
Profit for the year	24	385,096	323,347	449,786	324,803
Profit for the year attributable to:					
Owners of the Company		385,133	323,377	449,786	324,803
Non-controlling interests		(37)	(30)	-	-
		385,096	323,347	449,786	324,803
Basic earnings per ordinary share (sen)	26	104.9	88.3		
Diluted earnings per ordinary share (sen)	26	104.5	88.0		

2018- Statement of Financial Position

STATEMENTS OF FINANCIAL POSITION

as at 30 September 2018

	Note	Group 2018 RM'000	2017 RM'000	Company 2018 RM'000	2017 RM'000
ASSETS					
Property, plant and equipment	3	1,281,679	1,193,851	-	-
Investment properties	4	49,318	49,315	-	-
Properties held for development	5	56,047	56,047	-	-
Intangible assets	6	122,289	122,218	-	-
Investments in subsidiaries	7	-	-	931,423	931,423
Investment in an associate	8	84,252	83,768	68,727	68,727
Investment in a joint venture	9	89,094	89,822	159,785	153,955
Deferred tax assets	10	13,070	25,726	-	-
Total non-current assets		1,695,749	1,620,747	1,159,935	1,154,105
Trade and other receivables	11	604,644	620,185	351,792	186,206
Inventories	12	497,165	540,716	-	-
Current tax assets		10,548	25,280	-	-
Derivative financial assets	13	60	137	-	-
Cash and cash equivalents	14	537,092	424,433	124,509	52,998
Total current assets		1,649,509	1,610,751	476,301	239,204
Total assets		3,345,258	3,231,498	1,636,236	1,393,309
EQUITY					
Share capital		816,770	816,770	816,770	816,770
Treasury shares		(1,716)	(1,716)	(1,716)	(1,716)
Shares held by SGP Trust		(4,039)	(12,079)	(4,039)	(12,079)
Reserves		1,501,321	1,329,583	822,812	588,278
Equity attributable to owners of the Company	15	2,312,336	2,132,558	1,633,827	1,391,253
Non-controlling interests		135	172	-	-
Total equity		2,312,471	2,132,730	1,633,827	1,391,253
LIABILITIES					
Loans and borrowings	16	115,153	181,639	-	-
Employee benefits	17	40,176	38,070	-	-
Deferred tax liabilities	10	28,716	29,944	-	-
Total non-current liabilities		184,045	249,653	-	-
Provisions	18	-	7,405	-	-
Trade and other payables	19	620,310	628,685	858	1,433
Loans and borrowings	16	220,371	197,458	-	-
Current tax liabilities		7,921	14,020	1,551	623
Derivative financial liabilities	13	140	1,547	-	-
Total current liabilities		848,742	849,115	2,409	2,056
Total liabilities		1,032,787	1,098,768	2,409	2,056
Total equity and liabilities		3,345,258	3,231,498	1,636,236	1,393,309

2019 - Income Statement

Financial Statements

ANNUAL REPORT 2019

STATEMENTS OF PROFIT OR LOSS

for the financial year ended 30 September 2019

	Note	Group		Company	
		2019	2018	2019	2018
		RM'000	RM'000	RM'000	RM'000
			Restated		
Revenue	20	4,077,138	3,870,954	216,953	437,918
Cost of sales		(2,810,372)	(2,721,272)	–	–
Gross profit		1,266,766	1,149,682	216,953	437,918
Other income		16,184	18,076	90	1,042
Distribution expenses		(350,497)	(342,528)	–	–
Marketing expenses		(272,958)	(261,360)	–	–
Administrative expenses		(128,007)	(125,494)	(3,785)	(2,788)
Other expenses		(11,044)	(16,721)	(33)	(510)
Operating profit		520,444	421,655	213,225	435,662
Finance income	21	15,223	16,047	28,998	18,009
Finance costs	22	(4,555)	(15,571)	–	–
Net finance income		10,668	476	28,998	18,009
Share of profit of equity-accounted associate, net of tax	8	9,139	8,571	–	–
Share of loss of equity-accounted joint venture, net of tax	9	(7,295)	(6,558)	–	–
Profit before tax		532,956	424,144	242,223	453,671
Tax expense	23	(122,732)	(37,633)	(12,946)	(3,885)
Profit for the year	24	410,224	386,511	229,277	449,786
Profit for the year attributable to:					
Owners of the Company		410,260	386,548	229,277	449,786
Non-controlling interests		(36)	(37)	–	–
		410,224	386,511	229,277	449,786
Basic earnings per ordinary share (sen)	26	111.9	105.3		
Diluted earnings per ordinary share (sen)	26	111.6	104.9		

2019- Statement of Financial Position

STATEMENTS OF FINANCIAL POSITION

as at 30 September 2019

		Group			Company	
	Note	30.9.2019 RM'000	30.9.2018 RM'000 Restated	1.10.2017 RM'000 Restated	30.9.2019 RM'000	30.9.2018 RM'000
ASSETS						
Property, plant and equipment	3	1,339,180	1,281,679	1,193,851	–	–
Investment properties	4	48,775	49,318	49,315	–	–
Properties held for development	5	56,047	56,047	56,047	–	–
Intangible assets	6	120,646	122,289	122,218	–	–
Investments in subsidiaries	7	–	–	–	911,423	931,423
Investment in an associate	8	89,658	84,252	83,768	68,727	68,727
Investment in a joint venture	9	87,613	89,094	89,822	165,599	159,785
Deferred tax assets	10	6,234	13,070	25,726	–	–
Total non-current assets		1,748,153	1,695,749	1,620,747	1,145,749	1,159,935
Trade and other receivables	11	599,996	604,644	620,185	469,852	351,792
Inventories	12	578,404	497,165	540,716	–	–
Current tax assets		7,567	10,548	25,280	–	–
Derivative financial assets	13	6	60	137	–	–
Cash and cash equivalents	14	569,719	537,092	424,433	40,332	124,509
Total current assets		1,755,692	1,649,509	1,610,751	510,184	476,301
Total assets		3,503,845	3,345,258	3,231,498	1,655,933	1,636,236
EQUITY						
Share capital		816,770	816,770	816,770	816,770	816,770
Treasury shares		–	(1,716)	(1,716)	–	(1,716)
Shares held by SGP Trust		(3,904)	(4,039)	(12,079)	(3,904)	(4,039)
Reserves		1,716,458	1,494,401	1,321,248	836,274	822,812
Equity attributable to owners of the Company	15	2,529,324	2,305,416	2,124,223	1,649,140	1,633,827
Non-controlling interests		99	135	172	–	–
Total equity		2,529,423	2,305,551	2,124,395	1,649,140	1,633,827
LIABILITIES						
Loans and borrowings	16	95,909	115,153	181,639	–	–
Employee benefits	17	49,511	40,176	38,070	–	–
Deferred tax liabilities	10	33,994	28,716	29,944	–	–
Total non-current liabilities		179,414	184,045	249,653	–	–
Provisions	18	–	–	7,405	–	–
Trade and other payables	19	719,001	627,230	637,020	4,577	858
Loans and borrowings	16	27,402	220,371	197,458	–	–
Current tax liabilities		48,469	7,921	14,020	2,216	1,551
Derivative financial liabilities	13	136	140	1,547	–	–
Total current liabilities		795,008	855,662	857,450	6,793	2,409
Total liabilities		974,422	1,039,707	1,107,103	6,793	2,409
Total equity and liabilities		3,503,845	3,345,258	3,231,498	1,655,933	1,636,236

2020 - Income Statement

Statements of *Profit or Loss* FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

	Note	Group		Company	
		2020	2019	2020	2019
		RM'000	RM'000	RM'000	RM'000
Revenue	21	3,988,507	4,077,138	278,256	216,953
Cost of sales		(2,758,139)	(2,810,372)	–	–
Gross profit		1,230,368	1,266,766	278,256	216,953
Other income		23,622	16,184	–	90
Distribution expenses		(339,010)	(350,497)	–	–
Marketing expenses		(260,575)	(272,958)	–	–
Administrative expenses		(129,299)	(128,007)	(3,935)	(3,785)
Other expenses		(9,946)	(11,044)	(1,551)	(33)
Operating profit		515,160	520,444	272,770	213,225
Finance income	22	5,068	15,223	20,315	28,998
Finance costs	23	(4,858)	(4,555)	–	–
Net finance income		210	10,668	20,315	28,998
Share of profit of equity-accounted associate, net of tax	9	7,824	9,139	–	–
Share of loss of equity-accounted joint venture, net of tax	10	(283)	(7,295)	–	–
Profit before tax		522,911	532,956	293,085	242,223
Tax expense	24	(112,787)	(122,732)	(23,385)	(12,946)
Profit for the year	25	410,124	410,224	269,700	229,277
Profit for the year attributable to:					
Owners of the Company		410,384	410,260	269,700	229,277
Non-controlling interests		(260)	(36)	–	–
		410,124	410,224	269,700	229,277
Basic earnings per ordinary share (sen)	27(A)	111.9	111.9		
Diluted earnings per ordinary share (sen)	27(B)	111.7	111.6		

2020- Statement of Financial Position

Statements of *Financial Position* AS AT 30 SEPTEMBER 2020

	Note	Group 2020 RM'000	2019 RM'000	Company 2020 RM'000	2019 RM'000
ASSETS					
Property, plant and equipment	3	1,359,893	1,339,180	—	—
Right-of-use assets	4	87,183	—	—	—
Investment properties	5	47,569	48,775	—	—
Properties held for development	6	54,958	56,047	—	—
Intangible assets	7	45,921	120,646	—	—
Investments in subsidiaries	8	—	—	920,043	911,423
Investment in an associate	9	91,261	89,658	68,727	68,727
Investment in a joint venture	10	87,845	87,613	166,114	165,599
Deferred tax assets	11	5,970	6,234	—	—
Total non-current assets		1,780,600	1,748,153	1,154,884	1,145,749
Trade and other receivables	12	589,661	599,996	547,727	469,852
Inventories	13	655,981	578,404	—	—
Current tax assets		200	7,567	—	—
Derivative financial assets	14	4	6	—	—
Cash and cash equivalents	15	493,615	569,719	86,280	40,332
Total current assets		1,739,461	1,755,692	634,007	510,184
Total assets		3,520,061	3,503,845	1,788,891	1,655,933
EQUITY					
Share capital		816,770	816,770	816,770	816,770
Shares held by SGP Trust		(4,688)	(3,904)	(4,688)	(3,904)
Reserves		1,878,519	1,716,458	887,168	836,274
Equity attributable to owners of the Company	16	2,690,601	2,529,324	1,699,250	1,649,140
Non-controlling interests		(161)	99	—	—
Total equity		2,690,440	2,529,423	1,699,250	1,649,140
LIABILITIES					
Loans and borrowings	17	—	95,909	—	—
Lease liabilities		10,785	—	—	—
Employee benefits	18	51,304	49,511	—	—
Deferred tax liabilities	11	48,073	33,994	—	—
Total non-current liabilities		110,162	179,414	—	—
Trade and other payables	19	516,654	664,581	89,316	4,577
Contract liabilities	20	57,787	54,420	—	—
Loans and borrowings	17	91,868	27,402	—	—
Lease liabilities		13,672	—	—	—
Current tax liabilities		39,111	48,469	325	2,216
Derivative financial liabilities	14	367	136	—	—
Total current liabilities		719,459	795,008	89,641	6,793
Total liabilities		829,621	974,422	89,641	6,793
Total equity and liabilities		3,520,061	3,503,845	1,788,891	1,655,933

2021 - Income Statement

Fraser & Neave Holdings Bhd • Annual Report 2021

Statements of Profit or Loss

for the financial year ended 30 September 2021

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue	21	4,130,872	3,988,507	240,707	278,256
Cost of sales		(2,936,714)	(2,758,139)	–	–
Gross profit		1,194,158	1,230,368	240,707	278,256
Other income		17,988	23,622	182	–
Distribution expenses		(338,451)	(338,863)	–	–
Marketing expenses		(251,517)	(260,575)	–	–
Administrative expenses		(119,437)	(129,030)	(2,951)	(3,935)
Net loss on impairment of financial instruments	30	(1,138)	(416)	–	–
Other expenses		(29,317)	(9,946)	(41)	(1,551)
Results from operating activities		472,286	515,160	237,897	272,770
Finance income	22	4,970	5,068	11,039	20,315
Finance costs	23	(3,179)	(4,858)	(1,317)	–
Net finance income		1,791	210	9,722	20,315
Share of profit of equity-accounted associate, net of tax	9	5,624	7,824	–	–
Share of loss of equity-accounted joint venture, net of tax	10	(290)	(283)	–	–
Profit before tax		479,411	522,911	247,619	293,085
Tax expense	24	(84,281)	(112,787)	(21,994)	(23,385)
Profit for the year	25	395,130	410,124	225,625	269,700
Profit for the year attributable to:					
Owners of the Company		395,164	410,384	225,625	269,700
Non-controlling interests		(34)	(260)	–	–
		395,130	410,124	225,625	269,700
Basic earnings per ordinary share (sen)	27(a)	107.8	111.9		
Diluted earnings per ordinary share (sen)	27(b)	107.6	111.7		

2021- Statement of Financial Position

Statements of Financial Position

as at 30 September 2021

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
ASSETS					
Property, plant and equipment	3	1,372,249	1,359,893	–	–
Right-of-use assets	4	125,367	87,183	–	–
Investment properties	5	47,569	47,569	–	–
Properties held for development	6	54,933	54,958	–	–
Intangible assets	7	88,319	45,921	–	–
Investments in subsidiaries	8	–	–	1,254,833	920,043
Investment in an associate	9	85,687	91,261	68,727	68,727
Investment in a joint venture	10	87,555	87,845	166,114	166,114
Deferred tax assets	11	5,240	5,970	–	–
Total non-current assets		1,866,919	1,780,600	1,489,674	1,154,884
Trade and other receivables	12	545,932	589,661	229,195	547,727
Inventories	13	659,745	655,981	–	–
Current tax assets		3,770	200	204	–
Derivative financial assets	14	–	4	–	–
Cash and cash equivalents	15	555,380	493,615	69,192	86,280
Total current assets		1,764,827	1,739,461	298,591	634,007
Total assets		3,631,746	3,520,061	1,788,265	1,788,891
EQUITY					
Share capital		816,770	816,770	816,770	816,770
Shares held by SGP Trust		(4,626)	(4,688)	(4,626)	(4,688)
Reserves		2,006,821	1,878,519	889,676	887,168
Equity attributable to owners of the Company	16	2,818,965	2,690,601	1,701,820	1,699,250
Non-controlling interests		(195)	(161)	–	–
Total equity		2,818,770	2,690,440	1,701,820	1,699,250
LIABILITIES					
Lease liabilities		53,904	10,785	–	–
Employee benefits	18	43,440	51,304	–	–
Deferred tax liabilities	11	59,754	48,073	–	–
Total non-current liabilities		157,098	110,162	–	–
Trade and other payables	19	558,253	516,654	86,445	89,316
Contract liabilities	20	55,815	57,787	–	–
Loans and borrowings	17	1,000	91,868	–	–
Lease liabilities		10,143	13,672	–	–
Current tax liabilities		30,501	39,111	–	325
Derivative financial liabilities	14	166	367	–	–
Total current liabilities		655,878	719,459	86,445	89,641
Total liabilities		812,976	829,621	86,445	89,641
Total equity and liabilities		3,631,746	3,520,061	1,788,265	1,788,891