



FY2022 FINANCIAL RESULTS BRIEFING

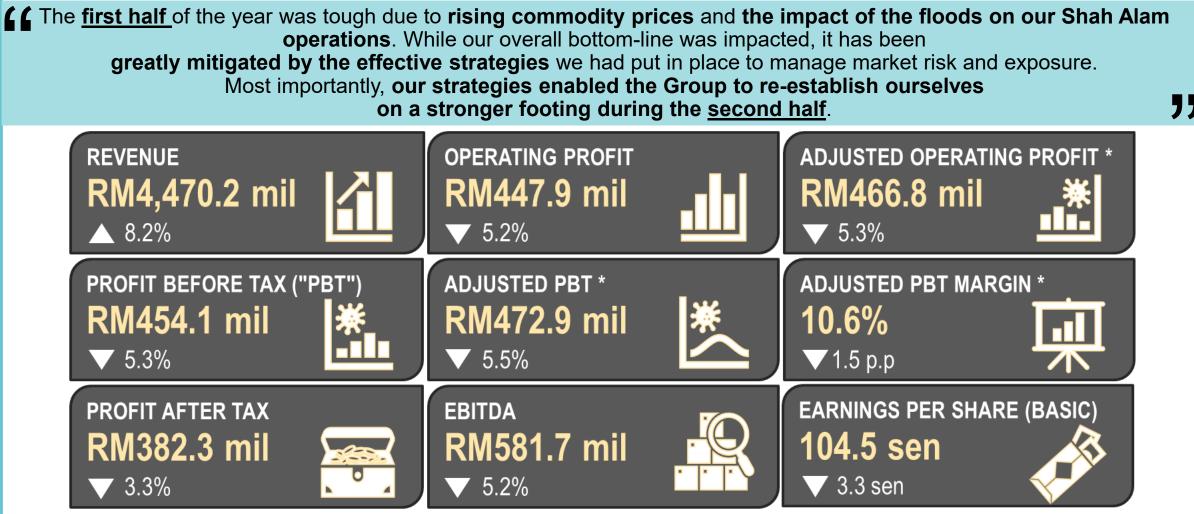
PRESENTATION BY CHIEF EXECUTIVE OFFICER



FY2022 F&NHB GROUP FINANCIAL PERFORMANCE

F&NHB Records Higher Revenue for FY2022





Excluding one-off non-operating items i.e. flood related expenses, insurance claim receivable and restructuring costs

F&B Malaysia Revenue +13.5% (RM'mil) 2,418.1 2,130.5 +16.0% +31.1%+1.3% +9.0% 626.8 600.6 615.1 575.6 564.2 540.2 457.9 568. Q1 Q2 Q3 Q4 Adjusted FY2021 FY2022 +60.3%**Operating profit** +71.9% (RM'mil) Adjusted 168.0 +148.7% Adjusted Adjusted +91.9% +59.3% Adjusted +435.1% +5.5% +194.0% +71.3% 97. -49.6% 49.8 44.9 50.4 45.2 26.4 9 17.1 22 3 Q1 Q2 Q3 Q4 YTD FY2021 ■FY2022

- Strong double digit growth in revenue and profits driven by economic recovery, higher sales, improved margins and operational savings from completed projects.
- First full-year contribution from Food Pillar.

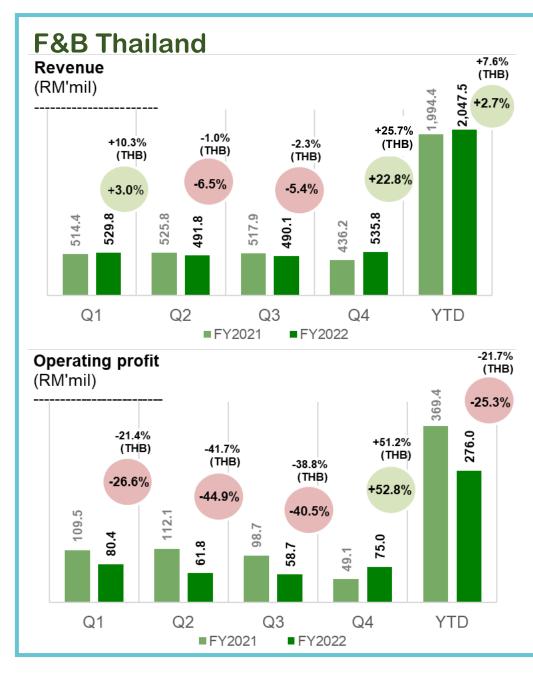
FY2022 v FY2021

- **Revenue** +13.5%:
 - Out-of-home (OOH) consumption rose progressively lifting of movement control restrictions
 - Double digit volume growth for beverages
 - Successful trade execution and price adjustment exercise
 - First full-year contribution from Food Pillar.
 - Offset by lower export revenue (Greater China affected by lockdowns, lower sales to price-sensitive markets, and delay in shipping schedules)
 - Flood in Q1 and resulting out-of-stock situations.
- **Operating profit** +71.9% (Adjusted operating profit +60.3%*):
 - Improved margins from **price adjustment exercise** mitigated the significantly higher commodity costs impact
 - Improved contribution from Exports better region/product mix
 - Operational savings from completed projects:
 - Partial utilisation of **ASRS warehouse** in Shah Alam
 - New in-sourced transportation service in Malaysia
 with 5 new delivery trucks
 - Solar PV systems at 3 plants



* Adjusted for one-off non-operating items (flood impact and restructuring costs)

4



- Recovery in OOH channels
- New product innovations
- Sustained growth through effective promotions and loyalty program
- Launched F&N Nom Aroi e-Commerce platform
- Capex completion

FY2022 v FY2021

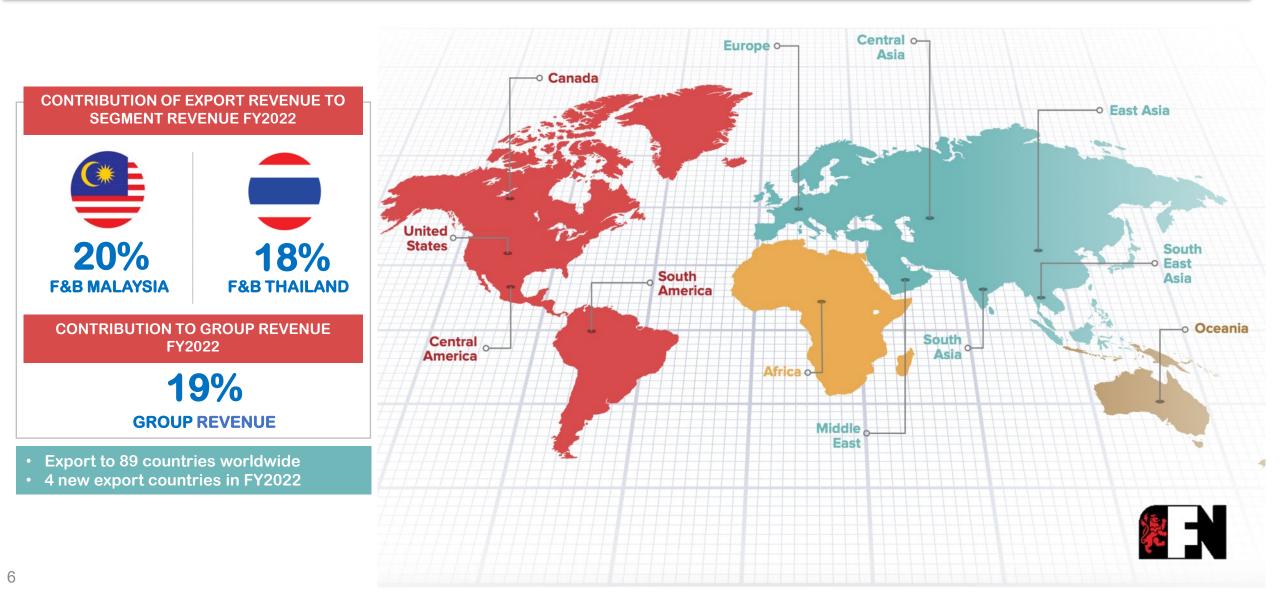
•

- **Revenue** +2.7% (+7.6% in Thai Baht):
 - Recovery in OOH channels and progressive improvement in tourism
 - Price adjustments (led to improved Q4 performance)
 - New product innovations
 - Unfavourable forex translation loss from weaker Thai Baht
- **Operating profit** -25.3% (-21.7% in Thai Baht):
 - Significantly higher commodity costs (especially tin cans, milk and palm oil) and forex impact from strong US Dollar
- Completion of the **Regional Distribution Centre** in Rojana, Thailand equipped with ASRS technology
- Completion of the new factory and solar PV system in Wang



Despite lower Export revenue and higher COGS, margins improved through price increase

- Price increase impacted demand in price-sensitive regions
- Challenges faced: Shipping disruption/delays, limited vessels, higher freight costs, strict lockdown in Greater China



Final dividend Maintained at 33 sen/share (2021: 33 sen/share)



	30 Sept 2022	30 Sep 2021	Change	ŀ
Total equity ¹ (RM ^{mil})	2,982.5	2,819.0	▲ 5.8%	
Total assets (RM'mil)	4,190.6	3,631.7	1 5.4%	•
Total debt ^{2 & 5} (RM ^{mil})	310.1	65.0	4 376.8%	•
Cash & cash equivalents ³ (RM ^{mil})	461.9	555.4	- 16.8%	
Net assets per share	8.13	7.69	0.45	
Gearing ratio ^{4 & 5}	10.4%	2.3%	▲ 8.1%	

- Directors recommend a final single tier dividend of **33.0 sen per share for approval by shareholders at the forthcoming Annual General Meeting**.
- If approved by shareholders, total dividends for the year would amount to 60 sen (2020: 60 sen per share).
- Takes into account the Group's capital position, working capital requirements and capital expenditure investments.

1 Equity attributable to owners of the Company

2 Consist of loans and borrowings and lease liabilities

3 Lower cash and cash equivalents due to payment of final dividend, working capital requirements and capital expenditure

4 Total debt / Total equity

5 With the drawdown of RM500 mil IMTN on 5 October 2022, the gearing ratio increased from 10.4% to 27.1%



SECOND HALF HIGHLIGHTS

OUR NEW PRODUCTS IN FY2022





100PLUS WORLD HYDRATION DAY

MISI HIDRASI

A fun-filled carnival to spread awareness on the importance of stay hydrated

Hydrating > 100,000 Malaysians in pursuit of their active lifestyle



FOKUS





BRAND CAMPAIGNS TO DRIVE SALES IN MALAYSIA









BRAND CAMPAIGNS TO DRIVE SALES IN THAILAND





ตั้งแต่อันที่ 19 มกราคม 2565 - 15 พฤษภาคม 2565



UNVEILING NONA'S BRAND RESTAGE

A more cosmopolitan Malay look and feel



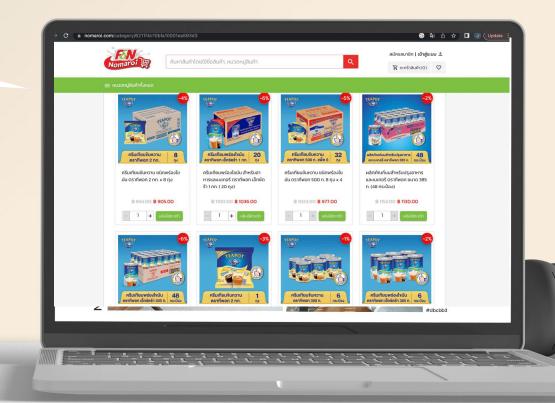


14

INTRODUCING F&N NOM AROI Our Online Store for Thailand Market



Official launch in May 2022





EXPANDING THE REACH IN CAMBODIA & LAOS

Tuk-tuk Sales Team
Hawkers' decoration





Annual award to motivate employees' children who excel in academic & co-curricular activities

20th edition in 2022



68 recipients (SPM & Tertiary)



RM 218,000 in cash reward







EXTERNAL ENGAGEMENTS

Strengthen Halal Leadership & Expand Global Footprint



World Halal Business Conference 2022





Malaysia International Halal Showcase 2022



OUR LATEST AWARDS & RECOGNITION





A Proud Constituent of FTSEGOOD BURSA MALAYSIA INDEX (4th consecutive year)

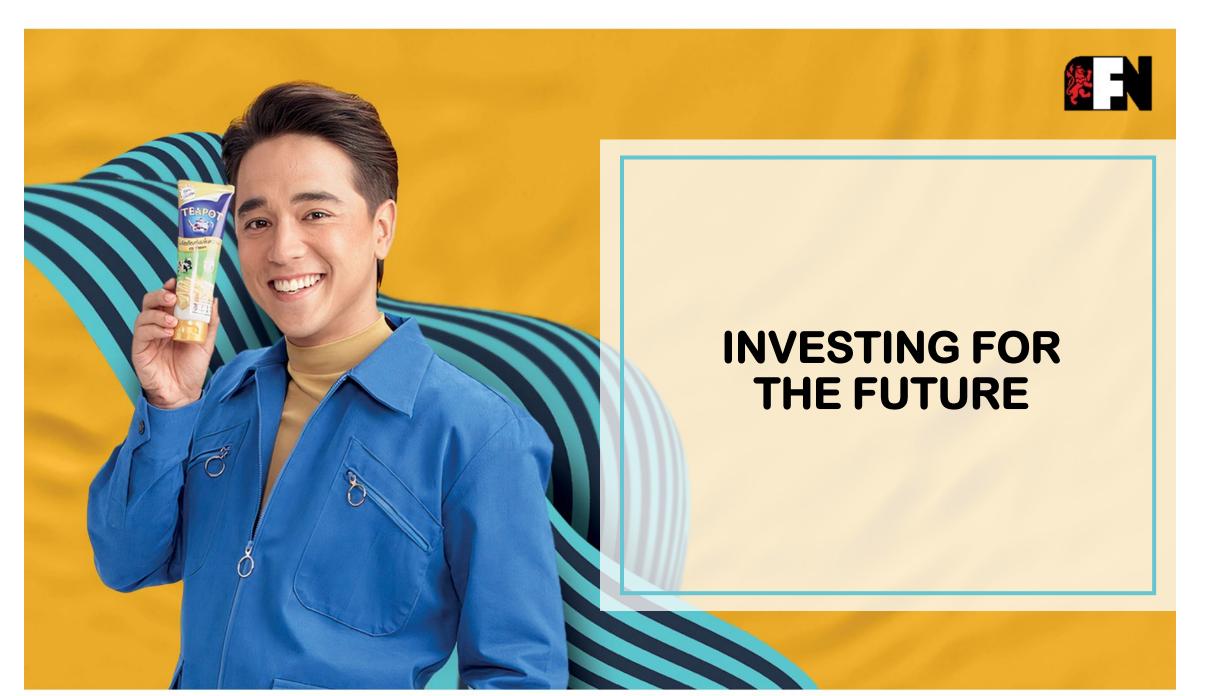
(4th consecutive year)

FTSEGOOD BURSA MALAYSIA SHARIAH INDEX (2nd consecutive year)

Improved overall ESG Rating 4.4 out of 5.0 (2021: 4.1)

Improved Percentile Rank 97 out of 100 (2021: 89)





Solar Photovoltaic (PV) System § 3 plants in Malaysia (Shah Alam, Pulau Indah, Bentong)



Generating renewable energy progressively since August 2022

Pulau Indah Manufacturing Plant

Shah Alam Manufacturing Plant

Bentong Manufacturing Plant



- Part of RM30 mil commitment over two years into renewable energy programmes and projects that contribute to energy efficiency and carbon emission reduction
- The 10 MWp of total solar energy capacity, once completed, will generate enough clean energy to power the
 equivalent of 3,700 typical homes. This also translates to an estimated 9,000 tonnes of CO_{2e} emission
 reduction a year, equivalent to 2,000 cars driven annually.
- Estimated annual electricity cost avoidance: RM3 RM4 million

Production Plant for Drinking Water & Warehouse • Kota Kinabalu Industrial Park, Malaysia

ię.

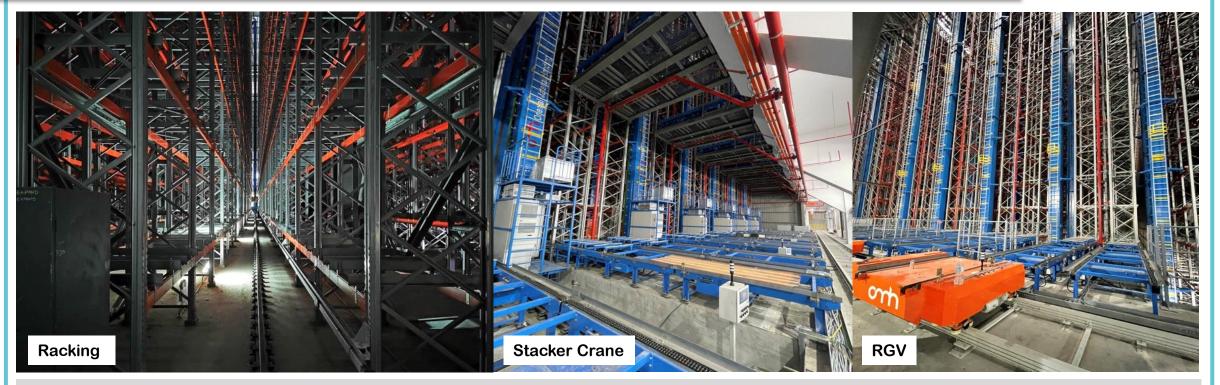
Building and installation completed, commercial run in Q3, FY2022



- The investment signals our entry into drinking water business in Sabah
- Cost savings by in-sourcing of warehousing needs in Kota Kinabalu

Integrated Warehouse Shah Alam Plant, Malaysia

Partial utilisation of ASRS Warehouse, certain spare parts to replace damaged machines was delayed Target completion: Q2 FY2023



彩 二

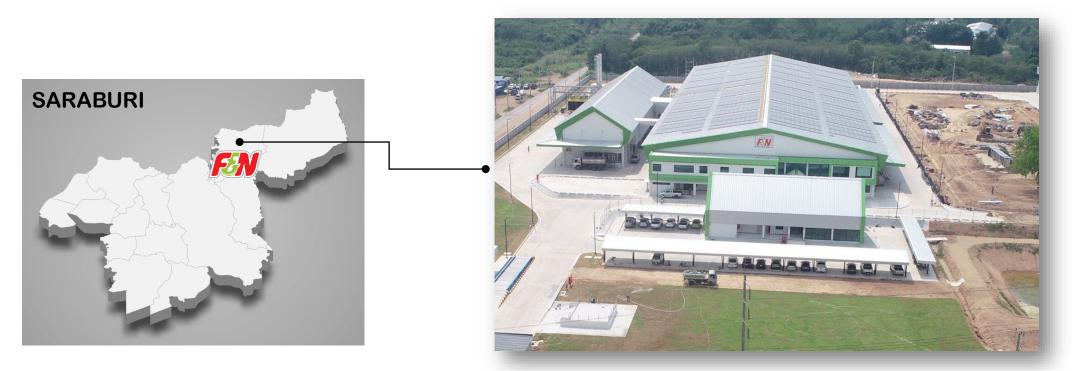
- Integrated warehouse building with Automatic Storage & Retrieval System (ASRS) with capacity to store over 50,000 pallets
- Able to maximise storage efficiency, reduce operational costs, shorten delivery lead time to customers and reduce carbon footprint
- Largely eliminated the use of forklifts less fuel usage and emissions (600 tonnes[^] of CO2e emission reduction annually)
 [^] estimated based on 8 hours of forklift operating hours

Plant-Based Beverages Capability in Thailand Wangmuang, Thailand

Completed



"A strategic shift for F&NHB to reduce reliance on condensed milk and enable us to grow our brand in the liquid milk segment"



Located in Wangmuang District, Saraburi, the RM128 million investment (inclusive of land) is a liquid milk & plant-based beverages factory

Plant-Based Beverages Capability in ThailandWangmuang, Thailand



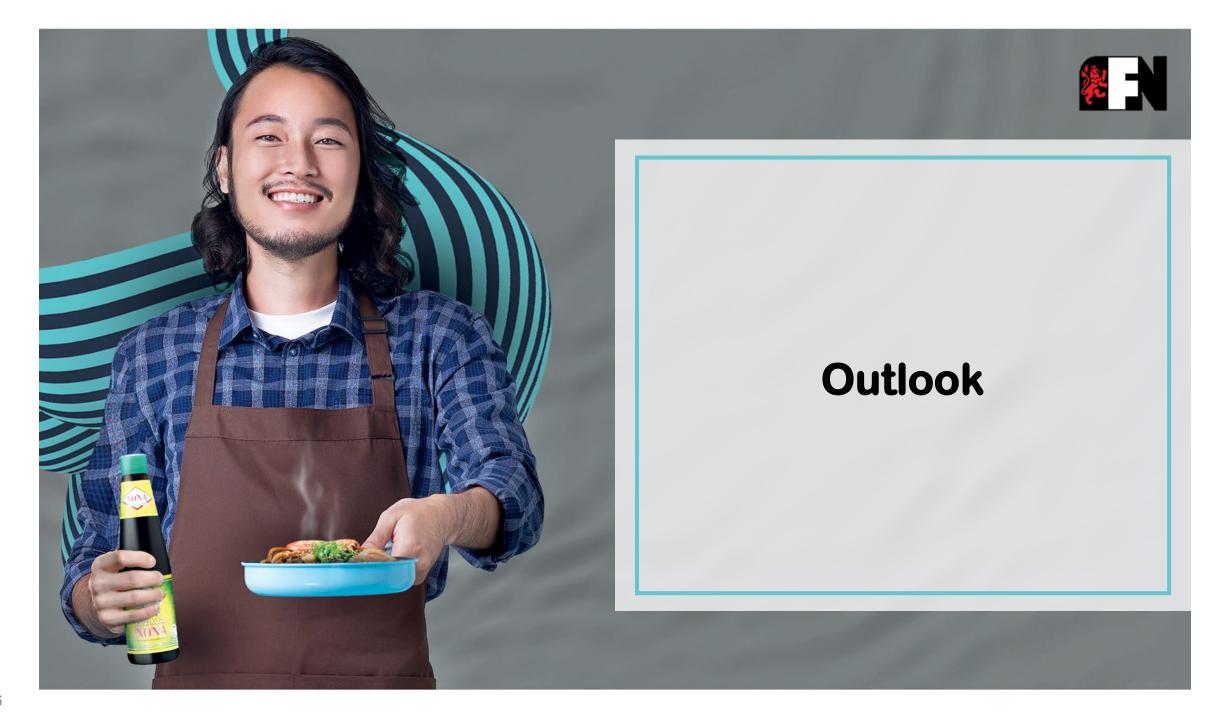


FNHB BOD officiating the launch of UHT and Chilled Plant in Wang Muang

Solar rooftop 1MWP has been in use since 18 Feb 2022, while first commercial production from the plant is June 2022.

Achieved production of 1 million packs of UHT Evap 1 litre in August 2022



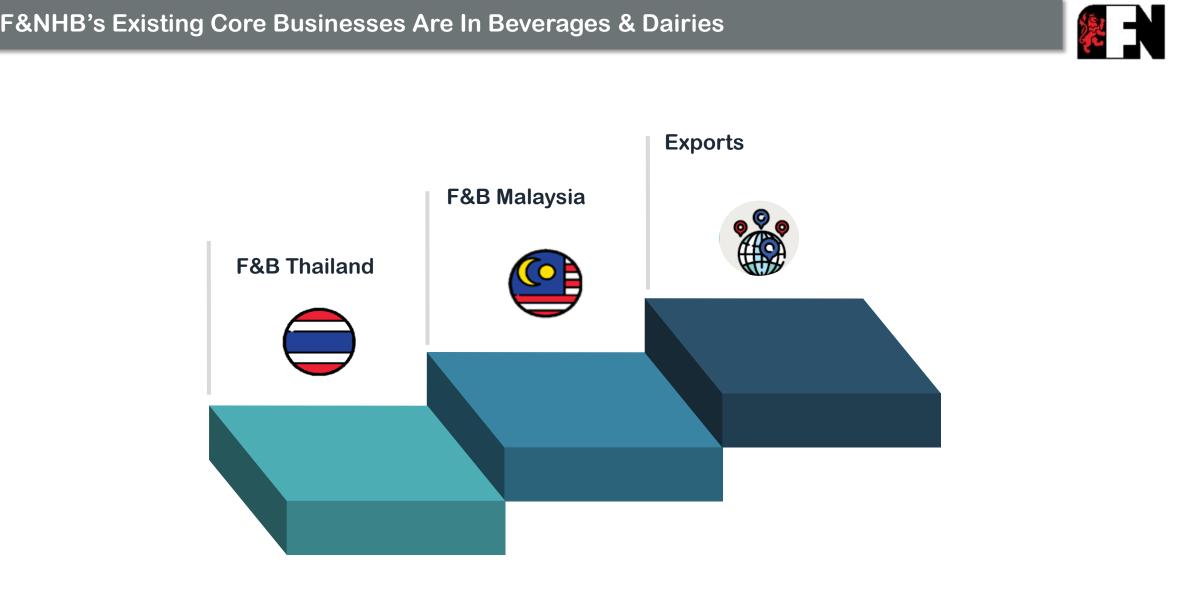


Outlook

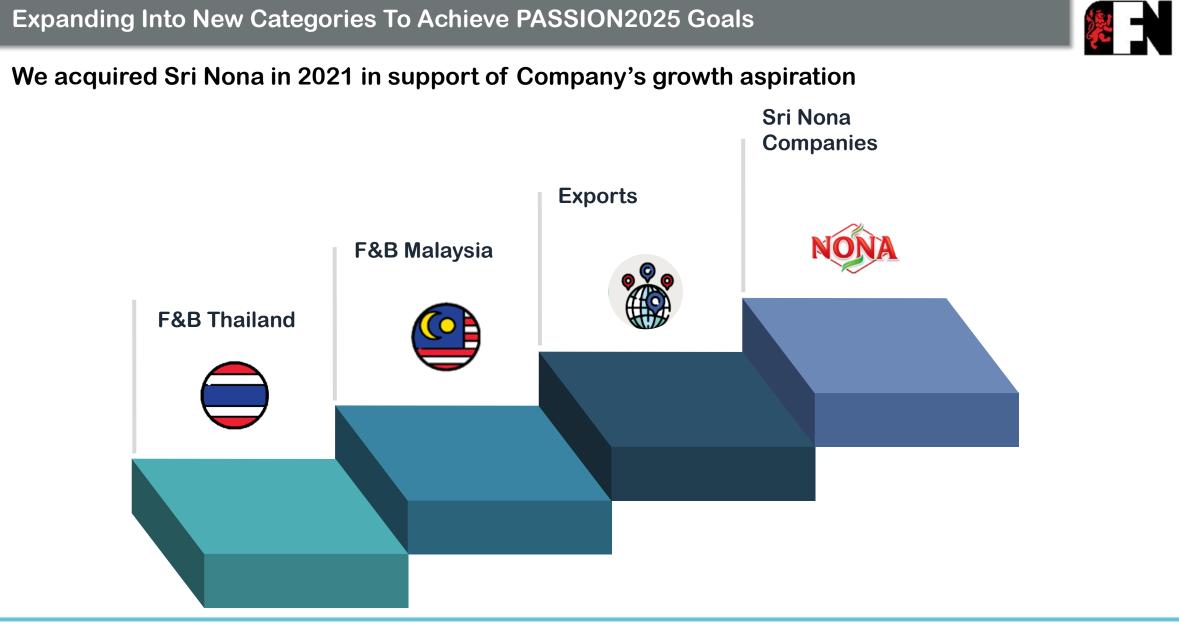


- Encouraging momentum of recovery in economic activity and tourism in Malaysia and Thailand,
 - To continue to drive sales for the coming festive seasons.
- Some commodity prices began to stabilise Prices of tin plate/cans, milk and palm oil are expected to stay elevated into 2023.
- Rising inflation and strong US Dollar further compound the cost pressure.
 - Exports remain a key focus for the Group, which also serve as a natural hedge to cushion the forex impact.
 - Forward purchase of key commodities and hedging strategy.
- Priorities:
 - Accelerating innovation.
 - Driving operational efficiency, commercial excellence and fiscal discipline across our value chain.

F&NHB's Existing Core Businesses Are In Beverages & Dairies

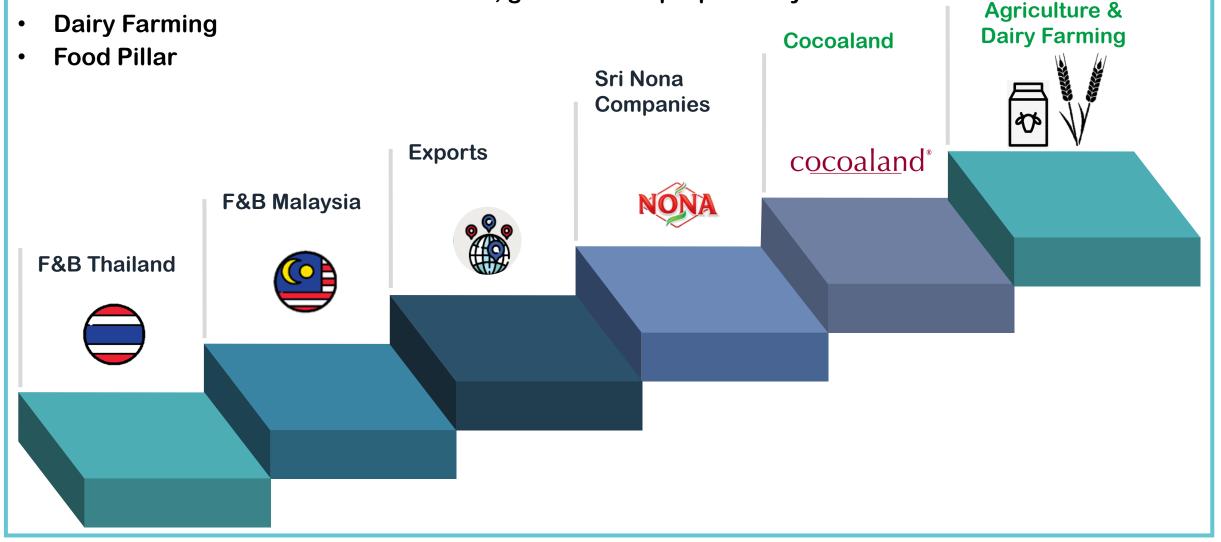


Expanding Into New Categories To Achieve PASSION2025 Goals



For Long-Term Sustainability, We Are Expanding Into New Categories & New Capabilities

Halal Hub will remain essential to F&NHB, growth to be propelled by:

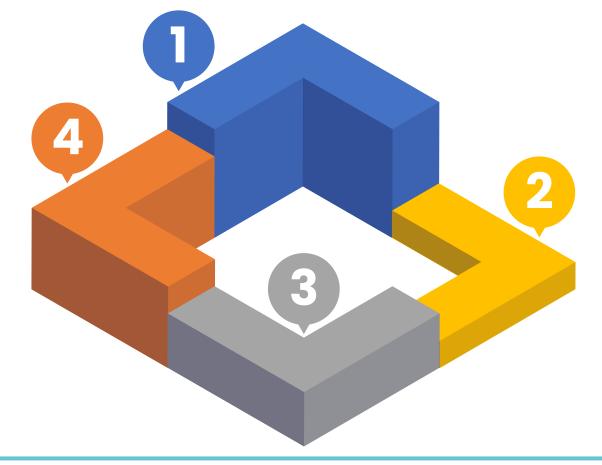


Expanding Into New Categories With Cocoaland



What Does Cocoaland Bring To The Table?

- Acquisition of 72.38% interest in Cocoaland for RM489.2 million, was completed on 4 November 2022
- Cocoaland is today a wholly-owned subsidiary of the F&NHB Group
- The acquisition brings a lot of synergies to the Group, and here's why...



 Expansion of Halal Food Pillar with wider product portfolio

- A sizeable packaged food category worth US\$1bil in Malaysia. More overseas.
- Identical Route-To-Market as our current beverages & dairies
- Identical consumption occasions as our current beverages and dairies

Huge Potential In Chocolate & Snacks Category With US\$1bil Opportunities in Malaysia **柒**二 Cocoaland only has low single digit % market shares in all categories except sugar confectionery Value 1,000 (US\$*mil*) 34% 29% 17% (5YCAGR +1.1%) (5YCAGR +4.8%) 51% 11% Confectionery, Sweet Biscuits + Savoury Snacks SAVOURY SNACKS & CHOCOLATE 7% **BISCUITS** CONFECTIONERY 4% 3% 9% SHARE OF 7% 5% CATEGORY 4% 3% 3%2% 35% SIZE 9% 14% 14% 22% 15% Value Share % : **Global Players Local Players** (5YCAGR +1.6%) (5YCAGR +0.3%) Others(import/OEM) SUGAR SWEET BISCUITS, SNACK **BARS, FRUIT SNACKS** CONFECTIONERY

Building New Capabilities with Integrated Dairy Farm

Located At Mukim Gemas, Tampin District In NS, This 6,737 Acres Land Is Situated Nearer To Our Pulau Indah Plant





- This land is an agriculture leasehold land.
- Tampin District, Negeri Sembilan.
- The land is 10km away from Gemas Town (12 min drive) with a population of 30k ppl.
- Access to the land is 60km away from Simpang Ampat toll (1 hr drive), passing through the Gemencheh Town.





Key Enabler #1: Investment in Land & Agronomical Mechanisation – Essential To Produce Quality Crop At Lower Cost For The Dairy



Post-harvest

Drying &

Storage

Harvesting

- Growing crops on land ease cost of feed and could include supply from surrounding farmers.
- Grass, corns etc. are planted using fully mechanised planting equipment to reduce manpower requirement and focus on energy efficiency.

Seeding

(incl. fertiliser)

 Manure treatment systems or anerobic digester to process manure from barns, water piped to crops for fertilisation, biogas to convert into energy.



Investment in Large Contiguous Land

Key Enabler #2: Dairy Technological Setup Essential for Total Cow Comfort







4 | Heifers are isolated from cows for their smaller size and focused treatment





5 | Breed determine output and lactation cycles





6 | Neck Collar Technology RFID enabled 1 | Tunnel Ventilator System to reduce heat in barns and circulate out odor / gas emission from manure. Freestall barn allows cows to move in and out from bed to feed

2 | Rotary or procedural drift design for efficient milking

3 | Tunnel-Ventilated Barns to help remove cow's body heat and solar-powered roofing to generate power for the dairy utility

Key Enabler #3: Investment in Sustainable Farming







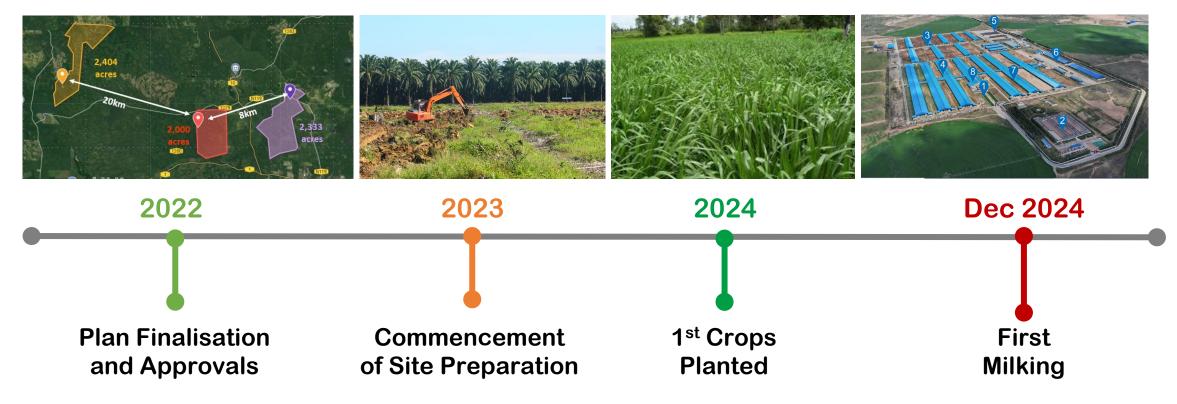
SUSTAINABLE FARMING with Biodigester System and Solar Power





Key Milestone of Wholesome 2 – First Milking Expected in Dec 2024



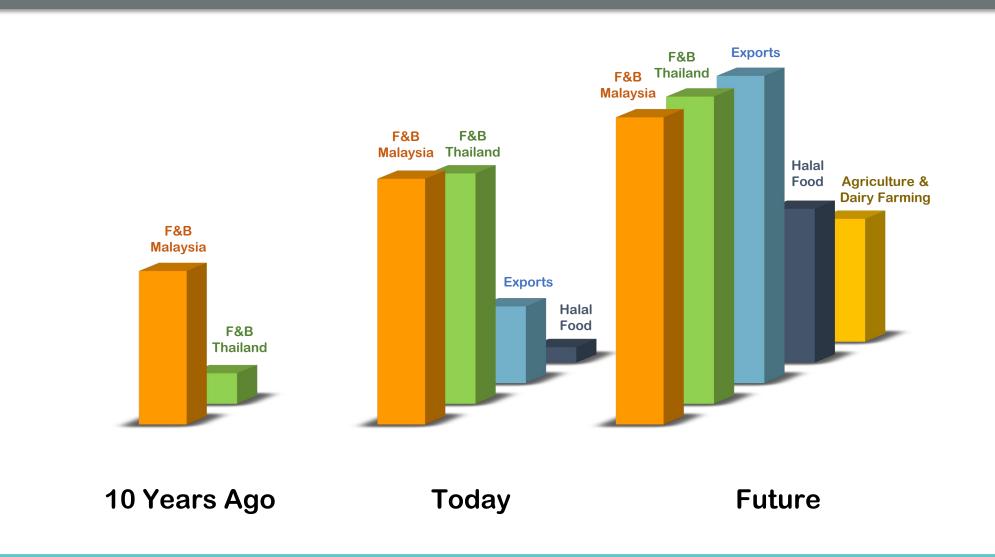


 Land acquisition was completed in 11 October 2022 for RM215.6m, financed through a mixture of internal funds and bank borrowings.

• Currently, we are evaluating strategic partners including consultants and equipment suppliers.

Our Aspirations For The Exciting Future of F&NHB – Core + New Growth Pillars In Support Of Long-Term Sustainability







What's Coming Next?

"A SNEAK PREVIEW"





Recharge with 100PLUS and win amazing prizes!







NONA DAPUR TEMPUR

Reality Cooking Competition in collaboration with Media Prima TV9







GET READY with the refreshed look of our CSD!



0.





Introducing the new Carnation Evaporated Creamer for Cooking & Bakery in UHT format

คาร์เนชัน ยอดงายอันดับ

5ปีซ้อน







