

DAIRIES

MALAYSIA • THAILAND • SINGAPORE • VIETNAM

TEAPOT & CARNATION

No. 1 in Sweetened Condensed & Evaporated Milk Brands in Thailand

F&N MAGNOLIA & BEAR BRAND

No. 1 Liquid Non-Chilled Milk Brand in Thailand



Innovating Growth TOGETHER



DAIRIES MALAYSIA:

Amidst the challenging market conditions, Dairies Malaysia maintained its undisputed leadership in the condensed and evaporated canned milk segment with F&N, TEAPOT, GOLD COIN and CARNATION brands. This leadership position was not merely sustained through adaptability to shifting market dynamics, but also through innovative product offerings and educational initiatives aimed at consumers.

Adhering to the mantra of "PURE ENJOYMENT. PURE GOODNESS", Dairies Malaysia continued its marketing efforts to drive the growth of its ready-to-drink liquid milk category. Leveraging the Group's in-house technical expertise, diverse product range and established consumer relationships, Dairies Malaysia made significant strides in expanding its presence of F&N MAGNOLIA and FARMHOUSE liquid milk products.

CANNED MILK: F&N/GOLD COIN/TEAPOT/ CARNATION

F&N, TEAPOT, GOLD COIN and CARNATION maintained its unchallenged leadership position in Malaysia's condensed and evaporated milk segments. This enduring leadership position is a testament to the Group's unwavering commitment to innovation, complemented by focused marketing campaigns highlighting the versatile applications of canned milk in food and beverage consumption.

In August, TEAPOT introduced the TEAPOT UHT Evaporated Creamer in Malaysia. Crafted specially for on-premise and HoReCa (Hotels, Restaurants and Catering) operators, this rich creamer is the perfect accompaniment for culinary creations. Launched in convenient packs, TEAPOT UHT Evaporated Creamer offers consumers not only ease of use, but also convenience in storage, anytime and anywhere.

In addition to new product launches, F&N rolled out its "MENGISI HATI SETIAP HARI" or "FILL YOUR HEART EVERY DAY" campaign for Malaysians in March. The campaign embodied F&N's commitment to delivering the best for your loved ones, going beyond the act of filling cups to touching hearts. Supporting this comprehensive campaign were various marketing activities, including television commercials, digital and mobile communications, and partnerships with social media influencers.



F&N BEVERAGES MALAYSIA

No.1 Manufacturer in the
Condensed & Evaporated
Milk Categories



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READY-TO-DRINK MILK TEA: F&N TEH TARIK

F&N Teh Tarik continued to excite Malaysians with the "BIAR ORI, BARU SEMPOI" campaign, celebrating the beauty of originality. MK K-Clique, a popular homegrown singer and rapper, became the voice of F&N's first independent brand film, generating considerable hype among consumers. On top of that, the brand also served as the official beverage partner for the inaugural TikTok Malaysia Awards 2023, which recognised local content creators making a significant impact on the TikTok platform. The campaign, broadcasted live on TV and social media platforms, achieved unprecedented industry benchmarks with five million viewers and over five billion social media interactions. It was complemented by extensive sampling activities through F&N's interactive vending machines in major transit areas in Klang Valley, where 15,000 commuters had the opportunity to enjoy their own ice-cold F&N ready-to-drink Teh Tarik products. As the brand continues to stay true to its commitment to offer vibrant and delicious dairy-based beverages, consumers can expect more exciting activations in the future.

LIQUID MILK: F&N MAGNOLIA

In 2023, F&N MAGNOLIA revitalised its brand through the "TASTY GOODNESS" 360-degree campaign encompassing a comprehensive redesign of its product packaging, digital brand communications and trade activations. More than 300,000 in-store activations were deployed across AEON, AEON BIG, MYDIN, TUNAS MANJA, ECONSAVE and GIANT nationwide. The brand also ran an exclusive contest with these partners, offering consumers the opportunity to win shopping sprees!

Committed to delivering quality, fresh and delicious dairy goodness to every household, F&N MAGNOLIA will continue to play a bigger part in consumers' lives through nutritious products, while staying true to its promise of "LAZATNYA KEBAIKAN" or "DELICIOUS GOODNESS".

DAIRIES THAILAND:

Dairies Thailand has solidified its position as the leading provider of canned milk in Thailand, with CARNATION and TEAPOT. This impressive market leadership has been achieved through the successful introduction of innovative products, perfectly executed trade programs, and the extensive countrywide distribution network that supports them. Beyond bolstering domestic volume, Dairies Thailand has continued to expand and diversify its distribution throughout the SEA region. Similarly, through the launch of innovative products, Dairies Thailand has seized opportunities within Thailand's liquid milk sector and enhanced its presence in the ready-to-drink milk market with F&N MAGNOLIA and BEAR BRAND.

CANNED MILK: CARNATION

CARNATION, a Nestle's brand licensed to F&N, maintains its status as the leading brand in Thailand's canned milk sector. In 2007, our Group acquired Nestle's production facilities and equipment in Thailand, along with licensing rights to select Nestle canned and sterilised milk brands. Subsequently, the Nestle trademark license agreement was renewed in 2015 for 22 years, extending until 2037, allowing us to manufacture and distribute Nestle's products – CARNATION and BEAR BRAND – across Singapore, Thailand, Malaysia, Brunei, and Laos. Since then, these brands have seen substantial growth.

Through targeted brand marketing initiatives and the expansion of our distribution networks, CARNATION has achieved volume growth while solidifying its image as the preferred choice among Thai consumers for on-premise consumption, and as a beverage option for off-premise consumption. This year, CARNATION introduced the CARNATION PLUS campaign to stimulate in-home consumption in Thailand. Targeting young families, CARNATION launched television commercials, conducted below-the-line activities, offered samples at transit areas, and established partnerships with popular dessert cafes to encourage product trials and promote daily usage as part of Thai meal preparation.

Continuing our tradition, we rolled out nationwide loyalty campaigns this year to reward our customers and consumers. The eight-month-long campaign – CARNATION REWARDS – was executed to express our gratitude and reward consumers for selecting CARNATION as their preferred condensed milk in Thailand. Loyal customers were rewarded with instant prize redemptions and the opportunity to participate in a lucky

CARNATION

No. 1 Sweetened
Condensed & Evaporated
Milk in Thailand





TEAPOT Nom Yen

Expanded TEAPOT's Presence in Flavored Sweetened Condensed Milk

offline advertising, along with sampling activations at schools and universities, contributing to a 5% increase in sales compared to the previous year.

As Thailand's leading sterilised milk brand, BEAR BRAND continued to engage consumers with its new brand proposition, "FOR A HEALTHY BRAIN, BONES, AND BEAUTY", introduced in February. To educate consumers about the health benefits of this ready-to-drink milk and enhance brand relevance, BEAR BRAND relied on television commercials, extensive online and in-store communications, and sampling activations to reinforce its key message. To maintain top-of-mind awareness, BEAR BRAND launched a four-month-long BEAR BRAND POINT REWARDS nationwide campaign. The success of this nationwide campaign saw a 10% increase in participation rates, compared to the previous year. Through effective online communications on social media and on-ground activations, BEAR BRAND successfully maintained its leading position in the sterilised milk segment.

BEAR BRAND

No. 1 Position in the Sterilised Milk Category

draw. This on-ground activation yielded impressive results, with CARNATION sales recording double-digit growth and an increased market share compared to the previous year.

CANNED MILK: TEAPOT

Already established as Thailand's top-flavored Sweetened Condensed Milk ("SCM") in squeezable tubes, TEAPOT continued to captivate the market with the launch of its limited-edition flavor – TEAPOT Nom Yen – in August 2023. Packaged in convenient on-the-go squeezable tubes, this new aromatic addition is rich and creamy, delivering the delightful Nom Yen taste. To support the launch, TEAPOT conducted a series of digital campaigns, nationwide samplings, and various point-of-sale initiatives. Available nationwide in 150g squeezable tubes, the introduction of TEAPOT Nom Yen has expanded TEAPOT's presence in flavored SCM across all distribution channels and contributed to market share gains.

In an effort to strengthen TEAPOT's brand positioning in the SCM segment, we launched the "COLOUR UP YOUR LIFE" thematic campaign from April to June 2023. Utilising digital platforms and on-ground activations, TEAPOT engaged with consumers. Popular local actor Thanapob Leeratanakachorn, TEAPOT's new brand ambassador, was featured in television commercials, in-store advertisements, and on social media platforms such as Facebook, YouTube, and TikTok to reach young consumers. Through these effective brand communications, TEAPOT cultivated stronger relationships and brand loyalty with consumers in Thailand.

LIQUID MILK: F&N MAGNOLIA AND BEAR BRAND

Since its introduction in the liquid milk segment in 2019, F&N MAGNOLIA has consistently remained aligned with consumer needs and lifestyles by offering high-quality fresh and wholesome milk to nourish the people of Thailand. Building on the success of the F&N MAGNOLIA UHT Milk launch in February 2022, the brand continued to uphold its promise of "TASTY GOODNESS", providing consumers with a new and delightful drinking experience through its UHT milk range. Fortified with vitamin D for strong bones and teeth, F&N MAGNOLIA UHT Milk was specially formulated to enhance the natural sweetness of plain milk, allowing consumers to savor their daily dose of "TASTY GOODNESS" anytime, anywhere. This rollout received support through both online and

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DAIRIES SINGAPORE:

As a major dairy manufacturer and beverage supplier, F&N's F&B operation in Singapore has demonstrated resilience and adaptability in the face of intense market competition. To reinforce F&N's standing in the dairy industry, we have continued our product expansion efforts to cater to changing consumer consumption patterns and growing demand for healthier alternatives. In addition, F&N's state-of-the-art smart integrated facility is set to enhance the Group's research and development and production capabilities. Spanning 375,000 square feet, this future-ready facility empowers F&N to expand our beverage offerings and sustainable packaging solutions, aligning with our vision as a sustainable leading F&B player in ASEAN.

LIQUID MILK AND YOGHURT SMOOTHIE: F&N MAGNOLIA

Nourishing families since 1937, F&N MAGNOLIA has been a breakfast table staple in many Singaporean households. This beloved brand not only offers liquid milk but also yoghurt, in a variety of unique and limited-edition flavours, bringing joy to family mornings.

This year, F&N MAGNOLIA thrilled consumers with the launch of a fresh, contemporary packaging design that covers both fresh milk and yoghurt smoothie range. This makeover was complemented by robust digital engagement, in-store promotions and outdoor communications.

A trusted brand for over 85 years, F&N MAGNOLIA remains dedicated to providing nutritious, delicious, and wholesome goodness for Singaporeans.

F&N MAGNOLIA

Excited Singaporeans with the launch of a fresh, contemporary packaging design for its fresh milk and yoghurt smoothie range



DAIRIES VIETNAM:

F&N's presence in Vietnam is facilitated through its 20.4% investment in Vinamilk. The Group's investments in Vietnam traced back to February 2005 when it initially acquired an approximate 5% stake in Vinamilk. In December 2016, the Group expanded its holdings by acquiring additional shares, representing approximately 5.4% interest, through a competitive bid process. Subsequently, through further market purchases, the Group continued to raise its stake in Vinamilk, ultimately reaching 20.4% as of 30 September 2023. With this significant shareholding and the appointment of two representatives to its board, the Group qualifies as having substantial influence over Vinamilk for accounting purposes, in compliance with the Singapore Financial Reporting Standards (International). As a result, starting from 16 April 2017, the Group has been employing the equity accounting method to record its share of Vinamilk's profits.

In FY2023, Vinamilk made a significant contribution of \$89M to F&N's PBIT, constituting 36% of the Group's total profit. Vinamilk, the largest F&B company listed on the Ho Chi Minh Stock Exchange, specialises primarily in the production, supply, and distribution of dairy products, including powdered, liquid, and condensed milk, cheese, ice cream, yogurt, cereals, as well as beverages such as soy milk, fruit juice, and yogurt drinks. It maintains a presence in over 50 countries globally and operates with the support of 16 dairy factories located in Vietnam, Cambodia, and the USA, in addition to 15 dairy farms in Vietnam and Laos.





DAIRIES: ICE CREAM

OVERVIEW

Ice Cream division boasts a strong presence in Malaysia, Singapore, and Thailand, anchored by trusted brands such as F&N MAGNOLIA, KING'S, and 100PLUS. With manufacturing facilities in Malaysia and Thailand, this division has consistently delivered popular ice cream products, staying ahead of consumer preferences through innovation and strategic marketing efforts.

MALAYSIA

Since the successful launch of 100PLUS Hydration Bar in October 2021, Malaysia continued to generate 100PLUS Hydration Bar awareness through continuous marketing events and engagement activities in Malaysia, emphasising the importance of hydration in hot weather. Malaysia organised large-scale sampling events coupled with fun games and activities to generate excitement.

SUNKIST's expansion into the ice cream category in March brought refreshing excitement. The launch of SUNKIST Tropical Orange Ice Cream Bar and Tub featured a comprehensive marketing campaign, leveraging social media influencers and prominent advertising spaces in popular shopping centers. The accompanying contest, "GOLD OF SUNKIST," witnessed a remarkable participation rate, with over 100,000 applicants.

In addition to new products and running marketing campaigns, Malaysia bolstered partnerships with key account

chains through sponsorships at events, including GIANT's Mega Roadshow and AEON's Big Orange Day.

THAILAND

Thailand has seen an eventful year, marked by the introduction of new flavours in the F&N MAGNOLIA range. Recognising the trend toward affordability, F&N MAGNOLIA launched two pocket-friendly ice cream variants, F&N MAGNOLIA Gotcha Pop Orange and F&N MAGNOLIA Gotcha Choco Dip, in October 2022, which garnered a positive response.

In February, F&N MAGNOLIA elevated its brand with a premium touch through the launch of two limited-edition flavours, F&N MAGNOLIA Mag-A-Cone Hokkaido Milk and F&N MAGNOLIA Mag-A-Cone Brown Sugar with Pearl. Riding the wave of brown sugar pearl desserts, F&N MAGNOLIA introduced another irresistible brown sugar pearl ice cream in stick format in April. Encouraged by the success, these new products were later brought to Singapore.

To further strengthen its presence in the kids' segment, F&N MAGNOLIA introduced its range of One Piece-themed ice cream in June, featuring two delicious flavours – F&N MAGNOLIA One Piece Jelly Cool Grape and F&N MAGNOLIA One Piece Pink Milk. This popular Japanese manga-inspired ice cream collection comes in eight captivating packaging options for kids to choose from.

In addition to these new products, Thailand launched the "MAKE IT WORTH EVERY BITE" campaign to establish F&N MAGNOLIA's brand proposition of "TASTY GOODNESS" among consumers. Targeted at kids

and young families, this campaign was supported by a 360-degree marketing strategy, including thematic videos on major online platforms such as Facebook, TikTok and YouTube, as well as point-of-sales materials in cart channels and supermarkets. The campaign generated significant engagement, accumulating over 25M views on YouTube within three months.

SINGAPORE

100PLUS Hydration Bar continued to strengthen F&N's ice cream portfolio in Singapore since its launch in 2021. Riding on 100PLUS's beverage brand activations, 100PLUS Hydration Bar has participated in various joint samplings at key sporting events, driving brand awareness and product visibility. In July, 100PLUS Hydration Bar partnered with the Singapore Civil Defence Force to provide their operations team and frontliners with icy cool bars to keep them hydrated, as they combat the scorching heat in sunny Singapore. In addition to driving trials, 100PLUS Hydration Bar sponsored key sporting events such as TOUR DE FRANCE PRUDENTIAL SINGAPORE CRITERIUM, STANDARD CHARTERED MARATHON SINGAPORE, OCBC CYCLE, HSBC RUGBY 7s, FIBA 3x3 ASIA CUP and the NATIONAL DAY PARADE FIESTA – events that were also sponsored by 100PLUS. This strategic alignment enhanced 100PLUS's presence across diverse platforms. Through impactful online and offline campaigns, 100PLUS Hydration Bar was able to capture the attention of over half a million consumers in Singapore.

This year, following the highly successful debut in Thailand, F&N MAGNOLIA introduced two limited-edition flavours from its Mag-A-Cone range – Hokkaido Milk and Brown Sugar with Pearl – in April. These premium flavours also garnered positive responses upon their launch in Singapore.

In March, in addition to Malaysia, SUNKIST Tropical Orange ice cream also made its debut in the sunny island of Singapore. This refreshing citrus ice cream, rich in Vitamin C, provided the perfect icy treat for Singapore's warm climate. The launch of this product was supported by digital and social media platforms, generating over \$1M in publicity value.