



Powered by
Passion

ANNUAL REPORT
2022



Powered by *Passion*

Passion is an intangible quality that does not appear on a balance sheet but is imperative in achieving success for any enterprise. Passion fuels growth, ignites the spark for creating the products of tomorrow and drives businesses forward. Here in F&N, we are not only passionate about what we do, we are also powered by passion to deliver sustainable value.

About Us

Established in 1883, F&N is a leading Southeast Asian consumer group with expertise and prominent standing in the Food & Beverage and Publishing & Printing industries. Leveraging its strengths in marketing and distribution, research and development, brands and financial management, F&N provides key resources and sets strategic directions and objectives for its subsidiaries.

Listed on the Singapore Stock Exchange, F&N ranks as one of the most established and successful companies in the region with an impressive array of renowned brands that enjoy strong market leadership. F&N is present in 11 countries spanning Asia and the Americas, and employs over 6,700 people worldwide.



100 PLUS
CARBONATED
ISOTONIC
ELECTROLYTE
DRINK

Vision

To be a stable and sustainable Food & Beverage leader in the ASEAN region.

Mission

To be ASEAN’s leading owner and provider of quality and innovative products that consumers choose and trust. To support our mission, we are guided firmly by our commitment to create value for our stakeholders by ensuring that our corporate actions positively impact the socio-economic and environmental factors.

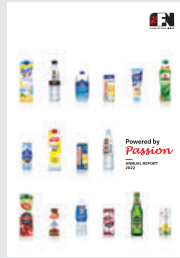
Values

Collaboration • Creating Value • Caring for Stakeholders



Our Reporting Suite

Our annual reporting suite comprises two reports – the Annual Report 2022 and Sustainability Report 2022. Each includes content tailored to its specific audience and cross-references to the other reports where relevant.



F&N Annual Report 2022 is the primary report to our stakeholders, detailing our strategies and business activities, as well as initiatives toward sustainable value creation.



The Sustainability Report 2022 carries an assurance statement by LRQA on selected indicators. Prepared in accordance with the GRI Universal Standards 2021, it details F&N’s efforts and commitment toward creating a sustainable business, and positioning F&N for long-term success.

F&N Sustainability Report 2022 can be downloaded at www.fraserandneave.com/investor-relations/corporate-sustainability.

#GOPAPERLESS

- In line with the Group’s efforts towards greater environmental conservation, we have elected for electronic transmission of our Annual Report and Sustainability Report. The electronic version of our Annual Report 2022 is available on Fraser and Neave, Limited’s website (www.fraserandneave.com/investor-relations/annual-reports). Shareholders and other interested parties who wish to receive a printed copy may order it through the website (www.fraserandneave.com/contact-us/request-annual-report), e-mail (ir@fraserandneave.com) or telephone ((65) 6318 9393). Our Sustainability Report 2022 is only available in electronic version, and can be downloaded at www.fraserandneave.com/investor-relations/corporate-sustainability.
- These reports cover the period from 01 October 2021 to 30 September 2022, unless otherwise stated.
- Unless specifically stated otherwise, all figures in these reports are quoted in Singapore Dollars.
- Due to rounding, numbers and percentages in these documents may not always add up precisely to the totals or absolute figures stated.

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Our Performance

Resilience in Performance

Revenue

\$2,003m

up 6.6% fueled by strong F&B performance

Profit Before Interest & Taxation

\$233m

down 10.8% on higher input costs and adverse foreign currency translation impact (down 9.1% on a constant currency basis)

Profit After Taxation

\$177m

down 9.5% (down 7.9% on a constant currency basis)



Dividend Per Share

5.0 cents

same as FY2021
Dividend policy unchanged

Earnings Per Share

8.9 cents

down from 10.0 cents in FY2021

Net Asset Value Per Share

\$2.11

up from \$2.08 in FY2021

Strength in *Market Position*

No.
1

100PLUS

- Carbonated Soft Drinks in Malaysia
- Isotonic Drink in Singapore and Malaysia



No.
1

F&N ICE MOUNTAIN

Water Brand in Singapore



No.
1

F&N NUTRISOY

Soya Brand in Singapore



No.
1

DAIRIES MALAYSIA & DAIRIES THAILAND

Condensed and Evaporated Milk categories



No.
2

F&N SEASONS, OYOSHI & F&N

Tea Brand (Asian Drinks) in Malaysia



Sustainability Highlights



Operational Eco-Efficiency

Energy intensity ratio reduced by 2% from a 2020 baseline

F&NHB is one of the ten founding members of MAREA
a voluntary, industry-led Extended Producer Responsibility group of companies focused on driving initiatives to promote circular economy

Reduced greenhouse gas emissions intensity ratio by 5% from a 2020 baseline

Reduced total solid waste generated by 14%
however total solid waste sent to landfill increased by 21% from a 2020 baseline

Water intensity ratio increased by 3% from a 2020 baseline

Ground-up initiatives from employees to improve water and energy efficiencies
These included enhancing energy or water consumption efficiency of equipment, increasing renewable energy sourcing and implementing zero-discharge initiatives

All manufacturing plants implemented energy, water and/or waste reduction initiatives

Value Chain Impacts

23% of beverage and dairy packaging contains recycled materials

99% of total packaging is recyclable

Committed to avoid deforestation and protect high biodiversity value areas through stakeholder engagements

Creating Value for Society

68% of beverage and dairy products¹ in compliance with Nutritional Guidelines are healthier options with less sugar

61% reduction in sugar index (grams of sugar content per 100 ml) since 2004 for beverage and dairy products across Singapore and Malaysia

At least one healthier option in 14 out of 15 product categories

24 annual community programmes

100% of operations involved local community engagement, impact assessments and development programmes

Human Rights Policy was developed in accordance with related human rights principles under international standards. Human Rights Due Diligence and Risk Assessments were undertaken

Promoting human rights across our operations
100% of our key operations in Singapore, Malaysia and Thailand conducted Human Rights Risks Assessments

Empowering Our People

Over 6,700 employees

37% female representation in total workforce

46% female representation in managerial positions

21.11 training hours per employee in the executive category and 13.40 training hours per employee for the non-executive category

43% reduction in Lost Time Injury Frequency Rate from a 2020 baseline year

Note:

¹ % of beverage (excluding cordials) and dairy (excluding canned milk) products (based on formulation) are in compliance with Nutritional Guidelines

Better Business

Responsible Product Stewardship



100% of plants are certified with the Halal Standard (or equivalent),

while 64% of plants have their production processes certified with the Food Safety System Certification ("FSSC") scheme 22000



40+ new products introduced



Healthier products launched, including:

- ★ Reducing sugar content
- ★ Offering zero-sugar beverages
- ★ Offering plant-based nutrients
- ★ Boosting nutrients



Catering to customers

with dietary restrictions and preferences

Responsible Supply Chain



95% of active key suppliers

have accepted and are complying with F&N's Supplier Code of Practice



11% product innovation

for commercialised F&N products



Engagement

with over 3,800 global and local suppliers



Purchased physical Roundtable on Sustainable Palm Oil ("RSPO") Certified Sustainable Palm Oil and RSPO Credits

to cover 100% of annual palm oil usage



Engages stakeholders to maintain high halal standards

- ★ F&NHB's partnership with the Halal Industry Development Corporation for the Halal Sourcing Partnership Programme enables us to provide technical advice and knowledge to SMEs
- ★ Successful engagements with upstream vendors redirected vendors to supply F&N with specific products that adhere to stringent halal standards

Sustainability at F&N



6th consecutive standalone sustainability report

- ★ Refreshed materiality matrix and 2025 sustainability targets



External recognition

- ★ F&NHB remains a constituent member of the F4GBM Index for the fourth year, with improved rating to 4.4 from 4.1 in 2021, for ESG practices. It is also a member of the F4GBMS Index for the second consecutive year
- ★ F&NHB has also been recognised for excellence in sustainability and strong ESG practices by being presented with the Platinum Award (for Best Sustainability Reporting) at the NACRA 2021
- ★ F&N has been awarded the runner up in the Most Transparent Company Award (Consumer Staples category) at the SIAS Investors' Choice Awards 2021



Climate-related disclosures

based on the TCFD recommendations framework in 2022



Qualitative climate-related risks and opportunities assessment

conducted to identify climate-related risks and opportunities in 2022



This is F&N

Fraser and Neave, Limited (“F&N” or the “Group”) originated more than a century ago from the spirited decisions of two enterprising young men, John Fraser and David Neave, who diversified from their printing business to pioneer the aerated water business in Southeast Asia (“SEA”) in 1883.

The entrepreneurial spirit, embodied by our founders, remains in today’s F&N. As a soft drink company, F&N seized the opportunity and ventured into the beer brewing business in 1931 in partnership with The Heineken Company and built a very successful beer empire in Asia Pacific – through its joint venture company, Asia Pacific Breweries Limited (“APB”). In 1959, it entered the Dairies business by forming a canned milk joint venture with Beatrice Foods of Chicago, and in 2007, it acquired Nestle’s liquid canned milk business in Thailand, Malaysia, Singapore and Brunei, and accelerated its growth in the dairy business. Today, F&N is the largest canned milk producer in SEA. In 1985, the Group diversified into the Properties business. Starting with the redevelopment of its soft drinks and brewery sites in Singapore, F&N soon grew its property arm – Frasers Centrepoint Limited (“FCL”, now known as Frasers Property Limited) to become one of the leading

property companies in Singapore with multi-national businesses in residential, hospitality, retail, commercial and industrial properties.

In 2012, F&N divested its equity stake in APB to realise a substantial value for shareholders. In 2014, the Group demerged FCL through a listing on the Singapore Stock Exchange, thereby transferring value to shareholders.

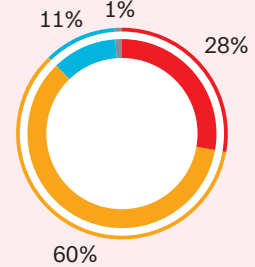
Today, F&N is a leading Southeast Asian consumer group with expertise and prominent standing in the Food & Beverage and Publishing & Printing industries. Leveraging its strengths in marketing and distribution, research and development, brands and financial management, as well as years of acquisition experience, the Group provides key resources and sets strategic directions for its subsidiary companies across both industries.

Listed on the Singapore Stock Exchange, F&N ranks as one of the most established and successful companies in the region with an impressive array of renowned brands that enjoy strong market leadership. F&N is present in 11 countries spanning Asia and the Americas, and employs over 6,700 people worldwide.

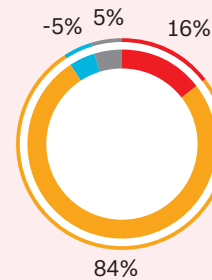


Contribution by Segment

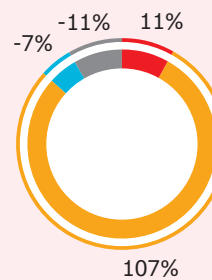
Revenue
\$2,003m



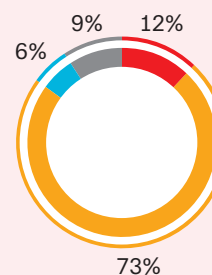
Profit Before Interest & Taxation ("PBIT")
\$233m



Attributable Profit Before Fair Value Adjustment & Exceptional Items ("APBFE")
\$129m



Total Assets
\$4,981m



Legend:
● Beverages ● Publishing & Printing
● Dairies ● Others



Employees

6,700+

Female 37%
Male 63%

By Geography

Singapore 24%
Malaysia 46%
Thailand 20%
Others 10%

50+
F&B and P&P brands

of which
• F&B owns 76% brands
• P&P owns 24% brands

80+
offices, manufacturing and warehousing facilities in 11 countries

of which
• 26 offices in 11 countries
• 17 manufacturing facilities in 4 countries
• 44 warehousing facilities in 5 countries

140+
export markets

Key Export Markets

- Africa
- Hong Kong
- Indonesia
- Mexico
- Philippines

FY2022 Revenue
\$2,003m

FY2022 Profit After Taxation
\$177m

Singapore

Revenue	\$433m
PBIT	(\$5m)
APBFE	(\$29m)
Total Assets	\$502m



F&N HQ

Malaysia

Revenue	\$755m
PBIT	\$62m
APBFE	\$28m
Total Assets	\$993m



Thailand

Revenue	\$671m
PBIT	\$86m
APBFE	\$40m
Total Assets	\$572m



Vietnam¹

Revenue	\$0m
PBIT	\$97m
APBFE	\$97m
Total Assets	\$2,699m



Other Countries

Revenue	\$144m
PBIT	(\$7m)
APBFE	(\$7m)
Total Assets	\$215m

Brunei	
Chile	
China	
Hong Kong	

Dubai	
Indonesia	
Myanmar	
USA	

Legend:

	Manufacturing Plants	Offices
Dairies		
Soft Drinks		
Beer		
Packaged Food		
Publishing & Printing		



Our Global Values serve as a compass for our actions and describe how we behave in our organisation

Collaboration

We leverage our inherent strengths and diversity to create synergies and commit to team goals

Creating Value

We are passionate about applying new ideas and grasping opportunities to make a positive impact on our organisation and the world

Caring for Stakeholders

We embrace our stakeholders' perspectives with good intentions and right mindsets to create long-term, sustainable partnerships

Note:

¹ Largely from F&N's 20.4% investment in Vinamilk

F&N Business Model

- Key Risk Categories ▶
- Reputational
- Strategic
- Currency
- Operational
- Country
- Financial

WHAT WE DEPEND ON

RELATIONSHIPS



Human

Over 6,700 talented people across the Group

By Geography

Singapore	24%	Thailand	20%
Malaysia	46%	Others	10%



Social & Relationship

Our relationships with governments and other organisations helped drive change in our communities

We collaborated with over 3,800 suppliers to produce products

RESOURCES



Intellectual

Brands, R&D capabilities, and intellectual property set us apart

- 40+ brands in 17 beverage categories
- Internally developed systems, customised customer solutions and manufacturing processes



Manufactured

We operate 13 F&B manufacturing plants and 4 printing plants in Singapore, Malaysia, Myanmar, Thailand and China



Financial

Appropriate cash, equity and debt to invest for the long-term

- Share Capital \$861m
- Equity \$3,502m
- Debt Capital \$889m



Natural

Our operations are dependent on renewable and non-renewable resources particularly land, water, forests and soils

VISION, STRATEGY, VALUES, SUSTAINABILITY TARGETS

Our Vision

To be a stable and sustainable Food & Beverage leader in the ASEAN region

Our Strategy

To deliver long-term growth and sustainable value creation:

Winning with **INNOVATIONS**

Winning in **MARKETPLACE**

Winning with **BRANDS**

Winning with **PEOPLE**

Our Global Values

Collaboration

Creating Value

Caring for Stakeholders



2025 Sustainability Targets¹

Environment

1. Reduce solid waste to landfill by 30%
2. Reduce energy intensity ratio by 8%
3. Reduce GHG emissions intensity ratio by 8%
4. Reduce water intensity ratio by 8%
5. 25% of packaging uses recycled materials

Social

6. Provide an average of at least 18 hours of training to Executives and 11 hours of training to Non-Executives
7. Zero Lost Time Injury Frequency Rate
8. 67% of F&B products to comply with Nutritional Guidelines
9. Increase community engagement programs by 10%

Economic

10. All key active suppliers to accept and comply with F&N's Supply Code of Practice
11. Rollout 10% new products
12. All plants to be FSSC 22000 and/or halal certified

Sustainable Development Goals

Primary

- 2. ZERO HUNGER
- 8. DECENT WORK AND ECONOMIC GROWTH
- 9. INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 12. RESPONSIBLE CONSUMPTION AND PRODUCTION

Secondary

- 1. NO POVERTY
- 3. GOOD HEALTH AND WELL-BEING
- 4. QUALITY EDUCATION
- 5. GENDER EQUALITY
- 6. CLEAN WATER AND SANITATION
- 7. AFFORDABLE AND CLEAN ENERGY
- 10. REDUCED INEQUALITIES
- 15. LIFE ON LAND
- 16. PEACE, JUSTICE AND STRONG INSTITUTIONS
- 17. PARTNERSHIPS FOR THE GOALS

Note:

1 Refer to F&N Sustainability Report 2022 for details

THE VALUE WE CREATE

RELATIONSHIPS



Human

- Paid \$255m in remuneration in FY2022
- Female representation:
 - 25% of Board
 - 37% of total employee
 - 46% of total managerial positions
- Supported employees growth by providing >68,000 training hours



Social & Relationship

- Upheld strong human rights practices in our operations and supply chain
- 92% of our suppliers were local
- \$1.5b paid to suppliers; close to 66% local purchase value
- 95% active suppliers who accepted F&N's Supplier Code of Practice
- About 3,100 suppliers were evaluated using social criteria

RESOURCES



Intellectual/Consumers

- Continued to fulfill consumers' demand for safe and quality products
- Adopted many channels to make our products available to consumers in over 140 countries
- Introduced over 40 new products in FY2022 to meet the needs of consumers
- Excited consumers with the rollout of various limited edition beverages



Manufactured

- Over 80% of manufacturing plants are FSSC 22000 and/or halal certified
- 99% of total packaging is recyclable
- Reduction in greenhouse gas emissions, energy emissions and solid waste



Natural

- Adhered to sustainable practices to protect stakeholders
- Received several environmental excellence recognition
- Total production volume of 1.2m MT

FINANCIAL OUTCOMES

Revenue
\$2,003m

Dividends
\$73m

APBFE
\$129m

Economic Value Retained
\$221m

VALUE CHAIN

ACTIVITIES & FOCUS AREAS

UPSTREAM

Innovation

Our Marketing and R&D teams, combining consumer insights, technical excellence and in collaboration with suppliers, develop products that consumers want and need

Sourcing

We work closely with our suppliers to ensure their goods and services meet quality, environmental and social standards, in addition to our stringent internal standards

Production

We implement a standardised safe production process, in accordance with international standards, throughout most of our operations. We also strive for eco-efficient processes, to provide good value and maximum benefit without polluting the environment

DOWNSTREAM

Distribution

Our extensive distribution system and network ensure that our products are efficiently distributed to our consumers. Across our operations, we strive to minimise environmental and social impacts from transportation by managing our energy use, while safeguarding the safety of our personnel and local communities

Marketing & Sales

We demonstrate consumer and societal responsibility by providing healthier product options and informative product labels. We also seek feedback from our customers on our products to create sustainable value for consumers and for our business

Post-Consumption Packaging Management

We minimise the impact of post-consumer waste through research and development to deliver innovative and environmental-friendly packaging. We also promote environmental awareness to the communities where we operate

STAKEHOLDERS

Our People

We aim to reward people fairly for the work they do, and help them reach their potential

Consumers & Customers

We aim to provide superior and quality products that promote good health

Suppliers & Business Partners

We partner with thousands of suppliers to deliver quality products, and support mutual growth

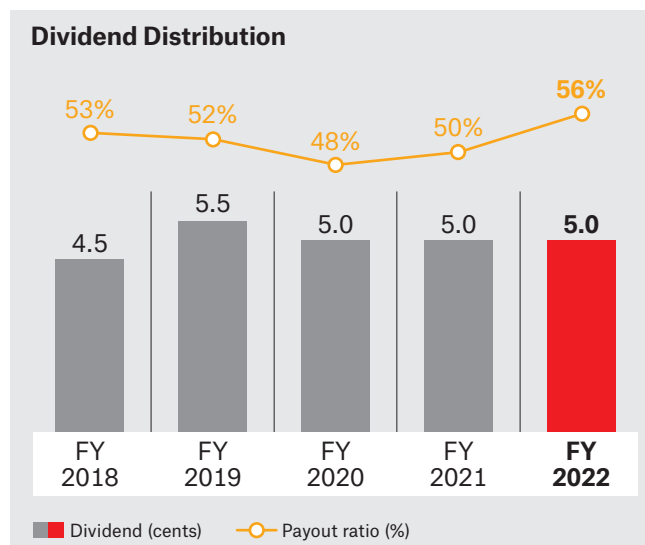
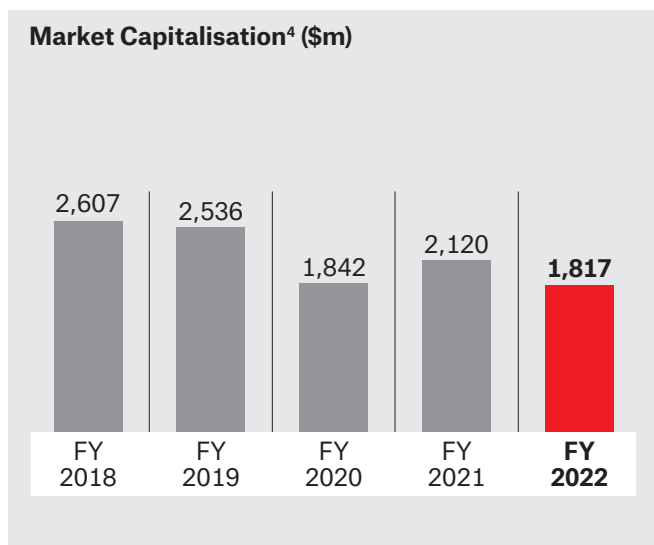
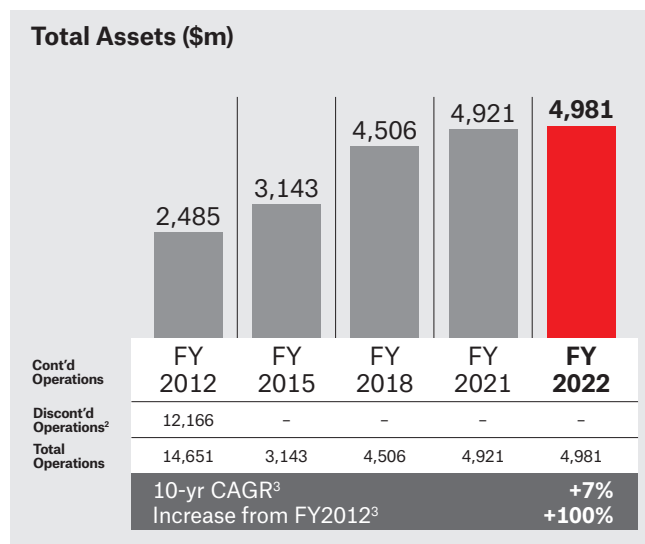
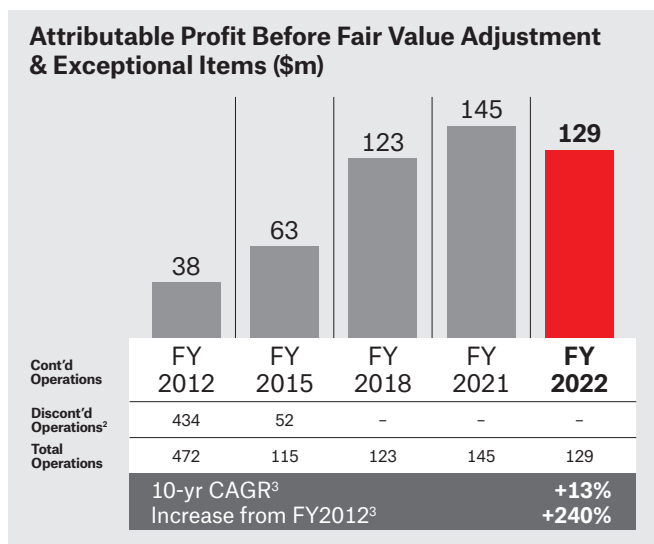
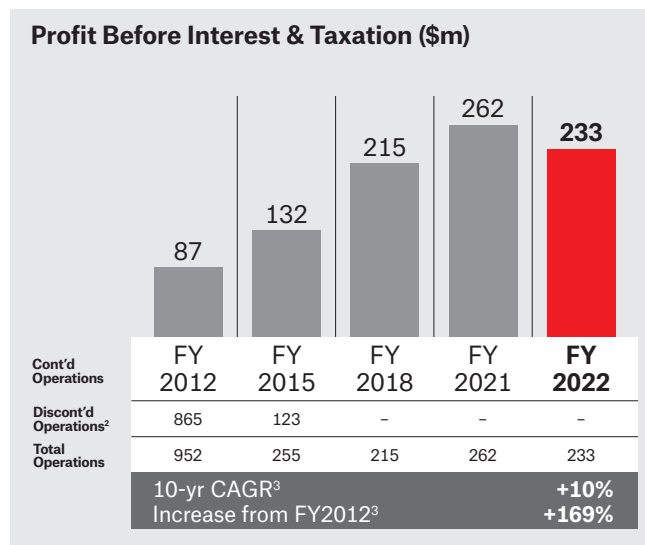
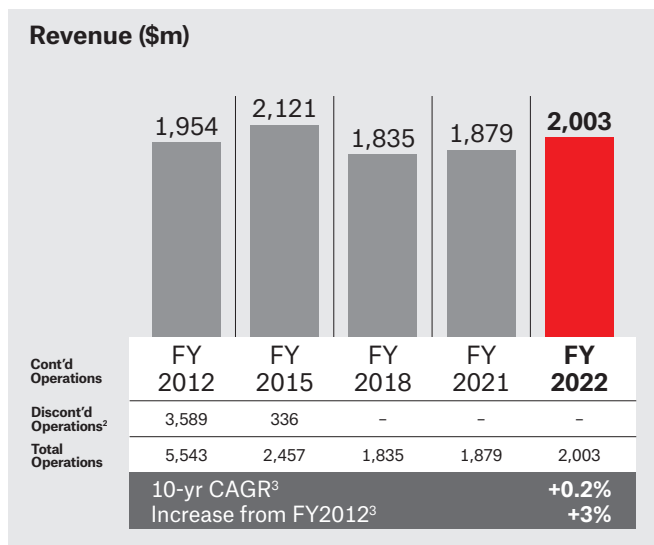
Regulators & Communities

We aim to develop business and social partnerships while managing environmental and other social impacts

Shareholders

We aim to maximise financial returns, responsibly, through operating savings, revenue enhancements and high asset utilisation

Performance at a Glance



Notes:

- 1 FY2012, FY2015, FY2018 and FY2021: As previously reported
- 2 Upon the disposal of Asia Pacific Breweries Limited/Asia Pacific Investment Pte Ltd ("APB/APIPL") and Myanmar Brewery Limited ("MBL"), and the distribution in-specie of Frasers Centrepoint Limited ("FCL", now known as Frasers Property Limited), their respective results have been classified as discontinued operations
- 3 Excludes discontinued operations of APB/APIPL, FCL and MBL
- 4 Based on issued shares at close of business on the first trading day after preliminary announcement of results

Group Financial Performance

5-Year Statistics

Year ended 30 September	FY2018	FY2019	FY2020	FY2021	FY2022
Notes					
1 Profit Statement (\$ million)					
Revenue	1,835	1,902	1,834	1,879	2,003
Profit before taxation					
- before interest	215	283	267	262	233
- before fair value adjustment & exceptional items	199	269	245	239	210
- after fair value adjustment & exceptional items	200	268	244	230	202
Attributable profit					
- before fair value adjustment & exceptional items	123	153	150	145	129
- after fair value adjustment & exceptional items	124	152	149	140	125
1 Balance Sheet (\$ million)					
3 Net asset value					
Total assets employed	4,506	4,721	4,775	4,921	4,981
Long-term borrowings	497	820	796	499	838
1 Financial Ratio (%)					
Return on average shareholders' equity					
- profit before fair value adjustment, taxation & exceptional items	7.1	9.3	8.3	8.0	6.9
- attributable profit before fair value adjustment & exceptional items	4.4	5.3	5.1	4.9	4.3
4 Gearing ratio					
- without non-controlling interests	12.1	14.0	18.6	15.1	20.0
- with non-controlling interests	10.8	12.3	16.3	13.2	17.6
1 Per Share					
Profit before fair value adjustment, taxation and exceptional items (cents)					
	13.8	18.5	16.9	16.5	14.4
Attributable profit (cents) (basic)					
- before fair value adjustment & exceptional items	8.5	10.6	10.4	10.0	8.9
- after fair value adjustment & exceptional items	8.5	10.5	10.3	9.7	8.6
3 Net asset value (\$)					
	1.95	2.02	2.05	2.08	2.11
Dividend					
- net (cents)	4.5	5.5	5.0	5.0	5.0
- cover (times)	1.9	1.9	2.1	2.0	1.8
Stock Exchange Prices (\$)					
at close of business on the first trading day after preliminary announcement of results					
	1.80	1.75	1.27	1.46	1.25
Market Capitalisation (\$ million)					
at close of business on the first trading day after preliminary announcement of results					
	2,607	2,536	1,842	2,120	1,817

Notes:

- 1 FY2018 - FY2021: As previously reported
- 2 Attributable profit before fair value adjustment and exceptional items: Profit after taxation and non-controlling interests, but before fair value adjustment and exceptional items
- 3 Net asset value: Share capital and reserves
- 4 Gearing ratio: Sum of bank borrowings and term loans, less fixed deposits and cash and bank balances, expressed as a percentage of equity
- 5 Dividend cover: Attributable profit before fair value adjustment and exceptional items per share, divided by net dividend per share

Corporate Structure



SGX Code: F99
Listed on the mainboard of the Singapore Exchange Securities Trading Limited
Number of ordinary shares outstanding: 1,453,549,775 shares

BEVERAGES & DAIRIES¹ 88%²

- **Subsidiary companies:**
 - Emerald Brewery Myanmar Limited (80.0%)
 - F&N Foods Pte Ltd (100.0%)
 - F&N Creameries Group (100.0%)
 - Fraser & Neave Holdings Bhd Group (55.5%)
 - Warburg Group (100.0%)
 - Yoke Food Industries Group (100.0%)
- **Associated company:**
 - Vietnam Dairy Products Joint Stock Company (20.4%)

This segment comprises the businesses upon which F&N was founded. Established in 1883, F&N today holds market leading positions in a range of categories within the food & beverage market in Singapore, Malaysia and Thailand. Some of F&N's leading brands are 100PLUS, F&N NUTRISOY, F&N MAGNOLIA and F&N SEASONS. The Group is also licensed by Nestlé, Sunkist Growers and ThaiBev to use the CARNATION, BEAR BRAND, SUNKIST, OYOSHI and CHANG brands, respectively.



PUBLISHING & PRINTING¹ 11%²

- **Subsidiary company:**
 - Times Publishing Group (100.0%)

A leading publishing and printing company in Singapore. Its diverse publishing, printing, distribution and retail businesses are based on the Total Service Concept, spanning conceptualisation to consumption. The Group has a global network of publishing offices, printing plants, retail outlets, distributors, direct sales teams and value-added suppliers worldwide.



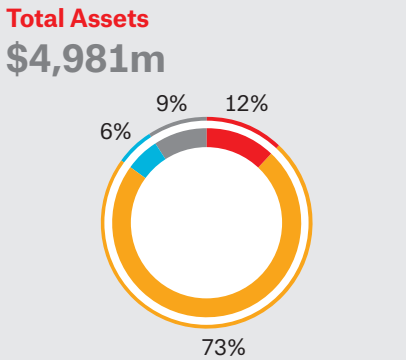
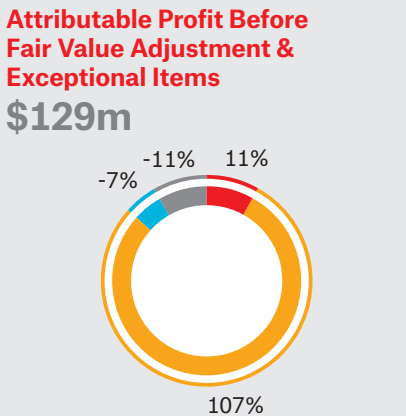
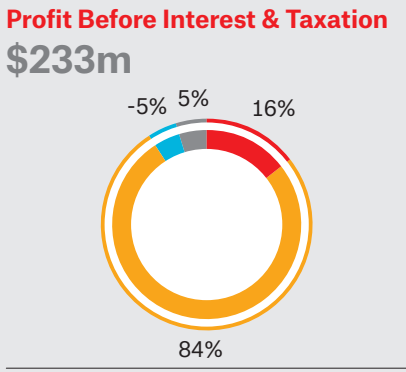
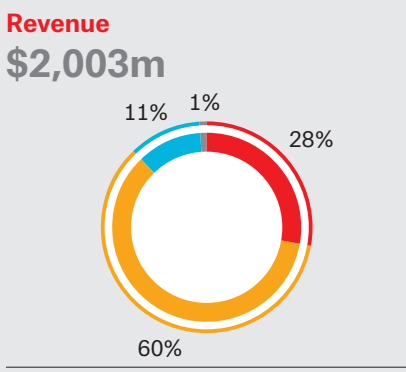
OTHERS¹ 1%²

- **Subsidiary company:**
 - Sri Nona Group (55.5%)
- **Associated company:**
 - Cocoaland Holdings Berhad (15.3%³)
- **Joint venture companies:**
 - F&N International Holdings Co., Ltd (49.0%)
 - F&N Retail Connection Co., Ltd (74.0%)

In addition to focusing on its core business, the Group also seeks to develop other strategic investment projects to enhance income stream and maximise shareholder value. These investments add to F&N's key competitive advantage.

Notes:
 1 The list highlights Key Operating Units of the F&N Group. For a detailed listing, please refer to Significant Subsidiary, Joint Venture and Associated Companies on pages 182 to 188
 2 As a percentage of Group FY2022 Revenue
 3 On 14 Nov 2022, Cocoaland became a wholly-owned subsidiary of Fraser & Neave Holdings Bhd Group

Contribution by Segment



Legend:
 ● Beverages ● Publishing & Printing
 ● Dairies ● Others

Corporate Information

BOARD OF DIRECTORS

Mr Charoen Sirivadhanabhakdi
(Chairman)

Khunying Wanna Sirivadhanabhakdi
(Vice-Chairman)

Tengku Syed Badarudin Jamalullail¹
(Lead Independent Director)

Mr Ng Tat Pun¹

Mr Chan Heng Wing

Ms Suong Dao Nguyen

Mr Charles Mak Ming Ying

Dr Sujittra Sombuntham

Mr Koh Poh Tiong

Mr Chotiphath Bijananda¹

Mr Thapana Sirivadhanabhakdi

Mr Sithichai Chaikriangkrai

Mr Michael Chye Hin Fah
**(Alternate Director to
Mr Thapana Sirivadhanabhakdi)**

Mr Prapakon Thongtheppairot
**(Alternate Director to
Mr Sithichai Chaikriangkrai)**

BOARD EXECUTIVE COMMITTEE

Mr Koh Poh Tiong
(Chairman)

Mr Thapana Sirivadhanabhakdi
(Vice-Chairman)

Mr Sithichai Chaikriangkrai

Mr Michael Chye Hin Fah

Mr Prapakon Thongtheppairot

SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

Mr Koh Poh Tiong
(Chairman)

Mr Thapana Sirivadhanabhakdi

Mr Sithichai Chaikriangkrai

Mr Michael Chye Hin Fah

Mr Prapakon Thongtheppairot

AUDIT COMMITTEE

Mr Ng Tat Pun
(Chairman)

Mr Chan Heng Wing

Mr Sithichai Chaikriangkrai

NOMINATING COMMITTEE

Tengku Syed Badarudin Jamalullail¹
(Chairman)

Ms Suong Dao Nguyen

Mr Thapana Sirivadhanabhakdi

REMUNERATION COMMITTEE

Mr Chan Heng Wing
(Chairman)

Mr Ng Tat Pun

Mr Thapana Sirivadhanabhakdi

LEADERSHIP TEAM

Mr Hui Choon Kit
(Chief Executive Officer)

Mr Lim Yew Hoe
**(Chief Executive Officer,
Fraser & Neave Holdings Bhd)**

Mr Siew Peng Yim
**(Chief Executive Officer,
Times Publishing Group)**

Ms See Kwan Kit Jennifer
**(Managing Director,
Singapore and Yoke Food Industries
Malaysia, F&N Foods Pte Ltd)**

Mr Leong Chi How Christopher
(Director, Group Finance)

REGISTERED OFFICE

438 Alexandra Road
#20-00 Alexandra Point
Singapore 119958
Tel: (65) 6318 9393
Fax: (65) 6271 0811

SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Barbinder Share Registration
Services
80 Robinson Road #02-00
Singapore 068898
Tel: (65) 6236 3333
Fax: (65) 6236 3405

AUDITOR

KPMG LLP
Partner-in-charge:
Mr Jeya Poh Wan Suppiah
(with effect from financial year 2021)

PRINCIPAL BANKERS

Oversea-Chinese Banking Corporation
Limited
DBS Bank Ltd
CTBC Bank Co. Ltd
Crédit Industriel et Commercial
Standard Chartered Bank

Note:

¹ As announced on 13 Dec 2022, Tengku Syed Badarudin Jamalullail will cease to be the Lead Independent Director ("Lead ID") and Chairman of Nominating Committee ("NC") on 7 Jan 2023, and to retire from the Board of F&N after the conclusion of F&N 124th Annual General Meeting ("AGM"). Mr Chotiphath Bijananda will also be retiring from the Board of F&N after the conclusion of the AGM.

Mr Ng Tat Pun, Chairman of the Audit Committee and a member of the Remuneration Committee, was appointed Lead ID and Chairman of NC with effect from 8 Jan 2023.

Chairman's Message



FY2022 was yet another challenging year for the Group, as we continue to shape our organisation for the future amidst an increasingly volatile environment. While the successful rollout of the vaccination programmes has kept the COVID-19 pandemic largely under control, the ongoing impact of soaring inflation, supply constraints and rising interest rates may affect the economic outlook of many countries.

Given the multi-faceted challenges, the Group has once again displayed resilience and adaptability by managing supply chain disruptions, taking care of people and containing costs. This year, while earnings were impacted by higher input costs, we were able to capture more market shares as well as grow volume and revenue.

As the Group continues to seek opportunities to improve our financial performance, we have also kept a keen eye on building a more sustainable future and a better world for all. In addition to putting sustainability strategy in place, we are also addressing the challenges of achieving a net-zero and circular economy future. We continue to invest in innovative product development to use packaging that provides circularity to its life cycle while contributing to climate neutrality. Recognising the increasing importance of non-financial reporting and as part of the Group's continuing efforts in enhancing transparency, we have stepped up our Environmental, Social and Governance (ESG) disclosures, according to the recommendations of the Task

Force on Climate-Related Financial Disclosures (TCFD), ahead of local regulatory requirements.

DIVIDENDS

The Group remains committed to our dividend policy of returning approximately 50% of attributable profit before exceptional items to shareholders. This year, the Board recommends a final dividend of 3.5 cents per share for shareholders' approval at the forthcoming Annual General Meeting. If approved, the final dividend will be paid on 10 February 2023. Including the interim dividend paid in June 2022, the total dividend for the financial year will be 5.0 cents per share, which is the same as last year. This represents a distribution of 56% of the Group attributable profit before exceptional items.

Given the multi-faceted challenges, the Group has once again displayed resilience and adaptability by managing supply chain disruptions, taking care of people and containing costs. This year, while earnings were impacted by higher input costs, we were able to capture more market shares as well as grow volume and revenue.



ACKNOWLEDGMENTS

We bade farewell to our non-executive and independent director, Mrs Siripen Sitasuwan who had stepped down from the Board on 30 May 2022.

We will also be bidding farewell to Tengku Syed Badarudin Jamalullail, our non-executive and independent director, and Mr Chotiphat Bijananda, our non-executive and non-independent director at the upcoming Annual General Meeting. We wish to express our sincere appreciation to all three of them for their years of distinguished service and wise counsel.

As part of our commitment to a strong and diversified Board, we welcomed Ms Suong Dao Nguyen who joined the Board during the year as independent director and a member of the Nominating Committee.

We are confident that Ms Nguyen's diverse experience and insights will be valuable additions in providing the right steer for the Group.

During the year, in line with the Group's succession planning, Mr Hui Choon Kit, formerly the Chief Financial Officer and Company Secretary, was appointed the Group Chief Executive Officer on 1 February 2022. As the Group enters the next chapter of our growth journey, we are confident that Mr Hui's strategic insights, in-depth knowledge of the industry and Group's operations will hold him in good stead in his new role. The Board would like to thank Mr Lee Meng Tat, who relinquished his position as Chief Executive Officer, Non-Alcoholic Beverages, for his support and contributions to the Group and the Board.

IN APPRECIATION

Next year marks F&N's 140th anniversary. We have come a long way with the support of our stakeholders – past and present. On behalf of the Board, I would like to sincerely thank all our employees for their support, hard work and dedication. We also thank our customers, partners, shareholders and other stakeholders for their unwavering support. We look forward to your continued support and be part of our transformation and growth for the many more years ahead.

Charoen Sirivadhanabhakdi
Chairman

Board of Directors



Mr Charoen Sirivadhanabhakdi

N Page 18



Khunying Wanna Sirivadhanabhakdi

N Page 19



Tengku Syed Badarudin Jamalullail

I Page 20



Mr Ng Tat Pun

I Page 20



Mr Chan Heng Wing

I Page 20



Ms Suong Dao Nguyen

I Page 21



Mr Charles Mak Ming Ying

I Page 21



Dr Sujitra Sombuntham

 Page 22



Mr Koh Poh Tiong

 Page 22



Mr Chotiphat Bijananda

 Page 23




Mr Thapana Sirivadhanabhakdi

 Page 24



Mr Sithichai Chaikriangkrai

 Page 25



Mr Michael Chye Hin Fah

(Alternate Director to Mr Thapana Sirivadhanabhakdi) Page 26



Mr Prapakon Thongtheppairot

(Alternate Director to Mr Sithichai Chaikriangkrai) Page 27

Board of Directors

<p>MR CHAROEN SIRIVADHANABHAKDI, 78</p> <p>Chairman Non-Independent and Non-Executive Director</p> <p>Date of first appointment as a director 28 Feb 2013</p> <p>Date of last re-appointment as a director 18 Jan 2022</p> <p>Country of principal residence Thailand</p> <p>BOARD COMMITTEE(S) SERVED ON</p> <ul style="list-style-type: none"> • Nil <p>ACADEMIC & PROFESSIONAL QUALIFICATION(S)</p> <ul style="list-style-type: none"> • Honorary Doctoral Degree in Social Science (Social Work), Mahamakut Buddhist University, Thailand • Honorary Doctoral Degree in Marketing, Rajamangala University of Technology Isan, Thailand • Honorary Doctoral Degree in Buddhism (Social Work), Mahachulalongkornrajavidyalaya, Thailand • Honorary Doctorate Degree in Business Administration, Sasin Graduate Institute of Business Administration, Chulalongkorn University, Thailand • Honorary Doctoral Degree in Hospitality Industry and Tourism, Christian University of Thailand, Thailand • Honorary Doctoral Degree in Sciences and Food Technology, Rajamangala University of Technology Lanna, Thailand • Honorary Doctoral Degree in International Business Administration, University of the Thai Chamber of Commerce, Thailand • Honorary Doctoral Degree in Management, Rajamangala University of Technology Suvarnabhumi, Thailand 	<ul style="list-style-type: none"> • Honorary Doctor of Philosophy in Business Administration, Mae Fah Luang University, Thailand • Honorary Doctoral Degree in Business Administration, Eastern Asia University, Thailand • Honorary Doctoral Degree in Management, Huachiew Chalermprakiet University, Thailand • Honorary Doctoral Degree in Industrial Technology, Chandrakasem Rajabhat University, Thailand • Honorary Doctoral Degree in Agricultural Business Administration, Maejo Institute of Agricultural Technology, Thailand <p>PRESENT DIRECTORSHIP(S) (as at 01 Dec 2022)</p> <p>Listed companies</p> <ul style="list-style-type: none"> • Asset World Corp Public Company Limited (Chairman) • Berli Jucker Public Company Limited (Chairman) • Frasers Property Limited (Chairman) • Thai Beverage Public Company Limited (Chairman) • Thai Group Holdings Public Company Limited (Chairman) <p>Others</p> <ul style="list-style-type: none"> • Cristalla Co., Ltd. (Chairman) • International Beverage Holdings Limited (Chairman) • Plantheon Co., Ltd. (Chairman) • Siriwana Co., Ltd. (Chairman) • Sura Bangyikhan Group of Companies (Chairman) • TCC Asset World Corporation Limited (Chairman) • TCC Assets (Thailand) Company Limited • TCC Corporation Limited (Chairman) • TCC Group of Companies • TCC Land Co., Ltd. (Chairman) <p>PAST DIRECTORSHIP(S) OTHER THAN F&N HELD OVER THE PRECEDING FIVE YEARS</p> <p>Listed companies</p> <ul style="list-style-type: none"> • Big C Supercenter Public Company Limited¹ 	<p>Others</p> <ul style="list-style-type: none"> • Beer Thai (1991) Public Company Limited (Chairman) • North Park Golf and Sports Club Co., Ltd. (Chairman) • Red Bull Distillery Group of Companies (Chairman) • Southeast Corporation Co., Ltd. (formerly known as Southeast Group Co., Ltd.) (Chairman) <p>PRESENT PRINCIPAL COMMITMENTS (other than Directorships) (as at 01 Dec 2022)</p> <ul style="list-style-type: none"> • Nil <p>PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS (other than Directorships)</p> <ul style="list-style-type: none"> • Nil <p>OTHERS</p> <ul style="list-style-type: none"> • Darjah Kebesaran Panglima Setia Mahkota (P.S.M.) which carries the title 'Tan Sri' from Malaysia • Royal Order of Sahametrei, Grand Officer of the Most Noble Order of the Rajamitrabhorn of Cambodia <p>SHAREHOLDING INTEREST IN F&N GROUP</p> <ul style="list-style-type: none"> • Refer to Shareholding Statistics on pages 192 to 193 <p>RELATIONSHIP WITH OTHER DIRECTOR, EXECUTIVE OFFICER, F&N, SUBSTANTIAL SHAREHOLDER OF F&N OR SUBSTANTIAL SHAREHOLDER OF PRINCIPAL SUBSIDIARY</p> <ul style="list-style-type: none"> • Spouse of Khunying Wanna Sirivadhanabhakdi (Vice-Chairman and substantial shareholder) • Father of Mr Thapana Sirivadhanabhakdi (Director) • Father-in-law of Mr Chotiphat Bijananda (Director) • See "Directors' Interests in Shares or Debentures" in the Directors' Statement on page 87 for details on relationship with other substantial shareholders of F&N <p>Note:</p> <p>¹ Delisted from the Stock Exchange of Thailand on 28 September 2017.</p>
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**KHUNYING WANNA
SIRIVADHANABHAKDI, 79**

**Vice-Chairman
Non-Independent and
Non-Executive Director**

Date of first appointment as a director
28 Feb 2013

Date of last re-appointment as a director
21 Jan 2021

Country of principal residence
Thailand

BOARD COMMITTEE(S) SERVED ON

- Nil

**ACADEMIC & PROFESSIONAL
QUALIFICATION(S)**

- Honorary Doctoral Degree in Buddhism (Social Work), Mahachulalongkornrajavidyalaya, Thailand
- Honorary Doctoral Degree (Management), Mahidol University, Thailand
- Honorary Doctorate of Philosophy (Business Management), University of Phayao, Thailand
- Honorary Doctoral Degree from the Faculty of Business Administration and Information Technology, Rajamangala University of Technology Tawan-ok, Thailand
- Honorary Doctor of Philosophy in Social Sciences, Mae Fah Luang University, Thailand
- Honorary Doctoral Degree in Business Administration, Chiang Mai University, Thailand
- Honorary Doctoral Degree in Agricultural Business Administration, Maejo Institute of Agricultural Technology, Thailand
- Honorary Doctoral Degree in Bio-technology, Ramkhamhaeng University, Thailand

**PRESENT DIRECTORSHIP(S)
(as at 01 Dec 2022)**

Listed companies

- Asset World Corp Public Company Limited (Vice-Chairman)
- Berli Jucker Public Company Limited (Vice-Chairman)
- Frasers Property Limited (Vice-Chairman)
- Thai Beverage Public Company Limited (Vice-Chairman)
- Thai Group Holdings Public Company Limited (Vice-Chairman)

Others

- Cristalla Co., Ltd (Vice-Chairman)
- International Beverage Holdings Limited (Vice-Chairman)
- Plantheon Co., Ltd. (Vice-Chairman)
- Sangsom Co., Ltd. (Chairman)
- Siriwana Co., Ltd. (Vice-Chairman)
- TCC Asset World Corporation Limited (Vice-Chairman)
- TCC Assets (Thailand) Company Limited
- TCC Corporation Limited (Vice-Chairman)
- TCC Group of Companies
- TCC Land Co. Ltd. (Vice-Chairman)

**PAST DIRECTORSHIP(S) OTHER
THAN F&N HELD OVER THE
PRECEDING FIVE YEARS**

Listed companies

- Big C Supercenter Public Company Limited¹

Others

- Beer Thip Brewery (1991) Co., Ltd. (Chairman)
- North Park Golf and Sports Club Co., Ltd. (Vice-Chairman)
- Southeast Corporation Co., Ltd. (formerly known as Southeast Group Co., Ltd.) (Vice-Chairman)

**PRESENT PRINCIPAL
COMMITMENTS
(other than Directorships)
(as at 01 Dec 2022)**

- Nil

**PAST PRINCIPAL COMMITMENTS
OVER THE PRECEDING FIVE YEARS
(other than Directorships)**

- Nil

OTHERS

- Royal Order of Cambodia, Grand Cross of the Most Noble Order of the Rajamitrabhorn (First Class) in Diplomacy

**SHAREHOLDING INTEREST IN F&N
GROUP**

- Refer to Shareholding Statistics on page 192 to 193

**RELATIONSHIP WITH OTHER
DIRECTOR, EXECUTIVE
OFFICER, F&N, SUBSTANTIAL
SHAREHOLDER OF F&N OR
SUBSTANTIAL SHAREHOLDER OF
PRINCIPAL SUBSIDIARY**

- Spouse of Mr Charoen Sirivadhanabhakdi (Chairman and substantial shareholder)
- Mother of Mr Thapana Sirivadhanabhakdi (Director)
- Mother-in-law of Mr Chotiphat Bijananda (Director)
- See "Directors' Interests in Shares or Debentures" in the Directors' Statement on page 88 for details on relationship with other substantial shareholders of F&N

Note:

- 1 Delisted from the Stock Exchange of Thailand on 28 September 2017.

Board of Directors

<p>TENGKU SYED BADARUDIN JAMALULLAIL, 77</p> <p>Lead Independent and Non-Executive Director</p> <p>Date of first appointment as a director 08 Jan 2014</p> <p>Date of last re-appointment as a director 18 Jan 2022</p> <p>Country of principal residence Malaysia</p> <p>BOARD COMMITTEE(S) SERVED ON</p> <ul style="list-style-type: none"> Nominating Committee (Chairman) <p>ACADEMIC & PROFESSIONAL QUALIFICATION(S)</p> <ul style="list-style-type: none"> Master of Arts in Law & History, University of Cambridge, UK <p>PRESENT DIRECTORSHIP(S) (as at 01 Dec 2022)</p> <p>Listed companies</p> <ul style="list-style-type: none"> Fraser & Neave Holdings Bhd (Chairman) <p>Others</p> <ul style="list-style-type: none"> Besar Holdings Sdn Bhd Mega SPJ Sdn Bhd Pusat Dialysis Centre Tuanku Syed Putra – NKF (Chairman) Tuanku Syed Putra Foundation Vacaron Company Sdn Bhd <p>PAST DIRECTORSHIP(S) OTHER THAN F&N HELD OVER THE PRECEDING FIVE YEARS</p> <p>Listed companies</p> <ul style="list-style-type: none"> Hwang Capital (Malaysia) Berhad <p>Others</p> <ul style="list-style-type: none"> Berkat Restu Sdn Bhd¹ HDM Capital Sdn Bhd <p>PRESENT PRINCIPAL COMMITMENTS (other than Directorships) (as at 01 Dec 2022)</p> <ul style="list-style-type: none"> Nil <p>PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS (other than Directorships)</p> <ul style="list-style-type: none"> Nil <p>SHAREHOLDING INTEREST IN F&N GROUP</p> <ul style="list-style-type: none"> 2,062,000 shares in Fraser & Neave Holdings Bhd, a subsidiary of F&N listed on Bursa Malaysia 	<p>RELATIONSHIP WITH OTHER DIRECTOR, EXECUTIVE OFFICER, F&N, SUBSTANTIAL SHAREHOLDER OF F&N OR SUBSTANTIAL SHAREHOLDER OF PRINCIPAL SUBSIDIARY</p> <ul style="list-style-type: none"> Nil <p>Note:</p> <p>1 De-registered from the Companies Commission of Malaysia on 7 November 2018.</p> <p>MR NG TAT PUN, 77</p> <p>Independent and Non-Executive Director</p> <p>Date of first appointment as a director 01 Jan 2022</p> <p>Date of last re-appointment as a director 18 Jan 2022</p> <p>Country of principal residence Singapore</p> <p>BOARD COMMITTEE(S) SERVED ON</p> <ul style="list-style-type: none"> Audit Committee (Chairman) Remuneration Committee <p>ACADEMIC & PROFESSIONAL QUALIFICATION(S)</p> <ul style="list-style-type: none"> Bachelor of Arts Degree (Economics and History), University of Singapore, Singapore Director of Accreditation Program (DAP) 2006, Thai Institute of Directors Association Business Future Series (BFS 3), Singapore Institute of Directors <p>PRESENT DIRECTORSHIP(S) (as at 01 Dec 2022)</p> <p>Listed companies</p> <ul style="list-style-type: none"> Nil <p>Others</p> <ul style="list-style-type: none"> SP Chemicals Pte. Ltd. <p>PAST DIRECTORSHIP(S) OTHER THAN F&N HELD OVER THE PRECEDING FIVE YEARS</p> <p>Listed companies</p> <ul style="list-style-type: none"> EnGro Corporation Ltd. Sing Investments & Finance Limited Thai Beverage Public Company Limited <p>Others</p> <ul style="list-style-type: none"> SP Chemicals Holdings Ltd. <p>PRESENT PRINCIPAL COMMITMENTS (other than Directorships) (as at 01 Dec 2022)</p> <ul style="list-style-type: none"> Monetary Authority of Singapore: Corporate Governance Advisory Committee 	<p>PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS (other than Directorships)</p> <ul style="list-style-type: none"> Nil <p>SHAREHOLDING INTEREST IN F&N GROUP</p> <ul style="list-style-type: none"> Nil <p>RELATIONSHIP WITH OTHER DIRECTOR, EXECUTIVE OFFICER, F&N, SUBSTANTIAL SHAREHOLDER OF F&N OR SUBSTANTIAL SHAREHOLDER OF PRINCIPAL SUBSIDIARY</p> <ul style="list-style-type: none"> Nil <p>MR CHAN HENG WING, 75</p> <p>Independent and Non-Executive Director</p> <p>Date of first appointment as a director 11 Jan 2018*</p> <p>Date of last re-appointment as a director 21 Jan 2021</p> <p>Country of principal residence Singapore</p> <p>BOARD COMMITTEE(S) SERVED ON</p> <ul style="list-style-type: none"> Remuneration Committee (Chairman) Audit Committee <p>ACADEMIC & PROFESSIONAL QUALIFICATION(S)</p> <ul style="list-style-type: none"> Master of Science, Columbia Graduate School of Journalism, USA Master of Arts, University of Singapore, Singapore Bachelor of Arts (Honours), University of Singapore, Singapore <p>PRESENT DIRECTORSHIP(S) (as at 01 Dec 2022)</p> <p>Listed companies</p> <ul style="list-style-type: none"> EC World REIT Frasers Property Limited <p>Others</p> <ul style="list-style-type: none"> One Bangkok Company Limited Precious Quay Pte. Ltd. Precious Treasure Pte Ltd <p>PAST DIRECTORSHIP(S) OTHER THAN F&N HELD OVER THE PRECEDING FIVE YEARS</p> <p>Listed companies</p> <ul style="list-style-type: none"> Banyan Tree Holdings Limited <p>Others</p> <ul style="list-style-type: none"> Nil
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PRESENT PRINCIPAL COMMITMENTS (other than Directorships) (as at 01 Dec 2022)

- China Cultural Centre Singapore (Member, Executive Board)
- Milken Institute Asia Center (Senior Advisor)
- Ministry of Foreign Affairs: Non-resident Ambassador to Austria

PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS (other than Directorships)

- Nil

SHAREHOLDING INTEREST IN F&N GROUP

- Nil

RELATIONSHIP WITH OTHER DIRECTOR, EXECUTIVE OFFICER, F&N, SUBSTANTIAL SHAREHOLDER OF F&N OR SUBSTANTIAL SHAREHOLDER OF PRINCIPAL SUBSIDIARY

- Nil

Note:

* Mr Chan was appointed a Director of the Company on 28 February 2013 and resigned on 8 January 2014. He was reappointed a Director of the Company on 11 January 2018.

MS SUONG DAO NGUYEN, 56

Independent and Non-Executive Director

Date of first appointment as a director
01 June 2022

Date of last re-appointment as a director
-

Country of principal residence
Vietnam

BOARD COMMITTEE(S) SERVED ON

- Nominating Committee

ACADEMIC & PROFESSIONAL QUALIFICATION(S)

- Juris Doctor, School of Law, University of California
- Bachelor's Degree in Classics (Greek & Latin), Harvard University
- Admission to the State Bar of New York
- Admission to the State Bar of California

PRESENT DIRECTORSHIP(S) (as at 01 Dec 2022)

- BeerCo Limited
- KCN Vietnam Group Joint Stock Company

PRESENT PRINCIPAL COMMITMENTS (other than Directorships) (as at 01 Dec 2022)

- Founder and Managing Partner, DN Legal Limited

SHAREHOLDING INTEREST IN F&N GROUP

- Nil

RELATIONSHIP WITH OTHER DIRECTOR, EXECUTIVE OFFICER, F&N, SUBSTANTIAL SHAREHOLDER OF F&N OR SUBSTANTIAL SHAREHOLDER OF PRINCIPAL SUBSIDIARY

- Nil

ADDITIONAL INFORMATION

- Additional information on Ms Suong Dao Nguyen, who is seeking re-appointment as a Director at the 124th Annual General Meeting, is provided on pages 202 to 209.

MR CHARLES MAK MING YING, 70

Independent and Non-Executive Director

Date of first appointment as a director
11 Jan 2018*

Date of last re-appointment as a director
21 Jan 2021

Country of principal residence
Hong Kong

BOARD COMMITTEE(S) SERVED ON

- Nil

ACADEMIC & PROFESSIONAL QUALIFICATION(S)

- Master of Business Administration, PACE University, USA
- Bachelor of Business Administration, PACE University, USA

PRESENT DIRECTORSHIP(S) (as at 01 Dec 2022)

Listed companies

- Frasers Property Limited

Others

- BeerCo Limited

PAST DIRECTORSHIP(S) OTHER THAN F&N HELD OVER THE PRECEDING FIVE YEARS

Listed companies

- Nil

Others

- Nil

PRESENT PRINCIPAL COMMITMENTS (other than Directorships) (as at 01 Dec 2022)

- PACE University, USA (Board of Trustees)

PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS (other than Directorships)

- Morgan Stanley Asia Pacific (Vice-Chairman)
- Morgan Stanley Asia's Investment Banking Division (Senior Advisor)
- Morgan Stanley International Wealth Management (President)
- Chairman and Director of Bank Morgan Stanley AG
- Director in Morgan Stanley Asia Limited and a member of Morgan Stanley's Asia Pacific Executive Committee, the Morgan Stanley Wealth Management Committee and the International Operating Committee
- Managing Director and Head of Morgan Stanley Asia Pacific Private Wealth Management
- Executive Director and Senior Investment Adviser of Morgan Stanley's Private Wealth Management Group

SHAREHOLDING INTEREST IN F&N GROUP

- Nil

RELATIONSHIP WITH OTHER DIRECTOR, EXECUTIVE OFFICER, F&N, SUBSTANTIAL SHAREHOLDER OF F&N OR SUBSTANTIAL SHAREHOLDER OF PRINCIPAL SUBSIDIARY

- Nil

ADDITIONAL INFORMATION

- Additional information on Charles Mak Ming Ying, who is seeking re-appointment as a Director at the 124th Annual General Meeting, is provided on pages 202 to 209.

Note:

* Mr Mak was appointed a Director of the Company on 28 February 2013 and resigned on 8 January 2014. He was reappointed a Director of the Company on 11 January 2018.

Board of Directors

<p>DR SUJITRA SOMBUNTHAM, 65</p> <p>Independent and Non-Executive Director</p> <p>Date of first appointment as a director 11 Jan 2018</p> <p>Date of last re-appointment as a director 21 Jan 2021</p> <p>Country of principal residence Thailand</p> <p>BOARD COMMITTEE(S) SERVED ON</p> <ul style="list-style-type: none"> • Nil <p>ACADEMIC & PROFESSIONAL QUALIFICATION(S)</p> <ul style="list-style-type: none"> • Medical Degree, Prince of Songkla University (First Class Honors, Valedictorian), Thailand • Board of Internal Medicine, Chulalongkorn University, Thailand • Diploma in Dermatology, University of London, United Kingdom • Board of Family Medicine, The Royal College of Family Physicians of Thailand • Certificate in Anti-Aging Medicine Specialization, World Society of Anti-Aging Medicine, European Organization of Scientific Anti-Aging Medicine • American Board of Anti-Aging and Regenerative Medicine, USA • Listed Entity Director Programme, Singapore Institute of Directors, Singapore <p>PRESENT DIRECTORSHIP(S) (as at 01 Dec 2022)</p> <p>Listed companies</p> <ul style="list-style-type: none"> • Nil <p>Others</p> <ul style="list-style-type: none"> • Bhatra Co., Ltd. • Dermscan Asia Co., Ltd. • Springfield At Sea Co., Ltd. • Springfield Holding Co., Ltd. • Springfield Royal Club Co., Ltd. • Thaniya Co., Ltd. • Thaniya Dental Center Co., Ltd. • Thaniya Holding Co., Ltd. • Thaniya Medical Center Co., Ltd. • Thaniya Real Estate Co., Ltd. • Thaniyakit Co., Ltd. • Thanyaville Co., Ltd. • Yada Development Co., Ltd. 	<p>PAST DIRECTORSHIP(S) OTHER THAN F&N HELD OVER THE PRECEDING FIVE YEARS</p> <p>Listed companies</p> <ul style="list-style-type: none"> • Nil <p>Others</p> <ul style="list-style-type: none"> • Nil <p>PRESENT PRINCIPAL COMMITMENTS (other than Directorships) (as at 01 Dec 2022)</p> <ul style="list-style-type: none"> • St. Joseph Hospital Foundation (Vice-President) • Dermscan Asia Co., Ltd (Clinical Director) • Thai Society of Cosmetic Dermatology and Surgery (Treasurer) • Thai Society of Anti-Aging • Honorary Advisory Board of Dysport • Mae Fah Luang University (Guest Lecturer) • Chulalongkorn University (Guest Lecturer) • Thaniya Medical Clinic (Physician) <p>PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS (other than Directorships)</p> <ul style="list-style-type: none"> • Nil <p>SHAREHOLDING INTEREST IN F&N GROUP</p> <ul style="list-style-type: none"> • Nil <p>RELATIONSHIP WITH OTHER DIRECTOR, EXECUTIVE OFFICER, F&N, SUBSTANTIAL SHAREHOLDER OF F&N OR SUBSTANTIAL SHAREHOLDER OF PRINCIPAL SUBSIDIARY</p> <ul style="list-style-type: none"> • Nil <p>ADDITIONAL INFORMATION</p> <ul style="list-style-type: none"> • Additional information on Dr Sujittra Sombuntham, who is seeking re-appointment as a Director at the 124th Annual General Meeting, is provided on pages 202 to 209. 	<p>MR KOH POH TIONG, 75</p> <p>Non-Independent and Non-Executive Director Adviser to The Board</p> <p>Date of first appointment as a director 03 Apr 2013</p> <p>Date of last re-appointment as a director 18 Jan 2022</p> <p>Country of principal residence Singapore</p> <p>BOARD COMMITTEE(S) SERVED ON</p> <ul style="list-style-type: none"> • Board Executive Committee (Chairman) • Sustainability and Risk Management Committee (Chairman) <p>ACADEMIC & PROFESSIONAL QUALIFICATION(S)</p> <ul style="list-style-type: none"> • Bachelor of Science, University of Singapore, Singapore <p>PRESENT DIRECTORSHIP(S) (as at 01 Dec 2022)</p> <p>Listed companies</p> <ul style="list-style-type: none"> • Bukit Sembawang Estates Limited (Chairman) • Delfi Limited • Saigon Beer-Alcohol-Beverage Corporation (Chairman) <p>Others</p> <ul style="list-style-type: none"> • Asia Breweries Limited • BeerCo Limited (Chairman) • Great Eastern General Insurance (Malaysia) Berhad • Great Eastern Life Assurance (Malaysia) Berhad • Times Publishing Limited (Chairman) <p>PAST DIRECTORSHIP(S) OTHER THAN F&N HELD OVER THE PRECEDING FIVE YEARS</p> <p>Listed companies</p> <ul style="list-style-type: none"> • Raffles Medical Group Limited (Director) • SATS Ltd (Director) <p>Others</p> <ul style="list-style-type: none"> • National Kidney Foundation (Chairman) • Singapore Kindness Movement (Chairman) • Yunnan Yulinquan Liquor Co., Ltd. (Chairman)
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PRESENT PRINCIPAL COMMITMENTS (other than Directorships) (as at 01 Dec 2022)

- Thai Beverage Public Company Limited (Member of Executive Committee)

PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS (other than Directorships)

- Nil

SHAREHOLDING INTEREST IN F&N GROUP

- 251,315 shares in Fraser and Neave, Limited

RELATIONSHIP WITH OTHER DIRECTOR, EXECUTIVE OFFICER, F&N, SUBSTANTIAL SHAREHOLDER OF F&N OR SUBSTANTIAL SHAREHOLDER OF PRINCIPAL SUBSIDIARY

- Nil

MR CHOTIPHAT BIJANANDA, 58

Non-Independent and Non-Executive Director

Date of first appointment as a director
19 Feb 2013

Date of last re-appointment as a director
18 Jan 2022

Country of principal residence
Thailand

BOARD COMMITTEE(S) SERVED ON

- Nil

ACADEMIC & PROFESSIONAL QUALIFICATION(S)

- Master of Business Administration, Finance, University of Missouri, USA
- Bachelor of Laws, Thammasat University, Thailand

PRESENT DIRECTORSHIP(S) (as at 01 Dec 2022)

Listed companies

- Frasers Property Limited
- Frasers Property (Thailand) Public Company Limited (formerly known as Ticon Industrial Connection Public Company Limited)
- Sermasuk Public Company Limited (2nd Vice-Chairman)
- Siam Food Product Public Company Limited
- Thai Group Holdings Public Company Limited

Others

- Asiatic House Co., Ltd.
- Concept Land 5 Co., Ltd.
- Dhamma Land Property Company Limited
- DL Engineering Solutions Company Limited
- Frasers Property Australia Pty Limited
- ME Innovation Service Company Limited (formerly known as Big C Services Company Limited)
- Pro Garage Company Limited (formerly known as Sinn Bualuang Leasing Co., Ltd.)
- Rod Dee Det Auto Company Limited
- S Sofin Co., Ltd.
- Sentrics Consulting Company Limited
- Siam Food (2513) Co., Ltd
- Southeast Academic Center Company Limited
- Southeast Advisory Company Limited
- Southeast Capital Company Limited (Chairman of Executive Board)
- Southeast Joint Venture Co., Ltd.
- Southeast Life Insurance Public Company Limited (Chairman of Executive Board)
- Southeast Money Company Limited
- Southeast Money Retail Company Limited

- Southeast Property Co., Ltd.
- Suansilp Pattana 1 Co., Ltd.
- TCC Assets (Thailand) Company Limited
- TCC Privilege Card Company Limited
- Thai Wellness Living Company Limited

PAST DIRECTORSHIP(S) OTHER THAN F&N HELD OVER THE PRECEDING FIVE YEARS

Listed companies

- Nil

Others

- Golden Land Property Development Public Company Limited
- TCC Holdings (2519)
- TCC Property Development Co., Ltd.
- T.C.C. Technology Co., Ltd.

PRESENT PRINCIPAL COMMITMENTS (other than Directorships) (as at 01 Dec 2022)

- Nil

PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS (other than Directorships)

- Nil

SHAREHOLDING INTEREST IN F&N GROUP

- Nil

RELATIONSHIP WITH OTHER DIRECTOR, EXECUTIVE OFFICER, F&N, SUBSTANTIAL SHAREHOLDER OF F&N OR SUBSTANTIAL SHAREHOLDER OF PRINCIPAL SUBSIDIARY

- Son-in-law of Mr Charoen Sirivadhanabhakdi (Chairman and substantial shareholder) and Khunying Wanna Sirivadhanabhakdi (Vice-Chairman and substantial shareholder)
- Brother-in-law of Mr Thapana Sirivadhanabhakdi (Director)

Board of Directors

MR THAPANA SIRIVADHANABHAKDI, 47

Non-Independent and Non-Executive Director

Date of first appointment as a director
19 Feb 2013

Date of last re-appointment as a director
29 Jan 2020

Country of principal residence
Thailand

BOARD COMMITTEE(S) SERVED ON

- Board Executive Committee (Vice-Chairman)
- Nominating Committee
- Remuneration Committee
- Sustainability and Risk Management Committee

ACADEMIC & PROFESSIONAL QUALIFICATION(S)

- Doctor of Business Administration (Business Innovation Management), Silpakorn University, Thailand
- Honorary Doctor of Arts in Art and Design, Bangkok University, Thailand
- Honorary Doctorate Degree in Business Administration (Management), Rajamangala University of Technology Isan, Thailand
- Honorary Doctorate Degree in Business Administration, Sasin Graduate Institute of Business Administration, Chulalongkorn University, Thailand
- Honorary Doctoral Degree in Science (Logistics Management), King Mongkut's Institute of Technology Ladkrabang, Thailand
- Honorary Doctoral Degree of Arts, Rajamangala University of Technology Phra Nakhon, Thailand
- Honorary Doctoral Degree in Hospitality, Rajamangala University of Technology Krungthep, Thailand
- Honorary Doctoral Degree in Community Development, Chiang Mai Rajabhat University, Thailand
- Honorary Doctoral Degree of Business Administration in Strategic Logistic and Supply Chain Management, Suan Sunandha Rajabhat University, Thailand
- Honorary Doctoral Degree of Philosophy in General Management, Ramkhamhaeng University, Thailand

- Master of Science Administration in Financial Economics, Boston University, USA
- Bachelor of Business Administration (Finance), Boston University, USA
- Director Accreditation Program (DAP) 2004, Thai Institute of Directors Association (IOD)

PRESENT DIRECTORSHIP(S) (as at 01 Dec 2022)

Listed companies

- Amarin Printing and Publishing Public Company Limited (Vice-Chairman)
- Sermasuk Public Company Limited (3rd Vice-Chairman)
- Thai Beverage Public Company Limited (President and CEO)
- Thai Group Holdings Public Company Limited
- The Siam Cement Public Company Limited (Independent Director)
- Univentures Public Company Limited (Vice-Chairman)

Others

- Adelfos Co., Ltd.
- Asia Breweries Limited
- Bistro Asia Co., Ltd. (Chairman)
- BeerCo Limited
- BeerCo Training Co., Ltd
- Beer Thai (1991) Public Company Limited (Chairman)
- Chang Beer Company Limited
- Chang Corporation Co., Ltd
- Food and Beverage United Co., Ltd
- InterBev Investment Limited
- International Beverage Holdings Limited (President and CEO)
- Plantheon Co., Ltd.
- Pracharath Rak Samakkee Social Enterprise (Thailand) Co., Ltd.
- Red Bull Distillery Group of Companies (Chairman)
- SCG Chemicals Public Company Limited (formerly known as SCG Chemicals Co., Ltd.)
- Siam Breweries Limited
- South East Asia Logistics Pte. Ltd. (Chairman)
- Super Food Brands Company Pte. Ltd.
- TCC Group of Companies
- Thai Beverage Group of Companies
- Times Publishing Limited (Vice-Chairman)
- TSpace Digital Company Limited
- VietBev Company Limited (Chairman)

PAST DIRECTORSHIP(S) OTHER THAN F&N HELD OVER THE PRECEDING FIVE YEARS

Listed companies

- Berli Jucker Public Company Limited
- Oishi Group Public Company Limited (Vice-Chairman)

Others

- GMM Channel Holding Co., Ltd.
- Golden Land Property Development Public Company Limited
- Southeast Capital Co., Ltd. (Vice-Chairman)
- Southeast Insurance Public Company Limited (Vice-Chairman)
- Southeast Life Insurance Public Company Limited (Vice-Chairman)
- TCC Holdings (2519) Co., Ltd.

PRESENT PRINCIPAL COMMITMENTS

(other than Directorships) (as at 01 Dec 2022)

- Thai Beverage Public Company Limited (President & Chief Executive Officer)

PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS (other than Directorships)

- Thai Beverage Public Company Limited (Chief Beer Product Group)

SHAREHOLDING INTEREST IN F&N GROUP

- Nil

RELATIONSHIP WITH OTHER DIRECTOR, EXECUTIVE OFFICER, F&N, SUBSTANTIAL SHAREHOLDER OF F&N OR SUBSTANTIAL SHAREHOLDER OF PRINCIPAL SUBSIDIARY

- Son of Mr Charoen Sirivadhanabhakdi (Chairman and substantial shareholder) and Khunying Wanna Sirivadhanabhakdi (Vice-Chairman and substantial shareholder)
- Brother-in-law of Mr Chotiphat Bijananda (Director)

OTHERS

- Knight of the Legion of Honor (Chevalier de la Légion d'Honneur)

ADDITIONAL INFORMATION

- Additional information on Thapana Sirivadhanabhakdi, who is seeking re-appointment as a Director at the 124th Annual General Meeting, is provided on pages 202 to 209.

**MR SITHICHAJ
CHAIKRIANGKRAI, 68**

**Non-Independent and
Non-Executive Director**

Date of first appointment as a director
22 Feb 2013

Date of last re-appointment as a director
29 Jan 2020

Country of principal residence
Thailand

BOARD COMMITTEE(S) SERVED ON

- Audit Committee
- Board Executive Committee
- Sustainability and Risk Management Committee

**ACADEMIC & PROFESSIONAL
QUALIFICATION(S)**

- Bachelor of Accountancy (First Class Honors), Thammasat University, Thailand
- Diploma in Computer Management, Chulalongkorn University, Thailand
- Certificate of the Mini MBA Leadership Management, Kasetsart University, Thailand

**PRESENT DIRECTORSHIP(S)
(as at 01 Dec 2022)**

Listed companies

- Asset World Corp Public Company Limited
- Berli Jucker Public Company Limited
- Frasers Property Limited
- Frasers Property (Thailand) Public Company Limited
- Oishi Group Public Company Limited

- Sermsuk Public Company Limited
- Siam Food Products Public Company Limited
- Thai Beverage Public Company Limited
- Thai Group Holdings Public Company Limited
- Univentures Public Company Limited

Others

- Asia Breweries Limited
- BeerCo Limited
- Chang Beer Company Limited
- Eastern Seaboard Industrial Estate (Rayong) Company Limited
- Food and Beverage Holding Co., Ltd.
- Frasers Property Commercial Asset Management (Thailand) Co., Ltd. (formerly known as Univentures REIT Management Co., Ltd.)
- Petform (Thailand) Co., Ltd.
- Siam Breweries Limited
- South East Asia Logistics Pte. Ltd.
- TCC Assets (Thailand) Company Limited
- Thai Beverage Can Co., Ltd.
- Thai Breweries Limited

**PAST DIRECTORSHIP(S) OTHER
THAN F&N HELD OVER THE
PRECEDING FIVE YEARS**

Listed companies

- Big C Supercenter Public Company Limited¹
- Golden Land Property Development Public Company Limited

Others

- Big C Retail Holding Company Limited

**PRESENT PRINCIPAL
COMMITMENTS
(other than Directorships)
(as at 01 Dec 2022)**

- Thai Beverage Public Company Limited (Senior Executive Vice-President)²

**PAST PRINCIPAL COMMITMENTS
OVER THE PRECEDING FIVE YEARS
(other than Directorships)**

- Nil

**SHAREHOLDING INTEREST IN F&N
GROUP**

- Nil

**RELATIONSHIP WITH OTHER
DIRECTOR, EXECUTIVE
OFFICER, F&N, SUBSTANTIAL
SHAREHOLDER OF F&N OR
SUBSTANTIAL SHAREHOLDER OF
PRINCIPAL SUBSIDIARY**

- Nil

ADDITIONAL INFORMATION

- Additional information on Sithichai Chaikriangkrai, who is seeking re-appointment as a Director at the 124th Annual General Meeting, is provided on pages 202 to 209.

Notes:

- 1 Delisted from the Stock Exchange of Thailand on 28 September 2017.
- 2 Mr Sithichai Chaikriangkrai stepped down as Group CFO of Thai Beverage Public Company Limited on 1 October 2022. He will continue to serve as its Director and Senior Executive Vice-President.

Board of Directors

<p>MR MICHAEL CHYE HIN FAH, 63</p> <p>Alternate Director to Mr Thapana Sirivadhanabhakdi</p> <p>Date of first appointment as an alternate director 08 Feb 2017</p> <hr/> <p>Country of principal residence Singapore</p> <hr/> <p>BOARD COMMITTEE(S) SERVED ON</p> <ul style="list-style-type: none"> • Board Executive Committee • Sustainability and Risk Management Committee <p>ACADEMIC & PROFESSIONAL QUALIFICATION(S)</p> <ul style="list-style-type: none"> • Bachelor of Business Studies with First Class Honours in Accounting and Finance, Massey University, New Zealand • Master of Business Studies with Distinction in Accounting and Finance, Massey University, New Zealand • Fellow of the Institute of Singapore Chartered Accountants • Associate Member of the Institute of Chartered Secretaries & Administrators • Member of the Singapore Institute of Directors • Associate Member of Chartered Secretaries Institute of Singapore <p>PRESENT DIRECTORSHIP(S) (as at 01 Dec 2022)</p> <p>Listed companies</p> <ul style="list-style-type: none"> • Saigon Beer-Alcohol-Beverage Corporation • Vietnam Dairy Products Joint Stock Company <p>Others</p> <ul style="list-style-type: none"> • Alliance Asia Investment Private Limited • Alliance Strategic Investments Pte. Ltd. • Asia Breweries Limited • ASM International Limited • Beer Chang International Limited • BeerCo Limited (Cambodia) Limited • BeerCo Limited (incorporated in Hong Kong) • BeerCo Limited (incorporated in Singapore) • BevCo Limited (incorporated in Hong Kong) • BevCo Limited (incorporated in Thailand) • Chang Beer Company Limited 	<ul style="list-style-type: none"> • Chang Beer UK Limited • Chang Corporation Co., Ltd. • Chang Holding Co., Ltd. • Chang International Co., Ltd. • DECCO 235 • F&N Retail Connection Co., Ltd. • Grand Royal Group International Company Limited (formerly known as Myanmar Distillery Company Limited) • Havi Food Distribution (Thailand) Co., Ltd. • Havi Logistics (Thailand) Limited • Heritas Capital Management Pte. Ltd. • IMC Pan Asia Alliance Corporation • InterBev (Singapore) Limited • InterBev (Singapore) 2019 Limited • InterF&B Pte. Ltd. • International Beverage Holdings Limited • International Beverage Holdings (Singapore) Pte. Limited • International Beverage Holdings (UK) Limited • International Beverage Trading (Hong Kong) Limited • International Breweries Limited • Inver House Distillers Limited • Inver House Distillers (ROI) Limited • Marketing Magic Pte. Ltd. • Max Asia Food and Beverage (Thailand) Co., Ltd. • Myanmar Supply Chain and Marketing Services Company Limited • Prudence Holdings Limited • SEA Logistics & Technology Pte. Ltd. • Siam Breweries Limited • So Water Company Limited • South East Asia Logistics Pte. Ltd. • Super Beer Brands Limited (formerly known as Beer Super Brands Limited) • Super Brands Company Pte. Ltd. • Super Food Brands Company Pte. Ltd. • Thai Breweries Limited • VietBev Company Limited • Vietnam Beverage Company Limited (formerly known as Nga Son Beverage Joint Stock Company) • Vietnam F&B Alliance Investment Joint Stock Company (formerly known as Nga Son Investment Joint Stock Company) • Vietnam Logistics and Supply Chain Company Limited • Wellwater Limited 	<p>PAST DIRECTORSHIP(S) OTHER THAN F&N HELD OVER THE PRECEDING FIVE YEARS</p> <p>Listed companies</p> <ul style="list-style-type: none"> • Sermasuk Public Company Limited <p>Others</p> <ul style="list-style-type: none"> • C A C Co., Ltd. • International Beverage Trading Limited • Sermasuk Beverage Co., Ltd. • Sermasuk Holdings Co., Ltd. • Wrangyer Beverage (2008) Co., Ltd. <p>PRESENT PRINCIPAL COMMITMENTS (other than Directorships) (as at 01 Dec 2022)</p> <ul style="list-style-type: none"> • BeerCo Limited, Singapore (Chief Executive Officer) • Thai Beverage Public Company Limited (Chief Beer Product Group) • Vietnam Beverage Company Limited (Legal Representative) • Vietnam F&B Alliance Investment Joint Stock Company (Legal Representative/Chairman of Board of Management) <p>PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS (other than Directorships)</p> <ul style="list-style-type: none"> • Thai Beverage Public Company Limited (Executive Vice-President, Finance and Accounting Group, Deputy Group CFO and Chief Finance Officer – International Business) • International Beverage Holdings Limited (Group Chief Finance Officer) • Super Brands Company Pte. Ltd. (Executive Director) • InterBev (Singapore) Limited (Executive Director) <p>SHAREHOLDING INTEREST IN F&N GROUP</p> <ul style="list-style-type: none"> • Nil <p>RELATIONSHIP WITH OTHER DIRECTOR, EXECUTIVE OFFICER, F&N, SUBSTANTIAL SHAREHOLDER OF F&N OR SUBSTANTIAL SHAREHOLDER OF PRINCIPAL SUBSIDIARY</p> <ul style="list-style-type: none"> • Nil
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**MR PRAPAKON
THONGTHEPPAIROT, 51**

**Alternate Director to Mr Sithichai
Chaikriangkrai**

Date of first appointment as an
alternate director

21 Mar 2013

Country of principal residence
Thailand

BOARD COMMITTEE(S) SERVED ON

- Board Executive Committee
- Sustainability and Risk Management Committee

**ACADEMIC & PROFESSIONAL
QUALIFICATION(S)**

- Advanced Management Programme, INSEAD, France
- Master of Science in Finance, Georgia State University, USA
- Master of Business Administration, Mercer University, USA
- Bachelor of Business Administration, Assumption University, Thailand
- Listed Company Director Programme, Singapore Institute of Directors, Singapore
- Director Certification Program (DCP) 2017, Thai Institute of Directors (IOD)

**PRESENT DIRECTORSHIP(S)
(as at 01 Dec 2022)**

Listed companies

- Nil

Others

- Asiaeuro International Beverage (Guangdong) Co., Ltd.
- Asiaeuro International Beverage (Hong Kong) Limited
- ASM International Limited
- BeerCo Limited
- Bistro Asia Co., Ltd.

- Chang Holding Co., Ltd.
- D2C Services Co., Ltd.
- Food and Beverage Holding Co., Ltd.
- Grand Royal Group International Co., Ltd.
- Green Bean Co., Ltd.
- InterBev Investment Limited
- International Beverage Holdings Limited
- Myanmar Supply Chain and Marketing Services Co., Ltd.
- Open Innovation Co., Ltd.
- Red Bull Distillery Group of Companies
- Red Lobster Retail Asia Co., Ltd.
- Siam Breweries Limited
- South East Asia Logistics Pte. Ltd.
- SEA Logistics & Technology Pte. Ltd.
- Super Beer Brands Limited
- Super Food Brands Company Pte. Ltd.
- Thai Beverage Group of Companies
- Thai Beverage Training Co., Ltd.
- ThaiBev Marketing Co., Ltd.
- VietBev Company Limited
- Vietnam Logistics and Supply Chain Company Limited

**PAST DIRECTORSHIP(S) OTHER
THAN F&N HELD OVER THE
PRECEDING FIVE YEARS**

Listed companies

- Nil

Others

- Thai Beverage Marketing Co., Ltd.
- Times Publishing Limited

**PRESENT PRINCIPAL
COMMITMENTS
(other than Directorships)
(as at 01 Dec 2022)**

- Thai Beverage Public Company Limited (Executive Vice-President – Group Chief Financial Officer and Chief Spirit Product Group)

**PAST PRINCIPAL COMMITMENTS
OVER THE PRECEDING FIVE YEARS
(other than Directorships)**

- Held various senior executive positions in the TCC Group, namely Chief Route to Market, Senior Vice-President for Beer Product Group, and Deputy Group CFO and CFO-International Business in Thai Beverage Public Company Limited, Director and Chief Executive Officer in Thai Beverage Marketing Co., Ltd., Senior Executive Vice-President for Land Development and Investment Management in TCC Land Group, Senior Executive Vice-President for Corporate Services in Plantheon Group and TCC Land Group, and Senior Executive Vice-President for Finance in TCC Land Group.
- Prior to joining TCC Group, he worked for Standard Chartered Bank from 2002 to 2009 in Bangkok and Singapore; from 1995 to 2001 for JPMorgan Chase in New York, Singapore and Hong Kong; and, in 1991, for Morgan Grenfell in Bangkok.

**SHAREHOLDING INTEREST IN F&N
GROUP**

- Nil

**RELATIONSHIP WITH OTHER
DIRECTOR, EXECUTIVE
OFFICER, F&N, SUBSTANTIAL
SHAREHOLDER OF F&N OR
SUBSTANTIAL SHAREHOLDER OF
PRINCIPAL SUBSIDIARY**

- Nil

Leadership Team



Mr Hui Choon Kit
Chief Executive Officer



Mr Lim Yew Hoe
Chief Executive Officer,
Fraser & Neave Holdings Bhd



Mr Siew Peng Yim
Chief Executive Officer,
Times Publishing Group

MR HUI CHOON KIT, 58

Chief Executive Officer

Date of appointment
01 February 2022

Length of service in the F&N Group
(as at 30 Sep 2022)
22 years 08 months

JOB DESCRIPTION

Mr Hui is responsible for overseeing and driving the growth strategies of the Group's Food & Beverage and Publishing & Printing businesses.

ACADEMIC & PROFESSIONAL QUALIFICATION(S):

- Master of Business Administration, Nanyang Technological University, Singapore
- Bachelor of Business, Curtin University of Technology, Australia
- Chartered Accountant of Singapore, Institute of Singapore Chartered Accountants, Singapore

WORKING EXPERIENCE

- Chief Financial Officer and Company Secretary, Fraser and Neave, Limited ("F&N")
- Group Financial Controller, F&N
- Deputy Group Financial Controller/General Manager, Corporate Communications, F&N
- General Manager, Treasury and Budget, F&N
- General Manager, Corporate Communications & Special Projects/Budget Manager, Chairman's Office, F&N
- Deputy General Manager, Corporate Planning & Business Development/Budget Manager, Chairman's Office, F&N

- Assistant General Manager, Corporate Planning & Business Development, F&N
- Senior Manager, New Ventures, F&N
- Manager, Corporate Finance, Schroder International Merchant Bankers Limited
- Assistant Vice-President, Investment Banking, Keppel Bank of Singapore Limited
- Executive Consultant, Ernst & Young Consultants Pte Ltd

OTHERS

- Member, Finance Committee, National Kidney Foundation

MR LIM YEW HOE, 56

Chief Executive Officer, Fraser & Neave Holdings Bhd

Date of appointment
01 December 2014

Length of service in the F&N Group
(as at 30 Sep 2022)
25 years 01 month

JOB DESCRIPTION

Mr Lim is responsible for overseeing and driving the growth strategies of the Fraser & Neave Holdings Group's businesses.

ACADEMIC & PROFESSIONAL QUALIFICATION(S):

- Master of Business Administration (Banking and Finance), Nanyang Technological University
- Bachelor of Science (Estate Management), National University of Singapore

WORKING EXPERIENCE

- Managing Director, Asia Pacific Brewery (Hanoi) Limited
- Managing Director, Myanmar Brewery Limited
- General Manager, Chief Executive Officer's Office, Asia Pacific Breweries Ltd ("APB")
- Cluster Director, Heineken Asia Pacific Breweries (China) Pte Ltd
- General Manager, Heineken Trading Shanghai Co. Ltd
- General Manager, Shanghai Asia Pacific Breweries Co. Ltd
- Commercial Director, Shanghai Asia Pacific Breweries Co. Ltd
- Sales Director, Shanghai Asia Pacific Breweries Co. Ltd
- Commercial Manager, Myanmar Brewery Limited
- Manager, Indochina Regional Director's Office, APB
- Airport Manager, Civil Aviation Authority of Singapore
- Assistant Airport Manager, Civil Aviation Authority of Singapore

OTHERS

- Nil

MR SIEW PENG YIM, 53

Chief Executive Officer, Times Publishing Group

Date of appointment
01 October 2014

Length of service in the F&N Group
(as at 30 Sep 2022)
10 years 05 months

JOB DESCRIPTION

Mr Siew is responsible for overseeing and driving the growth strategies of the Group's Publishing & Printing and Ice Cream businesses.



Ms See Kwan Kit Jennifer
Managing Director, Singapore and
Yoke Food Industries Malaysia,
F&N Foods Pte Ltd



Mr Leong Chi How Christopher
Director, Group Finance

**ACADEMIC & PROFESSIONAL
QUALIFICATION(S):**

- Bachelor of Accountancy, National University of Singapore, Singapore
- Fellow Chartered Accountant of Singapore, Institute of Singapore Chartered Accountants, Singapore

WORKING EXPERIENCE

- Chief Financial Officer and Chief Operating Officer, Times Publishing Limited (“**TPL**”)
- Chief Financial Officer, TPL
- Chief Financial Officer, Chief Operating Officer and Executive Director, HTL International Holdings Ltd
- Chief Financial Officer, HTL International Holdings Ltd
- Group Financial Controller, HTL International Holdings Ltd
- Financial Controller, Pillar Corporation Pte Ltd
- Chief Financial Officer, Excel Machine Tools Ltd
- Senior Audit Manager, PricewaterhouseCoopers

OTHERS

- Nil

MS SEE KWAN KIT JENNIFER, 57

**Managing Director, Singapore and
Yoke Food Industries Malaysia,
F&N Foods Pte Ltd**

Date of appointment
01 April 2018

Length of service in the F&N Group
(as at 30 Sep 2022)
36 years 00 months

JOB DESCRIPTION

Ms See is responsible for overseeing and driving the growth strategies of the Food & Beverage business in Singapore and Yoke Food Industries Malaysia.

**ACADEMIC & PROFESSIONAL
QUALIFICATION(S):**

- Masters of Science (Marketing), National University of Singapore
- Bachelor of Business Administration, National University of Singapore

WORKING EXPERIENCE

- General Manager, Singapore and Indonesia, F&N Foods Pte Ltd (“**FNF**”)
- General Manager, Singapore, FNF
- General Manager, Beverages (Singapore), Fraser & Neave (Singapore) Pte Limited (“**FNS**”)
- General Manager, Corporate Marketing, FNS
- Deputy General Manager, Corporate Marketing, FNS
- Assistant General Manager, Corporate Marketing, FNS/Marketing, Asia Dairies Pte Ltd (“**ADPL**”)
- Senior Marketing Manager, Corporate Dairies Division, FNS/Marketing, ADPL
- Marketing Manager, ADPL
- Business Development Manager, F&N Coca-Cola Pte Ltd (“**FNCC**”)
- Deputy Marketing Manager, FNCC
- Marketing Services Manager, FNCC

OTHERS

- Vice-Chairman for War on Diabetes Sub-Work Group, Food & Beverage Industry Group Main Committee, Singapore Manufacturing Federation
- Treasurer, Council, Singapore Kindness Movement

**MR LEONG CHI HOW
CHRISTOPHER, 55**

Director, Group Finance

Date of appointment
01 February 2022

Length of service in the F&N Group
(as at 30 Sep 2022)
26 years 05 months

JOB DESCRIPTION

Mr Leong is responsible for the Group Finance and Accounting, Treasury, Taxation and Risk Management functions.

**ACADEMIC & PROFESSIONAL
QUALIFICATION(S):**

- Chartered Accountant Singapore, Institute of Singapore Chartered Accountants (ISCA)
- Fellow Chartered Certified Accountant, Association of Chartered Certified Accountants (ACCA)
- Bachelor of Accountancy (Honours), National University of Singapore

WORKING EXPERIENCE

- Deputy Chief Financial Officer, F&N
- Financial Controller, F&N
- Head, Group Treasury, F&N
- Group Treasury Manager, F&N
- Senior Accountant, F&N
- Senior Accountant, Keppel Corporation Limited
- Audit Senior, Ernst & Young Singapore

OTHERS

- Nil

CEO's Message

Building *Resilience*

Hui Choon Kit
Chief Executive Officer



In a year when the effects of COVID-19 and climate change continues to be felt across the globe, when the geopolitical landscape remains complex, and when challenges ranging from inflation to supply-chain bottlenecks rattled the global economy, F&N's resilience was not only tested – it was once again demonstrated. That resilience is a testament to the strength of the business we have developed over the last 139 years, as well as the quality and commitment of our people.

Our proactive approach that helped us navigate this multi-faceted crisis, and many of the earlier crises, enabled us to strengthen the organisational core and technological capabilities and deliver focused execution. Notwithstanding the many challenges along the way, this year, we were able to continue to strengthen our market positions, drive volumes and sales.

FY2022 FINANCIAL PERFORMANCE

Despite COVID-19-induced disruptions in the first-half of the fiscal year, the Group posted full-year revenue of \$2,003.2m, up 7% from \$1,879.2m in the prior year ("FY2021"), lifted by Food & Beverage ("F&B") division. However, in spite of higher sales, stringent cost management and cost-reduction exercises, earnings were squeezed by a combination of rising input costs, the spike in freight and energy charges, as well as adverse foreign currency translation impact. Consequently, Group FY2022 PBIT decreased 11% to \$233.4m,

down from \$261.7m in FY2021. After-tax profit also fell, by 9% to \$176.9m, from \$195.5m a year ago. This year's after-tax profit included a \$7.4m exceptional charge, which arose largely from the impairment of inventories and property, plant and equipment as a result of flash floods in Malaysia in December 2021.

F&B FY2022 PERFORMANCE

Our F&B division has proven resilient, achieving a healthy performance, driven by operational excellence and financial prudence.

F&B's FY2022 revenue increased 8% from a year ago to \$1,767.9m, from \$1,642.8m. Its strong growth was buoyed by higher selling prices, as well as increased soft drinks and beer (collectively, "Beverages") volumes coming from successful promotion campaigns and new product launches. In spite of higher Beverages and Dairies sales, stringent cost management and cost-reduction exercises, F&B saw its profits narrow by 10%, to \$232.9m from \$258.1m last year. Supply chain strains and higher input costs, as well as adverse foreign currency translation eroded margins.

Beverages and Dairies drove F&B's strong growth. Beverages, in particular, saw FY2022 top line grow 26%, to \$568.9m from \$452.7m in FY2021. This stellar performance resulted from higher selling prices, as well as higher beer and soft drinks volumes coming from successful promotion campaigns and new product launches, as well as recovery of economic activities in Malaysia.

Dairies sales rebounded strongly in 2H2022 on easing of lockdown measures, price increases and effective promotions and loyalty programs, cushioning the adverse impact of a weaker 1H2022. In Thailand, despite lower export volume, strong domestic and Indochina canned milk demand and higher selling prices drove revenue. In Dairies Malaysia, higher revenue was due to price increases. Consequently, Dairies FY2022 revenue increased 1% to \$1,199.1m, from \$1,190.0m in the previous year.

As with all businesses, sustained input costs pressures and adverse impact of foreign currency translation impacted earnings. Despite higher sales and numerous cost reduction measures, F&B FY2022 PBIT fell 10% (at -8% on a constant currency basis) to \$232.9m, from \$258.1m in the prior year.

Our proactive approach that helped us navigate this multi-faceted crisis, and many of the earlier crises, enabled us to strengthen the organisational core and technological capabilities and deliver focused execution. Notwithstanding the many challenges along the way, this year, we were able to continue to strengthen our market positions, drive volumes and sales.



Notwithstanding cost increases and the impact of foreign exchange differences on translation from overseas operations, our Beverages division continued to prove resilient. Its FY2022 earnings grew 89%, to \$37.8m from \$20.0m a year ago, on higher sales and lower operating expenses. Beverages accounted for 16% of the Group's FY2022 earnings.

The strong earnings growth in Beverages was supported by Beverages Malaysia, our largest soft drinks market. This year, earnings surged 59%, as a result of strong volume growth and price increases, lower promotional and targeted marketing spend, and favourable sales mix. Singapore and New Markets earnings also improved, albeit marginally, as we continued to protect our margins by reining in expenses.

Growth of our brewery in Myanmar has continued apace despite the challenging operating environment. This year, Emerald Brewery Myanmar Limited ("EBML") continued to widen its distribution and grow market share. FY2022 revenue grew 77% on volume growth of 80%. However, the unfavourable foreign exchange rate movements continued to impact its earnings.

Unlike Beverages, Dairies profitability was more heavily impacted by high input costs. Dairies FY2022 earnings fell 18% from last year, to \$195.1m from \$238.1m. Dairies accounted for 84% of Group's profit.

Revenue

\$2,003.2m

\$1,879.2m in FY2021

- Revenue growth was driven by strong F&B performance

Profit Before Interest & Taxation

\$233.4m

\$261.7m in FY2021

- Sustained input costs pressures and adverse impact of foreign currency translation impacted earnings

CEO's Message

This year, the weaker Dairies performance was largely due to Dairies Thailand, where earnings were weighed down by higher milk powder price, packaging costs, and unfavourable foreign currency translation. As some of its products are on the Thai government's price watch list, there were delays in passing on cost increases. Earnings fell 27%. Similarly, the Group's associate company in Vietnam, the Vietnam Dairy Products Joint Stock Company ("Vinamilk") also contributed to the weaker performance. Impacted by higher input costs and unfavourable foreign currency translation, the Group's share of profit from Vinamilk fell by \$14.3m, to \$97.4m. On a more positive note, Dairies Malaysia FY2022 earnings improved on higher selling prices.

P&P FY2022 PERFORMANCE

Printing and Publishing ("P&P") FY2022 revenue fell 3%, to \$214.6m. COVID-19 pandemic movement restriction measures severely affected its 1H2022 performance. 2H2022 saw strong performance from Education with its non-print digital and education services segment performing strongly, and Distribution recording strong book sales. However, the strong second half could not make up for the difficult first half.

P&P's profitability was also impacted by higher input costs and freight charges, despite continued cost discipline. Coupled with lower revenue, P&P's FY2022 losses widened to \$10.8m, from \$2.5m in the previous year.

STRATEGIC PILLARS TO BUILDING A SUSTAINABLE BUSINESS

Our performance in the past couple of years have demonstrated the resiliency of our business and the strength of our diversified portfolio. While we continue to

proactively navigate this inflationary environment, and take deliberate steps to further enhance our resiliency, we are doubling down on the initiatives that have worked well and delivered results. Building on the strong quarter 4 FY2022 momentum, we will continue to drive productivity improvements to fund growth investments, mitigate input cost challenges and maintain balanced top- and bottom-line growth.

(A) PRIORITISING INNOVATION

One of our priorities in this fast-changing world is to stay relevant and continue to offer products our consumers desire. To keep up with, and even influence, these changes, we continue to utilise deep consumer insights. We also adopt a disciplined innovation framework that enables us to correctly allocate resources to initiatives that will deliver relevant products. We continue to invest in brand stewardship of our core brands, and execute sales and marketing activities to nurture brand health and drive sustainable growth. Through this multi-pronged approach, F&N continues to reshape its brand and product portfolios, to stay ahead of the trend curve.

We continue to broaden our reduced- and no-calorie sparkling and still beverages, modifying our offerings to stay relevant to our consumers and customers. These initiatives shape our beverage portfolio to meet changing consumer demands and health trends.

As a strong advocate of healthy living, we partnered the renowned Raisio Group from Finland to launch VITAPLUS Benecol®, a cholesterol-lowering functional drink in Singapore. Benecol® is a clinically proven plant-based natural ingredient to lower cholesterol.

To excite our markets, we continued to rollout limited-edition flavours and festivity packaging across our markets. In Singapore and Malaysia, we thrilled consumers with Chinese New Year packaging for 100PLUS

and F&N Sparkling Drinks, and F&N SEASONS Soya Rose, a rose flavoured soya drink in Malaysia for Hari Raya; and the limited-edition F&N ICE MOUNTAIN Sparkling Water Yuzu Osmanthus, the F&N MAGNOLIA Hazelnut Chocolate Milk and F&N NUTRISOY Fresh Soya Milk with Real Purple Rice in Singapore.

Looking at our results, in the context of the current operating environment, I am encouraged by the progress we are making and the successes in the execution of our initiatives – in Malaysia, 100PLUS continues to lead in the carbonated and isotonic segments; F&N NUTRISOY and F&N SEASONS remain Malaysians favourite soya drink; and F&N Teh Tarik, F&N SEASONS and OYOSHI are the leading RTD tea brands; in our dairy business, our canned milk brands, F&N, TEAPOT and CARNATION, continued to lead in Malaysia and Thailand.

F&N maintains a strong multi-year innovation pipeline that will continue to stimulate future growth. We believe that the evolution of consumer trends offers us further opportunities for growth, and we are confident our approach meets regulatory challenges in a timely manner as well.

(B) INVESTING IN BRANDS

While innovation is a top priority for F&N, we put as much energy and investment into the marketing of new offerings as we do in generating them. We strive to understand and anticipate our consumers' evolving needs, and identify emerging segments, be they channels, occasions or products, and assess opportunities. We then develop an entire go-to-market plan which aims to get our brands engaging with the right customers at the right time and place.

The experience of the COVID-19 pandemic has taught us that we should not rely solely on traditional marketing platforms to reach our consumers. As social media and mobile technology continue to

shape the F&B retail landscape, new opportunities have been created for us to interact with retailers, shoppers and consumers. F&N embraces this shift and continues to invest in digital capabilities to maximise our relevance, complemented by existing channel and marketing activities, to reach our consumers.

We look to engage and build brand equity by producing compelling content, leveraging social media platforms such as Facebook, Twitter, Instagram and TikTok. Online advertorials, social media advertising on Facebook and Instagram, in-store displays and point of sales materials were adopted as key consumer touchpoints. We also partnered with social media influencers and content partners to generate brand excitement and awareness.

F&N has also been developing our e-commerce business, to respond better to the needs of customers and consumers. We actively prioritise strategic partnerships with online retailers, ensuring our products are well-represented on their platforms for our consumers to find.

(C) BUILDING A SUSTAINABLE SUPPLY CHAIN

We are doing our part to address critical environmental issues affecting the whole world by building a sustainable supply chain. From innovation to point-of-sale, each stage of the product's life is studied in order to reduce our environmental impact: such as promoting the use of recyclable materials, reducing energy consumption, emitting less pollutive gases, and optimising resources, especially water. Our goal is to reduce environmental impact while improving product quality and financial performance.

This year, we enhanced our sustainability credentials with the deployment of a 10 MWp solar energy panel array across the rooftops of our Shah Alam, Pulau Indah and Bentong plants, making it collectively one of

the biggest rooftop solar photovoltaic systems in Malaysia. These panels will replace part of our electricity needs with clean energy, which would result in an estimated savings of up to \$1m in energy costs.

We have invested in a new integrated warehouse building in Shah Alam, Malaysia that features an Automatic Storage & Retrieval System ("ASRS"), and set up a regional distribution centre in Rojana, Thailand. These new facilities allow the Group to achieve improved operational and cost efficiencies of more than \$3m annual savings in logistics cost, as well as reduce our carbon footprint. Similarly in Singapore, the newly completed smart, sustainable facility in Tuas obtained its temporary occupation permit in September 2022. This new plant will expand our capabilities across all aspects, from production and warehousing to strengthening our research and development. The enhanced capabilities will enable us to expand our dairy and beverage offerings with sustainable packaging solutions.

(D) INFRASTRUCTURE OPTIMISATION

Our 13 F&B factories in Singapore, Malaysia, Myanmar and Thailand have placed us in good position to serve our markets faster and more cost effectively. As part of the New Product Development Transformation Programme, we continuously seek innovations to optimise our infrastructure across the system.

To that end, we have invested in new facilities to enable our extension into new product offerings. In addition, we have also equipped our plants with the latest technological capabilities and added capacity to enhance operational efficiency and equip our organisation for future growth.

This year, the Group completed the construction of a \$39m liquid milk and plant-based factory in Wangmuang, Thailand,

and the \$6m drinking water plant in Kota Kinabalu. The liquid milk and plant-based plant in Thailand represents a shift for F&N to reduce reliance on condensed milk and grow the brand in the liquid milk segment. Our plant in Pulau Indah is now fully equipped with plant-based beverage production capability.

(E) EXPANDING INTO NEW BUSINESSES

Last year, the Group acquired the Sri Nona Group as our first step in fulfilling our objective of building a packaged food pillar commensurate with our Beverages and Dairies businesses. This year, the Group accelerated its push into packaged food by acquiring the remaining 72.4% equity interest of Cocoland Holdings Berhad ("Cocoland") not owned by us. The acquisition adds established Malaysian confectionery and snack brands to F&NHB's portfolio of renowned brands, and serves as a platform to build on and expand into the \$1.2b packaged food segment. By combining Cocoland's and F&N's brand marketing expertise and extensive distribution, we now have a vehicle to fast-track our growth in the packaged food segment, fulfilling our ambition to be a stable and sustainable Food & Beverage leader in the ASEAN region.

In addition to our push into packaged food, we are also vertically integrating our Dairies business, with a RM1.5b (\$460m) investment commitment into dairy farming. In October, through a subsidiary of F&NHB, the Group successfully acquired Ladang Permai Damai Sdn Bhd for a cash consideration of RM216m (\$67m). Ladang Permai Damai owns eight parcels of agricultural leasehold land measuring in aggregate 2,726 ha. The intention is to use these land to build and run an integrated dairy farm facility so as to secure the supply of high-quality fresh milk, thereby allowing the Group to further advance our push into the fast-growing liquid milk segment in Malaysia.

CEO's Message

Our print business is also seeking out new avenues for revenue beyond traditional print. Using Printing's existing infrastructure, the Group opened its first eco-solutions manufacturing facility, Green Lab, in Singapore. Green Lab provides sustainable solutions for businesses in the ASEAN region, such as biodegradable and compostable kraft paper bags and food &

beverage consumables. It also offers a plastic bag substitute made from recycled industrial waste cassava roots. Green Lab has since secured several customers for its sustainable packaging business. F&N Group will also be switching the packaging of our products to sustainable and eco-friendly alternatives produced by Green Lab.

OUTLOOK

Entering FY2023, while we saw strong sales momentum in the final quarter of FY2022, the operating environment clearly remains challenging. With growing interdependencies between economies and international trade, the effects of an economic slowdown in one will be felt more acutely

GREEN LAB

Green Lab is a joint partnership between Times Printers and Print Lab (a 60%-held subsidiary). By adapting existing printing machinery and installing state-of-the-art ancillary packaging print equipment at our existing print facility in Singapore, this fully automated eco-packaging equipment can produce over 400 million units of sustainable packaging products each year.

Green Lab offers customers highly-customisable biodegradable paper bags, fully compostable plant-based alternative for plastic carrier bags, an extensive range of fully-compostable F&B packaging and cutlery supplies, eco-packaging boxes and eco-pouches. Our products are also printed with environmentally friendly soy-based printing ink.

We are committed to make Green Lab a role model for other Singapore businesses. We want, to show the businesses that it is possible to run an economically sustainable business that contributes positively to both the national and regional economies, while conserving the planet's resources. We envision ourselves to cultivate a world where being green is no longer a cost of doing business.

Part of our sustainable packaging offering is CASSA180, a bag that comes in all shapes and colours made entirely from industrial waste cassava roots that is 100% biodegradable and compostable. CASSA180 has the strength and durability of plastic bags and has also passed the oral toxicity test. The state-of-the-art machines used to produce these bags save energy by using lower temperatures than conventional plastic-blown film machines.

Green Lab's kraft paper bags are made only with either FSC-certified paper or fully-recycled kraft paper. As our production lines are fully automated, we have shaved off significant labour cost and are able to offer our customers premium eco-friendly paper bags at a fraction of the usual cost.

As with our kraft paper bags, our eco-packaging boxes boast superior materials such as 100% biodegradable or recycled paper, FSC-certified card, and soy-based printing ink. We also offer customers a biodegradable alternative to plastic sachets in the form of our paper-based eco-pillow pouch, combating plastic wastage without compromising on strength and quality.

Our 100% compostable F&B consumables made from sugarcane bagasse and corn starch are an eco-friendly packaging alternative to single-use plastics. Made from natural resources, they are excellent alternative to styrofoam and plastic packaging. Our F&B consumables, coated with food-safe resin, are also leak-proof.

elsewhere, unlike the past. That may also have an impact on consumers and possibly our partners alike.

In light of these factors, we entered the new financial year with cautious optimism. Our near-term priority will be to continue to grow brand shares and sales, both sustainably and profitably. That is why we are focusing on driving our costs

down, so that we can reinvest in the business and strengthen our brands. We are also focused on the quality of our innovations, and we strive to roll them out further and faster across markets.

I am convinced that our Group has entered this period stronger than before by making the right decisions to keep F&N on its long-term growth

path. Our resources and business model can address the current challenges and allow us to emerge from these difficulties stronger than ever, just as we have done many times before.

Hui Choon Kit
Chief Executive Officer



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NEEDS
and Re-energise
s B3, B6 and B12



THE GOODNESS OF FRESH MILK PACKED WITH HEALTHY OATS.

Savour the creaminess of fresh milk with the goodness of oats for a healthier start to your day.



OTHER MARKETS (F&B)

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PUBLISHING & PRINTING

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1. **Mr Hui Choon Kit**
Chief Executive Officer
2. **Mr Lim Yew Hoe**
Chief Executive Officer, Fraser & Neave Holdings Bhd
3. **Mr Siew Peng Yim**
Chief Executive Officer, Times Publishing Group
4. **Ms Jennifer See**
Managing Director, Singapore and Yoke Food Industries Malaysia, F&N Foods Pte Ltd
5. **Mr Leong Chi How Christopher**
Director, Group Finance
6. **Mr Edmond Neo**
Chief Brand and Commercial
7. **Mr Koh Tai Hong**
Managing Director, Emerald Brewery Myanmar Limited
8. **Mr Lai Ming Kong**
Managing Director, Emerging & New Markets
9. **Dr Yap Peng Kang**
Senior Director, Group Research & Development

BEVERAGES



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BEVERAGES MALAYSIA

Beverages Malaysia, our largest soft drinks market, saw performance improve over last year. Despite continuing difficult operating environment and cautious consumer spending, our core brands, 100PLUS, F&N SEASONS, OYOSHI, F&N and F&N Sparkling Drinks maintained leading positions in Malaysia. We also delivered on product innovation and executed successful in-market activities during festive periods, which fuelled growth. In addition, the Group added a new packaged food business as a new pillar of growth to expand into halal food segments and meet the rising demand for halal packaged food products.

The Group is confident that the reopened Malaysian borders will spur consumer spending and economic activity. Moving forward, we will intensify efforts to consolidate our market leadership positions with new product offerings and take further steps toward strategic partnership development.

ISOTONIC: 100PLUS

100PLUS, F&N's flagship brand and Malaysia's No.1 Isotonic and Carbonated Soft Drinks brand,

continued to cement its position as the enabler of active lifestyles and advocate of sports development. With the return of sports events, this year, 100PLUS sponsored the MALAYSIA OPEN and MALAYSIA MASTERS badminton competitions. As the exclusive Official Beverage Sponsor, 100PLUS provided hydration to the badminton players as they competed, and to spectators as they cheered on for their favourite players.

In June, 100PLUS organised a fun-filled carnival in conjunction with "HARI HIDRASI SEDUNIA 100PLUS" or "100PLUS WORLD HYDRATION DAY", to remind and spread awareness of the importance of staying hydrated. Held at Pavilion Kuala Lumpur, 100PLUS kept over 100,000 consumers hydrated throughout the event.



100PLUS
No. 1 in the
Isotonic and
Carbonated Soft
Drinks category



F&N
Seasons,
Oyoshi, F&N
No. 2 Tea Brand
(Asian Drinks)

MALAYSIA



Business Review



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BEVERAGES MALAYSIA

(cont'd)

Held over four days, the carnival included exciting games, engagement activities, as well as guest appearances from 100PLUS brand ambassadors, popular local celebrities, and radio cruisers during meet-and-greet sessions. As Malaysia's No.1 Hydration Partner, 100PLUS is committed to keep Malaysians hydrated, focused and energised as they pursue their passions.

In conjunction with the holy month of Ramadan, 100PLUS collaborated with a media partner to reinforce the benefits of consuming the isotonic drink and staying hydrated. The key message was featured in the most-watched entertainment TV show in Malaysia, Melodi TV, complemented by the appearance of popular local artists in the show. The celebrity guests shared their favourite Ramadan moments and emphasized the importance of staying hydrated with 100PLUS to enable them to perform all their duties safely and efficiently.



ISOTONIC: 100PLUS

Singapore’s No.1 isotonic brand, 100PLUS, remains the isotonic drink of choice for consumers. A proud advocate of sports development and active lifestyles in Singapore, 100PLUS continued its support for hybrid sporting events such as the STANDARD CHARTERED SINGAPORE MARATHON, OCBC CYCLE VIRTUAL RIDE and the SINGAPORE BADMINTON OPEN. In addition, 100PLUS also sponsored community events – GET ACTIVE! and PESTA SUKAN – as well as e-sports competitions during the SEA Games to reach out to younger generation.

In May, 100PLUS re-launched its non-carbonated variant, 100PLUS ACTIVE, in a brand-new packaging. The launch was supported with trade displays, outdoor communications, and digital engagement.

WATER: F&N ICE MOUNTAIN

F&N ICE MOUNTAIN is Singapore’s No.1 water brand, led by its Still and Sparkling drinking water range. As part of F&N’s sustainability efforts, F&N ICE MOUNTAIN continues to provide sustainable pack formats to consumers by offering its still water range in paper cartons and aluminium cans.

F&N ICE MOUNTAIN Sparkling Water continued to delight consumers with its refreshing range of classic and flavoured water flavours. Due to popular demand, F&N ICE MOUNTAIN Sparkling Yuzu Osmanthus, which is a combination of yuzu and osmanthus returned to our markets this year, broadening the hydration options for consumers.

BEVERAGES SINGAPORE

Despite the challenging market conditions, Singapore maintained its leading market positions in its core beverage categories – 100PLUS in Isotonic, F&N NUTRISOY in Soya and F&N ICE MOUNTAIN in Water. This year, the Group continued building its brands and delivered healthy and innovative products as it made strides toward COVID-resilience and adjusted to this “new normal”.



CARBONATED SOFT DRINKS: F&N SPARKLING DRINKS

Loved for generations, F&N Sparkling Drinks continued to delight consumers, both young and old, with the launch of new and exciting flavours. In line with healthier beverage trends, F&N expanded our classic range of sparkling beverages with the introduction of F&N Sarsi Zero Sugar and F&N Ice Cream Soda Zero Sugar. Boasting the same great taste as the original flavours, consumers can now enjoy the healthier choice beverages more healthily. To appeal to a wider group of consumers, F&N launched a premium and modern range of sparkling drinks in two refreshing flavours – Lemonade and Pink Grapefruit – in Singapore. Bursting with citrus flavours, these refreshing and great-tasting beverages are also certified “Healthier Choice”.

SINGAPORE



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BEVERAGES SINGAPORE (cont'd)

SOYA: F&N NUTRISOY

F&N NUTRISOY, Singapore's No. 1 soya milk brand, continued to raise brand visibility and awareness of its range of vegan-friendly soya milk across various media touch points, which were primarily out of home, in-store and digital activations. F&N NUTRISOY helps to fulfill the aspirations of those who strive towards starting a plant-based nutrition in their lifestyle. F&N NUTRISOY range of fresh soya milk is not only high in plant-based protein, but also low on the glycemic index, high in calcium, vitamin D3, naturally lactose free and cholesterol free, and low in saturated fat. It is the only vegetable source that has all the nine essential building blocks of protein found only in foods.

This June, F&N NUTRISOY released a delectable limited-edition F&N NUTRISOY Fresh Soya Milk with real Purple Rice. Purple Rice is naturally packed with nutritional goodness. It contains anthocyanin which is known for its antioxidant properties. Similar to its current range of F&N NUTRISOY Fresh Soya Milk, this new addition is also high in plant-based protein, calcium and vitamin D3. It contains no added preservatives, is vegan-friendly, and is accorded the "Healthier Choice" symbol by the Health Promotion Board.

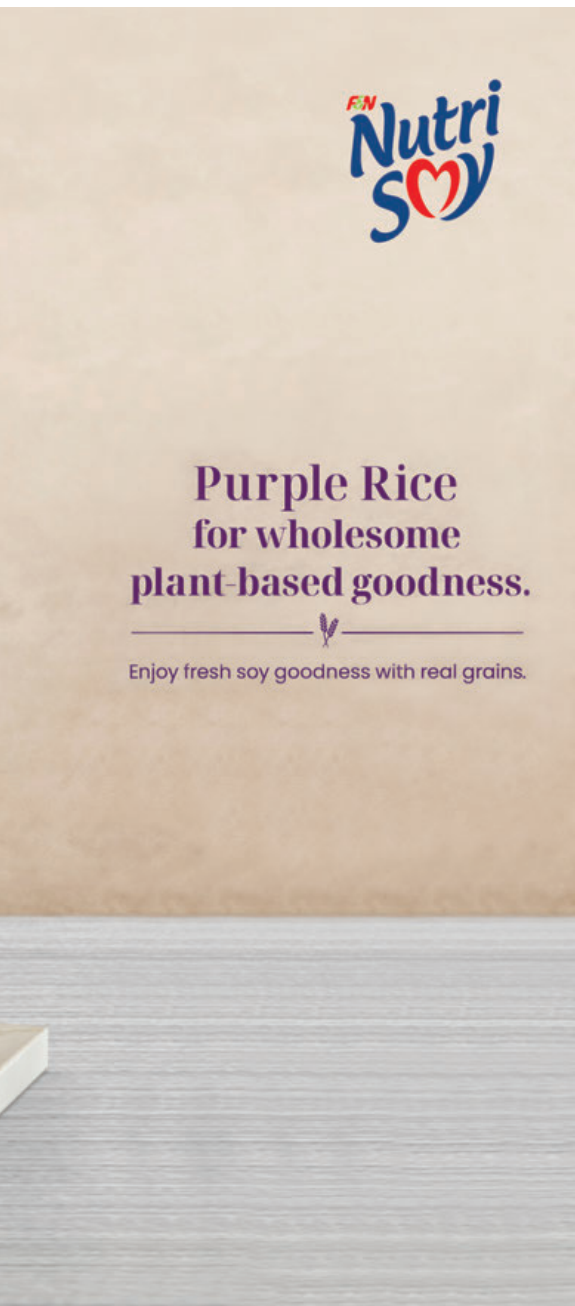
JUICES: F&N FRUIT TREE FRESH

F&N FRUIT TREE FRESH uses the highest quality fruit juices, sourced from some of the world's best orchards. Offering quality and nourishment, our juices are enriched with vitamins, antioxidants and tasty, real fruit bits. Its generous dose of nature's own goodness refreshes one's daily nutritional needs, whether at home or on-the go. To cater to Singaporean's health needs, it also has a range of fruit juice drinks with no sugar added, made from 100% juice and bears the "Healthier Choice"

symbol accorded by the Health Promotion Board.

F&N FRUIT TREE FRESH has a wide range of flavours, from exotic varieties to classic favourites. This year, it added a No Sugar Added Prune & Mixed Fruit Juice Drink to its growing No-Sugar range. This tasty new addition has the highest fibre content of any prune juice in Singapore to aid in digestion. It is high in vitamin C to strengthen one's immune system and carries the "Healthier Choice" symbol.





BEER
EMERALD BREWERY MYANMAR LIMITED ("EBML")

F&N returned to Myanmar's beer market with EBML in 2019. Located in Hlegu Township, Yangon, EBML manufactures, markets and sells the award-winning CHANG beer to consumers in Myanmar. Licensed to EBML by F&N's strategic partner, Thai Beverage Public Company Limited, CHANG beer uses only the finest ingredients from Europe and the USA.

EBML successfully launched CHANG three years ago, and has continued to build equity in Myanmar. This year, CHANG rolled out a nationwide campaign, WIN CASH WITH CHANG, from October 2021 till March 2022. Supported by outdoor, digital and print advertising platforms to reach consumers, this 360-degree marketing campaign covered point-of-sale advertising in both off- and on-premise channels which included local retailers, wholesalers, beer stations and restaurants in Myanmar.

CHANG also continued to promote its brand's longstanding association with football through its partnership with Leicester City Football Club. Eye-catching outdoor billboard banners and posters carrying CHANG were displayed across the country to generate maximum impact.

In addition to driving brand awareness and building volumes, EBML is also investing in a new warehouse, brewhouse and utility facility to support organic growth. Expansion of EBML is expected to complete in 2023.

CARING FOR THE COMMUNITY

At EBML, providing the necessary support to our customers, partners and community have become another facet of our business. Over 350 first aid kits were distributed to our business partners as their safety and well-being is a concern to us. To aid the nuns from Chan Myae Yadanar Nun Monastery, EBML donated a MMK30m, 1,400 sqft monastery, and included essentials such as rice, oil, and stationery to the nuns residing there. In addition, free medical checks were also provided to help the nuns detect early health issues and maintain good health.



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DAIRIES

DAIRIES MALAYSIA

Weathering the pandemic-induced market conditions, Dairies Malaysia maintained its undisputed leadership position in the condensed and evaporated canned milk segment with F&N, TEAPOT, GOLD COIN and CARNATION brands. Dairies Malaysia is able to maintain the leadership position not only by actively responding to changing demands but also by steering the market using innovative products and consumer education.

Building on the tagline, "PURE ENJOYMENT. PURE GOODNESS", Dairies Malaysia maintained marketing activities to drive the growth of its ready-to-drink liquid milk volume. Leveraging the Group's in-house technical expertise, product offerings and trusted relationships with consumers, Dairies Malaysia has been able to make solid progress in growing its F&N MAGNOLIA and FARMHOUSE liquid milk presence.

CANNED MILK: F&N/GOLD COIN/TEAPOT/CARNATION

Dairies Malaysia remains the undisputed leader in Malaysia's condensed and evaporated milk category. This year, despite intense market competition, the Group maintained its No.1 condensed milk position with F&N, GOLD COIN and TEAPOT. In April, F&N introduced the F&N 25% Reduced Sugar Sweetened Creamer in Malaysia. Specially formulated for consumers who want guilt-free indulgence, this healthier choice product boasts the same great taste but with lesser sugar. In addition to healthier-alternatives, Dairies Malaysia also continued to drive in-home consumption, in local flavours and convenient squeeze tube packs.

READY-TO-DRINK TEA: F&N

Riding on the popular launch of F&N Teh Tarik in April 2020, F&N expanded this ready-to-drink tea range with the introduction of a new pack size. Previously available only in bottle format, F&N Teh Tarik's two flavours – F&N Teh Tarik Ori and F&N Teh Tarik Less Sweet – now come in 240ml cans. This convenient pack is the perfect companion for consumers who are always on-the-go.



F&N Dairies Malaysia
No. 1 in both
Condensed &
Evaporated Milk
categories

MALAYSIA



LIQUID MILK: F&N MAGNOLIA AND FARMHOUSE

F&N MAGNOLIA expanded its pasteurised liquid milk portfolio with the introduction of F&N MAGNOLIA Pasteurised Full Cream Milk in April. Packed with vitamin D and calcium, this healthier choice milk maximises calcium absorption and promotes retention for building strong and healthy bones. To drive trials and build brand awareness, the launch was supported by in-store sampling in conjunction with promotions and digital marketing on social media.



DAIRIES THAILAND

Dairies Thailand cemented its No.1 canned milk position with CARNATION and TEAPOT brands. Its strong market-leading position was due to the successful rollout of innovative products, well-executed trade programmes that were supported by an extensive distribution network across the country.

In addition to driving domestic volume, Dairies Thailand also bolstered its canned milk presence in the SEA region. To this end, it continued to deepen and widen its distribution reach, building the TEAPOT brand in Cambodia and Laos. Dairies Thailand will look to grow its overseas business by expanding its sales and distribution networks and increasing its product offering.

Similarly, through the launch of innovative products, Dairies Thailand has been able to tap the growth of Thailand's liquid milk segment and



F&N Dairies Thailand

**No. 1 in both
Condensed &
Evaporated Milk
categories**



F&N Magnolia, Bear Brand

**No. 1 Liquid
Non-Chilled Milk**

THAILAND



advance its position in the ready-to-drink milk segment with F&N MAGNOLIA and BEAR BRAND.

CARNATION

CARNATION, one of Nestle's brands licenced to F&N, remains the biggest brand in Thailand's canned milk sector. In 2007, the Group acquired relevant Nestle's production facilities and equipment in Thailand, along with the licensing rights to some of Nestle's canned and sterilised milk brands. Nestle's trademark licence agreement was subsequently renewed in 2015 for 22 years, until 2037, for the manufacturing and distribution of Nestle's products – CARNATION and BEAR BRAND in Singapore, Thailand, Malaysia, Brunei and Laos. Under our stewardship, the brand has grown from strength to strength.

Through targeted brand marketing initiatives and expansion of cart hawker coverage, CARNATION was able to grow volume and reinforce its image as the preferred choice of Thai consumers.

As in previous years, nationwide loyalty campaigns were rolled out this year to reward customers and consumers. The campaign – CARNATION REWARD, HAI LAEK HAI LUN, TAEN KHAM KHOPKHUN CHAK THI NUENG KHWAMARO – was executed to thank and reward consumers for choosing CARNATION as their No.1 choice of condensed milk in Thailand. To drive in-home consumption, CARNATION also engaged its brand ambassadors to encourage product usage as part of Thais daily meal preparation.

Business Review

DAIRIES

- Malaysia
- Thailand
- Singapore
- Vietnam

DAIRIES THAILAND

(cont'd)

TEAPOT

Already Thailand’s No. 1 flavoured Sweetened Condensed Milk (“SCM”) in squeezable tubes, TEAPOT expanded its SCM portfolio with the introduction of TEAPOT Low Fat 25% Less Sucrose in January 2022. Packed in convenient on-the-go squeezable tubes, this new healthier addition is high in vitamins B1 & D. Low in fat and sugar, TEAPOT Low Fat 25% Less Sucrose was developed to cater to the growing number of health-conscious consumers. Supporting the launch was a series of digital campaigns, nationwide sampling

and various point-of-sales initiatives. Riding on the purple sweet potato trend, TEAPOT also introduced the TEAPOT Purple Sweet Potato in April. This new flavour is rich and creamy, delivering an aromatic and delicious purple sweet potato taste. Available nationwide in squeezable tubes, TEAPOT Purple Sweet Potato is the first SCM flavour of its kind in the country.

The growing trend of cooking at home saw a demand surge for cooking products. TEAPOT capitalised on it by launching TEAPOT Evaporated Milk for Cooking and Bakery in 385g cans. This new addition has a delicious milky aroma to enhance the taste of any menu.

TEAPOT also rolled out TEAPOT Extra Prisma Brik and TEAPOT Sweetened Evaporated Milk (2-in-1) for Beverages Brik, both in economical one-litre packs. Available in convenient packs with cap, these new packaging expanded TEAPOT’s evaporated creamer presence in all channels and helped gain market share.

LIQUID MILK: F&N MAGNOLIA AND BEAR BRAND

Dairies Thailand continued to expand their product offerings in the UHT milk segment with the launch of two new variants, F&N MAGNOLIA UHT Milk and F&N MAGNOLIA Plus Vitamin ACD.

Fortified with vitamin D, F&N MAGNOLIA UHT Milk supports calcium absorption for strong bones and teeth. Available in two new flavours – Plain and Chocolate – it was specially formulated to bring out the unique sweet taste of plain milk, allowing consumers to enjoy a daily packet of “Tasty Goodness”.

In May, Thais were treated to F&N MAGNOLIA Plus Vitamin ACD. High in vitamins A, C and D, a packet of this milk provides the essential nutrients for healthier skin, better immunity, and overall well-being. Available in two unique flavours – Blackcurrant and Brown Sugar – these nutritious and delicious beverages are sold nationwide. F&N MAGNOLIA successfully ran targeted online campaigns supported by in-store samplings to drive awareness.

Since the launch of BEAR BRAND GOLD Acerola Cherry in July 2021, the brand continued to educate consumers on the “seven benefits” of consuming this ready-to-drink milk in Thailand. It relied on extensive online and in-store communications to reinforce the key message that the drink contains vitamins A, B, C, D, E, calcium, and is low in fat.

To maintain top-of-mind, BEAR BRAND rolled out a four-month long BEAR BRAND DRINK EVERYDAY FOR A MILLION REWARDS nationwide campaign. In addition, in conjunction with Songkran and Mother’s Day, BEAR BRAND also reinforced its brand message, “LOVE, WARMTH AND CARE”, as the nourishing health drink for loved ones. Through effective online communications on social media, BEAR BRAND was able to maintain its No.1 position in the Sterilized Milk segment.



DAIRIES SINGAPORE

As a major dairy manufacturer and beverage supplier, Dairies Singapore has remained resilient as it overcame supply disruptions, rising input costs, manpower resource shortages and changing consumer consumption patterns. It also continued the acceleration of our digitalisation efforts, and evolve to stay relevant to our consumers.

In September, our smart factory in Tuas Singapore obtained the temporary occupation permit. This new 375,000sqf Green Mark Platinum facility boasts a state-of-the-art R&D centre and integrated manufacturing facilities. The integrated system allows for best-in-class pasteurised production, further enhancing our quality promise, product shelf life and cold chain management capabilities. The new automated storage and retrieval system will support improved vertical integration and connectivity



FARMHOUSE

F&N Magnolia, Farmhouse
No. 2 Total Liquid Milk

SINGAPORE



within the supply chain, allowing for greater synergy between manufacturing and warehouse systems, thereby lowering production costs and improving productivity.

LIQUID MILK: F&N MAGNOLIA

This year, Dairies Singapore continued to excite the market by introducing new, healthier products to Singaporeans. In collaboration with the Singapore Sports Institute, it launched the F&N MAGNOLIA Plus High Protein Milk, in April. Available in two classic flavours – Vanilla and Chocolate – F&N MAGNOLIA Plus High Protein Milk is lower in fat and certified a “Healthier Choice” product by the Health Promotion Board.

F&N MAGNOLIA continues to delight consumers with the launch of the first low fat, hazelnut, and chocolate flavoured milk in Singapore. A trusted brand of milk for generations, F&N MAGNOLIA’s new limited-edition flavour was crafted for pure enjoyment. Made with the natural goodness of low-fat milk, F&N MAGNOLIA Royal Hazelnut Chocolate Low Fat Flavoured Milk is blended with real hazelnut and sumptuous chocolate. In addition to supporting the development of strong bones and teeth, this beverage helps in tissue building and growth. It is also certified a “Healthier Choice” product.



The Power of Protein. The Goodness of Milk.

Business Review

DAIRIES

- Malaysia
- Thailand
- Singapore
- Vietnam

DAIRIES VIETNAM

F&N operates in Vietnam through its 20.4% investment in Vinamilk. F&N's investments in Vietnam date back to February 2005, when it first took an approximately 5% stake in Vinamilk. In December 2016, the Group acquired additional shares representing approximately 5.4% interest through a competitive bid process. Thereafter, through further purchases from the market, the Group continued to increase its stake in Vinamilk, to 20.4% as at 30 September 2022. On account of the Group's shareholding and its appointment of two representatives to its board, the Group was deemed to have a significant influence over Vinamilk for accounting purposes in accordance with the Singapore Financial Reporting Standards (International). Consequently, effective 16 April 2017, the Group started to equity account for its share of Vinamilk's profit under the equity accounting method.

In FY2022, Vinamilk contributed \$97.4m to F&N's PBIT, accounting for 42% of the Group's profit. Vinamilk, the largest F&B company listed on the Ho Chi Minh Stock Exchange, is primarily involved in the production, supply and distribution of dairy products including powdered, liquid and condensed milk, cheese, ice cream, yoghurt and cereals, as well as beverages including soy milk, fruit juice, yoghurt drinks and tea. It is present in over 60 countries around the world, and is supported by 17 factories in Vietnam, Cambodia and the USA, and 15 dairy farms in Vietnam.

DAIRIES: ICE CREAM

Dairies' Ice Cream division, with well-established and trusted brands like F&N MAGNOLIA, KING'S and 100PLUS, is supported by two manufacturing plants in Malaysia and Thailand.

F&N MAGNOLIA and KING'S remained popular ice cream brands in Malaysia, Singapore and Thailand. Both well-loved brands continued to roll out new products to keep pace with, and to shape, evolving consumer needs. They also embarked on key collaboration initiatives and effective marketing campaigns to drive sales.



KING'S

excited Singaporeans with the launch of KING'S Potong Japanese Sweet Potato ice cream



KING'S

take home 1.2L tub lids are now recyclable in Malaysia

ICE CREAM

SINGAPORE

Since the launch of 100PLUS Hydration Bar in September 2021, this new trans-fat free ice confection has strengthened F&N's ice cream portfolio through effective marketing campaigns, driving sales for FY2022. Riding on the back of 100PLUS's sponsorships at sporting events and brand activations, 100PLUS Hydration Bar was well-received amongst consumers during joint sampling events. To drive trials and sampling, 100PLUS sponsored the NATIONAL DAY PARADE FIESTA, SINGAPORE LIVERPOOL MATCH, SEA GAMES 2022, FIBA 3X3 ASIA CUP, OCBC CYCLE, STANDARD CHARTERED SINGAPORE TROPHY 2022 and various golf tournaments.



This year, F&N MAGNOLIA celebrated the WORLD ICE CREAM DAY by creating family moments with sustainability in mind. It encouraged consumers to create family moments by re-purposing empty ice cream tubs into sewing kits, organisers, piggy banks, tissue box holders and other items, limited only by consumers' imagination.

In April, KING'S Potong expanded its Asian dessert portfolio with the launch of KING'S Potong Japanese Sweet Potato ice cream, a deliciously cool indulgent that is perfect for Singapore's warm climate. The successful launch, supported by U Weekly's Magazine and Gourmet Living Magazine, as well as online and social media platforms, generated over \$1m in publicity value.

THAILAND

In Thailand, Dairies Ice Cream extended F&N MAGNOLIA's offering by introducing a new variant, targeting teens and young adults. Launched in January, F&N MAGNOLIA introduced the F&N MAGNOLIA Triple Chocolate Sundae, a delicious chocolate ice cream mixed with white malt, chocolate sauce and chips, packed in convenient cups. This new and delectable ice cream successfully increased the total sundae portfolio for Ice Cream Thailand. F&N MAGNOLIA also revamped the packaging of their range of Cravio ice cream. The redesign was aimed at capturing the growing chocolate coated segment amongst the teens and young adults.

In response to the growing trend toward affordable products, F&N MAGNOLIA introduced five ice cream variants priced at THB10. They included F&N MAGNOLIA Gotcha Jumbo, a delicious lemon lime and strawberry flavoured ice cream in the shape of cute elephant, F&N MAGNOLIA Gotcha Watermelon, a refreshing watermelon flavoured ice cream shaped like watermelon, and F&N MAGNOLIA Cool in three refreshing flavours, Cola, Salak and Lime. These new flavours were met with good response.

MALAYSIA

FY2022 was an exciting year for Dairies Ice Cream in Malaysia, with the successful launch of 100PLUS Hydration Bar and F&N MAGNOLIA Justice League themed ice cream. Launched in October 2021, the first ever hydration bar in Malaysia, 100PLUS Hydration Bar is the perfect ice confection to cool one down during those hot and sunny days. To build brand awareness, F&N kicked off the JOM RAYA JOM HIDRAT campaign during Ramadan where social media influencers were engaged to introduce the benefits of consuming 100PLUS Hydration Bar. The campaign generated high participation and sampling rates.

In August, the return of F&N MAGNOLIA's Justice League Ice Cream became the talk of the town. Its return was supported by a 360-degree marketing campaign which included video placements in 46 LED Out-of-Home panels along popular streets in Kuala Lumpur, advertorials in social media, poster displays in supermarkets and a Justice League Photo Contest.

This year, KING'S continued to excite consumers with the launch of its new Sirap Bandung ice cream flavour. Made with Malaysian's favourite drink flavour, this limited-edition ice cream can be enjoyed with Sirap Bandung drink for an unforgettable, indulgent experience. Riding on the popularity of local favorites, KING'S also introduced its very own durian ice cream flavour. Available in convenient cups, KING'S D24 Durian cups are made with 100% pure D24 durian pulp, delighting durian lovers.

In addition to new products and running marketing campaigns, KING'S take home tubs also went through a total packaging revamp. Featuring a new label design, KING'S also replaced its coloured lid with transparent lid, making it easier to recycle and reduce pollution.



Business Review



- **Indonesia**
- **Myanmar**
- **Thailand**
(Soft Drinks)

Despite the COVID-19 induced challenges, supply chain and inflation headwinds, efforts have been made to expand and deepen distribution channels, in particular for 100PLUS, F&N Sparkling Drinks and TEAPOT, with a clear focus on the SEA region. The Group will continue to drive growth through investment in our brands and extend our route-to-market capabilities. Alongside our organic growth strategy, we will continue to seek acquisitions which are value enhancing or capability-enhancing.

(A) INDONESIA

PT Yoke Food Industries Indonesia ("PT YFII"), a subsidiary of the Group, responded to the challenges caused by supply chain and inflation headwinds by adopting a low-risk strategy to protect profitability and safeguard liquidity, while focusing on deepening and widening distribution.

This year, PT YFII's festive demand was significantly higher than the previous year, driven by well-executed route-to-market operations in our key markets of Sumatra and Java.

OTHER MARKETS (F&B)



All brands recorded strong double-digit growth, in particular the F&N canned milk, TEAPOT, F&N Sparkling Drinks and F&N SEASONS. Our licensed brand, SUNKIST, also performed very well.

To further drive sales, PT YFII collaborated with distributors in the execution of our sales and promotion initiatives, and ensured the products were always available and well-merchandised. A well-executed digital marketing campaign was launched before the peaked of Lebaran festive month. Both general trade and modern trade recorded brisk sales.

As part of the strategy to increase consumption occasions of canned milk, PT YFII also conducted several cooking demonstrations for its canned milk brands. To expand our consumer base, our distributor also participated in the 16th edition of the prestigious Food & Hotel Indonesia International Exhibition from 26 to 29 July. At the event, the distributor demonstrated the various uses of F&N canned milk and F&N SEASONS Asian drinks in cooking and dessert preparation. Consequently, PT YFII FY2022 revenue and profit recorded strong growth over the prior year.

Indonesia will remain a key market and a core component in our growth strategy. Its immense and growing consumer market presents opportunities to the Group. We are determined to pursue every opportunity to grow this important market. We shall continue to seek growth through investment in our brands and extend route-to-market capabilities, and by strategic acquisitions to broaden and deepen our footprint in Indonesia.



Business Review

OTHER MARKETS (F&B)

- Indonesia
- Myanmar
- Thailand (Soft Drinks)

(B) MYANMAR

100PLUS continued to strengthen its unique positioning as the isotonic drink of choice with a series of social media campaigns, particularly on Facebook. The brand message was crafted for those who lead active lifestyles, as well as the benefits of consuming 100PLUS in their daily lives.

To generate excitement, 100PLUS rolled out two new flavours – 100PLUS Zero and 100PLUS Berry –

in cans, to the delight of consumers. Supported by online communications and in-store visibility, the two variants were listed in the modern trade and Yangon GT.

During the summer months, 100PLUS further reinforced its support for sports-related events with sponsorships in golf tournaments, running, mini-triathlon and swimming competition. On the trade level, 100PLUS remain centered on deepening its relationship with key customers,



pushed for product visibility and ran campaigns and consumer promotions to drive sales.

In April, TEAPOT expanded its sweetened beverage creamer (“SBC”) range with the launch of TEAPOT SBC in 2.5kg pack, catering to key TEAPOT outlets and higher in-home consumption. This upsized pack expanded TEAPOT’s SBC presence in all channels and helped increase our market share in Myanmar.

TEAPOT remained very much focused on strengthening its relationship with top tea shop operators across

the country. It successfully converted tea shop operators to adopt our canned milk brand, and retained key customers.

This year, F&N made further inroads in the modern trade with a partnership with Makro – a large shopping mall – in Yangon, Myanmar. This new partnership increased TEAPOT’s on-premise presence, which has led to sales growth. In addition, TEAPOT also appointed a new distributor, who generated better product visibility and strengthened its leading position in the canned milk market.

**(C) THAILAND
(SOFT DRINKS)**

100PLUS continued to strengthen its unique positioning as a healthy carbonated beverage through effective marketing campaigns. Following the lifting of COVID-19 induced restrictions and the return of sports events, 100PLUS stepped up its running sponsorship such as the BURIRAM MARATHON 2022 and KHAO YAI MARATHON RUN. Over 30,000 participants took part in both events, successfully generating trials and sustaining brand awareness. As a strong advocate for active and healthy lifestyles, 100PLUS also sponsored national sports associations such as THAILAND MEN’S NATIONAL BASKETBALL TEAM.

Since the return of F&N Sarsi to Thailand, the popular carbonated soft drink continued to ensure brand visibility through the execution of digital marketing campaigns and driving distribution strategies. In June, through a partnership with the OISHI Group, this local favourite drink has been made available in all their restaurants.



Business Review

PUBLISHING & PRINTING

PUBLISHING & PRINTING

FY2022 had been another trying year for Times Publishing Limited ("TPL"), our P&P arm. In addition to COVID-19 movement restrictions, we also faced significant input cost headwinds, labour shortages and disruptions in supply chains.

While stringent cost management had been put in place, it was insufficient to offset the significant loss in margin contribution.

Despite the challenging operating environment, P&P continued the strategic transformation of our Education Publishing and Printing businesses. Education Publishing's focus is centered on the expansion of our digital footprint, bringing its content to new markets. In 2022, it also expanded its portfolio into higher margin businesses such as education certification and consultancy, while accelerating its digital/hybrid learning services.

For Printing, as part of our portfolio diversification strategy, we launched Green Lab in May 2022 to become Singapore's one-stop manufacturer of eco-friendly sustainable packaging solutions. We reconfigured existing equipment, with minimal upgrades, to enable the printing and production of a myriad of price competitive products including biodegradable and fully compostable plant-based bags, kraft paper bags, paper pouches and high-quality carton boxes.

The Group is confident that these new businesses, in addition to the continued management of our cost base, will help drive the growth of our top line and improve profitability. We believe that new digital content and continual expansion in international markets will spur revenue growth for the education business whilst the expansion to sustainable print packaging will reboot our print business.



TIMES PUBLISHING LIMITED

Publishing

Our publishing business comprises Marshall Cavendish Education ("MCE"), Marshall Cavendish International (Asia) ("MCIA") and Marshall Cavendish Business Information ("MCBI"). The content they create ranges from education to general interest and business information.

Publishing: Education

MCE continued to accelerate its digital transformation and expand its network of international partnerships, including with edutech players, to strengthen its education solutions and stay relevant.

This year, we took our popular curriculum to Saudi Arabia. Through our partnership with the Arrowad Group, MCE's popular series like the MCE Cambridge Primary and Cambridge IGCSE series (ESL, Maths and Science) and Maths Ahead are now available in Arrowad Group's schools in Saudi Arabia. The Arrowad Group operates private schools in Saudi Arabia, Qatar, UAE, Sudan, Oman, and the UK.



MCE also partnered VISPARK to internationalise MCE's flagship Chinese series, Huan Le Huo Ban (HLHB) 欢乐伙伴, as an enrichment programme. Created by a team of curriculum experts, the print and digital resources have been designed for teachers and students learning Chinese as a foreign language outside of Singapore. VISPARK and MCE will also be setting up Chinese Language learning centres in Singapore in 2023.

Riding on our MCEduHub digital platform, MCE collaborated with Nanyang Technological University, Singapore ("NTU") to develop online courses for K12 educators. Under this five-year collaboration, NTU would tap the expertise of the University's faculty to design the curriculum and content for over 40 online courses. MCE would package the content into courses with interactive elements to make them more engaging for learners. Beyond NTU, MCE will also be collaborating with other educational experts and university partners such as James Cook University.



Business Review



PUBLISHING & PRINTING

TIMES PUBLISHING LIMITED (cont'd)

Publishing: Others

Several non-fiction titles published by MCI A garnered widespread interest in the publishing industry. *The Food of Singapore Malays: Gastronomic Travels Through The Archipelago* is a publication that explores the history and culture of Malay food in Singapore, not just as a means of sustenance but as a cultural activity. Coupled with stunning photographs from the author's travels around the region and based on diligent, in-depth historical research, this 624-page non-fiction publication has won

both the "Best Illustrated Non-Fiction Title" and "Book of the Year" at Singapore Book Awards 2022. It has also raised a great amount of media interest both locally and internationally, including SCMP.

Several other award-winning titles were also successfully launched this year. The inspirational story of an ordinary toilet paper roll getting upcycled in *Mr Roll Finds New Life* by author Sophia Huang and illustrator Evelyn Ghazali won "Best Children's Picture Book", while the collection of heart-warming, real life stories in *Larger Than Life* written and narrated by celebrity Belinda Lee in an audiobook for Storytel won the "Reader's Choice Award" at the Singapore Book Awards 2022.

Print

The global print industry continued to witness lower print demand and changes in consumer behavior. Our print business was also impacted, exacerbated by supply chain disruptions, changes in the Chinese government policy on education and strict COVID-19 restrictions.

To add new sources of revenue for Print, we have launched our first eco-solutions manufacturing plant under the Green Lab brand. Green Lab provides holistic sustainable packaging solutions to support companies in their quest for their ESG objectives and reduction in their carbon footprint.



Among the products produced locally by TPL is the CASSA180, a plastic bag replacement made entirely from industrial waste cassava roots that is 100% biodegradable and compostable, and bags made with Kraft paper which is 100% recycled, or produced through paper that is sustainably sourced. Green Lab also offers paper-based eco-pillow pouches, eco-packaging in the form of printed carton boxes and 100% compostable F&B consumables made from sugarcane bagasse and corn starch as an alternative to styrofoam and single use plastics currently saturating the F&B industry. All of Green Lab's products are printed with environmentally friendly soy-based printing ink.

Since its launch, Green Lab has secured several new accounts. We are confident that this new sustainable packaging business will further solidify print's offering and contribute to revenue growth.

Retail and Distribution

Our Book Distribution delivered strong results this year, cementing our position as the leading English book distributor in Singapore and Malaysia.

The easing of COVID-19 restrictions in Singapore and the resumption of international travels brought back activities to our retail stores. While recovery had been gradual, it was also uneven. In Malaysia, we exited our retail presence and closed all our stores.

Similarly, retail business in Singapore has also been uneven. While the partial resumption of international travel boosted airport traffic and increased footfall in our airport stores, it was not sufficient to mitigate the slower sales experienced by our high street stores. To drive traffic, we have increased our store activities to attract customers. These included distributing our yearly Times Christmas catalogue 2021, working with Stabilo to doodle Christmas decorations on our Times Waterway Point window using their "woody 3-in-1" coloured pencils, a Times Warehouse Sale at the Times Centre office, and school holiday activities. These activities have garnered strong turnouts.

Investor Relations

DELIVERING EFFECTIVE AND OPEN COMMUNICATION

The F&N Group is committed to delivering effective and open communication with all stakeholders, always ensuring consistency and clarity of disclosure. We aim to engage with our shareholders and investment community openly and regularly in order to facilitate a mutual understanding of our respective objectives, and to provide information on our corporate strategies, trends, operational performance and financial information to the investment community.

To achieve that, F&N's Investor Relations team leverages multiple communication channels, including news releases, analyst and media briefings, investor conferences and meetings, roadshows (together with key senior management), and the corporate website, to keep the market and investors apprised of F&N Group's corporate developments and financial performance.

In addition, besides communicating regularly with shareholders and the investment community via disclosures of material and other pertinent information through regular dialogues and announcements to SGXNet, F&N ensures that investors have easy access to information on the Group so that they can effectively evaluate the company and make informed investment decisions.

ENGAGING WITH THE INVESTMENT COMMUNITY

As the Group continue to make inroads into our regional expansion efforts, the Investor Relations team, together with senior management, actively engage and deliver timely and relevant information to support investors in their investment decisions. These initiatives ensure that the financial community is updated on the Group's business, markets and performance.

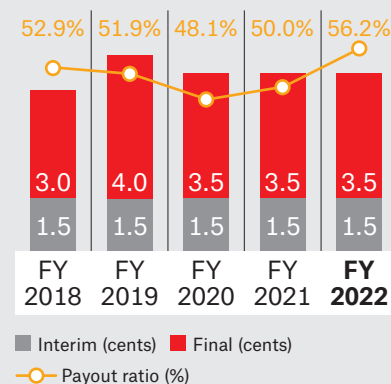
Our Annual General Meeting ("AGM") was held virtually on 18 January 2022 as we continually seek to improve the quality of the meeting and engagement with our shareholders through the latest digital platforms and technologies. To ensure that shareholders were able to make decisions on an informed basis, we invited them to submit their questions ahead of, or live at, the AGM. Our responses to their questions, which were submitted in advance, were published on F&N's corporate website and uploaded to the SGXNet. Shareholders were also entitled to attend the AGM and were accorded the opportunity to participate effectively and vote at the meeting, virtually. We were one of the first few listed companies in Singapore who held a virtual AGM that provided for such live engagement and live voting. F&N looks forward to the annual event as it allows the board and management to engage unitholders and communicate the Group's latest developments, long-term plans and strategies.

In addition to AGMs, the Investor Relations team also addresses the concerns of investors through email, telephone and online query form on F&N's corporate website.

AWARDS

F&N was the 2021 runner up of the Most Transparent Company Award – Consumer Staples category at the 21st Investors' Choice Awards organised by the Securities Investors Association Singapore. The award recognises F&N's outstanding disclosure and transparency efforts to help investors make informed decisions with the publicly available information of the company's performance. The Group continues to maintain high standards of corporate governance and well-defined business practices to safeguard our shareholders' interests whilst pursuing sustainable growth in the industry.

DIVIDEND



The Group maintains a healthy track record of generous shareholder distributions. For the financial year ended 30 September 2022, the directors have recommended a final dividend of 3.5 cents per share, which together with the interim dividend of 1.5 cents paid earlier brings total dividend for the year to 5.0 cents per share. In line with the Group's dividend policy, the proposed payout represents a distribution of 56.2% of the Group Attributable Profit before fair value adjustment and exceptional items.

For general enquiries on F&N, please contact:

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Fax: (65) 6236 3405

FINANCIAL CALENDAR: FY2023

Date	Event
18 January 2023	• Annual General Meeting
07 February 2023 (after close of trading) (<i>tentative</i>)	• 1 st Quarter Business Updates
05 May 2023 (after close of trading) (<i>tentative</i>)	• Announcement of Half-Year Results • Declaration of Interim Dividend
04 August 2023 (after close of trading) (<i>tentative</i>)	• 3 rd Quarter Business Updates
09 November 2023 (after close of trading) (<i>tentative</i>)	• Announcement of Full-Year Results • Declaration of Final Dividend

Capital Resources

The Group maintains a prudent financial structure to ensure that it will be able to access adequate capital at favourable terms. The Group's core businesses, F&B and P&P, as well as dividends from Vinamilk are its main sources of cash flows.

Management monitors the Group's cash flow position, debt maturity profile, cost of funds, interest rate exposures and overall liquidity position on a continual basis. To ensure that F&N has adequate overall liquidity to finance its operations and investments, it maintains a significant amount of available banking facilities with many banks. The Group's Debt Issuance Programmes also provide F&N continued access to the debt capital markets.

As at 30 Sep 2022, the Group's borrowings, net of cash, increased to \$614.7m, from \$455.0m a year ago. The increased borrowings were taken mainly to finance the Group's acquisition of Ladang Permai Damai, for its new integrated dairy farm and crop plantation business. Consequently, the Group's net gearing increased to 0.18 times of total equity. Cash generative businesses, adequate funding sources and debt headroom continue to put F&N in a good position to tap further growth opportunities.

Interest cost in FY2022 was \$26.2m, up from \$25.1m in the prior year due to higher borrowings.

SOURCE OF FUNDING

Besides cash flow from its businesses, the Group also relies on the debt capital markets, the equity market and bilateral banking facilities for its funding. As at 30 Sep 2022, the Group has an aggregate banking facility of \$1.2b, and \$3.4b in Debt Issuance Programmes to meet its funding requirements.

AVAILABLE BANK LINES AS AT 30 SEP 2022

The Group maintains an active relationship with a network of more than 15 banks of various nationalities, located in various countries where the Group operates. Its principal bankers are Oversea-Chinese Banking Corporation Limited, DBS Bank Ltd, CTBC Bank Co. Ltd, Crédit Industriel et Commercial and Standard Chartered Bank.

The Group adopts the philosophy of engaging the banks as its core business partners. It has very strong support from its relationship banks across all segments of the Group's businesses. Total banking facilities

(utilised and unutilised) extended to the Group, as at 30 Sep 2022, amounted to \$1.2b. The principal bankers of the Group provided 64% of these banking facilities. All banking relationships for the Group are maintained by Corporate Treasury in Singapore.

DEBT CAPITAL MARKETS

The Group has a \$2.0b multi-currency debt issuance programme and a \$0.5b short-term commercial paper programme in Singapore. The Group also has an Islamic commercial paper programme ("ICP Programme"), and an Islamic medium term notes programme ("IMTN Programme"), with an aggregate limit of RM3.0b, in Malaysia to tap the debt capital markets.

MATURITY PROFILE OF GROUP DEBT (EXCLUDES FINANCE LEASES)

Time to maturity	\$'million
< 1 year	51.6
1-2 years	301.1
2-5 years	510.7
> 5 years	25.9
Total	889.3

The Group does not expect refinancing issues for its \$51.6m loans maturing within one year. These borrowings can be repaid with the Group's existing cash balances or refinanced with existing revolving credit facilities.

INTEREST RATE PROFILE AND DERIVATIVES

The Group manages its interest costs by maintaining a mix of fixed and floating rate borrowings. On a portfolio basis, 82% of the Group's borrowings are in fixed rates, with an average fixed rate tenor of 3.1 years as at 30 Sep 2022. The fixed-rate borrowings consist largely of fixed-rate notes issued under the Group's Debt Issuance Programme and bilateral bank term loans that have been hedged with interest rate swaps. The remaining 18% of the Group's borrowings are in floating rates.

In managing the interest rate profile, the Group considers the interest rate outlook, expected cash flow generated from its business operations, holding period of long-term investments and acquisition and divestment plans.

The Group makes use of interest rate derivatives for the purpose of hedging interest rate risks and managing its portfolio of fixed and floating rate borrowings from time to time. It does

not engage in trading of interest rate derivatives. The Group's total interest rate derivatives and the mark-to-market values as at 30 Sep 2022 are disclosed in the financial statement in Note 34.

GEARING AND NET INTEREST COVER

The Group aims to keep its net gearing ratio below 0.8 times of total equity and maintain a net debt to EBITDA of below 3.5 times. As at 30 Sep 2022, the Group has net gearing of 0.18 times of total equity and a net debt to EBITDA of 1.93 times. Total interest expense for the year amounted to \$26.2m. The total interest income credited to profit statement for the year was \$2.4m. The interest coverage ratio for FY2022 was at 8.9 times.

FOREIGN CURRENCY RISKS AND DERIVATIVES

The Group has exposure to foreign currency risks as a result of transactions denominated in foreign currencies arising from operational, financing and investment activities. Where exposures are certain, it is the Group's policy to hedge these risks. For those exposures that are less certain in their timing and extent, it is the Group's policy to cover 50% to 90% of anticipated exposures for a maximum period of 12 months forward. The Group uses foreign exchange forward contracts and certain currency derivatives to manage these foreign currency risks.

The Group does not engage in the trading of foreign currencies and foreign currency derivatives. The Group uses foreign currency contracts and derivatives solely for hedging actual underlying foreign currency requirements in accordance with hedging limits set by the Audit and the Board Committees under the Group Treasury Policy. These policies are reviewed regularly to ensure that the Group Treasury Policy are in line with its current needs, objectives and strategy of the businesses.

The Group's foreign currency contracts and derivatives and mark-to-market values as at 30 Sep 2022 are disclosed in the financial statement in Note 34. The Group does not hedge the foreign currency risks of its investments in overseas subsidiaries, joint venture and associated companies. Such investments are long-term in nature and therefore not feasible and economical to hedge. The Group only hedges dividends payable from its overseas subsidiaries, joint ventures and associated companies.

Enterprise-Wide Risk Management

The Board and senior management of the Group promote a strong risk management culture through having sound risk management processes and operating procedures. F&N actively monitors the business environment for risks and opportunities and puts in place strategies and measures to mitigate these risks and seize opportunities as they emerge. Within the Group, management also proactively monitors and reports on key risks, communicates openly and escalates issues in a timely manner. The objective is to safeguard the interests of shareholders, while taking into account interests of other stakeholders, to achieve long-term sustainable performance.

The Sustainability & Risk Management Committee (“SRMC”) assists the Board in overseeing the Group’s risk management framework and policies. It:

- provides strategic direction in managing sustainability-related risks and opportunities, taking into account the Group’s risk appetite and risk tolerance; and
- guides the development of risk and sustainability frameworks, policies, guidelines and initiatives to ensure that sustainability issues, including environmental, social, governance (“ESG”) related issues, are effectively managed and integrated into business operations and corporate objectives.

RISK MANAGEMENT PROCESS

F&N adopts a cohesive risk management system to manage risks in a sustainable, structured and consistent manner. F&N takes into account sustainable business practices in formulating strategies and decisions to ensure the Group remains resilient and competitive. The Group identifies risks from various sources, including ESG sources.

The system encompasses the review of vision statement, risk appetite and risk tolerance statements, strategies, risks identification, risk impact assessment, response and recovery processes using a top-down and bottom-up approach. This year, F&N formalised its position and commitment to achieve net-zero emissions (for Scope 1 and 2 Greenhouse gas emissions) by 2040.

Management has the primary responsibility for identifying and evaluating risks and material ESG factors as well as monitoring and reporting to the SRMC and Board the status and effectiveness of risks mitigation measures, sustainability practices and strategy implementation. Management conducts such reviews regularly.

The key risks of various business units and recommendations on sustainability initiatives are reviewed by the CEO of the Company and the CEOs of the Group’s strategic business divisions (“CEOs”), heads of business divisions and Sustainability Development Committee respectively and circulated to the SRMC three times a year.

The F&N Audit Committee reviews these key risks and recommendations from SRMC, and then advises the Board annually.

Each business division has a dedicated risk coordinator to conduct risk analyses with the Management. Risk coordinators compile reports for timely submission to division heads and conduct briefings on risk policies and practices. The objective is to promote a culture of risk awareness, as some risks may impact more than one department, division or subsidiary and could have financial, reputational, legal and/or operational impact on the Group.

To facilitate the reporting and monitoring of risks, F&N Group uses a web-based Corporate Risk Scorecard (“CRS”) system, a common platform which enables business units to report risks and risk status consistently and cohesively. The CRS records risks, mitigating measures, timelines for action items and risk ratings. Key risk indicators, upon which risk ratings are measured against the probability of occurrence, are also reviewed. The Group also streamlines the use of risk scorecards and upgrades the CRS system as required.

Risk appetite and risk tolerance statements, which set out the nature and extent of the significant risks that the Group is willing to accept in achieving its strategic objectives, are reviewed annually.

At the end of each financial year, the CEOs, the chief financial officers or financial controllers, and other key management personnel who are responsible for each of the Group’s business divisions, and the Director, Group Finance of the Company provide assurances to the Board, Audit Committee and SRMC on the adequacy and effectiveness of the Group’s risk management system and internal controls. These assurances for FY2022 are disclosed on Page 78 of this report.

KEY RISKS IN FINANCIAL YEAR 2022

As at 30 September 2022, the key risks have been identified and mitigation plans developed. The proportion of risks that were rated as “very significant” and “high” have been reduced substantially after taking into account the mitigating measures. The key categories of risk faced by the Group are summarised as follows.

(1) Strategic – ESG Risks Including Risks Arising from Climate Change

The Group periodically reviews its business model and strategies to ensure its continued relevance to its stakeholders. Management recognises the growing importance of ESG and climate related factors on business operations and pro-actively tracks developments in the F&B and P&P industries and reviews the effectiveness of its strategies.

(i) Rising Regulatory Enforcement

From 30 Dec 2022, drinks with high sugar or saturated fat content are required to display a Nutri-Grade label in Singapore. These colour coded nutrition labels, with descending grades ranging from A to D – from A (dark green) representing the lowest sugar and fat contents, B (light green), C (orange) and to D (red) representing the highest amount of sugar and fat contents – aim to help consumers better gauge how healthy pre-packaged beverages are at a glance. At F&N, the Group has started labelling some of its products, and is on track to fully comply with the requirements before Jan 2023. In the longer term, the Group continues to educate consumers on the effects of sugar and continues to develop healthy products.

SGX has mandated Taskforce for Climate related Financial Disclosure (“TCFD”)-aligned climate reporting for all listed entities in Singapore, prioritised based on TCFD-identified industries, beginning financial year 2023. F&N supports such initiatives and has started adapting the reporting enhancement, ahead of the SGX stipulated timeline.

(ii) Increasing Importance of ESG

F&N has put in place additional measures to strengthen the Group’s climate resilience against natural disasters, such as flooding, which may result in loss of lives and damage to properties. This included enhanced flood mitigating measures for a factory in Malaysia. Solar panels have also been installed at five factories in Malaysia and Thailand as part of the Group’s efforts to reduce energy cost and greenhouse gas emission. The Group plans to install more solar panels in 2023 at factories in Singapore and Myanmar. To further minimise our impact on the environment, the Group has also started replacing its transport fleet with electric vehicles.

We continue to find new innovative ways in waste reduction, water and energy conservation and the use of renewable energy. In our efforts to reduce carbon footprints and conserve resources, the F&B business division has launched low-carbon plant-based products and products that are certified with low carbon footprint by the Thailand Greenhouse Gas Management Organisation. Likewise for P&P, it utilises sustainable soy-based inks, as opposed to petrochemical based inks, as they are derived from biological materials with lower carbon footprint. Soybean oil is also naturally renewable. The use of these inks would indirectly reduce the carbon footprint associated with the F&N’s printing business.

F&N also aims to protect biodiversity and eliminate deforestation from our supply chain. F&N sources ingredients such as sugar, palm oil and paper from sustainably certified sources, including palm oil that is certified by the Roundtable on Sustainable Palm Oil, and paper that is Forest Stewardship Council certified, whenever possible.

F&NHB partners nine other fast moving consumer goods companies under the Malaysian Recycling Alliance to focus on improving the collection and recycling of post-consumer packaging. To reduce the environmental impact of packaging, F&N is constantly looking at alternative and sustainable packaging solutions. The effectiveness of these sustainable packaging is regularly assessed in conjunction with changing consumer preferences. To encourage recyclability and increase the circularity of packaging materials, the Group has recently launched Green Lab in our print business in Singapore as the one-stop production plant for premium eco-friendly packaging products. Green Lab’s offerings include customisable biodegradable paper bags, fully compostable plant-based alternative for plastic carrier bags, an extensive range of fully-compostable F&B packaging and cutlery supplies, eco-packaging boxes and eco-pouches, all of which are printed on environmentally friendly soy-based printing ink. F&N is exploring the switch to such sustainable packaging for its products.

Refer to F&N Sustainability Report 2022 on the Group’s sustainability initiatives.

(2) Operational - Risks Associated With Rising Input Costs

The spike in oil price arising from the Ukraine-Russia war and the COVID-19 pandemic have resulted in higher energy costs, disruptions to supply chain and inflation. Where possible, the Group hedges prices of raw materials till June 2023, maintains multiple sources of suppliers,

extends the supply of raw materials at current or lower prices, keeps higher levels of inventories and reduces office space to minimise rental. Warehousing, freight and other expenses were reviewed by all business divisions, with a view to saving costs and further enhancing economies of scale. Proactive measures such as converting, where possible, from air freight to ocean freight were taken by P&P business division to manage the cost escalation. Selective and gradual price adjustments were put in place to partially offset cost increases. Management continues to review the effectiveness of mitigating measures to protect margins.

(3) Operational - Cyber Risks

Cyber threats, such as ransomware and cyber supply chain attacks, are multiplying acutely all over the world. As F&N increases dependence on digital systems to drive business outcomes, it may encounter cyber incidents that can cripple business operations and cause monetary and reputational damages. Cybersecurity is managed by the F&N Board and senior management. To ensure resilience of network and data, risk mitigations such as classification and labelling of confidential data, vulnerability assessment, privileged access management, mandatory cybersecurity awareness training and mock phishing exercises have been implemented, and the effectiveness of said measures are reviewed regularly.

(4) Operational - Risks Arising From COVID-19 Pandemic

At the onset of the COVID-19 pandemic, the Group adopted digital measures to ensure it could continue operations and keep people connected. We have also formally instituted hybrid work arrangement across the Group. In addition to traditional channels, the F&B has stepped up its efforts to engage customers on digital and e-commerce platforms. P&P accelerated its expansion through various third-party e-commerce platforms for both retail and distribution. For its Education Publishing, P&P accelerated its blended learning model with initiatives, and launched an Educator’s Professional Development Portal with NTU aimed at providing courses and certification for teachers.

Enterprise-Wide Risk Management

(5) Strategic – Slowdown In Regional And Global Economy

The global growth for the next two years is predicted by The International Monetary Fund to slow – from 6.1% in 2021 to 3.2% in 2022 and 2.9% in 2023. This slowing growth is related to higher-than-expected inflation, the Russia-Ukraine conflict and China's economic slowdown due to the COVID-19 lockdowns. These factors have a direct impact on the Group's profitability, liquidity and cash flow position.

The Group has remained resilient through adequate control measures in place to ensure risks and its exposures are reviewed regularly and mitigated. Business plans and strategies are also reviewed regularly and measured against actual performance. The Group is also focused on proactive risk and capital management to positively position itself in the face of global uncertainty.

(6) Strategic – Merger & Acquisitions Risks

The Group has in place an investment approval process whereby a disciplined approach is taken to review key risks and opportunities presented by potential investments. As part of the approval process, all major investment opportunities are subject to due diligence and are evaluated by a cross-functional project team. This ensures that the potential investment is in line with the Group's vision, and required returns, whilst addressing underlying risk factors. F&N also reviews the performance of our investments post acquisition.

(7) Operational and Reputational – Food Safety Risks

Food safety remains a key risk to the F&B business division due to the potential reputational and financial impact on the Group.

In addition to

- (i) close monitoring of food safety issues worldwide,
- (ii) upholding the strict requirements stipulated under the various food safety standards and certifications,
- (iii) putting in place a robust process to mitigate the risk of food contamination, and
- (iv) close monitoring of the status of Key Risk Indicators which track food safety risks,

Management also shares learnings on best practices, food quality and safety issues across business units.

(8) Reputational – Social Media And Communications Risks

With growing social media influence and proliferation of applications for social networking and messaging, the spread of false and misleading information globally has increased significantly. Business divisions closely monitor this medium and periodically review the effectiveness of policies and procedures that are in place.

(9) Currency Risks

Owing to its international activities, the Group is exposed to currency risks. These financial risks occur in connection with the purchase of raw materials and equipment, and sale of products, which are transacted in different currencies. While foreign currency risks are reduced through natural hedging, the Group also hedges committed cash flows, in accordance with the Group Treasury policy. Such policy is reviewed regularly to ensure it reflects the current needs, objectives and strategy of the business.

(10) Interest Rate Risks

The Group manages its interest rate risks by maintaining a portfolio of fixed and floating rate debt. The Group has hedged most of its debt on fixed rates for the next 3 years. More information can be found on page 59 of the Capital Resources section.

(11) Operational – People Risks

People are the most important asset of the Company. The Group recognises the importance of identifying and growing its talent pool to successfully transform its business. Team building workshops and competency-based trainings are organised periodically. As a recognition of the Group's continuing efforts in improving workplace safety and health for its employees, most of its operations in Singapore have been awarded with Singapore's bizSAFE certificates. Plants have been surveyed to identify potential fire hazards and non-compliance of fire safety standards. F&N also promotes healthy work living by supporting activities such as health screenings, health and wellness talks and sponsors sports and community

events like the SGX Cares Bull Charge Charity Run and National Steps Challenge™.

All employees involved in crisis management have been trained on key aspects of crisis management, and participated in call notification exercises, walk-through/desktop exercises, mock product recalls, IT disaster recovery exercises and business continuity simulation exercises. These exercises focus primarily on safety of employees and customers, at the same time enable the organisation to remain resilient in times of crises.

(12) Country Risks

The Group recognises the importance of maintaining a consistent and cohesive ERM programme across the 11 countries where it has a presence. It continues to reinforce risk and BCP awareness throughout the Group. It also builds good rapport with local authorities and business partners to keep abreast of political, regulatory and economic developments in countries where the Group operates.

Insurance programmes are reviewed annually to consider the changing needs of the businesses and the operating environment to better mitigate losses in the event of a claim. Plant and equipment are revalued periodically to ensure adequacy of insurance coverage.

RISK CULTURE

The SRMC encourages proactive and periodic benchmarking of the Group's ERM, BCP and insurance programmes against industry best practices and standards. It considers recommendations from consultants and insurance advisers in mitigating/seizing climate related risks/opportunities, cybersecurity and terrorism risks, pandemic and epidemic to ensure that its ERM, BCP and insurance programmes remain adequate and effective.

As every member of staff has a role to play in risk management, BCP and cybersecurity, new staff are briefed on these subjects. Refresher sessions are organised when required. Following the setup of a e-learning committee and successful roll out of F&N policy e-learning programmes to entities in Singapore, the plan is to roll out the e-learning to overseas entities.

Corporate Governance

For the year ended 30 September 2022

Fraser and Neave, Limited (“**F&N**” or the “**Company**”) is fully committed to setting and upholding high standards of corporate governance and has in place a sound governance framework with well-defined corporate policies, business practices and internal controls to help F&N and its subsidiaries (the “**Group**”) maintain consistently high standards of integrity, accountability and governance in all activities undertaken by the Group. F&N complies with the principles of the Code of Corporate Governance 2018 (the “**Code**”) and is guided in its corporate governance practices by the provisions of the Code. Where there are any deviations from the provisions of the Code, appropriate explanations have been provided.

F&N pursues growth and enhancement of corporate performance and value on a sustainable basis and in so doing F&N safeguards the assets of the Group in the interest of the Company’s shareholders’ and other stakeholders.

This report is arranged according to the principles listed in the Code. Principles 1 to 5 deal with board matters, Principles 6 to 8 with remuneration matters, Principles 9 to 10 with accountability and audit, Principles 11 to 12 with shareholder rights and engagement and Principle 13 with managing stakeholder relationships. A summary of compliance with the express disclosure requirements under the provisions of the Code is set out on pages 84 to 85 of this Annual Report.

A. BOARD MATTERS

Principle 1: The Board’s Conduct of Affairs

The board of directors of the Company (the “**Board**”) oversees the business performance and affairs of the Group. The Board sets the strategic direction of the Group which includes appropriate focus on value creation, innovation, and sustainability. The Board also sets appropriate tone-from-the-top for the Group in respect of good principles of ethics, values and organisational culture and ensures proper accountability within the Group. The Board is accountable to shareholders for the long-term performance and success of the Group.

The directors of the Company (“**the Directors**”) are fiduciaries who act objectively in the best interests of the Company and hold management accountable for performance. The Board (a) reviews annual budgets, financial plans, major acquisitions and divestments, funding and investment proposals, (b) monitors the financial performance of the Group and management’s performance, (c) oversees processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance, (d) assumes responsibility for corporate governance, (e) considers sustainability issues such as environmental and social factors as part of its strategic formulation and (f) ensures compliance by the Group with relevant laws and regulations.

The Board works closely with management and the Directors have direct and independent access to key management personnel and senior management. Further details on the issues reviewed by the Board can be found in the Enterprise-Wide Risk Management Report on pages 60 and 62 of this Annual Report and the Company’s Sustainability Report 2022 which can be downloaded at <https://www.fraserandneave.com/investor-relations/corporate-sustainability>.

The Board meets regularly. During Board and board committee meetings, our Directors actively participate, discuss, deliberate and appraise matters requiring attention and decision. If required, time is set aside after scheduled Board meetings for discussions amongst our Directors without the presence of management, as this facilitates a more effective check on management.

In addition, the Lead Independent Director can call and lead meetings of the independent Directors and/or other non-executive Directors when necessary and appropriate without the presence of management to provide a forum for the frank exchange of any concerns which may be difficult to raise in management’s presence. The Lead Independent Director provides feedback to the Chairman of the Board as appropriate. Regular meetings of independent Directors were held during the year under review.

In the financial year ended 30 September 2022, (“**FY2022**”), all the Directors of the Company attended a Board Summit over two days which allowed the Directors to: (i) focus on the Group’s long-term sustainability strategy; and (ii) engage in dynamic and in-depth strategic discussions to promote deeper understanding of the Group’s business environment and operations.

During FY2022, the Board has continued to monitor the impact of the ongoing COVID-19 pandemic and has been working closely with management in reviewing business opportunities and challenges posed by the pandemic. The Board has tasked management to continue prioritising health, well-being and safety of employees in all aspects of the Group’s operations.

Corporate Governance

For the year ended 30 September 2022

A. BOARD MATTERS (cont'd)

As at 30 September 2022, the Board comprises 12 Directors, all of whom are non-executive Directors. They are:

Mr Charoen Sirivadhanabhakdi	Chairman
Khunying Wanna Sirivadhanabhakdi	Vice-Chairman
Tengku Syed Badarudin Jamalullail	
Mr Ng Tat Pun ¹	
Mr Chan Heng Wing	
Ms Suong Dao Nguyen ²	
Mr Charles Mak Ming Ying	
Dr Sujittra Sombuntham	
Mr Koh Poh Tiong	
Mr Chotiphat Bijananda	
Mr Thapana Sirivadhanabhakdi	
Mr Sithichai Chaikriangkrai	

The Board has also approved the appointment of the following Alternate Directors:

Mr Michael Chye Hin Fah	(Alternate Director to Mr Thapana Sirivadhanabhakdi)
Mr Prapakon Thongthepairot	(Alternate Director to Mr Sithichai Chaikriangkrai)

Notes:

1 As announced on 5 November 2021, Mr Ng Tat Pun was appointed as a Director with effect from 1 January 2022.

2 As announced on 25 May 2022, Ms Suong Dao Nguyen was appointed as a Director with effect from 1 June 2022.

Please refer to pages 16 to 27 of this Annual Report for key information of each Director.

Delegation of Authority

In order to efficiently provide strategic oversight of F&N, the Board delegates specific areas of responsibilities to five board committees (the "**Board Committees**") namely, the Board Executive Committee, the Audit Committee, the Nominating Committee, the Remuneration Committee and the Sustainability and Risk Management Committee.

Each Board Committee is governed by clear written terms of reference (the "**Terms of Reference**") which set out the composition, authority and duties (including reporting back to the Board), which have been approved by the Board. The determination, amendment or alteration of the Terms of Reference of any Board Committee is a matter reserved for the Board's approval.

Minutes of all Board Committee meetings are circulated to the Board so that the Directors are aware of and kept updated as to the proceedings and matters discussed during such meetings.

The Company also adopts a framework of delegated authorisations in its Manual of Authority ("**MOA**"), which is clearly communicated to management in writing. The MOA defines the procedures and levels of authorisation required for specified transactions. It sets out approval limits for operating and capital expenditure as well as acquisitions and disposals of assets and investments. The MOA authorises the Board Executive Committee ("**Board Exco**") to approve certain transactions up to specified limits, beyond which the approval of the Board needs to be obtained. Below the Board and Board Exco levels, there are appropriate delegation of authority and approval sub-limits at management level, to facilitate operational efficiency. Under the MOA, certain matters such as approval of credit facilities, approval of annual capital budget and annual operating budget are matters specifically reserved for the approval of the Board. Board approval is also required for material transactions, such as major acquisitions, divestments, funding and investment proposals.

A. BOARD MATTERS (cont'd)

Conflicts of Interest

To address and manage possible conflicts of interest that may arise between Directors' interests and those of the Group, the Company has put in place appropriate procedures which apply in addition to the Directors' obligation to comply with disclosure obligations under the Company's Constitution and the Companies Act (Chapter 50) (the "**Companies Act**"). Directors are required to promptly declare any conflict of interest at a meeting of the Directors or by written notification to the company secretary (the "**Company Secretary**") and they are required to take such action as is necessary to effectively resolve the conflict (for instance recusing themselves by refraining from participating in meetings or discussions (or relevant segments thereof) and by abstaining from voting, on any matter in which they are interested or conflicted).

Board Executive Committee

The Board Exco assists the Board in formulating strategic development initiatives, provides direction for new investments and material financial and non-financial matters to ensure that the Group achieves its desired performance objectives and enhances long-term shareholder value. It assists the Board in enhancing its business strategies and contributes towards the strengthening of core competencies of the Group. The Board Exco reviews and approves corporate decisions, such as capital investments, and acquisitions, investments and divestments (other than those which are material to the Company requiring Board approval). The Board Exco also reviews and approves succession plans in respect of senior management of the Company and oversees the Company's and the Group's conduct of business and corporate governance structure.

The Board Exco is made up of the following members:

Mr Koh Poh Tiong	Chairman
Mr Thapana Sirivadhanabhakdi	Vice-Chairman
Mr Sithichai Chaikriangkrai	Member
Mr Michael Chye Hin Fah	Member
Mr Prapakon Thongtheppairot	Member

The activities and responsibilities of the other Board Committees are described in the following sections of this report.

Meetings of the Board and Board Committees

The Board and its various Board Committees meet regularly, and also as required by business needs or if their members deem it necessary or appropriate to do so. Directors attend and actively participate in Board and Board Committee meetings. For the financial year ended 30 September 2022, the Board met five times. A table showing the attendance record of the directors at meetings of the Board and Board Committees as well as at the general meeting of shareholders during the financial year ended 30 September 2022 is set out on page 66 of this Annual Report.

The Directors are also given direct access to the management team of the Group's business divisions¹ through presentations at Board and Board Committee meetings. Where required or requested by Board members, site visits and meetings with personnel from the Group's business divisions are also arranged in order for Directors to have an intimate understanding of the key business operations of each division. The Company's Constitution provides for Board members who are unable to attend physical meetings to participate through telephone conference, video conference or any other forms of electronic or instantaneous communication facilities.

Note:

¹ The Group's business divisions are as follows: Food & Beverage (Non-Alcoholic Beverages), Food & Beverage (Beer) and Publishing & Printing.

Corporate Governance

For the year ended 30 September 2022

A. BOARD MATTERS (cont'd)

The number of Board meetings, Board Committee meetings and general meetings of shareholders held in the financial year ended 30 September 2022 and the attendance of Directors at these meetings are as follows:

	Board	Board Exco	Audit Committee	Sustainability and Risk Management Committee	Remuneration Committee	Nominating Committee	General Meetings
Meetings held for the financial year ended 30 September 2022	5	5	5	3	2	3	1
Mr Charoen Sirivadhanabhakdi	5/5	-	-	-	-	-	1/1
Khunying Wanna Sirivadhanabhakdi	4/5	-	-	-	-	-	1/1
Tengku Syed Badarudin Jamalullail	5/5	-	-	-	-	3/3	1/1
Mr Ng Tat Pun ¹	4/5	-	4/5	-	-	-	1/1
Mr Chan Heng Wing ²	5/5	-	2/5	-	-	-	1/1
Ms Suong Dao Nguyen ³	1/5	-	-	-	-	-	-
Mr Charles Mak Ming Ying	5/5	-	-	-	-	-	1/1
Dr Sujittra Sombuntham	5/5	-	-	-	-	-	1/1
Mr Koh Poh Tiong	5/5	5/5	-	3/3	-	-	1/1
Mr Timothy Chia Chee Ming ⁴	1/5	-	1/5	-	2/2	-	-
Mrs Siripen Sitasuwan ⁵	4/5	-	3/5	-	2/2	3/3	1/1
Mr Chotiphat Bijananda	5/5	-	-	-	-	-	1/1
Mr Thapana Sirivadhanabhakdi	5/5	5/5	-	3/3	2/2	3/3	1/1
Mr Sithichai Chaikriangkrai	5/5	5/5	5/5	3/3	-	-	1/1
Mr Michael Chye Hin Fah (Alternate Director)	-	5/5	-	3/3	-	-	1/1
Mr Prapakon Thongtheppairot (Alternate Director)	-	5/5	-	3/3	-	-	1/1

Notes:

- Mr Ng Tat Pun was appointed as a Director with effect from 1 January 2022. On this date, Mr Ng was also appointed as a Member of the Audit Committee. Mr Ng was subsequently appointed as the Chairman of the Audit Committee and a Member of the Remuneration Committee with effect from 1 June 2022. His attendance at these Board Committee meetings excludes meetings held before his appointment to the Audit Committee on 1 January 2022 and before his appointment to the Remuneration Committee on 1 June 2022 respectively.
- Mr Chan Heng Wing was appointed as the Chairman of the Remuneration Committee with effect from 1 January 2022. Mr Chan was also appointed as a Member of the Audit Committee with effect from 1 June 2022. His attendance at these Board Committee meetings excludes meetings held before his appointment to the Remuneration Committee on 1 January 2022 and before his appointment to the Audit Committee on 1 June 2022 respectively.
- Ms Suong Dao Nguyen was appointed as a Director with effect from 1 June 2022. On this date, Ms Suong was also appointed as a Member of the Nominating Committee and her attendance at Nominating Committee meetings excludes meetings held before her appointment on 1 June 2022.
- Mr Timothy Chia Chee Ming ceased to be a Director at the end of 31 December 2021.
- Mrs Siripen Sitasuwan ceased to be a Director at the end of 30 May 2022.

Orientation and Training for Directors

The Nominating Committee ("NC") reviews and makes recommendations to the Board on matters relating to the training and professional development programmes for the Board and its Directors. The NC also has overall oversight to ensure that new Directors understand the Group's business and are aware of their duties and obligations. Upon appointment, each new Director is issued a formal letter of appointment setting out his or her roles, duties and obligations as a Director of the Company, including their responsibilities as fiduciaries and how to deal with conflicts of interest that may arise. A comprehensive orientation programme is also conducted by the Chief Executive Officers of the Group's strategic business divisions and senior management to familiarise new appointees with the business activities, strategic directions, policies and corporate governance practices of the Group as well as their statutory and other duties and responsibilities as Directors. This programme allows new Directors to get acquainted with the Chief Executive Officers of the Group's strategic business divisions and senior management, and also facilitates and fosters better rapport and communication with management. Unless the NC is of the view that training is not required because a Director has other relevant experience, any new Director appointed to the Board, who has no prior experience as a director of an issuer listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"), must undergo mandatory training in his or her roles and responsibilities as prescribed by the SGX-ST.

A. BOARD MATTERS (cont'd)

Our Directors are regularly updated on the Group's businesses and the regulatory and industry-specific environments in which the entities of the Group operate. Updates on relevant legal, regulatory and technical developments and good corporate governance may be in writing or disseminated by way of briefings, presentations and/or handouts. The Board is also regularly updated on the latest key changes to any applicable legislation and changes to the SGX-ST Listing Rules ("**Listing Rules**") as well as developments in accounting principles and financial reporting standards, by way of briefings held by the Company's lawyers and auditors. During FY2022, the Directors attended a briefing on updates to the SGX-ST Listing Manual conducted by the Company's lawyers and were also kept updated on sustainability and ESG matters. To ensure that Directors have the opportunities to develop their skills and knowledge and to continually improve performance of the Board, all Directors are encouraged by the Company to undergo continual professional development at the Company's expense, during the term of their appointment. Our Directors are also encouraged to be members of the Singapore Institute of Directors ("**SID**") and to receive updates and training from SID in order to stay abreast of relevant developments in financial, legal and regulatory requirements.

Access to Information

The Company recognises the importance of providing the Board with complete, accurate and relevant information on a timely basis. This is to give the Board and Board Committees sufficient time to critically evaluate and consider issues relevant to the Company and its businesses and operations. This also allows our Directors to effectively carry out their duties and discharge their oversight function. In particular, management provides the Board with detailed Board papers specifying relevant information and commercial rationale for each proposal for which Board approval is sought. Such information includes relevant financial statements, management accounts, financial forecasts, risk analyses and assessments, mitigation strategies, feasibility studies and key commercial issues for the Board's attention and consideration. Reports on major operational matters, business development activities, financial performance, potential investment opportunities and budgets are also circulated to the Board.

During the course of the year under review, the Company continued to closely monitor developments on the COVID-19 situation within the Group and each of the business divisions and the crisis management steering committee coordinated the escalation of information regarding any impact and recovery measures to the Board.

A calendar of activities is scheduled for the Board a year in advance. The Company recognises that information should be supplied to the Board in a timely manner and as far as possible, Board papers and agenda items are dispatched to the Directors about a week before scheduled meetings. This is to give Directors sufficient time to review and consider the matters being tabled and/or discussed so that discussions can be more meaningful and productive. Senior management is requested to attend meetings of the Board and the Board Committees in order to provide input and insight into matters being discussed, and to respond to any queries that the Directors may have.

The Board also has separate and independent access to the Company's management and the Company Secretary.

The Company Secretary, who is legally trained and familiar with company secretarial practices, is responsible for, among other things, ensuring that Board procedures, the Company's Constitution and relevant rules and regulations, including requirements of the Securities and Futures Act (Chapter 289) (the "**SFA**"), Companies Act and Listing Rules are complied with. The Company Secretary attends all Board meetings and provides advice and guidance on relevant rules and regulations and corporate governance practices and processes.

The Company Secretary also facilitates and acts as a channel of communication to ensure good information flow within the Board and its various Board Committees, as well as between and with senior management. In addition, the Company Secretary solicits and consolidates Directors' feedback and evaluations from time to time, and arranges for and facilitates orientation programmes for new Directors and assists with their professional development as required. The Company Secretary is the Company's primary channel of communication with SGX-ST.

The appointment and removal of the Company Secretary is subject to the approval of the Board. Where it is necessary for the efficacious discharge of their duties, the Directors may seek and obtain independent professional advice at the Company's expense.

Corporate Governance

For the year ended 30 September 2022

A. BOARD MATTERS (cont'd)

Principle 2: Board Composition and Guidance

The Board and Board Committees are of an appropriate size and possess an appropriate balance and mix of skills, experience and knowledge. The Board is diversified in terms of age, gender and nationality. The Board comprises highly qualified and effective members who are responsible for providing overall entrepreneurial leadership and setting strategic objectives for the long-term success of the Group.

Provision 2.2 of the Code provides that independent directors should make up a majority of the Board where the Chairman of the Board is not independent. As at 30 September 2022, the F&N Board, which is chaired by a non-independent Chairman, comprises 12 non-executive Directors, of whom six (i.e. half) are independent. The Company continues to work towards compliance with Provision 2.2 of the Code. In the meantime, in compliance with Principle 2 of the Code, the Board has an appropriate level of independence and diversity of thought which is appropriate for the nature and scope of the Group's current operations. It is in the interest of the Group to preserve this balance and mix of skills, experience and knowledge offered by the current Board. The Board is already entirely made up of non-executive Directors, which serves to reinforce management accountability. This is adequate to ensure that there is an appropriate balance or power within the Board even though independent Directors do not make up a majority. In addition, each of the NC, Remuneration Committee and Audit Committee comprises a majority of and are chaired by independent Directors. The Company also has a Lead Independent Director who can address shareholders where they have concerns for which contact through the Chairman is inappropriate. Matters requiring the Board's approval are discussed robustly with participation from each member of the Board and decisions are made collectively without any individual or select group of individuals dominating the decision-making process. Directors are required to take the necessary actions to resolve any conflict of interest they might have, including recusing themselves from meetings or discussions or abstaining from voting on matters in which they are interested or conflicted. In view of the foregoing, the NC and the Board are of the view that the Board has an appropriate level of independence through the collective weight of the current independent Directors on the Board and on the Board Committees, and that the Board procedures and codes of conduct which are already in place are sufficient, to ensure that the Board makes decisions in the best interests of the Company, which is in line with the intent of Principle 2 of the Code.

Based on the declarations of independence which are submitted by the Directors annually and reviewed by the NC, none of the independent Directors has any relationship with the Company, its related corporations¹, its substantial shareholders² or the officers of the Company that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement in the best interests of the Company. In particular, none of the independent Directors is or has been employed by the Company or any of its related corporations in the current or any of the past three financial years or has an immediate family³ member who is employed or has been employed by the Company or any of its related corporations in the current or any of the past three financial years, and whose remuneration is or was determined by the Remuneration Committee of the Company.

The six independent Directors on the F&N Board help to uphold good corporate governance at the Board level and their presence facilitates the exercise of objective independent judgment on corporate affairs. Their participation and input also serves to ensure that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined, always taking into account the long-term interests of F&N and its shareholders. As at 30 September 2022, none of the independent Directors have served on the Board for more than nine years continuously.

Notes:

- 1 The Code states that "**related corporation**" in relation to a company shall have the same meaning as currently defined under the Companies Act i.e. a corporation that is the company's holding company, subsidiary or fellow subsidiary.
- 2 Under the Code, the term "**substantial shareholder**" refers to a shareholder who has an interest or interests in one or more voting shares (excluding treasury shares) in the company and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all voting shares (excluding treasury shares) in the company, in line with the definition set out in section 2 of the SFA.
- 3 Under the Listing Rules, the term "**immediate family**" refers to the person's spouse, child, adopted child, step-child, sibling and parent.

The NC undertakes an annual review of the size and composition of the Board and Board Committees to ensure alignment with the needs of the Group. The NC is of the view that the current size and composition of the F&N Board helps avoid groupthink, foster constructive debate, facilitates effective decision-making and is appropriate for the scope and nature of the Group's operations. Taking into account the requirements of the Group's businesses and the need to avoid undue disruptions from changes to the Board and Board Committees, the NC is of the view that the current size of the Board is not so large as to be unwieldy or as to interfere with efficient decision-making. No individual or group dominates the Board's decision-making process. The NC is of the view that there is an appropriate balance of expertise and skills amongst the Directors as they collectively bring with them a broad range of complementary competencies and experience.

A. BOARD MATTERS (cont'd)

The Company has a Board Diversity Policy which sets out the approach which the Company takes towards diversity on its Board. The Board Diversity Policy recognises that a diverse Board would be beneficial to the Company as it would allow for the harnessing of a variety of skills, industry and business experiences, gender, age, ethnicity, cultural, educational and geographical background and other distinguishing qualities of members of the Board. The NC will monitor and implement the Board Diversity Policy and will take the principles of the policy into consideration when determining the optimal composition of the Board, and when recommending any proposed changes to the Board. The policy also provides that the NC will review and assess the structure and composition of the Board and recommend to the Board such adjustments as it may deem necessary in order to complement the Company's objective and strategies. For the Board composition changes during the financial year ended 30 September 2022, the Company was committed to implementing the Board Diversity Policy and the Board was of the view that the new appointments provide further diversity to the core competencies and skill set of the Board. The current Board composition reflects the Company's commitment to Board diversity, especially in terms of female representation (25%), geographical background and experience (Singapore, Thailand, Malaysia and Vietnam) and diverse age range (47 to 79 years).

The Board views diversity at the Board level as an essential element for driving value in decision-making and proactively seeks as part of its diversity policy to maintain an appropriate balance of expertise, skills and attributes among the Directors. This is reflected in the diversity of backgrounds and competencies of our Directors, whose competencies range from banking, finance, legal and accounting to relevant industry knowledge, entrepreneurial and management experience, and familiarity with regulatory requirements and risk management. This is beneficial to the Company and its management as decisions by, and discussions with, the Board are enriched by the broad range of views and perspectives and the breadth of experience of our Directors.

Principle 3: Chairman and Chief Executive Officer

The Chairman of Board ("**the Chairman**") and the CEO of the Company are separate persons, each carrying out their respective roles as Chairman and CEO of the Company, in alignment with the principle for a clear division of responsibilities and an appropriate balance of power and authority, increased accountability, and greater capacity of the Board for independent decision making. The Chairman, who is non-executive, is not related to the CEO of the Company or to any of the CEOs of the Group's strategic business divisions ("**CEOs**"). There is no business relationship between him and any of these CEOs. Likewise, none of the CEOs are related to each other, and neither is there any other business relationship between or among them. The division of responsibilities between the Chairman and the CEOs is clearly set out in writing. Having clarity of their respective responsibilities and separating the respective roles avoids concentration of power, ensures a degree of checks and balances, increases accountability and ensures greater capacity of the Board for independent decision making.

The Chairman leads the Board and ensures its effectiveness by, among other things, steering effective, productive and comprehensive discussions amongst Board members and the management team on strategic, business and other key issues pertinent to the businesses and operations of the Group. In addition, the Chairman promotes a culture of openness and debate at Board meetings and also ensures, with the support of the Company Secretary, that Directors are provided with clear, complete and timely information to enable them to make sound, informed decisions.

The Chairman encourages active and effective engagement, participation and contribution from all Directors, and facilitates constructive relations among and between them and management. With the full support of the Board, the Company Secretary and management, the Chairman facilitates and encourages the Company in its bid to promote and maintain high standards of corporate governance and transparency. The Chairman also sees to it that there is overall effective communication to and with shareholders on the performance of the Group. In turn, the CEO of the Company provides strategic leadership to, and management of the Group, to ensure that the mission, vision and core values of the Company are put into practice and executed in an effective, focused and sustainable manner. The CEO of the Company leads management and the Group's strategic business divisions and works together with the Board to formulate and execute the Group's strategies, plans and processes. The CEO of the Company is accountable to the Board for the conduct and performance of the Group's business operations.

Lead Independent Director

Tengku Syed Badarudin Jamalullail, Chairman of the NC, was appointed as Lead Independent Director on 7 May 2015. As the Lead Independent Director, he serves in a lead capacity to coordinate the activities of the independent Directors when necessary and especially where the Chairman is conflicted. The Lead Independent Director is available to address shareholders where they have concerns for which contact through normal channels such as the Chairman or the CEOs is inappropriate or inadequate.

Corporate Governance

For the year ended 30 September 2022

A. BOARD MATTERS (cont'd)

Principle 4: Board Membership

Nominating Committee

The Nominating Committee is made up of the following Directors:

Tengku Syed Badarudin Jamalullail	Chairman
Ms Suong Dao Nguyen ¹	Member
Mr Thapana Sirivadhanabhakdi	Member

Note:

¹ As announced on 25 May 2022, Ms Suong Dao Nguyen was appointed as a Member of the NC with effect from 1 June 2022.

A majority of the members of this Board Committee, including its Chairman, are independent and non-executive Directors. The Lead Independent Director, Tengku Syed Badarudin Jamalullail is the Chairman of the NC.

The NC is guided by written Terms of Reference, which are approved by the Board. The Terms of Reference clearly set out the authority and duties of the NC. The responsibilities of the NC include reviewing the structure, size, composition and independence of the Board and its Board Committees. The NC also identifies the balance of skills, qualification, experience and diversity required for the Board to discharge its responsibilities effectively and nominates candidates to meet the needs and requirements of the Group. Apart from the foregoing, the NC also reviews and makes recommendations to the Board on the succession plans for the Directors, the Board Chairman and the key management personnel (including the CEOs).

Independence

The NC determines the independence of each Director annually and as and when circumstances require, based on the definitions set out in the Listing Rules and the guidelines of independence set out in the Code and its accompanying Practice Guidance. The NC provides its views to the Board for the Board's consideration.

Directors are expected to disclose any relationships with the Company, its related corporations, its substantial shareholders or its officers which may affect their independence, as and when they arise. In particular, the independent Directors complete an independence declaration form each year which is then reviewed by the NC.

Based on the declarations of independence of the Directors and having regard to the circumstances set forth in Rule 210(5) (d) of the SGX-ST Listing Manual, Provision 2.1 of the Code and the accompanying Practice Guidance and based on the review and recommendations of the NC, the Board has, for the financial year ended 30 September 2022, determined the status of each Director as follows:

Mr Charoen Sirivadhanabhakdi ¹	Non-Independent
Khunying Wanna Sirivadhanabhakdi ¹	Non-Independent
Tengku Syed Badarudin Jamalullail	Independent
Mr Ng Tat Pun	Independent
Mr Chan Heng Wing	Independent
Ms Suong Dao Nguyen	Independent
Mr Charles Mak Ming Ying	Independent
Dr Sujittra Sombuntham	Independent
Mr Koh Poh Tiong ²	Non-Independent
Mr Chotiphath Bijananda ³	Non-Independent
Mr Thapana Sirivadhanabhakdi ⁴	Non-Independent
Mr Sithichai Chaikriangkrai ⁵	Non-Independent

Notes:

- Each of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi are directly or indirectly interested in not less than five percent (5%) of the total voting shares in the Company through their interests in TCC Assets Limited ("**TCCA**") and ThaiBev. As at 30 September 2022, TCCA has a direct interest of 59.03% in the Company and ThaiBev, through its indirect wholly-owned subsidiary InterBev Investment Limited, holds a 28.37% interest in the Company. Mr Charoen Sirivadhanabhakdi is married to Khunying Wanna Sirivadhanabhakdi.
- Mr Koh Poh Tiong is also an adviser to the Board and has received compensation for provision of services other than Director's fees.
- Mr Chotiphath Bijananda is the son-in-law of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi and is a director of TCCA.
- Mr Thapana Sirivadhanabhakdi being a son of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is an immediate family member of a substantial shareholder of the Company.
- Mr Sithichai Chaikriangkrai is a Director and Senior Executive Vice-President - Chief Investment Officer of ThaiBev.

A. BOARD MATTERS (cont'd)

Process and Criteria for Appointment of New Directors and Re-Appointment of Existing Directors

The NC also takes the lead in identifying, evaluating and selecting suitable candidates for appointment as Directors. In its search and selection process, the NC considers factors such as the ability of the prospective candidate to contribute to discussions, deliberations and activities of the Board and Board Committees. It also reviews the composition of the Board, including the mix of expertise, skills and attributes of existing Directors, so as to identify needed and/or desired competencies to supplement the Board's existing attributes. Where it deems necessary or appropriate, the NC may tap on its networking contacts and/or engage external professional headhunters to assist with identifying and shortlisting candidates. The NC will also take into consideration whether a candidate had previously served on the board of companies with adverse track records or a history of irregularities and assess whether a candidate's resignation from the board of any such company would cast any doubt on his ability to act as a Director of the Company.

The NC reviews all nominations for appointments and re-appointments to the Board and to Board Committees (including Alternate Directors), and submits its recommendations for approval by the Board, taking into account, among other things, the succession plans for Directors, whether Directors (including those who hold multiple board representations and other principal commitments) are able to and have been contributing and devoting sufficient time to discharge their responsibilities adequately and identifying the balance of skills, knowledge and experience required for the Board to discharge its responsibilities effectively.

The process for the selection, appointment and re-appointment of Directors also takes into account the composition and progressive renewal of the Board and Board Committees.

The Company's Constitution provides that at least one-third of its Directors shall retire from office and are subject to re-election at every Annual General Meeting of the Company ("**AGM**"). All Directors are required to retire from office at least once every three years. The NC will assess and evaluate whether Directors retiring at each AGM are properly qualified for re-appointment by virtue of their skills, experience and contributions. Newly appointed Directors during the year must also submit themselves for retirement and re-election at the next AGM immediately following their appointment. The shareholders approve the appointment or re-appointment of Board members at the AGM.

Where Directors step down from the Board, cessation announcements providing detailed reason(s) for the cessation are released on SGXNet in compliance with the requirements of the SGX-ST Listing Manual.

Review of Director's Time Commitments

The NC also appraises the performance of the Board as a whole, and the contribution of each Director to the effectiveness of the Board. The NC determines annually whether Directors who hold multiple board representations and other principal commitments are able to and have been devoting sufficient time and attention to carry out their duties and discharge their responsibilities adequately. Details of other directorships (including listed company directorships) and other principal commitments of each of the Directors may be found on pages 16 to 27 of this Annual Report.

Instead of prescribing a maximum number of directorships and/or other principal commitments that each Director may have, the NC adopts a holistic assessment of each Director's individual capacity and circumstances to carry out his or her duties, taking into consideration not only the number of other board and principal commitments held by each Director, but also the nature and complexity of such commitments.

In determining whether each Director is able to devote sufficient time to discharge his or her duties as a director of the Company, the NC considers the attendance and contributions by each Director to and during meetings of the Board and relevant Board Committees and their personal capabilities are holistically assessed and taken into account. Having regard to each Director's attendance record and degree of participation at Board and Board Committee meetings during the year, the NC is of the view that all the Directors were able to effectively discharge their duties to the Company by being able to participate in meetings, devote sufficient time and attention to the affairs of the Company and adequately discharge their duties. The NC is therefore satisfied that during the year, where a Director had a significant number of other company board representations and/or other principal commitments, the Director nevertheless was able to effectively carry out and had been adequately carrying out his or her duties as a Director of the Company.

Alternate Directors

The Board currently has two Alternate Directors, namely Mr Michael Chye Hin Fah who is the Alternate Director to Mr Thapana Sirivadhanabhakdi and Mr Prapakon Thongtheppairot who is the Alternate Director to Mr Sithichai Chaikriangkrai. Mr Michael Chye Hin Fah and Mr Prapakon Thongtheppairot are familiar with the affairs of the Company. The Board has considered the expertise, business and financial backgrounds of Mr Michael Chye Hin Fah and Mr Prapakon Thongtheppairot and is satisfied that they are both appropriately qualified to serve as Alternate Directors.

Key Information regarding Directors

Key information on the Directors is set out on pages 16 to 27 of this Annual Report.

Corporate Governance

For the year ended 30 September 2022

A. BOARD MATTERS (cont'd)

Principle 5: Board Performance

The Board, with the assistance of the NC, has approved the objective performance criteria and implemented a formal process for annual assessment of the effectiveness of the Board as a whole and its Board Committees and the contribution by each Director to the effectiveness of the Board.

Each Director is required to complete a Board evaluation questionnaire, a Board Committee evaluation questionnaire and an individual Director self-evaluation questionnaire (“**the Questionnaires**”). The Questionnaires have been designed to provide an evaluation of the current effectiveness of the Board and to support the Chairman and the Board in proactively considering what can enhance the readiness of the Board to address emerging strategic priorities of the Group as a whole.

The objective performance criteria covered in the Board evaluation exercise relate to the following key segments: (i) Board composition (balance of skills, experience, independence, knowledge of the Company and diversity); (ii) management of information flow; (iii) Board processes (including Board practices and conduct); (iv) Board’s consideration of sustainability and its underlying Environmental, Social and Governance factors; (v) Board strategy and priorities; (vi) Board’s value add to strategy and management of the performance of the Company; (vii) development and succession planning of executives (viii) development and training of Directors; (ix) oversight of risk management and internal controls; and (x) the effectiveness of the Board Committees. Directors can also provide input on issues which do not fall under these categories, for instance, addressing specific areas where improvements can be made.

The individual Director self-evaluation questionnaire aims to assess whether each Director is able to contribute effectively to the Board and demonstrate commitment to his or her roles on the Board and Board Committees (if any).

Feedback and comments received from the Directors are reviewed by the NC.

Based on the NC’s review, the Board and the various Board Committees operate effectively and each Director is able to fulfil his or her roles in contributing to the overall effectiveness of the Board.

B. REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

Remuneration Committee (“RC”)

The RC is made up of non-executive Directors, the majority of whom, including its Chairman, are independent Directors. The RC comprises the following members:

Mr Chan Heng Wing ¹	Chairman
Mr Ng Tat Pun ²	Member
Mr Thapana Sirivadhanabhakdi	Member

Notes:

- As announced on 5 November 2021, Mr Chan Heng Wing was appointed as the Chairman of the RC with effect from 1 January 2022.
- As announced on 25 May 2022, Mr Ng Tat Pun was appointed as a Member of the RC with effect from 1 June 2022.

The RC is guided by written Terms of Reference, which are approved by the Board. The Terms of Reference clearly set out the authority and duties of the RC. The RC’s main responsibility is to assist the Board in establishing a formal and transparent process for developing policies on executive remuneration and for fixing the remuneration packages of individual directors and key management personnel. The RC reviews and recommends to the Board, remuneration packages and service terms of individual Directors and each of the CEOs. When carrying out its duties, the RC also reviews and makes recommendations, for endorsement by the Board, on the remuneration framework which covers all other aspects of remuneration including salaries, allowances, performance bonuses, grant of share awards and incentives. In discharging its responsibilities, the RC considers all aspects of remuneration and performs benchmarking against comparable market data, to ensure that all aspects of remuneration (including termination terms) are fair and competitive.

Remuneration Action Framework

The RC reviews on an annual basis, the level and mix of remuneration and benefits policies and practices of the Company, including long-term incentives. When conducting such reviews, the RC takes into account the performance of the Company and employees. It also reviews and approves the framework for salary reviews, performance bonus and incentives for key management of the Group.

B. REMUNERATION MATTERS (cont'd)

The RC also aligns the CEOs' leadership, through appropriate remuneration and benefits policies and long-term incentives, with the Company's strategic objectives and key challenges. Performance targets are also set for the CEOs and their performances evaluated yearly.

The RC may from time to time, and where necessary or required, engage external consultants in framing the remuneration policy and determining the level and mix of remuneration for Directors and management. Among other things, this helps the Company to stay competitive in its remuneration packages. During the financial year ended 30 September 2022, Korn Ferry Hay Group Pte Ltd was appointed as remuneration consultant. The Company does not have any relationship with Korn Ferry Hay Group Pte Ltd which would affect its independence and objectivity.

Principle 7: Level and Mix of Remuneration

In recommending the level and mix of remuneration, the RC seeks to build, motivate and retain Directors to provide good stewardship of the Company and for key management to successfully manage the Company for the long term. It ensures that competitive remuneration policies and practices are in place to draw and motivate high-performing executives so as to drive the Group's businesses to greater growth, efficiency and profitability. In its deliberation, the RC also takes into consideration industry practices and benchmarks against relevant industry players to ensure that its remuneration and employment conditions are competitive.

The Company's compensation framework comprises fixed remuneration, annual variable bonuses and long-term incentives. Annual variable bonuses are linked to achievement of financial and non-financial key performance indicators. The Company also uses indicators such as core values, key performance indicators, performance rating, and potential of the employees (including key management) to link a significant and appropriate proportion of remuneration to corporate and individual performance. Long-term incentive plans are in place and are conditional upon pre-determined performance targets being met. The long-term incentive plans serve to motivate and reward employees and align their interests with those of shareholders and other stakeholders, as well as to maximise long-term shareholder value.

Long-Term Incentive Plans

The RC administers the Company's share-based remuneration incentive plans. The F&N Restricted Share Plan ("**RSP**") and the F&N Performance Share Plan ("**PSP**") were adopted at an extraordinary general meeting of the Company held on 22 January 2009. Both the RSP and the PSP had a duration of 10 years commencing from the date of adoption on 22 January 2009 and both expired on 21 January 2019. The expiry of the RSP and the PSP on 21 January 2019 does not affect awards granted prior to expiry of these share plans and which are pending final release. As of FY2022, all pending awards under the PSP have been released. The final award under the RSP which is pending release, is expected to be released by December 2022.

At the Annual General Meeting of the Company held on 29 January 2019, the Company adopted a new F&N Restricted Share Plan 2019 ("**RSP 2019**") to replace the RSP and the PSP.

The RSP, PSP and the RSP 2019 (collectively, the "**Share Plans**") seek to foster a greater ownership culture within the Group by aligning more directly the interests of key senior management and senior executives with the interest of shareholders, and for such employees to participate and share in the Group's long-term growth and success.

The primary objectives of the Share Plans are to increase the Company's flexibility and effectiveness in its continuing efforts to attract, motivate and retain talented senior executives and to reward these executives for the performance of the Company.

Under the Share Plans, the Company grants share-based awards ("**Base Awards**") which are conditional upon pre-determined performance targets being met. These targets are set by the RC in its absolute discretion for the performance conditions to be met over the performance period. The first grant of Base Awards under the RSP 2019 was made on 28 August 2020. The performance periods for the RSP and the PSP are two and three years respectively. For the RSP 2019, the performance period is one year.

The pre-set targets under the RSP and RSP 2019 were the achievement of Net Revenue, Profit Before Interest and Tax, Attributable Profit Before Fair Value Adjustment and Exceptional Items and/or Return On Capital Employed. For the PSP, the pre-set targets were based on Return On Invested Capital, Total Shareholders' Return Relative to Straits Times Index and Absolute Total Shareholders' Return as a multiple of Cost of Equity.

The Base Awards under the Share Plans represent the right to receive fully paid ordinary shares, their equivalent cash value or a combination thereof free of charge, provided certain prescribed performance and service conditions are met. The final number of shares to be released will depend on the achievement of the pre-determined targets at the end of the relevant performance periods. If the pre-determined targets are exceeded, more shares than the Base Awards can be delivered, subject to a maximum percentage of the Base Awards.

Corporate Governance

For the year ended 30 September 2022

B. REMUNERATION MATTERS (cont'd)

The aggregate number of new ordinary shares allotted and issued and/or to be allotted and issued, when aggregated with existing ordinary shares (including shares held in treasury) delivered and/or to be delivered, (i) pursuant to the RSP and the PSP, shall not exceed 10% of the total number of issued ordinary shares of the Company (excluding treasury shares) and (ii) pursuant to the RSP 2019 shall not exceed 8% of the total number of issued ordinary shares of the Company (excluding treasury shares and subsidiary holdings) from time to time. Although the 8% limit under the RSP 2019 is lower than the 10% limit under the RSP and the PSP, the Company is of the view that an 8% limit will be sufficient to achieve the primary objectives of the RSP 2019.

The RC currently does not intend, in any given year, to grant awards under the RSP 2019 which would comprise more than 0.8% of the total number of issued ordinary shares from time to time (the "Yearly Limit"). However, if the Yearly Limit is not fully utilised in any given year, the balance of the unutilised Yearly Limit may be used by the Company to make grants of awards in subsequent years.

Principle 8: Disclosure on Remuneration

Remuneration of Directors and Key Management Personnel

Information on the remuneration of Directors of the Company for FY2022 is set out below:

Directors of the Company as at 30 September 2022	Remuneration \$	Director Fee %	Adviser Fee %	Allowances %	Total %
Mr Charoen Sirivadhanabhakdi	- ¹	-	-	-	-
Khunying Wanna Sirivadhanabhakdi	- ¹	-	-	-	-
Tengku Syed Badarudin Jamalullail	136,000 ²	100.0	-	-	100.0
Mr Ng Tat Pun	98,333 ³	100.0	-	-	100.0
Mr Chan Heng Wing	112,833 ⁴	100.0	-	-	100.0
Ms Suong Dao Nguyen	31,000 ⁵	100.0	-	-	100.0
Mr Charles Mak Ming Ying	80,000	100.0	-	-	100.0
Dr Sujittra Sombuntham	80,000	100.0	-	-	100.0
Mr Koh Poh Tiong	2,068,841 ^{6,7}	8.4	88.3	3.3	100.0
Mr Timothy Chia Chee Ming	38,500	100.0	-	-	100.0
Mrs Siripen Sitasuwan	117,917	100.0	-	-	100.0
Mr Chotiphat Bijananda	80,000	100.0	-	-	100.0
Mr Thapana Sirivadhanabhakdi	162,000 ⁷	100.0	-	-	100.0
Mr Sithichai Chaikriangkrai	156,000	100.0	-	-	100.0
Mr Michael Chye Hin Fah (Alternate Director)	47,000	100.0	-	-	100.0
Mr Prapakon Thongtheppairot (Alternate Director)	47,000	100.0	-	-	100.0

Notes:

- Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi waived payment of Directors' fees due to them.
- Includes the payment of \$20,000 being the basic fee for serving as the Lead Independent Director.
- Mr Ng Tat Pun was appointed as a Director with effect from 1 January 2022. On this date, Mr Ng was also appointed as a Member of the Audit Committee. Mr Ng was subsequently appointed as the Chairman of the Audit Committee and a Member of the Remuneration Committee with effect from 1 June 2022.
- Mr Chan Heng Wing was appointed as the Chairman of the Remuneration Committee with effect from 1 January 2022. Mr Chan was also appointed as a Member of the Audit Committee with effect from 1 June 2022.
- Ms Suong Dao Nguyen was appointed as a Director with effect from 1 June 2022. On this date, Ms Suong was also appointed as a Member of the Nominating Committee.
- Includes payment of \$1,826,000 being fees for services provided as adviser to the Board, and \$68,841 being car allowance paid pursuant to this appointment.
- The Directors, who are also directors of Times Publishing Limited ("TPL"), have agreed to waive payment of directors' fees due to them from TPL for the year ended 30 September 2022.

B. REMUNERATION MATTERS (cont'd)

Information on the remuneration of the CEO of the Company and the remuneration of the top five key management personnel of the Group for FY2022 is set out below:

CEO of the Company and Key Management Personnel of the Group as at 30 September 2022	Fee %	Salary %	Bonus %	Allowances & Benefits %	Others %	Long-Term Incentives ¹ %	Total %
CEO of the Company							
Between \$1,000,000 to \$1,249,999							
Mr Hui Choon Kit ²	-	59.4%	26.5%	4.6%	-	9.5%	100.0%
Top Five Key Management Personnel							
Between \$1,000,000 to \$1,249,999							
Mr Lim Yew Hoe	-	47.7%	16.1%	28.7%	-	7.5%	100.0%
Between \$750,000 to \$999,999							
Mr Koh Tai Hong	-	45.3%	18.0%	27.0%	-	9.7%	100.0%
Between \$500,000 to \$749,999							
Ms See Kwan Kit Jennifer	-	62.0%	20.6%	6.0%	-	11.4%	100.0%
Mr Siew Peng Yim	-	68.7%	16.7%	8.2%	-	6.4%	100.0%
Mr Leong Chi How Christopher	-	62.6%	18.0%	7.1%	-	12.3%	100.0%
Aggregate of total remuneration for top five key management personnel (excluding CEO):							\$4,130,880

Notes:

- The value of the long-term incentives was calculated based on the closing share price of F&N shares of \$1.39 on 18 April 2022.
- Mr Hui Choon Kit was appointed as CEO of the Company with effect from 1 February 2022. Prior to this appointment, he was the Chief Financial Officer and Company Secretary.

No termination, retirement and post-employment benefits were granted to Directors, the CEO of the Company and the above-mentioned key management personnel.

There are no employees within the Group who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO of the Company or a substantial shareholder of the Company, and whose remuneration exceeds \$100,000 during the year.

The Company has decided to disclose the remuneration of the CEO of the Company in a \$250,000 band in view of the competitive business environment which it operates in. Due to the confidentiality and sensitivity of remuneration matters, the Company is of the view that full disclosure of the CEO's remuneration could be prejudicial to the interests of shareholders.

Corporate Governance

For the year ended 30 September 2022

B. REMUNERATION MATTERS (cont'd)

Directors' Fees

The remuneration of non-executive Directors takes into account their level and quality of contribution and their respective responsibilities, including attendance and time spent at Board meetings and Board Committee meetings. Directors are paid a basic fee and attendance fees for attending Board meetings. Non-executive Directors who perform services through Board Committees are paid additional basic and attendance fees for such services. No Director decides his own fees. Directors' fees are reviewed annually to benchmark such fees against the amounts paid by other major listed companies. The Company's Board fee structure during the year is as set out below. The Board fee structure remains unchanged from that in the preceding financial year i.e. financial year ended 30 September 2021.

	Basic Fee (\$)	Attendance Fee (\$)
Board		
- Chairman	150,000	2,000
- Member	75,000	1,000
- Lead Independent Director	20,000	-
Audit Committee and Board Exco		
- Chairman	50,000	2,000
- Member	25,000	1,000
NC, RC and SRMC		
- Chairman	30,000	2,000
- Member	15,000	1,000

Shareholders' approval will be sought at the 124th AGM of the Company on 18 January 2023, for the payment of Directors' fees proposed for the financial year ending 30 September 2023 up to \$2,000,000, the same amount for which approval was sought and obtained at the 123rd AGM of the Company.

C. ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risks and for ensuring that management maintains a sound system of risk management and internal controls with a view to safeguarding the Company's assets and shareholders' interests.

Accountability

F&N prepares its financial statements in accordance with the Singapore Financial Reporting Standards (International) ("SFRS (I)") prescribed by the Accounting Standards Council. The Board is responsible for presenting a balanced and understandable assessment of the Group's performance, position and prospects and the Board provides shareholders with financial statements and business updates in compliance with the requirements under the Listing Rules.

The Board releases its financial results through announcements, press releases and presentation packs to the SGX-ST. In communicating and disseminating its results, the Board aims to present a balanced and clear assessment of the Company's performance, position and prospects. The Company has ceased to announce quarterly financial statements and has instead adopted half-yearly reporting of its financial statements beginning from the date of release of the Company's first half financial statements for the period ended 31 March 2020. During the year, the Company provided voluntary business updates for the first and third quarter performance of the Group and by way of these updates the Company kept the investing public informed of material developments concerning the Group during the relevant periods, including details on the impact of the COVID-19 pandemic on the Group's business operations and performance.

In order to enable the Board to obtain adequate and timely information, management provides the Board Exco with management accounts at every Board Exco meeting. Minutes of all such Board Exco meetings are circulated to the Board. This is in addition to such other information as the Board may require from time to time to make a balanced and informed assessment of the Company's performance, position and prospects.

Sustainability and Risk Management Committee and Audit Committee

During the year, the Board, through the Audit Committee and the Sustainability and Risk Management Committee, reviewed the adequacy and effectiveness of the Company's internal controls and risk management systems.

C. ACCOUNTABILITY AND AUDIT (cont'd)

Internal Controls

The Audit Committee (“**AC**”), with the assistance of internal and external auditors, reviews and reports to the Board on the adequacy and effectiveness of the Company’s system of internal controls (including financial, operational, compliance and information technology controls) established by management. In assessing the adequacy and effectiveness of internal controls, the AC ensures primarily that key objectives are met, material assets are properly safeguarded, fraud or errors in the accounting records are prevented or detected, accounting records are accurate and complete, and reliable financial information is prepared in compliance with applicable internal policies, laws and regulations.

The importance and emphasis placed by the Group on internal controls is underpinned by the fact that the key performance indicators for management’s performance takes into account the findings of both internal and external auditors and the number of unresolved or outstanding issues raised in the process.

Risk Management Systems

The Sustainability and Risk Management Committee (“**SRMC**”) reviews and reports to the Board on the adequacy and effectiveness of the Group’s risk management framework to ensure that robust risk management and internal controls systems are in place.

The Company has adopted an enterprise-wide risk management (“**ERM**”) framework to enhance its risk management capabilities. An outline of the Group’s ERM framework and progress report is set out on pages 60 and 62 of this Annual Report.

Key risks, mitigating measures and management actions are continually identified, reviewed and monitored as part of the ERM process. Financial and operational key risk indicators are in place to track key risk exposures. Key business risks are thoroughly assessed by management and each significant transaction is comprehensively analysed so that management understands the risks involved before it is embarked upon.

The SRMC also assists the Board in carrying out its responsibility of overseeing the Company’s risk management framework and policies, in determining environmental, social and governance factors (“**ESG Factors**”) identified as material to the business, monitoring and managing of ESG Factors and overseeing standards, management processes and strategies to implement sustainability practices which are in compliance with the SGX-ST Listing Manual. The SRMC is responsible for, among other things, reviewing the Group’s ERM framework, processes and procedures for identifying, measuring, reporting and mitigating key risks in the Group’s businesses and operations. Together with the AC, the SRMC helps to ensure that management maintains a sound system of risk management and internal controls to safeguard the interests of shareholders and the assets of the Group. The SRMC also provides guidance to management, and renders assistance to the Board to oversee the ERM framework and for determining the nature and extent of significant risks which the Board would be willing to take in achieving the Group’s strategic objectives and value creation. The meetings of the SRMC are attended by senior management of the Company’s business divisions, and serve as a forum to review and discuss material risks and exposures of these businesses and their strategies to mitigate risks.

Periodic updates are provided by senior management of the Company’s business divisions to the SRMC on the Group’s risk profile, and on the status of key enterprise risk management and business continuity initiatives. These updates include the assessment of the Group’s key risks by major business units, risk categories, and the status and changes in plans undertaken by management to manage key risks. Risk tolerance statements, which set out the nature and extent of significant risks which the Group is willing to take in achieving its strategic objectives, are monitored and reported to the SRMC.

The SRMC comprises the following members:

Mr Koh Poh Tiong	Chairman
Mr Thapana Sirivadhanabhakdi	Member
Mr Sithichai Chaikriangkrai	Member
Mr Michael Chye Hin Fah	Member
Mr Prapakon Thongtheppairot	Member

To assist the Company in ascertaining the adequacy and effectiveness of the Group’s internal controls and risk management systems, management implements a control self-assessment exercise. Management also maps out key risks with the existing assurance processes in a comfort matrix every year. Using a comfort matrix of key risks, the material financial, operational, compliance and information technology risks of the Company have been documented and presented against strategies, policies, people, processes, systems, mechanisms and reporting processes that have been put in place.

Corporate Governance

For the year ended 30 September 2022

C. ACCOUNTABILITY AND AUDIT (cont'd)

The Board has received relevant assurances from:

(a) Financial Records and Financial Statements

the CEOs, the chief financial officers or financial controllers of each of the Group's business divisions ("**Heads of Finance**") and the Company's Director, Group Finance ("**the Director, Group Finance**") that, as at 30 September 2022, the financial records of the Group have been properly maintained and the financial statements for the year ended 30 September 2022 give a true and fair view of the Group's operations and finances;

(b) System of Internal Controls

the CEOs, the Heads of Finance and other key management personnel who are responsible in each of the Group's business divisions, and the Director, Group Finance that, as at 30 September 2022, the system of internal controls in place for the Group is adequate and effective to address financial, operational, compliance and information technology risks which the Group considers relevant and material to its operations; and

(c) Risk Management Systems

the CEOs, the Heads of Finance and other key management personnel who are responsible in each of the Group's business divisions, and the Director, Group Finance that, as at 30 September 2022, the risk management system in place for the Group is adequate and effective to address risks which the Group considers relevant and material to its operations.

Based on the internal controls established and maintained by the Group, work performed by internal and external auditors, reviews performed by the AC and SRMC and assurance from the CEOs, the Heads of Finance and other key management personnel who are responsible in each of the Group's business divisions, and the Director, Group Finance, the Board is of the view that, as at 30 September 2022, the Group's internal controls were adequate and effective to address financial, operational, compliance and information technology risks, which the Group considers relevant and material to its operations.

Based on the enterprise-wide risk management framework adopted by the Company, reviews performed by the SRMC and assurance from the CEOs, the Heads of Finance and other key management personnel who are responsible in each of the Group's business divisions, and the Director, Group Finance, the Board is of the view that, as at 30 September 2022, the Group's risk management system was adequate and effective to address risks which the Group considers relevant and material to its operations.

The Board notes that the system of internal controls and risk management provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it works to achieve its business objectives. In this regard, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

The AC concurs with the Board's view that as at 30 September 2022, the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective to address risks which the Group considers relevant and material to its operations.

Principle 10: Audit Committee

The AC, on behalf of the Board, undertakes the monitoring and review of the system of internal controls. Its main responsibilities are to assist the Board in the discharge of its oversight responsibilities in the areas of internal controls, financial reporting, operational, compliance and information technology controls. Significant findings are reported to the Board.

The AC is guided by written Terms of Reference endorsed by the Board which clearly sets out its authority and duties. It is duly authorised to investigate any matter within such Terms of Reference, and has full access to and the co-operation of management, as well as the full discretion to invite any Director or executive officer to attend its meetings. Under the Terms of Reference of the AC, a former partner or director of the Company's existing auditing firm or auditing corporation shall not act as a member of the AC (i) within a period of 2 years commencing on the date of his ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case (ii) for so long as he has any financial interest in the auditing firm or auditing corporation.

C. ACCOUNTABILITY AND AUDIT (cont'd)

The AC comprises the following three members:

Mr Ng Tat Pun ¹	Chairman
Mr Chan Heng Wing ²	Member
Mr Sithichai Chaikriangkrai	Member

Notes:

1 As announced on 25 May 2022, Mr Ng Tat Pun was appointed as the Chairman of the AC with effect from 1 June 2022.

2 As announced on 25 May 2022, Mr Chan Heng Wing was appointed as a Member of the AC with effect from 1 June 2022.

The AC is made up of non-executive Directors, the majority of whom, including its Chairman, are independent Directors. The members of the AC, including its Chairman are appropriately qualified and have recent and/or relevant accounting and related financial management expertise or experience. Their collective wealth of experience and expertise in accounting and financial management enables them to discharge their responsibilities competently.

The AC has reasonable resources to enable it to discharge its functions effectively. None of the members of the AC were previous partners or directors of the Company's auditor, KPMG LLP ("**KPMG**"), and none of the members of the AC hold any financial interest in KPMG.

During the year, the key activities of the AC included the following:

- Reviewing the financial statements and related SGX-ST announcements, including the external auditors' report for the full-year and significant financial reporting issues and assessments, to safeguard the integrity in financial reporting, and to ensure compliance with the requirements of the SFRS (I). In the review of the financial statements, the significant matters referred to in Table A were reviewed by the AC and discussed with management and external auditors.
- Reviewing and approving the internal and external audit plans to ensure the adequacy of the audit scope.
- Recommending, for the approval of the Board, the financial results and related SGX-ST announcements.
- Reviewing the independence, adequacy and effectiveness, scope and results of the Group's internal audit function, including the adequacy of internal audit resources and its appropriate standing within the Group.
- Assessing the independence and objectivity of the external auditors and the quality of the work carried out by the external auditors, using ACRA's Audit Quality Indicators Disclosure Framework as a basis.
- Reviewing the assurance from the CEOs and the Heads of Finance of each of the Group's significant business divisions and the Company's Director, Group Finance on the financial records and financial statements.
- Reviewing with internal and external auditors, the scope and results of the audit reports and their recommendations, and monitoring the timely and proper implementation of any required corrective or improvement measures.
- Reviewing and evaluating with internal and external auditors, and reporting to the Board at least annually on the adequacy and effectiveness of internal control systems, including financial, operational, compliance and information technology controls and together with SRMC, risk management systems.
- Reviewing the whistle-blowing policy and any whistle-blowing investigations within the Group and ensuring appropriate follow-up actions, if required.

Corporate Governance

For the year ended 30 September 2022

C. ACCOUNTABILITY AND AUDIT (cont'd)

Table A

Significant matters	How the AC reviewed these matters
Impairment of fixed assets and investment in subsidiaries	The AC considered the approach and methodology used by management in determining the recoverable amount of fixed assets and investment in subsidiaries.
	The AC was satisfied that the approach and methodology used by management in this process was appropriate.
	Impairment of fixed assets and investment in subsidiaries were also areas of focus for the external auditors who have included this item as a key audit matter in their audit report for the financial year ended 30 September 2022.
Impairment of goodwill and intangible assets (including brands)	The AC considered the approach and methodology used by management in determining the recoverable amount of goodwill and intangible assets (including brands).
	The AC was satisfied that the approach and methodology used by management in this process was appropriate.
	Impairment of goodwill and intangible assets (including brands) were also areas of focus for the external auditors who have included this item as a key audit matter in their audit report for the financial year ended 30 September 2022.

The AC also meets with internal audit and KPMG in each case, without the presence of management at least once a year, to obtain feedback on the competency and adequacy of the finance function, to review the assistance given by the Company's management to internal and external auditors and to ascertain if there are any material weaknesses or control deficiencies in the Group's financial reporting and operational systems. In addition, updates (if any) on changes in accounting standards and treatment are prepared by KPMG and circulated to members of the AC.

The AC reviews and approves the remuneration and terms of engagement of KPMG. The AC also makes recommendations to the Board regarding the appointment, re-appointment and removal of the Company's external auditor. Upon the Board's approval, the relevant recommendations are tabled for approval by shareholders.

During the year, the AC conducted a review of the adequacy, effectiveness, scope and results of audit by KPMG, and their cost effectiveness, as well as the independence and objectivity of KPMG. It also reviewed all non-audit services provided by KPMG, and the aggregate amount of audit fees paid/payable to them. For details of fees paid/payable to KPMG in respect of audit and non-audit services, please refer to Note 4 of the Notes to the Financial Statements on page 129 of this Annual Report. The AC is satisfied that neither their independence nor their objectivity was put at risk, and that they were able to meet the audit requirements and statutory obligations of the Company. The AC is also satisfied with the aggregate amount of audit fees paid to KPMG. Accordingly, the AC has recommended the re-appointment of KPMG at the AGM of the Company. In recommending the re-appointment of the auditors, the AC considered and evaluated a variety of factors including the audit engagement partner to be assigned to the audit, the number and experience of supervisory and professional staff to be assigned to the audit and the size and complexity of the Group, its business and operations.

The Company has complied with Rule 712 of the Listing Rules which requires, amongst others, that a suitable auditing firm be appointed by the Company, having regard to the factors set out therein. The Company has also complied with Rule 715 of the Listing Rules which requires that the same auditing firm of the Company audits its Singapore-incorporated subsidiaries and significant associated companies, and that a suitable auditing firm be engaged for its significant foreign-incorporated subsidiaries and associated companies.

Whistle-Blowing Policy

The Group has in place a Whistle-Blowing Policy ("**Policy**"). This Policy provides an independent feedback channel through which matters of concern about any possible improprieties, misconduct or wrongdoing relating to F&N in matters of financial reporting or other matters may be raised by staff and any other person in confidence and in good faith, without fear of reprisal. F&N will treat all information received confidentially and protect the identity of all whistle-blowers. It is also committed to ensuring that whistle-blowers will be treated fairly, and protected against detrimental or unfair treatment for whistle-blowing in good faith. Details of this Policy and the procedures for raising concerns have been disseminated and made available to all employees. This Policy is also available on the Company's website. The improprieties that are reportable under the Whistle-Blowing Policy include:

- (a) financial or professional misconduct;
- (b) improper conduct, dishonest or unethical behaviour;

C. ACCOUNTABILITY AND AUDIT (cont'd)

- (c) any irregularity or non-compliance with laws/regulations or the Company's procedures, policies and codes of conduct including but not limited to those relating to financial reporting, accounting, audit and/or internal controls;
- (d) violence at the workplace, or any conduct that may threaten health and safety;
- (e) conflicts of interest;
- (f) corruption or bribery;
- (g) mismanagement of the Company's resources;
- (h) conduct that may cause loss (whether financial or otherwise) to the Company;
- (i) sexual harassment; and
- (j) any other improprieties or matters that may adversely affect shareholders' interests in, and assets of, the Company and its reputation.

All whistle-blowing complaints are independently investigated and appropriate actions taken. The AC, which is responsible for oversight and monitoring of whistle-blowing, reviews and ensures that independent investigations and any appropriate follow-up actions are carried out.

Internal Audit

The Internal Audit ("IA") Department is an independent function within the Company. It conducts objective and independent assessments on the adequacy and quality of the Group's system of internal controls. The Head of IA, who is a Chartered Accountant of Singapore, reports directly to the AC. Under its Terms of Reference, the AC has the authority to approve the hiring, removal, evaluation and compensation of the Head of IA.

The Head of IA is an appointed member of the Board of Governors of the Institute of Internal Auditors, Singapore. The IA Department has adopted and complied with the International Standards for the Professional Practice of Internal Auditing ("**IIA Standards**") laid down in the International Professional Practices Framework issued by The Institute of Internal Auditors. To ensure that the internal audits are effectively performed, it recruits and employs suitably qualified staff with the requisite skills and experience. Such staff are also given relevant training and development opportunities to update their technical knowledge and auditing skills. Key staff members of the IA Department also attend relevant technical training and seminars organised by the Institute of Internal Auditors, Singapore and other professional bodies. All senior internal audit staff are required to enrol as members of the Institute of Internal Auditors, Singapore or the Information Systems Audit and Control Association, upon confirmation of their employment.

The IA Department operates within the framework stated in its Internal Audit Charter, which is approved annually by the AC. The IA Department has unfettered access to all the Company's documents, records, properties and personnel including access to the AC. The IA Department adopts a risk-based audit methodology to develop its audit plans, and its activities are aligned to key risks of the Group. Based on risk assessments performed, greater focus and appropriate review intervals are set for higher risk activities, and material internal controls, including compliance with the Company's policies, procedures and regulatory responsibilities.

During the year, the IA Department conducted its audit reviews based on the internal audit plan approved by the AC. At each quarterly meeting with the AC, the Head of IA presents on the status of the internal audit plan and proposes adjustments to the plan with a view to enhancing agility and relevance of audits performed. All audit reports detailing audit findings and recommendations are provided to management who would respond on the actions to be taken. The audit reports are also circulated to the AC and the external auditors. Each quarter, the IA Department also presents to the AC, a summary of the key audit findings and actions taken by management on such findings, including tracking of implementation of audit recommendations for past audit reports to ensure proper closure of agreed action plans by management. The AC monitors the timely and proper implementation of required corrective, preventive or improvement measures undertaken by management.

The IA Department has a Quality Assurance and Improvement Programme ("**QAIP**") in place to ensure that its audit activities conform to the IIA Standards. An external Quality Assurance Review ("**QAR**") is carried out at least once every five years by qualified professionals from an external consulting firm to be approved by the AC and, under the QAIP, an internal self-assessment QAR is conducted once every two years. Based on the external QAR that was last carried out by Ernst & Young Advisory Pte Ltd during the financial year ended 30 September 2018, the internal audit function had been rated to have conformed with the IIA Standards. The next external QAR will be conducted during the financial year ending 30 September 2023.

The AC is satisfied that the internal audit function is independent and effective and that the IA Department has adequate resources and appropriate standing within the Company to perform its function effectively.

Corporate Governance

For the year ended 30 September 2022

D. SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings

F&N believes in treating all shareholders fairly and equitably. It is committed to keeping all its shareholders and other stakeholders informed, in a timely and consistent manner, of its corporate activities, including changes (if any) in the Company or its businesses which are likely to materially affect the price or value of its shares or are likely to influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell its shares, in a timely and consistent manner.

Conduct of Shareholder Meetings

The Board supports and encourages active shareholder participation at AGMs as it believes that general meetings serve as an opportune forum for shareholders to meet the Board and senior management, and to interact with them. Shareholders of F&N are given the opportunity to participate effectively and vote at general meetings of the Company, where relevant rules and procedures governing such meetings (for instance, how to vote) are clearly communicated prior to the start of the meeting.

The Company's Constitution allows (i) each shareholder who is not a relevant intermediary (as defined in the Companies Act) the right to appoint up to two proxies and (ii) each shareholder who is a relevant intermediary to appoint more than two proxies to attend and vote on their behalf in shareholders' meetings.

A copy of the Notice of AGM is sent to all shareholders. As for the Annual Report and the Company's letter to shareholders in relation to certain resolutions being tabled at the AGM ("**Letter to Shareholders**"), in line with the Group's sustainability strategy, these documents are made available for download from the Company's corporate website. Printed copies of the Annual Report and Letter to Shareholders are available on request.

At general meetings, the Company sets out separate resolutions on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where resolutions are "bundled", the Company explains the reasons and material implications for doing in the notice calling for the general meeting. Shareholders are given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions to be passed.

Board members and senior management are present at each shareholders' meeting to respond to questions from shareholders. In general, all Directors are expected to attend general meetings of shareholders, unless they are unable to attend due to exigencies. The Company's independent auditor is also present to address queries about the conduct of audit and the preparation and content of the independent auditor's report.

For greater transparency, F&N has implemented electronic poll voting at AGMs. This entails shareholders being invited to vote on each of the resolutions by poll, using an electronic voting system (instead of voting by hand), thereby allowing all shareholders present or represented at the meeting to vote on a one share, one vote basis. The voting results of all votes cast for, or against, each resolution is then screened at the meeting and announced to the SGX-ST after the meeting. An independent external party is appointed as scrutineer for the electronic voting process to count and validate the votes at general meetings.

Provision 11.4 of the Code provides for a company's constitution to allow for absentia voting at general meetings of shareholders. F&N's Constitution currently does not, however, permit shareholders to vote at general meetings in absentia (such as via mail, email or fax). F&N will consider implementing the relevant amendments to the Constitution if the Board is of the view that there is a demand for such alternative methods of voting, and after the Company has evaluated and put in place the necessary security processes to facilitate in absentia voting, and prevention measures against errors, fraud and other related security and integrity issues. In line with Principle 11 of the Code, shareholders nevertheless have the opportunity to communicate their views on matters affecting the Company even when they are not in attendance at general meetings as shareholders are able to appoint proxies to vote on their behalf at general meetings through proxy forms sent in advance.

F&N publishes minutes of general meetings of shareholders on its corporate website as soon as practicable after the relevant general meeting. Such minutes will record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and management, which are addressed at the AGM.

In view of the COVID-19 situation in Singapore, the 2022 AGM was convened and held by way of electronic means on 18 January 2022, pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "COVID-19 Temporary Measures Order"). The alternative arrangements put in place for the conduct of the 2022 AGM included (i) attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), (ii) submission of questions to the Chairman of the meeting in advance of, or live at the AGM, and (iii) voting at the AGM live by the shareholders themselves or their duly appointed proxy(ies) (other than the Chairman of the meeting) via electronic means or by appointing the Chairman of the meeting as proxy to vote on their behalf

D. SHAREHOLDER RIGHTS AND ENGAGEMENT (cont'd)

at the AGM. The forthcoming 2023 AGM will be held in a wholly physical format pursuant to the COVID-19 Temporary Measures Order, and there will be no option for shareholders to participate virtually. Shareholders may participate in the AGM by (i) attending the AGM in person; (ii) submitting questions to the Chairman of the meeting in advance of or at. The AGM and/or (iii) voting at the AGM themselves or through duly appointed proxy(ies).

Principle 12: Engagement with Shareholders

The Company prides itself on its high standards of disclosure and corporate transparency. F&N is committed to providing fair, relevant, comprehensive and timely information regarding the Group's performance and progress to shareholders and the investment community to enable them to make informed investment decisions. The Group's dedicated Investor Relations ("IR") team is tasked with and focuses on facilitating communications between the Company and its shareholders, as well as with the investment community. F&N has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

The IR team communicates regularly with shareholders and the investment community, with timely disclosures of material and other pertinent information, through regular dialogues and announcements to SGX-ST. The team conducts roadshows (together with senior management), and participates in investor seminars and conferences to keep the market and investors apprised of the Group's corporate developments and financial performance. During the year, the IR team engaged with Singapore and foreign investors at one-on-one and group meetings both in-person and virtually. The aim of such engagements is to provide shareholders and investors with prompt disclosure of relevant information, to enable them to have a better understanding of the Company's businesses and performance and to solicit and understand the views of such shareholders and investors.

The Company makes available all its briefing materials to analysts and the media. In line with F&N's investor relations policy, such information, financial information, annual reports and all announcements of the Company are made available to the SGX-ST and on the Company's website at <https://www.fraserandneave.com>, with contact details for investors to channel their comments and queries.

Further details on IR's activities and responsibilities during the year can be found in the Investor Relations section of this Annual Report on page 58.

In determining dividends, the Board balances the need for a satisfactory return to shareholders against the Company's investment requirement to ensure sustainable growth in the future. Over the years, the Board has maintained a track record of generous shareholder distributions. As a matter of policy, the Board remains committed to paying approximately fifty percent (50%) of Group Attributable Profit Before Fair Value Adjustment and Exceptional Items.

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

Stakeholder Engagement

The Company strives to build and maintain strong relationships based on trust and respect with all stakeholders including the investment community, employees, distributors and trade customers, consumers, suppliers, regulators and the broader community. The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups. The Company also maintains a corporate website to communicate and engage with stakeholders.

Sustainability

In order to facilitate the Company's planning and strategy for sustainable value creation, the Company periodically engages with various key stakeholders, including employees, suppliers, customers and the investment community to gather feedback on the sustainability issues most important to them. Information and responses received from key stakeholders is then used by the Company to identify material ESG Factors and develop a materiality matrix that prioritises the Company's strategy and key areas of focus in relation to the management of stakeholder relationships for the year under review.

For more information on the Company's stakeholder engagement please refer to the Company's Sustainability Report 2022 which can be downloaded at <https://www.fraserandneave.com/investor-relations/corporate-sustainability>.

Code of Business Conduct

The Company has adopted a Code of Business Conduct, with the key objectives of providing clear guidelines on ethics and relationships, in order to safeguard the reputation and interests of the Group and stakeholders of the Company. The Code of Business Conduct sets out the policies and procedures dealing with various issues such as conflicts of interests, dealings with government officials, the maintenance of records and reports, equal employment opportunities and sexual harassment.

Corporate Governance

For the year ended 30 September 2022

D. SHAREHOLDER RIGHTS AND ENGAGEMENT (cont'd)

The Code of Business Conduct governs the conduct of employees and is disseminated and distributed to all employees for compliance, and where applicable, is made available to other stakeholders of the Group such as suppliers, business associates and customers. In addition, Directors, officers and employees are required to observe and maintain high standards of integrity in carrying out their roles and responsibilities, and to comply with relevant and applicable laws and regulations, as well as with Company policies.

Dealings in Securities

The Company has established a procedure for dealings in the securities of the Company, which sets out the implications of insider trading and guidance on such dealings, including the prohibition on dealings with the Company's securities on short-term considerations.

In compliance with the best practices in Listing Rule 1207 sub-Rule (19) of the Listing Rules, the Group issues reminders to its Directors, officers and relevant employees on the restrictions in dealings in listed securities of the Group during the period commencing one month before the announcement of the Group's half-year and full-year financial statements, and ending on the date of such announcements. Similar reminders are also sent to Directors, officers and relevant employees on the restrictions in dealings in listed securities of the Group during the period commencing two weeks before the announcement of the Group's voluntary business updates for the first and third quarters of each financial year, and ending on the date of such announcements.

Apart from the foregoing, Directors, officers and relevant employees are also reminded not to trade in listed securities of the Group at any time while in possession of unpublished price or trade sensitive information and to refrain from dealing in the Group's securities on short-term considerations.

SUMMARY OF COMPLIANCE WITH EXPRESS DISCLOSURE REQUIREMENTS UNDER THE PROVISIONS OF THE CODE

The following table benchmarks the disclosures in this Corporate Governance Report and Annual Report against the express disclosure requirements under the provisions of the Code.

Provisions of the Code - Express Disclosure Requirements	Page Reference in F&N Annual Report 2022
Provision 1.2 The induction, training and development provided to new and existing Directors	Page 66
Provision 1.3 Matters that require Board approval	Page 64
Provision 1.4 Names of the Board Committee members, the terms of reference, delegation of the Board's authority to make decisions, and a summary of each Board Committee's activities	Pages 65 to 80
Provision 1.5 The number of Board and Board Committee meetings held in the year and each individual Directors' attendances at such meetings	Page 66
Provision 2.1 (read with Guideline 2.4 of the Code of Corporate Governance 2012) Where the Board considers a director, who has served on the Board for more than nine years from the date of his/her first appointment, to be independent, the reasons for considering him/her as independent	Not applicable – see negative statement on page 68
Provision 2.4 The board diversity policy and progress made towards implementing the board diversity policy, including objectives	Page 69
Provision 4.3 Process for the selection, appointment and reappointment of Directors to the Board, including the criteria used to identify and evaluate potential new Directors and channels used in searching for appropriate candidates	Page 71
Provision 4.4 If the Board, having taken into account the views of the Nominating Committee, determines that a Director is independent notwithstanding the existence of a relationship(s) with the Company, its related corporations, its substantial shareholders or its officers, which may affect his/her independence, the relationship(s) and the Board's reasons for considering him/her as independent	Not applicable – see negative statement on page 68

Provisions of the Code - Express Disclosure Requirements	Page Reference in F&N Annual Report 2022
Provision 4.5	
(a) Listed company directorships and principal commitments of each Director	Pages 16 to 27
(b) Where a Director holds a significant number of directorships and principal commitments, the Nominating Committee's and Board's reasoned assessment of the Directors' ability to diligently discharge his/her duties	Page 71
Provision 5.2	
How the assessments of the Board, its Board Committees and each Director have been conducted, including the identity of any external facilitator and its connection (if any) with the Company or any of its Directors	Page 72
Provision 6.4	
The engagement of any remuneration consultants and their independence	Page 73
Provision 8.1	
The policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:	Pages 74 to 75
(a) each individual Director and the CEO; and	
(b) at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel	
Provision 8.2	
Names and remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the year, in bands no wider than S\$100,000. The employee's relationship with the relevant Director or the CEO or substantial shareholder should also be clearly stated	Not applicable – see negative statement on page 75
Provision 8.3	
All forms of remuneration and other payments and benefits, paid by the Company and its subsidiaries to Directors and key management personnel of the Company and details of employee share schemes	Pages 73 to 76
Provision 9.2	
The Board has received assurance from:	Page 78
(a) the CEO and the Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and	
(b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems	
Provision 10.1(f)	
The existence of a whistleblowing policy and procedures for raising concerns about possible improprieties in financial reporting or other matters	Pages 80 to 81
Provision 11.3	
Directors' attendance at general meetings of shareholders held during the financial year	Page 66
Provision 12.1	
The steps taken to solicit and understand the views of shareholders	Pages 82 to 83
Provision 13.2	
The Company's strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period	Pages 83 to 84

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Directors' Statement

The directors have pleasure in presenting their statement together with the audited financial statements of Fraser and Neave, Limited (the "Company") and its subsidiaries (the "Group") for the financial year ended 30 September 2022.

1. DIRECTORS

The directors of the Company in office at the date of this statement are:

Mr Charoen Sirivadhanabhakdi	(Chairman)
Khunying Wanna Sirivadhanabhakdi	(Vice-Chairman)
Tengku Syed Badarudin Jamalullail	
Mr Ng Tat Pun	(Appointed on 1 January 2022)
Mr Chan Heng Wing	
Ms Suong Dao Nguyen	(Appointed on 1 June 2022)
Mr Charles Mak Ming Ying	
Dr Sujitra Sombuntham	
Mr Koh Poh Tiong	
Mr Chotiphat Bijananda	
Mr Thapana Sirivadhanabhakdi	
Mr Sithichai Chaikriangkrai	
Mr Michael Chye Hin Fah (Alternate Director to Mr Thapana Sirivadhanabhakdi)	
Mr Prapakon Thongthepairot (Alternate Director to Mr Sithichai Chaikriangkrai)	

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of, nor at any time during, the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of an acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed in this statement.

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

(a) The following directors who held office at the end of the financial year had, according to the register required to be kept under Section 164 of the Companies Act 1967, interest in the shares in, or debentures of, the Company and its related corporations (other than wholly-owned subsidiaries) as stated below:

Name of Director	Direct Interest		Deemed Interest	
	As at 1 Oct 2021	As at 30 Sep 2022	As at 1 Oct 2021	As at 30 Sep 2022
Charoen Sirivadhanabhakdi				
Fraser and Neave, Limited				
• Ordinary Shares	-	-	1,270,503,884	1,270,503,884 ⁽¹⁾
Frasers Property Limited				
• Ordinary Shares	-	-	3,411,180,640	3,411,180,640 ⁽²⁾
Fraser & Neave Holdings Bhd				
• Ordinary Shares	-	-	203,470,910	203,470,910 ⁽³⁾
TCC Assets Limited				
• Ordinary Shares	25,000	25,000	-	-

Directors' Statement

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (cont'd)

Name of Director	Direct Interest		Deemed Interest	
	As at 1 Oct 2021	As at 30 Sep 2022	As at 1 Oct 2021	As at 30 Sep 2022
Khunying Wanna Sirivadhanabhakdi				
Fraser and Neave, Limited				
• Ordinary Shares	-	-	1,270,503,884	1,270,503,884⁽¹⁾
Frasers Property Limited				
• Ordinary Shares	-	-	3,411,180,640	3,411,180,640⁽²⁾
Fraser & Neave Holdings Bhd				
• Ordinary Shares	-	-	203,470,910	203,470,910⁽³⁾
TCC Assets Limited				
• Ordinary Shares	25,000	25,000	-	-
Tengku Syed Badarudin Jamalullail				
Fraser & Neave Holdings Bhd				
• Ordinary Shares	2,062,000	2,062,000	-	-
Chan Heng Wing				
Frasers Property Treasury Pte. Ltd.				
• S\$300M 4.38% p.a. Subordinated Perpetual Securities (Series 003)	-	-	S\$250,000	S\$250,000
Koh Poh Tiong				
Fraser and Neave, Limited				
• Ordinary Shares	251,315	251,315	-	-
Frasers Property Limited				
• Ordinary Shares	528,354	528,354	-	-
Chotiphat Bijananda				
Frasers Property Limited				
• Ordinary Shares	-	-	70,000,000	70,000,000⁽⁴⁾
Thapana Sirivadhanabhakdi				
Frasers Property Limited				
• Ordinary Shares	-	-	70,000,000	70,000,000⁽⁴⁾

⁽¹⁾ Each of Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, owns 50% of the issued share capital of TCC Assets Limited ("TCCA"), and is therefore deemed to be interested in all of the shares in the Company in which TCCA has an interest. Both the Company and Frasers Property Limited ("FPL") are direct subsidiaries of TCCA.

Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi also jointly hold a 100% direct interest in Shiny Treasure Holdings Limited ("Shiny Treasure") and a 51% direct interest in Siriwana Company Limited ("Siriwana"). Shiny Treasure holds a 49% direct interest in Siriwana, which in turn, holds a direct interest of approximately 45.25% in Thai Beverage Public Company Limited ("ThaiBev", and its shares, "ThaiBev Shares"). Siriwana is also deemed to have an interest in the ThaiBev Shares held by its wholly-owned subsidiary Siriwanan Company Limited ("Siriwanan"). Siriwanan has a direct interest of approximately 5.85% in ThaiBev Shares, and through a sale and purchase agreement it had entered into on 28 September 2022 which is pending completion as at the date of this statement, will increase its interest in ThaiBev Shares from 5.85% to 8.76%; and Siriwana's interest in ThaiBev Shares, direct and indirect through Siriwanan, will increase from 51.10% to 54.01%.

ThaiBev holds a 100% direct interest in International Beverage Holdings Limited, which in turns holds a 100% direct interest in InterBev Investment Limited ("IBIL"). Each of Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is therefore deemed to be interested in all the shares in the Company in which IBIL has an interest.

⁽²⁾ As at 30 September 2022,

- TCCA holds 2,281,139,368 shares in FPL; and
- IBIL holds 1,130,041,272 shares in FPL.

Each of Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is therefore deemed to be interested in all of the shares in FPL in which TCCA and IBIL have an interest.

Directors' Statement

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (cont'd)

- (3) As at 30 September 2022, the Company holds 203,470,910 shares in Fraser & Neave Holdings Bhd ("F&NHB"). Each of Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is therefore deemed to be interested in all of the shares in F&NHB in which the Company has an interest.
- (4) As at 30 September 2022, TCC Group Investments Limited ("TCCGI") (which is equally held by Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat, Thapanee Techajareonvikul and Panote Sirivadhanabhakdi) held 70,000,000 shares in Frasers Property Limited ("FPL") through a nominee account.
- Atinant Bijananda, through her 20.0% shareholding in TCCGI, is deemed to be interested in all the shares in FPL in which TCCGI has an interest ("TCCGI's FPL Shares"). As Atinant Bijananda is the spouse of Chotiphat Bijananda, he is deemed to be interested in TCCGI's FPL Shares.
- Thapana Sirivadhanabhakdi, through his 20.0% shareholding in TCCGI, is also deemed to be interested in TCCGI's FPL Shares.

- (b) There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 October 2022.
- (c) By virtue of Section 4 of the Securities and Futures Act 2001, each of Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is deemed to have interests in the shares of the subsidiaries held by the Company and in the shares of the subsidiaries held by FPL.
- (d) Except as disclosed in this statement, no director who held office at the end of the financial year had any interest in shares in, or debentures of, the Company, or its related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

4. SHARE PLANS

(a) F&N Restricted Share Plan ("Restricted Share Plan"), F&N Performance Share Plan ("Performance Share Plan") and the F&N Restricted Share Plan 2019 ("F&N RSP 2019")

The Remuneration Committee administers the Company's share-based remuneration incentive plans, namely, the Restricted Share Plan, Performance Share Plan and the F&N RSP 2019, (the "RSP", the "PSP" and "RSP 2019" respectively, and collectively, the "Share Plans"). The RSP and the PSP expired on 21 January 2019, and were replaced by the RSP 2019. The expiry of the RSP and the PSP does not affect awards granted prior to expiry of these share plans and which are pending final release. During the financial year, all pending awards under the PSP have been released. The final award under the RSP which is pending release is expected to be released by December 2022.

Share Grants under the Share Plans

Under the Share Plans, the Company grants a base number of conditional share awards (the "Base Awards") to eligible participants annually. The Base Awards represent the right to receive fully paid ordinary shares of the Company, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions are met over the relevant performance periods. The Remuneration Committee, as the administrator of the Share Plans, has absolute discretion in granting the Base Awards. The first grant of Base Awards pursuant to the RSP 2019 was made on 28 August 2020. The performance periods for the RSP and the PSP are two and three years respectively. For the RSP 2019, the performance period is one year.

Depending on the level of achievement of the pre-determined targets over the respective performance periods for the Restricted Share Plan and the Performance Share Plan, an achievement factor will be applied to the relevant Base Awards to determine the final number of shares to be awarded at the end of the respective performance periods. The achievement factor ranges from 0% to 150% for the RSP and the RSP 2019, and 0% to 200% for the PSP. Accordingly, the actual number of shares to be awarded pursuant to the Share Plans will range from 0% to 150% of the Base Awards for the RSP and the RSP 2019, and from 0% to 200% of the Base Awards for the PSP (the "Final Awards").

In respect of the RSP, the first tranche at 50% of the relevant Final Awards will be vested to participants after the end of the two-year performance period and followed by the balance which will be vested in equal instalments over the next two years. In respect of the PSP, 100% of the relevant Final Awards will be vested to the participants after the end of the three-year performance period. In respect of the RSP 2019, Final Awards will be vested in three equal instalments over three years after the end of the one-year performance period.

Directors' Statement

4. SHARE PLANS (cont'd)

(a) F&N Restricted Share Plan ("Restricted Share Plan"), F&N Performance Share Plan ("Performance Share Plan") and the F&N Restricted Share Plan 2019 ("F&N RSP 2019") (cont'd)

Share Grants under the Share Plans (cont'd)

During the financial year:

- No awards have been granted to controlling shareholders or their associates, or parent group directors or employees under the RSP 2019.
- No awards have been granted to directors of the Company under the RSP 2019.
- No participant has received 5% or more of the total number of shares available/delivered pursuant to grants under the Share Plans.

The first grant of awards under the RSP and PSP was made in December 2009 for Financial Year 2009/10 and the first grant of awards under the RSP 2019 was made in August 2020 for Financial Year 2019/2020. The details of the shares awarded under the Share Plans in aggregate are as follows:

(i) RSP

Shares	Grant Date	Balance as at 1.10.2021	Vested	Balance as at 30.9.2022
Year 9	28.12.2017	276,900	(276,900)	-
Year 10	21.12.2018	816,800	(408,400)	408,400
		1,093,700	(685,300)	408,400

(ii) PSP

Shares	Grant Date	Balance as at 1.10.2021	Achievement Factor	Vested	Balance as at 30.9.2022
Year 10	21.12.2018	127,000	(66,700)	(60,300)	-
		127,000	(66,700)	(60,300)	-

(iii) RSP 2019

Shares	Grant Date	Balance as at 1.10.2021 or Grant Date if later	Lapsed	Achievement Factor	Vested	Balance as at 30.9.2022
Year 1	28.08.2020	790,803	(13,434)	-	(395,397)	381,972
Year 2	10.02.2021	1,896,250	(44,267)	(175,750)	(573,502)	1,102,731
Year 3	18.04.2022	1,830,500	(4,000)	-	-	1,826,500
		4,517,553	(61,701)*	(175,750)	(968,899)	3,311,203

* Lapsed due to cessation of employment.

Directors' Statement

4. SHARE PLANS (cont'd)

(b) **Fraser & Neave Holdings Bhd ("F&NHB") Restricted Share Plan ("F&NHB RSP"), F&NHB Performance Share Plan ("F&NHB PSP"*), and collectively with the F&NHB RSP, the "F&NHB SGP") and the F&NHB Share Grant Plan 2021 ("F&NHB SGP 2021")**

The F&NHB SGP were approved by Bursa Malaysia Securities Berhad ("Bursa Malaysia") on 20 December 2011 and subsequently approved by the shareholders of F&NHB at its Extraordinary General Meeting ("EGM") held on 13 January 2012. The F&NHB SGP has expired on 14 March 2022. Prior to the expiry of the F&NHB SGP, F&NHB had introduced the F&NHB SGP 2021 which was approved by its shareholders at an EGM held on 19 January 2021 and implemented on 11 February 2021. The F&NHB SGP 2021 is valid for 10 years from 11 February 2021 to 10 February 2031. The expiry of the F&NHB SGP during the financial year did not affect awards of F&NHB shares granted prior to its expiry and which were capable of being vested prior and up to 14 March 2022.

* No grants were made under the F&NHB PSP.

Under the F&NHB SGP and the F&NHB SGP 2021, F&NHB grants a base number of conditional awards of F&NHB shares (the "F&NHB Base Awards") to eligible participants annually. The F&NHB Base Awards represent the right to receive fully paid shares of F&NHB, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions are met. The Remuneration Committee of F&NHB (the "F&NHB RemCo"), as administrator of the F&NHB SGP and the F&NHB SGP 2021, has absolute discretion in granting the F&NHB Base Awards and determining the performance period and the vesting period. The F&NHB RemCo has determined the performance period for the F&NHB RSP to be two years, and for the F&NHB RSP 2021 (for awards from Year 11 onwards) to be one year.

Depending on the level of achievement of the pre-determined targets, an achievement factor will be applied to the relevant F&NHB Base Awards to determine the final number of F&NHB shares to be awarded at the end of the relevant performance period (the "F&NHB Final Awards"). The achievement factor ranges from 0% to 150%. Accordingly, the actual number of F&NHB shares to be awarded could range from 0% to 150% of the initial grant of awards under the F&NHB RSP and the F&NHB SGP 2021.

In respect of the F&NHB RSP, the first tranche of F&NHB shares (being 50% of the relevant F&NHB Final Awards) will be vested to participants after the end of the two-year performance period. The balance 50% will be vested in equal instalments over the next two years. In respect of the F&NHB RSP 2021, for awards from Year 11 onwards, the F&NHB Final Awards will be vested to participants in equal instalments over the next three years after the end of the one-year performance period.

The award for Year 10 of the F&NHB RSP was deferred from December 2020 originally, to 15 February 2021 (i.e. after the F&NHB SGP 2021 was approved and implemented). Therefore, the F&NHB RemCo determined that Year 10 of the F&NHB RSP would be issued under the F&NHB SGP 2021. This was because the two-year performance period for the Year 10 F&NHB RSP would traverse the expiry of the F&NHB SGP, and no F&NHB shares can be released after said performance period as they would be deemed cancelled.

The directors of F&NHB do not participate in the F&NHB SGP and the F&NHB SGP 2021.

Directors' Statement

4. SHARE PLANS (cont'd)

(b) Fraser & Neave Holdings Bhd ("F&NHB") Restricted Share Plan ("F&NHB RSP"), F&NHB Performance Share Plan ("F&NHB PSP", and collectively with the F&NHB RSP, the "F&NHB SGP") and the F&NHB Share Grant Plan 2021 ("F&NHB SGP 2021") (cont'd)

The details of the F&NHB shares awarded under the F&NHB RSP and the F&NHB RSP 2021 are as follows:

Shares	Grant Date	Balance as at 1.10.2021 or Grant Date if later	Lapsed	Achievement Factor	Vested	Balance as at 30.9.2022
F&NHB RSP						
Year 7	22.12.2017	54,125	(1,600)	-	(52,525)	-
Year 8*	21.12.2018	64,000	(3,100)	-	(31,250)	29,650
Year 9*	23.12.2019	194,750	(5,900)	(6,050)	(94,350)	88,450
F&NHB SGP 2021						
Year 10**	15.02.2021	321,800	(33,800)	-	-	288,000
Year 11	16.02.2022	437,400	(21,800)	-	-	415,600
		1,072,075	(66,200)^	(6,050)	(178,125)	821,700

* Under the original vesting schedules for these awards of F&NHB shares, the final tranche under Year 8 F&NHB RSP, and the second and final tranches under Year 9 F&NHB RSP, would be released after the 14 March 2022 expiry of the F&NHB SGP and thus were deemed cancelled. In December 2021, F&NHB shares under the F&NHB SGP 2021 equivalent to the number of shares deemed cancelled were awarded to eligible participants in accordance with the original vesting schedules of these deemed cancelled awards, and which shares will not be subject to performance periods or achievement targets.

** The F&NHB RemCo has also determined that the first tranche of F&NHB shares under the 15 February 2021 award for Year 10 F&NHB RSP (being 50% of the relevant F&NHB Final Awards) will be vested to participants after the end of the two-year performance period, and the balance 50% will be vested in equal instalments over the next two years.

^ Lapsed due to cessation of employment.

- (c) Other than those disclosed in this paragraph 4, no shares of the Company or any corporation in the Group were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or any corporation in the Group, whether granted before or during that financial year.
- (d) Other than those reported in this paragraph 4, there were no unissued shares of the Company or any corporation in the Group under options as at the end of the financial year to which this statement relates.

5. AUDIT COMMITTEE

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Companies Act 1967, the SGX-ST Listing Manual and the Code of Corporate Governance 2022. These functions include, *inter alia*, the following:

- (a) reviewing the financial statements and related financial results announcements, including the independent auditors' report for the full-year and significant financial reporting issues and assessments, to safeguard the integrity in financial reporting, and to ensure compliance with the requirements of the Singapore Financial Reporting Standards (International);
- (b) reviewing and approving the internal and external audit plans to ensure the adequacy of the audit scope;
- (c) recommending, for the approval of the Board, the financial results and related financial results announcements;
- (d) reviewing the independence, adequacy and effectiveness, scope and results of the Group's internal audit function, including the adequacy of internal audit resources and its appropriate standing within the Group;

Directors' Statement

5. AUDIT COMMITTEE (cont'd)

- (e) reviewing with internal and external auditors, the scope and results of the audit report and their recommendations, and monitoring the timely and proper implementation of any required corrective or improvement measures; and
- (f) reviewing and evaluating with internal and external auditors, and reporting to the Board at least annually on the adequacy and effectiveness of internal control systems, including financial, operational and compliance and information technology controls and together with the Sustainability and Risk Management Committee, risk management systems.

Further details regarding the Audit Committee are disclosed in the Corporate Governance Report.

The Audit Committee has nominated KPMG LLP for re-appointment by the shareholders as independent auditors at the forthcoming Annual General Meeting.

6. INDEPENDENT AUDITORS

The independent auditors, KPMG LLP, have expressed their willingness to accept re-appointment.

7. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2022 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended 30 September 2022 in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board

NG TAT PUN
Director

SITHICHAI CHAIKRIANGKRAI
Director

17 November 2022

Independent Auditors' Report

MEMBERS OF THE COMPANY
FRASER AND NEAVE, LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Fraser and Neave, Limited ('the Company') and its subsidiaries ('the Group'), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 30 September 2022, the consolidated statement of changes in equity of the Group and the statement of changes in equity of the Company and the consolidated profit statement, consolidated statement of comprehensive income, and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 98 to 188.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ('the Act') and Singapore Financial Reporting Standards (International) ('SFRS(I)s') so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 September 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ('SSAs'). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ('ACRA Code') together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of fixed assets and investments in subsidiaries

(Refer to Note 2.8, Note 2.18, Note 12 and Note 15 to the financial statements)

The key audit matter

Fixed assets constitute 16.3% of the Group's total assets and investments in subsidiaries constitute 89.1% of the Company's total assets as at 30 September 2022.

When there are indicators of impairment noted in a business segment, the Group will estimate the recoverable amount of the fixed assets and investments in subsidiaries at the Company level based on discounted future cash flows expected to be generated from the business segment. The net present value of the forecast cash flows is derived from profit forecasts which include key assumptions such as sales growth rates and gross profit margins for the next 5 to 10 years, and discount rate as well as terminal growth rate.

The assessment of management's judgements in arriving at these key assumptions is a key focus area of our audit.

How the matter was addressed in our audit

Our procedures included, among others, assessing the appropriateness of the methodology used in determining the recoverable amount of the fixed assets and investments in subsidiaries.

We also assessed the reasonableness of the key assumptions used in the profit forecasts by comparing sales growth rates and gross profit margins to past performance and future plans. We also compared the discount rates applied to cost of capital of comparable listed companies and compared the terminal growth rate to macroeconomic indicators. We evaluated the sensitivity of the profit forecasts by considering the downside scenarios against reasonably plausible changes to the key assumptions.

Our findings – We found the methodology used to be appropriate and key assumptions applied in the impairment testing to be appropriate.

Independent Auditors' Report

MEMBERS OF THE COMPANY
FRASER AND NEAVE, LIMITED

Impairment of goodwill and intangible assets (including brands)

(Refer to Note 2.12, Note 2.13, Note 2.18, Note 18, Note 19 and Note 22 to the financial statements)

The key audit matter

As at 30 September 2022, the Group has goodwill of \$102.7 million mainly relating to the printing and publishing group and beverages group, and intangible assets (including brands) of \$64.6 million mainly relating to brands owned by the Group.

The Group will estimate the recoverable amount of goodwill and intangible assets with finite useful life with indicators of impairment based on discounted future cash flows expected to be generated from the respective operating unit. The net present value of the forecast cash flows is derived from profit forecasts which include key assumptions such as sales growth and gross profit margins for the next 3 to 5 years, discount rate and terminal growth rate for the operating units which the goodwill and intangible assets are allocated to.

As there are judgements and estimation involved in the preparation of the discounted future cash flows and determination of certain key inputs, this is a key focus area in our audit.

How the matter was addressed in our audit

We assessed the determination of the operating units that goodwill is allocated to based on our understanding of the nature of the Group's business.

For goodwill and intangible assets with finite useful life with indicators of impairment, our procedures included, among others, assessing the appropriateness of the methodology used in determining the recoverable amount of the goodwill and intangible assets. We assessed the reasonableness of the key assumptions used in the 3 to 5 year profit forecasts, by comparing sales growth rates and gross profit margins to past performance and future plans. We also compared the discount rates applied to the cost of capital of comparable listed companies and compared the terminal growth rate to macroeconomic indicators. We evaluated the sensitivity of the profit forecasts by considering the downside scenarios against reasonably plausible changes to the key assumptions.

Our findings – We found the methodology used to be appropriate and key assumptions applied in the impairment testing to be appropriate.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report except for the Shareholding Statistics which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Shareholding Statistics, if we conclude that there is a material statement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Independent Auditors' Report

MEMBERS OF THE COMPANY
FRASER AND NEAVE, LIMITED

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent Auditors' Report

MEMBERS OF THE COMPANY
FRASER AND NEAVE, LIMITED

Auditors' responsibilities for the audit of the financial statements (cont'd)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Jeya Poh Wan S/O K. Suppiah.

KPMG LLP

Public Accountants and
Chartered Accountants

Singapore
17 November 2022

Profit Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	THE GROUP	
		2022 (\$'000)	2021 (\$'000)
REVENUE	3	2,003,214	1,879,163
Cost of sales		(1,429,370)	(1,296,247)
GROSS PROFIT		573,844	582,916
Other income (net)	4(a)	224	7,673
Operating expenses			
- Distribution		(163,855)	(158,929)
- Marketing		(155,605)	(158,535)
- Administration		(125,831)	(122,079)
		(445,291)	(439,543)
TRADING PROFIT		128,777	151,046
Share of results of joint venture companies		4,465	(3,188)
Share of results of associated companies		99,875	113,486
Gross income from other investments	6	298	403
PROFIT BEFORE INTEREST AND TAXATION ("PBIT")		233,415	261,747
Finance income		2,424	2,286
Finance costs		(26,207)	(25,138)
Net finance costs	4(b)	(23,783)	(22,852)
PROFIT BEFORE FAIR VALUE ADJUSTMENT, TAXATION AND EXCEPTIONAL ITEMS		209,632	238,895
Fair value adjustment of investment properties		(35)	17
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	4(c)	209,597	238,912
Exceptional items	7	(7,408)	(8,720)
PROFIT BEFORE TAXATION		202,189	230,192
Taxation	8	(25,254)	(34,718)
PROFIT AFTER TAXATION		176,935	195,474
ATTRIBUTABLE PROFIT TO:			
Shareholders of the Company			
- Before fair value adjustment and exceptional items		129,421	145,217
- Fair value adjustment of investment properties		(35)	17
- Exceptional items		(4,519)	(4,792)
		124,867	140,442
Non-controlling interests		52,068	55,032
		176,935	195,474
Earnings per share attributable to the shareholders of the Company	10		
Basic			
- before fair value adjustment and exceptional items		8.9 cts	10.0 cts
- after fair value adjustment and exceptional items		8.6 cts	9.7 cts
Fully diluted			
- before fair value adjustment and exceptional items		8.9 cts	10.0 cts
- after fair value adjustment and exceptional items		8.6 cts	9.6 cts

Statement of Comprehensive Income

FOR THE YEAR ENDED 30 SEPTEMBER 2022

THE GROUP

2022
(\$'000)

2021
(\$'000)

Profit after taxation **176,935** 195,474

Other comprehensive income:

Items that are or may be reclassified subsequently to profit statement

Share of other comprehensive income of associated and joint venture companies	7,908	(8,287)
Realisation of reserve on liquidation of a subsidiary company	-	144
Fair value changes on derivative financial instruments	18,139	7,575
Currency translation difference	(51,766)	(35,305)
	(25,719)	(35,873)

Items that will not be reclassified to profit statement

Fair value changes on equity investments measured at fair value through other comprehensive income	(1,074)	(522)
Remeasurement of defined benefit obligations	1,762	824
	688	302

Other comprehensive income for the year, net of taxation **(25,031)** (35,571)

Total comprehensive income for the year **151,904** 159,903

Total comprehensive income attributable to:

Shareholders of the Company	122,457	122,897
Non-controlling interests	29,447	37,006
	151,904	159,903

Balance Sheets

AS AT 30 SEPTEMBER 2022

	Notes	THE GROUP		THE COMPANY	
		2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
SHARE CAPITAL AND RESERVES					
Share capital	11(a)	861,456	858,830	861,456	858,830
Reserves	11(b)	2,208,081	2,160,640	752,771	757,150
		3,069,537	3,019,470	1,614,227	1,615,980
NON-CONTROLLING INTERESTS					
		432,948	431,766	-	-
		3,502,485	3,451,236	1,614,227	1,615,980
Represented by:					
NON-CURRENT ASSETS					
Fixed assets	12	811,329	760,021	5,341	3,353
Investment properties	13	16,108	16,858	-	-
Properties held for development	14	16,960	17,853	-	-
Subsidiary companies	15	-	-	2,131,698	2,172,867
Joint venture companies	16	149,914	154,341	38,578	38,965
Associated companies	17	2,728,140	2,712,634	-	-
Intangible assets	18	135,661	138,636	816	877
Brands	22	31,645	32,105	212	212
Other investments	20	7,986	5,625	139,413	172,339
Other receivables	24	11,099	726	-	26
Deferred tax assets	30	5,475	4,695	-	-
		3,914,317	3,843,494	2,316,058	2,388,639
CURRENT ASSETS					
Inventories	23	387,213	297,577	-	-
Trade receivables	24	286,471	254,806	-	-
Other receivables	24	111,475	46,177	1,616	1,291
Related parties	24	5,310	6,121	461	616
Subsidiary companies	15	-	-	68,582	122,013
Joint venture companies	16	1,388	1,214	163	-
Associated companies	17	129	84	1	-
Cash and bank deposits	21	274,586	471,799	4,836	12,010
		1,066,572	1,077,778	75,659	135,930
Deduct: CURRENT LIABILITIES					
Trade payables	26	221,958	176,224	-	-
Other payables	26	207,115	194,914	15,965	13,434
Related parties	26	6,957	6,266	287	292
Subsidiary companies	15	-	-	20,133	90,746
Associated companies	17	310	261	-	-
Lease liabilities	27	10,984	11,646	1,419	2,445
Borrowings	28	51,607	427,573	20,000	-
Provision for taxation		42,258	49,349	7,408	6,420
		541,189	866,233	65,212	113,337
NET CURRENT ASSETS		525,383	211,545	10,447	22,593
Deduct: NON-CURRENT LIABILITIES					
Other payables	26	18,030	23,802	235	-
Subsidiary companies	15	-	-	555,000	795,000
Lease liabilities	27	35,386	36,539	2,915	235
Borrowings	28	837,672	499,262	154,111	-
Provision for employee benefits	29	12,741	15,760	-	-
Deferred tax liabilities	30	33,386	28,440	17	17
		937,215	603,803	712,278	795,252
NET ASSETS		3,502,485	3,451,236	1,614,227	1,615,980

The Notes on pages 106 to 188 form an integral part of the Financial Statements.

Statements of Changes in Equity

THE GROUP											
Notes	Share Capital (\$'000)	Capital Reserve (\$'000)	Revenue Reserve (\$'000)	Exchange Reserve (\$'000)	Fair Value Adjustment Reserve (\$'000)	Hedging Reserve (\$'000)	Share-based Payment Reserve (\$'000)	Dividend Reserve (\$'000)	Total (\$'000)	Non-controlling Interests (\$'000)	Total Equity (\$'000)
YEAR ENDED 30 SEPTEMBER 2022											
	858,830	(7,781)	2,166,297	(15,502)	(34,176)	(7,202)	8,190	50,814	3,019,470	431,766	3,451,236
<u>Comprehensive income</u>											
Share of other comprehensive income of associated companies	-	-	6,606	1,369	(67)	-	-	-	7,908	-	7,908
Fair value changes on derivative financial instruments	-	-	-	-	-	18,139	-	-	18,139	-	18,139
Fair value changes on equity investments measured at fair value through other comprehensive income	-	-	-	-	(1,074)	-	-	-	(1,074)	-	(1,074)
Remeasurement of defined benefit obligations	-	-	978	-	-	-	-	-	978	784	1,762
Currency translation difference	-	-	-	(28,361)	-	-	-	-	(28,361)	(23,405)	(51,766)
Other comprehensive income for the year	-	-	7,584	(26,992)	(1,141)	18,139	-	-	(2,410)	(22,621)	(25,031)
Profit for the year	-	-	124,867	-	-	-	-	-	124,867	52,068	176,935
Total comprehensive income for the year	-	-	132,451	(26,992)	(1,141)	18,139	-	-	122,457	29,447	151,904
<u>Contributions by and distributions to owners</u>											
Employee share-based expense	-	-	-	-	-	-	3,536	-	3,536	1,085	4,621
Issue of shares in the Company upon vesting of shares awarded	11	2,626	-	-	-	-	(2,626)	-	-	-	-
Purchase of shares by a subsidiary company	-	-	(1,155)	-	-	-	-	-	(1,155)	(927)	(2,082)
Shares of a subsidiary company reissued pursuant to its share plans	-	51	853	-	-	-	(904)	-	-	-	-
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	926	926
Dividends:	9	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	(21,863)	-	-	-	-	(50,814)	(72,677)	(30,248)	(102,925)
Dividends proposed	-	-	(50,874)	-	-	-	-	50,874	-	-	-
Total contributions by and distributions to owners	-	2,626	51	(73,039)	-	-	-	6	60	(70,296)	(29,164)
<u>Changes in ownership interests</u>											
Change of interest in a subsidiary company	-	-	(899)	-	-	-	-	-	(899)	899	-
Changes in carrying value of put option granted to non-controlling interests	-	(1,195)	-	-	-	-	-	-	(1,195)	-	(1,195)
Total changes in ownership interests	-	(1,195)	(899)	-	-	-	-	-	(2,094)	899	(1,195)
Total transactions with owners in their capacity as owners	-	2,626	(1,144)	(73,938)	-	-	-	6	60	(72,390)	(28,265)
Balance at 30 September 2022		861,456	(8,925)	2,224,810	(42,494)	(35,317)	10,937	8,196	50,874	3,069,537	432,948

The Notes on pages 106 to 188 form an integral part of the Financial Statements.

Statements of Changes in Equity

THE GROUP											
Notes	Share Capital (\$'000)	Capital Reserve (\$'000)	Revenue Reserve (\$'000)	Exchange Reserve (\$'000)	Fair Value Adjustment Reserve (\$'000)	Hedging Reserve (\$'000)	Share-based Payment Reserve (\$'000)	Dividend Reserve (\$'000)	Total (\$'000)	Non-controlling Interests (\$'000)	Total Equity (\$'000)
YEAR ENDED 30 SEPTEMBER 2021											
	855,870	(6,387)	2,106,230	1,343	(33,634)	(14,777)	9,140	50,753	2,968,538	427,115	3,395,653
<u>Comprehensive income</u>											
Share of other comprehensive income of associated and joint venture companies	-	-	(8,190)	(77)	(20)	-	-	-	(8,287)	-	(8,287)
Realisation of reserve on liquidation of a subsidiary company	-	-	-	144	-	-	-	-	144	-	144
Fair value changes on derivative financial instruments	-	-	-	-	-	7,575	-	-	7,575	-	7,575
Fair value changes on equity investments measured at fair value through other comprehensive income	-	-	-	-	(522)	-	-	-	(522)	-	(522)
Remeasurement of defined benefit obligations	-	-	457	-	-	-	-	-	457	367	824
Currency translation difference	-	-	-	(16,912)	-	-	-	-	(16,912)	(18,393)	(35,305)
Other comprehensive income for the year	-	-	(7,733)	(16,845)	(542)	7,575	-	-	(17,545)	(18,026)	(35,571)
Profit for the year	-	-	140,442	-	-	-	-	-	140,442	55,032	195,474
Total comprehensive income for the year	-	-	132,709	(16,845)	(542)	7,575	-	-	122,897	37,006	159,903
<u>Contributions by and distributions to owners</u>											
Employee share-based expense	-	-	-	-	-	-	2,926	-	2,926	517	3,443
Issue of shares in the Company upon vesting of shares awarded	11	2,960	-	-	-	-	(2,960)	-	-	-	-
Purchase of shares by a subsidiary company	-	-	(1,184)	-	-	-	-	-	(1,184)	(950)	(2,134)
Shares of a subsidiary company reissued pursuant to its share plans	-	(279)	1,195	-	-	-	(916)	-	-	-	-
Dividends:	9	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	(21,839)	-	-	-	-	(50,753)	(72,592)	(31,922)	(104,514)
Dividends proposed	-	-	(50,814)	-	-	-	-	50,814	-	-	-
Total contributions by and distributions to owners	2,960	(279)	(72,642)	-	-	-	(950)	61	(70,850)	(32,355)	(103,205)
<u>Changes in ownership interests</u>											
Changes in carrying value of put option granted to non-controlling interests	-	(1,115)	-	-	-	-	-	-	(1,115)	-	(1,115)
Total changes in ownership interests	-	(1,115)	-	-	-	-	-	-	(1,115)	-	(1,115)
Total transactions with owners in their capacity as owners	2,960	(1,394)	(72,642)	-	-	-	(950)	61	(71,965)	(32,355)	(104,320)
Balance at 30 September 2021	858,830	(7,781)	2,166,297	(15,502)	(34,176)	(7,202)	8,190	50,814	3,019,470	431,766	3,451,236

Statements of Changes in Equity

		THE COMPANY						
Notes	Share Capital (\$'000)	Capital Reserve (\$'000)	Revenue Reserve (\$'000)	Fair Value Adjustment Reserve (\$'000)	Share-based Payment Reserve (\$'000)	Dividend Reserve (\$'000)	Total Equity (\$'000)	
YEAR ENDED 30 SEPTEMBER 2022								
	Balance at 1 October 2021	858,830	(1,091)	680,765	22,478	4,184	50,814	1,615,980
<u>Comprehensive income</u>								
	Fair value changes on equity investments measured at fair value through other comprehensive income	-	-	-	(32,926)	-	-	(32,926)
	Other comprehensive income for the year	-	-	-	(32,926)	-	-	(32,926)
	Profit for the year	-	-	101,666	-	-	-	101,666
	Total comprehensive income for the year	-	-	101,666	(32,926)	-	-	68,740
<u>Contributions by and distributions to owners</u>								
	Employee share-based expense	-	-	-	-	2,184	-	2,184
	Issue of shares in the Company upon vesting of shares awarded	11 2,626	-	-	-	(2,626)	-	-
	Dividends:	9						
	Dividends paid	-	-	(21,863)	-	-	(50,814)	(72,677)
	Dividends proposed	-	-	(50,874)	-	-	50,874	-
	Total transactions with owners in their capacity as owners	2,626	-	(72,737)	-	(442)	60	(70,493)
	Balance at 30 September 2022	861,456	(1,091)	709,694	(10,448)	3,742	50,874	1,614,227
YEAR ENDED 30 SEPTEMBER 2021								
	Balance at 1 October 2020	855,870	(1,091)	660,393	56,437	4,863	50,753	1,627,225
<u>Comprehensive income</u>								
	Fair value changes on equity investments measured at fair value through other comprehensive income	-	-	-	(33,959)	-	-	(33,959)
	Other comprehensive income for the year	-	-	-	(33,959)	-	-	(33,959)
	Profit for the year	-	-	93,025	-	-	-	93,025
	Total comprehensive income for the year	-	-	93,025	(33,959)	-	-	59,066
<u>Contributions by and distributions to owners</u>								
	Employee share-based expense	-	-	-	-	2,281	-	2,281
	Issue of shares in the Company upon vesting of shares awarded	11 2,960	-	-	-	(2,960)	-	-
	Dividends:	9						
	Dividends paid	-	-	(21,839)	-	-	(50,753)	(72,592)
	Dividends proposed	-	-	(50,814)	-	-	50,814	-
	Total transactions with owners in their capacity as owners	2,960	-	(72,653)	-	(679)	61	(70,311)
	Balance at 30 September 2021	858,830	(1,091)	680,765	22,478	4,184	50,814	1,615,980

Cash Flow Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	THE GROUP	
	2022	2021
	(\$'000)	(\$'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and exceptional items	209,597	238,912
Adjustments for:		
Depreciation of fixed assets	71,682	76,935
Amortisation of brands and intangible assets	13,488	12,878
Impairment of fixed assets and intangible assets	1,275	1,247
Reversal of impairment of fixed assets and intangible assets	(1,227)	(448)
Fixed assets and intangible assets written off	555	250
Property development cost written off	-	8
Gross income from other investments	(298)	(403)
Provision for employee benefits	1,754	1,429
Write back of provision for employee benefits	(240)	(205)
Gain on disposal of fixed assets	(249)	(28)
Loss/(Gain) on derecognition of leases	9	(132)
Interest income	(2,424)	(2,286)
Interest expenses	26,207	25,138
Share of results of joint venture companies	(4,465)	3,188
Share of results of associated companies	(99,875)	(113,486)
Employee share-based expense	4,621	3,443
Fair value adjustment of investment properties	35	(17)
Fair value adjustment of financial instruments	459	(145)
(Gain)/Loss on disposal of financial instruments	(696)	52
Operating cash before working capital changes	220,208	246,330
Change in inventories	(95,967)	1,788
Change in receivables	(91,467)	72,256
Change in related parties' and joint venture and associated companies' balances	2,107	3,669
Change in payables	49,444	(12,958)
Currency realignment	(16,309)	(6,259)
Cash generated from operations	68,016	304,826
Interest income received	2,176	2,330
Interest expenses paid	(24,658)	(24,776)
Income taxes paid	(25,065)	(32,880)
Payment of employee benefits	(1,317)	(2,097)
Net cash from operating activities	19,152	247,403
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends from associated companies	98,231	92,825
Gross income from other investments	298	403
Proceeds from disposal of fixed assets	880	617
Purchase of fixed assets	(138,515)	(90,279)
Purchase of other investments	(3,435)	-
Payment for intangible assets	(8,347)	(9,185)
Net cash outflow on acquisition of subsidiary companies	(2,478)	(16,207)
Net cash used in investing activities	(53,366)	(21,826)

Cash Flow Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2022

THE GROUP

2022
(\$'000)

2021
(\$'000)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from borrowings	442,251	142,404
Repayment of borrowings	(476,978)	(50,889)
Payment of lease liabilities	(14,909)	(18,683)
Purchase of shares by a subsidiary company	(2,082)	(2,134)
Capital contribution by non-controlling interests	926	-
Payment of dividends:		
- by subsidiary companies to non-controlling interests	(30,248)	(31,922)
- by the Company to shareholders	(72,677)	(72,592)
Net cash used in financing activities	(153,717)	(33,816)

Net (decrease)/increase in cash and cash equivalents

Cash and cash equivalents at beginning of year	471,799	285,479
Effects of exchange rate changes on cash and cash equivalents	(9,282)	(5,441)
Cash and cash equivalents at end of year	274,586	471,799

Analysis of acquisition of subsidiary companies

Net assets acquired:		
Fixed assets	1,760	1,019
Intangible assets	55	-
Brands	-	4,908
Current assets	326	5,916
Current liabilities	(963)	(2,761)
Non-current liabilities	(170)	(1,663)
Cash and cash equivalents	211	3,130
Total identifiable net assets at fair value	1,219	10,549
Goodwill on acquisition	1,470	8,788
Consideration paid	2,689	19,337
Less: Cash and cash equivalents of subsidiary companies acquired	(211)	(3,130)
Net cash outflow on acquisition of subsidiary companies	2,478	16,207

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The following Notes form an integral part of the Financial Statements on pages 98 to 105.

The financial statements were authorised for issue in accordance with a resolution of the Directors on 17 November 2022.

1. GENERAL

Fraser and Neave, Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The registered office of the Company is located at 438 Alexandra Road, #20-00 Alexandra Point, Singapore 119958. TCC Assets Limited is the immediate and ultimate holding company.

The financial statements of the Group as at and for the year ended 30 September 2022 comprise the Company and its subsidiary companies (together referred to as the "Group").

The principal activities of the Group are:

- (a) production and sale of beverages and dairy products; and
- (b) printing and publishing.

These activities are carried out through the Company's subsidiary, joint venture and associated companies. The Company provides management and administrative services to some subsidiary companies.

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"). The financial statements are prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar and all values are rounded to the nearest thousand (\$'000) unless otherwise stated.

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year and are consistent with those used in the previous financial year, except as disclosed below.

The following are the amendments to the standards that are mandatory for application from 1 October 2021:

Amendments to SFRS(I) 9, SFRS(I) 1-39, Interest Rate Benchmark Reform - Phase 2
SFRS(I) 7, SFRS(I) 4, SFRS(I) 16

The adoption of the above amendment to the standards had no material impact on the financial statements of the Group and the Company.

2.2 Basis of Consolidation and Business Combinations

Subsidiary companies are those companies controlled by the Group. Subsidiary companies are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial year of the Company and all its subsidiary companies ends on 30 September unless otherwise stated. The consolidated financial statements of the Group incorporate the financial statements of the Company and all its subsidiary companies made up to 30 September. The financial statements of subsidiary companies are prepared using consistent accounting policies.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.2 Basis of Consolidation and Business Combinations (cont'd)

Acquisitions of subsidiary companies are accounted for using the acquisition method. Business combinations are accounted for using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The consideration transferred for the acquisition of a subsidiary company or business comprises the fair value of the assets transferred, liabilities incurred, equity interest issued by the Group, any contingent consideration arrangement and any pre-existing interest in the subsidiary measured at their fair values at the acquisition date. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any change in the contingent consideration to be paid will be recognised in the profit statement. Acquisition-related costs are expensed as incurred.

All intra group transactions, balances and unrealised gains and losses (except for foreign currency transactions gains or losses) arising from intra-group transactions are eliminated on consolidation. Unrealised gains resulting from transactions with associated and joint venture companies are eliminated to the extent of the Group's interest in them. Unrealised losses are also eliminated but only to the extent that there is no evidence of impairment.

Losses within a subsidiary company are attributed to the non-controlling interest even if that results in a deficit balance.

Non-controlling interests in the acquiree is recognised on the acquisition date at the non-controlling interests' proportionate share of the acquiree's net identifiable assets.

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in the profit statement.

When a change in the Company's ownership interest in a subsidiary company results in a loss of control over the subsidiary company, the assets and liabilities of the subsidiary company including any goodwill, and any related non-controlling interests and other components of equity, are derecognised. Any retained interest in the entity is re-measured at fair value. The difference between the carrying amount of the retained interest and its fair value is recognised in the profit statement.

The accounting policy on goodwill on acquisition of subsidiary companies is included in Note 2.12(b).

When an entity within the Group writes a put option with the non-controlling shareholders as part of the acquisition of a subsidiary for settlement in cash or in another financial asset, a put liability is recognised for the present value of the exercise price of the option. This creates an obligation or potential obligation for the entity to purchase its subsidiary's equity instruments (constitutes the Group's own equity in the consolidated financial statements) for cash or another financial asset.

When the non-controlling shareholders still have present access to the returns associated with the underlying ownership interests, the Group continues to recognise the non-controlling shareholders. Therefore, the present value of the option is recognised in equity. Subsequent to initial recognition of the financial liability, changes in the carrying amount of the financial liability is recognised within equity.

If the put option expires unexercised, the charge to equity will be reversed and the financial liability will be derecognised. If the put option is exercised, the charge to equity will be reversed, the financial liability will be derecognised and acquisition accounting will be applied.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.2 Basis of Consolidation and Business Combinations (cont'd)

Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiary companies not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

A change in ownership interest in subsidiary companies that do not result in a change of control is accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests will be adjusted to reflect the changes in their relative interests in the subsidiary company. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognised directly in equity and attributed to owners of the parent company.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less accumulated impairment losses.

A list of the significant subsidiary companies is shown in Note 38.

2.3 Joint Arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

(a) Joint operations

A joint operation is an arrangement which provides the Group with the rights to the assets and obligations for the liabilities relating to the arrangement.

The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation. The Group combines its share of each of the assets, liabilities, income and expenses of the joint operations with the similar items, line by line, in its consolidated financial statements.

(b) Joint venture companies

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group recognises its interest in joint venture companies using equity method. The Group's investments in joint venture companies are recorded at cost and adjusted to recognise the Group's share of post-acquisition reserves of the joint venture companies and less accumulated impairment losses, if any.

Investments in joint venture companies include goodwill. When the Group's share of losses in a joint venture company equals or exceeds its interest in the joint venture company, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture company.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.3 Joint Arrangements (cont'd)

(b) Joint venture companies (cont'd)

The Group's share of the operating results and exceptional items of joint venture companies are shown separately in the profit statement. The Group's share of other comprehensive income ("OCI") is recognised in OCI. Net assets of the joint venture companies are included in the consolidated financial statements under the equity method based on their latest audited financial statements except where their financial periods do not end on 30 September, then management accounts to 30 September are used.

The joint venture company is equity accounted for until the date on which the Group ceases to have joint control over the joint venture company. Upon loss of joint control over the joint venture company, the Group measures the retained interest at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in the profit statement.

In the Company's separate financial statements, investments in joint venture companies are carried at cost less accumulated impairment losses.

A list of the significant joint arrangements is shown in Note 38.

2.4 Associated Companies

An associated company (not being a subsidiary company or joint venture company) is a company in which the Group exercises significant influence over the financial and operating policy decisions.

The Group's investments in associated companies are carried at cost and adjusted to recognise the Group's share of post-acquisition reserves of the associated companies, and less accumulated impairment losses, if any. Investments in associated companies include goodwill.

When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

The Group's share of the operating results, exceptional items and fair value adjustment of investment properties of associated companies are shown separately in the profit statement. The Group's share of OCI is recognised in OCI. Net assets of the associated companies are included in the consolidated financial statements under the equity method based on their latest audited financial statements except where their financial periods do not end on 30 September, then management accounts to 30 September are used.

An associated company is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associated company. Upon loss of significant influence over the associated company, the Group measures the retained interest at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in the profit statement.

In the Company's separate financial statements, investments in associated companies are carried at cost less accumulated impairment losses.

A list of the significant associated companies is shown in Note 38.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.5 Revenue Recognition

Sale of Goods and Services

Revenue from the sale of goods and services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services.

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. Consideration payable is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

Others

Rental income is recognised on a straight-line basis over the lease term commencing on the date from which the lessee is entitled to exercise its right to use the leased asset.

Interest income is taken up on an accrual basis (using the effective interest method).

Dividend income is recognised when the Group's right to receive payment is established.

Other categories of revenue are taken up on an accrual basis.

2.6 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

2.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit statement except to the extent it relates to items recognised directly in equity, in which case it is recognised in equity or in OCI.

(a) Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.7 Taxation (cont'd)

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Temporary differences are not recognised for goodwill, the initial recognition of assets or liabilities that affects neither accounting nor taxable profit, and differences relating to investments in subsidiary, joint venture and associated companies to the extent that the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced by the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- (i) Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (ii) Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.8 Fixed Assets

Fixed assets are carried at cost less accumulated depreciation and accumulated impairment loss. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Dismantlement, removal or restoration costs are included as part of the cost of fixed assets if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Expenditure for additions, improvements and replacements are capitalised and expenditure for maintenance and repairs are charged to the profit statement. Subsequent expenditure relating to fixed assets that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured, otherwise it is recognised as an expense during the financial year in which it is incurred. The carrying amount of the replaced parts is derecognised.

An asset is derecognised upon sale or retirement and any gain or loss on derecognition of the asset is included in the profit statement. Any amount in revaluation reserve relating to that asset is transferred to revenue reserve.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.8 Fixed Assets (cont'd)

Depreciation is calculated on the straight-line method to write off the cost or valuation of fixed assets less residual value over their estimated useful lives. No depreciation is charged for freehold land and capital work-in-progress. The residual values, depreciation method and useful lives are reviewed and adjusted as appropriate at each balance sheet date. The annual depreciation rates applied to write down the fixed assets over their estimated useful lives are as follows:

Fixed assets	Useful lives
Leasehold land	Over the unexpired term of lease ranging from 10 to 99 years
Building	Over the shorter of the unexpired term of lease and lease term (ranging from 10 to 60 years)
Plant, machinery and equipment	Over the shorter of the unexpired term of lease and estimated useful lives of between 3 to 15 years
Motor vehicle and forklift	Over the shorter of the unexpired term of lease and estimated useful lives of between 5 to 10 years
Postmix and vending machine	Over the shorter of the unexpired term of lease and estimated useful lives of between 5 to 10 years
Furniture and fitting, computer equipment	Over the shorter of the unexpired term of lease and estimated useful lives of between 2 to 10 years

Capital Work-in-Progress includes fixed assets under construction and advance payments and progress payments made for fixed assets and are not depreciated until each stage of development is completed and becomes operational.

The carrying amounts of fixed assets are reviewed for impairment when events or circumstances indicate that the carrying value may not be recoverable.

2.9 Investment Properties

Investment properties are properties that are held for long term rental yields and/or capital appreciation. Completed investment properties are initially recognised at cost, including transaction cost and subsequently measured at fair value, determined annually by independent professional valuers on balance sheet date. Changes in fair values are recognised in the profit statement in the year in which they arise.

Transfers are made to or from completed investment properties only when there is a change in use. For a transfer from completed investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to completed investment property, the property is accounted for in accordance with the accounting policy for fixed assets up to the date of change in use.

On disposal of a completed investment property, the difference between the disposal proceeds and the carrying amount is recognised in the profit statement.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.10 Properties Held for Development

Properties held for development are stated at cost less provision for foreseeable losses. The cost of properties held for development includes cost of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle.

Allowance for foreseeable losses of properties held for development is made when it is anticipated that the net realisable value has fallen below cost.

Properties held for development are reclassified as property development costs at the point where the development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

2.11 Borrowing Costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the profit statement using the effective interest method. However, borrowing costs that are directly attributable to acquisition, construction and production of qualifying assets are capitalised as part of the cost of the assets. Capitalisation of borrowing costs commences when activities to prepare the assets are in progress until the assets are ready for their intended use. Borrowing costs capitalised in development properties are determined after netting off interest income earned from progress billings received and placed on fixed deposits.

2.12 Intangible Assets

Intangible assets acquired separately are capitalised at cost. Intangible assets from a business acquisition are capitalised at fair value as at the date of acquisition. After initial recognition, an intangible asset is carried at cost less any accumulated amortisation and any accumulated impairment loss.

The useful lives of these intangible assets are assessed to be either finite or indefinite. Amortisation charged on finite intangible assets is taken to the profit statement as amortisation expense. Intangible assets with indefinite useful lives are subjected to impairment test annually or more frequently if events or changes in circumstances indicate that the carrying value might be impaired.

Internally generated intangible assets arising from research are not capitalised and the expenditure is charged to the profit statement when it is incurred. Deferred development costs arising from deferred expenditure are recognised when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditure during the development.

Intangible assets are tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value might be impaired. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

- (a) Development costs of published products are expensed as incurred, except for development costs which can reasonably be expected to be recovered from related future revenues.

The development costs are then amortised in accordance with their estimated economic useful lives, upon completion of published products as follows:

	Education	General and Reference
1st year	33% - 50%	50%
2nd year	33% - 50%	30%
3rd year	34%	20%

At each balance sheet date, the Group assesses whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.12 Intangible Assets (cont'd)

- (b) Goodwill on acquisition is identified as being the excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree, over the net fair value of the acquiree's identifiable assets and liabilities. In instances where the latter amount exceeds the former, the excess is recognised as a gain in the profit statement on the acquisition date.

Positive goodwill is carried at cost less any accumulated impairment loss. Goodwill is subjected to impairment test annually or more frequently if events or changes in circumstances indicate that the carrying value might be impaired.

- (c) Other intangible assets are amortised on a straight-line basis in accordance with their estimated amortisation rates as follows:

Intangible assets	Amortisation rates
Imprints	5.0%
Co-publishing rights	21.7%
Non-contractual customers	10.0%
Customer relationships	6.7% to 20.0%
Publishing rights	12.5%
Licensing rights	2.0% to 20.0%
Distribution rights	6.7% to 10.0%
Software	12.5% to 33.3%

2.13 Brands

Brands with finite lives are stated at cost less accumulated amortisation and accumulated impairment losses. They are assessed for impairment annually or whenever there is an indication of impairment. The useful life is also examined on an annual basis and an adjustment, where applicable, is made on a prospective basis. Amortisation is calculated to write off their cost over their estimated useful lives of up to 14 years on a straight-line method to the profit statement.

Brands with indefinite lives are stated at cost less any impairment loss. The useful life of the brand is estimated to be indefinite because based on the current market share of the brand, management believes there is no foreseeable limit to the period over which the brand is expected to generate net cash flows to the Group. The indefinite useful life is reviewed annually to determine whether it continues to be supportable. The brand is tested for impairment annually or more frequently when indicators of impairment are identified.

Internally generated brands are not capitalised and the expenditure is charged against profit in the year in which the expenditure is incurred.

2.14 Inventories

All inventories are stated at the lower of cost and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses.

Cost in respect of raw materials, consumable stores and goods purchased for resale is stated based on first-in-first-out, weighted average or standard cost (which approximates average actual cost). Cost in respect of manufactured inventories and work-in-progress includes attributable production overheads. Engineering spares and other inventories are valued on the weighted average cost basis less appropriate allowances for obsolete items.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.15 Financial Assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ('FVOCI'); and
- Fair value through profit or loss ('FVTPL').

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets are not reclassified subsequent to their initial recognition unless its business model for managing those assets changes.

(i) *Financial assets at amortised cost*

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) *Financial assets at FVOCI*

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. The Group's equity investments are classified as FVOCI.

(iii) *Financial assets at FVTPL*

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

(b) Recognition and derecognition

Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Purchases and sales of investments are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or when all risks and rewards of ownership have been substantially transferred.

(c) Initial measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit statement.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.15 Financial Assets (cont'd)

(d) Subsequent measurement

(i) *Financial assets at amortised cost*

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit statement. Any gain or loss on derecognition is recognised in profit statement.

(ii) *Financial assets at FVOCI*

These assets are subsequently measured at fair value. The Group has elected to recognise changes in fair value of equity securities not held for trading in OCI as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/losses" in OCI. Where the Group has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit statement following the derecognition of the investment. Dividends from equity investments are recognised in profit statement as "dividend income".

(iii) *Financial assets at FVTPL*

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit statement.

(e) Impairment

The Group assesses on a forward looking basis the expected credit loss ("ECL") associated with its financial assets carried at amortised cost and contract assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Loss allowances of the Group are measured on either of the following bases:

- (i) 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected credit life of the instrument is less than 12 months); or
- (ii) Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

For trade receivables and contract assets, the Group applies the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

The Group applies the general approach of 12-month ECL at initial recognition for all other financial assets.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.15 Financial Assets (cont'd)

(e) Impairment (cont'd)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- (i) significant financial difficulty of the borrower;
- (ii) a breach of contract such as a default;
- (iii) the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- (iv) it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (v) the disappearance of an active market for a security because of financial difficulties.

2.16 Financial Liabilities

Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit statement. Directly attributable transaction costs are recognised in profit statement as incurred.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit statement.

Gains and losses are recognised in the profit statement when the liabilities are derecognised as well as through the amortisation process. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

2.17 Derivative Financial Instruments and Hedge Accounting

The Group and the Company use derivative financial instruments to hedge against risks associated with foreign currency and interest rate fluctuations. Foreign exchange forward contracts are used to hedge its risks associated primarily with foreign currency fluctuations. Interest rate swap contracts are used to hedge its risks associated with interest rate fluctuations. It is the Group's policy not to trade in derivative financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Any directly attributable transaction costs are recognised in the profit statement as incurred. The changes in fair value of any derivative instrument that do not qualify for hedge accounting are recognised directly in the profit statement.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.17 Derivative Financial Instruments and Hedge Accounting (cont'd)

The fair value of forward foreign currency contracts is calculated by reference to current forward foreign exchange rates for contracts with similar maturity profiles. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

Derivative instruments that qualify for hedge accounting are classified either as cash flow hedge or fair value hedge.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedge item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges directly affected by interest rate benchmark reform

Phase 1 amendments: Prior to interest rate benchmark reform - when there is uncertainty arising from interest rate benchmark reform

In accordance with the transition provisions, the Group has applied the interest rate benchmark reform amendments retrospectively to hedging relationships that existed as at 1 October 2020 or were designated thereafter, and to the amount accumulated in the hedging reserve that existed at 1 October 2020.

For the purpose of evaluating whether there is an economic relationship between the hedged item and the hedging instrument, the Group assumes that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

For a cash flow hedge of a forecasted transaction, the Group assumes that the benchmark interest rate will not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the forecasted transaction is highly probable and present an exposure to variations in the cash flow that could ultimately affect the profit statement. In determining whether a previously designated forecast transaction in a discontinued cash flow hedge is still expected to occur, the Group assumes that the interest rate benchmark cash flows designated as a hedge will not be altered as a result of interest rate benchmark reform.

The Group will cease to apply the specific policy for assessing the economic relationship between the hedged item and the hedging instrument (i) to a hedged item or hedging instrument when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the contractual cash flows of the respective item or instrument or (ii) when the hedging relationship is discontinued.

Phase 2 amendments: Replacement of benchmark interest rates - when there is no longer uncertainty arising from interest rate benchmark reform

When the basis for determining the contractual cash flows of the hedged item or the hedging instrument changes as a result of interest rate benchmark reform and therefore there is no longer uncertainty arising about the cash flows of the hedged item or the hedging instrument, the Group amends the hedge documentation of that hedging relationship to reflect the changes required by interest rate benchmark reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- (i) the change is necessary as a direct consequence of the reform; and
- (ii) the new basis for determining the contractual cash flows is economically equivalent to the previous basis - i.e. the basis immediately before the change.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.17 Derivative Financial Instruments and Hedge Accounting (cont'd)

Hedges directly affected by interest rate benchmark reform (cont'd)

Phase 2 amendments: Replacement of benchmark interest rates – when there is no longer uncertainty arising from Interest rate benchmark reform (cont'd)

For this purpose, the hedge designation is amended only to make one or more of the following changes:

- (i) designating an alternative benchmark rate as the hedged risk;
- (ii) updating the description of hedged item, including the description of the designated portion of the cash flows or fair value being hedged; or
- (iii) updating the description of the hedging instruments.

The Group amends the description of the hedging instrument only if the following conditions are met:

- (i) it makes a change required by interest rate benchmark reform by changing the basis for determining the contractual cash flows of the hedging instrument or using another approach that is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
- (ii) the original hedging instrument is not derecognised.

The Group amends the formal hedge documentation by the end of the reporting period during which a change required by interest rate benchmark reform is made to the hedged risk, hedged item or hedging instruments. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by interest rate benchmark reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Group deems that the hedging reserve recognised in OCI for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

Cash flow hedges

Hedges which meet the criteria for hedge accounting are accounted for as cash flow hedges.

Cash flow hedges are hedges of the exposure to the variability of cash flow that is attributable to a particular risk associated with a recognised asset or liability that could affect the profit statement.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in hedging reserve within equity limited to the cumulative change in fair value of the hedged item, while the ineffective portion is recognised in the profit statement.

Amounts taken to hedging reserve are transferred to the profit statement when the hedged transaction affects the profit statement, such as when the hedged financial income or financial expense is recognised or when a forecast sale or purchase occurs. When the hedged item is the cost of a non-financial asset or liability, the amounts taken to hedging reserve are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction is no longer expected to occur, amounts previously recognised in hedging reserve are transferred to the profit statement. If the hedging instrument expires or is sold, terminated, or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in hedging reserve remain in hedging reserve until the forecast transaction occurs. If the related transaction is not expected to occur, the amount is taken to the profit statement.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.18 Impairment of Non-Financial Assets

The carrying amounts of the Group's assets are reviewed at each reporting date or when annual impairment testing is required, to determine whether there is any indication of impairment. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost of disposal and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating unit ("CGU") to which the asset belongs. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised whenever the carrying amount of an asset or CGU exceeds its recoverable amount. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Reversal of impairment losses previously recognised is recorded when the decrease in impairment loss can be objectively related to an event occurring after the write down. The carrying amount is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss is recognised in the profit statement. Impairment loss on goodwill is not reversed in a subsequent period.

2.19 Discontinued Operations and Assets and Liabilities Held for Sale

A component of the Group is classified as a discontinued operation when the criteria to be classified as held-for-sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations, is part of a single co-ordinated major line of business or geographical area of operations. A component is deemed to be held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or component is available for immediate sale in its present condition.

Immediately before the initial classification of the asset (or disposal group) as held for sale, the carrying amounts of the assets (or all the assets and liabilities in the group) are measured in accordance with the applicable SFRS(I)s. Upon classification as held for sale, non-current assets and disposal groups are not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in the profit statement.

Any impairment loss on initial classification and subsequent measurement is recognised as expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in the profit statement.

All income and expenses from discontinued operations are reported separately from income and expenses from continuing activities in the profit statement.

2.20 Treasury Shares

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit statement on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.21 Employee Benefits

(a) Defined benefit plans

The cost of providing benefits under the defined benefit plans are determined by the project unit credit method. The liability recognised in the balance sheet is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality bonds that are denominated in the currency in which the benefits will be paid and have tenures approximating that of the related post-employment benefit obligations. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in OCI in the period when they arise.

Past service costs are recognised immediately in the profit statement.

(b) Defined contribution plans under statutory regulations

Obligations for contributions to defined contribution plans are recognised as an expense in the profit statement as incurred.

(c) Equity compensation plans

Employees of the Group receive remuneration in the form of share awards as consideration for services rendered.

Equity-settled transactions

The fair value of the employee services received in exchange for the grant of the awards is recognised as an expense in the profit statement with a corresponding increase in the employee share-based payment reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the awards on the date of grant. At each balance sheet date, the number of share awards that are expected to be vested are estimated. The impact of the revision of the original estimates is recognised as an expense and as a corresponding adjustment to equity over the remaining vesting period, unless the revision to the original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimates due to market conditions.

When the awards are released, the share-based payment reserve is credited to share capital if new shares are issued. If treasury shares purchased are re-issued to employees, the share-based payment reserve is credited to treasury shares with gain/loss on reissuance taken to capital reserve.

(d) Accrued annual leave

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for employee entitlements to annual leave as a result of services rendered by employees up to the balance sheet date.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.22 Leases

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in SFRS(I) 16.

(a) Lessee

The Group recognises a ROU asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There are modifications in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the ROU asset, or is recorded in profit statement if the carrying amount of the ROU asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.22 Leases (cont'd)

(b) Lessor

The accounting policy applicable to the Group as a lessor in the comparative period were the same under SFRS(I) 16 except for sub-leases, except when the Group is an intermediate lessor.

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the ROU asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the ROU asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "Other Receivables". Any differences between the ROU asset derecognised and the net investment in sublease is recognised in profit statement. Lease liability relating to the head lease is retained in the balance sheet, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognise lease income from sublease in profit statement within "Other income". The ROU asset relating to the head lease is not derecognised.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component.

2.23 Government Grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised in the profit statement over the period necessary to match them on a systematic basis to the costs that it is intended to compensate, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable. Where the grant relates to an asset, the fair value is recognised as deferred capital grant and is amortised to the profit statement over the expected useful life of the relevant asset by equal annual installments.

2.24 Exceptional Items

Exceptional items are items of income and expense of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the year.

2.25 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and the Company; or
- (b) a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised on the balance sheet of the Group and the Company, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.26 Functional and Foreign Currencies

(a) Functional currency

The currency of the primary economic environment in which the Company operates ("the functional currency") is Singapore Dollar. The consolidated financial statements are presented in Singapore Dollar, which is the Company's functional and presentation currency.

(b) Foreign currency transactions

Foreign currency transactions are recorded in the functional currencies of the Company and the respective subsidiary companies at rates of exchange approximating those ruling at transaction date. Foreign currency monetary assets and liabilities at the balance sheet date are translated at the rates ruling at that date. Exchange differences are dealt with in the profit statement except where exchange differences arise on foreign currency monetary items that in substance form part of the Group's net investment in the foreign entity. These exchange differences are taken to exchange reserve as a separate component of the shareholders' funds until the disposal of the net investment at which time they are recognised in the profit statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined. Currency translation differences on equity investments held at FVTPL, are reported as part of the fair value gain or loss. Currency translation differences on equity investments classified as financial assets at FVOCI, are included in the fair value adjustment reserve within equity.

Currency translation differences arising from events which are treated as exceptional are dealt with as exceptional items in the profit statement.

(c) Foreign currency translations

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) profit statement items are translated into presentation currency at exchange rates ruling at the dates of the transactions;
- (ii) assets and liabilities are translated into presentation currency at exchange rates ruling at the balance sheet date; and
- (iii) exchange differences arising from translation of foreign subsidiary, joint venture and associated companies are recognised in OCI under exchange reserve as a separate component of the shareholders' funds.

On disposal of a foreign operation, the cumulative amount of exchange differences deferred in shareholders' funds relating to that foreign operation is recognised in the profit statement as a component of the gain or loss on disposal.

In the case of a partial disposal without loss of control of a subsidiary company that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit statement. For partial disposals of associated or joint venture companies that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit statement.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.27 Significant Accounting Estimates and Judgements

Estimates and assumptions concerning the future are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date are discussed below.

(i) *Impairment of non-financial and financial assets*

Goodwill and brands

Goodwill and brands are tested for impairment at least on an annual basis. This requires an estimation of the value-in-use of the CGUs to which the goodwill and brands are allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the CGU, and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the goodwill and brands at balance sheet date is disclosed in Note 18 and Note 22 respectively.

Investments in joint venture and associated companies

The Group assesses at each reporting date whether there is any objective evidence that investments in joint venture and associated companies are impaired. Where there is objective evidence of impairment, the recoverable amount is estimated based on the higher of the value-in-use and the fair value less costs to sell. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows to be generated by the joint venture and associated companies, and also to choose a suitable discount rate in order to calculate the present value of those cash flows which reflects the risk profile of the investee and economic assumptions regarding the industry and geographical jurisdiction in which the investees operate. Changes in assumptions about these factors could affect the recoverable amount of the investees. The carrying amount of the investments in joint venture and associated companies at balance sheet date have been disclosed in the balance sheet.

Financial assets at amortised cost

The Group applies the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for grouping of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information, which is based on assumptions for the future movement of different economic drivers. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's financial assets at amortised cost is disclosed in Note 24 and 34(c).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (cont'd)

2.27 Significant Accounting Estimates and Judgements (cont'd)

(a) Key sources of estimation uncertainty (cont'd)

(ii) Taxes

The Group has exposure to taxes in numerous jurisdictions. Significant judgment is involved in determining the provision for taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of taxation and deferred taxation at balance sheet date are disclosed in the balance sheet.

(iii) Depreciation of fixed assets

Fixed assets are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these fixed assets to be within 2 to 99 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of the fixed assets at balance sheet date is disclosed in the balance sheet.

(b) Critical judgements made in applying accounting policies

Management is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimates.

3. REVENUE

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
Sale of goods	1,902,823	1,767,710
Sale of services	89,732	99,847
Others	10,659	11,606
Total revenue	2,003,214	1,879,163

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

3. REVENUE (cont'd)

(a) Disaggregation of revenue from contracts with customers:

	Operating Segments				Total (\$'000)
	Beverages (\$'000)	Dairies (\$'000)	Printing & Publishing (\$'000)	Others (\$'000)	
Year ended 30 September 2022					
Primary geographical markets					
Singapore	136,969	159,035	137,433	-	433,437
Malaysia	347,547	361,566	25,198	20,695	755,006
Thailand	-	670,989	41	-	671,030
Others	84,355	7,465	51,921	-	143,741
	568,871	1,199,055	214,593	20,695	2,003,214
Major products/service lines					
Sale of goods	562,416	1,199,055	120,912	20,440	1,902,823
Sale of services	5,842	-	83,850	40	89,732
Others	613	-	9,831	215	10,659
	568,871	1,199,055	214,593	20,695	2,003,214
Timing of transfer of goods or services					
At a point in time	562,416	1,199,055	209,073	20,695	1,991,239
Over time	6,455	-	5,520	-	11,975
	568,871	1,199,055	214,593	20,695	2,003,214
Year ended 30 September 2021					
Primary geographical markets					
Singapore	124,470	161,895	135,792	6	422,163
Malaysia	276,538	354,871	20,346	14,002	665,757
Thailand	-	666,097	168	-	666,265
Others	51,738	7,177	66,063	-	124,978
	452,746	1,190,040	222,369	14,008	1,879,163
Major products/service lines					
Sale of goods	444,454	1,190,040	119,449	13,767	1,767,710
Sale of services	8,002	-	91,800	45	99,847
Others	290	-	11,120	196	11,606
	452,746	1,190,040	222,369	14,008	1,879,163
Timing of transfer of goods or services					
At a point in time	452,746	1,190,040	215,081	14,008	1,871,875
Over time	-	-	7,288	-	7,288
	452,746	1,190,040	222,369	14,008	1,879,163

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

THE GROUP

2022
(\$'000)

2021
(\$'000)

3. REVENUE (cont'd)

(b) Contract balances

Information about contract liabilities from contracts with customers is as follows:

Contract liabilities	34,072	25,606
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The contract liabilities primarily relate to the advance consideration received from customers and progress billings issued in excess of the Group's rights to the consideration. Contract liabilities are recognised as revenue when the Group fulfils its performance obligations under the contracts.

Significant changes in the contract liabilities are explained as follows:

Contract liabilities at the beginning of the year recognised as revenue during the year	(25,606)	(29,213)
Increase due to cash received, excluding amounts recognised as revenue during the year	34,072	25,606

4. PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS

(a) Included in other income (net):

Sale of scrap items	2,543	1,884
Wage and other subsidies	1,787	8,930
Management and support services	916	626
Rental income	642	471
Fair value gain on derivatives	560	103
Gain on disposal of fixed assets	249	28
Foreign exchange loss	(6,352)	(5,125)

(b) Net finance costs:

Finance income		
Interest income from bank and other deposits	2,417	2,263
Interest income from lease receivables	4	10
Others	3	13
	2,424	2,286
Finance costs		
Interest expense from bank and other borrowings	(24,246)	(23,569)
Interest expense from lease liabilities	(1,852)	(1,536)
Others	(109)	(33)
	(26,207)	(25,138)
	(23,783)	(22,852)

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

4. PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS (cont'd)

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
(c) Profit before taxation and exceptional items have been arrived at after charging:		
Depreciation of fixed assets	71,682	76,935
Impairment of fixed assets	1,151	1,204
Impairment of intangible assets	124	43
Amortisation of brands	135	135
Amortisation of intangible assets	13,353	12,743
Intangible assets written off	6	26
Fixed assets written off	549	224
Bad debts written off	32	-
Allowance for impairment on trade receivables	1,568	5,681
Inventory written off	3,459	2,406
Allowance for inventory obsolescence	4,852	4,793
Directors of the Company:		
Fee	863	820
Remuneration of members of Board committees	498	552
Adviser fees and allowances	1,895	1,980
Key executive officers:		
Remuneration	4,642	4,375
Provident Fund contribution	85	73
Employee share-based expense	482	397
Staff costs (exclude directors and key executives)	221,695	223,263
Employee share-based expense (exclude directors and key executives)	4,139	3,046
Defined contribution plans (exclude directors and key executives)	21,769	22,540
Defined benefit plans	1,754	1,429
Auditors' remuneration:		
Auditor of the Company	772	740
Member firms of the Auditor of the Company	800	790
Other auditors	43	54
Professional fees paid to:		
Auditor of the Company	27	81
Member firms of the Auditor of the Company	111	160
Other auditors	190	30
and crediting:		
Write back of defined benefit plans	240	205
Write back of allowance for impairment on trade receivables	742	928
Write back of allowance for inventory obsolescence	2,759	1,246
Reversal of impairment of fixed assets	1,227	218
Reversal of impairment of intangible assets	-	230

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

5. SEGMENT INFORMATION

The Group's operating businesses are organised and managed separately according to the nature of activities. The Group's operating segments are namely beverages, dairies, printing and publishing and others. The Group operates in the following key geographical areas, namely Singapore, Malaysia, Thailand, Vietnam and other countries.

Year ended 30 September 2022

The following table presents financial information regarding operating segments:

Operating Segment	Beverages (\$'000)	Dairies (\$'000)	Printing & Publishing (\$'000)	Others (\$'000)	Elimination (\$'000)	Per Consolidated Financial Statements (\$'000)
Revenue - external	568,871	1,199,055	214,593	20,695	-	2,003,214
Revenue - inter-segment	3,400	396	737	114,472	(119,005)	-
Total revenue	572,271	1,199,451	215,330	135,167	(119,005)	2,003,214
Subsidiary companies	37,752	97,734	(10,834)	4,423	-	129,075
Joint venture and associated companies	-	97,401	-	6,939	-	104,340
Profit/(Loss) before interest and taxation	37,752	195,135	(10,834)	11,362	-	233,415
Finance income						2,424
Finance costs						(26,207)
Profit before fair value adjustment, taxation and exceptional items						209,632
Fair value adjustment of investment properties						(35)
Exceptional items						(7,408)
Profit before taxation						202,189
Taxation						(25,254)
Profit after taxation						176,935
Non-controlling interests						(52,068)
Attributable profit						124,867
Assets	514,639	852,806	250,751	204,578	-	1,822,774
Investments in joint venture and associated companies	-	2,699,284	150	178,620	-	2,878,054
Tax assets						5,475
Cash and bank deposits						274,586
Total assets						4,980,889
Liabilities	133,799	236,357	92,110	51,215	-	513,481
Tax liabilities						75,644
Borrowings						889,279
Total liabilities						1,478,404
Other segment information:						
Capital expenditure	35,382	108,413	13,635	7,871	-	165,301
Depreciation and amortisation	28,308	32,524	20,971	3,367	-	85,170
Impairment losses	696	467	6	106	-	1,275
Reversal of impairment losses	(593)	(572)	(40)	(22)	-	(1,227)
Attributable profit/(loss) before fair value adjustment and exceptional items	15,100	138,115	(9,177)	(14,617)	-	129,421
Fair value adjustment of investment properties	-	-	(35)	-	-	(35)
Exceptional items	(2,732)	(884)	(802)	(101)	-	(4,519)
Attributable profit/(loss)	12,368	137,231	(10,014)	(14,718)	-	124,867

The following information are based on the geographical location of the Group's customers, which are essentially in the same location as the business operation and are as follows:

Geographical Information	Singapore (\$'000)	Malaysia (\$'000)	Thailand (\$'000)	Vietnam (\$'000)	Others (\$'000)	Per Consolidated Financial Statements (\$'000)
Total revenue	433,437	755,006	671,030	30	143,711	2,003,214
(Loss)/Profit before interest and taxation	(4,989)	62,127	86,446	97,104	(7,273)	233,415
Non-current assets	228,606	452,752	211,314	-	138,116	1,030,788
Investments in joint venture and associated companies	-	72,898	105,722	2,699,284	150	2,878,054
Current assets	175,339	371,858	190,118	196	54,475	791,986
Capital expenditure	71,747	38,944	34,774	-	19,836	165,301

Others: Myanmar, Brunei, Indonesia, China, Australia, Europe and United States of America.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

5. SEGMENT INFORMATION (cont'd)

Year ended 30 September 2021

The following table presents financial information regarding operating segments:

Operating Segment	Beverages (\$'000)	Dairies (\$'000)	Printing & Publishing (\$'000)	Others (\$'000)	Elimination (\$'000)	Per Consolidated Financial Statements (\$'000)
Revenue - external	452,746	1,190,040	222,369	14,008	-	1,879,163
Revenue - inter-segment	2,284	408	1,381	100,044	(104,117)	-
Total revenue	455,030	1,190,448	223,750	114,052	(104,117)	1,879,163
Subsidiary companies	19,953	126,466	(2,547)	7,577	-	151,449
Joint venture and associated companies	-	111,657	-	(1,359)	-	110,298
Profit/(Loss) before interest and taxation	19,953	238,123	(2,547)	6,218	-	261,747
Finance income						2,286
Finance costs						(25,138)
Profit before fair value adjustment, taxation and exceptional items						238,895
Fair value adjustment of investment properties						17
Exceptional items						(8,720)
Profit before taxation						230,192
Taxation						(34,718)
Profit after taxation						195,474
Non-controlling interests						(55,032)
Attributable profit						140,442
Assets	470,888	760,766	247,265	98,884	-	1,577,803
Investments in joint venture and associated companies	-	2,684,786	149	182,040	-	2,866,975
Tax assets						4,695
Cash and bank deposits						471,799
Total assets						4,921,272
Liabilities	87,946	238,465	91,422	47,579	-	465,412
Tax liabilities						77,789
Borrowings						926,835
Total liabilities						1,470,036
Other segment information:						
Capital expenditure	32,530	80,682	15,188	1,755	-	130,155
Depreciation and amortisation	29,044	35,190	22,147	3,432	-	89,813
Impairment losses	549	583	43	72	-	1,247
Reversal of impairment losses	(147)	(71)	(230)	-	-	(448)
Attributable profit/(loss) before fair value adjustment and exceptional items	5,208	169,226	(3,249)	(25,968)	-	145,217
Fair value adjustment of investment properties	-	-	17	-	-	17
Exceptional items	(2,434)	(632)	(1,408)	(318)	-	(4,792)
Attributable profit/(loss)	2,774	168,594	(4,640)	(26,286)	-	140,442

The following information are based on the geographical location of the Group's customers, which are essentially in the same location as the business operation and are as follows:

Geographical Information	Singapore (\$'000)	Malaysia (\$'000)	Thailand (\$'000)	Vietnam (\$'000)	Others (\$'000)	Per Consolidated Financial Statements (\$'000)
Total revenue	422,163	665,757	666,265	86	124,892	1,879,163
Profit/(Loss) before interest and taxation	11,021	36,209	111,900	111,126	(8,509)	261,747
Non-current assets	165,404	471,948	204,620	23	129,829	971,824
Investments in joint venture and associated companies	-	74,274	107,766	2,684,786	149	2,866,975
Current assets	152,626	234,034	174,925	265	44,129	605,979
Capital expenditure	32,670	38,038	43,686	-	15,761	130,155

Others: Myanmar, Brunei, Indonesia, China, India, Australia, Europe and United States of America.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
6. GROSS INCOME FROM OTHER INVESTMENTS		
Dividend income	298	403
7. EXCEPTIONAL ITEMS		
Provision for impairment of assets and other expenses relating to flood and fire	(11,711)	-
Provision for restructuring and re-organisation costs of operations	(1,423)	(8,377)
Insurance claim relating to flood	5,726	-
Effect of change of interest in an associated company	-	(343)
	(7,408)	(8,720)
8. TAXATION		
Based on profit for the year:		
Singapore tax	4,111	6,604
Overseas tax		
- current year	19,048	19,897
- withholding tax	1,545	8,202
Deferred tax		
- current year	5,412	3,908
	30,116	38,611
Over provision in preceding years		
- current income tax	(4,038)	(1,755)
- deferred tax	(824)	(2,138)
	25,254	34,718

	THE GROUP	
	2022 %	2021 %
A reconciliation of the statutory tax rate to the Group's effective tax rate applicable to profit for the year is as follows:		
Singapore statutory rate	17.0	17.0
Effect of different tax rates of other jurisdictions	3.0	2.6
Effect of tax losses of subsidiary and joint venture companies not available for set-off against profits of other companies within the group	1.6	0.8
Income not subject to tax (tax incentive/exemption)	(12.6)	(13.3)
Expenses not deductible for tax purposes	6.1	6.9
Utilisation of previously unrecognised tax losses	(0.6)	(0.2)
Over provision in prior years	(2.4)	(1.7)
Deferred tax benefits not recognised	0.6	0.3
Withholding tax	0.8	3.6
Tax benefits arising from group relief loss transfers	(1.0)	(0.7)
Others	-	(0.2)
	12.5	15.1

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

8. TAXATION (cont'd)

As at 30 September 2022, certain Singapore subsidiary companies have unutilised tax losses carried forward of approximately \$25,352,000 (2021: \$24,801,000) available for set off against future taxable profits. In addition, certain overseas subsidiary companies have unutilised tax losses carried forward of approximately \$112,796,000 (2021: \$111,879,000), unutilised investment allowances of approximately \$83,385,000 (2021: \$81,753,000) and unabsorbed capital allowances of \$22,349,000 (2021: \$20,939,000). The availability of these tax losses and capital allowances to set off against future taxable profits is subject to the meeting of certain statutory requirements by those subsidiary companies in their countries of tax residence. The deferred tax benefits of these tax losses recognised in the financial statements are disclosed in Note 30.

For the year of assessment ("YA") 2022 certain subsidiary companies have transferred loss items of \$6,000,000 (YA 2021: \$11,025,000) to offset against the taxable income of other companies in the Group. Tax benefits of \$2,021,000 (YA 2021: \$1,657,000) were recognised on the tax losses utilised under the group relief system. Tax benefits of \$3,366,000 (YA 2021: \$4,799,000) arising from the utilisation of group relief are not recognised as they are subject to compliance with the relevant tax legislation governing group relief and agreement of the Inland Revenue Authority of Singapore.

9. DIVIDENDS

	THE GROUP & THE COMPANY	
	2022 (\$'000)	2021 (\$'000)
Interim paid of 1.5 cents per share (2021: 1.5 cents per share)	21,803	21,778
Final proposed of 3.5 cents per share (2021: 3.5 cents per share)	50,874	50,814
	72,677	72,592

The final dividend is proposed by the Directors after the balance sheet date and subject to the approval of shareholders at the next annual general meeting of the Company.

10. EARNINGS PER SHARE

(a) Basic Earnings Per Share

Basic earnings per share is computed by dividing the Group attributable profit to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
Group attributable profit to shareholders of the Company		
- before fair value adjustment and exceptional items	129,421	145,217
- after fair value adjustment and exceptional items	124,867	140,442
	1,453,264,025	1,451,543,660
	----- Number of Shares -----	
Weighted average number of ordinary shares in issue		
Earnings Per Share (Basic)		
- before fair value adjustment and exceptional items	8.9 cts	10.0 cts
- after fair value adjustment and exceptional items	8.6 cts	9.7 cts

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

10. EARNINGS PER SHARE (cont'd)

(b) Diluted Earnings Per Share

Diluted earnings per share is computed by dividing the Group adjusted attributable profit to shareholders of the Company by the adjusted weighted average number of ordinary shares in issue during the year.

For diluted earnings per share, the Group attributable profit to shareholders of the Company is adjusted for changes in subsidiary companies attributable profit resulting from dilutive potential shares under share plans of a subsidiary company. The reconciliation of the Group adjusted attributable profit to shareholders of the Company used to compute diluted earnings per share is as follows:

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
Group attributable profit to shareholders of the Company before fair value adjustment and exceptional items	129,421	145,217
Change in attributable profit due to dilutive potential shares under share plans of a subsidiary company	(166)	(134)
Group adjusted attributable profit to shareholders of the Company before fair value adjustment and exceptional items	<u>129,255</u>	<u>145,083</u>
Group attributable profit to shareholders of the Company after fair value adjustment and exceptional items	124,867	140,442
Change in attributable profit due to dilutive potential shares under share plans of a subsidiary company	(158)	(129)
Group adjusted attributable profit to shareholders of the company after fair value adjustment and exceptional items	<u>124,709</u>	<u>140,313</u>

The weighted average number of ordinary shares is adjusted to assume exercise of all dilutive potential shares under share plans of the Company. The reconciliation of the weighted average number of ordinary shares used to compute diluted earnings per share is as follows:

	----- Number of Shares -----	
Weighted average number of ordinary shares used to compute basic earnings per share	1,453,264,025	1,451,543,660
Adjustment for dilutive potential shares under share plans of the Company	3,719,603	3,907,753
Weighted average number of ordinary shares used to compute diluted earnings per share	<u>1,456,983,628</u>	<u>1,455,451,413</u>
Earnings Per Share (Fully diluted)		
- before fair value adjustment and exceptional items	8.9 cts	10.0 cts
- after fair value adjustment and exceptional items	8.6 cts	9.6 cts

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

11. SHARE CAPITAL AND RESERVES

	THE GROUP & THE COMPANY			
	2022		2021	
	Number of Shares	(\$'000)	Number of Shares	(\$'000)
(a) Share capital				
Ordinary shares issued and fully paid up				
Balance at beginning of year	1,451,835,276	858,830	1,450,085,578	855,870
Shares issued pursuant to the vesting of shares awarded under Share Plans	1,714,499	2,626	1,749,698	2,960
Balance at end of year	1,453,549,775	861,456	1,451,835,276	858,830

The holders of ordinary shares (except for treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

The Company has the following employee share plans under which share awards conditional on the achievement of pre-determined targets have been granted.

- (i) Fraser and Neave, Limited Restricted Share Plan
- (ii) Fraser and Neave, Limited Performance Share Plan
- (iii) F&N Restricted Share Plan 2019

During the financial year, all pending awards under the Fraser and Neave, Limited Performance Share Plan have been released. The final award under the Fraser and Neave, Limited Restricted Share Plan which is pending release is expected to be released by December 2022.

(b) Reserves

	THE GROUP		THE COMPANY	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
Capital Reserve	(8,925)	(7,781)	(1,091)	(1,091)
Fair Value Adjustment Reserve	(35,317)	(34,176)	(10,448)	22,478
Hedging Reserve	10,937	(7,202)	-	-
Share-based Payment Reserve	8,196	8,190	3,742	4,184
Revenue Reserve	2,224,810	2,166,297	709,694	680,765
Dividend Reserve (Note 9)	50,874	50,814	50,874	50,814
Exchange Reserve	(42,494)	(15,502)	-	-
Total reserves	2,208,081	2,160,640	752,771	757,150

Capital reserve of the Company comprises the net loss on reissuance of treasury shares. The capital reserve of the Group comprises statutory reserve, asset revaluation reserve of subsidiary companies, the net loss on reissuance of treasury shares and put option liability arising from acquisition of subsidiary companies.

Fair value adjustment reserve comprises the cumulative fair value changes, net of tax, of equity investments designated at FVOCI until they are disposed or impaired.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

11. SHARE CAPITAL AND RESERVES (cont'd)

(b) Reserves (cont'd)

Hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments related to hedged transactions that have not yet occurred.

Share-based payment reserve represents the share plans granted to employees and is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of share plans and is reduced by the shares awarded.

Dividend reserve relates to proposed final dividend of 3.5 cents (2021: 3.5 cents) per share.

Exchange reserve comprises the exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

12. FIXED ASSETS

	THE GROUP						
	Freehold Land (\$'000)	Building (\$'000)	Plant & Machinery (\$'000)	Capital Work-in- Progress (\$'000)	Other Assets (\$'000)	Right-of- Use Assets (\$'000)	Total (\$'000)
For the year ended 30 September 2022							
At cost							
Balance at beginning of year	39,011	332,647	782,214	118,805	193,522	136,000	1,602,199
Currency realignment	(1,650)	(11,583)	(24,937)	(4,889)	(6,015)	(2,940)	(52,014)
Additions	-	39,001	5,247	85,825	8,442	18,439	156,954
Acquisition of subsidiary companies	-	17	-	-	1,685	58	1,760
Derecognition	-	-	-	-	-	(10,003)	(10,003)
Disposals	-	(469)	(2,873)	(179)	(11,061)	-	(14,582)
Write off	(705)	(209)	(5,839)	(1,523)	(3,531)	(32)	(11,839)
Reclassification	-	51,731	50,089	(110,015)	8,195	-	-
Reclassified to intangible assets	-	-	-	(1,313)	-	-	(1,313)
Reclassified from intangible assets	-	-	-	-	399	-	399
Balance at end of year	36,656	411,135	803,901	86,711	191,636	141,522	1,671,561
Accumulated depreciation and impairment							
Balance at beginning of year	764	108,287	529,918	-	158,022	45,187	842,178
Currency realignment	(15)	(3,091)	(15,188)	-	(4,962)	(1,058)	(24,314)
Depreciation charge	-	8,421	34,016	-	12,662	16,583	71,682
Impairment charge	-	-	956	-	203	173	1,332
Reversal of impairment charge	-	-	(1,084)	-	(143)	-	(1,227)
Derecognition	-	-	-	-	-	(5,995)	(5,995)
Disposals	-	(468)	(2,772)	-	(10,711)	-	(13,951)
Write off	(705)	(215)	(5,602)	-	(3,318)	(32)	(9,872)
Reclassified from intangible assets	-	-	-	-	399	-	399
Balance at end of year	44	112,934	540,244	-	152,152	54,858	860,232
Net book value	36,612	298,201	263,657	86,711	39,484	86,664	811,329

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

12. FIXED ASSETS (cont'd)

	THE GROUP						Total (\$'000)
	Freehold Land (\$'000)	Building (\$'000)	Plant & Machinery (\$'000)	Capital Work-in- Progress (\$'000)	Other Assets (\$'000)	Right-of- Use Assets (\$'000)	
For the year ended 30 September 2021							
At cost							
Balance at beginning of year	39,893	339,563	786,053	91,622	204,559	119,381	1,581,071
Currency realignment	(882)	(18,492)	(34,525)	(3,523)	(4,441)	(8,457)	(70,320)
Additions	-	3,018	15,323	64,161	7,777	30,691	120,970
Acquisition of subsidiary companies	-	-	119	-	223	677	1,019
Derecognition	-	-	-	-	-	(6,292)	(6,292)
Disposals	-	(108)	(7,973)	-	(11,767)	-	(19,848)
Write off	-	-	(833)	-	(2,072)	-	(2,905)
Reclassification	-	8,666	24,050	(33,396)	680	-	-
Reclassified to intangible assets	-	-	-	(59)	(1,437)	-	(1,496)
Balance at end of year	39,011	332,647	782,214	118,805	193,522	136,000	1,602,199
Accumulated depreciation and impairment							
Balance at beginning of year	774	102,897	514,400	-	162,070	29,359	809,500
Currency realignment	(10)	(2,801)	(11,856)	-	(3,042)	(1,093)	(18,802)
Depreciation charge	-	8,286	34,966	-	13,551	20,132	76,935
Impairment charge	-	-	999	-	258	-	1,257
Reversal of impairment charge	-	-	(90)	-	(128)	-	(218)
Derecognition	-	-	-	-	-	(3,211)	(3,211)
Disposals	-	(95)	(7,759)	-	(11,405)	-	(19,259)
Write off	-	-	(742)	-	(1,939)	-	(2,681)
Reclassified to intangible assets	-	-	-	-	(1,343)	-	(1,343)
Balance at end of year	764	108,287	529,918	-	158,022	45,187	842,178
Net book value	38,247	224,360	252,296	118,805	35,500	90,813	760,021

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

12. FIXED ASSETS (cont'd)

	THE COMPANY		
	Other Assets (\$'000)	Right-of-Use Assets (\$'000)	Total (\$'000)
For the year ended 30 September 2022			
At cost			
Balance at beginning of year	1,716	6,896	8,612
Additions	155	4,356	4,511
Disposals	(458)	-	(458)
Balance at end of year	1,413	11,252	12,665
Accumulated depreciation and impairment			
Balance at beginning of year	833	4,426	5,259
Depreciation charge	218	2,252	2,470
Disposals	(405)	-	(405)
Balance at end of year	646	6,678	7,324
Net book value	767	4,574	5,341
For the year ended 30 September 2021			
At cost			
Balance at beginning of year	1,510	6,579	8,089
Additions	243	317	560
Disposals	(37)	-	(37)
Balance at end of year	1,716	6,896	8,612
Accumulated depreciation and impairment			
Balance at beginning of year	595	2,206	2,801
Depreciation charge	249	2,220	2,469
Disposals	(11)	-	(11)
Balance at end of year	833	4,426	5,259
Net book value	883	2,470	3,353

- (a) Other assets comprise motor vehicles and forklift, postmix and vending machines, fixture and fittings and computer equipment.
- (b) Details of right-of-use assets are disclosed in Note 27(a).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

13. INVESTMENT PROPERTIES

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
(a) Completed Investment Properties		
Balance at beginning of year	16,858	17,075
Currency realignment	(715)	(234)
Net fair value (loss)/gain recognised in the profit statement	(35)	17
Balance at end of year	16,108	16,858

- (b) Completed investment properties comprise commercial properties that are leased mainly to third parties under operating leases (Note 27).

The following amounts are recognised in the profit statement:

Rental income from investment properties	74	76
Direct operating expenses arising from rental generating properties	132	240

- (c) Completed investment properties are stated at fair value which has been determined based on valuations performed at balance sheet date. Valuations are performed by accredited independent valuers with recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued.

The valuations are based on open market values on the as-is basis and were prepared primarily using the Investment and Direct Comparison Approach. In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

Independent professional valuations were carried out by the following valuers:

Valuers	Country
Roma Appraisals Ltd	Hong Kong
Henry Butcher Malaysia Sdn Bhd	Malaysia

14. PROPERTIES HELD FOR DEVELOPMENT

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
Balance at beginning of year	17,853	18,114
Currency realignment	(893)	(253)
Property development cost written off	-	(8)
Balance at end of year	16,960	17,853
Properties held for development comprise:		
Freehold land	15,370	16,180
Development costs	1,590	1,673
	16,960	17,853

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

15. SUBSIDIARY COMPANIES

	THE COMPANY	
	2022	2021
	(\$'000)	(\$'000)
(a) Investments in subsidiary companies		
Quoted shares at cost	256,353	256,353
Unquoted shares at cost	2,251,954	2,247,954
Allowance for impairment	(391,128)	(331,450)
	2,117,179	2,172,857
Amounts owing by subsidiary companies	14,519	10
	2,131,698	2,172,867
Market value		
Quoted shares	1,356,890	1,765,619
<p>The Company increased its shareholdings in F&N Ventures Pte. Ltd. through capital injections amounting to \$4,000,000 during the financial year. There was no change to the Company's effective ownership interest in the subsidiary company.</p> <p>During the financial year, an impairment loss of \$59,678,000 (2021: \$Nil) was recognised by the Company on the cost of investment in a subsidiary company to bring its carrying value to its recoverable value.</p> <p>The amounts owing by subsidiary companies are unsecured and bear interest of 3.3% to 3.4% (2021: interest free) per annum. The settlement of these amounts is neither planned nor likely to occur in the foreseeable future. These amounts are, in substance, part of the Company's net investments in the subsidiary companies.</p>		
(b) Balances with subsidiary companies		
Current		
Amounts owing from subsidiary companies		
- trade, non interest-bearing	11,241	9,948
- non-trade, non interest-bearing	6,394	12,115
- loans, interest-bearing	50,947	99,950
	68,582	122,013
Amounts owing to subsidiary companies		
- trade, non interest-bearing	124	115
- non-trade, non interest-bearing	20,009	90,631
	20,133	90,746
Non-current		
Amounts owing to subsidiary companies		
- loans, interest-bearing	555,000	795,000
	555,000	795,000

The amounts owing from and to subsidiary companies disclosed under current assets and liabilities are unsecured, repayable on demand, and to be settled in cash. Loans receivable bear interest of 2.8% to 3.3% (2021: 0.4% to 3.3%) per annum.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

15. SUBSIDIARY COMPANIES (cont'd)

(b) Balances with subsidiary companies (cont'd)

The amounts owing to subsidiary companies disclosed under non-current liabilities are unsecured, not repayable within the next 12 months, and to be settled in cash. Loans payable bear interest between 2.1% to 3.9% (2021: 2.1% to 3.9%) per annum.

The Company provides for 12-month ECLs for all amounts due from subsidiary companies based on an assessment of qualitative and quantitative factors that are indicative of the risk of default. The amounts due from subsidiary companies are considered to have low credit risk and the amount of the allowance is insignificant.

Details of the significant subsidiary companies are included in Note 38.

(c) Acquisition of subsidiary companies

(i) On 15 December 2021, Warburg Vending Malaysia Sdn. Bhd., an indirect wholly-owned Malaysia-incorporated subsidiary company of the Group, completed the acquisition of the entire issued share capital of Ventaserv Sdn Bhd and its subsidiary company, Balance Fountain Sdn Bhd (collectively, "Ventaserv"). The cash consideration was RM8,706,000 (approximately \$2,689,000). A goodwill of \$1,470,000 was recognised on the acquisition based on the difference between the consideration and the fair value of the identifiable assets and liabilities at the date of the acquisition determined upon completion of the Price Purchase Allocation exercise. The consideration was arrived at on a "willing-buyer-willing-seller" basis, taking into account inter alia, the existing assets, financial position and business prospects of Ventaserv and precedent transactions for companies engaged in similar businesses.

The fair value of the identifiable assets and liabilities as at the date of acquisition were as follows:

	Fair Value as at Date of Acquisition (\$'000)
Fixed assets	1,760
Intangible assets	55
Current assets	326
Current liabilities	(963)
Non-current liabilities	(170)
Cash and cash equivalents	211
Total identifiable net assets at fair value	1,219
Goodwill arising from acquisition	1,470
Consideration paid	2,689
Less: Cash and cash equivalents in subsidiary companies acquired	(211)
Net cash outflow on acquisition of subsidiary companies	2,478

Transaction costs

Transaction costs related to the acquisitions of \$129,000 have been recognised under "Administrative expenses" in the Group's profit statement for the year ended 30 September 2022.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

15. SUBSIDIARY COMPANIES (cont'd)

(c) Acquisition of subsidiary companies (cont'd)

(ii) On 15 January 2021, Fraser and Neave Holdings Bhd, a subsidiary company of the Group, through its direct wholly-owned subsidiary, Awana Citra Sdn Bhd, completed the acquisition of the entire equity interest in each of the following companies:

- (i) Sri Nona Food Industries Sdn Bhd;
- (ii) Sri Nona Industries Sdn Bhd; and
- (iii) Lee Shun Hing Sauce Industries Sdn Bhd,

for an aggregate purchase consideration of RM59,498,000 (approximately \$19,337,000). A goodwill of \$8,788,000 was recognised on the acquisition based on the difference between the consideration and the fair value of the identifiable assets and liabilities at the date of the acquisition, upon completion of the Purchase Price Allocation exercise. The consideration was arrived at on a "willing-buyer-willing-seller" basis, taking into consideration, inter alia, the net asset value, brands and earnings of the 3 companies.

The fair value of the identifiable assets and liabilities as at the date of acquisition were as follows:

	Fair Value as at Date of Acquisition (\$'000)
Fixed assets	1,019
Brands	4,908
Current assets	5,916
Current liabilities	(2,761)
Non-current liabilities	(1,663)
Cash and cash equivalents	3,130
Total identifiable net assets at fair value	<u>10,549</u>
Goodwill arising from acquisition	<u>8,788</u>
Consideration paid	19,337
Less: Cash and cash equivalents in subsidiary companies acquired	<u>(3,130)</u>
Net cash outflow on acquisition of subsidiary companies	<u>16,207</u>

Transaction costs

Transaction costs related to the acquisitions of \$168,000 have been recognised under "Administrative expenses" in the Group's profit statement for the year ended 30 September 2021.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

15. SUBSIDIARY COMPANIES (cont'd)

(d) Liquidation of subsidiary companies

During the financial year, the Group liquidated the following companies:

- (i) Lion Share Management Limited, a wholly-owned subsidiary company of Fraser and Neave Holdings Bhd.
- (ii) Educational Technologies Private Limited, a wholly-owned subsidiary company of Times Publishing Limited.
- (iii) Times Graphics Private Limited., an indirect wholly-owned subsidiary company of Times Publishing Limited.

During the financial year ended 30 September 2021, the Group liquidated Direct Educational Technologies India Pvt. Ltd., an indirect wholly-owned subsidiary company of Times Publishing Limited.

(e) Increase in shareholdings in F&N United ("FNU")

During the financial year, the Group through F&N Dairy Investments Pte Ltd ("FNDI") increased its shareholdings in FNU through capital injections amounting to \$29,376,000. FNDI's shareholdings in FNU increased from 95.00% to 97.86%.

(f) Subsidiary company with material NCI

The Group's subsidiary company that has material NCI is as follows:

	Fraser & Neave Holdings Bhd	
	2022	2021
	(\$'000)	(\$'000)
NCI percentage of ownership and voting interest	44.5%	44.5%
Carrying amount of NCI	409,954	407,876
Profit after taxation allocated to NCI	54,268	57,212
Dividends paid to NCI	30,249	31,842
<u>Summarised financial information before inter-group elimination</u>		
Non-current assets	605,405	606,749
Current assets	688,397	573,569
Non-current liabilities	(115,127)	(51,057)
Current liabilities	(257,284)	(213,160)
Net assets	921,391	916,101
Revenue	1,421,919	1,343,360
Profit after taxation	121,596	128,496
Other comprehensive income	(3,802)	(14,296)
Total comprehensive income	117,794	114,200
Net cash flows from operating activities	33,037	200,557
Net cash flows used in investing activities	(60,236)	(58,733)
Net cash flows used in financing activities	(59)	(110,314)
Net (decrease)/increase in cash and cash equivalents	(27,258)	31,510

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

16. JOINT VENTURE COMPANIES

	THE GROUP		THE COMPANY	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
F&N Retail Connection Co., Ltd ("FNRC") and F&N International Holdings Co., Ltd ("FNIH")	105,722	107,766	38,578	38,965
Vacaron Company Sdn Bhd ("VCSB")	44,042	46,425	-	-
Other joint venture company	150	150	-	-
	149,914	154,341	38,578	38,965

- (a) The following table summarises the financial information of the Group's joint venture companies based on their respective financial statements for the periods ended 30 September, modified for fair value adjustments on acquisition and differences in the Group's accounting policies as follows:

	FNRC and FNIH		VCSB	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
Income/(expenses)	41	(268)	(126)	(192)
Share of joint venture companies' results	9,179	(5,912)	-	-
Profit/(loss) before interest and taxation	9,220	(6,180)	(126)	(192)
Finance income	1	1	2	4
Finance costs	(3)	-	-	-
Net finance (costs)/income	(2)	1	2	4
Profit/(loss) after taxation	9,218	(6,179)	(124)	(188)
Total comprehensive income/(loss)	9,218	(6,179)	(124)	(188)
Non-current assets	216,076	219,898	2	2
Cash and bank balances	19	693	121	216
Other current assets	-	365	88,078	92,740
Total liabilities	(336)	(1,031)	(23,767)	(25,005)
Net assets	215,759	219,925	64,434	67,953

- (b) The following table summarises the carrying amount and share of loss of the other joint venture company held by the Group as follows:

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
Carrying amount of interest	150	150
Share of loss after taxation and total comprehensive loss	-	-

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

16. JOINT VENTURE COMPANIES (cont'd)

- (c) On 11 November 2011, the Group had through its non-wholly owned subsidiary, Fraser & Neave Holdings Bhd ("F&NHB"), entered into a conditional subscription cum shareholders' agreement ("SSA") with Frasers Property Holdings (Malaysia) Pte. Ltd. ("FPHM") to form a joint venture company, VCSB for the purpose of carrying out a proposed mixed development on the land held under PN 3679 for Lot No. 35 and PN 3681 for Lot No. 37, Seksyen 13, Bandar Petaling Jaya, Daerah Petaling, Selangor. The Group and FPHM had both granted shareholder's loans to VCSB pursuant to the SSA. On 2 October 2019, the principal amount of shareholder's loan of \$41,838,000 was converted to 126,820 redeemable non-cumulative convertible preference shares at issue price of RM1,000 each.
- (d) The amounts owing from joint venture companies classified under current assets are unsecured, trade and non-trade in nature, interest free, repayable on demand and to be settled in cash. The Group provides for 12-month ECLs for all amounts due from joint venture companies based on an assessment of qualitative and quantitative factors that are indicative of the risk of default. The amounts due from joint venture companies are considered to have low credit risk and the amount of the allowance is insignificant.
- (e) There is no share of capital commitments and contingent liabilities of the joint venture companies as at 30 September 2022 and 2021.

Details of the significant joint venture companies are included in Note 38.

17. ASSOCIATED COMPANIES

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
Vietnam Dairy Products Joint Stock Company ("Vinamilk")	2,699,284	2,684,786
Other associated company	28,856	27,848
	2,728,140	2,712,634
Market value		
Quoted shares	1,911,628	2,330,288

- (a) The following table summarises the financial information of the Group's material associated company based on its consolidated financial statements for the periods ended 30 September, modified for fair value adjustments on acquisition and differences in the Group's accounting policies as follows:

Vinamilk

Summarised statement of comprehensive income

Revenue	3,082,853	2,943,858
Profit before taxation	595,651	685,928
Taxation	(115,326)	(129,227)
Profit after taxation	480,325	556,701
Other comprehensive income	43,600	(19,027)
Total comprehensive income	523,925	537,674
Attributable to:		
Non-controlling interests	8,071	31,549
Shareholders of Vinamilk	515,854	506,125
	523,925	537,674

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

17. ASSOCIATED COMPANIES (cont'd)

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
(a) Vinamilk (cont'd)		
<u>Summarised balance sheet</u>		
Non-current assets	3,102,597	3,101,300
Current assets	2,057,604	2,058,395
Current liabilities	(1,018,304)	(1,062,484)
Non-current liabilities	(463,369)	(464,973)
Net assets	3,678,528	3,632,238
Attributable to:		
Non-controlling interests	165,355	164,571
Shareholders of Vinamilk	3,513,173	3,467,667
	3,678,528	3,632,238
Group's interest in net assets at beginning of the year	2,684,786	2,638,522
Effect of change of interest	-	(343)
Group's share of		
Profit after taxation	97,401	111,657
Other comprehensive income	7,908	(8,311)
Total comprehensive income	105,309	103,346
Currency realignment	7,420	32,447
Dividends received during the year	(98,231)	(89,186)
Carrying amount of interest at end of the year	2,699,284	2,684,786

- (b) The following table summarises the carrying amount and share of profit and other comprehensive income of the associated company held by the Group that is not individually material as follows:

Carrying amount of interest	28,856	27,848
Share of profit before taxation	3,390	2,434
Share of taxation	(916)	(605)
Share of profit after taxation and total comprehensive income	2,474	1,829

- (c) The amounts due from/to associated companies classified under current assets and current liabilities are unsecured, trade and non-trade in nature, interest free, repayable on demand, to be settled in cash. The Group provides for 12-month ECLs for all amounts due from associated companies based on an assessment of qualitative and quantitative factors that are indicative of the risk of default. The amounts due from associated companies are considered to have low credit risk and the amount of the allowance is insignificant.
- (d) There is no share of contingent liabilities of the associated companies as at 30 September 2022 and 2021.

Details of the significant associated companies are included in Note 38.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

18. INTANGIBLE ASSETS

	THE GROUP			THE COMPANY	
	Goodwill (\$'000)	Deferred Development Costs (\$'000)	Other Intangible Assets (\$'000)	Total (\$'000)	Other Intangible Assets and Total (\$'000)
For the year ended 30 September 2022					
At cost					
Balance at beginning of year	107,883	36,089	58,532	202,504	1,134
Currency realignment	(777)	576	(626)	(827)	-
Additional expenditure	-	7,474	873	8,347	-
Acquisition of subsidiary companies	1,470	-	55	1,525	-
Reclassified from fixed assets	-	-	1,313	1,313	-
Reclassified to fixed assets	-	-	(399)	(399)	-
Write off	-	(4,349)	(119)	(4,468)	-
Balance at end of year	108,576	39,790	59,629	207,995	1,134
Accumulated amortisation and impairment					
Balance at beginning of year	5,952	16,416	41,500	63,868	257
Currency realignment	(88)	529	(591)	(150)	-
Amortisation charge	-	10,022	3,331	13,353	61
Impairment charge	-	6	118	124	-
Reclassified to fixed assets	-	-	(399)	(399)	-
Write off	-	(4,349)	(113)	(4,462)	-
Balance at end of year	5,864	22,624	43,846	72,334	318
Net book value	102,712	17,166	15,783	135,661	816
For the year ended 30 September 2021					
At cost					
Balance at beginning of year	99,514	34,533	56,892	190,939	851
Currency realignment	(419)	(163)	(343)	(925)	-
Additional expenditure	-	7,935	1,250	9,185	283
Acquisition of subsidiary companies	8,788	-	-	8,788	-
Reclassified from fixed assets	-	-	1,496	1,496	-
Write off	-	(6,216)	(763)	(6,979)	-
Balance at end of year	107,883	36,089	58,532	202,504	1,134
Accumulated amortisation and impairment					
Balance at beginning of year	5,977	13,316	37,951	57,244	199
Currency realignment	(25)	(69)	(228)	(322)	-
Amortisation charge	-	9,572	3,171	12,743	58
Impairment charge	-	43	-	43	-
Impairment charge written back	-	(230)	-	(230)	-
Reclassified from fixed assets	-	-	1,343	1,343	-
Write off	-	(6,216)	(737)	(6,953)	-
Balance at end of year	5,952	16,416	41,500	63,868	257
Net book value	101,931	19,673	17,032	138,636	877

All intangible assets, other than goodwill, have finite useful lives of not more than 20 years.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

19. IMPAIRMENT TESTS FOR INTANGIBLE ASSETS

(a) Goodwill

The carrying value of the Group's goodwill arising from acquisitions of subsidiary companies was assessed for impairment during the financial year.

	(\$'000)	Basis on which recoverable values are determined	Terminal growth rate	Pre-tax discount rate
Carrying value of capitalised goodwill based on CGUs				
As at 30 September 2022				
Subsidiary companies:				
Printing and Publishing Group	34,849	Value-in-use and Fair value less cost to sell	0% - 1.0%	5.5% - 8.0%
Dairies Group	309	Value-in-use	1.0%	7.2%
Beverages Group	59,206	Value-in-use	0% - 4.6%	5.8% - 10.2%
Others Group	8,348	Value-in-use	0%	8.3%
	<u>102,712</u>			
As at 30 September 2021				
Subsidiary companies:				
Printing and Publishing Group	34,277	Value-in-use and Fair value less cost to sell	0% - 1.0%	5.2% - 7.8%
Dairies Group	325	Value-in-use	1.0%	7.2%
Beverages Group	58,541	Value-in-use	0% - 3.5%	5.5% - 10.0%
Others Group	8,788	Value-in-use	0%	8.1%
	<u>101,931</u>			

Goodwill is allocated for impairment testing purposes to the individual entity which is also the CGU. The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management covering 3 to 5 year period. Cash flows beyond these periods are extrapolated using the estimated growth rates stated in the table above. The fair value less cost to sell calculations are based on quoted market prices obtained from active markets or using the net carrying amount adjusted for the unrecognised fair value changes to the properties.

The terminal growth rate used does not exceed the long term average growth rate of the product, industry or country in which the entity operates.

The discount rates applied to the cash flow projections reflect management's estimates of the risks specific to the respective CGUs at the date of assessment.

There was no impairment loss recognised in the profit statement during the current financial year and the previous financial year.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

19. IMPAIRMENT TESTS FOR INTANGIBLE ASSETS (cont'd)

(b) Deferred development costs

The carrying value of deferred development costs was assessed for impairment during the financial year.

An impairment loss of \$6,000 (2021: \$43,000) was recognised in the profit statement as the carrying value was assessed to be in excess of its recoverable value due to shift in market demand for certain products.

The recoverable amount of the deferred development costs has been determined based on value-in-use calculations using 5 year cash flow projection approved by management. The pre-tax discount rate applied to the cash flow projections is 5.5% to 5.7% (2021: 5.2% to 5.7%).

(c) Other intangible assets

The carrying value of other intangible assets was assessed for impairment during the financial year.

An impairment loss of \$118,000 (2021: \$Nil) was recognised in the profit statement based on the carrying amount due to certain softwares are no longer in use in the future.

A reasonable change to the assumptions used by the management to determine the impairment required, particularly the discount rate and terminal growth rate, would not significantly affect the results.

20. OTHER INVESTMENTS

	THE GROUP		THE COMPANY	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
At fair value through other comprehensive income ("FVOCI")				
Quoted equity investments	4,551	5,611	139,413	172,325
Unquoted equity investment	3,435	14	-	14
Total	7,986	5,625	139,413	172,339

Equity investments designated at FVOCI

The Group and the Company designated the investments shown below as equity investments at FVOCI because these equity investments represent investments that the Group and the Company intend to hold for long-term strategic purposes.

	THE GROUP		THE COMPANY	
	Fair value (\$'000)	Dividend income (\$'000)	Fair value (\$'000)	Dividend income (\$'000)
Year Ended 30 September 2022				
Vietnam Dairy Products Joint-Stock Company	-	-	134,862	7,169
Tsit Wing International Holdings Ltd	4,551	298	4,551	298
Ross Digital Pte Ltd	3,435	-	-	-
	7,986	298	139,413	7,467
Year Ended 30 September 2021				
Vietnam Dairy Products Joint-Stock Company	-	-	166,714	6,509
Tsit Wing International Holdings Ltd	5,535	395	5,535	395
Ovato Limited	76	-	76	-
Others	14	8	14	-
	5,625	403	172,339	6,904

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	THE GROUP		THE COMPANY	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
21. CASH AND BANK DEPOSITS				
Bank fixed deposits	41,076	67,775	-	3,002
Cash and bank balances	233,510	404,024	4,836	9,008
	274,586	471,799	4,836	12,010
22. BRANDS				
At cost				
Balance at beginning of year	46,255	41,548	8,647	8,647
Currency realignment	(534)	(201)	-	-
Acquisition of subsidiary companies	-	4,908	-	-
Balance at end of year	45,721	46,255	8,647	8,647
Accumulated amortisation and impairment				
Balance at beginning of year	14,150	14,194	8,435	8,435
Currency realignment	(209)	(179)	-	-
Amortisation charge	135	135	-	-
Balance at end of year	14,076	14,150	8,435	8,435
Net book value	31,645	32,105	212	212

Included in the Group's brands are brands with indefinite useful life of carrying amount of \$31,243,000 (2021: \$31,568,000).

The recoverable amount of the brands have been determined based on value-in-use calculations using 3 to 5 year cash flow projections approved by management.

The terminal growth rate used does not exceed the long term average growth rate of the product, industry or country in which the CGU operates.

The discount rate applied to the cash flow projections reflect managements' estimates of the risks specific to the respective CGUs at the date of assessment.

The pre-tax discount rates applied to the cash flow projections was 5.8% - 8.3% (2021: 5.5% - 8.1%) and terminal growth rates applied was 0% - 4.6% (2021: 0% - 3.5%).

Notes to the Financial Statements

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23. INVENTORIES

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
Raw materials	182,516	127,574
Finished goods	148,988	127,771
Packaging materials	40,731	26,226
Engineering spares, work-in-progress and other inventories	14,978	16,006
	387,213	297,577

The cost of inventories recognised as an expense in cost of sales during the year was \$1,380,084,000 (2021: \$1,246,036,000).

24. TRADE RECEIVABLES, OTHER RECEIVABLES AND RELATED PARTIES

	THE GROUP		THE COMPANY	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
Current				
Trade receivables	286,471	254,806	-	-
Other receivables:				
Accrued income	763	143	-	-
Prepayments	6,663	6,870	652	440
Prepayment for acquisition (Note 37)	66,560	-	-	-
Deposits paid	5,474	5,278	561	561
Tax recoverable	10,125	14,411	-	-
Staff loans	259	454	-	-
Derivative financial instruments (Note 25)	198	546	78	-
Contract costs	168	141	-	-
Sundry debtors	11,105	16,739	-	-
Other receivables	10,160	1,595	325	290
	111,475	46,177	1,616	1,291
Related parties	5,310	6,121	461	616
	403,256	307,104	2,077	1,907
Non-current				
Other receivables:				
Prepayments	-	221	-	-
Staff loans	-	8	-	-
Deposits paid	162	426	-	-
Derivative financial instruments (Note 25)	10,937	-	-	-
Other receivables	-	71	-	26
	11,099	726	-	26
	414,355	307,830	2,077	1,933

Current amounts due from related parties are trade and non-trade related. Transactions with related parties are made on normal commercial terms and conditions. Non-trade amounts are unsecured, interest-free, repayable upon demand and to be settled in cash. The Group provides for 12-month ECLs for all amounts due from related parties based on an assessment of qualitative and quantitative factors that are indicative of the risk of default. The amounts due from related parties are considered to have low credit risk and the amount of the allowance is insignificant.

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24. TRADE RECEIVABLES, OTHER RECEIVABLES AND RELATED PARTIES (cont'd)

Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping various customer segments that have similar loss patterns. The Group calibrates the matrix to adjust historical credit loss experience with forward-looking information such as forecast of economic conditions. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

Summarised below is the information about the credit risk exposure on the Group's trade receivables:

	THE GROUP		
	Gross carrying amount (\$'000)	Impairment loss allowance (\$'000)	Net carrying amount (\$'000)
Year Ended 30 September 2022			
Current (not past due)	224,452	(196)	224,256
Past due:			
1 to 30 days	44,557	(190)	44,367
31 to 60 days	6,084	(84)	6,000
61 to 90 days	3,445	(55)	3,390
91 to 120 days	1,496	(7)	1,489
more than 120 days	20,817	(13,848)	6,969
	300,851	(14,380)	286,471
Year Ended 30 September 2021			
Current (not past due)	194,655	(201)	194,454
Past due:			
1 to 30 days	41,429	(224)	41,205
31 to 60 days	7,942	(205)	7,737
61 to 90 days	4,914	(150)	4,764
91 to 120 days	1,595	(107)	1,488
more than 120 days	18,660	(13,502)	5,158
	269,195	(14,389)	254,806

The movements in allowance for impairment on trade receivables are as follows:

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
Balance at beginning of year	14,389	10,619
Impairment charge	1,568	5,681
Write back	(742)	(928)
Acquisition of subsidiary companies	-	39
Write off	(792)	(983)
Currency realignment	(43)	(39)
Balance at end of year	14,380	14,389

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FOR THE YEAR ENDED 30 SEPTEMBER 2022

	THE GROUP		THE COMPANY	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
25. DERIVATIVE FINANCIAL INSTRUMENTS				
Current Assets				
Forward currency contracts	198	546	78	-
Non-current Assets				
Interest rate swaps	10,937	-	-	-
	11,135	546	78	-
Current Liabilities				
Forward currency contracts	624	419	3	17
Non-current Liabilities				
Interest rate swaps	-	7,202	-	-
	624	7,621	3	17

The Group has applied cash flow hedge accounting for interest rate swap arrangements for which the associated floating rate loans have the same critical terms and which have been assessed to be effective hedges. The interest on these interest rate swaps and loans are settled on a half yearly basis.

26. TRADE PAYABLES, OTHER PAYABLES AND RELATED PARTIES

Current				
Trade payables	221,958	176,224	-	-
Other payables				
Accrued operating expenses	64,280	70,243	226	219
Sundry accruals	22,142	17,398	575	553
Sundry deposits	9,345	8,982	-	-
Staff costs payable	34,920	29,588	3,935	3,468
Accrual for unconsumed annual leave	2,651	3,205	809	932
Deferred income	73	742	-	-
Derivative financial instruments (Note 25)	624	419	3	17
Interest payable	6,252	4,703	1,817	-
Contract liabilities	34,072	25,606	-	-
Other payables	32,756	34,028	8,600	8,245
	207,115	194,914	15,965	13,434
Related parties	6,957	6,266	287	292
	436,030	377,404	16,252	13,726
Non-current				
Other payables				
Put liability to acquire non-controlling interests	17,795	16,600	-	-
Derivative financial instruments (Note 25)	-	7,202	-	-
Other payables	235	-	235	-
	18,030	23,802	235	-
	454,060	401,206	16,487	13,726

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

26. TRADE PAYABLES, OTHER PAYABLES AND RELATED PARTIES (cont'd)

- (a) Amounts due to related parties are trade and non-trade related. Transactions with related parties are made on normal commercial terms and conditions. Non-trade amounts are unsecured, interest-free, repayable upon demand and to be settled in cash.
- (b) As part of the acquisition of Print Lab Pte. Ltd. and its subsidiary company ("PLPL") in FY2019, TPL has entered into an agreement which, among other things, provides the right for TPL to acquire the remaining 40% share capital of PLPL and the right for the non-controlling interests of PLPL to require TPL to acquire the remaining 40% shares, subject to satisfaction of certain conditions by 30 September 2023.

27. LEASE LIABILITIES

	THE GROUP		THE COMPANY	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
Lease liabilities				
Current	10,984	11,646	1,419	2,445
Non-current	35,386	36,539	2,915	235
	46,370	48,185	4,334	2,680

(a) **The Group as a lessee**

The Group leases a number of warehouse and factory facilities with an option to renew the lease after that date. Lease payments are adjusted every five years to reflect current market rentals. The Group also leases equipment for use in its back office operations and vehicles for its delivery and logistics operations. There are no externally imposed covenants on these lease arrangements.

Information about leases for which the Group and the Company is a lessee is presented below.

Right-of-use assets classified within Fixed Assets in Note 12

	THE GROUP				THE COMPANY	
	Leasehold Land (\$'000)	Building (\$'000)	Plant & Machinery (\$'000)	Other Assets (\$'000)	Total (\$'000)	Other Assets and Total (\$'000)
For the year ended						
30 September 2022						
Balance at beginning of year	57,556	25,416	469	7,372	90,813	2,470
Currency realignment	(946)	(844)	2	(94)	(1,882)	-
Additions	-	10,948	695	6,796	18,439	4,356
Acquisition of subsidiary companies	-	58	-	-	58	-
Depreciation charge	(1,507)	(10,066)	(542)	(4,468)	(16,583)	(2,252)
Impairment charge	-	(173)	-	-	(173)	-
Derecognition	(6)	(3,871)	(14)	(117)	(4,008)	-
Balance at end of year	55,097	21,468	610	9,489	86,664	4,574

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

27. LEASE LIABILITIES (cont'd)

(a) The Group as a lessee (cont'd)

Right-of-use assets classified within Fixed Assets in Note 12 (cont'd)

	THE GROUP				THE COMPANY	
	Leasehold Land (\$'000)	Building (\$'000)	Plant & Machinery (\$'000)	Other Assets (\$'000)	Total (\$'000)	Other Assets and Total (\$'000)
For the year ended 30 September 2021						
Balance at beginning of year	65,789	12,970	737	10,526	90,022	4,373
Currency realignment	(6,878)	(55)	(3)	(428)	(7,364)	-
Additions	439	27,783	461	2,008	30,691	317
Acquisition of subsidiary companies	-	677	-	-	677	-
Depreciation charge	(1,525)	(13,393)	(682)	(4,532)	(20,132)	(2,220)
Derecognition	(5)	(2,830)	(20)	(226)	(3,081)	-
Reclassification	(264)	264	(24)	24	-	-
Balance at end of year	57,556	25,416	469	7,372	90,813	2,470

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
<u>Amounts recognised in profit statement</u>		
Interest expense on lease liabilities	1,852	1,536
Lease expense on short-term leases	1,876	1,812
Lease expense on low-value leases	623	559
Lease expense on variable lease payments	4,634	5,628

Extension options

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

27. LEASE LIABILITIES (cont'd)

(b) The Group as a lessor

Operating leases

The Group leases out its investment properties. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Information about the operating leases of investment properties are presented in Note 13.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
Less than one year	213	122
One to two years	35	51
Total	248	173

Finance lease

The Group and the Company had sub-leased an office space that has been presented as part of a right-of-use asset under fixed assets and recognised interest income on lease receivables of \$4,000 (2021: \$10,000).

The following table sets out the maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	THE GROUP & THE COMPANY	
	2022 (\$'000)	2021 (\$'000)
Less than one year	20	239
One to two years	-	20
Total undiscounted lease receivables	20	259
Unearned finance income	-	(4)
Net investment in lease receivables	20	255

(c) A reconciliation of movement of lease liabilities to cash flows arising from financing activities is as follows:

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
Lease Liabilities		
Balance at beginning of year	48,185	39,436
Additions	18,182	30,691
Acquisition of subsidiary companies	167	699
Derecognition	(3,999)	(3,213)
Payment of principal amount	(14,909)	(18,683)
Interest payments	(1,852)	(1,536)
Interest expense	1,852	1,536
Currency realignment	(1,256)	(745)
Balance at end of year	46,370	48,185

Notes to the Financial Statements

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28. BORROWINGS

	Notes	THE GROUP		THE COMPANY	
		2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
Repayable within one year:					
Unsecured					
Bank loans	(a)	31,607	33,132	-	-
Term loans	(b)	20,000	394,441	20,000	-
		51,607	427,573	20,000	-
Repayable after one year:					
Unsecured					
Term loans	(b)	837,672	499,262	154,111	-
	(d)	837,672	499,262	154,111	-
Total		889,279	926,835	174,111	-
Fair value	(c)	876,413	939,209	169,954	-

Notes

- (a) The Group's unsecured bank loans bore interest rates ranging from 1.30% to 4.29% (2021: 0.76% to 1.35%) per annum.
- (b) The Group's unsecured term loans bore interest at rates ranging from 1.18% to 4.01% (2021: 1.35% to 3.80%) and the Company's unsecured term loans bore interest at rates ranging from 1.18% to 3.00% (2021: Nil%) per annum during the year. As at 30 September 2022 and 2021, term loans include variable rate notes and medium term notes issued by the Company and certain subsidiary companies.
- (c) The Group's carrying amount of bank borrowings approximate fair value as they bear interest at rates which approximate the current incremental borrowing rate for similar types of lending and borrowing arrangements except for term loans of \$401,771,000 (2021: \$559,414,000) which have a fair value of \$388,905,000 (2021: \$571,788,000). The Company's carrying amount of bank borrowings approximate fair value as they bear interest at rates which approximate the current incremental borrowing rate for similar types of lending and borrowing arrangements except for term loans of \$139,757,000 (2021: \$Nil) which have a fair value of \$135,600,000 (2021: \$Nil). The Group and Company's fair value of bank borrowings are classified as a Level 2 and Level 3 under the fair value hierarchy, as determined based on quoted market prices and present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.
- (d) Maturity of non-current borrowings is as follows:

	THE GROUP		THE COMPANY	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
Between 1 and 2 years	301,062	-	-	-
Between 2 and 5 years	510,676	399,540	154,111	-
After 5 years	25,934	99,722	-	-
	837,672	499,262	154,111	-

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

THE GROUP

2022
(\$'000)

2021
(\$'000)

28. BORROWINGS (cont'd)

Notes (cont'd)

(e) A reconciliation of movement of liabilities to cash flows arising from financing activities is as follows:

Borrowings

Balance at beginning of year	926,835	838,589
Proceeds from borrowings	442,251	142,404
Repayment of borrowings	(476,978)	(50,889)
Currency realignment	(2,395)	(3,394)
Transaction costs	(434)	125
Balance at end of year	889,279	926,835

29. PROVISION FOR EMPLOYEE BENEFITS

Defined benefit plan	12,741	15,760
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(a) Defined Contribution Plan

The Group makes contributions to several post employment benefit plans. Most of these plans are defined contribution plans whereby contributions are made to approved provident and superannuation funds in Singapore, Malaysia and Hong Kong.

Accruals for defined contribution plans are included in Other Payables under Note 26.

(b) Defined Benefit Plan

The defined benefit plans in Malaysia, Thailand and Indonesia do not have separately funded assets. They provide a lump sum benefit at normal retirement age.

The following table summarise the components of the benefit liability:

Benefit liability

Present value of unfunded defined benefit obligation	12,741	15,760
Net liability arising from defined benefit obligation	12,741	15,760

The weighted average duration of the defined benefit obligation as at 30 September 2022 was 10.3 years (2021: 9.7 years).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

29. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
(b) Defined Benefit Plan (cont'd)		
Changes in present value of defined benefit obligations are as follows:		
Balance at beginning of year	15,760	18,414
<u>Included in profit statement</u>		
Interest cost	429	440
Current service cost	1,315	1,458
Past service credit	(230)	(76)
Settlement gain	-	(598)
	1,514	1,224
<u>Included in other comprehensive income</u>		
Remeasurements:		
- actuarial gain arising from change in demographic assumptions	(180)	-
- actuarial loss arising from change in financial assumptions	(1,535)	(779)
- experience adjustments	(525)	(306)
	(2,240)	(1,085)
Benefits paid	(1,317)	(2,097)
Currency realignment	(901)	(696)
Transfer	(75)	-
Balance at end of year	12,741	15,760

The major assumptions used by the qualified independent actuaries were:

Future salary growth	3.0% to 6.0%	4.0% to 7.0%
Discount rate	1.0% to 7.5%	1.0% to 7.5%

Sensitivity analysis

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming if all other assumptions were held constant:

	Change in assumption	Increase/(Decrease) in defined benefit obligation	
		Increase in assumption (\$'000)	Decrease in assumption (\$'000)
The Group			
Year Ended 30 September 2022			
Future salary growth	1%	1,129	(1,005)
Discount rate	1%	(996)	1,141
Year Ended 30 September 2021			
Future salary growth	1%	1,667	(1,321)
Discount rate	1%	(1,281)	1,642

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

29. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(c) Share Plans

Fraser and Neave Limited Restricted Share Plan ("RSP")

The RSP is a share-based incentive plan for senior executives and key senior management, which was approved by shareholders of the Company at an Extraordinary General Meeting held on 22 January 2009.

Information regarding the RSP

- (i) Depending on the level of achievement of pre-determined targets over a two-year performance period for the RSP, the final number of RSP shares to be awarded could range between 0% to 150% of the initial grant of the RSP shares.
- (ii) Based on meeting stated performance conditions over a two-year performance period, 50% of the RSP share awards will vest. The balance will vest equally over the subsequent two years upon fulfillment of service requirements.

Information with respect to the number of shares granted under the RSP is as follows:

Shares	Grant Date	Balance as at 1.10.2021	Vested	Balance as at 30.9.2022
Year 9	28.12.2017	276,900	(276,900)	-
Year 10	21.12.2018	816,800	(408,400)	408,400
		1,093,700	(685,300)	408,400

Fraser and Neave Limited Performance Share Plan ("PSP")

The PSP is a share-based incentive plan for senior executives and key senior management, which were approved by shareholders of the Company at an Extraordinary General Meeting held on 22 January 2009.

Information regarding the PSP

- (i) Depending on the level of achievement of pre-determined targets over a three-year performance period, the final number of PSP shares awarded could range between 0% to 200% of the initial grant of the PSP shares.
- (ii) PSP share awards will vest based on meeting stated performance conditions over a three-year performance period.

Information with respect to the number of shares granted under the PSP is as follows:

Shares	Grant Date	Balance as at 1.10.2021	Achievement Factor	Vested	Balance as at 30.9.2022
Year 10	21.12.2018	127,000	(66,700)	(60,300)	-
		127,000	(66,700)	(60,300)	-

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

29. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(c) Share Plans (cont'd)

F&N Restricted Share Plan 2019 ("F&N RSP 2019")

The F&N RSP 2019 replaced the RSP and PSP, which expired on 21 January 2019. The expiry of the RSP and PSP will not affect awards granted prior to expiry of these share plans and which are pending final release. The first grant of Base Awards pursuant to the F&N RSP 2019 was made on 28 August 2020.

Information regarding the F&N RSP 2019

- (i) Depending on the level of achievement of pre-determined targets over a one-year performance period for the F&N RSP 2019, the final number of F&N RSP 2019 shares to be awarded could range between 0% to 150% of the initial grant of the F&N RSP 2019 shares.
- (ii) Based on meeting stated performance conditions over a one-year performance period, the share awards will vest equally over three years upon fulfillment of service requirements.

Information with respect to the number of shares granted under the F&N RSP 2019 is as follows:

Shares	Grant Date	Balance as at 1.10.2021 or Grant Date if later	Lapsed	Achievement Factor	Vested	Balance as at 30.9.2022
Year 1	28.08.2020	790,803	(13,434)	-	(395,397)	381,972
Year 2	10.02.2021	1,896,250	(44,267)	(175,750)	(573,502)	1,102,731
Year 3	18.04.2022	1,830,500	(4,000)	-	-	1,826,500
		4,517,553	(61,701)*	(175,750)	(968,899)	3,311,203

* Lapsed due to cessation of employment.

The estimated fair value of shares granted during the financial year ended 30 September 2022 ranges from \$1.26 to \$1.36 (2021: \$1.28 to \$1.38). The fair value of equity-settled contingent award of shares are determined using Black-Scholes Valuation Model. The inputs to the model used are as follows:

	2022	2021
Dividend yield (%)	3.6	3.5
Expected volatility (%)	26.4	27.9
Risk-free interest rate (%)	1.7 to 2.2	0.3 to 0.5
Expected life (years)	0.7 to 2.7	0.9 to 2.9
Share price at date of grant (\$)	1.39	1.42

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

29. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(c) Share Plans (cont'd)

Fraser & Neave Holdings Bhd ("F&NHB") Restricted Share Plan ("F&NHB RSP"), F&NHB Performance Share Plan ("F&NHB PSP", and collectively with the F&NHB RSP, the "F&NHB SGP") and the F&NHB Share Grant Plan 2021 ("F&NHB SGP 2021")

The F&NHB SGP were approved by the shareholders of F&NHB at its Extraordinary General Meeting held on 13 January 2012. The F&NHB SGP has expired on 14 March 2022. Prior to the expiry of the F&NHB SGP, F&NHB had introduced the F&NHB SGP 2021 which was approved by its shareholders at the Extraordinary General Meeting held on 19 January 2021 and implemented on 11 February 2021. The F&NHB SGP 2021 is valid for 10 years from 11 February 2021 to 10 February 2031. The expiry of the F&NHB SGP during the financial year did not affect awards of F&NHB shares granted prior to its expiry and which were capable of being vested prior and up to 14 March 2022.

F&NHB RSP and F&NHB SGP 2021

Under the F&NHB RSP and the F&NHB SGP 2021, F&NHB grants a base number of conditional awards of F&NHB shares (the "F&NHB Base Awards") to eligible participants annually. The F&NHB Base Awards represent the right to receive fully paid shares of F&NHB, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions are met. The Remuneration Committee of F&NHB (the "F&NHB RemCo"), as administrator of the F&NHB RSP and the F&NHB SGP 2021, has absolute discretion in granting the F&NHB Base Awards and determining the performance period and the vesting period. The F&NHB RemCo has determined the performance period for the F&NHB RSP to be two years and for the F&NHB RSP 2021 (for awards from Year 11 onwards) to be one year.

Depending on the level of achievement of the pre-determined targets, an achievement factor will be applied to the relevant F&NHB Base Awards to determine the final number of F&NHB shares to be awarded at the end of the relevant performance period (the "F&NHB Final Awards"). The achievement factor ranges from 0% to 150%. Accordingly, the actual number of F&NHB shares to be awarded could range from 0% to 150% of the initial grant of awards under the F&NHB RSP and the F&NHB SGP 2021.

In respect of the F&NHB RSP, the first tranche of F&NHB shares (being 50% of the relevant F&NHB Final Awards) will be vested to participants after the end of the two-year performance period. The balance 50% will be vested in equal instalments over the next two years. In respect of the F&NHB RSP 2021, for awards from Year 11 onwards the F&NHB Final Awards will be vested to participants in equal installments over the next three years after the end of the one-year performance period.

The award for Year 10 of the F&NHB RSP was deferred from December 2020 originally, to 15 February 2021 (i.e. after the F&NHB SGP 2021 was approved and implemented). Therefore, the F&NHB RemCo determined that Year 10 of the F&NHB RSP would be issued under the F&NHB SGP 2021. This was because the two-year performance period for the Year 10 F&NHB RSP would traverse the expiry of the F&NHB SGP, and no F&NHB shares can be released after said performance period as they would be deemed cancelled.

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FOR THE YEAR ENDED 30 SEPTEMBER 2022

29. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(c) Share Plans (cont'd)

F&NHB RSP and F&NHB SGP 2021 (cont'd)

Information with respect to the number of shares granted under the F&NHB RSP and F&NHB SGP 2021 is as follows:

Shares	Grant Date	Balance as at 1.10.2021 or Grant Date if later	Lapsed	Achievement Factor	Vested	Balance as at 30.9.2022
F&NHB RSP						
Year 7	22.12.2017	54,125	(1,600)	-	(52,525)	-
Year 8*	21.12.2018	64,000	(3,100)	-	(31,250)	29,650
Year 9*	23.12.2019	194,750	(5,900)	(6,050)	(94,350)	88,450
F&NHB SGP 2021						
Year 10**	15.02.2021	321,800	(33,800)	-	-	288,000
Year 11	16.02.2022	437,400	(21,800)	-	-	415,600
		1,072,075	(66,200)^	(6,050)	(178,125)	821,700

* Under the original vesting schedules for these awards of F&NHB shares, the final tranche under Year 8 F&NHB RSP, and the second and final tranches under Year 9 F&NHB RSP, would be released after the 14 March 2022 expiry of the F&NHB SGP and thus were deemed cancelled. In December 2021, F&NHB shares under the F&NHB SGP 2021 equivalent to the number of shares deemed cancelled were awarded to eligible participants in accordance with the original vesting schedules of these deemed cancelled awards, and which shares will not be subject to performance periods or achievement targets.

** The F&NHB RemCo has also determined that the first tranche of F&NHB shares under the 15 February 2021 award for Year 10 F&NHB RSP (being 50% of the relevant F&NHB Final Awards) will be vested to participants after the end of the two-year performance period, and the balance 50% will be vested in equal instalments over the next two years.

^ Lapsed due to cessation of employment.

The estimated fair value of shares granted during the year ranges from RM21.82 to RM23.20 (2021: RM27.58 to RM28.85). The fair value of equity-settled contingent award of shares are determined using Monte Carlo Valuation Model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used are as follows:

	2022	2021
Dividend yield (%)	3.1	2.2
Expected volatility (%)	14.0	12.8
Risk-free interest rate (%)	2.3 to 3.0	1.9 to 2.1
Expected life (years)	0.9 to 2.9	1.9 to 3.9
Share price at date of grant (RM)	23.84	30.08

F&NHB PSP

Information regarding the F&NHB PSP

- (i) Depending on the achievement of pre-determined targets over a three-year performance period, the final number of PSP shares awarded could range between 0% to 200% of the initial grant of the PSP shares.
- (ii) PSP share awards will vest based on meeting stated performance conditions over a three-year performance period.

As at 30 September 2022, no shares has been granted under F&NHB PSP.

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30. DEFERRED TAX ASSETS AND LIABILITIES

	THE GROUP				THE COMPANY	
	Balance Sheet		Profit Statement		Balance Sheet	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
Deferred tax liabilities						
Differences in depreciation	42,692	36,864	7,560	3,557	20	53
Provisions, expenses and income taken in a different period	1,955	2,511	(556)	9	-	-
Fair value adjustments	900	1,027	(26)	(25)	-	-
Other deferred tax liabilities	236	1,457	(126)	22	-	-
Gross deferred tax liabilities	45,783	41,859	6,852	3,563	20	53
Less: Deferred tax assets						
Employee benefits	(1,821)	(1,900)	(7)	189	-	-
Unabsorbed losses and capital allowances	(1,927)	(1,525)	(489)	385	-	-
Provisions, expenses and income taken in a different period	(1,458)	(1,196)	(325)	(434)	-	-
Other deferred tax assets	(7,191)	(8,798)	(130)	(828)	(3)	(36)
Gross deferred tax assets	(12,397)	(13,419)	(951)	(688)	(3)	(36)
Net deferred tax liabilities	33,386	28,440	5,901	2,875	17	17

Some subsidiary companies have net deferred tax assets relating to the following:

Employee benefits	(757)	(1,338)	240	(64)	-	-
Differences in depreciation	(750)	(451)	(331)	(265)	-	-
Unabsorbed losses and capital allowances	(362)	(610)	247	(410)	-	-
Provisions, expenses and income taken in a different period	(3,288)	(2,046)	(1,385)	(338)	-	-
Tax effect on revaluation surplus	(1)	(1)	-	-	-	-
Investment allowances	(278)	(208)	(84)	(28)	-	-
Fair value adjustments	(39)	(41)	-	-	-	-
Net deferred tax assets	(5,475)	(4,695)	(1,313)	(1,105)	-	-

Deferred tax liabilities of \$52,000 (2021: \$634,000) have not been recognised in the consolidated financial statements for withholding and other taxes that would be payable on the unremitted earnings of \$307,000 (2021: \$3,727,000) at 30 September 2022.

Deferred tax liabilities of \$46,000 (2021: \$47,000) have not been recognised in the consolidated financial statements for withholding and other taxes that would be payable on the undistributed earnings of \$461,000 (2021: \$473,000) at 30 September 2022 of certain of the Group's subsidiary companies as the Group has determined that the undistributed earnings of its subsidiary companies will not be distributed in the foreseeable future.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

THE GROUP

2022
(\$'000)

2021
(\$'000)

30. DEFERRED TAX ASSETS AND LIABILITIES (cont'd)

Deferred tax assets have not been recognised in respect of the following items:

Deductible temporary differences	65,732	63,016
Tax losses	136,665	134,966
	202,397	197,982

Tax losses of \$39,052,000 (2021: \$40,357,000) start to expire in 2031. The remaining tax losses and the deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

31. FUTURE COMMITMENTS

Commitments not provided for in the financial statements:

(a) Commitments in respect of contracts placed

Fixed assets	128,989	113,592
Intangible assets	991	1,981
	129,980	115,573

(b) Other amounts approved by directors but not contracted for

Fixed assets	40,026	48,125
Intangible assets	775	1,052
	40,801	49,177
	170,781	164,750

32. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following were the significant related party transactions entered into between the Group and related parties based on agreed fees or terms between the parties.

(a) Transactions with TCC Group of Companies⁽ⁱ⁾

Sales	22,906	24,641
Advertising & promotion support	2,976	6,311
Service fee and other income	577	869
Purchases	(31,056)	(31,615)
Marketing expense	(5,751)	(5,701)
Logistic expense	(908)	(3,195)
Insurance premium expense	(1,801)	(1,694)
Rental and other expenses	(10,568)	(7,285)

⁽ⁱ⁾ This refers to the companies and entities in the TCC Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

32. SIGNIFICANT RELATED PARTY TRANSACTIONS (cont'd)

	THE GROUP	
	2022 (\$'000)	2021 (\$'000)
(b) Transactions with Joint Venture and Associated Companies		
Sales	235	1,120
Receipt of corporate service fee	38	39
Purchases	(2,334)	(2,312)

33. CONTINGENT LIABILITIES

The Company issued corporate guarantees to the extent of \$3,425,911,000 (2021: \$2,897,158,000) for the purpose of assisting its subsidiary and joint venture companies to obtain external borrowings. Of the \$3,425,911,000 (2021: \$2,897,158,000) corporate guarantees given by the Company, \$639,875,000 (2021: \$920,486,000) has been utilised by its subsidiary and joint venture companies as security for their borrowings.

34. FINANCIAL RISK MANAGEMENT

The Group and the Company are exposed to financial risks, including primarily the effects of changes in currency exchange rates and interest rates and use derivatives and other instruments in connection with their risk management activities. The Group and the Company do not hold or issue derivative financial instruments for trading purposes.

The Group has established processes to monitor and control hedging transactions in a timely and accurate manner.

These policies are reviewed regularly by the Audit Committee to ensure that the Group's policies and guidelines are adhered to. The Group's accounting policies in relation to derivatives are set out in Note 2.

(a) Foreign Currency Risk

The Group and the Company have exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising from normal trading and investment activities. Where exposures are certain, it is the Group's and Company's policy to hedge these risks as they arise. For those exposures less certain in their timing and extent, it is the Group's and the Company's policy to cover 50% to 90% of anticipated exposures for a maximum period of 12 months forward. The Group and the Company use foreign currency forward exchange contracts to manage these foreign exchange risks.

At 30 September 2022, the Group had entered into foreign currency forward exchange buy contracts amounting to \$19,514,000 (2021: \$23,794,000) and sell contracts amounting to \$9,184,000 (2021: \$19,220,000). The fair value adjustments of the buy contracts and sell contracts are losses of \$542,000 (2021: \$371,000) and gains of \$116,000 (2021: \$498,000) respectively.

At 30 September 2022, the Company had entered into foreign currency forward exchange sell contracts amounting to \$7,157,000 (2021: \$2,715,000). The fair value adjustments of the sell contracts is a gain of \$75,000 (2021: loss of \$17,000).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Foreign Currency Risk (cont'd)

The fair values of foreign currency forward exchange contracts have been calculated using rates quoted by the Group's and Company's bankers to terminate the contracts at the balance sheet date.

The major foreign currencies exposure of the Group and the Company are as follows:

	Australian Dollar (\$'000)	United States Dollar (\$'000)	Hong Kong Dollar (\$'000)	Euro Dollar (\$'000)	Malaysian Ringgit (\$'000)
The Group					
Year Ended 30 September 2022					
Other investments	-	-	4,551	-	-
Receivables	2,045	41,282	-	56	18,587
Cash and bank deposits	2,926	21,899	755	-	17,371
Payables	(4,630)	(37,253)	(9)	(3,662)	(22,353)
Borrowings	-	(17,165)	-	-	-
Net balance sheet exposure	341	8,763	5,297	(3,606)	13,605
Forward exchange contracts	11,622	3,662	-	-	(7,082)
Net exposure	11,963	12,425	5,297	(3,606)	6,523
Year Ended 30 September 2021					
Other investments	76	-	5,535	-	-
Receivables	2,852	52,151	-	241	8,965
Cash and bank deposits	2,989	25,263	1,443	179	13,724
Payables	(6,349)	(28,617)	(11)	(5,518)	(22,227)
Borrowings	-	(19,062)	-	-	-
Net balance sheet exposure	(432)	29,735	6,967	(5,098)	462
Forward exchange contracts	13,663	2,528	-	(158)	(1,967)
Net exposure	13,231	32,263	6,967	(5,256)	(1,505)

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Foreign Currency Risk (cont'd)

	Vietnamese Dong (\$'000)	Hong Kong Dollar (\$'000)	Malaysian Ringgit (\$'000)	Thai Baht (\$'000)	Australian Dollar (\$'000)
The Company					
Year Ended 30 September 2022					
Other investments	134,862	4,551	-	-	-
Receivables	-	-	7,002	183	-
Cash and bank deposits	-	-	14	-	-
Payables	-	(10)	(68)	(87)	-
Net balance sheet exposure	134,862	4,541	6,948	96	-
Forward exchange contracts	-	-	(7,082)	-	-
Net exposure	134,862	4,541	(134)	96	-
Year Ended 30 September 2021					
Other investments	166,714	5,535	-	-	76
Receivables	2,791	-	1,956	1,467	-
Cash and bank deposits	-	-	182	-	-
Payables	-	-	(25)	(80)	-
Net balance sheet exposure	169,505	5,535	2,113	1,387	76
Forward exchange contracts	-	-	(1,967)	(764)	-
Net exposure	169,505	5,535	146	623	76

The following table demonstrates the sensitivity of the Group and the Company's total equity and the Group and the Company's profit before taxation to a reasonably possible 10% strengthening of the Australian Dollar, United States Dollar, Hong Kong Dollar, Euro Dollar, Malaysian Ringgit, Vietnamese Dong and Thai Baht exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	2022		2021	
	Equity (\$'000)	Profit (\$'000)	Equity (\$'000)	Profit (\$'000)
The Group				
Australian Dollar	-	1,196	8	1,315
United States Dollar	-	1,243	-	3,226
Hong Kong Dollar	455	75	553	143
Euro Dollar	-	(361)	-	(526)
Malaysian Ringgit	-	652	-	(151)
The Company				
Vietnamese Dong	13,486	-	16,671	279
Hong Kong Dollar	455	(1)	553	-
Malaysian Ringgit	-	(13)	-	15
Thai Baht	-	10	-	62
Australian Dollar	-	-	8	-

A 10% weakening of the above currencies at the balance sheet date would have had the equal but opposite effect on the respective functional currencies of the Group entities as the amounts shown above, on the basis that all other variables remain constant.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity Risk

The Group's and the Company's exposure to liquidity risk arises in the general funding of the Group's and the Company's business activities. It includes the risks of being able to fund business activities in a timely manner.

The Group adopts a prudent approach to managing its liquidity risk. The Group maintains sufficient cash and marketable securities, and have available funding through diverse sources of committed and uncommitted credit facilities from various banks.

The table below analyses the maturity profile of the Group's and Company's financial liabilities and derivative financial instruments based on contractual undiscounted cash flows.

	Carrying amount (\$'000)	Contractual Cash Flows			Over 5 years (\$'000)
		Total cash flows (\$'000)	Less than 1 year (\$'000)	Between 1 and 5 years (\$'000)	
The Group					
Year Ended 30 September 2022					
<u>Non-derivative Financial Liabilities</u>					
Trade payables	221,958	221,958	221,958	-	-
Other payables	185,721	185,804	167,774	18,030	-
Lease liabilities	46,370	63,800	14,257	16,332	33,211
Borrowings	889,279	979,199	83,000	867,856	28,343
Related parties	6,957	6,957	6,957	-	-
Associated companies	310	310	310	-	-
	1,350,595	1,458,028	494,256	902,218	61,554
<u>Derivative Financial Instruments</u>					
Interest rate swaps (net-settled)	(10,937)	(11,774)	(6,588)	(5,186)	-
Forward currency contracts (net-settled)	426	426	426	-	-
	(10,511)	(11,348)	(6,162)	(5,186)	-
	1,340,084	1,446,680	488,094	897,032	61,554
Year Ended 30 September 2021					
<u>Non-derivative Financial Liabilities</u>					
Trade payables	176,224	176,224	176,224	-	-
Other payables	178,108	178,182	161,582	16,600	-
Lease liabilities	48,185	67,568	13,472	17,899	36,197
Borrowings	926,835	974,538	444,275	428,160	102,103
Related parties	6,266	6,266	6,266	-	-
Associated companies	261	261	261	-	-
	1,335,879	1,403,039	802,080	462,659	138,300
<u>Derivative Financial Instruments</u>					
Interest rate swaps (net-settled)	7,202	12,302	4,393	7,909	-
Forward currency contracts (net-settled)	(127)	(127)	(127)	-	-
	7,075	12,175	4,266	7,909	-
	1,342,954	1,415,214	806,346	470,568	138,300

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity Risk (cont'd)

	Contractual Cash Flows			
	Carrying amount (\$'000)	Total cash flows (\$'000)	Less than 1 year (\$'000)	Between 1 and 5 years (\$'000)
The Company				
Year Ended 30 September 2022				
<u>Non-derivative Financial Liabilities</u>				
Other payables	15,155	15,155	14,920	235
Subsidiary companies	575,133	622,709	36,073	586,636
Borrowings	174,111	187,020	24,726	162,294
Lease liabilities	4,334	4,598	1,553	3,045
Related parties	287	287	287	-
	769,020	829,769	77,559	752,210
<u>Derivative Financial Instruments</u>				
Forward currency contracts (net-settled)	(75)	(75)	(75)	-
	768,945	829,694	77,484	752,210
Year Ended 30 September 2021				
<u>Non-derivative Financial Liabilities</u>				
Other payables	12,274	12,274	12,274	-
Subsidiary companies	885,746	929,618	111,728	817,890
Lease liabilities	2,680	2,721	2,485	236
Related parties	292	292	292	-
	900,992	944,905	126,779	818,126
<u>Derivative Financial Instruments</u>				
Forward currency contracts (net-settled)	17	17	17	-
	901,009	944,922	126,796	818,126

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Credit Risk

At the balance sheet date, the Group's and the Company's total exposure to credit risk in the event that the counterparties fail to perform their obligations is represented by the carrying amount of each class of financial assets recognised in the balance sheets, including derivatives with positive fair values.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and business segment profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the balance sheet date is as follows:

	THE GROUP			
	2022		2021	
	(\$'000)	% of total	(\$'000)	% of total
By Geographical Segment:				
Singapore	91,294	32%	87,229	34%
Malaysia	100,012	35%	83,514	33%
Thailand	74,674	26%	63,398	25%
Others	20,491	7%	20,665	8%
	286,471	100%	254,806	100%
By Business Segment:				
Beverages	75,759	26%	55,629	22%
Dairies	147,962	52%	138,672	54%
Printing & Publishing	60,922	21%	57,795	23%
Others	1,828	1%	2,710	1%
	286,471	100%	254,806	100%

The Group and the Company have no significant concentration of credit risk. The Group and the Company have policies in place to monitor its credit risk. Sales of products and services are made to customers with an appropriate credit history. Contractual deposits are collected and scheduled progress payments are received from the buyers when due.

Cash and fixed deposits are placed in banks and financial institutions which are regulated. The Group limits its credit risk exposure in respect of investments by only investing in liquid securities and only with counterparties that have a sound credit rating. Management considers that its cash and fixed deposits and investments have low credit risk and does not expect any counterparty to fail to meet its obligations. As such, the Group considers these assets are subject to immaterial credit loss.

Information regarding financial assets that are either past due or impaired and ageing analysis is disclosed in Note 24. Management believes that no additional credit risk beyond that provided for is inherent in the Group's trade and other receivables.

With respect to derivative financial instruments, credit risk arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. The Group's total credit risk exposure for foreign exchange contracts are limited to the fair value adjustments of these contracts. It is the Group's and the Company's policy to enter into financial instruments with a diversity of credit worthy counterparties. The Group and the Company do not expect to incur material credit losses on their financial assets or other financial instruments.

The Group and the Company do not have significant exposure to any individual customer or counterparty.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(d) Interest Rate Risk

The Group and the Company's exposure to market risk for changes in interest rates relate primarily to debt obligation with financial institutions. The Group and the Company's policy is to manage interest cost using a mix of fixed and variable rate debts, and interest rate economic effect of converting borrowings from fixed rates to variable rates or vice versa.

Under the interest rate swaps, the Group agree with other parties to exchange, at specified intervals mainly half yearly, the difference between fixed rate and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

The Group held the following instruments to hedge exposures to changes in interest rates:

	Carrying amount		Changes during the year				Weighted average hedged rate*	Maturity date
	Contractual notional amount (\$'000)	Assets/ (Liabilities) (\$'000)	Line item in the Balance Sheet	Change in value of hedging instrument recognised in OCI (\$'000)	Amount reclassified from hedging reserve to Profit Statement (\$'000)	Line item in the Profit Statement affected by the reclassification		
THE GROUP								
Year Ended 30 September 2022								
<u>Cashflow hedge</u>								
Interest rate swaps to hedge floating rate borrowings								
	300,000	10,937	Non-current Other Receivables	15,019	3,120	Finance costs	1.69%	June and August 2024
Year Ended 30 September 2021								
<u>Cashflow hedge</u>								
Interest rate swaps to hedge floating rate borrowings								
	300,000	(7,202)	Non-current Other Payables	3,168	4,407	Finance costs	1.68%	June and August 2024

* Weighted average hedged rate refers to the fixed rate payable under the interest rate swaps and excludes the underlying bank loan credit margin.

Interest rate benchmark reform

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates with alternative nearly risk-free rates. The Group's risk exposure that is directly affected by the interest rate benchmark reform predominantly comprises its variable rate borrowings that are indexed to the Singapore Swap Offer Rates ("SOR"). These floating rate borrowings are hedged using interest rate swaps, which have been designated as cash flow hedges. The interest rate swaps, with contractual notional amount of \$300,000,000, have floating legs that are indexed to SOR.

SOR will cease publication after 30 June 2023, and it is expected to be replaced by the Singapore Overnight Rate Average ("SORA"). The Group has amended all its SOR indexed borrowings and interest rate swaps to reference to SORA in the current financial year. The Group has assessed that interest rate benchmark reform uncertainty is no longer present with respect to its cash flow hedge of its SOR indexed borrowings when both the hedging instrument and the hedged item have been amended to transition from SOR to SORA with fixed adjustment spreads.

In the current financial year, the Group has applied the following hedge accounting reliefs provided by the Phase 2 amendments for its hedging relationships that have already transitioned from SOR to SORA.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(d) Interest Rate Risk (cont'd)

Hedge designation

When the Phase 1 amendments cease to apply, the Group has amended its hedge designation to reflect the following changes which are required by interest rate benchmark reform:

- (i) designating SORA as a hedged risk;
- (ii) the contractual benchmark rate of the hedged SGD borrowings has been transited from SOR to SORA plus an adjustment spread; and
- (iii) the variable rate of the hedging interest rate swap has been transited from SOR to SORA plus an adjustment spread added to the fixed rate.

These amendments to the hedge documentation do not require the Group to discontinue its hedge relationships.

Cash flow hedge reserve

When the Group amended its hedge designation for changes to its SOR indexed borrowings that are required by the interest rate benchmark reform, the amount accumulated in the cash flow hedge reserve is deemed to be based on the SORA.

At the reporting date, the interest rate profile of interest-bearing financial instruments, was as follows:

	THE GROUP Nominal amount		THE COMPANY Nominal amount	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
Fixed rate instruments				
Cash and bank deposits	76,839	211,485	4,386	11,258
Other financial assets	-	-	50,947	99,950
Borrowings	(433,762)	(560,325)	(160,000)	-
Other financial liabilities	(4,260)	(4,240)	(555,000)	(795,000)
Effect of interest rate swaps	(300,000)	(300,000)	-	-
	(661,183)	(653,080)	(659,667)	(683,792)
Floating rate instruments				
Cash and bank deposits	59,492	2,999	-	-
Borrowings	(456,809)	(367,369)	(14,500)	-
Effect of interest rate swaps	300,000	300,000	-	-
	(97,317)	(64,370)	(14,500)	-

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument. The other financial instruments of the Group and the Company that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

The Group and the Company are in a net finance costs position for the year ended 30 September 2022 and 2021.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(d) Interest Rate Risk (cont'd)

Sensitivity analysis for floating rate instruments

It is estimated that a ten basis points (bps) increase in interest rate, with all other variables held constant, would decrease the Group and Company's profit before taxation by approximately \$97,000 (2021: \$64,000) and \$15,000 (2021: \$Nil) respectively and increase the Group's hedging reserve by approximately \$563,000 (2021: \$893,000). A decrease of a ten bps in interest rate would have an equal but opposite effect. The analysis is performed on the same basis for 2021.

(e) Market Price Risk

The Group and the Company are exposed to market price risk and the risk of impairment in the value of investments held. The Group and the Company manage the risk of impairment by evaluation of investment opportunities, continuously monitoring the performance of investments held and assessing market risk relevant to which the investments operate.

Sensitivity analysis for quoted investment risk

If prices for equity investments at fair value through OCI increase by 10% with all other variables including tax rate being held constant, the impact on fair value adjustment reserve will be as follows:

	THE GROUP		THE COMPANY	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
Fair value adjustment reserve	455	561	13,941	17,232

There will be no impact to profit before taxation.

A 10% decrease in the underlying equity prices would have had the equal but opposite effect as the amounts shown above. The analysis is performed on the same basis as for 2021 and assumes that all other variables remain constant.

(f) Fair Values

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

(i) *Cash and bank deposits, other receivables and other payables*

The carrying amounts of these items in current assets and current liabilities approximate fair value due to their short term nature.

(ii) *Trade receivables and trade payables*

The carrying amounts of receivables and payables approximate fair value because these are subject to normal trade credit terms.

(iii) *Amounts due from/to related parties, associated, joint venture and subsidiary companies*

The carrying amounts of amounts due from/to related parties, associated, joint venture and subsidiary companies in current assets and current liabilities approximate fair value due to their short term nature. For amounts due to subsidiary companies included in long term liabilities, no disclosure of the fair value has been made as the carrying amount approximates fair value.

(iv) *Other investments*

Market value of quoted investment is determined by reference to stock exchange quoted prices.

Certain unquoted investments do not have quoted market prices in an active market nor are there other methods of reasonably estimating the fair value readily available. It is not practicable to determine fair value with sufficient reliability without incurring excessive costs.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(f) Fair Values (cont'd)

(v) Borrowings

The fair value of fixed rate bank borrowings and term loans are disclosed in Note 28. The carrying values of bank borrowings, and term loans maturing within one year and the floating rate bank borrowings and term loans approximate their fair value.

(vi) Assets and liabilities measured at fair value

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following table shows the analysis of assets and liabilities carried at fair value and their levels in the fair value hierarchy:

	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)	Total (\$'000)
The Group				
Year Ended 30 September 2022				
Financial Assets				
Other investments (Note 20)				
- Quoted equity investments at FVOCI	4,551	-	-	4,551
Derivative financial instruments (Note 25)	-	11,135	-	11,135
	4,551	11,135	-	15,686
Non-Financial Asset				
Investment properties (Note 13)	-	-	16,108	16,108
Financial Liability				
Derivative financial instruments (Note 25)	-	624	-	624
Year Ended 30 September 2021				
Financial Assets				
Other investments (Note 20)				
- Quoted equity investments at FVOCI	5,611	-	-	5,611
Derivative financial instruments (Note 25)	-	546	-	546
	5,611	546	-	6,157
Non-Financial Asset				
Investment properties (Note 13)	-	-	16,858	16,858
Financial Liability				
Derivative financial instruments (Note 25)	-	7,621	-	7,621

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(f) Fair Values (cont'd)

(vi) Assets and liabilities measured at fair value (cont'd)

	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)	Total (\$'000)
The Company				
Year Ended 30 September 2022				
Financial Assets				
Other investments (Note 20)				
- Quoted equity investments at FVOCI	139,413	-	-	139,413
Derivative financial instruments (Note 25)	-	78	-	78
	139,413	78	-	139,491
Financial Liability				
Derivative financial instruments (Note 25)	-	3	-	3
Year Ended 30 September 2021				
Financial Assets				
Other investments (Note 20)				
- Quoted equity investments at FVOCI	172,325	-	-	172,325
Financial Liability				
Derivative financial instruments (Note 25)	-	17	-	17

There have been no transfers between Level 1, Level 2 and Level 3 for the Group and the Company during the financial year ended 30 September 2022 and 2021.

The fair value of quoted investments categorised within Level 1 of the fair value hierarchy is determined directly by reference to the quoted market price at the balance sheet date.

The fair value of derivatives categorised within Level 2 of the fair value hierarchy are valued using a valuation technique with market observable inputs. These include forward pricing and swap models, using present value calculations. The models incorporate various inputs such as foreign exchange spot and forward rates.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(f) Fair Values (cont'd)

(vi) Assets and liabilities measured at fair value (cont'd)

The following table presents the valuation techniques and significant unobservable inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy:

Description	Valuation techniques	Significant unobservable inputs	Range and Rate	
			2022	2021
Commercial property in Malaysia	Investment Approach	Estimated rental value per square feet per month (RM)	3.20 - 4.20	4.00 - 5.50
		Capitalisation rate		
		- 1st to 5th year	7.25%	-
		- 6th year onwards	7.25%	7.25%
		Void factor		
		- 1st to 5th year	0%	50%
		- 6th year onwards	0%	12.50%
		Capital expenditure reserve per square feet (RM)	1.00	1.00
		Discount factor		
		- 1st to 5th year	7.25%	7.00%
- 6th year onwards	7.25%	7.25%		
		Market interruption	0%	20.00%
Commercial property in Hong Kong	Direct Comparison Approach	Transacted price of comparable properties per square feet	\$1,853 to \$2,417	\$1,832 to \$2,496
Car park in Malaysia	Direct Comparison Approach	Value per car park bay	RM30,000	RM30,000

Investment approach for commercial property in Malaysia:

The valuation method considers the present value of net cash flows to be generated from the property, taking into account estimated rental value per square feet per month, capitalisation rate, void factor, capital expenditure reserve per square feet, discount factor, market interruption (if any) and other costs not paid by tenants.

Direct comparison approach for commercial property in Hong Kong:

The valuation method assumes the sale of the properties in their existing state with the benefit of vacant possession and by making reference to comparable transactions as available in the relevant market.

Direct comparison approach for car park in Malaysia:

The valuation method considers the sales of comparable or substitute properties as adjusted for differences in key attributes such as property size. The most significant input of this valuation approach is price per square foot.

The investment properties categorised under Level 3 of the fair value hierarchy are generally sensitive to the various significant unobservable inputs tabled above. Increase/(Decrease) in estimated rental value would result in higher/(lower) fair value of the investment properties assuming that all other assumptions were held constant. Increases/(Decreases) in the capitalisation rate, void factor, capital expenditure reserve, and discount factor and market interruption would result in lower/(higher) fair value assuming that all other assumptions were held constant.

The reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy for investment properties is set out in note 13.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(g) Classification of Financial Assets and Liabilities

Set out below is a comparison by category of the carrying amounts of the Group's and the Company's financial assets and liabilities that are carried in the financial statements:

	Amortised cost (\$'000)	Fair value through profit and loss (\$'000)	Derivatives designated as a hedge (\$'000)	Fair value through other comprehensive income (\$'000)	Total (\$'000)
The Group					
Year Ended 30 September 2022					
Assets					
Joint venture companies	13,211	-	-	-	13,211
Associated companies	129	-	-	-	129
Other investments	-	-	-	7,986	7,986
Other receivables	21,825	198	10,937	-	32,960
Trade receivables	286,471	-	-	-	286,471
Related parties	5,310	-	-	-	5,310
Cash and bank deposits	274,586	-	-	-	274,586
	601,532	198	10,937	7,986	620,653
Liabilities					
Trade payables	221,958	-	-	-	221,958
Other payables	185,721	624	-	-	186,345
Associated companies	310	-	-	-	310
Related parties	6,957	-	-	-	6,957
Lease liabilities	46,370	-	-	-	46,370
Borrowings	889,279	-	-	-	889,279
	1,350,595	624	-	-	1,351,219
Year Ended 30 September 2021					
Assets					
Joint venture companies	13,660	-	-	-	13,660
Associated companies	84	-	-	-	84
Other investments	-	-	-	5,625	5,625
Other receivables	19,654	546	-	-	20,200
Trade receivables	254,806	-	-	-	254,806
Related parties	6,121	-	-	-	6,121
Cash and bank deposits	471,799	-	-	-	471,799
	766,124	546	-	5,625	772,295
Liabilities					
Trade payables	176,224	-	-	-	176,224
Other payables	178,108	419	7,202	-	185,729
Associated companies	261	-	-	-	261
Related parties	6,266	-	-	-	6,266
Lease liabilities	48,185	-	-	-	48,185
Borrowings	926,835	-	-	-	926,835
	1,335,879	419	7,202	-	1,343,500

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

34. FINANCIAL RISK MANAGEMENT (cont'd)

(g) Classification of Financial Assets and Liabilities (cont'd)

	Amortised cost (\$'000)	Fair value through profit and loss (\$'000)	Fair value through other comprehensive income (\$'000)	Total (\$'000)
The Company				
Year Ended 30 September 2022				
Assets				
Subsidiary companies	83,101	-	-	83,101
Joint venture companies	163	-	-	163
Associated companies	1	-	-	1
Other investments	-	-	139,413	139,413
Other receivables	581	78	-	659
Related parties	461	-	-	461
Cash and bank deposits	4,836	-	-	4,836
	89,143	78	139,413	228,634
Liabilities				
Other payables	15,155	3	-	15,158
Subsidiary companies	575,133	-	-	575,133
Related parties	287	-	-	287
Lease liabilities	4,334	-	-	4,334
Borrowings	174,111	-	-	174,111
	769,020	3	-	769,023
Year Ended 30 September 2021				
Assets				
Subsidiary companies	122,023	-	-	122,023
Other investments	-	-	172,339	172,339
Other receivables	816	-	-	816
Related parties	616	-	-	616
Cash and bank deposits	12,010	-	-	12,010
	135,465	-	172,339	307,804
Liabilities				
Other payables	12,274	17	-	12,291
Subsidiary companies	885,746	-	-	885,746
Related parties	292	-	-	292
Lease liabilities	2,680	-	-	2,680
	900,992	17	-	901,009

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

35. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios to support its business and maximise shareholders' value. No changes were made in the objectives, policies or processes during the years ended 30 September 2022 and 2021.

The Group monitors its cashflow, debt maturity profile, cost of funds, overall liquidity position and gearing ratio on a continuous basis. The Group's policy is to keep gearing ratio at not more than 80% of total equity.

The gearing ratio is calculated as net borrowings divided by total equity. Net borrowings is calculated as borrowings less cash and bank deposits. Total equity is calculated as shareholders' fund plus non-controlling interests.

	THE GROUP		THE COMPANY	
	2022 (\$'000)	2021 (\$'000)	2022 (\$'000)	2021 (\$'000)
Cash and bank deposits	274,586	471,799	4,836	12,010
Borrowings	(889,279)	(926,835)	(174,111)	-
Net (borrowings)/cash	(614,693)	(455,036)	(169,275)	12,010
Shareholders' fund	3,069,537	3,019,470	1,614,227	1,615,980
Total equity (including non-controlling interests)	3,502,485	3,451,236	1,614,227	1,615,980
Gearing ratio %				
- without non-controlling interests	20.0	15.1	10.5	(0.7)
- with non-controlling interests	17.6	13.2	10.5	(0.7)

Certain entities in the Group are required to comply with certain externally imposed capital requirements in respect of certain external borrowings. The Group and the Company are in compliance with all externally imposed capital requirements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

36. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

The Group and the Company have not adopted the following new SFRS(I) and amendments to SFRS(I)s that have been issued as at balance sheet date but are not yet effective:

Description		Effective for annual periods beginning on or after
Amendments to SFRS(I) 3	<i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to SFRS(I) 1-16	<i>Property, Plant and Equipment—Proceeds before Intended Use</i>	1 January 2022
Amendments to SFRS(I) 1-37	<i>Onerous Contracts—Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to SFRS(I)s 2018–2020		
Amendment to SFRS(I) 1	<i>First-Time Adoption of Singapore Financial Reporting Standards (International)</i>	1 January 2022
Amendment to SFRS(I) 9	<i>Financial Instruments</i>	1 January 2022
Amendment to Illustrative Examples accompanying SFRS(I) 16	<i>Leases</i>	1 January 2022
Amendment to SFRS(I) 1-41	<i>Agriculture</i>	1 January 2022
Amendments to SFRS(I) 1-1	<i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
SFRS(I) 17	<i>Insurance Contracts</i>	1 January 2023
Amendments to SFRS(I) 17	<i>Insurance Contracts</i>	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2	<i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to SFRS(I) 1-8	<i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to SFRS(I) 1-12 and SFRS(I) 1	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

The Directors expect that the adoption of the new and amendments to the standards above will have no material impact on the financial statements of the Group and the Company in the period of initial application.

37. SUBSEQUENT EVENT

On 12 October 2022, Fraser & Neave Holdings Bhd (“F&NHB”), a 55.5%-owned subsidiary company of the Company, announced that its indirect 65.0%-owned subsidiary company, Dagang Sejahtera Sdn Bhd had completed the acquisition of the entire equity interest of Ladang Permai Damai Sdn Bhd (“LPDSB”) for a total cash consideration of RM215,588,000 (\$66,560,000). As a result, LPDSB became an indirect 65.0%-owned subsidiary company of F&NHB. This acquisition was financed by F&NHB’s internal funds and bank borrowings.

On 4 November 2022, F&NHB announced its wholly-owned subsidiary company, Awana Citra Sdn Bhd (“Awana”), had acquired 326,129,868 shares in Cocoaland Holdings Berhad (“Cocoaland”), representing approximately 72.4% of the issued share capital of Cocoaland for a total cash consideration of RM489,195,000 (approximately \$151,033,000). As a result, Cocoaland became an indirect wholly-owned subsidiary company of F&NHB. The acquisition was financed by F&NHB’s internal funds and borrowings. All ordinary shares of Cocoaland are to be de-listed from the Main Market of Bursa Malaysia Securities Berhad.

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FOR THE YEAR ENDED 30 SEPTEMBER 2022

38. SIGNIFICANT SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES

	Effective Shareholding		Principal Activities
	2022	2021	
SUBSIDIARY COMPANIES OF THE COMPANY			
Country of Incorporation and Place of Business: Singapore			
(A) Fraser & Neave (Singapore) Pte. Limited	100.0%	100.0%	Dormant
(A) F&N Investments Pte Ltd	100.0%	100.0%	Investment Holding
(A) F&N Foods Pte Ltd	100.0%	100.0%	Manufacture and Wholesale of Beverages and Dairy Products
(A) F&N Global Marketing Pte. Ltd.	100.0%	100.0%	Sale and Manufacture of Concentrates, Sub-licence of Brands and Related Intellectual Property Businesses
(A) F&N Dairy Investments Pte Ltd	100.0%	100.0%	Investment Holding
(A) F&N Interflavine Pte. Ltd.	100.0%	100.0%	Provision of Contract Manufacturing Services
(A) InterF&B Pte. Ltd.	100.0%	100.0%	Investment Holding
(A) Times Publishing Limited	100.0%	100.0%	Investment Holding
(A) F&NBev Manufacturing Pte. Ltd.	100.0%	100.0%	Investment Holding
(A) F&N Treasury Pte. Ltd.	100.0%	100.0%	Provision of Treasury and Financial Services
(A) F&N Creameries (S) Pte. Ltd. <i>(Held by a subsidiary company)</i>	100.0%	100.0%	Distribution of Ice Cream
(A) Warburg Vending Pte Ltd <i>(Held by a subsidiary company)</i>	100.0%	100.0%	Vending Machine Operator, Wholesale of Other Machinery and Equipment
(A) Warburg Engineering Pte. Ltd. <i>(Held by a subsidiary company)</i>	100.0%	100.0%	Dormant
(A) F&N Ventures Pte. Ltd.	100.0%	100.0%	Investment Holding
(A) F&N Myanmar Investments Pte. Ltd.	100.0%	100.0%	Investment Holding
Country of Incorporation and Place of Business: Hong Kong			
(B) Fraser & Neave Investments (Hong Kong) Limited	100.0%	100.0%	Dormant
Country of Incorporation and Place of Business: Malaysia			
(B) Fraser & Neave Holdings Bhd	55.5%	55.5%	Investment Holding
(B) Tiger Tavern Sdn. Bhd.	100.0%	100.0%	Dormant
(B) Magnolia - PDL Dairies (1993) Sdn. Bhd.	100.0%	100.0%	Investment Holding
(B) F&N Services (F&B) Sdn Bhd	100.0%	100.0%	Technical Application and Brand Marketing Support Services
(B) Yoke Food Industries Sdn Bhd <i>(Held by a subsidiary company)</i>	100.0%	100.0%	Manufacture, Export and Distribution of Soft Drinks
(B) Warburg Vending Malaysia Sdn. Bhd. <i>(Held by a subsidiary company)</i>	100.0%	100.0%	Vending Machine Operator

(A) Audited by KPMG LLP Singapore.

(B) Audited by other member firms of KPMG International.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

38. SIGNIFICANT SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities
	2022	2021	
SUBSIDIARY COMPANIES OF THE COMPANY (cont'd)			
Country of Incorporation and Place of Business: Thailand			
(B) F&N United Limited <i>(Held by a subsidiary company)</i>	97.9%	95.0%	Manufacture and Distribution of Dairy Products
Country of Incorporation and Place of Business: Indonesia			
(D) PT. F&N Indonesia <i>(Held by subsidiary companies)</i>	100.0%	100.0%	Dormant
Country of Incorporation and Place of Business: Vietnam			
(B) F&N Vietnam Limited Liability Company <i>(Held by a subsidiary company)</i>	100.0%	100.0%	Distribution of Non-alcoholic Beverages and Provision of Management Services
Country of Incorporation and Place of Business: Myanmar			
(B) F&N Myanmar Services Limited <i>(Held by a subsidiary company)</i>	100.0%	100.0%	Provision of Management Services
(B) Emerald Brewery Myanmar Limited <i>(Held by a subsidiary company)</i>	80.0%	80.0%	Brewing and Distribution of Beer
Country of Incorporation and Place of Business: China			
(E) F&N International Foods (GZ) Co., Ltd. <i>(Held by a subsidiary company)</i>	100.0%	-	Distribution of Beverages and Dairy Products
SUBSIDIARY COMPANIES OF F&N CREAMERIES GROUP			
Country of Incorporation and Place of Business: Malaysia			
(B) F&N Ice Cream Manufacturing (M) Sdn Bhd	100.0%	100.0%	Manufacture and Distribution of Ice Cream
(B) F&N Creameries (M) Sdn Bhd	100.0%	100.0%	Distribution and Sale of Ice Cream
(B) F&N Ice Cream Manufacturing (Sarawak) Sdn Bhd	100.0%	100.0%	Dormant
SUBSIDIARY COMPANIES OF WARBURG VENDING MALAYSIA GROUP			
Country of Incorporation and Place of Business: Malaysia			
(C) Ventaserv Sdn Bhd	100.0%	-	Vending Machine Operator
(C) Balance Fountain Sdn Bhd	100.0%	-	Machine Repair and Servicing

(B) Audited by other member firms of KPMG International.

(C) Audited by other firms of auditors.

(D) Not required to be audited under the laws of the country of incorporation.

(E) To be appointed.

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38. SIGNIFICANT SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities
	2022	2021	
SUBSIDIARY COMPANY OF YOKE FOOD INDUSTRIES GROUP			
Country of Incorporation and Place of Business: Indonesia			
(B) PT Yoke Food Industries Indonesia	100.0%	100.0%	Distribution of Soft Drinks
SUBSIDIARY COMPANIES OF FRASER & NEAVE HOLDINGS GROUP			
Country of Incorporation and Place of Business: Malaysia			
(B) Fraser & Neave (Malaya) Sdn Bhd	55.5%	55.5%	Sale of Soft Drinks and Dairy Products, Provision of Management Services and Property Investment Holding
(B) F&N Beverages Marketing Sdn Bhd	55.5%	55.5%	Distribution and Sale of Soft Drinks and Dairy Products
(B) F&N Beverages Manufacturing Sdn Bhd	55.5%	55.5%	Manufacture and Sale of Soft Drinks
(B) F&N Dairies (Malaysia) Sdn Bhd	55.5%	55.5%	Dormant
(B) Premier Milk (Malaya) Sdn Bhd	55.5%	55.5%	Dormant
(B) Letricia Corporation Sdn Bhd	38.8%	38.8%	Property Development
(B) Elsinburg Holdings Sdn Bhd	55.5%	55.5%	Dormant
(B) Nuvak Company Sdn Bhd	55.5%	55.5%	Property Development
(B) Greenclipper Corporation Sdn Bhd	55.5%	55.5%	Property Development
(B) Utas Mutiara Sdn Bhd	55.5%	55.5%	Property Investment Holding
(B) Borneo Springs Sdn Bhd	55.5%	55.5%	Manufacture and Sale of Mineral Water, Drinking Water and Rental of Dispensers
(B) F&N Dairies Manufacturing Sdn Bhd	55.5%	55.5%	Manufacture and Sale of Dairy Products
(B) F&N Properties Sdn Bhd	55.5%	55.5%	Provision of Property Management Services
(B) F&N Capital Sdn Bhd	55.5%	55.5%	Provision of Treasury and Financial Services
(B) Tropical League Sdn Bhd	55.5%	55.5%	Property Development
(B) F&N AgriValley Sdn Bhd	55.5%	55.5%	Dormant
(B) Awana Citra Sdn Bhd	55.5%	55.5%	Investment Holding
(B) Usahaniaga Abadi Sdn Bhd	55.5%	-	Investment Holding
(B) Dagang Sejahtera Sdn Bhd	36.1%	-	Investment Holding
(B) Sri Nona Food Industries Sdn Bhd	55.5%	55.5%	Manufacture and Sale of Food Products
(B) Sri Nona Industries Sdn Bhd	55.5%	55.5%	Distribution and Sale of Food Products

(B) Audited by other member firms of KPMG International.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

38. SIGNIFICANT SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities
	2022	2021	
SUBSIDIARY COMPANIES OF FRASER & NEAVE HOLDINGS GROUP (cont'd)			
Country of Incorporation and Place of Business: Malaysia (cont'd)			
(B) Lee Shun Hing Sauce Industries Sdn Bhd	55.5%	55.5%	Distribution and Sale of Food Products
Country of Incorporation and Place of Business: Singapore			
(A) F&N Dairies Distribution (Singapore) Pte Ltd	55.5%	55.5%	Distribution of Dairy Products
Country of Incorporation and Place of Business: Thailand			
(B) F&N Dairies (Thailand) Limited	55.5%	55.5%	Manufacture, Distribution and Sale of Dairy Products
Country of Incorporation and Place of Business: Brunei			
(B) F&N Marketing (B) Sdn Bhd	55.5%	55.5%	Sale of Soft Drinks and Dairy Products
Country of Incorporation and Place of Business: United Arab Emirates			
(C) Fraser and Neave MENA DWC-LLC	55.5%	55.5%	Trading of Food, Beverages and Dairy Products
SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP			
Country of Incorporation and Place of Business: Singapore			
(A) Marshall Cavendish International Private Limited	100.0%	100.0%	Investment Holding
(A) Marshall Cavendish International (Asia) Private Limited	100.0%	100.0%	Publishing of Trade Books
(A) Marshall Cavendish Education Pte. Ltd.	100.0%	100.0%	Publishing of Education Books
(A) Marshall Cavendish Business Information Private Limited	100.0%	100.0%	Publishing of Trade Directory and Business Information
(A) Marshall Cavendish Institute Pte. Ltd.	100.0%	100.0%	Publishing of Education Books
(A) Pansing Distribution Private Limited	100.0%	100.0%	Distribution of Books and Magazines
(A) Times Printers Private Limited	100.0%	100.0%	Commercial Printing
(A) Times Distribution Pte. Ltd.	100.0%	100.0%	Distribution of Books and Magazines
(A) Print Lab Pte. Ltd.	60.0%	60.0%	Commercial Printing
(A) Alliance Graphics Pte. Ltd.	60.0%	60.0%	Commercial Printing
(D)(1) Mint Lab LLP	48.0%	48.0%	Provision of Advertising and Creative Agency Services

(A) Audited by KPMG LLP Singapore.

(B) Audited by other member firms of KPMG International.

(C) Audited by other firms of auditors.

(D) Not required to be audited under the laws of the country of incorporation.

(1) Company is treated as a subsidiary of the Group by virtue of management control over financial and operating policies of the company.

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38. SIGNIFICANT SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities
	2022	2021	
SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP (cont'd)			
Country of Incorporation: Singapore			
Place of Business: Singapore and Malaysia			
(A)	Times Experience Pte. Ltd.	100.0% 100.0%	Retail of Books, Stationery, Magazines and Periodicals
Country of Incorporation and Place of Business: Malaysia			
(B)	Marshall Cavendish (Malaysia) Sdn. Bhd.	100.0% 100.0%	Publishing of Education, Business Information and Trade Books
(B)	STP Distributors (M) Sendirian Berhad	100.0% 100.0%	Dormant
(B)	Pansing Marketing Sdn Bhd	100.0% 100.0%	Distribution of Books and Magazines
(B)	Times Offset (Malaysia) Sdn Bhd	100.0% 100.0%	Commercial Printing
(B)	Pansing Distribution Sdn Bhd	100.0% 100.0%	Distribution of Books and Magazines
(B)	Times Distribution (M) Sdn Bhd	100.0% 100.0%	Distribution of Books and Magazines
Country of Incorporation: Hong Kong			
Place of Business: Hong Kong/Thailand			
(B)	Far East Publications Limited	100.0% 100.0%	Distribution of Home Library Reference Books
Country of Incorporation and Place of Business: Thailand			
(C)(1)	Marshall Cavendish International (Thailand) Co., Ltd	49.0% 49.0%	Dormant
Country of Incorporation and Place of Business: Hong Kong			
(B)	Everbest Printing Holdings Limited	100.0% 100.0%	Investment Holding
(B)	Everbest Printing Investment Limited	100.0% 100.0%	Investment Holding and Commercial Printing
(B)	Everbest Printing Company Limited	100.0% 100.0%	Commercial Printing
(B)	Marshall Cavendish Business Information (HK) Limited	100.0% 100.0%	Publishing of Trade Directory and Business Information
(B)	Times Publishing (Hong Kong) Limited	100.0% 100.0%	Publishing of Education Books and Distribution of Magazines
(B)	Educational Technologies Limited	100.0% 100.0%	Publishing and Selling of Home Library Reference Books

(A) Audited by KPMG LLP Singapore.

(B) Audited by other member firms of KPMG International.

(C) Audited by other firms of auditors.

(1) Company is treated as a subsidiary of the Group by virtue of management control over financial and operating policies of the company.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

38. SIGNIFICANT SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding		Principal Activities
		2022	2021	
SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP (cont'd)				
Country of Incorporation and Place of Business: China				
(B)	Everbest Printing (Guangzhou) Company Limited	100.0%	100.0%	Commercial Printing
(D)	Marshall Cavendish (Beijing) Co. Ltd <i>(All the above companies, incorporated in China, accounting year ends on 31 December)</i>	100.0%	100.0%	Book Production Services
Country of Incorporation and Place of Business: Australia				
(D)	Musicway Corporation Pty Ltd	100.0%	100.0%	Dormant
(D)	Marshall Cavendish (Australia) Pty. Limited	100.0%	100.0%	Investment Holding
Country of Incorporation and Place of Business: United Kingdom				
(B)	Marshall Cavendish Limited	100.0%	100.0%	Investment Holding
Country of Incorporation and Place of Business: United States of America				
(D)	Marshall Cavendish Corporation	100.0%	100.0%	Publishing of Library Reference Books
Country of Incorporation and Place of Business: Chile				
(C)	Marshall Cavendish Education Chile SpA <i>(Accounting year ends on 31 December)</i>	100.0%	100.0%	Publishing of Education Books
JOINT VENTURE COMPANIES OF FRASER AND NEAVE, LIMITED GROUP				
Country of Incorporation and Place of Business: Thailand				
(B)	F&N International Holdings Co., Ltd	49.0%	49.0%	Investment Holding
(B)	F&N Retail Connection Co., Ltd	74.0%	74.0%	Investment Holding
JOINT VENTURE COMPANY OF FRASER & NEAVE HOLDINGS GROUP				
Country of Incorporation and Place of Business: Malaysia				
(B)	Vacaron Company Sdn Bhd	27.7%	27.7%	Property Development
JOINT VENTURE COMPANY OF TIMES PUBLISHING GROUP				
Country of Incorporation and Place of Business: China				
(C)	Shanxi Xinhua Times Packaging Printing Co., Ltd <i>(Accounting year ends on 31 December)</i>	51.0%	51.0%	Commercial Printing and Packaging

(B) Audited by other member firms of KPMG International.

(C) Audited by other firms of auditors.

(D) Not required to be audited under the laws of the country of incorporation.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2022

38. SIGNIFICANT SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities	
	2022	2021		
ASSOCIATED COMPANY OF FRASER AND NEAVE, LIMITED GROUP				
Country of Incorporation and Place of Business: Vietnam				
(B)	Vietnam Dairy Products Joint Stock Company <i>(Accounting year ends on 31 December)</i>	20.4%	20.4%	Manufacture and Distribution of Dairy Products and Beverages
ASSOCIATED COMPANY OF FRASER & NEAVE HOLDINGS GROUP				
Country of Incorporation and Place of Business: Malaysia				
(C)	Cocoaland Holdings Berhad <i>(Accounting year ends on 31 December)</i>	15.3%	15.1%	Investment Holding
ASSOCIATED COMPANIES OF TIMES PUBLISHING GROUP				
Country of Incorporation and Place of Business: China				
(D)	Beijing Universal Times Culture Development Co., Ltd. <i>(Accounting year ends on 31 December)</i>	40.0%	40.0%	Dormant
Country of Incorporation and Place of Business: Nigeria				
(D)	Transworld Times Press (Africa) Limited <i>(Accounting year ends on 31 December)</i>	40.0%	40.0%	Dormant

(B) Audited by other member firms of KPMG International.

(C) Audited by other firms of auditors.

(D) Not required to be audited under the laws of the country of incorporation.

Particulars of Group Properties

The main properties as at 30 September 2022 and their net book values are indicated below:
("F&N" refers to Fraser and Neave Group and "TPL" refers to Times Publishing Group)

			Land (\$'000)	Building (\$'000)
(A) CLASSIFIED AS FIXED ASSETS				
(Note 12 to the Financial Statements)				
FREEHOLD				
Singapore				
TPL	- 0.4	hectares industrial property at Times Centre, 1 New Industrial Road	6,100	2,557
Peninsular Malaysia				
F&N	- 12.8	hectares industrial property at No. 1, Jalan Bukit Belimbing 26/38, Persiaran Kuala Selangor, Section 26, Shah Alam, Selangor	11,393	46,250
	- 5.2	hectares warehouse and carpark at Lot 3-2, Lion Industrial Park, Shah Alam, Selangor	3,606	-
	- 2.3	hectares industrial property at 3724 to 3726, Jalan Sungei Nyior, Butterworth, Pulau Pinang	1,457	440
	- 2.7	hectares industrial property at 217, Jalan Lahat, Ipoh, Perak	869	876
	- 2.2	hectares industrial property at Batu 4 3/4, Jalan Tampoi, Johor Bahru, Johor	2,366	731
	- 0.6	hectares industrial property at Lot 6, Jalan Tampoi, Johor Bahru, Johor	324	36
	- 0.1	hectares office premise at No. 3, Jalan Metro Pudu 1, Fraser Business Park, Off Jalan Yew, Kuala Lumpur	-	3,327
	- 0.4	hectares industrial property at Seksyen 26, Shah Alam, Selangor	529	405
	- 2.0	hectares industrial property at Lot 7399 & 8081, Jalan Mempaga, Mukim Sabai, Karak, Pahang	713	3,644
	- 0.3	hectares office premise at Level 1, 5, 6 & 7, Kompleks Metro Pudu, No. 1, Jalan Metro Pudu 2, Fraser Business Park, Off Jalan Yew, Kuala Lumpur	-	3,243
	- Other	properties	288	-
TPL	- 1.7	hectares industrial property at Lot 46, Subang Hi-Tech Industrial Park, Batu Tiga, Shah Alam, Selangor	1,189	1,304
East Malaysia				
F&N	- 1.1	hectares industrial property at No. 94, Batu 11, Jalan Matang, Kuching, Sarawak	1,352	340
Thailand				
F&N	- 9.2	hectares industrial property at 668 Moo 4 Rojana Industrial Park Zone 2, U-thai, Phra Nakhon Si Ayutthaya 13210	6,426	40,810
Total Freehold			36,612	103,963
LEASEHOLD				
Singapore				
F&N	- 1.4	hectares industrial property at 2 Tuas Link 3 (Lease expires year 2050)	-	58,872
	- 0.1	hectares industrial property at 53 Loyang Way (Lease expires year 2052)	-	2,890
TPL	- 2.1	hectares industrial property at 16 & 18 Tuas Avenue 5 (Lease expires year 2043)	-	8,993
	- 0.5	hectares industrial property at 438 Ang Mo Kio Industrial Park 1 (Lease expires year 2038)	-	8,881

Particulars of Group Properties

			Land (\$'000)	Building (\$'000)
(A) CLASSIFIED AS FIXED ASSETS (cont'd) (Note 12 to the Financial Statements)				
LEASEHOLD (cont'd)				
Peninsular Malaysia				
F&N	-	15.1 hectares industrial property at Lot 56, Jalan Sungai Pinang 4/5, Selangor Halal Hub Taman Perindustrian Pulau Indah Fasa 2, Pulau Indah, Selangor (Lease expires year 2097)	7,711	47,199
	-	2.0 hectares industrial property at Plot 183 & 184, Jalan Cyber 9, Senai, Johor (Lease expires year 2068)	1,234	3,431
	-	2.0 hectares industrial property at Plot 182, Jalan Cyber 9, Senai, Johor (Lease expires year 2073)	835	1,310
	-	Other properties	267	85
East Malaysia				
F&N	-	2.6 hectares industrial property at 5 1/2 Mile, Jalan Tuaran, Inanam, Kota Kinabalu, Sabah (Lease expires year 2062)	538	1,300
	-	8.6 hectares industrial park land at Lot 808, Kota Kinabalu Industrial Park, Sabah (Lease expires year 2096)	7,507	3,354
	-	2.4 hectares industrial property at Lot 1581 Block 4, Matang Land District, Kuching, Sarawak (Lease expires year 2071)	1,146	1,345
	-	2.9 hectares industrial property at 3 1/2 Mile, Jalan Penrissen, Kuching, Sarawak (Lease expires year 2074)	1,554	5,693
	-	Shop office at Lot 142, Lorong Abang Abdul Rahim 5A, Kuching, Sarawak (Lease expires year 2784)	69	39
	-	0.4 hectares industrial property at Lot 1008, Bintawa Industrial Estate, Kuching, Sarawak (Lease expires year 2035)	-	97
Thailand				
F&N	-	3.5 hectares industrial property at No. 19/111 Moo 7 95 Thakarm Road, Samaedam, Bangkhuntien, Bangkok (Lease expires year 2029)	-	380
	-	21.9 hectares industrial property at 79 Moo 3, Lamlukboa, Dontum, Nakornpathom (Lease expires year 2048)	-	18,702
	-	1.2 hectares industrial property at 90 Moo 8 Mittraparp Road, Phayayen District, Amphur Pakchong, Nakornratchasima Province 30320 (Lease expires year 2037)	-	844
Myanmar				
F&N	-	32.8 hectares industrial land at Yay Ta La Baun Village Tract, Helgu Township, Yangon (Lease expires year 2068)	11,918	20,144

Particulars of Group Properties

		Land (\$'000)	Building (\$'000)
(A) CLASSIFIED AS FIXED ASSETS (cont'd) (Note 12 to the Financial Statements)			
LEASEHOLD (cont'd)			
China/Hong Kong			
TPL	- Industrial property at Nansha District, Guangzhou City, Guangdong, China (Lease expires year 2044)	2,056	10,509
	- Offices at Seaview Estate - 10th Floor, Block C, No. 8 Watson Road, North Point, Hong Kong (Lease expires year 2057)	3,758	90
	- Offices at Seaview Estate - 9th Floor Block C, No. 8 Watson Road, North Point, Hong Kong (Lease expires year 2057)	3,571	80
	Leasehold land recognised upon adoption of SFRS (I) 16	12,933	-
	Total Leasehold	55,097	194,238
	TOTAL PROPERTIES (CLASSIFIED AS FIXED ASSETS)	91,709	298,201
(B) CLASSIFIED AS COMPLETED INVESTMENT PROPERTIES (Note 13 to the Financial Statements)			
Peninsular Malaysia			
F&N	- A building comprising office (Level 1 to 5) & 2 level of basement car park at Kompleks Metro Pudu, No. 1, Jalan Metro Pudu 2, Fraser Business Park, Off Jalan Yew, Kuala Lumpur Freehold, lettable area - 4,702 sqm	-	14,686
Hong Kong			
TPL	- Shop unit at Houston Centre, 63 Mody Road Tsim Sha Tsui, Kowloon Leasehold (Lease expires year 2053), lettable area - 68 sqm	1,313	109
	TOTAL PROPERTIES (CLASSIFIED AS INVESTMENT PROPERTIES)	1,313	14,795
(C) CLASSIFIED AS PROPERTIES HELD FOR DEVELOPMENT (Note 14 to the Financial Statements)			
Peninsular Malaysia			
F&N	- Freehold land of approximately 3,787 sqm at Fraser Business Park, Off Jalan Yew, Kuala Lumpur	-	55
	- Freehold land of approximately 188,182 sqm for a residential property development at Lot 609, Mukim Hulu Semenyih, District of Hulu Langat, Selangor	-	55
	- Freehold land of approximately 57,105 sqm for a residential property development at Lot 1954, Mukim Hulu Semenyih, District of Hulu Langat, Selangor	-	55
	- Freehold land of approximately 12,759 sqm for a commercial property development at Lot 47261, Jalan Balau 1, Jalan Dato Sulaiman, Jalan Tebrau, Mukim Bandar, Johor Bahru	-	55

Shareholding Statistics

AS AT 1 DECEMBER 2022

Class of Shares - Ordinary shares
Voting Rights - One vote per share

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%*
1 - 99	146	1.91	4,959	0.00
100 - 1,000	1,333	17.48	1,134,438	0.08
1,001 - 10,000	4,581	60.09	20,508,828	1.41
10,001 - 1,000,000	1,552	20.36	76,539,384	5.27
1,000,001 and above	12	0.16	1,355,362,166	93.24
TOTAL	7,624	100.00	1,453,549,775	100.00

TOP TWENTY SHAREHOLDERS (as shown in the Register of Members and Depository Register)

No.	Shareholder's Name	Shareholdings	%*
1	DBS NOMINEES PTE LTD	436,604,250	30.04
2	UNITED OVERSEAS BANK NOMINEES PTE LTD	430,572,061	29.62
3	INTERBEV INVESTMENT LIMITED	412,423,822	28.37
4	CITIBANK NOMINEES SINGAPORE PTE LTD	46,089,198	3.17
5	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	10,663,455	0.73
6	RAFFLES NOMINEES (PTE) LIMITED	6,025,231	0.41
7	UOB KAY HIAN PTE LTD	5,901,780	0.41
8	PHILLIP SECURITIES PTE LTD	2,452,839	0.17
9	THIA CHENG SONG	1,280,000	0.09
10	OCBC NOMINEES SINGAPORE PTE LTD	1,233,810	0.08
11	YEO WEI HUANG	1,109,000	0.08
12	THE TITULAR ROMAN CATHOLIC ARCHBISHOP OF KUALA LUMPUR	1,006,720	0.07
13	HSBC (SINGAPORE) NOMINEES PTE LTD	926,447	0.06
14	JACK INVESTMENT PTE LTD	907,800	0.06
15	CHOO MEILEEN	906,065	0.06
16	CHEE SWEE CHENG & COMPANY LIMITED	846,610	0.06
17	HENG SIEW ENG	772,800	0.05
18	OCBC SECURITIES PRIVATE LTD	760,805	0.05
19	IFAST FINANCIAL PTE LTD	702,254	0.05
20	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	654,386	0.05
TOTAL		1,361,839,333	93.68

Shareholding Statistics

AS AT 1 DECEMBER 2022

SUBSTANTIAL SHAREHOLDERS (as shown in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
	No. of Shares	%*	No. of Shares	%*
TCC Assets Limited	858,080,062	59.03	-	-
InterBev Investment Limited	412,423,822	28.37	-	-
International Beverage Holdings Limited ⁽¹⁾	-	-	412,423,822	28.37
Thai Beverage Public Company Limited ⁽²⁾	-	-	412,423,822	28.37
Shiny Treasure Holdings Limited ⁽³⁾	-	-	412,423,822	28.37
Siriwana Co., Ltd. ⁽³⁾	-	-	412,423,822	28.37
Charoen Sirivadhanabhakdi ⁽⁴⁾	-	-	1,270,503,884	87.41
Khunying Wanna Sirivadhanabhakdi ⁽⁴⁾	-	-	1,270,503,884	87.41

To the best of the Company's knowledge and based on records of the Company as at 1 December 2022, approximately 12%* of the issued shares of the Company are held in the hands of the public and this complies with Rule 723 of the Listing Manual.

Notes:

- * Percentage is based on 1,453,549,775 shares as at 1 December 2022. There are no treasury shares as at 1 December 2022.
- (1) International Beverage Holdings Limited ("**IBHL**") holds a 100% direct interest in InterBev Investment Limited ("**IBIL**") and is therefore deemed to be interested in all of the shares of Fraser and Neave, Limited ("**F&N**") in which IBIL has an interest.
- (2) Thai Beverage Public Company Limited ("**ThaiBev**") holds a 100% direct interest in IBHL, which in turn holds a 100% direct interest in IBIL. ThaiBev is therefore deemed to be interested in all of the shares of F&N in which IBIL has an interest.
- (3) Shiny Treasure Holdings Limited ("**Shiny Treasure**") holds a 49% direct interest in Siriwana Co., Ltd. ("**Siriwana**"), which in turn holds a direct interest of approximately 45.25% in ThaiBev ("**ThaiBev Shares**"). Siriwana is also deemed to have an interest in the ThaiBev Shares held by its wholly-owned subsidiary, Siriwanan Co., Ltd. ("**Siriwanan**"). Siriwanan has a direct interest of approximately 8.76% in ThaiBev Shares, and Siriwana's interest in ThaiBev Shares, direct and indirect through Siriwanan, is approximately 54.01%:
- ThaiBev holds a 100% direct interest in IBHL; and
 - IBHL holds a 100% direct interest in IBIL.
- Each of Shiny Treasure and Siriwana is therefore deemed to be interested in all of the shares of F&N in which IBIL has an interest.
- (4) Each of Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, owns 50% of the issued share capital of TCC Assets Limited ("**TCCA**"), and is therefore deemed to be interested in all of the shares of F&N in which TCCA has an interest.
- Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi also jointly hold:
- a 100% direct interest in Shiny Treasure, which in turn holds a 49% direct interest in Siriwana; and
 - a 51% direct interest in Siriwana, which in turn holds an approximate 45.25% direct interest in ThaiBev and is also deemed to have an interest in the ThaiBev Shares held by its wholly-owned subsidiary, Siriwanan. Siriwanan has a direct interest of approximately 8.76% in ThaiBev Shares, and Siriwana's interest in ThaiBev Shares, direct and indirect through Siriwanan, is approximately 54.01%.
- ThaiBev holds a 100% direct interest in IBHL, which in turn holds a 100% direct interest in IBIL. Each of Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is therefore deemed to be interested in all of the shares of F&N in which IBIL has an interest.

Interested Person Transactions

Particulars of interested person transactions (“IPTs”) for the period from 1 October 2021 to 30 September 2022 as required under Rule 907 of the SGX Listing Manual are set out below.

Name of interested person/Nature of relationship	Aggregate value of all IPTs conducted during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920) (\$’000)	Aggregate value of all IPTs conducted during the financial year under review under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (\$’000)
Companies and entities in the TCC Group which are regarded as associates (as defined in the SGX Listing Manual) of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi, who are the Chairman and Vice-Chairman of the Board of Directors respectively, and the controlling shareholders of the Company.		
- Sale of products and provision of services	Nil	1,783
- Provision of management and support services	Nil	197
- Reimbursement and recovery of advertising and promotional expenses	3,031	Nil
- Purchase of products and obtaining of services	Nil	16,728
- Obtaining of marketing services	517	Nil
- Lease of office space	Nil	4,362

MATERIAL CONTRACTS (RULE 1207(8) OF THE SGX LISTING MANUAL)

There were no material contracts entered into by the Company or any of its subsidiaries involving the interests of any director or controlling shareholder of the Company during the financial year under review, save as disclosed above and in this Annual Report.

Notice of Annual General Meeting

FRASER AND NEAVE, LIMITED

(Company Registration No. 189800001R)
(Incorporated in Singapore)

Date : Wednesday, 18 January 2023

Place : Grand Ballroom
Level 2, InterContinental Singapore
80 Middle Road
Singapore 188966

NOTICE IS HEREBY GIVEN that the 124th Annual General Meeting of FRASER AND NEAVE, LIMITED (the “**Company**”) will be held at the Grand Ballroom, Level 2, InterContinental Singapore, 80 Middle Road, Singapore 188966 on Wednesday, 18 January 2023 at 9.30 a.m. (Singapore time) for the following purposes:

ROUTINE BUSINESS

1. To receive and adopt the Directors’ statement and audited financial statements for the year ended 30 September 2022 and the auditors’ report thereon.
2. To approve a final tax-exempt (one tier) dividend of 3.5 cents per share in respect of the year ended 30 September 2022.
3. To pass the following resolutions on the recommendation of the Nominating Committee and endorsement of the Board of Directors in respect of appointment of Directors¹:

- (a) “That Mr Charles Mak Ming Ying, who will retire by rotation pursuant to article 117 of the Constitution of the Company and who, being eligible, has offered himself for re-election, be and is hereby re-appointed as a Director of the Company.”
- (b) “That Dr Sujittra Sombuntham, who will retire by rotation pursuant to article 117 of the Constitution of the Company and who, being eligible, has offered herself for re-election, be and is hereby re-appointed as a Director of the Company.”
- (c) “That Mr Thapana Sirivadhanabhakdi, who will retire by rotation pursuant to article 117 of the Constitution of the Company and who, being eligible, has offered himself for re-election, be and is hereby re-appointed as a Director of the Company.”

Subject to his re-appointment, Mr Thapana will be re-appointed as Vice-Chairman of the Board Executive Committee and a Member of each of the Nominating, Remuneration and Sustainability and Risk Management Committees.

- (d) “That Mr Sithichai Chaikriangkrai, who will retire by rotation pursuant to article 117 of the Constitution of the Company and who, being eligible, has offered himself for re-election, be and is hereby re-appointed as a Director of the Company.”

Subject to his re-appointment, Mr Sithichai will be re-appointed as a Member of each of the Audit, Board Executive and Sustainability and Risk Management Committees.

- (e) “That Ms Suong Dao Nguyen, who will cease to hold office pursuant to article 122 of the Constitution of the Company and who, being eligible, has offered herself for re-election, be and is hereby re-appointed as a Director of the Company.”

Subject to her re-appointment, Ms Nguyen, who is considered an independent Director, will be re-appointed as a Member of the Nominating Committee.

¹ (i) Detailed information on the Directors who are proposed to be re-appointed can be found under the sections titled “Board of Directors”, “Corporate Governance” and “Additional Information on Directors Seeking Re-appointment” in the Annual Report 2022 of the Company.
(ii) As announced on 13 December 2022, Tengku Syed Badarudin Jamalullail and Mr Chotiphat Bijananda will step down as Directors of the Company at the conclusion of the 124th Annual General Meeting.

Notice of Annual General Meeting

4. To approve Directors' fees of up to S\$2,000,000 payable by the Company for the year ending 30 September 2023 (last year: up to S\$2,000,000).
5. To re-appoint KPMG LLP as the auditors of the Company and to authorise the Directors to fix their remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modifications, the following resolutions, which will be proposed as Ordinary Resolutions:

6. "That authority be and is hereby given to the Directors of the Company to:
 - (a)
 - (i) issue shares of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures, or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
 - (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent bonus issue, consolidation or subdivision of shares,

and, in sub-paragraph (1) above and this sub-paragraph (2), "**subsidiary holdings**" has the meaning given to it in the Listing Manual of the SGX-ST;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

Notice of Annual General Meeting

7. “That authority be and is hereby given to the Directors of the Company to:
- (a) grant awards in accordance with the provisions of the F&N Restricted Share Plan 2019 (the “**RSP 2019**”); and
 - (b) allot and issue such number of ordinary shares of the Company as may be required to be delivered pursuant to the vesting of awards granted under the RSP 2019,

provided that the aggregate number of new ordinary shares allotted and issued and/or to be allotted and issued, when aggregated with existing ordinary shares (including shares held in treasury) delivered and/or to be delivered, pursuant to the RSP 2019, shall not exceed 8% of the total number of issued ordinary shares of the Company (excluding treasury shares and subsidiary holdings) from time to time, and in this Resolution, “**subsidiary holdings**” has the meaning given to it in the Listing Manual of the Singapore Exchange Securities Trading Limited.”

8. “That authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of ordinary shares of the Company as may be required to be allotted and issued pursuant to the Fraser and Neave, Limited Scrip Dividend Scheme.”

9. “That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual (“**Chapter 9**”) of the Singapore Exchange Securities Trading Limited, for the Company, its subsidiaries and associated companies that are considered to be “entities at risk” under Chapter 9, or any of them, to enter into any of the transactions falling within the types of interested person transactions described in the Appendix to the Company’s Letter to Shareholders dated 27 December 2022 (the “**Letter**”), with any party who is of the class of interested persons described in the Appendix to the Letter, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions (the “**IPT Mandate**”);
- (b) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
- (c) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the IPT Mandate and/or this Resolution.”

10. “That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the “**Companies Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares of the Company (“**Shares**”) not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (i) market purchase(s) on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) transacted through the trading system of the SGX-ST and/or any other securities exchange on which the Shares may for the time being be listed and quoted (“**Other Exchange**”); and/or
 - (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

Notice of Annual General Meeting

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
- (i) the date on which the next Annual General Meeting of the Company is held;
 - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held; and
 - (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

- (c) in this Resolution:

“Average Closing Price” means the average of the closing market prices of a Share over the five consecutive market days on which the Shares are transacted on the SGX-ST or, as the case may be, Other Exchange, immediately preceding the date of the market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the date of the market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase;

“date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the off-market purchase;

“Maximum Percentage” means that number of issued Shares representing 7% of the issued Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST)); and

“Maximum Price” in relation to a Share to be purchased or acquired, means the purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) which shall not exceed 105% of the Average Closing Price of the Shares; and

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.”

BY ORDER OF THE BOARD

Samuel Lee
Company Secretary

27 December 2022

Notice of Annual General Meeting

NOTES:

1. The Annual General Meeting will be held, in a wholly physical format, at the Grand Ballroom, Level 2, InterContinental Singapore, 80 Middle Road, Singapore 188966 on Wednesday, 18 January 2023 at 9.30 a.m. (Singapore time), pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **There will be no option for shareholders to participate virtually.** Printed copies of this Notice and the accompanying proxy form will be sent by post to members. These documents will also be published on the Company's website at the URL <https://www.fraserandneave.com/investor-relations/annual-reports> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

The Company may implement such COVID-19 safe management measures (including vaccination-differentiated safe management measures) at the Annual General Meeting as may be required or recommended under any regulations, directives, measures or guidelines that may be issued from time to time by any government or regulatory agency in light of the COVID-19 situation in Singapore. Shareholders should check the Company's website at the URL <https://www.fraserandneave.com/investor-relations/annual-reports> or the SGX website at the URL <https://www.sgx.com/securities/company-announcements> for the latest updates.

2. Arrangements relating to attendance at the Annual General Meeting by shareholders, including CPF and SRS investors, submission of questions to the Chairman of the Meeting by shareholders, including CPF and SRS investors, in advance of, or at, the Annual General Meeting, addressing of substantial and relevant questions in advance of, or at, the Annual General Meeting, and voting at the Annual General Meeting by shareholders, including CPF and SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the accompanying Company's announcement dated 27 December 2022. This announcement may be accessed at the Company's website at the URL <https://www.fraserandneave.com/investor-relations/annual-reports> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Annual General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.

CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy to vote on their behalf at the Annual General Meeting, should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 6 January 2023.

4. A proxy need not be a member of the Company.
5. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with the Company's Share Registrar, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), at 80 Robinson Road #11-02, Singapore 068898; or
 - (b) if submitted electronically, be submitted via email to the Company's Share Registrar at sg.is.FNLproxy@sg.tricorglobal.com,

in each case, not less than 72 hours before the time appointed for holding the Annual General Meeting.

Notice of Annual General Meeting

6. The Annual Report 2022 and the Letter to Shareholders dated 27 December 2022 (in relation to the proposed renewal of the mandate for interested person transactions and the proposed renewal of the share purchase mandate) have been published and may be accessed at the Company's website as follows:
- (a) the Annual Report 2022 may be accessed at the URL <https://www.fraserandneave.com/investor-relations/annual-reports> by clicking on "Full Report 2022"; and
 - (b) the Letter to Shareholders dated 27 December 2022 may be accessed at the URL <https://www.fraserandneave.com/investor-relations/annual-reports> by clicking on the hyperlink for "Letter to Shareholders dated 27 Dec 2022" under "Annual Report 2022".

The above documents may also be accessed at the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Members may request for printed copies of these documents by completing and submitting the Request Form accompanying the printed copies of this Notice and the proxy form sent by post to members, by 10 January 2023.

EXPLANATORY NOTES:

- (a) The Ordinary Resolution proposed in item 6 above is to authorise the Directors of the Company from the date of the Annual General Meeting until the next Annual General Meeting to issue shares and/or make or grant instruments that might require shares to be issued, and to issue shares in pursuance of such instruments, up to a limit of 50% of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) with a sub-limit of 20% for issues other than on a *pro rata* basis, calculated as described in the Resolution. As at 2 December 2022 (the "**Latest Practicable Date**"), the Company had no treasury shares and no subsidiary holdings.
- (b) The Ordinary Resolution proposed in item 7 above is to authorise the Directors of the Company to offer and grant awards and to issue ordinary shares of the Company pursuant to the F&N Restricted Share Plan 2019 (the "**RSP 2019**"), provided that the aggregate number of new ordinary shares allotted and issued and/or to be allotted and issued, when aggregated with existing ordinary shares (including shares held in treasury) delivered and/or to be delivered, pursuant to the RSP 2019, shall not exceed 8% of the total number of issued ordinary shares of the Company (excluding treasury shares and subsidiary holdings) from time to time. The committee administering the RSP 2019 currently does not intend, in any given year, to grant awards under the RSP 2019 which would comprise more than 0.8% of the total number of issued ordinary shares of the Company (excluding treasury shares and subsidiary holdings) from time to time (the "**Yearly Limit**"). However, if the Yearly Limit is not fully utilised in any given year, the balance of the unutilised portion of the Yearly Limit may be carried over and used by the Company to make grants of awards in subsequent years for the duration of the RSP 2019, subject to the overall maximum limit of 8%.
- (c) The Ordinary Resolution proposed in item 8 above is to authorise the Directors of the Company to allot and issue ordinary shares of the Company pursuant to the Fraser and Neave, Limited Scrip Dividend Scheme to eligible members who, in respect of a qualifying dividend, have elected to receive scrip in lieu of the cash amount of that qualifying dividend.
- (d) The Ordinary Resolution proposed in item 9 above is to renew the mandate to enable the Company, its subsidiaries and associated companies that are considered to be "entities at risk" under Chapter 9 of the Listing Manual, or any of them, to enter into certain interested person transactions with specified classes of interested persons, as described in the Appendix to the Letter to Shareholders dated 27 December 2022 (the "**Letter**"). Please refer to the Letter for more details.

Notice of Annual General Meeting

- (e) The Ordinary Resolution proposed in item 10 above is to renew the mandate to allow the Company to purchase or otherwise acquire its issued ordinary shares, on the terms and subject to the conditions set out in the Resolution.

The Company intends to use internal resources or external borrowings or a combination of both to finance the purchase or acquisition of its ordinary shares. The amount of financing required for the Company to purchase or acquire its ordinary shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on the number of ordinary shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the price at which such ordinary shares were purchased or acquired and whether the ordinary shares purchased or acquired are held in treasury or cancelled.

Purely for illustrative purposes only, the financial effects of an assumed purchase or acquisition of (i) 29,070,995 ordinary shares on the Latest Practicable Date, representing 2% of the issued ordinary shares as at that date, and (ii) 101,748,484 ordinary shares on the Latest Practicable Date, representing 7% of the issued ordinary shares as at that date, at the maximum price of S\$1.31 for one ordinary share (being the price equivalent to 5% above the average of the closing market prices of the ordinary shares for the five consecutive market days on which the ordinary shares were traded on the Singapore Exchange Securities Trading Limited immediately preceding the Latest Practicable Date), in the case of a market purchase and an off-market purchase respectively, based on the audited financial statements of the Company and its subsidiaries for the financial year ended 30 September 2022 and certain assumptions, are set out in paragraph 3.7 of the Letter.

Please refer to the Letter for more details.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees to provide the Company with written evidence of such prior consent upon reasonable request.

Additional Information on Directors Seeking Re-Appointment

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT AT THE 124th ANNUAL GENERAL MEETING:

The following additional information on Mr Charles Mak, Dr Sujittra Sombuntham, Mr Thapana Sirivadhanabhakdi, Mr Sithichai Chaikriangkrai and Ms Suong Dao Nguyen, all of whom are seeking re-appointment as Directors at the 124th Annual General Meeting, is to be read in conjunction with their respective biographies on pages 16 to 27.

	MR CHARLES MAK MING YING, 70 Independent and Non-Executive Director	DR SUJITTRA SOMBUNTHAM, 65 Independent and Non-Executive Director
The Board's comments on the re-appointment including rationale, selection criteria, board diversity considerations and the search and nomination process	The Board has considered the Nominating Committee's recommendation and assessment of Mr Mak's qualifications, experience, contributions and commitment in the discharge of his duties as a Director, as well as the overall size, composition and diversity of skillsets of the Board, and is satisfied that he will continue to contribute relevant knowledge, skills and experience and complement the diversity of the Board.	The Board has considered the Nominating Committee's recommendation and assessment of Dr Sujittra's qualifications, experience, contributions and commitment in the discharge of her duties as a Director, as well as the overall size, composition and diversity of skillsets of the Board, and is satisfied that she will continue to contribute relevant knowledge, skills and experience and complement the diversity of the Board.
Working experience and occupation(s) in the past 10 years (from FY2012 to FY2022)	<p>Director of</p> <ul style="list-style-type: none"> • Frasers Property Limited (2013 – Present) • BeerCo Limited (2022 – Present) <p>Past Working Experiences</p> <ul style="list-style-type: none"> • Executive Director and Senior Investment Adviser of Morgan Stanley's Private Wealth Management Group (1986 – 2001) • Director in Morgan Stanley Asia Limited and a member of Morgan Stanley's Asia Pacific Executive Committee, the Morgan Stanley Wealth Management Committee, and the International Operating Committee (1997 – 2001) • Managing Director and Head of Morgan Stanley Asia Pacific Private Wealth Management (2001 – 2011) • Morgan Stanley International Wealth Management (President) (2009 – 2013) • Bank Morgan Stanley AG Switzerland (Chairman) (2010 – 2013) • Morgan Stanley Asia Pacific (Vice-Chairman) (2011 – 2013) • Morgan Stanley Asia's Investment Banking Division (Senior Advisor) (2013 – 2020) 	<p>Director of</p> <ul style="list-style-type: none"> • Thaniya Co., Ltd. (1982 – Present) • Yada Development Co., Ltd. (1988 – Present) • Springfield Holding Co., Ltd. (1989 – Present) • Thanyaville Co., Ltd. (1989 – Present) • Thaniyakit Co., Ltd. (1990 – Present) • Springfield Royal Club Co., Ltd. (1990 – Present) • Thaniya Dental Center Co., Ltd. (1990 – Present) • Thaniya Medical Center Co., Ltd. (1990 – Present) • Dermscan Asia Co., Ltd (2002 – Present) • Springfield At Sea Co., Ltd. (2005 – Present) • Bhatra Co., Ltd. (2011 – Present) • Thaniya Real Estate Co., Ltd. (2012 – Present) • Thaniya Holding Co., Ltd. (2017 – Present) <p>Others</p> <ul style="list-style-type: none"> • St. Joseph Hospital Foundation (Vice-President) • Dermscan Asia Co., Ltd (Clinical Director) • Thai Society of Cosmetic Dermatology and Surgery (Treasurer) • Thai Society of Anti-Aging (Director) • Honorary Advisory Board of Dysport • Mae Fah Luang University (Guest Lecturer) • Chulalongkorn University (Guest Lecturer) • Thaniya Medical Clinic (Physician)

Additional Information on Directors Seeking Re-Appointment

MR THAPANA SIRIVADHANABHAKDI, 47 Non-Independent and Non-Executive Director	MR SITHICHAI CHAIKRIANGKRAI, 68 Non-Independent and Non-Executive Director	MS SUONG DAO NGUYEN, 56 Independent and Non-Executive Director
<p>The Board has considered the Nominating Committee's recommendation and assessment of Khun Thapana's qualifications, experience, contributions and commitment in the discharge of his duties as a Director, as well as the overall size, composition and diversity of skillsets of the Board, and is satisfied that he will continue to contribute relevant knowledge, skills and experience and complement the diversity of the Board.</p>	<p>The Board has considered the Nominating Committee's recommendation and assessment of Khun Sithichai's qualifications, experience, contributions and commitment in the discharge of his duties as a Director, as well as the overall size, composition and diversity of skillsets of the Board, and is satisfied that he will continue to contribute relevant knowledge, skills and experience and complement the diversity of the Board.</p>	<p>The Board has considered the Nominating Committee's recommendation and assessment of Ms Nguyen's qualifications, experience, contributions and commitment in the discharge of her duties as a Director, as well as the overall size, composition and diversity of skillsets of the Board, and is satisfied that she will continue to contribute relevant knowledge, skills and experience and complement the diversity of the Board.</p>
<p>Chairman of</p> <ul style="list-style-type: none"> Red Bull Distillery Group of Companies (2018 – Present) Bistro Asia Co., Ltd. (2021 – Present) South East Asia Logistics Pte. Ltd. (2021 – Present) Beer Thai (1991) Public Company Limited (2022 – Present) VietBev Company Limited (2022 – Present) <p>Vice-Chairman of</p> <ul style="list-style-type: none"> Red Bull Distillery Group of Companies (2004 – 2018) Oishi Group Public Company Limited (2006 – 2020) Siam Food Products Public Company Limited (2007 – 2015) Univentures Public Company Limited (2007 – Present) Beer Thai (1991) Public Company Limited (2008 – Present) Southeast Capital Co., Ltd. (2008 – Present) Southeast Insurance Public Company Limited (2008 – Present) Southeast Life Insurance Public Company Limited (2008 – Present) Times Publishing Limited (2013 – Present) Sermasuk Public Company Limited (2015 – Present) Amarin Printing and Publishing Public Company Limited (2017 – Present) <p>Director of</p> <ul style="list-style-type: none"> TCC Group of Companies (Present) Berli Jucker Public Company Limited (2001 – 2017) International Beverage Holdings Limited (2003 – Present) 	<p>Director of</p> <ul style="list-style-type: none"> Berli Jucker Public Company Limited (2001 – Present) Eastern Seaboard Industrial Estate (Rayong) Company Limited (2007 – Present) Siam Food Products Public Company Limited (2007 – Present) Univentures Public Company Limited (2007 – Present) Thai Beverage Public Company Limited (2010 – Present) Sermasuk Public Company Limited (2011 – Present) Petform (Thailand) Co., Ltd. (2012 – Present) Golden Land Property Development Public Company Limited Oishi Group Public Company Limited (2012 – 2020) InterBev Investment Limited (2012 – Present) Frasers Property Limited (2013 – Present) Frasers Property Commercial Asset Management (Thailand) Co., Ltd. (formerly known as Univentures REIT Management Co., Ltd.) (2015 – present) Big C Supercenter Public Company Limited (2016 – 2018) Asset World Corp Public Company Limited (2018 – Present) BeerCo Limited (2019 – Present) Food and Beverage Holding Co., Ltd. (2019 – Present) Frasers Property (Thailand) Public Company Limited (2019 – Present) Chang Beer Company Limited (2020 – Present) Asia Breweries Limited Big C Retail Holding Company Limited 	<p>Director of</p> <ul style="list-style-type: none"> BeerCo Limited (June 2022 – Present) KCN Vietnam Group Joint Stock Company (Jan 2022 – Present) <p>Others</p> <ul style="list-style-type: none"> DN Legal Limited (Founder and Managing Partner) (2014 – Present) Allen & Overy Legal (Vietnam) LLC (Managing Partner) (2012 – 2014)

Additional Information on Directors Seeking Re-Appointment

	MR CHARLES MAK MING YING, 70 Independent and Non-Executive Director	DR SUJITTRA SOMBUNTHAM, 65 Independent and Non-Executive Director
Working experience and occupation(s) in the past 10 years (from FY2012 to FY2022)		
Other Principal Commitments, including Directorships (for the Past 5 years and Present)	Please refer to Mr Mak's biography on page 21.	Please refer to Dr Sujittra's biography on page 22.
Conflict of interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to F&N	Yes	Yes
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

Additional Information on Directors Seeking Re-Appointment

MR THAPANA SIRIVADHANABHAKDI, 47 Non-Independent and Non-Executive Director	MR SITHICHAI CHAIKRIANGKRAI, 68 Non-Independent and Non-Executive Director	MS SUONG DAO NGUYEN, 56 Independent and Non-Executive Director
<p>Director of</p> <ul style="list-style-type: none"> • Thai Beverage Public Company Limited (2003 – Present) • Beer Thai (1991) Public Company Limited (2004 – Present) • Adelfos Co., Ltd. (2007 – Present) • Plantheon Co., Ltd. (2011 – Present) • Sermasuk Public Company Limited (2011 – Present) • InterBev Investment Limited (2012 – Present) • Golden Land Property Development Public Company Limited (2013 – 2020) • Pracharath Rak Samakkee Social Enterprise (Thailand) Co., Ltd. (2016 – Present) • GMM Channel Holding Co., Ltd (2017 – 2020) • Thai Group Holdings Public Company Limited (2018 – Present) • TSpace Digital Co., Ltd. (2018 – Present) • BeerCo Limited (2019 – Present) • BeerCo Training Co., Ltd (2020 – Present) • Chang Beer Company Limited (2020 – Present) • Food and Beverage United Co., Ltd (2020 – Present) • The Siam Cement Public Company Limited (2020 – Present) • Asia Breweries Limited (2021 – Present) • Chang Corporation Co., Ltd. (2021 – Present) • SCG Chemical Public Company Limited (2021 – Present) • Siam Breweries Limited (2021 – Present) • Super Food Brands Company Pte. Ltd. (2022 – Present) 	<p>Director of</p> <ul style="list-style-type: none"> • Siam Breweries Limited • South East Asia Logistics Pte. Ltd. • TCC Assets (Thailand) Company Limited • Thai Beverage Can Co., Ltd. • Thai Breweries Limited 	
Please refer to Khun Thapana’s biography on page 24.	Please refer to Khun Sithichai’s biography on page 25.	Please refer to Ms Nguyen’s biography on page 21.
No	No	No
Yes	Yes	Yes
No	No	No

Additional Information on Directors Seeking Re-Appointment

	MR CHARLES MAK MING YING, 70 Independent and Non-Executive Director	DR SUJITTRA SOMBUNTHAM, 65 Independent and Non-Executive Director
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No

Additional Information on Directors Seeking Re-Appointment

MR THAPANA SIRIVADHANABHAKDI, 47 Non-Independent and Non-Executive Director	MR SITHICHAJ CHAIKRIANGKRAI, 68 Non-Independent and Non-Executive Director	MS SUONG DAO NGUYEN, 56 Independent and Non-Executive Director
Yes	No	No
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No

Additional Information on Directors Seeking Re-Appointment

	MR CHARLES MAK MING YING, 70 Independent and Non-Executive Director	DR SUJITTRA SOMBUNTHAM, 65 Independent and Non-Executive Director
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

Additional Information on Directors Seeking Re-Appointment

MR THAPANA SIRIVADHANABHAKDI, 47 Non-Independent and Non-Executive Director	MR SITHICHAJ CHAIKRIANGKRAI, 68 Non-Independent and Non-Executive Director	MS SUONG DAO NGUYEN, 56 Independent and Non-Executive Director
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No

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FRASER AND NEAVE, LIMITED

(Company Registration No. 18980001R)
(Incorporated in Singapore)

Proxy Form Annual General Meeting

IMPORTANT

- The Annual General Meeting ("AGM") will be held, in a wholly physical format, at the Grand Ballroom, Level 2, InterContinental Singapore, 80 Middle Road, Singapore 188966 on Wednesday, 18 January 2023 at 9.30 a.m. (Singapore time), pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **There will be no option for shareholders to participate virtually.** Printed copies of the Notice of AGM dated 27 December 2022 and this proxy form will be sent by post to members. These documents will also be published on the Company's website at the URL <https://www.fraserandneave.com/investor-relations/annual-reports> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
- Arrangements relating to attendance at the AGM by shareholders, including CPF and SRS investors, submission of questions to the Chairman of the Meeting by shareholders, including CPF and SRS investors, in advance of, or at, the AGM, addressing of substantial and relevant questions in advance of, or at, the AGM, and voting at the AGM by shareholders, including CPF and SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the accompanying Company's announcement dated 27 December 2022. This announcement may be accessed at the Company's website at the URL <https://www.fraserandneave.com/investor-relations/annual-reports> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
- Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy(ies).
- This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPF and SRS investors, CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 6 January 2023.
- By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 27 December 2022.

*I/We _____ (Name) _____ (NRIC/Passport/Co Reg Number)
of _____ (Address)
being a *member/members of Fraser and Neave, Limited (the "Company"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%
*and/or				

or failing *him/them, the Chairman of the Meeting, as *my/our *proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the AGM of the Company to be held at 9.30 a.m. (Singapore time) on Wednesday, 18 January 2023 at the Grand Ballroom, Level 2, InterContinental Singapore, 80 Middle Road, Singapore 188966 and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against or to abstain from voting on the resolutions to be proposed at the AGM as indicated below.

NO.	RESOLUTIONS RELATING TO:	For [^]	Against [^]	Abstain [^]
	ROUTINE BUSINESS			
1.	To receive and adopt the Directors' statement and audited financial statements for the year ended 30 September 2022 and the auditors' report thereon.			
2.	To approve a final tax-exempt (one-tier) dividend of 3.5 cents per share in respect of the year ended 30 September 2022.			
3.	(a) To re-appoint Director: Mr Charles Mak Ming Ying			
	(b) To re-appoint Director: Dr Sujitra Sombuntham			
	(c) To re-appoint Director: Mr Thapana Sirivadhanabhakdi			
	(d) To re-appoint Director: Mr Sithichai Chaikriangkrai			
	(e) To re-appoint Director: Ms Suong Dao Nguyen			
4.	To approve Directors' fees of up to S\$2,000,000 payable by the Company for the year ending 30 September 2023 (last year: up to S\$2,000,000).			
5.	To re-appoint KPMG LLP as the auditors of the Company and to authorise the Directors to fix their remuneration.			
	SPECIAL BUSINESS			
6.	To authorise the Directors to issue shares and to make or grant convertible instruments.			
7.	To authorise the Directors to grant awards and to allot and issue shares pursuant to the F&N Restricted Share Plan 2019.			
8.	To authorise the Directors to allot and issue shares pursuant to the Fraser and Neave, Limited Scrip Dividend Scheme.			
9.	To approve the proposed renewal of the mandate for interested person transactions.			
10.	To approve the proposed renewal of the share purchase mandate.			

[^] Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against" a resolution, please indicate with a tick (v) in the "For" or "Against" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with a tick (v) in the "Abstain" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares in the "Abstain" box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deems fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated this _____ day of _____ 2022/2023*.

* Delete whichever is inapplicable

Signature/Common Seal of Member(s)

Contact Number/Email Address of Member(s)

Total Number of Shares
Held (Note 1)

IMPORTANT: PLEASE READ NOTES OVERLEAF



NOTES TO PROXY FORM:

1. If the member has shares entered against his/her/its name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the shares held by the member.
2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.
A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.
3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with the Company's Share Registrar, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), at 80 Robinson Road #11-02, Singapore 068898; or
 - (b) if submitted electronically, be submitted via email to the Company's Share Registrar at sg.is.FNLproxy@sg.tricorglobal.com,
in each case, not less than 72 hours before the time appointed for holding the AGM.

Affix
Postage
Stamp

THE COMPANY SECRETARY
FRASER AND NEAVE, LIMITED
c/o Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte. Ltd.)
80 Robinson Road #11-02
Singapore 068898

5. Completion and submission of the instrument appointing a proxy(ies) by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.
6. The instrument appointing a proxy(ies) must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
8. The Company shall be entitled to reject an instrument appointing a proxy(ies) which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject an instrument appointing a proxy(ies) if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

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(Company Registration No. 189800001R)
(Incorporated in Singapore)

For an electronic version of F&N FY2022 Annual Report, please refer to
www.fraserandneave.com/investor-relations/annual-reports

Accompanying this report: F&N FY2022 Sustainability Report
Only available in electronic format. Download it at
www.fraserandneave.com/investor-relations/corporate-sustainability



This annual report is printed on environmentally-friendly paper which contains wood pulp from well-managed forests using an elemental chlorine free process.