

**THIS STATEMENT/CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

The Notice of Annual General Meeting convening the 62<sup>nd</sup> Annual General Meeting (“AGM”) of Fraser & Neave Holdings Bhd (“Company”) to be held at Ballroom 3, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Wednesday, 17 January 2024 at 10:00 a.m. together with the Form of Proxy are incorporated in the Annual Report of our Company for the financial year ended 30 September 2023.

You are entitled to attend, speak and vote at the AGM or to appoint a proxy or proxies to attend, speak and vote on your behalf. You should complete and deposit the Form of Proxy at the office of the Poll Administrator, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or at its website at <https://investor.boardroomlimited.com> not later than 48 hours before the time and date set for the meeting or at any adjournment thereof. You may still attend and vote at the meeting if you wish to, even after you have lodged the Form of Proxy.

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused this Statement/Circular. Bursa Securities is not responsible for the contents of this Statement/Circular, does not represent that this Statement/Circular is accurate or complete and expressly disclaims any liability for any loss arising from your reliance upon the whole or any part of this Statement/Circular.



**FRASER & NEAVE HOLDINGS BHD**

196101000155 (4205-V)

(Incorporated in the Federation of Malaya under the Companies Ordinances, 1940 to 1946)

**PART A**

**SHARE BUY-BACK STATEMENT IN RELATION TO  
PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

**AND**

**PART B**

**CIRCULAR TO SHAREHOLDERS  
IN RELATION TO**

**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR  
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING  
NATURE WHICH ARE NECESSARY FOR DAY-TO-DAY OPERATIONS**

Last date and time for lodging the Form of Proxy : Monday, 15 January 2024 at 10:00 a.m.

Date and time of the AGM : Wednesday, 17 January 2024 at 10:00 a.m. or at any adjournment thereof

This Statement/Circular is dated 19 December 2023  
("Statement/Circular")

## DEFINITIONS

Unless the context otherwise requires, the following definitions shall apply throughout this Statement/Circular:

Act	:	Companies Act 2016 of Malaysia as amended from time to time
AGM	:	Annual General Meeting
AWC	:	Asset World Corp Public Company Limited, a company listed on the Stock Exchange of Thailand
AWC Group	:	AWC, its subsidiaries, associated companies and joint-venture companies
BJC	:	Berli Jucker Public Company Limited, a company listed on the Stock Exchange of Thailand
BJC Group	:	BJC, its subsidiaries and jointly-controlled entities
Board	:	Board of Directors of F&N
Bursa Securities	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
Director	:	A director within the meaning of Section 2 of the Act
EGM	:	Extraordinary General Meeting
EPS	:	Earnings per share
estate of the late Puan Sri Wanna	:	The estate of the late Y.Bhg. Puan Sri Wanna Sirivadhanabhakdi, an ultimate major shareholder of the ThaiBev Group, FPL Group, BJC Group, Thai Group Holdings Group, TCC Corporation Group and AWC Group
F&N or our Company	:	Fraser & Neave Holdings Bhd (196101000155 (4205-V))
F&N Group or our Group	:	F&N and its subsidiaries
F&N Ltd	:	Fraser and Neave, Limited (Company No.: 189800001-R), the holding company of F&N, which holds 55.475% equity interest in F&N as at 30 November 2023
F&N Ltd Group	:	F&N Ltd, its subsidiaries (other than the Company and its subsidiaries), associated companies and joint-venture companies
F&N Shares	:	Ordinary shares in F&N
FPL	:	Frasers Property Limited, a company listed on Singapore Exchange Securities Trading Limited
FPL Group	:	FPL, its subsidiaries, associated companies and joint-venture companies
IBHL	:	International Beverage Holdings Limited, a wholly owned subsidiary of ThaiBev
IBIL	:	InterBev Investment Limited, a wholly owned subsidiary of IBHL
Mandated Related Parties	:	F&N Ltd Group, ThaiBev Group, FPL Group, BJC Group, Thai Group Holdings Group, TCC Corporation Group and AWC Group

Main Market LR	:	Main Market Listing Requirements of Bursa Securities as amended from time to time
Market Day	:	A day on which Bursa Securities is open for official trading
Proposed Renewal of Existing Shareholders' Mandate	:	Proposed renewal of the existing shareholders' mandate for the Recurrent Transactions as set out in Section 2.4.1 of Part B of the Statement/Circular for which approval from our shareholders is being sought at the forthcoming AGM
Proposed Renewal of Share Buy-Back	:	Proposed renewal of the authority for our Company to purchase its own shares of an amount which, when aggregated with existing treasury shares, does not exceed 10% of our prevailing total issued shares
Proposed Shareholders' Mandate	:	Proposed Renewal of the Existing Shareholders' Mandate
RM and sen	:	Ringgit Malaysia and sen, respectively
Recurrent Transactions	:	Recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations entered into by all or any of the companies within the Group with the Mandated Related Parties, which is the subject of the Proposed Shareholders' Mandate
Share Grant Plan	:	The long-term incentive plan comprising the restricted share plan and the performance share plan as approved by our shareholders at the EGM held on 19 January 2021
Thai Group Holdings	:	Thai Group Holdings Public Company Limited, a company listed on Stock Exchange of Thailand
Thai Group Holdings Group	:	Thai Group Holdings, its subsidiaries, associated companies and joint-venture companies
Tan Sri Charoen	:	Y.Bhg. Tan Sri Charoen Sirivadhanabhakdi, an ultimate major shareholder of the ThaiBev Group, FPL Group, BJC Group, Thai Group Holdings Group, TCC Corporation Group and AWC Group
TCC Corporation	:	TCC Corporation Limited
TCC Corporation Group	:	TCC Corporation, its subsidiaries, associated companies and joint-venture companies
ThaiBev	:	Thai Beverage Public Company Limited, a company listed on Singapore Exchange Securities Trading Limited
ThaiBev Group	:	ThaiBev, its subsidiaries, associated companies and joint-venture companies
WAMP	:	Weighted average market price

In this Statement/Circular, unless there is something in the subject or context inconsistent herewith, the singular includes the plural, references to gender include both genders and the neuter.

Words importing the singular only shall include the plural and vice versa and words importing the masculine gender shall, where applicable include the feminine and neuter genders and vice versa. Reference to persons shall include corporations.

All references to the time of the day in this Statement/Circular are referred to Malaysian time.

All references to “you” in this Statement/Circular are referred to the shareholders of our Company.

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**PART A**

**SHARE BUY-BACK STATEMENT**

**IN RELATION TO**

**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY**

**(“THIS STATEMENT”)**

## 1. INTRODUCTION

At our Company's AGM held on 17 January 2023, our Company had obtained a renewal of the shareholders' authorisation for our Company to purchase and hold up to ten per centum (10%) of its prevailing total number of issued ordinary share capital of F&N for the time being.

The authorisation shall lapse at the conclusion of the forthcoming AGM, scheduled for 17 January 2024, unless the authorisation is renewed.

On 7 November 2023, our Company announced that our Company proposes to seek shareholders' approval for renewal of the authority for the share buy-back.

The purpose of this Statement is to provide our shareholders with the details of the proposed renewal of the authority for the share buy-back and to seek their approval for the ordinary resolution to be tabled as Special Business at the forthcoming AGM of our Company. The notice of the AGM and the Form of Proxy are incorporated in the Annual Report of our Company for the financial year ended 30 September 2023.

## 2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

- 2.1 Our Company proposes to seek the renewal of the authority from our shareholders for our Company to purchase its shares of an amount which does not exceed ten per centum (10%) of the prevailing total number of issued shares of our Company, to the extent permitted by the law at the time of purchase.
- 2.2 For illustration purpose, based on our Company's issued shares held as at 30 November 2023 of 366,778,501, the maximum number of shares which our Company may purchase shall not exceed 36,677,850 (Refer to Table 1). The purchase of our own ordinary shares will be carried out through Bursa Securities via stockbroker(s) appointed by us.
- 2.3 The Proposed Renewal of Share Buy-Back Authority will be funded by internally generated funds so long as the buy-back is backed by an equivalent amount of retained profits of our Company. Based on the latest audited financial statements of our Company as at 30 September 2023, the retained earnings of our Company was RM1,034,815,000.00. In the event the Proposed Share Buy-Back is to be partly financed by borrowings, the Company expects that it will be capable of repaying the borrowings and that the borrowings will not have any material impact on the cash flows of the F&N Group. In addition, the Board will ensure that the Company satisfies the solvency test as stated in Section 112 of the Act before execution of the Proposed Share Buy-Back.
- 2.4 The actual number of F&N Shares to be purchased and the timing of any purchase, together with the treatment of the F&N Shares purchased would depend on, among others, the prevailing equity market conditions, the availability of our Company's retained earnings as well as our cash and funding position.
- 2.5 The Proposed Renewal of Share Buy-Back Authority is subject to compliance with Section 127 of the Act and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities including compliance with the public shareholding spread as allowed by Bursa Securities. As at 30 November 2023, being the latest practicable date prior to the issuance of this Statement, the public shareholding spread of F&N is 36.38%, which is above the threshold approved by Bursa Securities.
- 2.6 In accordance with Section 127 of the Act, our Company may cancel the F&N Shares so purchased, hold them as treasury shares or a combination of both. Purchased shares held as treasury shares may be distributed as share dividends, resold on Bursa Securities in accordance with the relevant rules of Bursa Securities, transferred for the purposes of or under an employees' share scheme, transferred as purchase consideration, cancelled and/or sold, transferred or otherwise used for such other purposes as the Minister may by order prescribe.
- 2.7 If such purchased F&N Shares are held as treasury shares, the rights attaching to them in relation to voting, dividends and participation in any other distribution or otherwise would be suspended and the treasury shares would not be taken into account in calculating the number or percentage of shares or a class of shares in our Company for any purposes including the determination of substantial shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for meetings and the result of a vote on resolution(s) at meetings.

- 2.8 If the authority to renew the purchase of our own shares is conferred on our Board by our shareholders, it would be effective immediately from the passing of the ordinary resolution in relation to the Proposed Renewal of Share Buy-Back until:
- (i) the conclusion of our next AGM following the AGM at which such resolution is passed at which time the authority will lapse unless renewed by ordinary resolution, either unconditionally or conditionally; or
  - (ii) the expiration of the period within which the next AGM is required by law to be held; or
  - (iii) the authority is revoked or varied by ordinary resolution passed by our shareholders in general meeting;

whichever occurs first.

- 2.9 Pursuant to the Main Market LR, we may only purchase our own ordinary shares at a price which is not more than 15% above the WAMP of the F&N Shares for the five (5) Market Days immediately preceding the date of any purchase(s).

In the case of a resale or transfer of treasury shares, we may only resell any purchased F&N Shares held as treasury shares through Bursa Securities or transfer treasury shares pursuant to Section 127 of the Act, at:

- (i) a price which is not less than the WAMP of the F&N Shares for the five (5) Market Days immediately prior to the resale or transfer; or
  - (ii) at a discounted price of not more than 5% to the WAMP of the F&N Shares for the five (5) Market Days immediately prior to the resale or transfer provided that:
    - (a) the resale or transfer takes place no earlier than thirty (30) days from the date of purchase; and
    - (b) the resale or transfer price is not less than the cost of purchase of the F&N Shares being resold or transferred.
- 2.10 During the previous twelve (12) months from 1 December 2022 to 30 November 2023, there were no purchases made, resale of treasury shares, cancellation of treasury shares, distribution of treasury shares as share dividends, transfer of treasury shares as purchase consideration and transfer of treasury shares for the purposes of the Share Grant Plan of the Company.

As at 30 November 2023, there were no F&N Shares held as treasury shares.

- 2.11 The monthly highest and lowest market prices of F&N Shares traded on Bursa Securities for the twelve (12) months preceding the date of this Statement were as follows:

	<u>Highest (RM)</u>	<u>Lowest (RM)</u>
<u>2022</u>		
December	22.12	20.94
<u>2023</u>		
January	24.80	21.58
February	27.50	25.00
March	27.50	24.98
April	27.60	25.42
May	27.44	25.30
June	25.80	24.78
July	25.80	24.88
August	25.80	24.90
September	25.60	25.24
October	27.00	24.94
November	28.60	25.70

Last transacted market price of F&N Shares as at the latest practicable date i.e., 30 November 2023 was RM28.16.

### 3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Proposed Renewal of Share Buy-Back Authority will provide our Company with an additional option to utilise our financial resources more efficiently. All things being equal, any purchase of our ordinary shares, regardless of whether the F&N Shares so purchased are retained as treasury shares or cancelled, would result in a lower number of F&N Shares being used for the purpose of computing EPS.

Based on the foregoing and depending on the price paid for the purchase of each of our share and its impact on earnings of our Group, the purchase of our own ordinary shares may improve the EPS of our Group. If the EPS of our Group is improved, it is expected to have a positive impact on the market price of our F&N Shares.

We may also retain our F&N Shares so purchased as treasury shares with the intention of realising potential capital gains from the resale of treasury shares, to reward our shareholders through the distribution of the treasury shares as dividends and/or to transfer the treasury shares for the purposes of the employees' share scheme of the Company.

### 4. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

#### 4.1 Share Capital

The effects of the Proposed Renewal of Share Buy-Back Authority on our issued shares will depend on whether the F&N Shares purchased are cancelled or retained as treasury shares.

The Proposed Renewal of Share Buy-Back Authority will result in the reduction of our issued shares if the F&N Shares so purchased are cancelled. On the other hand, if the F&N Shares purchased are retained as treasury shares, resold, distributed to our shareholders or transferred under the employees' share scheme of the Company, the Proposed Renewal of Share Buy-Back Authority will have no effect on our issued shares. Nevertheless, certain rights attached to the F&N Shares will be suspended while they are held as treasury shares.

The proforma effects of the Proposed Renewal of Share Buy-Back Authority on the issued shares of our Company are set out in **Table 1** below.

**Table 1 – Issued shares**

	<b>No. of F&amp;N Shares</b>
Existing issued shares as at 30 November 2023	366,778,501
Maximum number of F&N Shares to be purchased <sup>(a)</sup>	(36,677,850)
Resultant issued shares	<u>330,100,651</u>

**Note:**

(a) Assuming our Company purchases up to 10% of the total number of issued shares of F&N and the F&N Shares so purchased are cancelled.

## 4.2 Substantial Shareholders' Shareholdings

Based on our Company's Register of Substantial Shareholders as at 30 November 2023 and assuming that our Company purchases its own shares in full from parties other than our existing substantial shareholders, the proforma effects of the Proposed Renewal of Share Buy-Back Authority on the shareholdings of our substantial shareholders are set out in **Table 2** below.

**Table 2 – Substantial Shareholders' Shareholdings**

	<-----As at 30 November 2023----->				After the Proposed Renewal of Share Buy-Back Authority (Note (a))			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of F&N Shares	%	No. of F&N Shares	%	No. of F&N Shares	%	No. of F&N Shares	%
F&N Ltd	203,470,910	55.475	-	-	203,470,910	61.639	-	-
IBIL	-	-	203,470,910	55.475 <sup>(b)</sup>	-	-	203,470,910	61.639 <sup>(b)</sup>
IBHL	-	-	203,470,910	55.475 <sup>(b)</sup>	-	-	203,470,910	61.639 <sup>(b)</sup>
ThaiBev	-	-	203,470,910	55.475 <sup>(b)</sup>	-	-	203,470,910	61.639 <sup>(b)</sup>
Siriwana Company Limited	-	-	203,470,910	55.475 <sup>(b)</sup>	-	-	203,470,910	61.639 <sup>(b)</sup>
Shiny Treasure Holdings Limited	-	-	203,470,910	55.475 <sup>(b)</sup>	-	-	203,470,910	61.639 <sup>(b)</sup>
Tan Sri Charoen	-	-	203,470,910	55.475 <sup>(b)</sup>	-	-	203,470,910	61.639 <sup>(b)</sup>
The estate of the late Puan Sri Wanna	-	-	203,470,910	55.475 <sup>(b)</sup>	-	-	203,470,910	61.639 <sup>(b)</sup>
TCC Assets Limited	-	-	203,470,910	55.475 <sup>(b)</sup>	-	-	203,470,910	61.639 <sup>(b)</sup>
Employees Provident Fund Board	43,082,830	11.746	-	-	43,082,830	13.051	-	-
Amanahraya Trustees Berhad for Amanah Saham Bumiputera	27,576,000	7.518	-	-	27,576,000	8.354	-	-

**Notes:**

(a) Assuming our Company purchases up to 10% of the issued shares of F&N and the F&N Shares so purchased are cancelled.

(b) Deemed interested in F&N by virtue of its deemed interest in F&N Ltd pursuant to Section 8 of the Act.

#### **4.3 Net Assets**

The effect of the Proposed Renewal of Share Buy-Back Authority on the net assets of our Company will depend on the purchase price paid to purchase our shares, the effective funding cost to our Company to finance the purchase of our shares or any loss in interest income to our Company and whether the F&N Shares purchased are cancelled or retained as treasury shares.

If the F&N Shares so purchased are retained as treasury shares, the Proposed Renewal of Share Buy-Back Authority will reduce the net assets per F&N Share if the purchase price per F&N Share exceeds the net assets per F&N Share at the relevant point in time, and vice versa. This is because the treasury shares which are required to be carried at cost must be offset against equity and therefore, could result in a decrease in the net assets of our Company.

If the treasury shares are resold on Bursa Securities, the net assets per F&N Share upon the resale would increase if our Company realises a gain from the resale, and vice versa. If the treasury shares are distributed as share dividends, the net assets per F&N Share will decrease by the cost of the treasury shares.

The Proposed Renewal of Share Buy-Back Authority, as and when implemented, will reduce the working capital and cashflow of our Company, the quantum of which will depend on, among others, the purchase price of the F&N Shares and the number of F&N Shares so purchased. However, the F&N Shares kept as treasury shares, shall on resale, increase the working capital and cashflow of our Company, the quantum of which would depend on, among others, the actual selling price(s) of the treasury shares and the number of treasury shares resold.

#### **4.4 Earnings**

The effect of the Proposed Renewal of Share Buy-Back Authority on the earnings and EPS of our Group is dependent on the purchase price(s) of the F&N Shares, the number of F&N Shares purchased and the effective funding cost or loss in interest income to our Company or opportunity cost in relation to other investment opportunities.

Assuming the F&N Shares so purchased are retained as treasury shares and resold, the effects on the earnings of our Company will depend upon the actual selling price, the number of treasury shares resold and the effective gain or interest savings arising from the exercise.

If the F&N Shares so purchased are cancelled, the Proposed Renewal of Share Buy-Back Authority will increase the EPS of our Company provided the income foregone and interest expense incurred on the F&N Shares purchased is less than the EPS before the share buy-back.

#### **4.5 Dividend**

The Proposed Renewal of Share Buy-Back Authority is not expected to have any impact on the policy of our Board in recommending dividends, if any, to our shareholders.

The level of dividend to be declared or recommended, if any, in respect of the financial year ending 30 September 2023 will be determined by our Board after taking into consideration the performance, cashflow position and financing requirements of our Group.

#### **4.6 Gearing**

Depending on the actual quantity purchased and the purchase price, the Proposed Renewal of Share Buy-Back Authority may affect our Group's gearing level.

### **5. FACTORS FOR CONSIDERATION**

The Proposed Renewal of Share Buy-Back Authority will, however reduce the financial resources of our Company. This may result in our Company forgoing other investment opportunities that may emerge in the future or at least deprive our Company of interest income that can be derived from funds utilised for the Proposed Renewal of Share Buy-Back Authority. The Proposed Renewal of Share Buy-Back Authority may also result in the reduction of financial resources available for distribution in the form of cash dividends to our shareholders.

As for the implications of the Malaysian Code on Take-Overs and Mergers 1998 (“Code”) on the Proposed Renewal of Share Buy-Back Authority, based on Section 4.2 of this Statement, none of our substantial shareholders is expected to trigger any obligation to undertake a mandatory offer under the Code as a result of the Proposed Renewal of Share Buy-Back Authority.

## 6. APPROVALS REQUIRED

The Proposed Renewal of Share Buy-Back Authority is conditional upon the approvals being obtained from the following:

- (i) our shareholders at the forthcoming AGM; and
- (ii) any other relevant authorities, if required.

## 7. DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ SHAREHOLDINGS

### 7.1 Directors’ Shareholdings

Our Directors’ shareholdings are as follows:

	<-----As at 30 November 2023----->			
	<-----Direct----->		<-----Indirect----->	
	No. of F&N Shares	%	No. of F&N Shares	%
Y.A.M. Tengku Syed Badarudin Jamalullail	2,062,000	0.562	-	-
Mr. Hui Choon Kit	-	-	-	-
Mr. David Siew Kah Toong	-	-	-	-
Mdm. Tan Fong Sang	-	-	-	-
Y.Bhg. Datuk Kamaruddin bin Taib	-	-	-	-
Puan Aida binti Md Daud	-	-	-	-
Puan Faridah binti Abdul Kadir	4,000	0.001	-	-
Y.Bhg. Datuk Mohd Anwar bin Yahya	-	-	-	-
Y.Bhg. Dato’ Ng Wan Peng	-	-	-	-
Mr. Kosit Suksingha	-	-	-	-
Mr. Michael Chye Hin Fah	-	-	-	-
Mrs. Tongjai Thanachanan (Alternate Director to Mr. Kosit Suksingha)	-	-	-	-

Save for the resulting increase in the percentage shareholdings as a consequence of the Proposed Renewal of Share Buy-Back Authority, none of our Directors, major shareholders of F&N or persons connected to them has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority or resale of treasury shares, if any, in the future beyond their respective entitlements as shareholders of our Company.

### 7.2 Substantial Shareholders’ Shareholdings

The details of the substantial shareholders’ shareholdings are set out in Section 4.2 of this Statement.

**8. DIRECTORS' RECOMMENDATION**

Our Board, after having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, is of the view that the Proposed Renewal of Share Buy-Back Authority is in the best interest of our Company. Our Board recommends that our shareholders vote in favour of the resolution on the Proposed Renewal of Share Buy-Back Authority.

**9. AGM**

An AGM, the notice of which is incorporated in the Annual Report accompanying this Statement and of which particulars of the Proposed Renewal of Share Buy-Back Authority are set out therein, will be held at Ballroom 3, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Wednesday, 17 January 2024 at 10:00 a.m., for the purpose of considering and, if thought fit, passing, inter alia, the resolution, with or without modifications, pursuant to the agenda of Special Business as set out in the said notice to give effect to the Proposed Renewal of Share Buy-Back Authority.

If you are unable to attend and vote remotely at our 62<sup>nd</sup> AGM, you may complete, sign and submit the Form of Proxy in accordance with the instructions as set out in the Administrative Details for the 62<sup>nd</sup> AGM of the Company. The completed Form of Proxy should be deposited at the office of the Poll Administrator, Boardroom Share Registrars Sdn Bhd at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or at its website at <https://investor.boardroomlimited.com> ("eProxy Lodgement") not later than 48 hours before the time set for convening our AGM or at any adjournment thereof.

**10. FURTHER INFORMATION**

We advise you to refer to the attached Appendix I for further information.

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## **APPENDIX I**

### **FURTHER INFORMATION**

#### **1. Responsibility Statement**

Our Directors have seen and approved this Statement and they, collectively and individually, accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no misleading information or other facts which, if omitted, would make any statement herein misleading.

#### **2. Documents Available for Inspection**

Copies of the following documents may be inspected at our registered office at No. 1 Jalan Bukit Belimbing 26/38, Persiaran Kuala Selangor, Seksyen 26, 40400 Shah Alam, Selangor, Malaysia during normal business hours on Mondays to Fridays (except public holidays) from the date of this Statement until the date of the forthcoming AGM:

- (i) Our Constitution; and
- (ii) Our audited consolidated financial statements for the financial years ended 30 September 2022 and 30 September 2023 and the latest unaudited results since the last audited financial statements.

**PART B**

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO**

**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT  
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WHICH ARE  
NECESSARY FOR DAY-TO-DAY OPERATIONS**

**("THIS CIRCULAR")**



## FRASER & NEAVE HOLDINGS BHD

196101000155 (4205-V)

(Incorporated in the Federation of Malaya under the Company Ordinances, 1940 to 1946)

### Registered Office:

No. 1, Jalan Bukit Belimbing 26/38  
Persiaran Kuala Selangor, Seksyen 26  
40400 Shah Alam, Selangor  
Malaysia

19 December 2023

### The Board of Directors:

Y.A.M. Tengku Syed Badarudin Jamalullail (*Chairman (Non-Independent Non-Executive Director)*)  
Mr. Hui Choon Kit (*Non-Independent Non-Executive Director*)  
Mr. David Siew Kah Toong (*Independent Non-Executive Director*)  
Mdm. Tan Fong Sang (*Non-Independent Non-Executive Director*)  
Y.Bhg. Datuk Kamaruddin bin Taib (*Independent Non-Executive Director*)  
Puan Aida binti Md Daud (*Independent Non-Executive Director*)  
Puan Faridah binti Abdul Kadir (*Independent Non-Executive Director*)  
Y.Bhg. Datuk Mohd Anwar bin Yahya (*Independent Non-Executive Director*)  
Y.Bhg. Dato' Ng Wan Peng (*Independent Non-Executive Director*)  
Mr. Kosit Suksingha (*Non-Independent Non-Executive Director*)  
Mr. Michael Chye Hin Fah (*Non-Independent Non-Executive Director*)  
Mrs. Tongjai Thanachanan (*Alternate Director to Mr. Kosit Suksingha*)

### To: Our Shareholders

Dear Sir/Madam,

### PROPOSED SHAREHOLDERS' MANDATE

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#### 1. INTRODUCTION

At our Company's AGM held on 17 January 2023, our Company had obtained your mandate for recurrent related party transactions of a revenue or trading nature which are necessary for the F&N Group's day-to-day operations. As the mandate would in accordance with the Main Market LR expire at the conclusion of the forthcoming AGM of our Company, our Company on 7 November 2023 announced that it intends to seek your approval for the Proposed Shareholders' Mandate.

The purpose of this Circular is to provide you with the details of the Proposed Shareholders' Mandate and to seek your approval for the ordinary resolution to be tabled as Special Business at the forthcoming AGM of our Company. The Notice of the AGM and the Form of Proxy are incorporated in the Annual Report of our Company for the financial year ended 30 September 2023.

**YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION RELATING TO THE PROPOSED SHAREHOLDERS' MANDATE AT OUR FORTHCOMING AGM.**

## **2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE**

### **2.1 Paragraph 10.09, Part E of Chapter 10 of the Main Market LR**

Under paragraph 10.09(2), Part E of Chapter 10 of the Main Market LR, where there are recurrent related party transactions of a revenue or trading nature which are necessary for its day-to-day operations, the Company may seek a shareholders' mandate in respect of such transactions subject to the following:

- (i) The transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (ii) The shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under paragraph 10.09(1);
- (iii) The Company's circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities;
- (iv) The interested director, interested major shareholder or interested person connected with a director or major shareholder and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder and the interested person, must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with the interested director or interested major shareholder abstain from voting on the resolution approving the transactions; and
- (v) The Company immediately announces to Bursa Securities when the actual value of the Recurrent Transactions entered into by the Company, exceeds the estimated value of the Recurrent Transactions disclosed in the circular by 10% or more and must include information as may be prescribed by Bursa Securities in its announcement.

Where the Company has procured the shareholders' mandate pursuant to the above, the provisions of paragraph 10.08 of the Main Market LR shall not apply during the period of validity of the shareholders' mandate.

### **2.2 Companies within the F&N Group in which the Proposed Shareholders' Mandate is applicable**

The principal activity of our Company is investment holding whilst its main subsidiaries are primarily engaged in the manufacture and sale of soft drinks, dairy and food products, dairy farming and agriculture, property development activities as well as the provision of management services.

Due to its diversity and size, the F&N Group in the ordinary course of business, enters into transactions with the Mandated Related Parties set out in Section 2.3 below.

## 2.3 Mandated Related Parties in which the Proposed Shareholders' Mandate is applicable

The Mandated Related Parties in which the Proposed Shareholders' Mandate is applicable are as follows:

<u>No.</u>	<u>Mandated Related Parties</u>	<u>Principal Activities</u>	<u>Relationship</u>
I.	F&N Ltd Group	<p>The principal activities of the F&amp;N Ltd Group are:</p> <ul style="list-style-type: none"> <li>i) production and sale of beverages and dairy products; and</li> <li>ii) printing and publishing.</li> </ul>	F&N Ltd is the holding company of F&N.
II.	BJC Group	<p>The principal activities of the BJC Group are:</p> <ul style="list-style-type: none"> <li>i) provision of design services, the production, marketing, distribution and sale of packaging products including glass packaging, aluminum can packaging, and plastic packaging;</li> <li>ii) manufacturing, distributing, marketing and retailing a full range of consumer products for both the BJC Group's own brands and customer brands as well as the provision of services relating thereto;</li> <li>iii) distribution of medical and pharmaceutical products of well-known international brands and the provision of services relating thereto, as well as the provision of a broad spectrum of technical products and services to customers;</li> <li>iv) <ul style="list-style-type: none"> <li>a) operating a portfolio of various type Big C branded store formats including big format stores, small format stores, wholesale stores, and an omnichannel platform, and serves wholesale and traditional trade customers with B2B sales and with its Donjai model;</li> <li>b) operating other modern retail businesses, including pharmacies, coffee shops, bookstores, and restaurants, as well as providing other support services;</li> <li>c) operating town center business leasing retail space within its retail venues, as well as the leasing of retail space within its open-air markets to vendors; and</li> </ul> </li> <li>v) retail business in bookstores, convenience stores in Vietnam.</li> </ul>	BJC's ultimate parent company is TCC Corporation, which in turn is under the control of Tan Sri Charoen and the estate of the late Puan Sri Wanna (collectively known as the "Ultimate Major Shareholders of ThaiBev and that of F&N") <sup>(a)</sup> . Hence, the BJC Group is deemed a person connected to the Ultimate Major Shareholders of ThaiBev and that of F&N.

<b><u>No.</u></b>	<b><u>Mandated Related Parties</u></b>	<b><u>Principal Activities</u></b>	<b><u>Relationship</u></b>
III.	ThaiBev Group	The principal activities of the ThaiBev Group are the production and distribution of alcoholic and non-alcoholic beverages, and food.	ThaiBev is deemed a major shareholder of F&N by virtue of its indirect substantial interest in F&N Ltd held through IBIL, a wholly owned subsidiary of IBHL.
IV.	FPL Group	The principal activities of the FPL Group are: i) property development; and ii) investment in and management of: a) retail, commercial and business park, and industrial and logistics properties; b) serviced residences and hotels; and c) property trusts.	FPL's major shareholder is TCC Assets Limited, which in turn is under the control of Tan Sri Charoen and the estate of the late Puan Sri Wanna (collectively known as the "Ultimate Major Shareholders of ThaiBev and that of F&N") <sup>(a)</sup> . Hence, the FPL Group is deemed a person connected to the Ultimate Major Shareholders of ThaiBev and that of F&N.
V.	Thai Group Holdings Group	The principal activities of the Thai Group Holdings Group are: i) general insurance; ii) life insurance; and iii) auto lease, auto hire purchase and supplier financing.	Thai Group Holdings's major shareholders are Tan Sri Charoen and the estate of the late Puan Sri Wanna (collectively known as the "Ultimate Major Shareholders of ThaiBev and that of F&N") <sup>(a)</sup> . Hence, the Thai Group Holdings Group is a person connected to the Ultimate Major Shareholders of ThaiBev and that of F&N.
VI.	TCC Corporation Group	The principal activities of the TCC Corporation Group are investment in retail and consumer products business and others.	TCC Corporation is under the control of Tan Sri Charoen and the estate of the late Puan Sri Wanna (collectively known as the "Ultimate Major Shareholders of ThaiBev and that of F&N") <sup>(a)</sup> . Hence, the TCC Corporation Group is a person connected to the Ultimate Major Shareholders of ThaiBev and that of F&N.

<u>No.</u>	<u>Mandated Related Parties</u>	<u>Principal Activities</u>	<u>Relationship</u>
VII.	AWC Group	<p>The principal activities of the AWC Group are:</p> <ul style="list-style-type: none"> <li>i) property development and management;</li> <li>ii) hotel business and related services; and</li> <li>iii) rental and rendering of commercial building services, including retail, wholesale and office building services.</li> </ul>	<p>AWC's major shareholders are TCC Retail Co., Ltd., TCC Business Management Co., Ltd. and TCC Group International Limited, which in turn is under control of Tan Sri Charoen and the estate of the late Puan Sri Wanna (collectively known as the "Ultimate Major Shareholders of ThaiBev and that of F&amp;N"<sup>(a)</sup>). Hence, the AWC Group is a person connected to the Ultimate Major Shareholders of ThaiBev and that of F&amp;N.</p>

**Note:**

- (a) *Tan Sri Charoen and the estate of the late Puan Sri Wanna are deemed major shareholders of F&N by virtue of their deemed interest in F&N Ltd held through TCC Assets Limited and ThaiBev (via IBIL, a wholly owned subsidiary of IBHL) which in turn is controlled by their private companies, namely Shiny Treasure Holdings Limited and Siriwana Company Limited, pursuant to Section 8 of the Act.*

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## 2.4 Nature of Recurrent Transactions Contemplated under the Proposed Shareholders' Mandate

The Recurrent Transactions which will be covered by the Proposed Shareholders' Mandate are the general transactions carried out by the F&N Group in its normal course of business, as set out below in Section 2.4.1. The Proposed Shareholders' Mandate is intended to facilitate transactions in the normal course of business of the F&N Group which are transacted from time to time with the Mandated Related Parties, provided that they are consistent with the F&N Group's normal business practices and policies and are on terms which are not more favourable to the Mandated Related Parties than those extended to the other customers of the F&N Group.

### 2.4.1 Proposed Renewal of the Existing Shareholders' Mandate

Mandated Related Parties	Transactions	Existing Mandate			Proposed Mandate
		Estimated value disclosed in preceding year's circular dated 19/12/2022 RM'000	Actual value transacted since last AGM to 30/11/2023 (being the last practicable date) RM'000	Outstanding receivables which exceeded the credit term for a period of less than one year as at 30/09/2023 RM'000	Estimated transaction value from this AGM to next AGM <sup>(a)</sup> RM'000
F&N Ltd Group	Purchase of concentrates and/or raw materials from the F&N Ltd Group	204,601	117,258	0	189,531
	Purchase of finished products from the F&N Ltd Group	14,245	8,277	0	11,184
	Sale of finished products and/or raw materials to the F&N Ltd Group	319,146	253,721	381	305,700
	Payment of royalties to the F&N Ltd Group for the use of trademarks, trade names and brand names owned by the F&N Ltd Group	81,640	63,608	0	92,389
	Receipt of rental from the F&N Ltd Group <sup>(b)</sup>	539	185	0	176
	Receipt of corporate services fees from the F&N Ltd Group	3,281	2,337	134	2,470

Mandated Related Parties	Transactions	Existing Mandate			Proposed Mandate
		Estimated value disclosed in preceding year's circular dated 19/12/2022 RM'000	Actual value transacted since last AGM to 30/11/2023 (being the last practicable date) RM'000	Outstanding receivables which exceeded the credit term for a period of less than one year as at 30/09/2023 RM'000	Estimated transaction value from this AGM to next AGM <sup>(a)</sup> RM'000
F&N Ltd Group (continued)	Receipt of printing services from the F&N Ltd Group	835	927 <sup>(c)</sup>	0	993
	Purchase of packaging materials from the F&N Ltd Group	437	591 <sup>(d)</sup>	0	2,700
BJC Group	Purchase of raw materials from the BJC Group	928	835	0	1,076
	Sale of finished products to the BJC Group	70,957	55,197	5,918	75,419
	Purchase of packaging materials from the BJC Group	2,091	1,302	0	1,950
ThaiBev Group	Sale of finished products to the ThaiBev Group	9,286	7,423	268	10,274
	Purchase of raw materials from the ThaiBev Group	2,428	1,162	0	1,955
	Receipt of marketing services from the ThaiBev Group	29,071	21,317	0	27,594
	Purchase of finished products from the ThaiBev Group	844	7	0	9
	Receipt of corporate services from the ThaiBev Group	1,892	1,636	0	1,963

Mandated Related Parties	Transactions	Existing Mandate			Proposed Mandate
		Estimated value disclosed in preceding year's circular dated 19/12/2022 RM'000	Actual value transacted since last AGM to 30/11/2023 (being the last practicable date) RM'000	Outstanding receivables which exceeded the credit term for a period of less than one year as at 30/09/2023 RM'000	Estimated transaction value from this AGM to next AGM <sup>(a)</sup> RM'000
ThaiBev Group (continued)	Sale of scrap to the ThaiBev Group	822	707	0	796
	Payment of royalties to the ThaiBev Group for the use of trademarks, trade names and brand names owned by the ThaiBev Group	102	62	0	183
	Provision of travel related services by the ThaiBev Group	76	22	0	82
	Payment of rental to the ThaiBev Group <sup>(e)</sup>	39	40	0	39
	Payment of licence fees to the ThaiBev Group	5	12 <sup>(f)</sup>	0	9
	Payment of utilities to the ThaiBev Group	2,256	1,960	0	2,575
FPL Group	Receipt of corporate services fees from the FPL Group	120	100	0	120
	Payment of rental to the FPL Group <sup>(g)</sup>	6,345	5,111	0	6,014
Thai Group Holdings Group	Payment of insurance premium to the Thai Group Holdings Group	5,524	1,470	0	1,930
	Lease of assets from the Thai Group Holdings Group <sup>(h)</sup>	121	106	0	130

Mandated Related Parties	Transactions	Existing Mandate			Proposed Mandate
		Estimated value disclosed in preceding year's circular dated 19/12/2022 RM'000	Actual value transacted since last AGM to 30/11/2023 (being the last practicable date) RM'000	Outstanding receivables which exceeded the credit term for a period of less than one year as at 30/09/2023 RM'000	Estimated transaction value from this AGM to next AGM <sup>(a)</sup> RM'000
TCC Corporation Group	Sale of finished products to the TCC Corporation Group	63	91 <sup>(i)</sup>	2	106
	Purchase of raw materials from the TCC Corporation Group	40,799	31,257	0	35,390
	Purchase of stationery and office supplies from the TCC Corporation Group	19	26 <sup>(i)</sup>	0	26
	Payment of rental to the TCC Corporation Group <sup>(k)</sup>	1,719	1,343	0	1,715
AWC Group	Sale of finished goods to the AWC Group	152	160	0	253
	<b>Total</b>	<b>800,383</b>	<b>578,250</b>	<b>6,703</b>	<b>774,751</b>

All the Recurrent Transactions set out in Section 2.4.1 above are transacted between the F&N Group and the F&N Ltd Group, BJC Group, ThaiBev Group, FPL Group, Thai Group Holdings Group, TCC Corporation Group and AWC Group, which are under the control of Tan Sri Charoen and the estate of the late Puan Sri Wanna. The aggregate actual value of the Recurrent Transactions transacted since the last AGM until the latest practicable date, i.e. from 18 January 2023 to 30 November 2023 has not exceeded the aggregate estimated value disclosed in the preceding year's circular dated 19 December 2022.

**Notes:**

- (a) *The estimated values are based on prevailing market rates, expected levels of operations, commodity prices, foreign exchange rates and information available at the point of estimation. Due to the nature of the transactions, the actual values of the transactions may vary from the estimated values disclosed above.*
- (b) *(i) Rental received monthly from the F&N Ltd Group for rental of office space in Shah Alam from F&N Beverages Manufacturing Sdn Bhd. The postal address of the office space is No. 1, Jalan Bukit Belimbing 26/38, Persiaran Kuala Selangor, Seksyen 26, 40400 Shah Alam, Selangor Darul Ehsan and (ii) Rental received from the F&N Ltd Group for rental of vending machines.*
- (c) *Due to increase in printing services provided by the F&N Ltd Group.*
- (d) *Due to increase in purchase of packaging materials from the F&N Ltd Group to cater for higher production volumes.*
- (e) *Rental paid to the ThaiBev Group for rental of the land located at Tambon Slangpan, Amphoe Wang Muang, Saraburi, Thailand on which F&N Dairies (Thailand) Limited ("FNDDT") operates its liquid milk and plant-based beverages manufacturing plant.*
- (f) *Due to increase in software license fee of CMMS (Computerised Maintenance Management System) software paid to the ThaiBev Group for Wang Muang Factory and FNDDT's Distributor Center.*
- (g) *Rental paid to the FPL Group for leasing of advertisement billboards and for rental of a warehouse at Rojana Industrial Park Zone 2, Uthai District, Phra Nakhon Si Ayutthaya Province, Thailand.*
- (h) *The assets leased or to be leased from the Thai Group Holdings Group are vehicles.*
- (i) *Due to increase in sales of finished products to the TCC Corporation Group to cater for higher sales demand.*
- (j) *Due to increase in purchase of stationery and office supplies from the TCC Corporation Group.*
- (k) *Rental paid to the TCC Corporation Group for rental of office space at the PARQ, 88 Ratchadaphisek Road, Khlong Toei, Bangkok, 10110 Thailand.*

The terms of the pricing of the Recurrent Transactions disclosed in Section 2.4.1 are consistent with the F&N Group's usual business pricing practices and policies and are not more favourable to the Mandated Related Parties than those to the other customers of the F&N Group.

However, for certain transactions, the condition that the terms of the transactions (including pricing) are not more favourable to the Mandated Related Parties than those from/to the supplier(s)/customer(s) (where relevant) may not be applicable. For example, the transactions for concentrate purchases between the F&N Ltd Group and the F&N Group are transactions between a licensor and licensee and there are no such equivalent transactions with third parties. The concentrates have to be purchased from supplier(s) approved by the brandowner, F&N Ltd. Similarly, the F&N Group uses the trademarks, trade names and brand names owned by F&N Ltd. The terms of these transactions thus are as determined by F&N Ltd in consultation with the F&N Group. Likewise, certain corporate services, corporate research and development services and technical services provided by the F&N Ltd Group to the F&N Group are not available from other providers or to the customers. Additionally, the F&N Group purchases finished products from the F&N Ltd Group. The fees for such services and prices for such products are negotiated on a willing buyer willing seller basis.

Where practical and/or feasible, at least two (2) other contemporaneous transactions with unrelated third parties for similar products and/or quantities will be used as comparison for determining the price and terms offered by/to the Mandated Related Parties are fair and reasonable as compared with those offered by/to unrelated third parties. In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined based on those offered by/to other unrelated parties for substantially similar types of transactions to ensure that the Recurrent Transactions are not detrimental to the F&N Group.

## **2.4.2 Outstanding Amounts of Recurrent Transactions**

Section 2.4.1 shows the outstanding amounts due from Mandated Related Parties to the F&N Group ("Outstanding Receivables") which exceeded the credit term for a period of less than one year as at 30 September 2023.

Late payment interest has not been imposed on the Outstanding Receivables based on our existing practice of not imposing late payment interest on customers with long term business relationship.

As at 30 November 2023, the Outstanding Receivables had been fully settled.

## **2.5 Review and Disclosure Procedures on Recurrent Transactions and Thresholds Authority**

The F&N Group has established various procedures to ensure that the Recurrent Transactions are undertaken on an arm's length basis and on normal commercial terms, which are consistent with the F&N Group's normal business practices and policies, on terms not more favourable to the Mandated Related Parties than those extended to the other customers of the F&N Group and not to the detriment of the minority shareholders.

The F&N Group has established various procedures to ensure that the Recurrent Transactions are undertaken on an arm's length basis and on normal commercial terms, which are consistent with the F&N Group's normal business practices and policies, on terms not more favourable to the Mandated Related Parties than those extended to the other customers of the F&N Group and not to the detriment of the minority shareholders.

The review and disclosure procedures with regard to the Recurrent Transactions are as follows:

- (i) The subsidiaries of F&N will be notified of the Mandated Related Parties and will be required prior to entering into such transactions to ensure that all the Recurrent Transactions are consistent with the F&N Group's normal business practices and policies which are not more favourable to the Mandated Related Parties than those extended to the other customers of the F&N Group;
- (ii) The Board and/or the Audit Committee will review the internal audit reports which are normally conducted at least once a year to ascertain that the guidelines and procedures established to monitor Recurrent Transactions have been complied with;
- (iii) Records will be maintained by our Company to capture all the Recurrent Transactions which are entered pursuant to the shareholders' mandate;
- (iv) The Board and the Audit Committee shall have overall responsibility for the determination of the review procedures including addition of new review procedures where applicable. The Board and the Audit Committee may also appoint individuals and committees within our Company to examine the Recurrent Transactions as they deem appropriate. If a member of the Board or the Audit Committee has an interest, he or she will abstain from any deliberation and decision-making by the Board or the Audit Committee in respect of the said transaction;
- (v) The Board has put in place a policy on related party transactions for the purpose of identifying, monitoring, evaluating, reporting and approving related party transactions and Recurrent Transactions; and
- (vi) Disclosure will be made in the annual report of the aggregate value of Recurrent Transactions conducted pursuant to the shareholders' mandate during the financial year.

As for the thresholds authority, the F&N Group has in place internal charts of authority governing all business transactions. Since the Recurrent Transactions are conducted in the ordinary course of business, these are also covered under the charts of authority as there is no specific formal document in respect of thresholds authority for Recurrent Transactions.

## **2.6 Audit Committee Statement**

The Audit Committee of our Company (except for Mr. Hui Choon Kit, who is one of the Interested Directors) is of the view that the procedures mentioned in Section 2.5 above should be sufficient to ensure that the Recurrent Transactions are not more favourable to the Mandated Related Parties than those extended to the other customers of the F&N Group and that the review procedures are sufficient to ensure that the Recurrent Transactions are not to the detriment of the minority shareholders.

The Audit Committee (except for Mr. Hui Choon Kit, who is one of the Interested Directors) is of the further view that the F&N Group has in place adequate procedures and processes to monitor, track and identify the Recurrent Transactions in a timely and orderly manner and of which the procedures and processes would be reviewed annually or whenever the need arises.

## **3. RATIONALE AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Recurrent Transactions that are set out in Section 2.4.1 of this Circular are mainly for the F&N Group's day-to-day operations. The related parties as defined under the Main Market LR are as disclosed in Section 2.3.

F&N benefits from the Recurrent Transactions with the F&N Ltd Group through the synergies that are derived from the combined larger operations between the F&N Group and the F&N Ltd Group, thereby enabling greater efficiency and effectiveness in the utilisation of resources.

The F&N Group's business relationships with the BJC Group and the ThaiBev Group have been established before the ThaiBev Group became the major shareholder of F&N Ltd in August 2012. Such ongoing business relationships and co-operation between the enlarged group enable the F&N Group to make more informed commercial decisions for the benefit of the F&N Group.

The Proposed Shareholders' Mandate is intended to facilitate transactions in the normal course of business of the F&N Group which are transacted from time to time with the Mandated Related Parties, provided that they are consistent with the F&N Group's normal business practices and policies and are on terms which are not more favourable to the Mandated Related Parties than those extended to the other customers of the F&N Group.

The Proposed Shareholders' Mandate (if approved at our forthcoming AGM) shall continue to be in force until the next AGM following the forthcoming AGM and shall be renewable at each AGM of our Company thereafter. Disclosure will be made in our annual report of the aggregate value of Recurrent Transactions conducted pursuant to your mandate during each financial year.

The obtaining of your mandate and the renewal thereof on an annual basis would dispense with the need to announce and/or convene separate general meetings from time to time to seek your approval as and when the percentage ratio for the Recurrent Transactions exceeds one (1) percent as prescribed in Chapter 10 of the Main Market LR, thereby reducing substantially the expenses and administrative time in convening such meetings. This will not only allow the F&N Group to pursue business opportunities which are time sensitive in nature but enable resources and time to be channelled towards achieving other objectives.

#### **4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Proposed Shareholders' Mandate does not have any effect on the issued shares of our Company, the shareholdings of the substantial shareholders of our Company and is not expected to have any effect on the net assets, EPS and gearing of the F&N Group.

#### **5. CONDITIONS OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Proposed Shareholders' Mandate is subject to your approval at the forthcoming AGM of our Company.

#### **6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

Save as disclosed below, none of the Directors and/or major shareholders of F&N or any persons connected to the Directors and/or major shareholders of F&N has any interest, direct and/or indirect, in the Proposed Shareholders' Mandate.

##### **Interested Directors**

Mr. Hui Choon Kit, Mdm. Tan Fong Sang, Mr. Kosit Suksingha and Mr. Michael Chye Hin Fah are the nominee Directors of F&N Ltd appointed to the Board of F&N. Pursuant to the Main Market LR, these Directors are deemed interested in the Proposed Shareholders' Mandate for the Recurrent Transactions with the F&N Ltd Group ("**Interested Directors**"). The Interested Directors have abstained and will continue to abstain from all deliberations and voting on the resolution for the Proposed Shareholders' Mandate at the relevant Board meetings. The Interested Directors will also abstain from voting in respect of their direct and/or indirect shareholdings in F&N (if any) on the resolution for the Proposed Shareholders' Mandate at the forthcoming AGM. The Interested Directors have undertaken that they will ensure that the persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings on the resolution for the Proposed Shareholders' Mandate at the forthcoming AGM.

As at 30 November 2023, none of the Interested Directors has equity interest in F&N.

## Interested Major Shareholders

The direct and indirect shareholdings of the interested major shareholders as at 30 November 2023 are as follows:

Interested Major Shareholders	-----Shareholdings----->			
	<-----Direct----->		<-----Indirect----->	
	No. of F&N Shares held	%	No. of F&N Shares held	%
F&N Ltd	203,470,910	55.475	-	-
ThaiBev	-	-	203,470,910	55.475 <sup>(a)</sup>
Tan Sri Charoen	-	-	203,470,910	55.475 <sup>(b)</sup>
The estate of the late Puan Sri Wanna	-	-	203,470,910	55.475 <sup>(b)</sup>

### Notes:

- (a) Deemed interested in F&N by virtue of its interest in F&N Ltd held through IBIL, a wholly owned subsidiary of IBHL, pursuant to Section 8 of the Act.
- (b) Deemed interested in F&N by virtue of their deemed interest in F&N Ltd held through TCC Assets Limited and ThaiBev (via IBIL, a wholly owned subsidiary of IBHL) which in turn is controlled by their private companies, namely Shiny Treasure Holdings Limited and Siriwana Company Limited, pursuant to Section 8 of the Act.

The abovementioned Interested Major Shareholders are deemed interested in the Proposed Shareholders' Mandate by virtue of their shareholdings, direct and indirect, in F&N. Pursuant to the Main Market LR, the Interested Major Shareholders are required to abstain from voting in respect of their direct and/or indirect shareholdings on the resolution for the Proposed Shareholders' Mandate at the forthcoming AGM. The Interested Major Shareholders have undertaken that they will ensure that the persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings on the resolution for the Proposed Shareholders' Mandate at the forthcoming AGM.

## 7. DIRECTORS' RECOMMENDATION

The Board, save for the Interested Directors, after careful consideration of the Proposed Shareholders' Mandate, is of the opinion that the Proposed Shareholders' Mandate is in the best interest of F&N.

The Board, save for the Interested Directors, recommends that you vote in favour of the resolution on the Proposed Shareholders' Mandate.

## 8. AGM

An AGM, the notice of which is incorporated in the Annual Report accompanying this Circular and of which particulars of the Proposed Shareholders' Mandate are set out therein, will be held at Ballroom 3, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Wednesday, 17 January 2024 at 10:00 a.m., for the purpose of considering and, if thought fit, passing, inter alia, the resolution, with or without modifications, pursuant to the agenda of Special Business as set out in the said notice to give effect to the Proposed Shareholders' Mandate.

If you are unable to attend and vote in person at our 62<sup>nd</sup> AGM, you may complete, sign and submit the Form of Proxy in accordance with the instructions as set out in the Administrative Details for the 62<sup>nd</sup> AGM of the Company. The completed Form of Proxy should be deposited at the office of the Poll Administrator, Boardroom Share Registrars Sdn Bhd at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or at its website at <https://investor.boardroomlimited.com> ("eProxy Lodgement") not later than 48 hours before the time set for convening our AGM or at any adjournment thereof.

**9. FURTHER INFORMATION**

We advise you to refer to Appendix II for further information.

Yours faithfully,  
For and on behalf of the Board of  
**FRASER & NEAVE HOLDINGS BHD**

Y.A.M. Tengku Syed Badarudin Jamalullail  
Non-Independent Non-Executive Chairman

## APPENDIX II

### FURTHER INFORMATION

#### 1. Responsibility Statement

Our Directors have seen and approved this Circular and they, collectively and individually, accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no misleading information or other facts which, if omitted, would make any statement herein misleading.

#### 2. Material Contracts

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and its subsidiaries within the past two (2) years preceding 30 November 2023, being the latest practicable date prior to the printing of this Circular:

- (a) A subscription agreement dated 20 April 2022 between the Company's wholly-owned subsidiary, Usahaniaga Abadi Sdn Bhd ("UASB"), Dagang Permai Sdn Bhd ("DPSB") and Dagang Sejahtera Sdn Bhd ("DSSB"), pursuant to which UASB subscribed for 5,570,000 ordinary shares representing 65% of the issued and paid-up share capital of DSSB at a total cash consideration of RM5,570,000. Following the share subscription, the equity interests of UASB and DPSB in DSSB are 65% and 35% respectively.
- (b) A conditional share sale agreement dated 25 April 2022 between the Company's indirect 65%-owned subsidiary, DSSB and (i) Dupont & Leosk Enterprises Sdn Bhd (the "Vendor") as beneficial owner of 25,000,000 ordinary shares of RM1.00 each in Ladang Permai Damai Sdn Bhd (formerly known as THP Gemas Sdn Bhd) ("Ladang Permai Damai") (the "Sale Shares") and (ii) Malaysia Nominees (Tempatan) Sdn Bhd as registered owner of the Sale Shares and nominee company of OCBC Bank (Malaysia) Berhad holding the Sale Shares as nominee and chargee for the benefit of OCBC Bank (Malaysia) Berhad, to acquire the Sale Shares representing the Vendor's 100% equity interest in Ladang Permai Damai for a total cash consideration of RM215,588,160.
- (c) The Company's letter dated 3 June 2022 to Cocoaland Holdings Berhad ("Cocoaland"), which set out the formal proposal to acquire the entire equity interest in Cocoaland not already owned by the Company to be undertaken by way of a members' scheme of arrangement under Section 366 of the Companies Act 2016 between Cocoaland and all the shareholders of Cocoaland, other than the Company ("Scheme Shareholders") (the "Privatisation") as announced by the Company on 3 June 2022. The Privatisation involved the acquisition by the Company and transfer of all Cocoaland Shares owned by the Scheme Shareholders ("Scheme Shares") to Awana Citra Sdn Bhd, the Company's wholly-owned subsidiary and nominated party to receive the Scheme Shares. Based on 326,129,868 Scheme Shares representing approximately 72.38% of the issued share capital of Cocoaland as at 4 November 2022, the Company paid an offer price of RM1.50 for each Scheme Share in cash amounting to a total consideration of RM489,194,802 whereupon the Scheme Shares were transferred to Awana Citra Sdn Bhd on the same date. With effect from 25 November 2022, the entire issued share capital of Cocoaland was delisted from the Main Market of Bursa Securities.

#### 3. Material Litigation

The Company and its subsidiaries are not, as at the date of this Circular, engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Directors of the Company do not have any knowledge of any proceedings pending or threatened against the Company and/or its subsidiaries and/or of any other facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Company and/or its subsidiaries (as the case may be).

#### **4. Documents Available for Inspection**

Copies of the following documents may be inspected at our registered office at No. 1, Jalan Bukit Belimbing 26/38, Persiaran Kuala Selangor, Seksyen 26, 40400 Shah Alam, Selangor, Malaysia during normal business hours on Mondays to Fridays (except public holidays) from the date of this Circular until the date of the forthcoming AGM:

- (i) our Constitution;
- (ii) our audited consolidated financial statements for the financial years ended 30 September 2022 and 30 September 2023 and the latest unaudited results since the last audited financial statements; and
- (iii) the material contracts referred to in Section 2 above.