



*Capturing Value*

**63<sup>rd</sup> ANNUAL GENERAL MEETING**



**FRASER & NEAVE HOLDINGS BHD**

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**63<sup>RD</sup> ANNUAL GENERAL  
MEETING**

**Wednesday, 15<sup>th</sup> January 2025**

**AGM starts at 10.00am**

# WELCOME

63<sup>rd</sup> ANNUAL GENERAL MEETING



## IMPORTANT INFORMATION

Certain statements in this Presentation constitute “forward-looking statements”, including forward-looking financial information. Such forward looking statements and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Fraser & Neave Holdings Bhd (“F&NHB”), or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding F&NHB’s present and future business strategies and the environment in which F&NHB will operate in the future. Because these statements and financial information reflect F&NHB’s current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information.

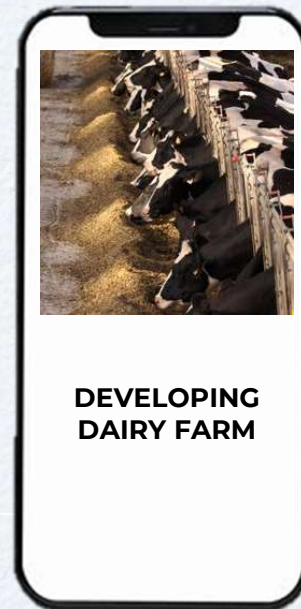
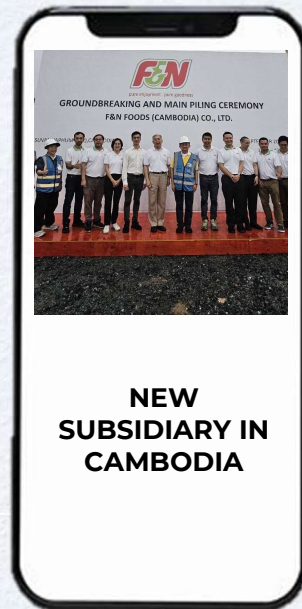
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This Presentation includes market and industry data and forecast that have been obtained from internal survey, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information. While F&NHB has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, F&NHB has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.



**How would you sum up  
financial year 2024 for F&NHB?**

## We captured value while channelling our capital into areas for growth...



Overall, we are pleased with the Group's performance as we achieved very commendable results and maintained a strong cash position against a less-than-conducive backdrop for the industry



**Could you elaborate on F&NHB's financial results for the year?**

**FY2024**  
**F&NHB**

# GROUP FINANCIAL HIGHLIGHTS

## REVENUE

RM

**5,245.6**

MILLION



4.9%

## OPERATING PROFIT

RM

**709.5**

MILLION



10.4%

## PROFIT BEFORE TAX

RM

**697.0**

MILLION



11.6%

## PROFIT AFTER TAX

RM

**544.3**

MILLION



0.4%

## EFFECTIVE TAX RATE

**21.9%**



-8.7 P.P

## EARNINGS PER SHARE (BASIC)

**148.2** sen



1.7 sen

## NET ASSET PER SHARE

RM

**9.75**



63 sen

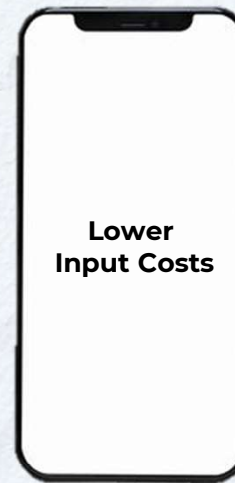
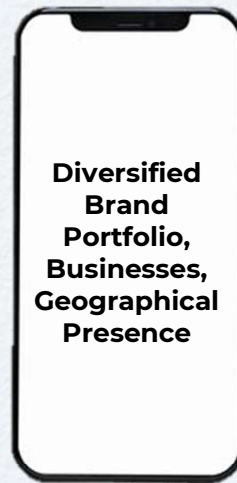
## GEARING RATIO

**21.3%**



-1.7 P.P

# KEY DRIVERS

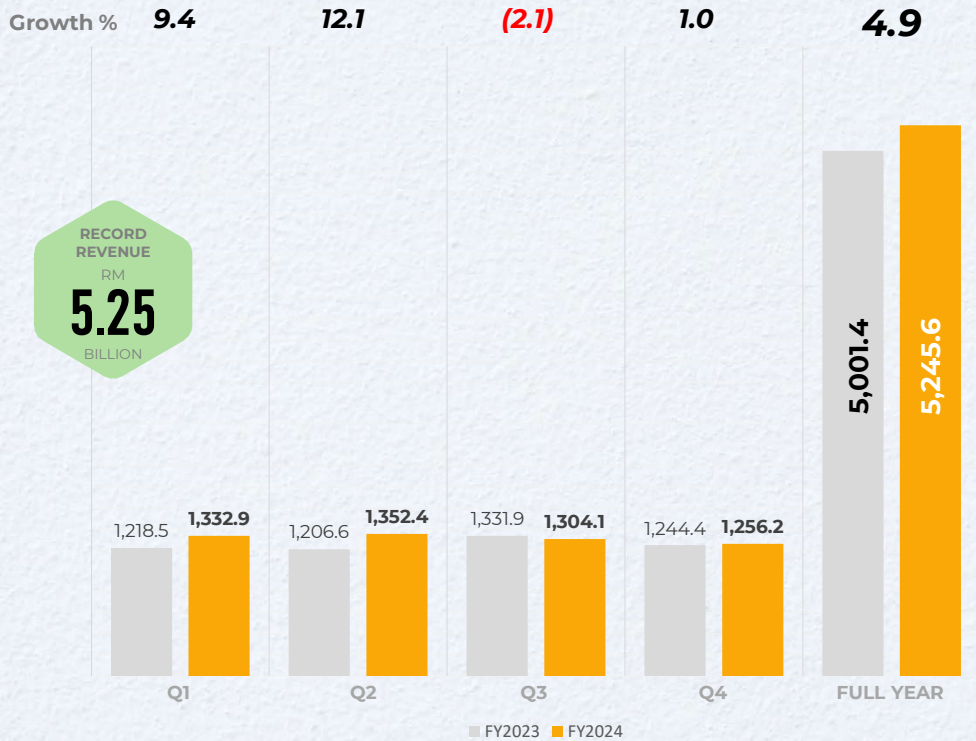


# FY2024 FINANCIAL HIGHLIGHTS

## F&NHB GROUP

### GROUP REVENUE

RM Million

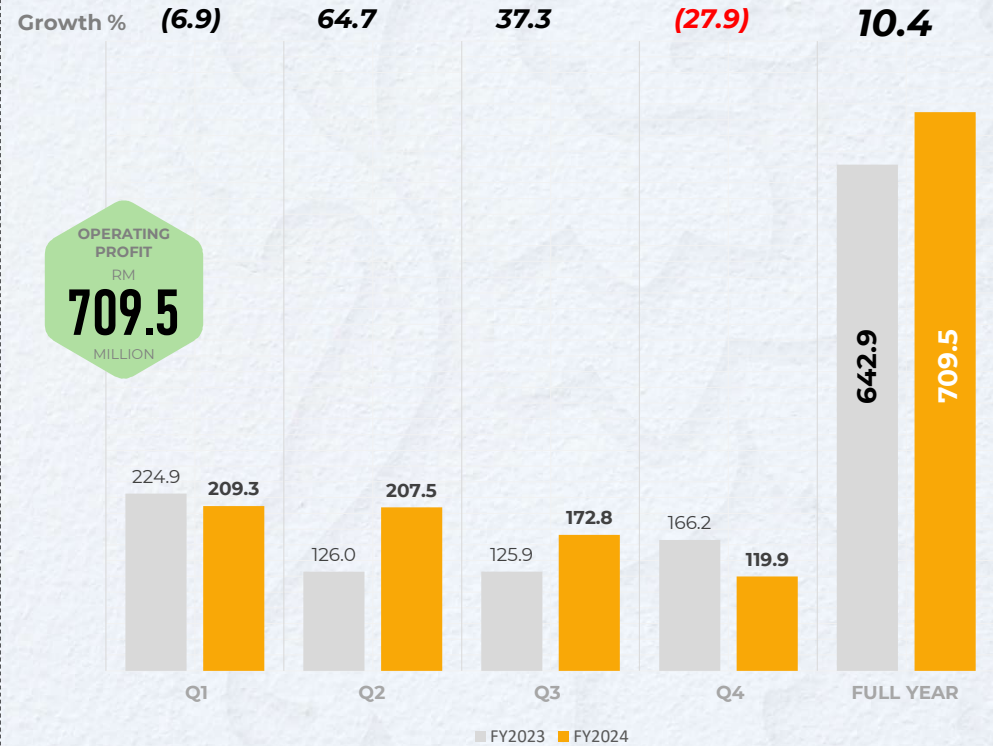


▲ Higher domestic sales from Malaysia and Thailand

▲ Sales to Cambodia

### GROUP OPERATING PROFIT

RM Million

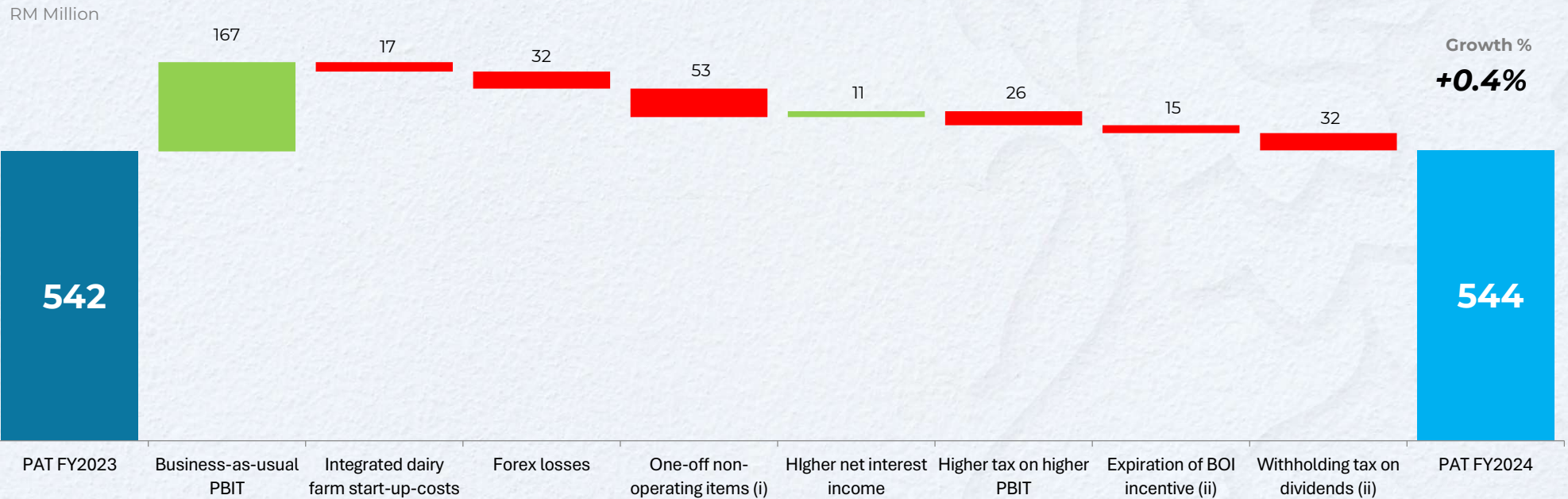


▲ Higher profits from both F&B Malaysia and F&B Thailand

▲ Adjusted operating profit at RM545.2m (+11.3% vs LY) (FY2023: RM489.7m)

# Profit after tax (PAT)

## improvement



### Remarks:

- (i) Consists of remeasurement gain of Cocoland amounted to RM89.3m in FY2023, impairment loss on plant and equipment in FY2023, insurance claim and restructuring costs.
- (ii) Due to expiration of Board of Investment Incentive (BOI) for F&B Thailand in April 2024, additional taxes were incurred for foreign withholding tax on dividends repatriated and higher taxes for our Thai subsidiary. Thailand income tax rate is 20%.



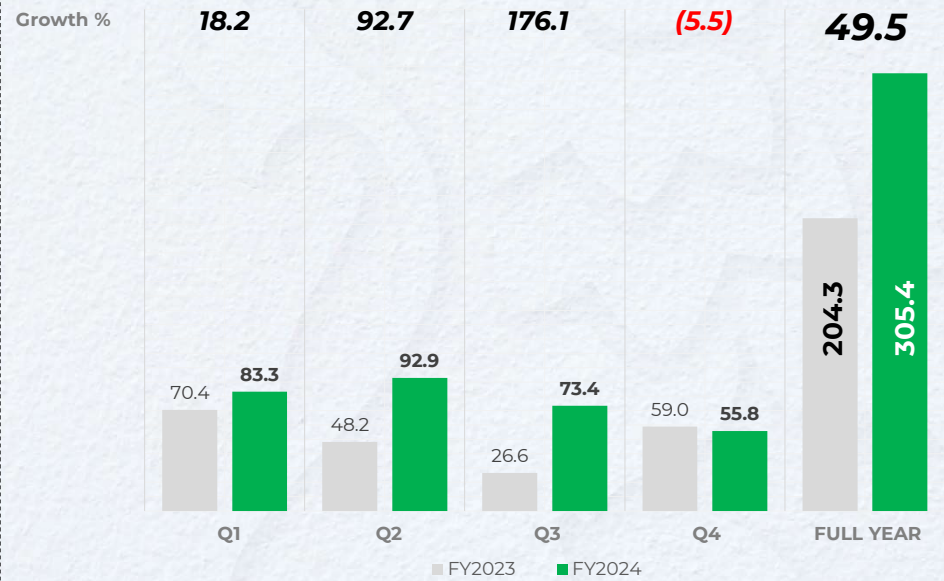
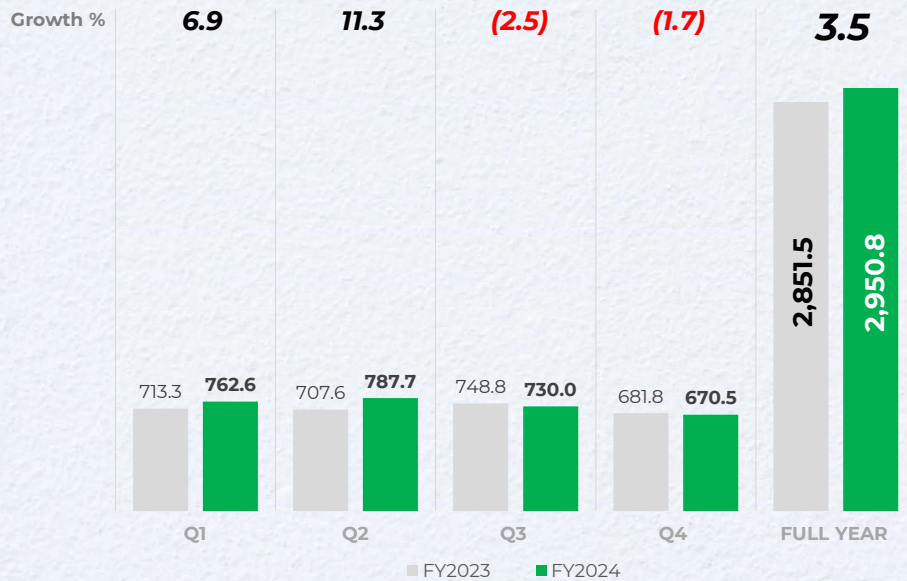
# OPERATIONAL HIGHLIGHTS: F&B MALAYSIA

## F&B MALAYSIA REVENUE

RM Million

## F&B MALAYSIA OPERATING PROFIT

RM Million



### REVENUE +3.5%



Strong domestic sales from festive



Notable growth in beverages, dairies and water



Contribution from food pillar



Geopolitical tensions affecting exports

### OPERATING PROFIT +49%



Higher revenue



Contribution from export – better region and product mix



Lower input costs



Higher A&P spending and brand activities



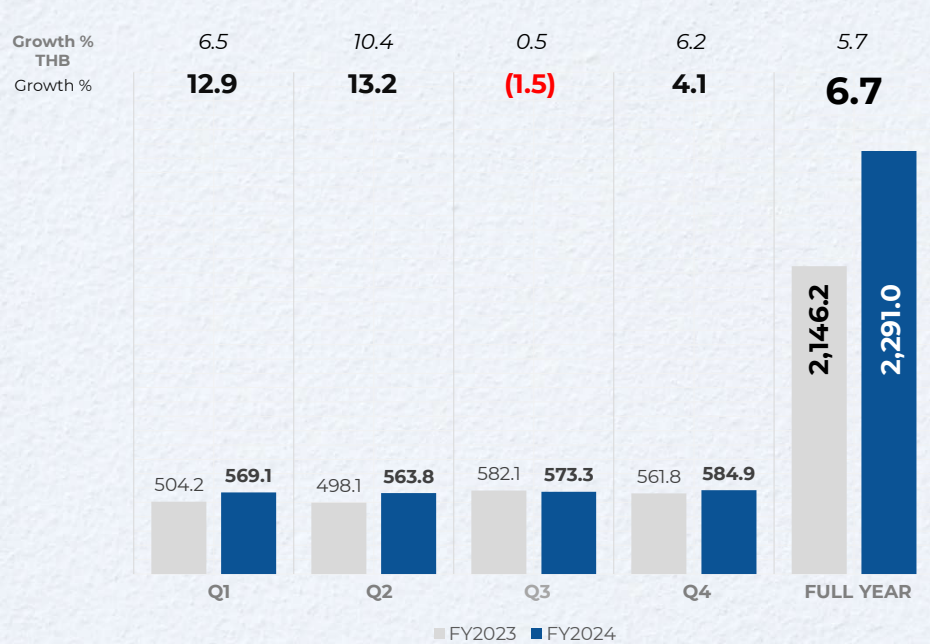
Adjusted operating profit at RM305.6m (+33.4% vs LY) (FY2023: RM229.1m)



# OPERATIONAL HIGHLIGHTS: F&B THAILAND

## F&B THAILAND REVENUE

RM Million



REVENUE +6.7% (5.7% in THB)



Higher sales to Cambodia (full year Bear Brand sales)



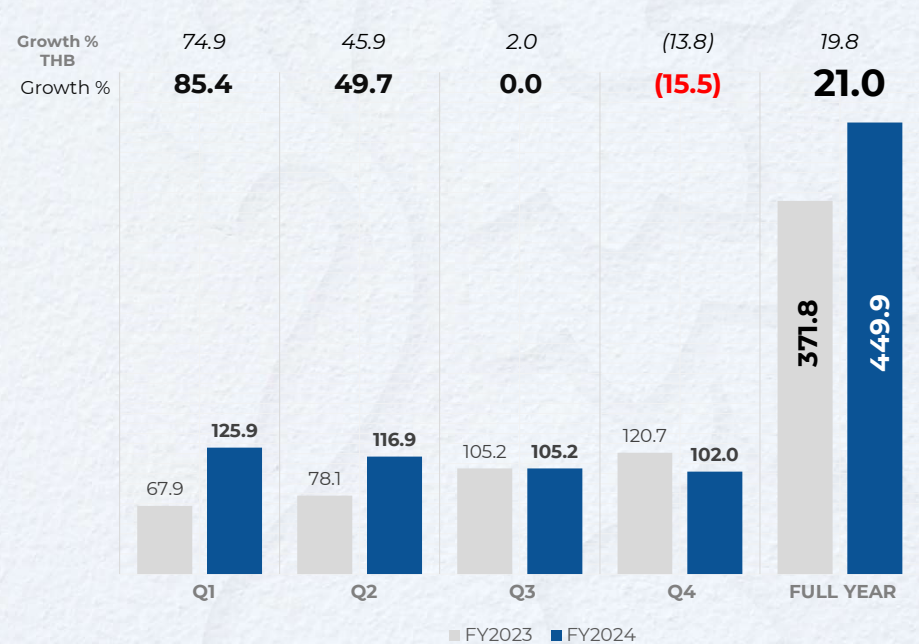
Dampened sales of liquid milk category due to limited supply of fresh milk



Growth in sales of condensed milk

## F&B THAILAND OPERATING PROFIT

RM Million



OPERATING PROFIT +21.0% (19.8% in THB)



Higher volume



Savings from logistics



Favourable commodity prices



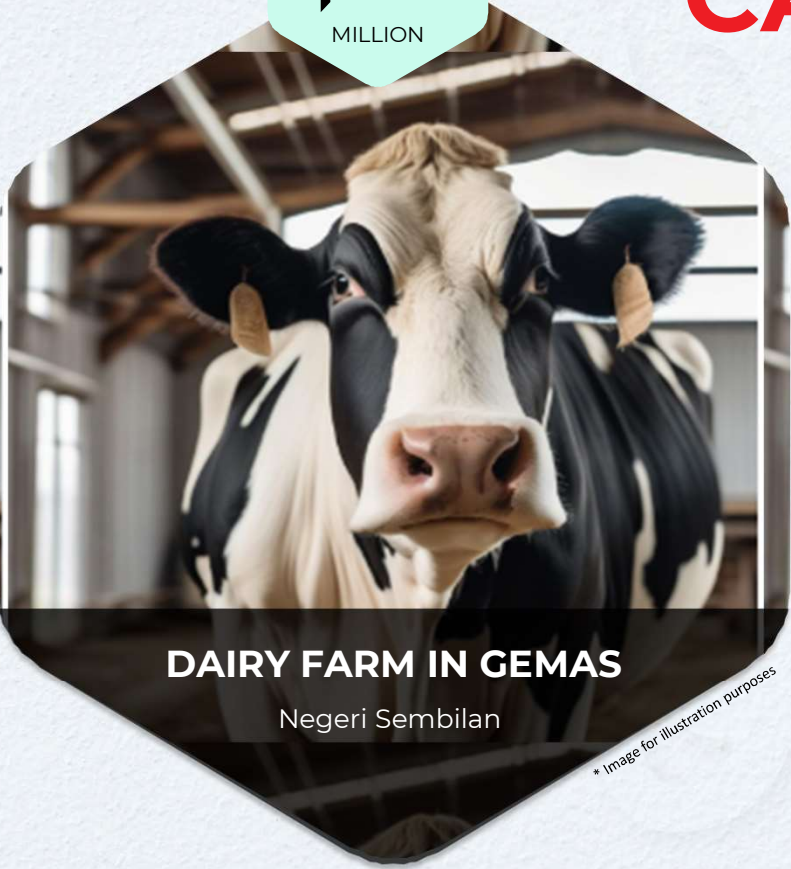
Higher A&P spending and investment activities



Adjusted operating profit+18.9% due to impairment loss on plant and equipment in previous year (FY2023: RM378.3m)

# MAJOR CAPEX 2024

RM  
**1,426\***  
MILLION



## DAIRY FARM IN GEMAS

Negeri Sembilan

\* Image for illustration purposes

RM  
**48.5**  
MILLION



## CSD AND DRINKING WATER LINE

Butterworth  
Plant (new)

Operational  
in 2026

RM  
**179.5**  
MILLION



## DAIRY PLANT IN CAMBODIA

Svannaphum Special  
Economic Zone,  
Phnom Penh

Groundbreaking ceremony in  
September 2024.  
To be completed in 2026

Total investment for Phase 1 (incl. land) @ RM1,641.6 Million  
Operational 2025


# MAJOR CAPEX 2024



RM  
**18.5**  
MILLION

**SOLAR PV PROJECTS  
(PHASE 2)**  
Shah Alam, Pulau Indah and Rawang

Completion in 2025



RM  
**12.3**  
MILLION

**STERILISED CAN MILK FILLING & PACKING LINE**  
Pulau Indah Plant

*\* Image for illustration purposes*

Operational in 2025



**Please tell us more about the development of F&N AgriValley.**



# F&N'S INTEGRATED DAIRY FARM


## VISION

To improve the nutrient intake of Malaysians by making fresh milk available in every Malaysian household.



## 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.



# Making Fresh Milk Affordable **in Malaysia and** Creating **a Healthier Nation**

6

Liter/capita

While Malaysia's dairy consumption per capita is not low, there is very little **fresh milk**.

100<sub>x</sub>

Great potential for higher fresh milk consumption if we benchmark against Vietnam

Vietnamese drink 10 litres of fresh milk for every litre of recombined. Malaysians the other way round.





# Fresh Milk Has High Growth Potential In Malaysia **But Hindered By Lack Of Local Supply And High Milk Prices**



Current Fresh Milk Price/litre

RM8 - RM15



RM4.50



NATIONAL Self-Sufficiency

**5%**

All these factors continue to drive **Malaysian milk prices to 2x more than global milk countries.**



# Integrated Dairy Farm to be Developed in Phases. Our Contribution to Food Security Comes in 3 Forms...

**Phase 1 capex RM2 bil  
Total RM3+ bil**



Ultimately reaching 200 million litres of fresh milk yearly with 20,000 milking cows



Each female / milking cow would be retired after 3 to 5 years. In addition, male calves will be raised. Both combined would supply up to 10,000 animals yearly



Tens of thousands of tons of corn grain and other animal feed





**1**

**To build the world's best barns, ensuring maximum comfort for our cattle**



**2**

**To import the highest-performing dairy cows globally, minimising the need for additional barns**



**3**

**To grow our own crop to provide the possible feed at the lowest costs.**

# F&N expands from manufacturer to an integrated dairy player

**F&N  
AgriValley**

Aerial view  
2 January 2025



To produce world-class milk, we need quality feed. Most feed will be grown in-house, saving Malaysia the need to import tens of thousands of tons of corn grain. Eventually, we hope to expand corn farming and animal feed into separate businesses.

# PROGRESS SO FAR... KEY MILESTONES OF AGRIVALLEY



## 2022

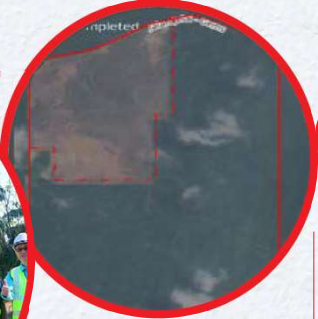
Land acquisition was completed on 10 October 2022 for **RM215.6m**

## 2023

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



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



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



Land Preparation Progress – ON TRACK

## 2024

First batch of heifers selected

## 2025

**First Milking** by mid 2025 (planned)

# Acquisition of **Pregnant Heifers** from the US



Departure Port:  
**Port of Everett,  
Washington State**

Planned boarding:  
**26 Oct 2024**  
Planned departure from US :  
**29 Oct 2024**

## **First Batch of 2,500 pregnant heifers**

received the import permit in September for the importation between 19 Nov and 16 Dec 2024.

In preparation for departure and taking into consideration recent bouts of avian flu, precautionary measures were taken:

**2 DAYS  
BEFORE  
BOARDING** **Department of Veterinary Services (DVS)  
Unilateral Action Suspending Importation  
of American Breeding Cattle was issued**

## **CURRENT STATUS**

- **The barns for the 2,500 cows are ready, and dairy farm full completion including factory slated in April 2025.**
- **We are collaborating with relevant stakeholders to source for similar high-performing cows.**
- **More details will be shared when ready.**



**No doubt, fresh milk from F&N AgriValley will be a star addition to your Healthier Choice portfolio. What other advances have you made in providing consumers with healthier products?**

# NEW OFFERINGS IN FY2024



- Two-thirds of our RTD portfolio endorsed as 'healthier choice' in Malaysia.
- 90% of our products sold today contain zero to 5% sugar

# Jom Sihat Kekal Cergas

dengan **F&N**

**Wellness Campaign**  
**Jom Sihat, Kekal Cergas**  
September 2024  
In collaboration with Mydin





**100PLUS is a clear leader in the isotonic segment, partly because of its support of the development of sports and athletes in Malaysia. How did the brand strengthen its ties to sports in FY2024?**

# 100PLUS proudly supports our nation's sports at every level





100PLUS Sponsors National Health Initiative in Sabah



100PLUS and SRIXON Crown Winners of Junior Golf Championship



Honoured national shuttlers and 100Plus ambassadors for their smashing performance on the world stage



100PLUS collaborate with the Ministry of Education Malaysia (KPM) to reinstate the Liga Bola Sepak KPM 100PLUS

# NURTURING SPORTS TALENTS TODAY AND BEYOND



**In FY2023, you had begun the process of integrating Sri Nona and Cocoland. Any updates of this front?**

Our Food Pillar sustained healthy profits due to **strong margin management** and **operational efficiency**

FOOD PILLAR



### PROJECT UNITY

Successfully integrated Sri Nona and Cocoaland into a single entity

### E. MALAYSIA

Amplifying our distribution to make our products more accessible

### SRI NONA

Leveraging F&N's distribution network, enabling us to widen the distribution of our culinary products





Collaboration with more KOL



Hari Raya Activation



## SRI NONA'S KEY INITIATIVES

Collaboration with the famous KHAIRUL AMING



"A Majestic Feast in the Year of the Dragon, with Healthier Flavours of Lee Shun Hing"



**NEW  
PACKAGING  
LAUNCH**





**What are the highlights of  
F&N Dairies Thailand (FNDDT) in  
FY2024?**

# TEAPOT

Celebrates

15<sup>th</sup> Anniversary in Thailand

MARKET  
POSITION

2

Condensed Milk  
Market

TEAPOT

Evaporated Creamer UHT  
Milk in 1 Litre pack grew  
from zero to

1 million

Carton per year within 2  
years

GROWTH  
TOTAL TEAPOT

40%

Vs Market  
Growth 9%



# ทีพอก ฉลอง 15 ปี

## ลุ้นรางวัลมากกว่า

# 8 ล้าน บาท

TEAPOT  
อร่อยหอมมัน เข้มข้นถูกใจ



5 บาท 15 สัปดาห์  
ทั้งหมด 1 บาท มูลค่า 31,500 บาท  
รวม 225 รางวัล รวม 15 สัปดาห์

ลุ้นรางวัลใหญ่

**TEAPOT**

APPEALS TO  
CONSUMERS &  
OPERATORS



ทีพอก  
อร่อยลื่นมัน  
รางวัลถูกใจ ปี 3

เพียงสกรหัสที่ สติ๊กเกอร์ / ฉลาก / ถุง / ฝา ทีพอก  
ส่งไปที่ @TEAPOTHAPPYREWARDS



รวมรีวอร์ด  
เยอะ แจกใหญ่  
รวมมูลค่ากว่า 8 ล้านบาท



REWARDS CAMPAIGN

# CARNATION REACHES OUT TO OPERATORS



SBC+EXTRA  
OPERATOR  
CAMPAIGN

# CARNATION DRIVES IN-HOME USAGE



# MAGNOLIA ENGAGES WITH STUDENTS



นมสตรอโรไลส์ตราหมี  
ห่วงใยกันได้ทุกวัย



**BEAR BRAND**  
TARGETS YOUNG  
ADULTS



**NEW**

# F&N Nutri Well

**Freshly Squeezed Soy Milk**  
**Rich in Nutrition and**  
**Creamy Delicious**

**Try Now**



Selected soybeans from Canada



**In February 2024, F&NHB announced it is investing into a manufacturing plant in Cambodia. Talk us through the rationale for this move?**

**Cambodia expanded our overseas export business to a level that enables local production**

Localise our operations and reduce not only export cost from Thailand. But our carbon footprint associated with transporting to the country as well

1

Better control and visibility from factory to shop floor, increasing efficiency in supplying to the market

2

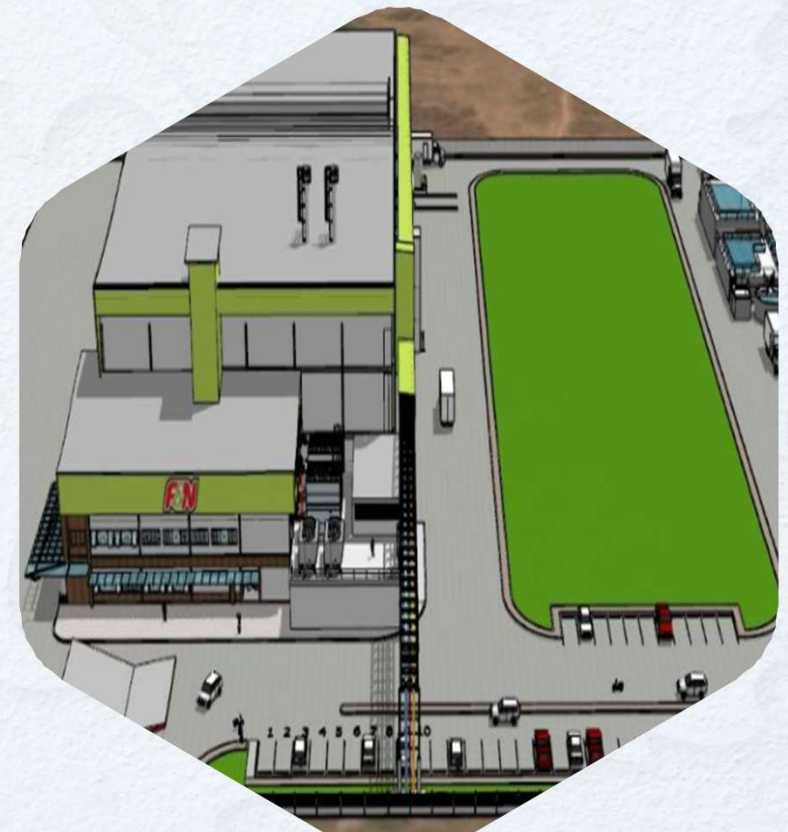
Free up capacity in our existing manufacturing plants to further grow in Malaysia, Thailand and other export market

3

Expanding our team to bring more of our portfolio of product, including halal food and confectionary, to the market

4

**Cambodia has proven to be a **potential market** for growth...**





pure enjoyment . pure goodness

# GROUND BREAKING AND MAIN PILING CER F&N FOODS (CAMBODIA) CO., LTD.



## GROUND BREAKING IN SEZ CAMBODIA



### Air Connectivity

- 50 km to Phnom Penh International airport
- Suvannaphum located in same province of The New Cambodia airport in Kandal province



### Water Connectivity

- Suvannaphum river port link to Cai-Map (Point 4) sea port in Vietnam via Mekong river



### Road Connectivity

- 45 km to Phnom Penh City ( Point 1 )
- 170 km to Sihanouville Port on national road no.4 ( Point 2 )
- 250 km to Ho Chi Minh city on nation road no.1 ( Point 3 ), main road to Vietnam
- 12 km close to Phnom Penh river port



**F&NHB is gaining recognition for your sustainability/ESG programmes. How have you further strengthened your sustainability platform in FY2024?**

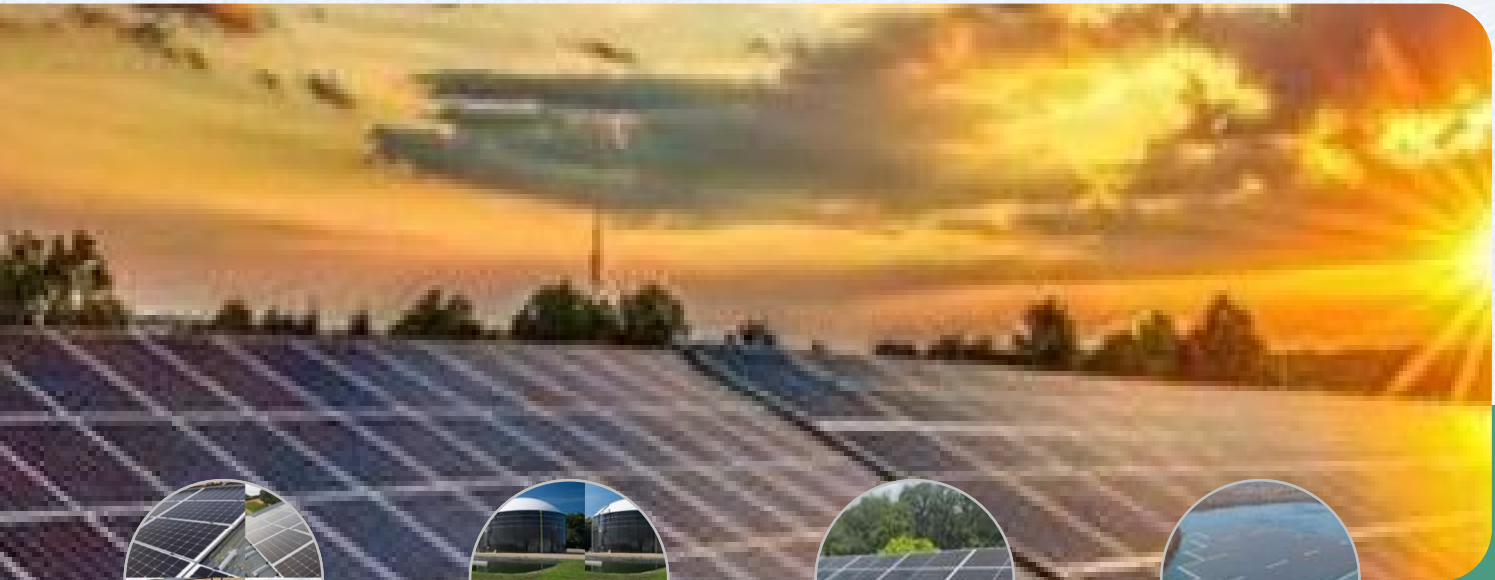
We invested significantly  
on **solar energy**....

**5** locations in  
**Malaysia** and **3**  
locations in **Thailand**

6 million kWh of electricity  
annually – equivalent to  
about 29,000 trees in CO2  
offset



# OUR PLAN TO HAVE FIRST 100% RENEWABLE ENERGY (RE)-POWERED **DAIRY FARM** IN MALAYSIA/REGION



Rooftop Solar PV on cow barns, dormitories, factory and car park



Biodigester



Ground-mounted solar panels



Floating solar panels on reservoirs



**What is the outlook and what are your priorities for F&NHB in FY2025?**

Our margin will remain tight given the full removal of **tax rebates** in Thailand and higher **start-up costs** for our dairy farm.

Optimising Assets and Operations in Malaysia and Thailand

FY2025  
**OUTLOOK and PRIORITIES**

Contribute in enhancing Nation's Food Security

Investing in Group's Long-Term Strategy

Driving Growth  
"REACH COMPETITIVELY"  
and "DIGITAL FOR GROWTH"

## Our Business Model Is **FLATTENING** the...



A **supply chain** is a business model outlining activities to create a product or service, from conception to delivery, including primary and support activities. It determines

**“Cost of Goods Sold:  
COGS”**



A **value chain** is a business model outlining how the products and services get to the end customers and consumers. It's important to determine

**“Cost to Serve”**



A **command chain** is a hierarchical structure of authority and communication within an organisation, where orders flow from top to bottom. It will determine the

**“Cost to Manage”**

THE FUTURE OF BUSINESS IS

FLAT



**Conclusion.**

# We are confident in **achieving success...**



Our People have always risen to the occasion in the past, no doubt that they will continue to prove their mettle in the current scenario



We acknowledge the contributions of our external stakeholders, from our shareholders to our business partners and customers.



Our Board of Directors has been a pillar of strength, guiding the Group as we explore new territory



# Thank You

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