

FRASER & NEAVE HOLDINGS BHD

**FY2024 FIRST HALF YEAR
FINANCIAL RESULTS BRIEFING**

Important Notice



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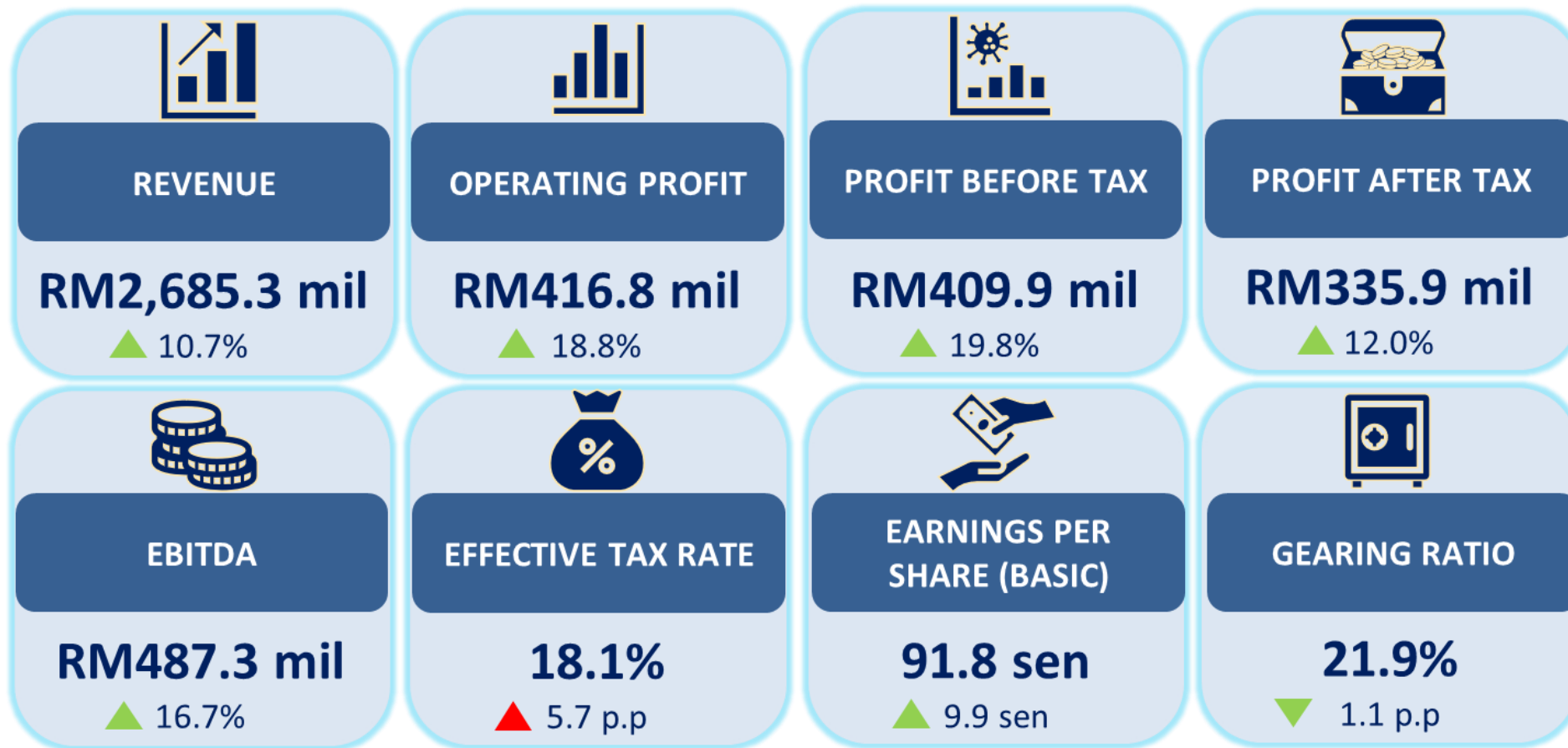
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1H FY2024 F&NHB Group Financial Highlights



Overall improved Group performance driven by effective sales execution during festive seasons and early sell-in for Hari Raya, as well as higher export and net favourable input costs.

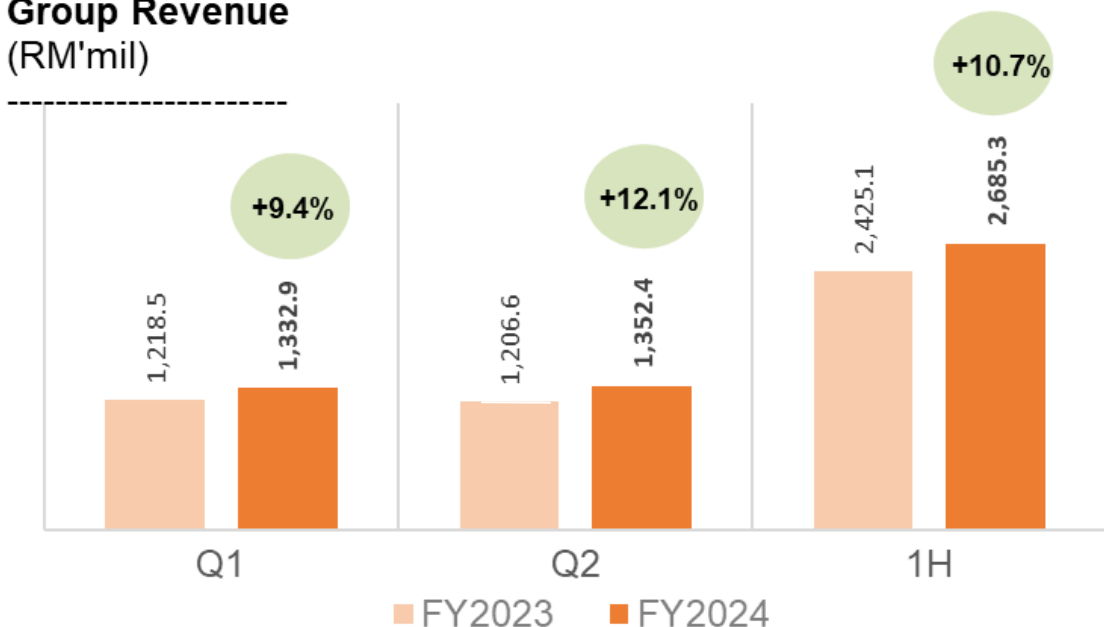


1H FY2024 F&NHB Group Financial Performance

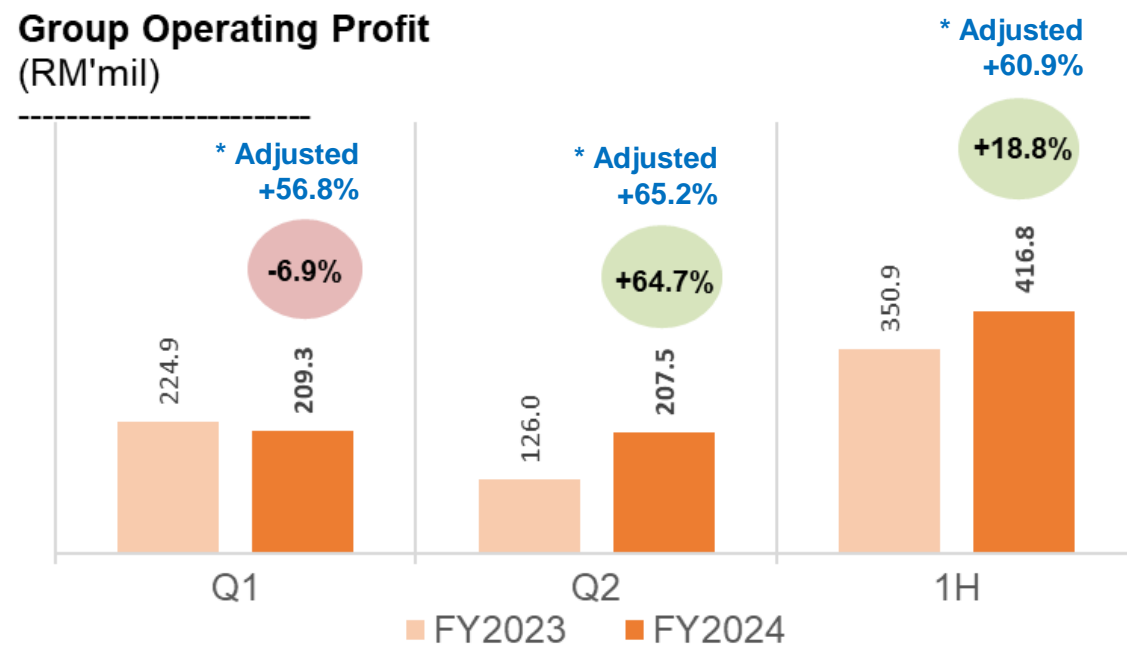


Strong 1H performance driven by robust festive sales and better margin

Group Revenue
(RM'mil)



Group Operating Profit
(RM'mil)

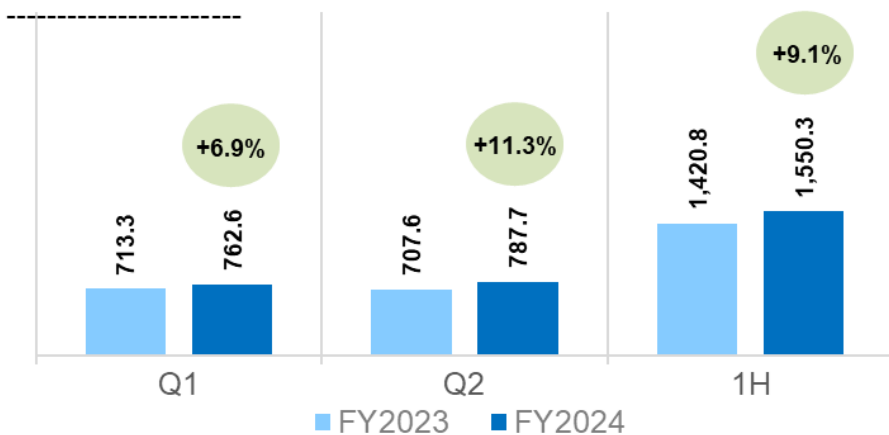


* Excluding one-off non-operating items i.e. fair value gain on remeasurement of Cocoland recognised in 1H FY2023 (RM89.3m), insurance claim received (1H FY2024: RM4.2m, 1H FY2023: RM5.0m), flood related expenses and restructuring & relocation expenses.

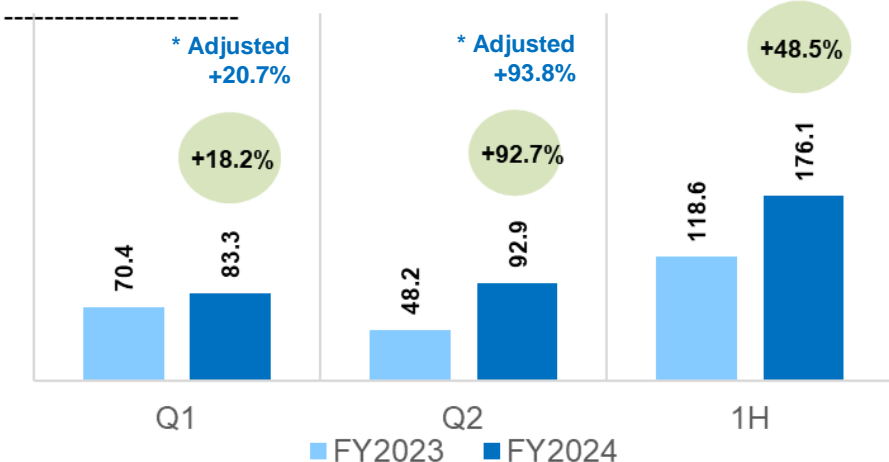


High revenue and operating profit - driven by festive sales, early sell-in for Hari Raya and improvement in margins

F&B Malaysia Revenue
(RM'mil)



F&B Malaysia Operating profit
(RM'mil)



1H FY2024 v 1H FY2023

➤ Revenue +9.1%

- Improvement in festive sales;
- Early sell-in for Hari Raya compared to previous year;
- Higher exports
- Contribution from the food pillar, mainly gummy and chocolate segments;
- Notable volume growth in beverages, dairies and water products; and
- Improved export performance following growth in ASEAN, Greater China and MENA regions

➤ Operating profit +48.5% (* Adjusted operating profit +51.6%)

- Higher revenue;
- Better margin from lower input costs (except sugar, rice, gelatine and cocoa powder);
- Improved contribution from exports – better region/product mix; offset by
- Higher A&P spending and brand investment activities and consumer campaigns.

* Excluding one-off non-operating items i.e. insurance claim received (1H FY2024: RM4.2m, 1H FY2023: RM5.0m), flood related expenses and restructuring & relocation expenses.

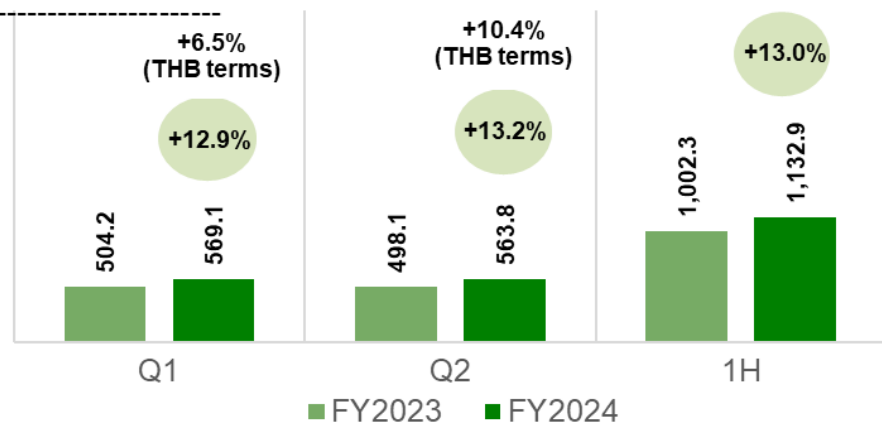




Maintained its market leadership in the sweetened condensed milk and evaporated milk categories

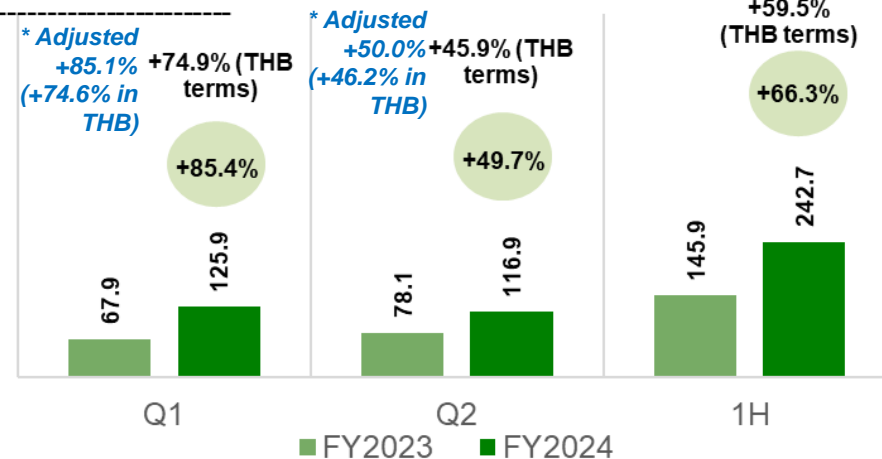
F&B Thailand Revenue

(RM'mil)



F&B Thailand Operating profit

(RM'mil)



1H FY2024 v 1H FY2023

➤ Revenue +13.0% (+8.4% in THB)

- Successful launch of new product pack size in Q1 FY24 and successful campaigns/loyalty programmes;
- Higher exports to Indochina and other countries
- Aided by favourable forex translation gain from stronger Thai Baht.

• Operating profit +66.3% (+59.5% in THB)

- Higher revenue;
- Improvement in margin;
- Favourable commodity prices (except sugar & fresh milk);
- Savings from logistics; offset by
- Higher A&P spending and brand investment activities and consumer campaigns.

* Excluding one-off non-operating items i.e. impairment/reversal of impairment of property, plant and equipment

Proposed Interim Dividend of 30 sen/share, up 3 sen (2023 : 27 sen/share)



	Full Year FY 23	1H FY 24	Change
Total equity ^{Note 1} (RM'mil)	3,343.2	3,505.5	▲ 4.9%
Total assets (RM'mil)	5,111.6	5,438.4	▲ 6.4%
Total debt ^{Note 2} (RM'mil)	767.9	766.3	▼ -0.2%
Cash & cash equivalents (RM'mil)	1,031.5	1,067.7	▲ 3.5%
Net assets per share (RM)	9.1	9.6	▲ 0.44
Gearing ratio (%)	23.0%	21.9%	▼ -1.1 p.p

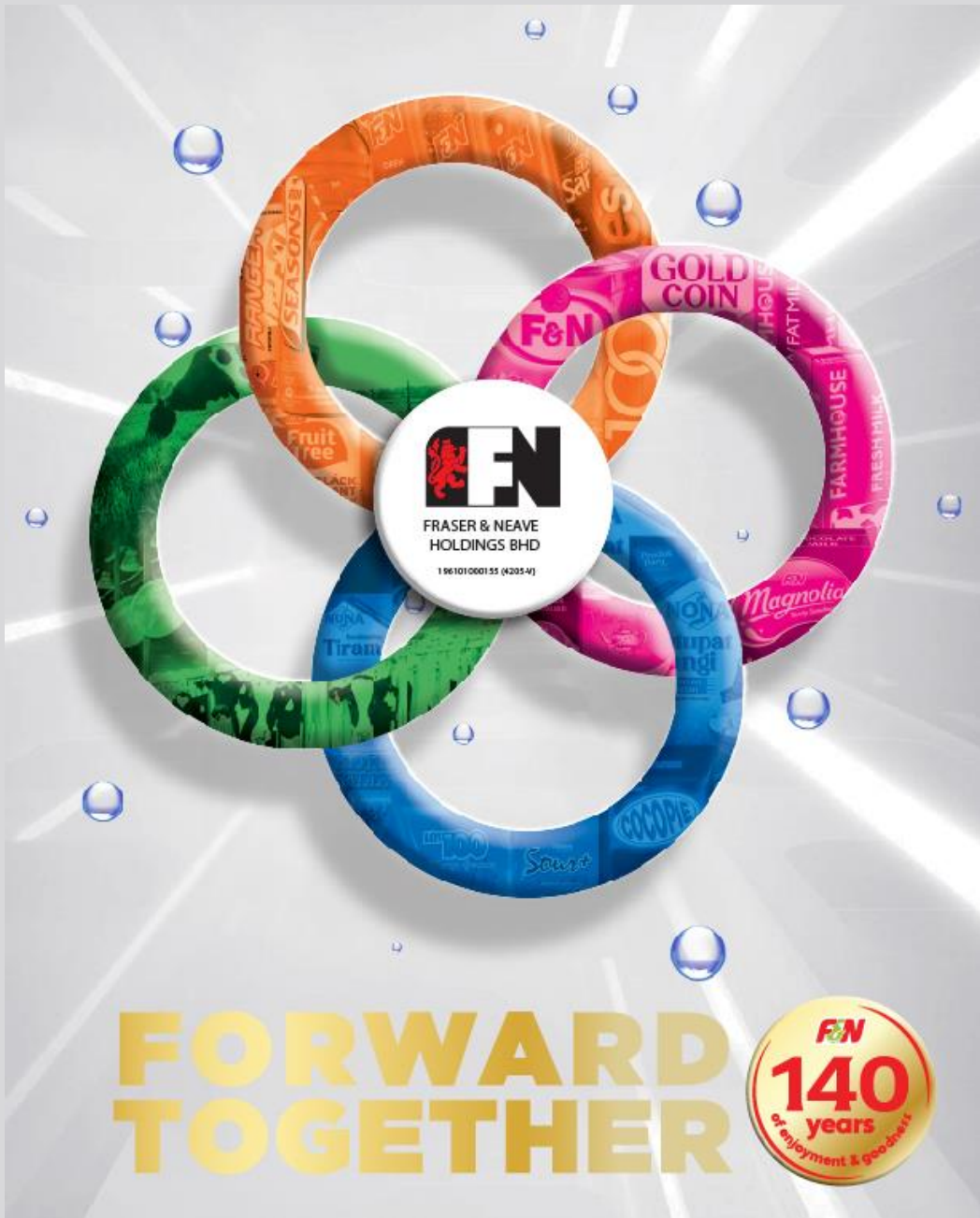
Note:

1 Total equity exclude non-controlling interest

2 Total debt comprise borrowings and lease liabilities

- Directors recommend an interim single tier dividend of **30.0 sen per share** (2023: 27.0 sen per share), bringing total payout of **RM110.0m** (2023: RM99.0m)
 - Entitlement date: 16 May 2024
 - Payment date: 31 May 2024
- Takes into account the Group's capital position, working capital requirements and capital expenditure investments.
- Dividend payout ratio of **33.0%** (2023: 33.0%). Normalised* dividend payout ratio: **33.0%** (2023: 48.0%)

* Adjusted for one-off non-operating items i.e. fair value gain on remeasurement of Coccoland recognised in 1H FY2023 (RM89.3m), insurance claim received (1H FY2024: RM4.2m, 1H FY2023: RM5.0m), flood related expenses, and etc.



**FORWARD
TOGETHER**



HALF YEAR HIGHLIGHTS

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1 96 101 0601 55 (4205-4)

FORWARD TOGETHER

F&N
140
years
of enjoyment & goodness



FESTIVE CAMPAIGNS

100PLUS CNY Festive Campaign



100 PLUS

**欢庆龙年
给力100**

**100-FOLD OF
PROSPERITY & HAPPINESS**

Sarsi & Orange Crush in Everyone's Favourite Classic Recipe

GRAB THE FESTIVE 12-CAN PACKS NOW!

Limited
Edition



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CNY Campaign For Wellness Range





Carnation

新年
佳肴
新花样

New Richer Twists
For A Booming Year



Carnation encourages new
Richer Twists to CNY dishes

LOT100 launches limited-edition flavours in Heng Ong Huat for CNY



100 PLUS
Pasti Stedi,
Zahir & Batin!



MS 1500
1009-01/2004



Tradisi Dihargai
Kenikmatan
Dirasai



*Mengisi Hati
Setiap Hari*



Getting into the spirit of Raya with
MTV with Iman Troye



Selamat
Hari Raya Aidilfitri
dari  & Iman Troye



NONA's Seenak Rasa Semeriah Raya Campaign





UNVEILING **NONA'S** HARI RAYA BLOCK DISPLAYS

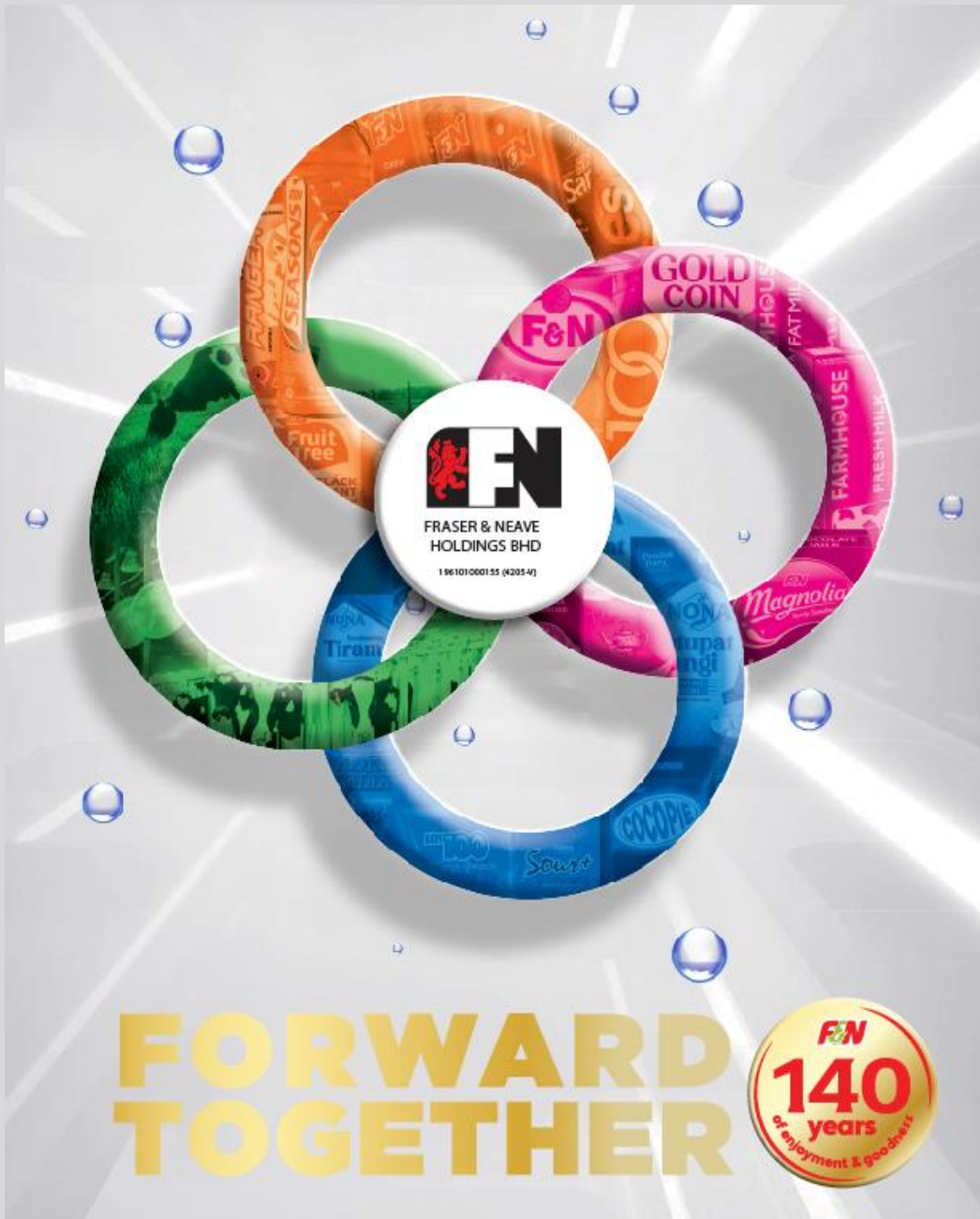


AEON BIG - JAYA ONE
PLANOGRAM
10 Mar 2024 17:54



NONA collaborates with Khairulaming for Hari Raya





NEW LOOK, NEW PACKAGING

F&N SEASONS launches new advertisement with influencer Imran Bard

JOM!
SEGARKAN
Dengan

**PEK
BAHARU**

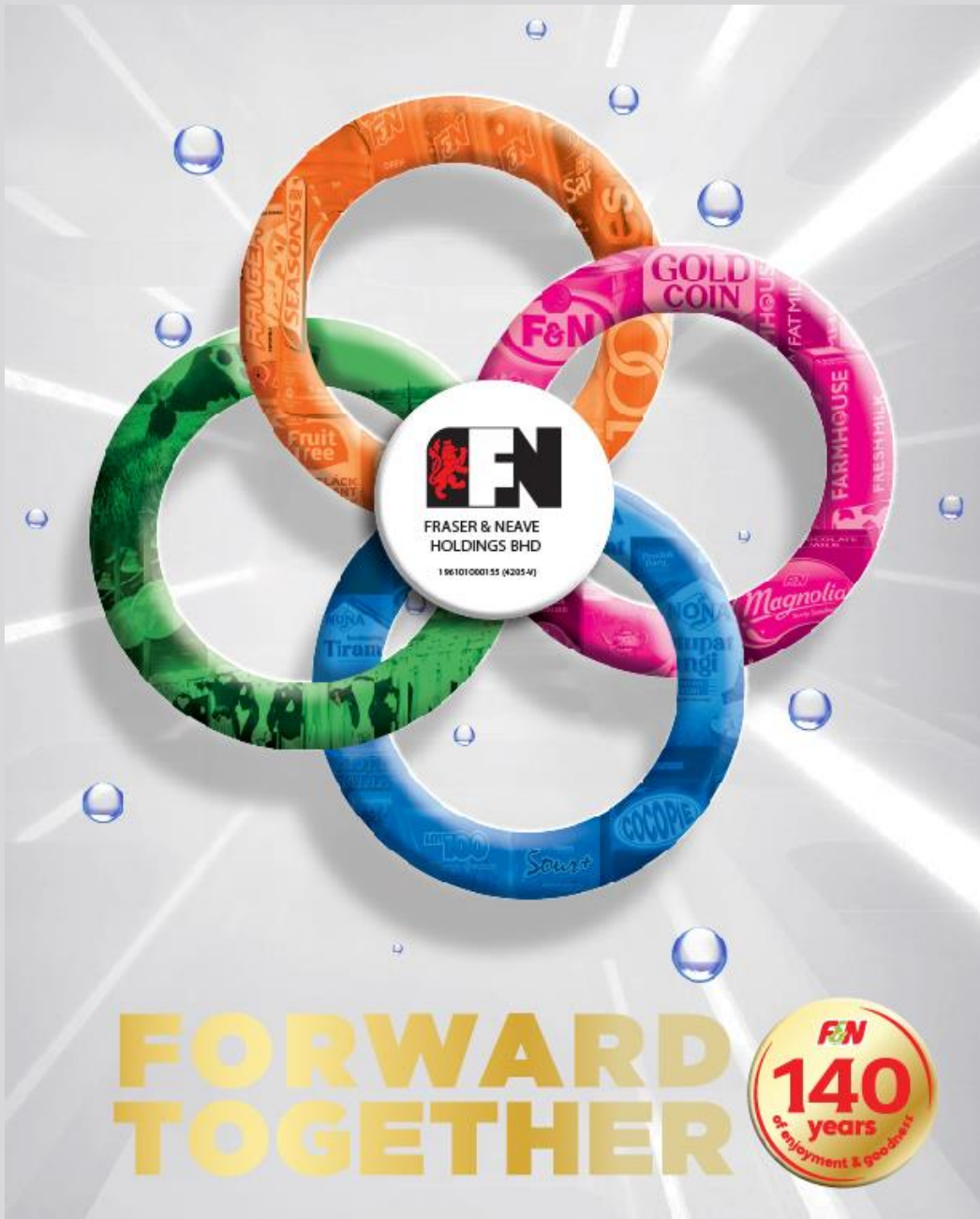


MS1500
1009-01/2004

#VIBINGDENGANSEASONS

Cocoaland Brand Rehaul





KEY HIGHLIGHTS ON F&N DAIRIES THAILAND

FNDT Carnation
operator campaign
until Sept 2024

กลุ่มเกษตรกร นิยมทุกร้าน
เลือกคาร์เนชัน



สังเกตความอร่อย สังเกต...คาร์เนชัน

Thailand TEAPOT “Use More, Get More” Campaign

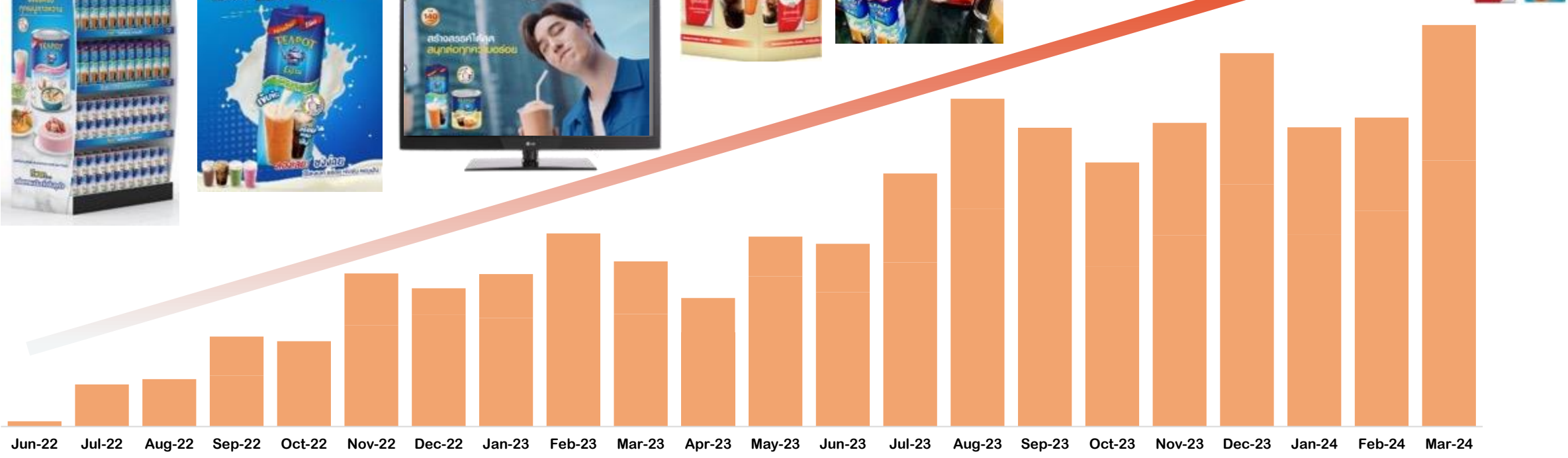


ทีพอต ทุกจลากรมีค่า
ใช้เยอะ ยิ่งได้ เพื่อแลกและลุ้นรับ
ของรางวัลสุดถูกใจ
มูลค่ากว่า 5 ล้านบาท





THAILAND : Evap UHT 1 Litre Hit 100,000 Cases In March'24



Sales Performance (volume - '000 cases)



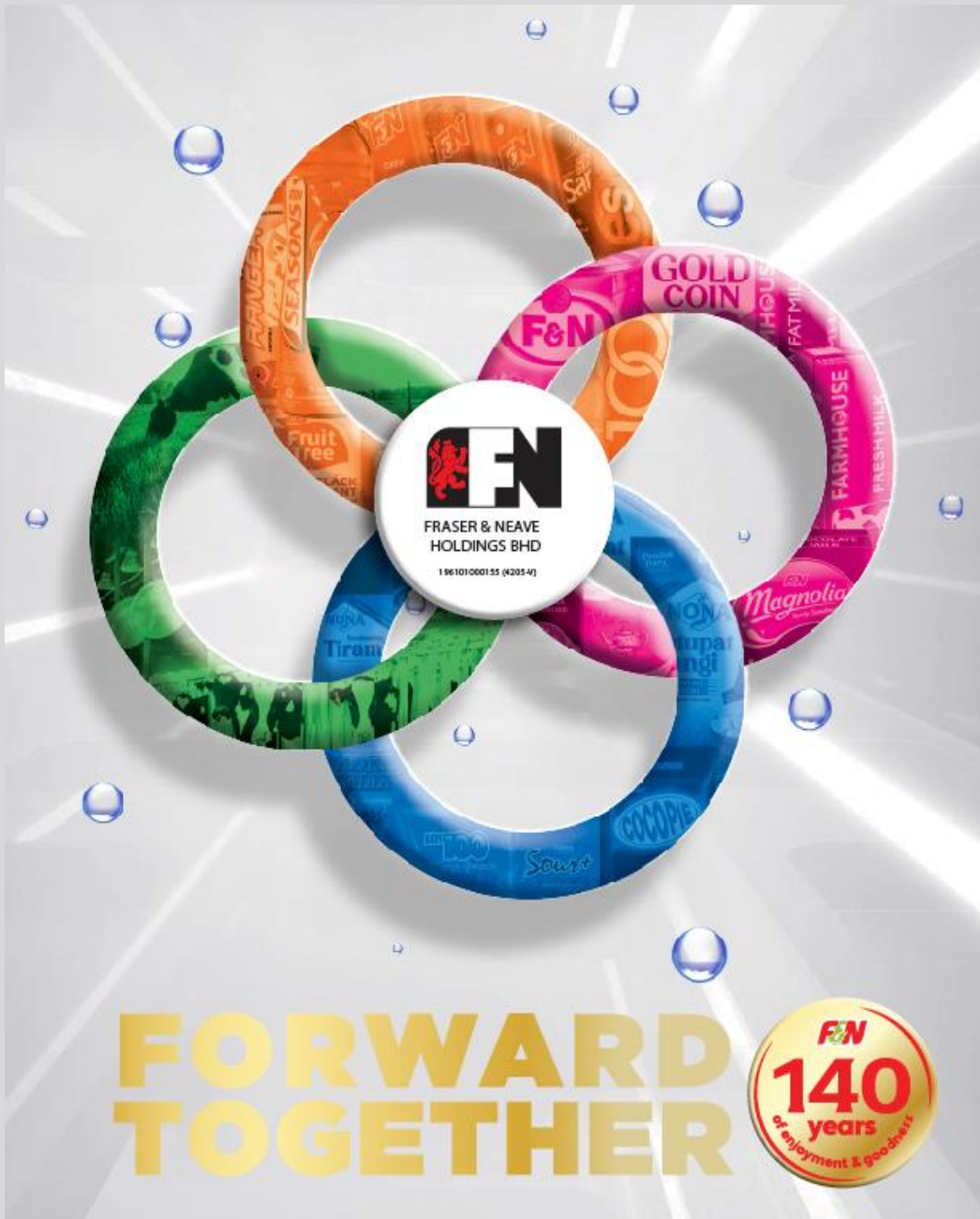
Thailand BEAR BRAND Thematic and Mother's Day Campaign



เทกแคร์คนที่ใส่ใจ

ด้วยประโยชน์
อัดแน่น
เต็มกระป๋อง

แคลเซียม
สูง



COMMUNITY ENGAGEMENT

Ramadan CSR Events



>3,500
Beneficiaries

>15
Stakeholders

>20
Programmes
nationwide

OUR AWARDS & RECOGNITION



Graduates' Choice Award

Top 3 Graduates' Choice of Employer To Work For in 2024
Fast Moving Consumer Goods
Fraser & Neave Holdings Bhd



S&P Global

Global Top 6 Companies among the Beverages sector in S&P
Global ESG Score
(Score date: April 2023)



The Building Trust Awards 2023

Winner
FBM Mid 70 Index
Fraser & Neave Holdings Bhd



HR Asia Best Companies to Work For 2023

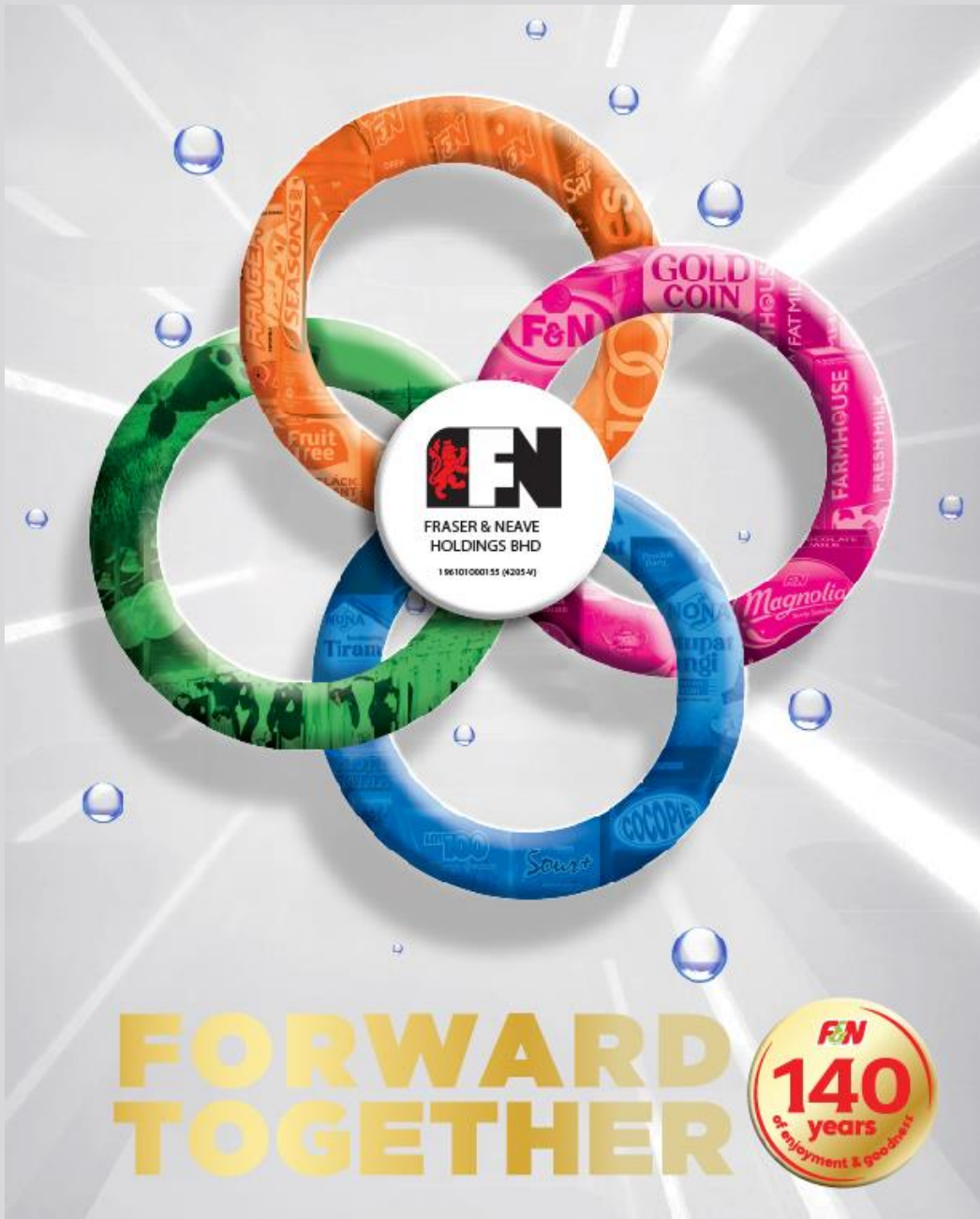
Gold
Consumer Products & Services
Top 3 Performers in ASIAN
Fraser & Neave Holdings Bhd



PUTRA
BRAND AWARDS

Putra Brand Awards 2023

Gold
Non-Alcoholic Beverage
100PLUS



CAPITAL EXPENDITURES

Over the past 5 years, we have invested close to RM1.5b on CAPEX and business acquisitions (excluding dairy farm) to enhance resiliency of our Group



RM182m Automatic Storage Retrieval System (ASRS) Integrated Warehouse in Shah Alam, Malaysia
- Fully operational in 1H FY2023



Solar PV panels in Shah Alam, Pulau Indah, Bentong, Rawang, Rojana and Wang Muang Plants
RM44m



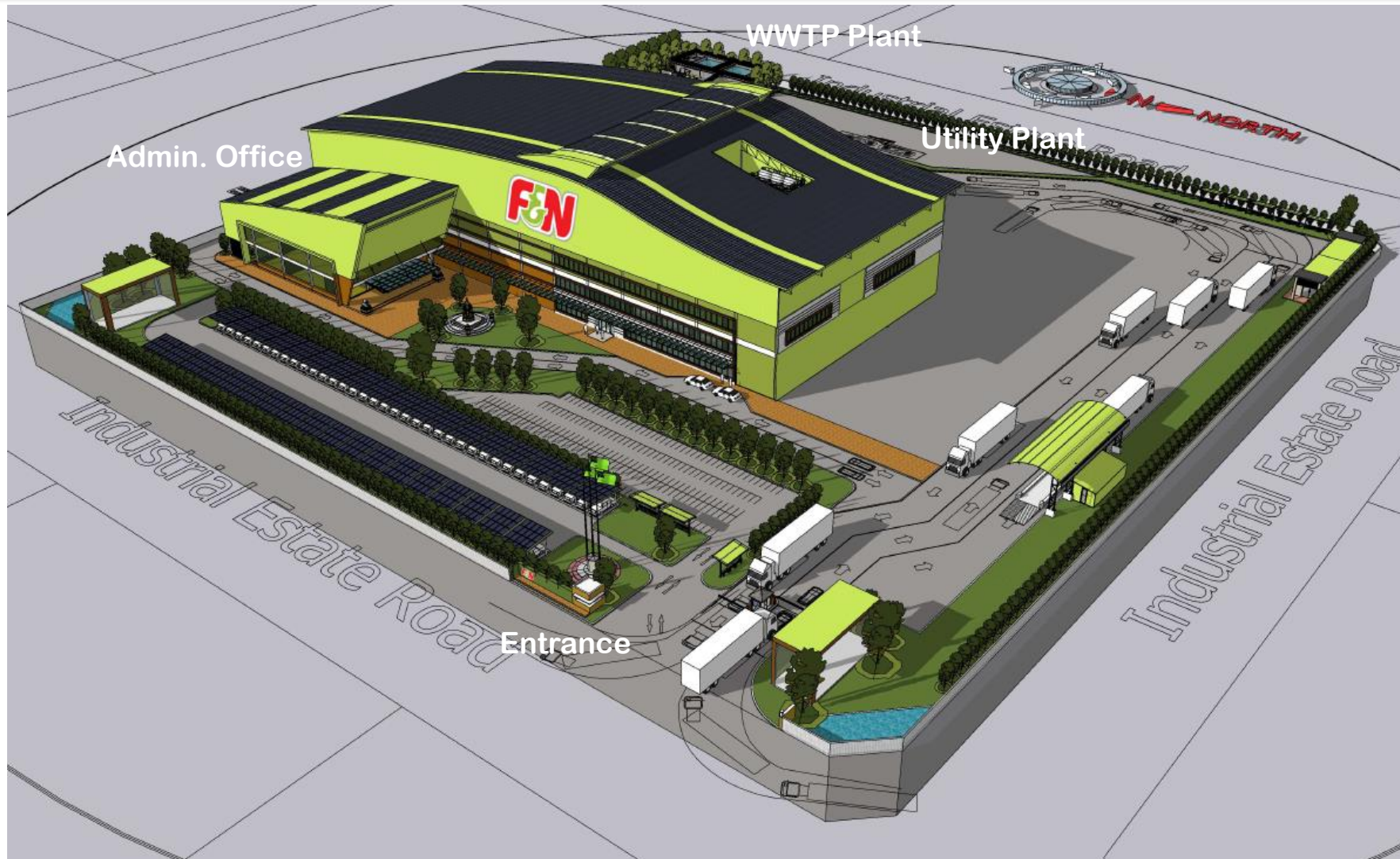
RM128m Liquid Milk & Plant-based Beverages Factory in Wang Muang, Thailand
- Operating since October 2022

RM20m Drinking Water Production Plant at KKIP Manufacturing Plant
- Operating since November 2022



Acquisition of Sri Nona (RM59.5m) & Cocoland Holdings Berhad (RM489.2m)

Latest Investment In Cambodia to Strengthen the Group's Dairy Business



- In February, F&NHB announced plans to construct a manufacturing plant in Cambodia's Suvannaphum Special Economic Zone, through an estimated investment of approximately US\$37.5 million (RM179.5 million) to strengthen the Group's dairy product business via a new subsidiary, F&N Foods (Cambodia) Co., Ltd.
- This initiative encompasses leasing 32,200 square meters of land, constructing the facility, and acquiring machinery to produce sweetened beverage creamer.

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1 96 101 0601 55 (4205-4)

FORWARD TOGETHER

FN
140 years
of enjoyment & goodness

The advertisement features four interlocking rings of various colors (orange, pink, green, blue) made from Fraser & Neave product packaging. The rings are set against a white background with a grid of light rays and several blue water droplets. The central white circle contains the Fraser & Neave logo and company information. The bottom left features the slogan 'FORWARD TOGETHER' in large yellow letters, and the bottom right features a gold circular seal celebrating 140 years of the company.



WHAT'S COMING NEXT?

KIPID 100 MALAYSIA

Encouraging national athletes to KIPID100 at Olympic Games 2024



KIPID



MALAYSIA!



Syok-WEY!

F&N

RASA PASTI
GEMPAK™

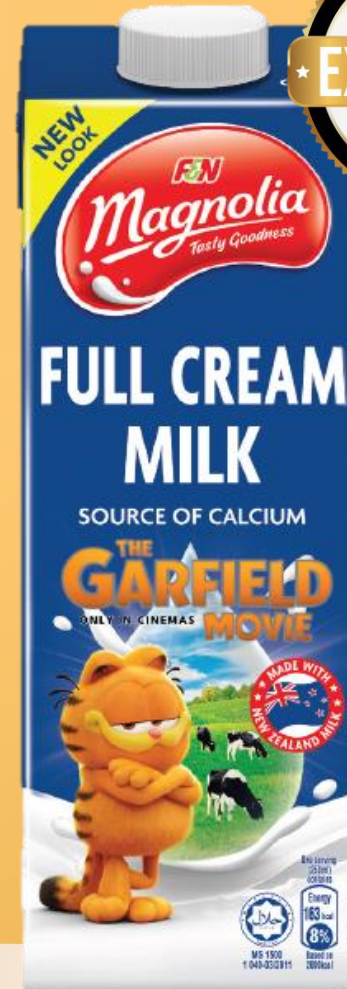
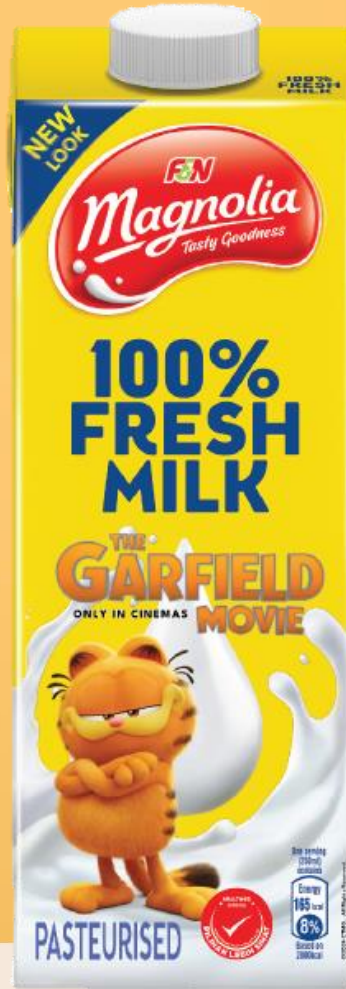
F&N Flavoured CSD appeals to Gen Zs with Gempak 2.0 campaign



The Garfield Movie x Magnolia Campaign

COMING SOON!

THE GARFIELD MOVIE



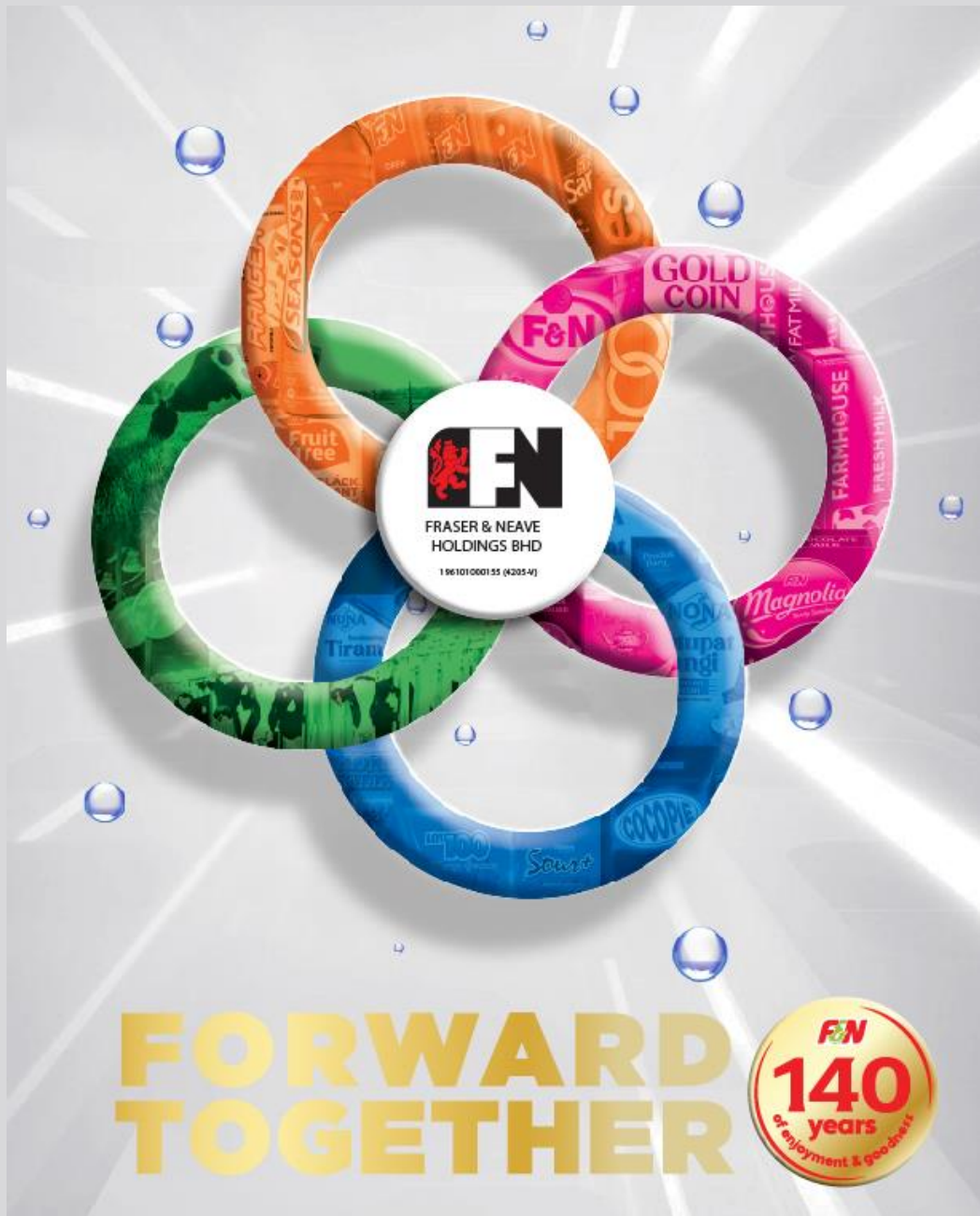
LOT 100

Q3 campaign to call out strong product USP and build brand relevancy

Got Chew Vibing



Gummies with Natural Fruit Juice



OUTLOOK



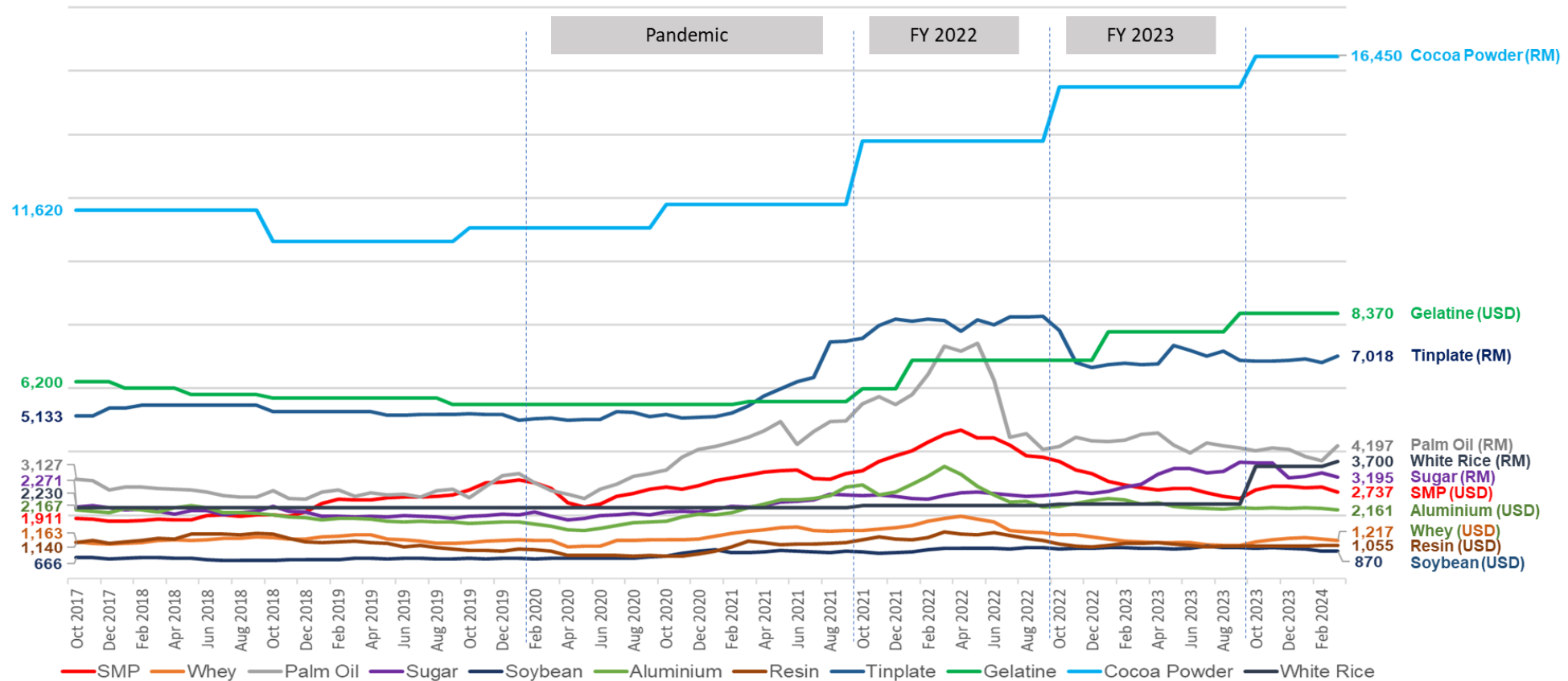
- **First half of the year was heavily skewed to festive sales, we are mindful of performance in the second half.**
- **We will remain vigilant and adaptable to market shifts and wider geopolitical and macroeconomic movements.**
- **Although we have benefited from an overall improvement in commodity prices, we anticipate challenges with the rising costs of raw materials such as sugar, rice, gelatine and cocoa powder.**
 - **Nevertheless, we have taken measures to address these challenges as these commodities are vital to our business.**

5-Year Key Commodities Spot Price Chart



Prices for most commodities have stabilised, except for cocoa powder, gelatine, tinsplate, palm oil, white rice and sugar, which remain high in 2024

Key Commodity Spot Price Chart (Oct 2017 - Mar 2024)



Key Highlights of F&N's Integrated Dairy Farm





F&N's Integrated Dairy Farm

Vision

To improve the nutrient intake of Malaysians by making **FRESH MILK** available in every Malaysian's fridge, on every dining table and in every dairy product.

Mission

To produce world class milk at lowest possible cost via an integrated farming model and by partnering every stakeholder in our society and marketplace to make our vision a success.

Progress So Far... Key Milestones



Site Photo: Update as of 4 Apr 2024

Land acquisition was completed on 11 October 2022 for RM215.6m

Ground-Breaking Ceremony in Gemas, Negeri Sembilan on 15 June 2023

Land Preparation Progress – ON TRACK

2023

2025

2020

2021

2022

Land Clearance Status as of 15 Sept 2023 – 500 acres land cleared

2024

2026

2027

2028

Started the approval process with the relevant authorities such as Environment Impact Assessment (EIA); Planning and Building (KM) to facilitate the compliance on construction and land clearance

First batch of heifers selected

First Milking

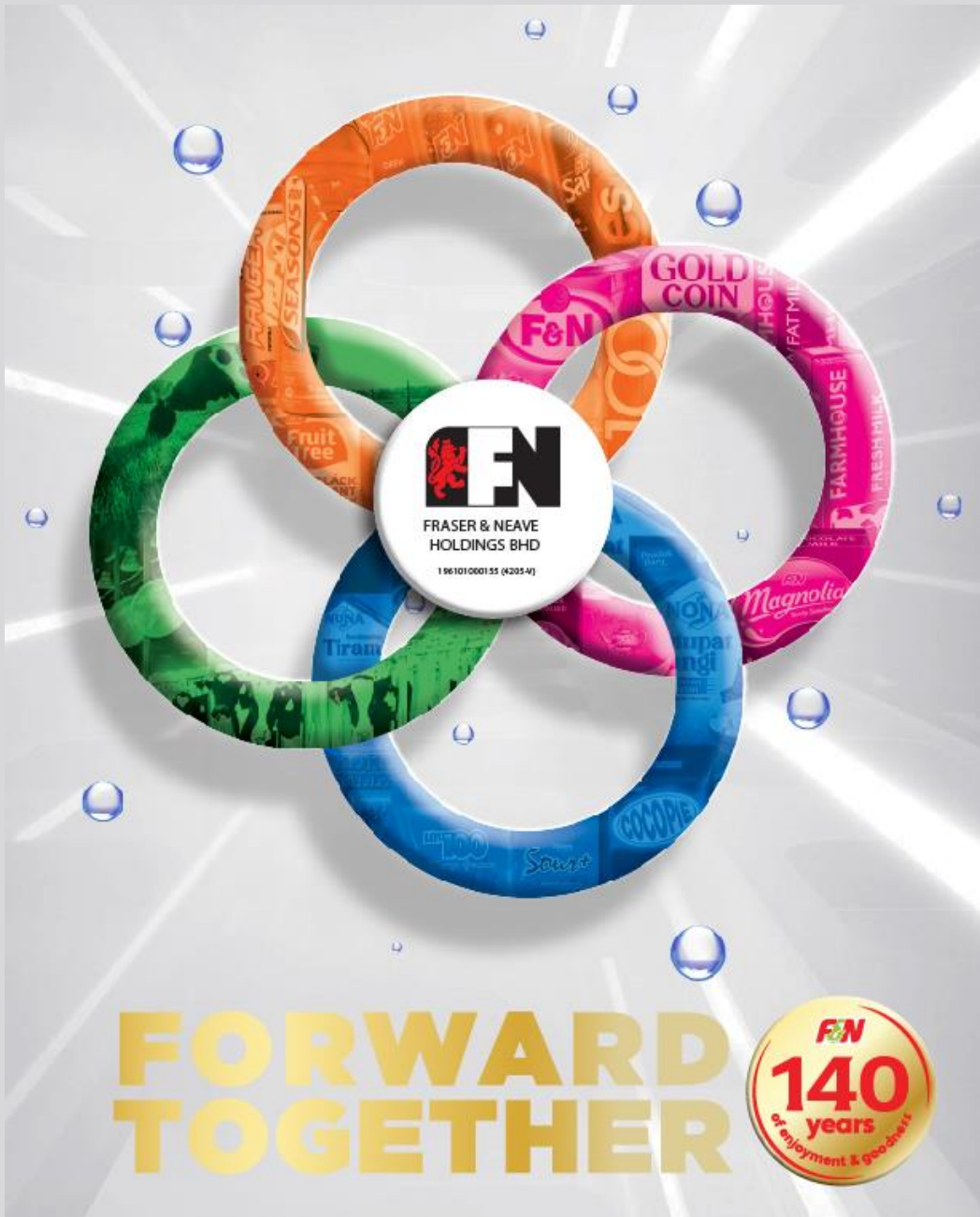
By early 2025



Best-In-Class USA Holstein Cows Selected





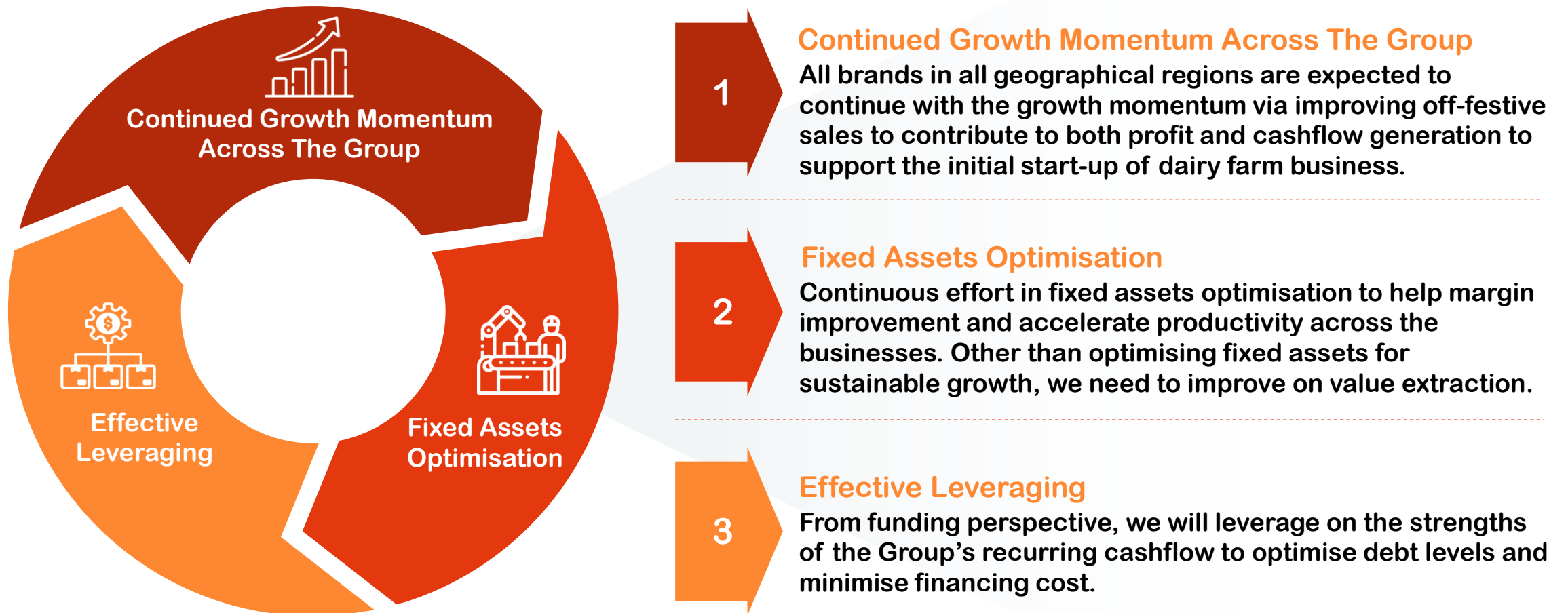


CLOSING REMARKS

Prioritise Delivery Of Short to Medium Term Performance While Investing For Long-Term Sustainable Growth



- In this first half of the year, the Group delivered positive performance attributed by strong festive sales. Here are our Top 3 priorities in the second half of the year:





FORWARD TOGETHER