

CHAIRMAN'S MESSAGE

TRADITION & INNOVATION

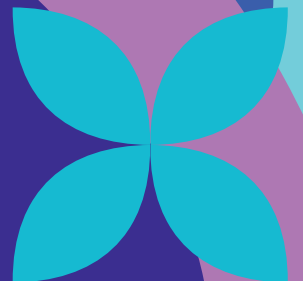
Tradition of Excellence, Future of Innovation



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CHAROEN
SIRIVADHANABHAKDI



As we close the financial year 2024, Fraser and Neave, Limited (“**F&N**” or the “**Group**”) has achieved new levels of resilience and innovation, anchored by our commitment to sustainable growth and value creation for our shareholders. This year, our strategic focus on our core strengths, balanced by careful investments and agile responses to market dynamics, has enabled us to sustain growth and lay a solid foundation for the future.

STRATEGIC GROWTH AND FINANCIAL RESILIENCE

FY2024 demonstrated our ability to adapt and grow, even amidst a volatile economic climate. The Group’s steady performance, driven by our Food & Beverage segment, showcased the effectiveness of our strategies in leveraging brand strength, deepening market penetration, and optimising efficiencies. Despite market uncertainties, we delivered solid financial results, underscoring the strength of our diversified portfolio and disciplined approach to growth.

COMMITMENT TO SUSTAINABILITY

Sustainability remains central to our strategy and is reflected in every facet of our operations. This year, we continued to make progress on our sustainable development journey, embedding environmental and social initiatives at the core of our operations.

On the environmental front, building upon last year’s financial impact disclosures of key climate-related risks, we advanced our climate reporting by quantifying the financial impact of a key climate-related opportunity. To further support our environmental goals, we expanded renewable energy use by installing additional solar panels at our plants in Thailand and evaluated decarbonisation pathways to align with the Group’s 2050 net-zero ambition.

On the social front, our efforts in employee engagement led to improved scores, and we were honoured with Best Employer awards in both Singapore and Malaysia. These accomplishments underscored our unwavering commitment to sustainability, our focus on refining Environmental, Social and Governance (ESG) priorities, and our dedication to creating a sustainable future for our planet, our people, and our organisation.

STRATEGIC ALIGNMENT THROUGH SHARE SWAP COMPLETION

On 20 September 2024, following the completion of the share swap agreement between InterBev Investment Limited (“**IBIL**”) – a subsidiary of Thai Beverage Public Company Limited (“**ThaiBev**”) – and TCC Assets Limited, IBIL’s direct interest in F&N increased from 28.3% to 69.6%. With this development, F&N has become a direct subsidiary of IBIL and an indirect subsidiary of ThaiBev. This enhanced alignment positions F&N to leverage ThaiBev’s extensive resources, regional market expertise, and shared strategic priorities, creating additional opportunities for growth and value creation across our combined businesses. Furthermore, this share swap facilitates F&N’s deepening presence in the ASEAN region while enhancing the Group’s resilience through greater geographical diversification.

REGIONAL EXPANSION AND LONG-TERM VISION

Our investments in FY2024 underscored our dedication to deepening our presence in the region, with significant developments in Cambodia and Malaysia. The new dairy manufacturing facility in Cambodia and the progress on the F&N AgriValley project in Malaysia are emblematic of our vision for sustainable, regionally integrated growth. By enhancing our operational capabilities and expanding our reach, we are well-positioned to capture emerging opportunities and strengthen our leadership across Southeast Asia.

PROPOSED FINAL DIVIDEND OF 4.0 CENTS PER SHARE

Consistent with our focus on long-term growth and shareholder value, the Board has proposed a final dividend of 4.0 cents per share for FY2024. Together with the interim dividend of 1.5 cents paid in June, this brings the total dividend for the year to 5.5 cents per share, reflecting a 55% payout of attributable profit before exceptional items. This approach aligns with our dividend policy, balancing near-term shareholder returns with strategic reinvestment for sustained growth. Pending approval at the upcoming Annual General Meeting, the final dividend will be distributed on 14 February 2025.

OUTLOOK

Looking forward, F&N will continue to drive sustainable value creation through strategic investments, digital innovation, and an unyielding focus on sustainability. I am confident that with the continued support of our dedicated employees, partners, shareholders and stakeholders, we will not only navigate the complexities of the future but thrive as a stronger, more sustainable enterprise.

ACKNOWLEDGEMENTS

Due to business and personal commitments, Mr Charles Mak will step down from the Board at the conclusion of the F&N Annual General Meeting on 16 January 2025 (“**AGM**”). I would like to extend my sincere gratitude to Mr Mak for his invaluable contributions to the Group.

I also wish to express my appreciation, on behalf of the Board, to all our stakeholders, including partners and shareholders, for their unwavering support. Our thanks also go to management and staff for their dedication and hard work, and to my fellow directors for their guidance in the governance of the Group.

This FY2024 report marks my final message as Chairman and Director of F&N, as I will step down at the conclusion of the AGM in line with the Group’s succession plan. I leave confident in the future of F&N under the leadership of Mr Koh Poh Tiong, whose extensive industry experience and commitment to our values will drive the Group forward. With the enduring dedication of our team, the steadfast support of our shareholders, and the guidance of the Board, I am certain that F&N will continue to flourish, as it has over the past 141 years.

Thank you for being a part of our transformation and growth journey.

Charoen Sirivadhanabhakdi
Chairman