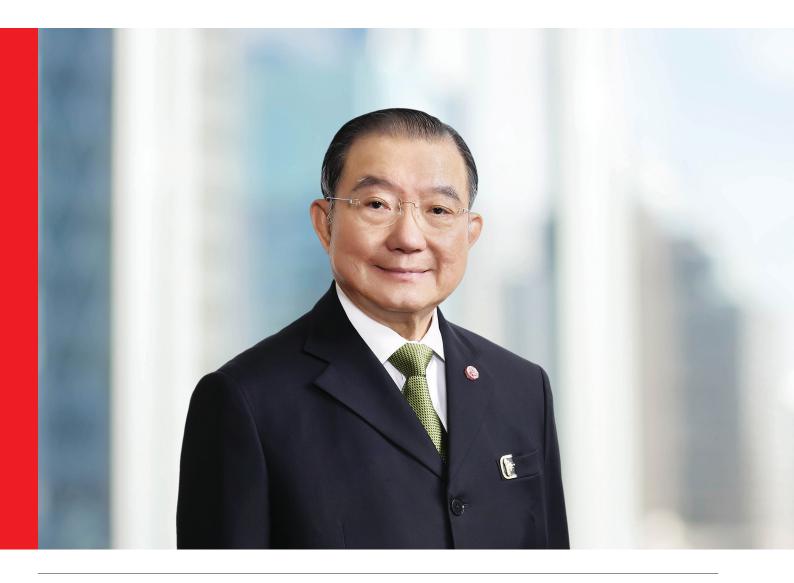
Chairman's Message



FY2022 was yet another challenging year for the Group, as we continue to shape our organisation for the future amidst an increasingly volatile environment. While the successful rollout of the vaccination programmes has kept the COVID-19 pandemic largely under control, the ongoing impact of soaring inflation, supply constraints and rising interest rates may affect the economic outlook of many countries.

Given the multi-faceted challenges, the Group has once again displayed resilience and adaptability by managing supply chain disruptions, taking care of people and containing costs. This year, while earnings were impacted by higher input costs, we were able to capture more market shares as well as grow volume and revenue.

As the Group continues to seek opportunities to improve our financial performance, we have also kept a keen eye on building a more sustainable future and a better world for all. In addition to putting sustainability strategy in place, we are also addressing the challenges of achieving a net-zero and circular economy future. We continue to invest in innovative product development to use packaging that provides circularity to its life cycle while contributing to climate neutrality. Recognising the increasing importance of non-financial reporting and as part of the Group's continuing efforts in enhancing transparency, we have stepped up our Environmental, Social and Governance (ESG) disclosures, according to the recommendations of the Task

Force on Climate-Related Financial Disclosures (TCFD), ahead of local regulatory requirements.

DIVIDENDS

The Group remains committed to our dividend policy of returning approximately 50% of attributable profit before exceptional items to shareholders. This year, the Board recommends a final dividend of 3.5 cents per share for shareholders' approval at the forthcoming Annual General Meeting. If approved, the final dividend will be paid on 10 February 2023. Including the interim dividend paid in June 2022, the total dividend for the financial year will be 5.0 cents per share, which is the same as last year. This represents a distribution of 56% of the Group attributable profit before exceptional items.

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ACKNOWLEDGMENTS

We bade farewell to our non-executive and independent director, Mrs Siripen Sitasuwan who had stepped down from the Board on 30 May 2022. We will also be bidding farewell to Tengku Syed Badarudin Jamalullail, our non-executive and independent director, and Mr Chotiphat Bijananda, our non-executive and non-independent director at the upcoming Annual General Meeting. We wish to express our sincere appreciation to all three of them for their years of distinguished service and wise counsel.

As part of our commitment to a strong and diversified Board, we welcomed Ms Suong Dao Nguyen who joined the Board during the year as independent director and a member of the Nominating Committee.

We are confident that Ms Nguyen's diverse experience and insights will be valuable additions in providing the right steer for the Group.

During the year, in line with the Group's succession planning, Mr Hui Choon Kit, formerly the Chief Financial Officer and Company Secretary, was appointed the Group Chief Executive Officer on 1 February 2022. As the Group enters the next chapter of our growth journey, we are confident that Mr Hui's strategic insights, in-depth knowledge of the industry and Group's operations will hold him in good stead in his new role. The Board would like to thank Mr Lee Meng Tat, who relinquished his position as Chief Executive Officer, Non-Alcoholic Beverages, for his support and contributions to the Group and the Board.

IN APPRECIATION

Next year marks F&N's 140th anniversary. We have come a long way with the support of our stakeholders – past and present. On behalf of the Board, I would like to sincerely thank all our employees for their support, hard work and dedication. We also thank our customers, partners, shareholders and other stakeholders for their unwavering support. We look forward to your continued support and be part of our transformation and growth for the many more years ahead.

Charoen Sirivadhanabhakdi Chairman