

**Unaudited Condensed Consolidated Income Statements For The Financial Year Ended  
31 December 2023**

	4th Quarter ended		12 Months ended	
	31 December		31 December	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b><u>Continuing operations</u></b>				
Revenue	1,262,490	1,610,633	5,720,693	6,151,181
Cost of sales	(1,134,898)	(1,453,812)	(5,131,964)	(5,545,550)
Gross profit	127,592	156,821	588,729	605,631
Other operating income/(expenses)	21,241	58,402	252,606	(14,352)
Distribution costs	(48,510)	(54,238)	(206,342)	(216,155)
Administrative expenses	(124,977)	(57,739)	(292,952)	(201,204)
Other expenses	(112,471)	(32,673)	(117,796)	(37,329)
Share of results of associates	589,525	397,011	1,327,465	2,178,089
Share of results of joint venture	238	(53)	4,766	3,831
Finance costs	(10,921)	(22,094)	(68,002)	(68,173)
<b>Profit before taxation</b>	<b>441,717</b>	<b>445,437</b>	<b>1,488,474</b>	<b>2,250,338</b>
Tax expense	(5,362)	(19,073)	(67,835)	(29,964)
<b>Profit for the period/year from continuing operations</b>	<b>436,355</b>	<b>426,364</b>	<b>1,420,639</b>	<b>2,220,374</b>
<b><u>Discontinued operations</u></b>				
Profit before taxation	-	682	-	86
Tax expense	-	(105)	-	(222)
<b>Profit/(loss) for the period/year from discontinued operations</b>	<b>-</b>	<b>577</b>	<b>-</b>	<b>(136)</b>
<b>Profit for the period/year</b>	<b>436,355</b>	<b>426,941</b>	<b>1,420,639</b>	<b>2,220,238</b>
Attributable to :				
Owners of the parent				
Profit from continuing operations	441,400	414,923	1,394,305	2,196,954
Profit/(loss) from discontinued operations	-	577	-	(136)
Profit for the period/year attributable to owners of the parent	441,400	415,500	1,394,305	2,196,818
Non-controlling interests				
(Loss)/profit from continuing operations	(5,045)	11,441	26,334	23,420
<b>Profit for the period/year</b>	<b>436,355</b>	<b>426,941</b>	<b>1,420,639</b>	<b>2,220,238</b>
Basic earnings per share (sen)				
- continuing operations	31.03	29.17	98.01	154.44
- discontinued operations	-	0.04	-	(0.01)
	31.03	29.21	98.01	154.43

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022)

**PPB GROUP BERHAD** [196801000571 (8167-W)]  
**Unaudited Condensed Consolidated Statements Of Comprehensive Income**  
**For The Financial Year Ended 31 December 2023**

	4th Quarter ended		12 Months ended	
	31 December		31 December	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period/year</b>	<b>436,355</b>	<b>426,941</b>	<b>1,420,639</b>	<b>2,220,238</b>
Other comprehensive income, net of tax				
<b><u>Items that will not be subsequently reclassified to profit or loss</u></b>				
Fair value (loss)/income on investment in equity instruments designated as fair value through other comprehensive income	(1,731)	26,091	(37,860)	(24,560)
Share of associates' other comprehensive loss	(32,080)	(16,597)	(4,935)	(43,343)
<b><u>Items that will be subsequently reclassified to profit or loss</u></b>				
Exchange differences on translation of foreign operations	(467,010)	(1,187,692)	1,006,622	1,073,716
Share of associates' other comprehensive income/(loss)	248,679	101,112	(432,303)	(1,155,034)
<b>Total comprehensive income/(loss)</b>	<b><u>184,213</u></b>	<b><u>(650,145)</u></b>	<b><u>1,952,163</u></b>	<b><u>2,071,017</u></b>
Attributable to :				
Owners of the parent				
Total comprehensive income/(loss) from continuing operations	188,438	(650,686)	1,906,306	2,047,022
Total comprehensive income/(loss) from discontinued operations	-	577	-	(136)
Total comprehensive income/(loss) attributable to owners of the parent	188,438	(650,109)	1,906,306	2,046,886
Non-controlling interests				
Total comprehensive (loss)/income from continuing operations	(4,225)	(36)	45,857	24,131
<b>Total comprehensive income/(loss)</b>	<b><u>184,213</u></b>	<b><u>(650,145)</u></b>	<b><u>1,952,163</u></b>	<b><u>2,071,017</u></b>

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022)

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

	As at 31-Dec-23 RM'000	As at 31-Dec-22 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,206,554	1,322,671
Investment properties	359,761	366,682
Right-of-use assets	484,173	373,976
Bearer plants	4,204	3,893
Land held for property development	98,170	98,170
Goodwill	70,232	70,232
Other intangible assets	18,008	12,604
Investment in associates	23,435,075	22,329,590
Investment in joint venture	36,614	31,159
Other investments	321,429	351,945
Deferred tax assets	43,526	55,695
<b>Total non-current assets</b>	<b>26,077,746</b>	<b>25,016,617</b>
<b>Current assets</b>		
Inventories	764,541	1,090,095
Biological assets	25,200	19,980
Property development costs	3,009	2,523
Trade receivables	618,133	809,185
Other receivables	266,780	337,320
Derivative financial assets	7,855	289
Current tax assets	15,776	28,334
Cash and cash equivalents	1,629,324	1,587,047
<b>Total current assets</b>	<b>3,330,618</b>	<b>3,874,773</b>
Assets classified as held for sale	-	41,287
	<b>3,330,618</b>	<b>3,916,060</b>
<b>TOTAL ASSETS</b>	<b>29,408,364</b>	<b>28,932,677</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,429,314	1,429,314
Reserves	25,707,316	24,401,527
<b>Equity attributable to owners of the parent</b>	<b>27,136,630</b>	<b>25,830,841</b>
Non-controlling interests	674,548	737,667
<b>Total equity</b>	<b>27,811,178</b>	<b>26,568,508</b>

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

	<b>As at 31-Dec-23 RM'000</b>	<b>As at 31-Dec-22 RM'000</b>
<b>Non-current liabilities</b>		
Borrowings	16,644	68,691
Lease obligations	455,548	339,949
Deferred tax liabilities	117,754	114,433
Provision for restoration cost	51,850	45,320
<b>Total non-current liabilities</b>	<b>641,796</b>	<b>568,393</b>
<b>Current liabilities</b>		
Trade payables	193,355	225,107
Other payables	282,813	202,788
Derivative financial liabilities	7,075	41,110
Borrowings	416,454	1,278,516
Lease obligations	46,018	41,318
Current tax liabilities	9,675	2,732
<b>Total current liabilities</b>	<b>955,390</b>	<b>1,791,571</b>
Liabilities directly associated with the assets held for sale	-	4,205
	<b>955,390</b>	<b>1,795,776</b>
<b>Total liabilities</b>	<b>1,597,186</b>	<b>2,364,169</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>29,408,364</b>	<b>28,932,677</b>

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022)

**Unaudited Condensed Consolidated Statements Of Changes In Equity For The Financial Year Ended 31 December 2023**

	Share capital RM'000	Non-distributable reserves RM'000	Retained earnings RM'000	Attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
<b><u>12 Months ended 31 December 2023</u></b>						
At 1 January 2023	1,429,314	4,115,216	20,286,311	25,830,841	737,667	26,568,508
Profit for the year	-	-	1,394,305	1,394,305	26,334	1,420,639
Other comprehensive income	-	510,312	1,689	512,001	19,523	531,524
Total comprehensive income	-	510,312	1,395,994	1,906,306	45,857	1,952,163
Transfer of reserves	-	55,876	(55,876)	-	-	-
Share of other changes in equity of associates	-	(31,779)	-	(31,779)	-	(31,779)
Dividends	-	-	(569,040)	(569,040)	(60,186)	(629,226)
Issue of shares to non-controlling interests	-	-	-	-	4,434	4,434
Disposal of subsidiaries	-	-	-	-	(50,775)	(50,775)
Realisation upon liquidation of subsidiary	-	-	-	-	(1,792)	(1,792)
Acquisition of shares in a subsidiary	-	95	207	302	(657)	(355)
At 31 December 2023	1,429,314	4,649,720	21,057,596	27,136,630	674,548	27,811,178

**12 Months ended 31 December 2022**

At 1 January 2022	1,429,314	4,277,355	18,724,819	24,431,488	748,815	25,180,303
Profit for the year	-	-	2,196,818	2,196,818	23,420	2,220,238
Other comprehensive (loss)/income	-	(147,275)	(2,657)	(149,932)	711	(149,221)
Total comprehensive (loss)/income	-	(147,275)	2,194,161	2,046,886	24,131	2,071,017
Transfer of reserves	-	106,307	(106,307)	-	-	-
Share of other changes in equity of associates	-	(121,171)	-	(121,171)	-	(121,171)
Dividends	-	-	(526,362)	(526,362)	(38,748)	(565,110)
Issue of shares to non-controlling interests	-	-	-	-	629	629
Disposal of a subsidiary	-	-	-	-	2,840	2,840
At 31 December 2022	1,429,314	4,115,216	20,286,311	25,830,841	737,667	26,568,508

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022)

**PPB GROUP BERHAD** [196801000571 (8167-W)]  
**Unaudited Condensed Consolidated Statements Of Cash Flows**  
**For The Financial Year Ended 31 December 2023**

	<b>12 Months ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	1,488,474	2,250,338
Profit before tax from discontinued operations	-	86
<b>Profit before taxation</b>	<b>1,488,474</b>	<b>2,250,424</b>
Adjustments:		
Non-cash items	(1,074,602)	(1,910,456)
Non-operating items	2,131	19,520
Operating profit before working capital changes	416,003	359,488
Working capital changes:-		
Net change in current assets	316,611	(107,640)
Net change in current liabilities	46,105	(110,893)
Cash generated from operations	778,719	140,955
Tax paid	(31,787)	(29,390)
<b>Net cash generated from operating activities</b>	<b>746,932</b>	<b>111,565</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition of property, plant and equipment, investment properties, biological assets and other intangible assets	(188,846)	(136,882)
Proceeds from disposal of property, plant and equipment	821	3,724
Investments in associates	(169)	(1,612)
Addition of other investment	(6,755)	-
Proceeds from disposal of a subsidiary	124,498	11,837
Proceeds from disposal of an associate	-	4,000
Proceeds from disposal of other investment	-	1,000
Dividends received	681,960	634,619
Income received from short-term fund placements	40,157	14,919
Interest received	17,826	10,256
(Repayment from)/advances to associates	(761)	2,744
Distribution of profit from joint venture	6,752	7,125
Proceeds from liquidation of a subsidiary	3,722	-
<b>Net cash generated from investing activities</b>	<b>679,205</b>	<b>551,730</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Repayment)/Drawdown of bank borrowings	(675,323)	292,450
Interest paid	(52,598)	(52,054)
Dividends paid to shareholders of the Company	(569,040)	(526,362)
Dividends paid to non-controlling interests of subsidiaries	(60,186)	(38,748)
Payment of lease obligations	(52,903)	(44,391)
Acquisition of shares in a subsidiary	(355)	-
Shares issued to non-controlling interest of a subsidiary	4,434	629
<b>Net cash used in financing activities</b>	<b>(1,405,971)</b>	<b>(368,476)</b>
<b>Net increase in cash and cash equivalents</b>	<b>20,166</b>	<b>294,819</b>
Cash and cash equivalents brought forward	1,596,559	1,296,316
Effect of exchange rate changes	12,599	5,424
<b>Cash and cash equivalents carried forward</b>	<b>1,629,324</b>	<b>1,596,559</b>
(including cash in assets classified as held for sale)		

**PPB GROUP BERHAD** [196801000571 (8167-W)]  
**Unaudited Condensed Consolidated Statements Of Cash Flows**  
**For The Financial Year Ended 31 December 2023**

	<b>12 Months ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Cash and cash equivalents represented by:</u>		
Cash and bank balances	282,034	451,558
Bank deposits	160,411	213,672
Short-term fund placements	1,186,879	931,329
	<u><b>1,629,324</b></u>	<u><b>1,596,559</b></u>

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022)

## **NOTES**

### **A1. Accounting policies**

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

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the audited financial statements for the financial year ended 31 December 2022 except for the adoption of the following Amendments to MFRS that are effective for financial periods beginning on or after 1 January 2023 :

- Amendments to MFRS 101 Presentation of Financial Statements and MFRS Practice Statement 2: Disclosure of Accounting Policies
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- MFRS 17 Insurance Contracts
- Amendments to MFRS 17 Insurance Contracts: Initial Application of MFRS 17 and MFRS 9 - Comparative Information
- Amendments to MFRS 112 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 112 Income Taxes: International Tax Reform - Pillar Two Model Rules

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

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

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

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

There were no exceptional or unusual items for the financial year ended 31 December 2023.

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

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

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

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

### **A6. Dividends paid**

During the financial year 2023, a final dividend of 28 sen per share in respect of financial year ended 31 December 2022 was paid on 8 June 2023. An interim dividend of 12 sen per share in respect of financial year ending 31 December 2023, was paid on 22 September 2023.



**A7. Segmental reporting**

Performance of the Group's business segments for the financial year ended 31 December 2023 is as follows :

<b>Business segments:</b> All figures in RM'000	<u>Grains and agribusiness</u>	<u>Consumer products</u>	<u>Film exhibition and distribution</u>	<u>Property</u>	<u>Other operations</u>	<u>Inter-segment elimination</u>	<u>Total</u>
<b>REVENUE</b>							
External revenue	4,255,957	761,035	570,269	117,483	15,949	-	5,720,693
Inter-segment sales	112,936	5,497	-	602	-	(119,035)	-
<b>Total revenue</b>	<b>4,368,893</b>	<b>766,532</b>	<b>570,269</b>	<b>118,085</b>	<b>15,949</b>	<b>(119,035)</b>	<b>5,720,693</b>
<b>RESULTS</b>							
Segment results	214,565	26,571	(127,092)	14,985	62,300	-	191,329
Share of results of associates	15,346	(644)	6,692	2,415	1,303,656	-	1,327,465
Share of results of joint venture	-	-	-	-	4,766	-	4,766
Unallocated corporate expenses	-	-	-	-	-	-	(35,086)
<b>Profit before taxation</b>	<b>229,911</b>	<b>25,927</b>	<b>(120,400)</b>	<b>17,400</b>	<b>1,370,722</b>	<b>-</b>	<b>1,488,474</b>

**A8. Material events subsequent to the end of the financial year**

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

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

On 28 February 2023, Chemquest Sdn Bhd ("CQ"), a 55%-owned subsidiary of the Company completed the disposal of its entire 99.57% equity interest in Malayan Adhesives and Chemicals Sdn Bhd ("MAC") to Techbond Group Bhd for a cash consideration of RM57 million. A gain on disposal of RM24.5 million has been recorded in the financial statements during the financial year.

On 12 September 2023, Mantap Aman Sdn Bhd, a 100%-owned indirect subsidiary of the Company held via the Company's 80% equity interest in FFM Berhad ("FFM"), completed the disposal of its entire 51% equity interest in PT Pundi Kencana to PT Sentratama Niaga Indonesia and PT Wilmar Nabati Indonesia for a cash consideration of Rp290.7 billion (equivalent to RM88.5 million). A gain on disposal of RM31.3 million has been recorded in the financial statements during the financial year.

Other than the above, there were no material changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinued operations for the financial year ended 31 December 2023.

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

On 5 August 2022, FFM received a Notice of Proposed Decision issued by the Malaysia Competition Commission ("MyCC") pursuant to Section 36 of the Competition Act 2010 ("the Act"). The Proposed Decision was premised primarily on the allegation that FFM had engaged in agreements and/or concerted practices to fix the quantum of poultry feed prices in breach of Section 4 of the Act.

On 22 December 2023, MyCC issued a Notice of Finding of An Infringement under Section 40 of the Competition Act 2010 and the Decision of Infringement of Section 4(1) read with Sections 4(2)(a) and 4(3) of the Competition Act 2010, with a final penalty of RM42.689 million.

FFM is of the view that the Decision is without merit and had on 9 January 2024 appealed against the Decision via the filing of a notice of appeal with the Competition Appeal Tribunal ("CAT") and applied for a stay of the Decision.

Pending the outcome of the CAT, on prudent grounds, the Group has made full provision for the penalty amounting to RM42.689 million in the current year financial statements.

**A11. Capital and other commitments**

Authorised capital and other commitments not provided for in the financial statements as at 31 December 2023 are as follows:

	RM'000
Property, plant and equipment, investment properties and other intangible assets	
- contracted	83,011
- not contracted	357,540
	<u>440,551</u>
Other commitments	
- contracted	395,998
<b>Total</b>	<u><u>836,549</u></u>

**A12. Significant related party transactions**

Significant related party transactions during the financial year ended 31 December 2023 are as follows:

	RM'000
Transactions with associates	
- Sales of goods	11,358
- Purchase of goods	8,524
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Transactions with subsidiaries of the ultimate holding company	
- Sales of goods	14,619
- Supervision fee income	2,778
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Transactions with subsidiaries of associates	
- Purchase of goods	649,833
- Sales of goods	97,098
- Rental income	3,398
- IT service fee expenses	1,180
- Security and other service expenses	15,996
- Supervision fees income	1,340
- Freight cost	95,754
- Disposal of a subsidiary	88,482
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Transactions with subsidiary of associate of ultimate holding company	
- Rental expense	1,000
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**B1. Performance analysis**

**Group financial performance by business segment**

<b>Business segments:</b> All figures in RM'000	<u>Grains and agribusiness</u>	<u>Consumer products</u>	<u>Film exhibition and distribution</u>	<u>Environmental engineering and utilities (discontinued operations)</u>	<u>Property</u>	<u>Other operations</u>	<u>Inter-segment elimination</u>	<u>Total</u>
<b>4Q2023</b>								
<b>REVENUE</b>								
External revenue	938,377	184,649	107,012	-	30,175	2,277	-	1,262,490
Inter-segment sales	28,388	921	-	-	-	-	(29,309)	-
<b>Total revenue</b>	<b>966,765</b>	<b>185,570</b>	<b>107,012</b>	<b>-</b>	<b>30,175</b>	<b>2,277</b>	<b>(29,309)</b>	<b>1,262,490</b>
<b>RESULTS</b>								
Segment results	(5,045)	7,285	(141,256)	-	1,944	834	-	(136,238)
Share of results of associates	11,876	139	1,494	-	1,477	574,539	-	589,525
Share of results of joint venture	-	-	-	-	-	238	-	238
Unallocated corporate expenses	-	-	-	-	-	-	-	(11,808)
<b>Profit/(loss) before taxation</b>	<b>6,831</b>	<b>7,424</b>	<b>(139,762)</b>	<b>-</b>	<b>3,421</b>	<b>575,611</b>	<b>-</b>	<b>441,717</b>
<b>4Q2022</b>								
<b>REVENUE</b>								
External revenue	1,251,633	184,559	132,446	14,873	14,479	27,516	-	1,625,506
Inter-segment sales	35,810	1,526	-	-	401	-	(37,737)	-
<b>Total revenue</b>	<b>1,287,443</b>	<b>186,085</b>	<b>132,446</b>	<b>14,873</b>	<b>14,880</b>	<b>27,516</b>	<b>(37,737)</b>	<b>1,625,506</b>
<b>RESULTS</b>								
Segment results	44,649	10,645	(26,123)	676	(4,884)	31,903	-	56,866
Share of results of associates	10,247	(236)	(87)	-	654	386,433	-	397,011
Share of results of joint venture	-	-	-	6	-	(53)	-	(47)
Unallocated corporate expenses	-	-	-	-	-	-	-	(7,711)
<b>Profit/(loss) before taxation</b>	<b>54,896</b>	<b>10,409</b>	<b>(26,210)</b>	<b>682</b>	<b>(4,230)</b>	<b>418,283</b>	<b>-</b>	<b>446,119</b>
<b>Variance</b>								
Revenue (%)	-25%	0%	-19%	-100%	>100%	-92%	22%	-22%
Profit before taxation (%)	-88%	-29%	->100%	n.m	n.m	38%	-	-1%

n.m - not meaningful

**B1. Performance analysis**

**Group financial performance by business segment**

<b>Business segments:</b> All figures in RM'000								<u>Total</u>
	<u>Grains and agribusiness</u>	<u>Consumer products</u>	<u>Film exhibition and distribution</u>	<u>Environmental engineering and utilities (discontinued operations)</u>	<u>Property</u>	<u>Other operations</u>	<u>Inter-segment elimination</u>	
<b>FY2023</b>								
<b>REVENUE</b>								
External revenue	4,255,957	761,035	570,269	-	117,483	15,949	-	5,720,693
Inter-segment sales	112,936	5,497	-	-	602	-	(119,035)	-
<b>Total revenue</b>	<b>4,368,893</b>	<b>766,532</b>	<b>570,269</b>	<b>-</b>	<b>118,085</b>	<b>15,949</b>	<b>(119,035)</b>	<b>5,720,693</b>
<b>RESULTS</b>								
Segment results	214,565	26,571	(127,092)	-	14,985	62,300	-	191,329
Share of results of associates	15,346	(644)	6,692	-	2,415	1,303,656	-	1,327,465
Share of results of joint venture	-	-	-	-	-	4,766	-	4,766
Unallocated corporate expenses	-	-	-	-	-	-	-	(35,086)
<b>Profit/(loss) before taxation</b>	<b>229,911</b>	<b>25,927</b>	<b>(120,400)</b>	<b>-</b>	<b>17,400</b>	<b>1,370,722</b>	<b>-</b>	<b>1,488,474</b>
<b>FY2022</b>								
<b>REVENUE</b>								
External revenue	4,655,906	751,118	514,809	106,214	140,959	88,389	-	6,257,395
Inter-segment sales	130,906	5,361	-	37	802	42	(137,148)	-
<b>Total revenue</b>	<b>4,786,812</b>	<b>756,479</b>	<b>514,809</b>	<b>106,251</b>	<b>141,761</b>	<b>88,431</b>	<b>(137,148)</b>	<b>6,257,395</b>
<b>RESULTS</b>								
Segment results	50	35,643	(17,341)	47	33,066	45,646	-	97,111
Share of results of associates	74,279	(2,036)	253	-	1,843	2,103,750	-	2,178,089
Share of results of joint venture	-	-	-	39	-	3,831	-	3,870
Unallocated corporate expenses	-	-	-	-	-	-	-	(28,646)
<b>Profit/(loss) before taxation</b>	<b>74,329</b>	<b>33,607</b>	<b>(17,088)</b>	<b>86</b>	<b>34,909</b>	<b>2,153,227</b>	<b>-</b>	<b>2,250,424</b>
<b>Variance</b>								
Revenue (%)	-9%	1%	11%	-100%	-17%	-82%	13%	-9%
Profit/(loss) before taxation (%)	>100%	-23%	->100%	n.m	-50%	-36%	-	-34%

### **Group performance review**

For 4Q2023 and FY2023, Group revenue amounted to RM1.26 billion (4Q2022: RM1.63 billion) and RM5.72 billion (FY2022: RM6.26 billion) respectively. Pre-tax profit for 4Q2023 was 1% lower at RM442 million (4Q2022: RM446 million). This was mainly attributable to the lower contribution from the divested Indonesia flour operations, and partially offset by a higher contribution from Wilmar at RM572 million in 4Q2023 (4Q2022: RM387 million).

Pre-tax profit for FY2023 was lower by 34% to RM1.49 billion (FY2022: RM2.25 billion), mainly attributable to the lower contribution from Wilmar International Limited ("Wilmar") by 38% to RM1.30 billion in FY2023 (FY2022: RM2.10 billion). The Group's core business segments, however, recorded a marked overall improvement in profit before tax by 25% to RM189 million in FY2023 (FY2022: RM151 million).

### **Grains and agribusiness**

Segment revenue for 4Q2023 and FY2023 was at RM938 million (4Q2022: RM1.25 billion) and RM4.26 billion (FY2022: RM4.66 billion) respectively, mainly attributable to lower revenue from the Indonesia flour operations, which was divested on 12 September 2023. The segment recorded lower profit at RM7 million in 4Q2023 (4Q2022: RM55 million) due mainly to the provision for MyCC penalty of RM42.7 million (Refer to Note A10). Excluding the provision for MyCC penalty, the segment recorded a profit of RM50 million in 4Q2023 (4Q2022: RM55 million). For FY2023, the segment reported higher profit at RM230 million (FY2022: RM74 million), mainly attributable to the improved performance at the flour, feed and livestock sub-segments, partially offset by losses at the divested Indonesia flour operations and provision for MyCC penalty.

### **Consumer products**

Segment revenue for 4Q2023 and FY2023 was at RM185 million (4Q2022: RM185 million) and RM761 million (FY2022: RM751 million) respectively. The segment reported lower profit at RM7 million in 4Q2023 (4Q2022: RM10 million) and RM26 million in FY2023 (FY2022: RM34 million) respectively, mainly attributable to higher trade promotion and operating costs.

### **Film exhibition and distribution**

Segment revenue for 4Q2023 and FY2023 was at RM107 million (4Q2022: RM132 million) and RM570 million (FY2022: RM515 million) respectively. The segment reported higher loss at RM140 million in 4Q2023 (4Q2022: RM26 million) and RM120 million in FY2023 (FY2022: RM17 million). The losses were primarily attributable to the impairment on the Vietnam operations which amounted to RM60 million (FY2022: RM27 million) and the impairment on the Malaysia cinema assets amounting to RM53 million. Excluding these impairments, the segment recorded a loss of RM27 million in 4Q2023 (4Q2022: RM522,000 profit) and RM8 million in FY2023 (FY2022: RM10 million profit). The losses were mainly attributable to higher cinema operating costs.

### **Property**

Segment revenue for 4Q2023 and FY2023 was at RM30 million (4Q2022: RM14 million) and RM117 million (FY2022: RM141 million) respectively. The segment turn around with a profit of RM3 million in 4Q2023 (4Q2022: RM4 million loss) mainly attributable to higher sales of Megah Rise Residensi units and better performance at Megah Rise Mall. For FY2023, the segment reported lower profit at RM17 million (FY2022: RM35 million) mainly attributable to lower progressive profit recognised from the Megah Rise Residensi units sold as the project was completed in August 2022.

### **Other operations**

Segment profit for 4Q2023 and FY2023 was at RM576 million (4Q2022: RM418 million) and RM1.37 billion (FY2022: RM2.15 billion) respectively. The higher profit in 4Q2023 was mainly attributable to higher contribution from Wilmar by RM185 million to RM572 million in 4Q2023 (4Q2022: RM387 million), partially offset by the lower dividend income by RM12 million to RM2 million (4Q2022: RM14 million) as well as absence of a gain on disposal of CWM of RM11 million in 4Q2022. For FY2023, the lower profit was mainly due to lower contribution from Wilmar by RM800 million to RM1.30 billion (FY2022: RM2.10 billion).

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

For 4Q2023, profit before taxation was higher by 11% to RM442 million as compared to RM399 million recorded in 3Q2023. The increase was mainly attributable to higher contribution from Wilmar at RM572 million (3Q2023: RM268 million), partially offset by losses in the *Film Exhibition and Distribution* segment at RM140 million (3Q2023: RM5 million profit) and lower contribution from the *Grains and Agribusiness* segment at RM7 million (3Q2023: RM96 million). The 4Q2023 performance was affected by the provision for the MyCC penalty of RM42.7 million and lower hedging gains.

**B3. Prospects**

The Malaysian economy expanded by 3% in the fourth quarter of 2023 (3Q2023: 3.3%). Household spending remained supported by improving labour market conditions and easing cost pressures. Meanwhile, growth in investment activity was underpinned by the progressive realization of multi-year projects and capacity expansion by firms.

Looking at the overall performance in 2023, growth for the Malaysian economy moderated to 3.7% amid a challenging external environment, following a strong growth registered in the previous year (2022: 8.7%).

For 2024, growth of the Malaysian economy is anticipated to be driven by robust domestic expenditure and a positive shift in external demand. Household spending is expected to be supported by ongoing employment stability and continued wages growth. Additionally, investment activity is set to be bolstered by further progress of multi-year projects in both private and public sectors, along with the implementation of catalytic initiatives under national master plans.

With the correction of world grain prices in 2023 from its peak in 2022, performance of the *Grains and Agribusiness* segment improved significantly for 2023, particularly in the Malaysia operations. Nevertheless, we expect competition to be intense; with continued volatility in the global grain commodity markets primarily influenced by the ongoing risks associated with uncertain weather conditions in major grains growing countries. We will continue to leverage on our extensive experience in grain procurement and expertise in product formulation to drive operational efficiency. We are cautiously optimistic that the *Grains and Agribusiness* segment will deliver a satisfactory set of results in 2024.

The consumer market is expected to face challenges arising from prevailing consumer sentiment and spending patterns. However, we expect the *Consumer Products* segment to continue to perform well in 2024, as the segment remains focus in the business of the manufacturing and distribution of consumer staple food and continues to expand its product range.

The *Film Exhibition and Distribution* segment recorded a loss in the fourth quarter of 2023 as a result of the deferment of several key blockbuster titles due to the actors and writers' strikes in the Hollywood and cinema impairments. The strikes which ended in the last quarter of 2023, has also halted production and affected the supply of movie contents in the medium term. We anticipate a challenging 2024 for the *Film Exhibition and Distribution* segment as it will be substantially dependent on the supply of contents. However, the impact will be partially cushioned by local and regional releases as well as contributions from events and F&B business.

With several property development projects being planned at various stages, improving mall performance will be the key driver for the *Property* segment in 2024.

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

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

Not applicable.

**B5. Profit before taxation**

4th Quarter ended 31-Dec-23 RM'000	12 Months ended 31-Dec-23 RM'000
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Profit before taxation was stated after crediting/(charging):

Interest income and income from short-term fund placements	15,644	58,608
Dividend income	2,136	7,261
Net foreign exchange gain/(loss)	2,109	(2,373)
Gain on disposal of subsidiaries	-	55,786
Net fair value gain on derivatives	213	107,836
Net impairment on receivables	(23,299)	(21,680)
Depreciation and amortisation	(49,432)	(198,898)
Interest expense on lease obligations	(5,596)	(17,823)
Impairment of property, plant and equipment	(47,341)	(47,341)
Impairment of right-of-use assets	(5,340)	(5,340)
Impairment of investment in an associate	(59,554)	(59,554)

**B6. Tax expense**

4th Quarter ended 31-Dec-23 RM'000	12 Months ended 31-Dec-23 RM'000
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Taxation based on the profit for the financial period/year:

Malaysian taxation:

Current tax expense	(11,831)	(35,183)
Deferred tax credit/(expense)	10,609	(25,742)
	<u>(1,222)</u>	<u>(60,925)</u>

Foreign taxation:

Current tax expense	(988)	(2,229)
Deferred tax expense	(2,569)	(5,713)
	<u>(4,779)</u>	<u>(68,867)</u>

(Under)/over provision in prior years:

Current tax	(2,015)	(7,637)
Deferred tax	1,432	8,669
	<u>(5,362)</u>	<u>(67,835)</u>

For FY2023, the Group's effective tax rate was higher than the statutory rate, mainly due to non-deductible expenses, deferred tax assets not recognised on tax losses of certain subsidiaries, provision of withholding tax on undistributed profits of foreign associates, and partially offset by income not subject to tax.

**B7. Status of corporate proposals**

There were no corporate proposals announced but not completed.



## B8. Group borrowings

Total Group borrowings as at 31 December 2023 were as follows:

	Total RM'000	Secured RM'000	Unsecured RM'000
Long-term bank borrowings			
Long-term bank loan (VND)	16,644	16,644 (a)	-
	<b>16,644</b>	<b>16,644</b>	<b>-</b>
Short-term bank borrowings			
Revolving credit (RM)	233,763	120,000 (b)	113,763
Short-term loan (RM)	44,500	44,500 (b)	-
Short-term loan (USD)	28,036	-	28,036
Short-term loan (VND)	110,155	- (a)	110,155
	<b>416,454</b>	<b>164,500</b>	<b>251,954</b>

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

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

## B9. Derivative financial instruments

(a) Derivative financial assets and financial liabilities as at 31 December 2023

	Contract / Notional value RM'000	Fair value - Assets / Liabilities RM'000
<u>Derivative financial assets</u>		
i) Futures contracts	169,096	7,785
ii) Forward foreign currency contracts	22,135	70
<b>Total derivative assets</b>		<b>7,855</b>
<u>Derivative financial liabilities</u>		
i) Options contracts	104,283	2,898
ii) Futures contracts	102,467	3,510
iii) Forward foreign currency contracts	75,431	667
<b>Total derivative liabilities</b>		<b>7,075</b>

All contracts will be maturing within one year.

### Futures and options contracts

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

Forward foreign currency contracts

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

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

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

(b) Fair value changes of financial instruments

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

For the 4th quarter of 2023, unrealised fair value loss on derivative financial instruments amounted to RM12.6 million (4Q2022: RM32.0 million).

For the financial year 2023, unrealised fair value gain on derivative financial instruments amounted to RM5.9 million (FY2022: RM25.7 million loss).

**B10. Material litigation**

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

**B11. Dividend**

The Board of Directors is pleased to recommend a proposed final dividend of 30 sen per share for the financial year ended 31 December 2023 (2022: Final dividend of 28 sen per share) payable on 7 June 2024 to shareholders whose names appear in the Record of Depositors at the close of business on 21 May 2024, subject to the approval of shareholders at the 55th Annual General Meeting scheduled to be held on Friday, 17 May 2024.

Together with the interim dividend of 12 sen per share paid on 22 September 2023, total dividends paid and payable for the financial year ended 31 December 2023 would amount to 42 sen per share (2022: 40 sen per share).

**B12. Earnings per share**

	4th Quarter ended		12 Months ended	
	31 December		31 December	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Net profit for the period/year	<u>441,400</u>	<u>415,500</u>	<u>1,394,305</u>	<u>2,196,818</u>
Number of ordinary shares in issue ('000)	<u>1,422,599</u>	<u>1,422,599</u>	<u>1,422,599</u>	<u>1,422,599</u>
Basic earnings per share (sen)	<u>31.03</u>	<u>29.21</u>	<u>98.01</u>	<u>154.43</u>

There were no potential dilutive ordinary shares outstanding as at 31 December 2023 and 31 December 2022. As such, there were no diluted earnings per share for the financial year ended 31 December 2023 and 31 December 2022.

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

The auditors' report for the financial year ended 31 December 2022 was not subject to any qualification.

**Kuala Lumpur**  
**28 February 2024**

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