

VALUE CREATION BUSINESS MODEL

Our business is built on a profitable, responsible and sustainable manner. This means ensuring that our overall strategy reflects awareness of the interdependencies and trade-offs between different types of capital, and how they support our ability to create value for the short, medium and long-term.

VALUE ADDED BY F&NHB

OUR CAPITALS (INPUTS)

FINANCIAL CAPITAL relates to our capital and funding (from operations and investments) which are used efficiently and effectively to support our business and operational activities.

Share Capital : RM816.8 million
Shareholders' Equity : RM2,529.3 million
Return on Shareholders' Equity : 16.2%

HUMAN CAPITAL is represented by our people and our commitment to attract, develop and retain our talent; our investment in management and leadership development; and the knowledge, skills and experience they collectively bring, to drive value creation for our business.

Total No. of Employees : 2,600 employees
Local Senior Management : Malaysia – 95%
 Thailand – 100%

SOCIAL & RELATIONSHIP CAPITAL reflect our citizenship and the strong long-term relationships we have with all our stakeholders, including customers, strategic partners, employees, investors, governments, regulators and the communities within which we operate. Our social 'licence to operate' is due to our reputation and the trust we have earned from key stakeholders.

INTELLECTUAL CAPITAL We continuously invested in product and process innovation to increase our product range, and improve efficiency and productivity.

Research and Development (R&D) at F&N is guided by the following five principles:

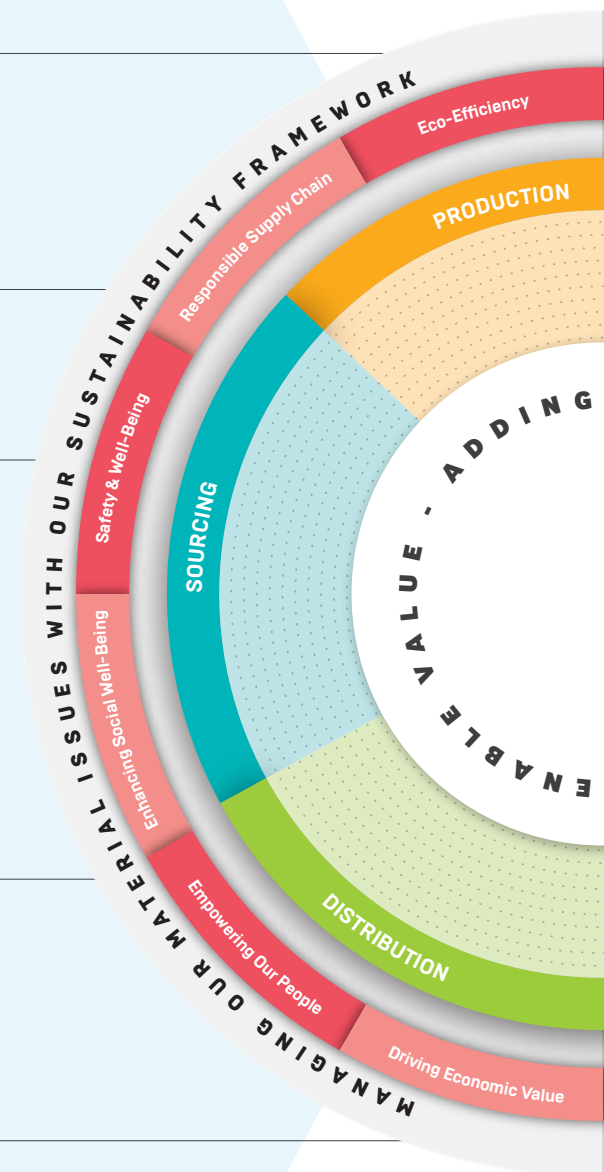
- **Innovation & Creation in terms of** processes, packaging and sensory science
- **Scientific Advances** for application in our processes and products
- **Technical Developments** which support quality improvement and cost optimisation
- **Regulatory Compliance** of our local and export business
- **Quality Products** which meet food safety standards

Equity from 20 well-loved brands.
New product formulations and recipes.
Innovative process and technology.
Strategic Partnership: ThaiBev, Fraser and Neave, Limited, Nestle, Sunkist.

MANUFACTURED CAPITAL encompasses our business structure and operational processes, production and logistics assets including our physical and digital infrastructure, as well as information technology which provide the framework and mechanics on how we do business and meet the demands of our stakeholders.

8 Manufacturing Facilities : 6 in Malaysia, 2 in Thailand
21 Warehouses : 19 in Malaysia, 2 in Thailand
Production Capacity : 130 million cases per year

NATURAL CAPITAL Water is a fundamental element of our products, and our business is dependent on clean water supply. Our activities also require energy, as well as raw materials like sugar, aluminium and resin which we seek to use efficiently and source responsibly. We also ensure efficient effluents and waste management processes to protect biodiversity and ecosystems' health.



VALUE CREATED FOR F&NHB AND OUR STAKEHOLDERS

