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FRASER AND NEAVE, LIMITED
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Incorporated in Singapore

F&N Delivers 13 Per Cent Revenue Growth and Maintains Profitability in 1H2025 Amid Market Challenges

- ***1H2025 revenue rose 13 per cent to $1,212.6 million, driven by strength in core F&B segments***
- ***1H2025 PBIT[1] increased 2 per cent to $165.1 million***
  - ***F&B profit grew 5 per cent, supported by increased sales, a favourable cost environment and positive forex translation, tempered by lower contribution from Vietnam***
  - ***P&P profit declined on absence of prior year one-offs and higher costs***
- ***Attributable profit (before exceptional items) stable at $84.1 million***
- ***Interim dividend of 1.5 cents per share declared, unchanged from the previous year***

Financial Highlights (S$ 'million)	**Six months to 31 March 2025**	**Six months to 31 March 2024**
Revenue	1,212.6	1,071.1
PBIT[1]	165.1	162.5
Profit After Taxation	124.8	125.5
Attributable Profit[2]	84.1	83.8
Earnings Per Share (basic)(cents)[2]	5.8	5.8
Net Asset Value Per Share	$1.99	$1.97 (30 Sep 2024)

1 *PBIT denotes profit before interest and taxation*
2 *Before exceptional items*

SINGAPORE, 9 MAY 2025 – Fraser and Neave, Limited ("**F&N**" or the "**Group**") today announced results for the half-year ended 31 March 2025 ("**1H2025**"). Supported by strong sales, a favourable cost environment and positive foreign exchange ("**forex**") translation rates, the Group delivered resilient performance, particularly in its Food & Beverage ("**F&B**") division.

For the period under review, the Group recorded revenue of $1,212.6 million, representing a 13-per-cent increase from $1,071.1 million in the previous corresponding period. Profit before interest and taxation ("**PBIT**") rose 2 per cent to $165.1 million. Profit after taxation was marginally lower at $124.8 million, compared to $125.5 million a year ago, reflecting a higher effective tax rate ("**ETR**") following the expiry of a tax incentive. The Group's ETR increased to 15.8 per cent (2024: 15.4 per cent), due to higher withholding tax expenses and a reduction in non-taxable income. Attributable profit before exceptional items was stable at $84.1 million. Basic earnings per share for 1H2025 remained unchanged at 5.8 cents, the same as in the prior year. The net asset value per share as of 1H2025 stood at $1.99, compared to $1.97 in FY2024.

(A) Group Revenue of $1,212.6 Million, +13 Per Cent Growth Year-On-Year

The 13-per-cent year-on-year increase in Group revenue was supported by the strong performance of the F&B division, which posted a 15-per-cent rise in revenue (+9 per cent in constant currency terms), reaching $1,072.8 million in 1H2025, up from $929.8 million in 1H2024. The F&B division's growth was broad-based, with all divisions contributing to the overall increase. In particular, the Beverages segment, comprising Beer and Soft Drinks, saw a 28 per cent rise in revenue (+24 per cent in constant currency), reaching $429.4 million. This growth was driven by higher sales volumes, largely resulting from successful Chinese New Year campaigns, the introduction of new products and improved pricing.

The Dairies segment recorded a 8 per cent increase in revenue (+3 per cent in constant currency), reaching $643.4 million, supported by strong domestic canned milk sales in key markets, along with increased volumes in Laos and Cambodia, and the maiden contribution from the Malaysia Schools Milk Programme.

However, the Group's Publishing & Printing ("**P&P**") segment experienced a slight decline in revenue, down by 1 per cent from $96.5 million to $95.8 million. This decrease was primarily due to the absence of one-off contributions, including Hong Kong title sales and licensing income from Chile, which had supported the prior year's performance.

(B) Group PBIT of $165.1 Million, + 2 Per Cent Growth Year-On-Year

Group PBIT rose 2 per cent to $165.1 million, reflecting higher revenue, improved cost factors and favourable forex translation.

The Dairies segment, which is the largest contributor to the Group's earnings, continued to deliver solid results, with PBIT growing 6 per cent to $135.2 million. This growth was partly tempered by a 21 per cent decline in profit contribution from Vietnam Dairy Products Joint Stock Company, the Group's associate, which saw our share of PBIT fall from $45.6 million to $36.0 million. However, strong performances in Dairies Malaysia (+71 per cent) and Dairies Thailand (+11 per cent), supported by higher sales, favourable input costs, lower marketing spend and positive forex translation, helped cushion the decline.

Beverages' PBIT grew 4 per cent to $30.3 million. The Beer division was impacted by higher production and operating costs, partially due to the weakened Kyat. In contrast, the Soft Drinks division delivered improved profitability, supported by increased sales, favourable cost environment and positive foreign exchange rate translation.

P&P reported a loss before interest and tax of $9.4 million, compared to a loss of $6.2 million in the same period last year. This decline was largely attributable to lower contributions from both the Education and Print segments. In the Education segment, PBIT fell year-on-year due to the absence of one-off title sales and the non-recurring licensing income from a Chile contract booked in the previous year. The Print segment, too, saw lower profitability, impacted by higher input costs.

Mr Hui Choon Kit, Chief Executive Officer said, "F&N has delivered a resilient performance despite the challenging market environment. Strong sales, a favourable cost environment, and positive forex movements in our F&B division reflect our ability to navigate external challenges and capitalise on the strengths of our core business."

"While global uncertainties persist, including geopolitical tensions and trade challenges, we continue to take measured steps to address these complexities. Our disciplined approach to risk management and our focus on operational resilience position us well for long-term growth. A key step forward was the arrival of 2,500 dairy cattle at F&N AgriValley, our integrated dairy farm, in April. This milestone supports our ambition to build a sustainable, vertically integrated fresh milk supply chain in Southeast Asia. With an investment of RM1.7 billion (about $510 million) in smart farming and sustainable agriculture, we are reinforcing our growth strategy and commitment to regional food security. These efforts, combined with our continued investments in innovation and operational efficiencies, are laying a strong foundation for continued success," he added.

Interim Dividend

Directors have declared an interim dividend of 1.5 cents per share, consistent with the interim dividend declared in the previous year. The dividend will be paid on 6 June 2025.

Corporate Development

F&N AgriValley: Strengthening Regional Food Security and Fresh Milk Supply

In April 2025, F&N achieved a key milestone with the arrival of its first commercial batch of 2,500 dairy cattle at F&N AgriValley, Malaysia's largest integrated dairy farm. This marks the largest-ever importation of dairy cattle into Malaysia and represents a major step in F&N's long-term strategy to establish a sustainable, vertically integrated fresh milk supply chain.

This followed the earlier arrival of a trial batch of 165 dairy cattle in March. Both batches of heifers have adapted well to the farm environment. To date, more than 70 calves have been born to the Chilean herd, bringing the total number of cattle at the farm to over 2,700.

Milking of the commercial batch is expected to begin in June 2025, with fresh milk from the farm to be gradually introduced under the F&N MAGNOLIA brand. When fully operational, the farm will house 20,000 milking cows across 2,726 hectares and is expected to produce up to 200 million litres of fresh milk annually, thereby strengthening milk supply resilience and supporting food security in both Malaysia and Singapore.

As a strategic investment in regional food security, F&N AgriValley will help Malaysia achieve greater dairy self-sufficiency while reducing reliance on imports. For Singapore, it will ensure a reliable, high-quality local supply of fresh milk, contributing to long-term food security in the city-state. This project underscores F&N's commitment to sustainable business practices and the growing demand for locally produced dairy in ASEAN.

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For clarification and further enquiries, please contact:

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