



RE-ENERGISED



FRASER & NEAVE HOLDINGS BHD

**FIRST HALF FY2023
FINANCIAL RESULTS
BRIEFING**



1

1H
FY2023

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- Our Global Presence
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Half Year Highlights

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Q & A

1H FY2023 F&NHB Group Financial Highlights



Overall improved Group performance attributable to better price management, aggressive cost management measures, and strategic business decisions made over the last two years.

REVENUE

RM2,425.1 mil

▲ 9.5%



OPERATING PROFIT

RM350.9 mil

▲ 61.9%



ADJUSTED OPERATING PROFIT *

RM256.5 mil

▲ 6.6%



PROFIT BEFORE TAX ("PBT")

RM342.1 mil

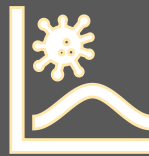
▲ 55.4%



ADJUSTED PBT *

RM247.8 mil

▲ 1.5%



ADJUSTED PBT MARGIN *

10.2%

▼ 0.8 p.p



PROFIT AFTER TAX

RM299.8 mil

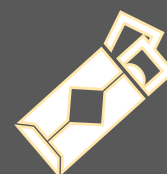
▲ 60.5%



ADJUSTED EBITDA

RM323.3 mil

▲ 6.4%



EARNINGS PER SHARE (BASIC)

81.9 sen

▲ 31.0 sen



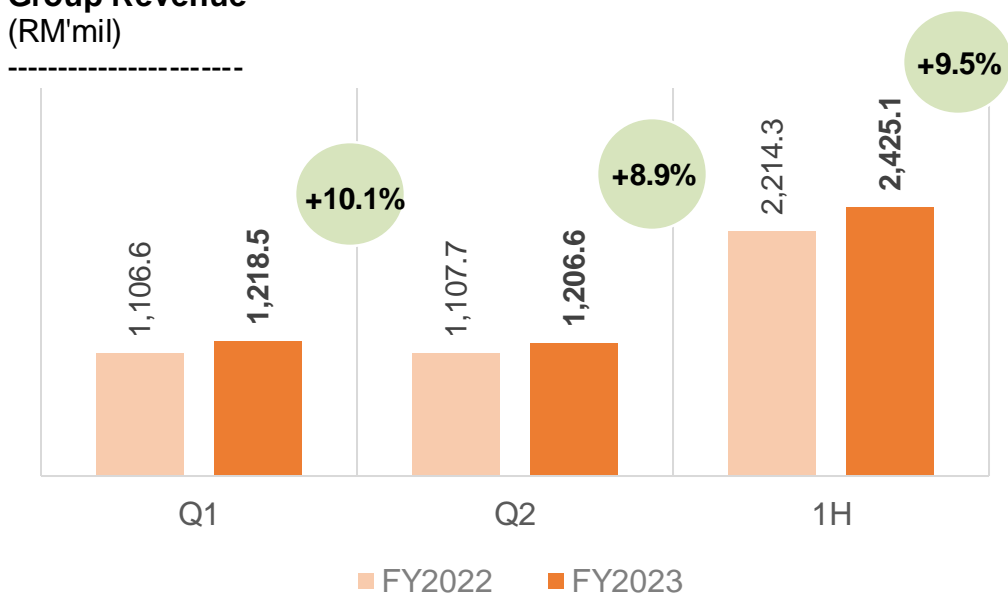
* Excluding one-off non-operating items i.e. fair value gain on remeasurement of Cocoland, flood related expenses, insurance claim receivable and restructuring costs

1H FY2023 F&NHB Group Financial Performance

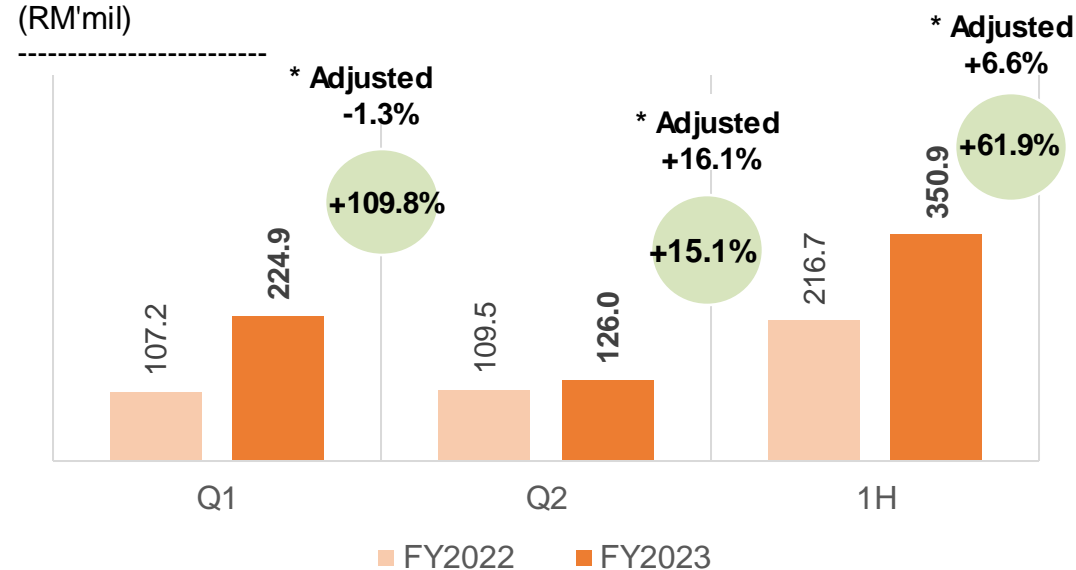


- **1H FY2023 Group revenue +9.5% to RM2,425.1 million (1H FY 2022: RM2,214.3 million)** – positive sales momentum from festive sales and contribution from Cocoaland.
- **1H FY2023 adjusted Group operating profit * +6.6% to RM256.5 million (1H FY 2022: RM240.7 million)** – from higher revenue, better price management offset by higher COGS, brand investment and A&P spending.

Group Revenue
(RM'mil)



Group Operating profit
(RM'mil)

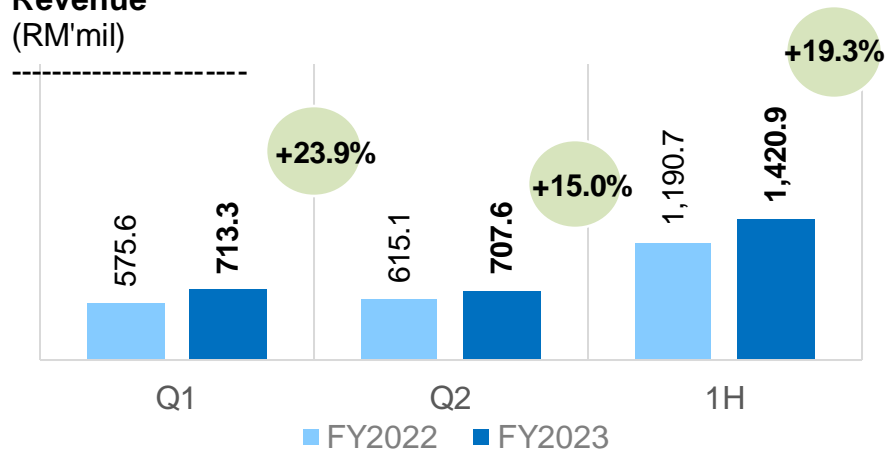


* Excluding one-off non-operating items i.e. fair value gain on remeasurement of Cocoaland (1H FY 2023: RM89.3m), flood related expenses, insurance claim receivable and restructuring costs (Please refer to the Quarterly announcement for details)

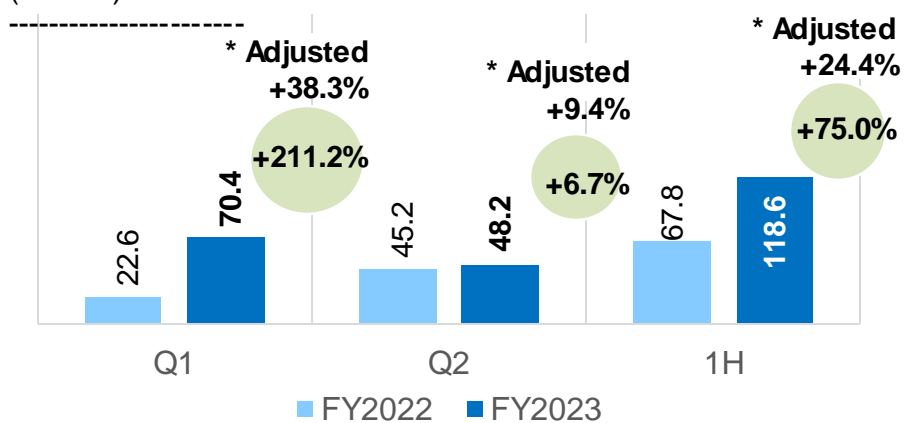


Strong double-digit growth in revenue and operating profit on the back of positive momentum from festive sales and Cocoaland contribution.

Revenue
(RM'mil)



Operating profit
(RM'mil)



2Q FY2023 v 2Q FY2022

- **Revenue +15.0% :**
 - Positive momentum from festive sales
 - Contribution from Cocoaland
 - Ramped up its trade and marketing activities as economic activities return to normalcy
- **Operating profit +6.7% (Adjusted operating profit +9.4%*):**
 - Higher revenue; offset by
 - Higher brand investments

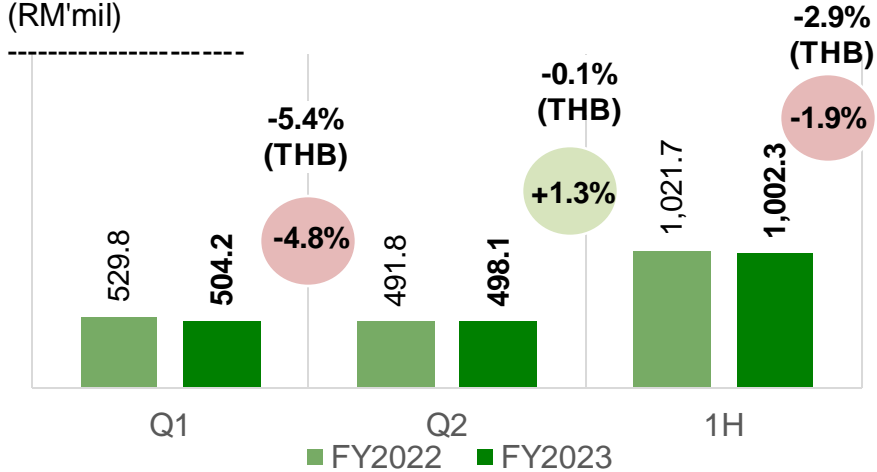
1H FY2023 v 1H FY2022

- **Revenue +19.3% :**
 - Festive demand and continuing sales momentum
 - Contribution from Cocoaland
 - In 1H FY2022, the revenue was dampened by impact of the floods on its Shah Alam operations and the resulting out of stock situations
- **Operating profit +75.0% (Adjusted operating profit +24.4%*):**
 - Higher revenue; offset by
 - Higher A&P spending and brand investment

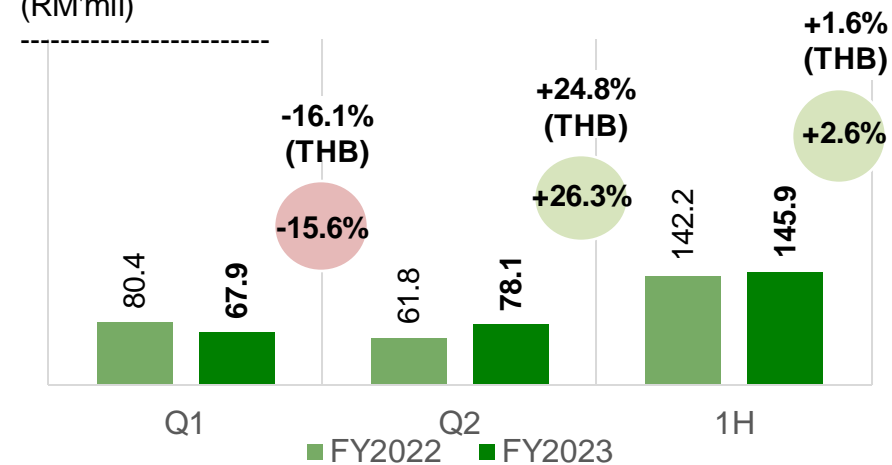
* Adjusted for one-off non-operating items (FV gain on remeasurement of Cocoaland, flood impact and restructuring costs)



Revenue
(RM'mil)



Operating profit
(RM'mil)



Solid margin recovery in Q2 FY2023 from better price and margin management.

2Q FY2023 v 2Q FY2022

- **Revenue** +1.3% (-0.1% in THB) and **operating profit** +26.3% (+24.8% in THB)
 - Achieved a solid margin recovery
 - Strategic measures to manage price and better discount management helped moderate slower than anticipated tourist arrivals and lower exports.

1H FY2023 v 1H FY2022

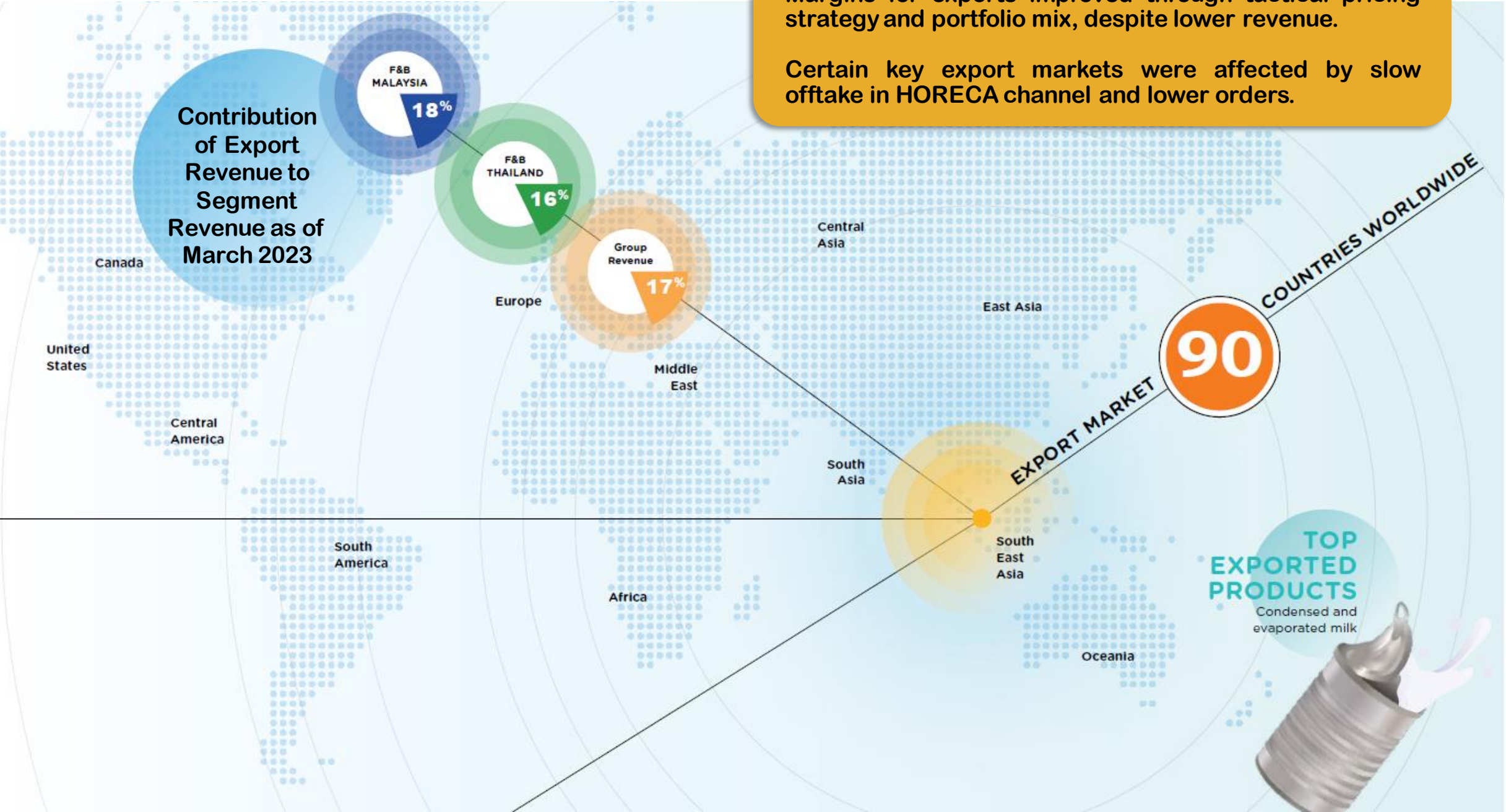
- **Revenue** -1.9% (-2.9% in THB):
 - Subdued domestic demand
 - Lower export orders
- **Operating profit** +2.6% (+1.6% in THB):
 - Successful margin
 - Better discount management measures; partly offset by
 - Higher input and packaging costs
 - Higher A&P spending to promote product usage and support new products

Our Global Presence

Margins for exports improved through tactical pricing strategy and portfolio mix, despite lower revenue.

Certain key export markets were affected by slow offtake in HORECA channel and lower orders.

Contribution of Export Revenue to Segment Revenue as of March 2023



Canada
United States

Central America

South America

Europe

Africa

Middle East

Central Asia

South Asia

East Asia

South East Asia

Oceania

Interim Dividend Maintained at 27 sen/share (2022: 27 sen/share)



	31 Mar 2023	30 Sep 2022	Change
Total equity (RMmil)	3,203.7	2,982.5	▲ 7.4%
Total assets (RMmil)	4,927.2	4,190.6	▲ 17.6%
Total debt (RMmil)	771.9	310.1	▲ 148.9%
Cash & cash equivalents (RMmil)	652.7	462.9	▲ 41.0%
Net assets per share (RM)	8.7	8.1	▲ 0.60
Gearing ratio (%)	24.1%	10.4%	▲ 13.7%

Note:

1 Total equity exclude non-controlling interest

2 Total debt consist of total borrowings and total lease liabilities

- Directors recommend an interim single tier dividend of **27.0 sen per share** (2022: 27 sen per share).
 - Entitlement date: 18 May 2023
 - Date of payment: 1 Jun 2023
- Takes into account the Group's capital position, working capital requirements and capital expenditure investments.



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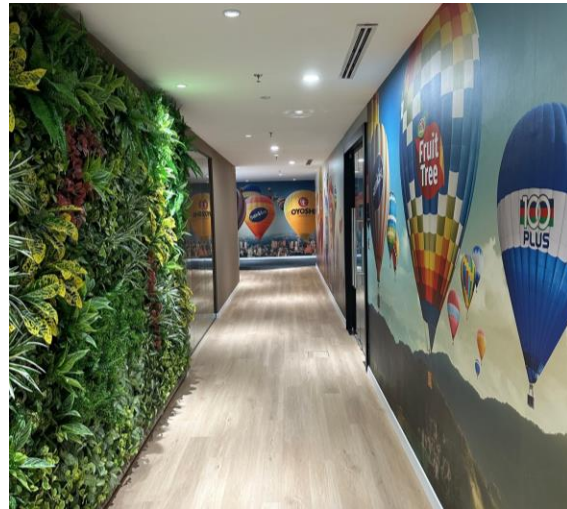
HALF-YEAR HIGHLIGHTS



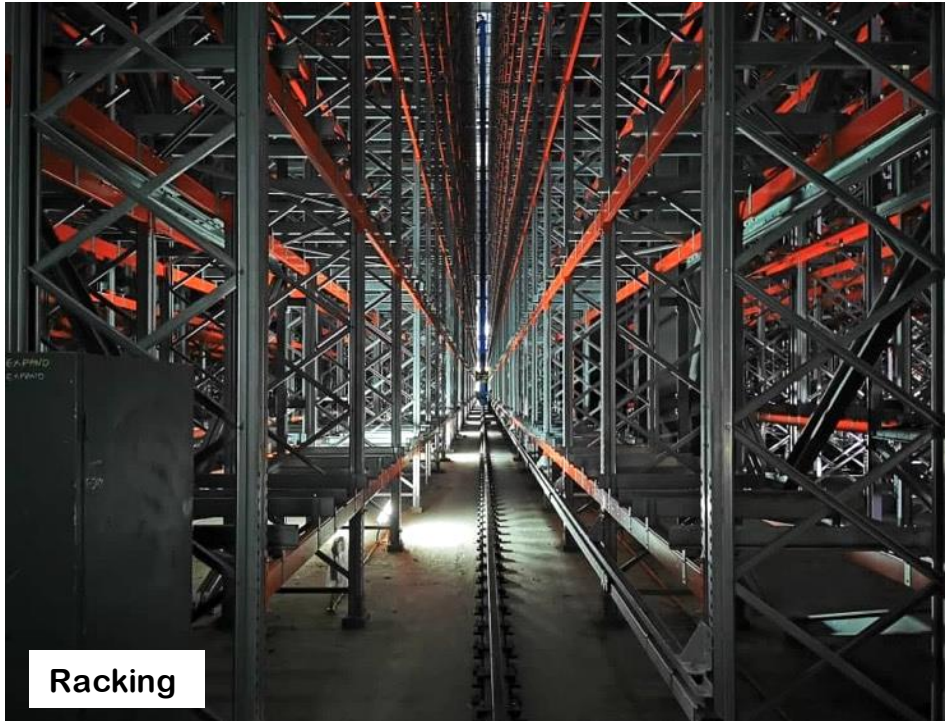
Our New Integrated Office in Shah Alam



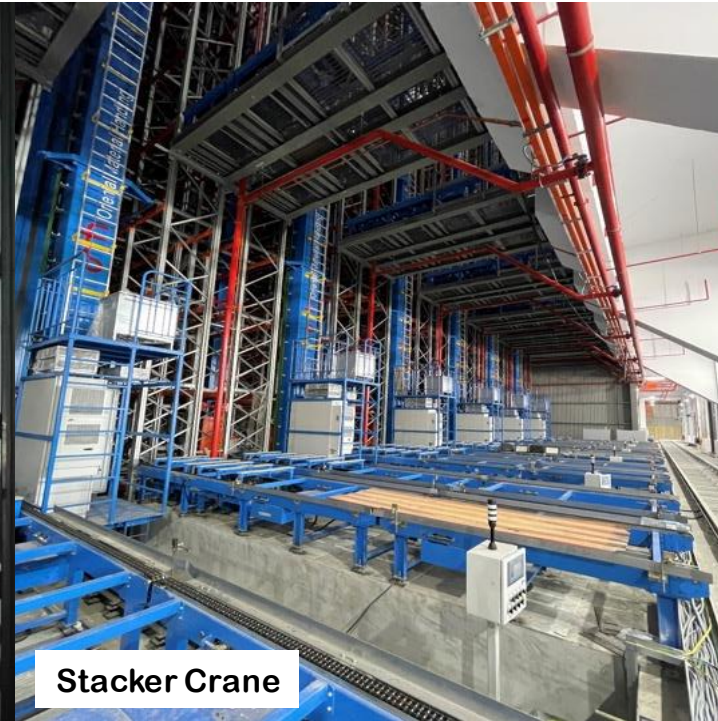
Open concept offices | Collaboration space | Hybrid working environment



Integrated Warehouse at Shah Alam Plant – completed repairs post-flood



Racking



Stacker Crane



RGV

- 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

REFRESHING THE LOOK OF F&N FUN FLAVOURS – KINI LEBIH GEMPAK!







Latest Additions to Our Portfolio



- 
- **NONA
Ketupat
Wangi
Haruman
Wangi**
 - **LOT100
Kurma
Gummy**



**BRAND ACTIVATION CAMPAIGNS
TO INCREASE VISIBILITY & RAMP UP SALES
DURING RAYA AND RAMADAN**



100PLUS
joins Omnia to
brings joy
throughout Ramadan
by distributing
>6,000
Care Packages and
Bubur Lambuk to
4 selected regions
in Peninsular Malaysia.



ANNUAL FESTIVE OUTREACH PROGRAMME

F&N Brings Smiles to **51** Underprivileged Children Through Buka Puasa and Raya Gifts





F&N ANNUAL SCHOOL RECYCLING PROGRAMME

Continue raising awareness about recycling through partnership with SWCorp Malaysia



5 months until 31 Aug 2023



Targets **1,300** primary & secondary schools throughout Malaysia





F&N Strengthens Its Presence in Indochina with Extended Rights from Nestlé.

We are the exclusive manufacturer and distributor for Nestlé's BEAR BRAND sterilised milk in Cambodia.



INTRODUCING OUR NEW BRAND AMBASSADOR FOR TEAPOT



TEAPOT
สร้างสรรค์ทุกความอร่อย
ด้วยที่พอก

อร่อยหอมมัน เข้มข้นถูกใจ

THANAPOB LEERATANAKAJORN, Thai Actor

CARNATION'S CONSUMER CAMPAIGN TO DRIVE SALES



รางวัลเยอะรางวัลใหญ่เซอร์ไพรส์กว่าเดิม
มูลค่ารวมกว่า 8 ล้านบาท ซื้อเลย!



สังเกตความอร่อย สังเกต... Carnation

ตั้งแต่วันที่ 1 กุมภาพันธ์ - 30 กันยายน 2566

เพียงส่งรหัสได้ฝา/ถุง/ฉลาก
มาที่ Line @CarnationThailand

สแกนเลย





SHOWCASING OUR PRODUCT OFFERINGS AT INTERNATIONAL TRADE FAIRS



GULFOOD 2023



**THE INTERNATIONAL FOOD
& HOSPITALITY FAIR 2023**



14 – 18 March, New Delhi



19 – 23 February, Dubai

OUR AWARDS & RECOGNITION



THE EDGE ESG AWARDS 2022

Gold
- Consumer Products & Services

Top 3 Performers in ASEAN
Fraser & Neave Holdings Bhd



NACRA 2022

Platinum
- Best Sustainability Reporting
Fraser & Neave Holdings Bhd



GRADUATES' CHOICE AWARD

Top 5 Graduates' Choice of Employer To Work For in 2023
- Fast Moving Consumer Goods
- *Fraser & Neave Holdings Bhd*



PUTRA BRAND AWARDS 2022

Platinum
- Non-Alcoholic Beverage
100PLUS



S&P Global

GLOBAL TOP 6 COMPANIES
among the
Beverages sector
in S&P Global ESG Score
(Score date: April 2023)



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WHAT'S COMING NEXT?

Update on Cocoland



- **Key management positions have been assumed since the completion of acquisition in Nov 2022.**
- **Meanwhile, Cocoland's Executive Directors remain as advisors until 3 May 2023.**
- **Post merger integration is in progress, including synergies with Sri Nona.**
- **More updates will be provided in the future.**

Sri Nona's latest automated ketupat line in Rawang



The Group remains committed to meeting its Phase 1 of the integrated dairy farm project by December 2024



2022

2023

Dec 2024



Where We Are Now

Plan Finalisation and Approvals

Commencement of Site Preparation (incl. land clearance)

First Milking

- Submitted EIA in the process of appointing strategic partners for various activities.
- Engaging stakeholders including federal and state government agencies.

Celebrating our 140th anniversary...





New look,
Same great taste!





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Q & A



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Thank You