

F&N BUSINESS MODEL

F&N's business model targets sustainable, long-term value creation for its stakeholders. It achieves this by leveraging its key resources (People, Intellectual, Process, Financial and Stakeholder Relationships) to deliver profitable growth, to drive efficiency and operational excellence, to preserve the health and safety of the people working in, and with, F&N, and to protect the environment and build local communities relations, while manage operational risks of its businesses and adhere to ethical principles of corporate governance.

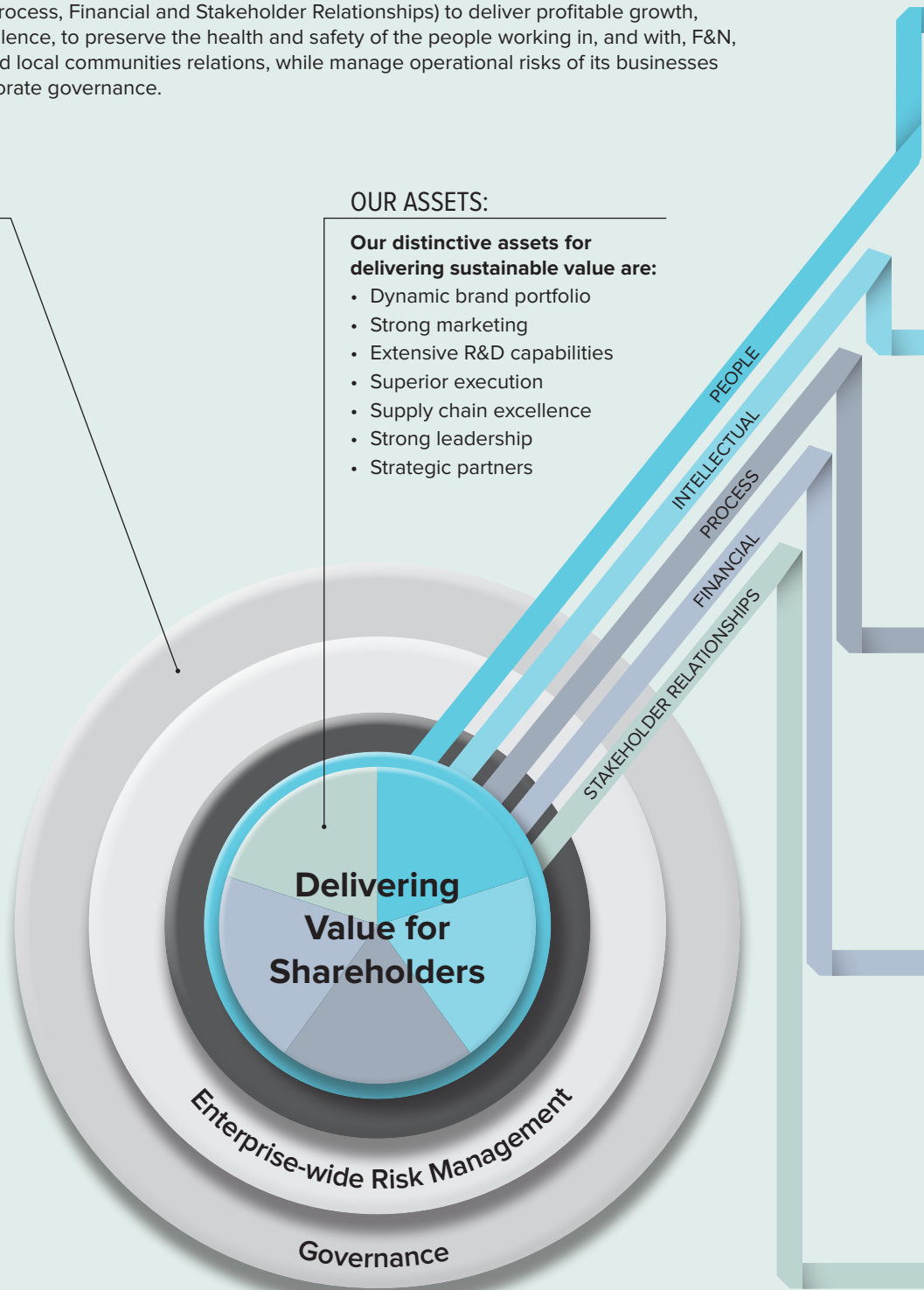
OUR GROWTH DRIVERS:






















- **Clearly targeted portfolio of brands and products**
 - While the Group continues its brand portfolio strategy so as to maximise consumer reach, it will focus its investment on and drive the growth of its Power Brands.
- **Leading through innovation**
 - F&N generates new innovation each year, in products development or processes, so as to maintain sustainable leadership in its industry.
- **Strive for commercial excellence**
 - We continuously identify and strengthen levers to improve operational efficiency, increase brand presence and sell-through, and streamline internal processes to accelerate decision-making, and make F&N leaner and more efficient.
- **Investments focusing on *right to win***
 - F&N prioritises its investments on markets where it has a *right to win* and markets that offer the best medium- to long-term growth and profitability opportunities, encompassing the way it competes, its capabilities with which it will compete, and the portfolio decisions. The Group is focused on Southeast Asia, particularly Indonesia, Myanmar and Vietnam.
- **Commit to talent development**
 - F&N's strategy incorporates a roadmap for attracting, developing and retaining our most valuable asset – People. We set out specific, actionable steps that are either already in place, or under development, to support our businesses in becoming the best at what they do.

OUR ASSETS:

Our distinctive assets for delivering sustainable value are:

- Dynamic brand portfolio
- Strong marketing
- Extensive R&D capabilities
- Superior execution
- Supply chain excellence
- Strong leadership
- Strategic partners



| F&N KEY RESOURCES | VALUE ADDING ELEMENTS | VALUE CREATED | VALUE SHARED WITH |
|--|--|--|--|
|  <p>PEOPLE</p> <p>We are committed to attracting, developing and retaining the very best talent, an important asset.</p> | <p>IN OUR CORE MARKETS OF MALAYSIA, SINGAPORE AND THAILAND, AND NEW MARKETS</p>  <p>520M CONSUMERS</p> | <p>WE CREATE VALUE FOR OUR STAKEHOLDERS BY MANAGING AND DEPLOYING OUR RESOURCES AND ASSETS EFFICIENTLY AND EFFECTIVELY</p>  <p>REVENUE \$1,898M</p> |  <p>EMPLOYEES</p> <p>Our employees are our partners in shaping our success. We foster a culture of continuous learning, development and reward for our employees in a healthy and safe work environment.</p> |
|  <p>INTELLECTUAL</p> <p>We are committed to building our knowledge-based assets – brands, processes and technology – that connect with the way our consumers live.</p> | <p>12 FOOD & BEVERAGE MANUFACTURING FACILITIES</p>  |  <p>PBIT \$174M</p> |  <p>CONSUMERS</p> <p>With the end consumer in mind, we produce a range of products that address evolving consumer preferences and a wide spectrum of lifestyles.</p> |
|  <p>PROCESS</p> <p>We recognise the impact our operations have on the environment and the local communities where we operate and are committed to continuous efficiency improvements.</p> |  <p>OVER 253,000 OUTLETS</p> | <p>OUR PRODUCTS ARE AVAILABLE IN 112 COUNTRIES</p>  |  <p>PARTNERS</p> <p>We partner responsible and sustainable businesses. Throughout our supply chain, we create value and support job creation beyond our business.</p> |
|  <p>FINANCIAL</p> <p>We seek to use our funds generated from operations or investments efficiently and effectively.</p> | <p>STRATEGIC PARTNERSHIP WITH:</p>  | <p>WE EMPLOY OVER 7,600 EMPLOYEES IN 11 COUNTRIES</p>  <p>30 NEW F&B PRODUCTS LAUNCHED IN FY2017</p> |  <p>SHAREHOLDERS</p> <p>Managing our resources effectively enables us to maximise profits which benefit shareholders through sustainable shareholder returns.</p> |
|  <p>STAKEHOLDER RELATIONSHIPS</p> <p>We look to build long-term relationships with customers, strategic partners, employees, investors and communities through stakeholder engagement initiatives.</p> |   |  <p>24 PRODUCT AND PROCESS EXCELLENCE AWARDS</p> |  <p>COMMUNITIES</p> <p>Our business is built in a profitable, responsible and sustainable manner. We give back to local communities through job creation, useful products and services, social responsibility programmes and minimisation of environmental impact.</p> |