

# BUSINESS REVIEW

MALAYSIA  
THAILAND  
SINGAPORE  
VIETNAM



SHINE







**F&N**  
provides the best quality  
canned milk in Malaysia



**TEAPOT**  
is the trusted heritage,  
smarter choice brand  
in Malaysia

## DAIRIES MALAYSIA

Amidst the challenging market conditions, Dairies Malaysia maintained its strong foothold in the condensed and evaporated canned milk segment through its trusted brands – F&N, TEAPOT, GOLD COIN, and CARNATION. This enduring strength stems from a clear regional and channel strategy, supported by consumer education and purposeful marketing that deepens brand relevance across generations.

Guided by our brand promise of “PURE ENJOYMENT. PURE GOODNESS”, Dairies Malaysia continued its marketing efforts to drive the growth of its ready-to-drink liquid milk category. Leveraging the Group’s in-house technical expertise, diverse product range, and strong consumer relationships, Dairies Malaysia expanded the footprint of F&N MAGNOLIA and FARMHOUSE liquid milk products across the country – delivering nutritious, high-quality milk products that meet the evolving lifestyles and wellness priorities of today’s consumers.

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

Dairies Malaysia maintained its unchallenged leadership position in Malaysia’s condensed and evaporated milk segments through our flagship brands. This enduring success is a testament to our unwavering commitment to high product quality, complemented by focused marketing campaigns that highlight the versatile applications of canned milk in both traditional and modern food and beverage consumption.

CARNATION kicked off the year with its “NEW RICHER TWISTS FOR A BLOOMING YEAR” campaign to celebrate Chinese New Year. The brand introduced new recipes through influencer partnerships and over-the-top video content, engaging its target audience with fresh ideas for festive cooking. The campaign achieved a 62% recipe trial rate and an 83% sales conversion rate, while also strengthening brand perception and emotional connection.

Building on this momentum, the “PARENTS’ DAY” campaign invited younger Malaysians to express love and

appreciation through heartfelt, home-cooked meals featuring CARNATION milk. By tapping into the cultural value of showing care through actions, the campaign reinforced CARNATION’s role in everyday family moments – where food becomes a language of love.

CARNATION further deepened its emotional resonance through the “C STANDS FOR CARNATION” campaign. In collaboration with food influencers, the brand explored iconic eateries across Malaysia, celebrating its role in beloved local beverages like Kopi C and Teh C. From nostalgic kopitiams to modern cafes, the campaign showcased CARNATION’s versatility and its integral place in Malaysia’s beverage heritage.

Meanwhile, F&N canned milk reaffirmed its place in Malaysian culinary tradition during Ramadan and Raya through the “DAPUR PANAS DIGITAL” content series. Developed by Media Prima OMNiA, the programme featured women entrepreneurs showcasing heritage recipes using F&N canned milk. This initiative celebrated entrepreneurship, cultural heritage, and F&N’s timeless role in festive cooking.

To further connect with everyday Malaysians, we partnered with popular cooking influencers to share authentic recipes and inspire culinary creativity. These efforts drove brand awareness to 81%, and achieved a persuasion score of 85%, signalling a powerful return to cultural relevance.

### LIQUID MILK: F&N MAGNOLIA

A key milestone in our liquid milk journey was the launch of F&N MAGNOLIA 100% Fresh Milk UHT in November 2024 – a new offering that brings together freshness and convenience. It delivers the full flavour and nutritional goodness of fresh milk, with the added benefit of a longer shelf life, catering to today’s busy lifestyles and consumer preferences.

To support the launch, we rolled out a targeted digital education campaign aimed at mothers and children, highlighting the benefits of 100% fresh milk products. The initiative aimed to inform consumers about premium ingredients, encourage healthier, quality-driven choices and reinforce the brand’s focus on wellbeing.



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To enhance consumer interaction and drive product trial, F&N MAGNOLIA deployed its roving truck across 100 99 Speedmart outlets in Klang Valley, bringing the fresh milk experience directly to shoppers. By facilitating hands-on engagement, the campaign effectively boosted awareness for the new UHT product among locals and won Gold in Integrated Media for "Cari 100% Redefining Malaysia's Milk Moments" at the MSA Award 2025.

The success of these efforts became evident within just four months of the launch. F&N MAGNOLIA's UHT Fresh Milk delivered volumes that exceeded expectations, reflecting strong consumer acceptance and growing brand preference. This performance positioned us ahead of key competitors in the fresh UHT milk category across Peninsular Malaysia, marking a significant milestone in our liquid milk journey.

Between June and August 2025, F&N MAGNOLIA collaborated with the Minions to launch a limited-edition Banana UHT Flavoured Milk, presented in playful, Minions-themed packaging. This collaboration brought excitement and joy to all Malaysians, turning every sip into a playful moment of goodness.

To boost visibility and drive product trial, an integrated marketing campaign was rolled out across digital platforms and social media, supported by over 330 promoter sessions and 30 roadshows. These activations gave consumers the chance to sample the new product and interact with their favourite Minion characters at selected locations – adding a memorable touch to the experience.

Adding to the excitement, three exclusive giant blind box vending machines were set up at AEON malls. Shoppers who purchased F&N MAGNOLIA milk products could try their luck at winning collectible Minions merchandise, including plush toys, keychains, drink holders, and more.

These coordinated efforts yielded positive results, with F&N MAGNOLIA achieving market share gains in the ready-to-drink ("RTD") liquid milk segment across Peninsular Malaysia. The campaign successfully boosted consumer engagement, trial, and purchase – reinforcing F&N MAGNOLIA's appeal among Malaysian families.

## DAIRIES THAILAND

Dairies Thailand continues to lead the canned milk in the country, anchored by brands such as CARNATION and TEAPOT. This market leadership is driven by a strong foundation of product innovation, strategic trade programs, and an extensive distribution network that spans both domestic and regional markets. Beyond Thailand, the business has expanded its footprint across Southeast Asia, reinforcing its competitive edge and unlocking new growth opportunities.

In the liquid milk segment, Dairies Thailand has strengthened its presence with F&N MAGNOLIA and BEAR BRAND, responding to evolving consumer preferences and broadening its reach through targeted campaigns and product innovation.

### CANNED MILK: CARNATION

CARNATION, a brand licensed from Nestlé to F&N, continues to lead in Thailand's canned milk sector. In 2007, our Group acquired Nestlé's production facilities and equipment in Thailand, along with the licensing rights to manufacture and distribute canned and sterilised milk brands. The trademark license agreement with Nestlé was renewed in 2015 for another 22 years, extending through 2037. This enables us to produce and distribute CARNATION and BEAR BRAND across Singapore, Thailand, Malaysia, Brunei, and Laos – markets where both brands have since achieved substantial growth.

This year, CARNATION strengthened its position as the preferred choice among Thai consumers for both on-premise and in-home consumption. In January, we launched an in-home campaign with the message, "Guaranteed Deliciousness, Just Have Carnation", reinforcing the brand's promise of quality and taste in everyday meals.

CARNATION is widely recognised as a market leader in out-of-home consumption for its condensed and evaporated milk range. At the same time, it continues to gain momentum in the in-home segment, especially with CARNATION Plus.



**Carnation**

**NO.1 CARNATION**  
No. 1 Condensed Milk in Thailand

**BEAR BRAND**  
No.1 Sterilised Milk Brand in Thailand

**TEAPOT**

**NO.2 TEAPOT**  
No.2 Condensed Milk in Thailand

To drive this growth, we activated digital campaigns featuring influencers, partnered with GRAB for product sampling, and engaged consumers on social media to encourage usage in home cooking and F&B outlets. These efforts increased the trial rate for in-home consumption and grew market share.

To thank our loyal customers and consumers, we rolled out a nationwide eight-month-long campaign – “THANK YOU FOR MAKING CARNATION YOUR NO.1 BRAND”. Consumers were rewarded with points and exciting gifts for every purchase, strengthening brand affinity and encouraging repeat usage.

#### CANNED MILK: TEAPOT

Building on TEAPOT's strong presence in Thailand's flavoured Condensed Milk in squeezable tubes, the brand expanded its portfolio with the launch of TEAPOT Condensed Milk Strawberry Amaou Flavour in June. Inspired by Japan's celebrated “King of Strawberries”, this new variant adds a luxurious touch to our well-loved range. Packaged in convenient 150g squeezable tubes, it is perfect for busy lifestyles and on-the-go indulgence.

To connect with Gen Zs, we activated a series of engaging digital campaigns on Facebook and TikTok, supported by in-store sampling and eye-catching point-of-sale displays. Available nationwide, TEAPOT Condensed Milk Strawberry Amaou Flavour showcases the brand's versatility and appeal across a wide variety of meal occasions.

In addition to new product launches, we introduced thematic campaigns to support beverage operators, including “TEAPOT BEVERAGE OPERATOR” (December 2024–February 2025)

and “TEAPOT CAN USE MORE, GET MORE” (July–September 2025). With Mik Thongraya as our new brand ambassador, TEAPOT's message, “TEAPOT ENHANCES YOUR DAILY CREATIONS,” was amplified through TV commercials and digital platforms. These efforts drove notable sales growth and strengthened TEAPOT's position as the No. 1 choice for economy-sized evaporated creamer (1L), preferred by operators across Thailand.

#### LIQUID MILK: F&N MAGNOLIA & BEAR BRAND

F&N MAGNOLIA continues to deliver on its promise of “TASTY GOODNESS”, offering consumers a new and delightful milk experience with its product range. With a mix of online and offline advertising and school sampling activations, we have boosted brand visibility and encouraged trial among younger audiences.

At the same time, BEAR BRAND remains Thailand's leading sterilised milk brand in Thailand, promoting daily consumption by highlighting its nutritional benefits for individuals and families. Its “30 DAYS, 30 CANS” initiative encourages consumers to incorporate BEAR BRAND into their daily routines, reinforcing its role in supporting healthy lifestyles. Supported by digital campaigns and seasonal packaging during family-oriented occasions like New Year, BEAR BRAND is positioned as a thoughtful and health-focused gift.

To further engage Gen Z, we amplified BEAR BRAND's “BRAIN, BONE, AND BEAUTY” proposition through university activations and targeted online outreach. These efforts educated young consumers on the benefits of the BEAR BRAND Gold ready-to-drink range, driving trial and strengthening brand relevance.



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### DAIRIES SINGAPORE

As a leading dairy manufacturer and beverage supplier, F&N's dairy operations in Singapore have demonstrated resilience and agility in navigating a highly competitive landscape. To strengthen F&N's position in the dairy industry, we continued to expand our product offerings to meet evolving consumer preferences and the growing demand for healthier alternatives, more innovative dairy options.

#### LIQUID MILK: F&N MAGNOLIA

This financial year, we strengthened F&N MAGNOLIA's position as a trusted household brand by delivering quality dairy goodness and launching campaigns that celebrate joy, fun, heritage, and innovation. Through strategic collaborations and limited-edition launches, the brand deepened its connection with consumers across generations, reinforcing its relevance in a dynamic, health-conscious market.

In March, F&N MAGNOLIA partnered with Illumination's Minions to launch a playful campaign celebrating fun, energy, and banana-loving mischief. At the heart of the campaign was the launch of Banana Low Fat Flavoured Milk, a limited-edition product inspired by the Minions' iconic love for bananas. Packaged in vibrant Minions-themed designs and rated Nutri-Grade B, the product offered a healthier way to indulge while bringing

family-friendly excitement to the brand. Supported by digital activations and consumer promotions, the campaign resonated strongly with both children and parents.

Building on this success, we introduced another joyful collaboration featuring Sanrio's Cinnamoroll. This partnership added a whimsical touch to the product experience and strengthened emotional connections with fans of all ages.

Recognising the growing trend of tea appreciation among consumers, the brand introduced Earl Grey Low Fat Milk, a limited-edition flavour that blends the elegance of tea with the goodness of milk. Rated Nutri-Grade B, this innovation reflects F&N MAGNOLIA's commitment to offering nutritious, high-quality dairy products that align with modern lifestyles and evolving taste preferences.

To commemorate Singapore's 60<sup>th</sup> birthday ("SG60"), F&N MAGNOLIA proudly celebrated its longstanding role in nourishing generations through a nostalgic collaboration with Mr Merlion & Friends. The campaign paid tribute to the brand's deep-rooted presence in Singaporeans' lives – from the iconic pyramid milk packs of school days to ice cream sandwiches and soft rainbow bread enjoyed across generations. At the Mr Merlion Hawker Fest pop-up event, visitors relived these familiar flavours through creative activations. Limited-edition packaging featuring Singapore's landmarks further reinforced the brand's

connection to local heritage, making the celebration a meaningful reflection of F&N MAGNOLIA's role in everyday Singaporean moments.

Responding to the growing prevalence of heart disease, F&N MAGNOLIA launched Cholest Care in July – the only milk in Singapore that delivers two grams of plant stanols from Benecol®, a trusted global brand from Finland, in just two cups. This innovation empowers consumers to take a simple, delicious step toward lowering blood cholesterol and supporting heart health, addressing a critical public health issue in Singapore.

### DAIRIES VIETNAM

F&N's presence in Vietnam is facilitated through its 20.4% investment in Vinamilk, the country's largest F&B company listed on the Ho Chi Minh Stock Exchange.

Our journey with Vinamilk began in February 2005 with an initial stake of approximately 5%. In December 2016, we expanded our holdings through a competitive bid, acquiring an additional 5.4%. Subsequent market purchases brought our total stake to 20.4% as of 30 September 2025. With this shareholding and the appointment of two representatives to its board, the Group qualifies as having significant influence over Vinamilk for accounting purposes, in compliance with the Singapore Financial Reporting Standards (International). Since 16 April 2017, we have applied the equity accounting method to record its share of Vinamilk's profits.

In FY2025, Vinamilk made a significant contribution of \$82M to F&N's PBIT, representing 27% of the Group's total profit. Vinamilk specialises primarily in the production, supply, and distribution of a wide range of dairy products – including powdered, liquid, and condensed milk, cheese, ice cream, yogurt, cereals – as well as beverages such as soy milk, fruit juice, and yogurt drinks.

With a presence in over 60 countries globally, Vinamilk operates 17 factories across Vietnam, Cambodia, New Zealand and the USA, and manages 15 farms in Vietnam and Laos.



## DAIRIES ICE CREAM

Ice cream remains a cherished indulgence across generations and cultures, with limited-edition flavours and creative collaborations keeping the category fresh and exciting. Recognising this, F&N's Ice Cream division continued to tap into the trend in FY2025 through a steady stream of innovations and strategic partnerships. With strong manufacturing capabilities in Malaysia and Thailand, the division – home to beloved brands like F&N MAGNOLIA, KING'S, and 100PLUS – focused on delivering differentiated experiences that resonate with evolving consumer lifestyles across Malaysia, Singapore, and Thailand.

### STRATEGIC COLLABORATIONS THAT CAPTIVATE

F&N MAGNOLIA led the way with high-impact partnerships that deepened brand affinity and broadened consumer reach. In collaboration with the globally beloved Minions franchise, the brand rolled out a vibrant campaign across Malaysia and Singapore. The campaign spanned both the milk and ice cream categories and featured Minions-themed packaging across two ice cream tubs in Vanilla and Neapolitan flavours, as well as a Wafer Multipack available exclusively in Singapore. Complementing the product lineup was a blind box promotion offering exclusive Minions merchandise, which further strengthened consumer engagement across both markets.

Building on this momentum, the brand introduced the Hello Kitty Cone in August, topped with Raspberry Sauce and Raspberry Flakes, and wrapped in an irresistibly cute Hello Kitty design. This launch connected with both ice cream lovers and fans of the iconic character, expanding the brand's appeal across demographics.

To commemorate Singapore's SG60 Jubilee, F&N MAGNOLIA collaborated with Mr Merlion & Friends to deliver a nostalgic yet modern experience. The campaign featured blind box plushies inspired by F&N MAGNOLIA's iconic offerings of ice cream with bread and milk, reimagined to connect with today's consumers. Alongside the plushies, a limited-edition F&N MAGNOLIA Pandan Coconut Wafer was launched to honour Singapore's heritage. The overwhelming response reflected consumers' excitement and fondness for the refreshed concept, reinforcing how F&N MAGNOLIA continues to stay relevant in a dynamic landscape.

### INNOVATION THAT ELEVATES EVERYDAY INDULGENCE

Building on the success of its FY2024 HERSHEY's collaboration, F&N MAGNOLIA expanded its portfolio in FY2025 with a new 473ml pint format in two indulgent flavours, Chocolate Fudge Ripple and Cookies 'N' Creme, offering consumers a shareable option for at-home enjoyment. Additionally, two new stick variants – Classic Vanilla and Cookies 'N' Creme – were launched to cater to on-the-go indulgence. These launches reinforced the brand's commitment to innovation and responsiveness to market trends.

In Malaysia, F&N MAGNOLIA made a strategic entry into the mass-premium tub with three distinctive flavours – Minty Choco, Hazelnut Choco, Matcha – crafted to deliver bolder taste and richer texture. This differentiated range elevated the consumer experience and signalled the start of a robust innovation pipeline aimed at capturing greater market share.

In Thailand, F&N MAGNOLIA launched its Choux Ice Cream in 7-Eleven stores, featuring all-time favourite flavours

such as Hokkaido Milk and Rich Chocolate. Supported by broadcast and online media coverage as well as KOL engagement, the launch positioned the product as a delightful cold dessert to complete any meal, making a new step in addressing evolving consumption occasions.

### CELEBRATING ASIAN HERITAGE AND FUNCTIONAL INNOVATION

F&N KING'S Potong continued to strengthen the Group's ice cream portfolio with bold innovations rooted in Asian heritage. Under the campaign tagline "Nothing Beats the Original", the brand refreshed its packaging and introduced the Ruammitr flavour, inspired by a popular Thai dessert. The launch of Banana Ice Cream coated with chocolate and wafer bits marked a regional first – the debut of chocolate-coated Potong ice cream – further cementing F&N KING'S Potong's position as a trusted name in Asian dessert innovation.

SUNKIST expanded its functional ice cream range with the launch of the SUNKIST Yoghurt Creamsicle in September. High in Vitamin C and enriched with probiotics, this refreshing treat supports a healthy lifestyle while delivering the pure orange goodness SUNKIST is known for – perfect for the tropical climate of the region.

Through consistent innovation, strategic collaborations, and a focus on delivering differentiated experiences, F&N's Ice Cream division continues to evolve with consumer needs while reinforcing its legacy of trust and creativity. These efforts, amplified through digital platforms that enhance reach, engagement, and brand storytelling, have strengthened brand relevance and deepened connections across key markets, laying the foundation for future growth.



**HELLO KITTY**  
UNWRAP  
A SWEET BLISSFUL  
DELIGHT