



FARSONS GROUP

Farsons

Simonds Farsons Cisk Plc

Interim Report

SIX MONTHS ENDED
31 JULY 2025



SIMONDS FARSONS CISK PLC

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ended **31 July 2025**

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INTERIM DIRECTORS' REPORT

31 JULY 2025

The Board of Directors presents herewith the interim unaudited results of the Farsons Group for the six months ended 31 July 2025.

STRATEGIC REVIEW OF PRINCIPAL ACTIVITIES

Over several decades, the Group has expanded from its foundational beverages sector—encompassing brewing, production, and importation of branded alcoholic and non-alcoholic beverages—into a diversified organisation with strategic investments in both the property and food industries. The Group's property interests were divested through the spin-off of Trident Estates p.l.c., which was subsequently listed on the Malta Stock Exchange in January 2018.

The Group's Food Business has consistently achieved year-on-year growth in both revenue and profitability, demonstrating resilience amid varying economic and market conditions. As highlighted in the Company Announcement dated 27 November 2024 and the Annual Reports for FY2023, FY2024, and FY2025, the Board undertook a comprehensive strategic review to explore opportunities for further expansion within this segment.

Following this review, the Board determined that the optimal path for the Food

Business's continued growth is through its reorganisation into a separate legal entity, to be listed on the Malta Stock Exchange via a Spin-Off. This restructuring is intended to sharpen strategic focus by establishing a dedicated executive management team and board of directors, thereby positioning the business to pursue both organic and inorganic growth. The Board believes this course of action best serves the long-term interests of the Group, its shareholders, and other stakeholders.

The Board of Directors outlined the proposed restructuring involving the Spin-Off of the Food Business in an Explanatory Circular circulated to all shareholders on 3 June 2025, ahead of the Annual General Meeting. At the meeting held on 26 June 2025, shareholders formally endorsed the Board's recommendation to proceed with the Spin-Off. Subject to regulatory approval, this transaction is expected to culminate in the listing of Quinco Holdings p.l.c. as a new equity on the Malta Stock Exchange, with completion anticipated in early October 2025.

The total value of the dividend in kind to be distributed amounts to €46.8 million, equivalent to €1.30 per share held in Simonds Farsons Cisk p.l.c.

TRADING PERFORMANCE

The Directors present a financial performance that reflects sustained progress and operational resilience within an evolving market environment. The performance reflects the Group's ability to adapt to changing conditions while maintaining operational efficiency and strategic focus. While the Board acknowledges the positive results achieved during the period, it remains mindful of potential challenges and is committed to sustaining this momentum through continued disciplined management and long-term strategic planning.

Following the strategic review of the Group's principal activities, the abridged financial statements for the six-month period ended July 2025 present the Group's operations reclassified into Continuing Operations (Beverage segment) and Discontinued Operations (Food segment), in accordance with the requirements of International Financial Reporting Standards and as disclosed in the Group's Annual Financial Statements for the financial year ended 31 January 2025. Where applicable, comparative figures have been restated on a consistent basis to reflect this reclassification.

During the first six months of the current financial year, the Group registered year-on-year growth in turnover across all business sectors. The results for the period reflect the influence of various market dynamics, including changing demographic trends in the local market, growth in inbound tourism, and increased competition from a growing number of suppliers within Malta's relatively limited market. The Group's diversified business portfolio and broad customer base contributed positively to overall performance. Notably, the beverage manufacturing segment demonstrated strong resilience, further supported by improved results across other areas of the Group's operations.

Exports remain a key strategic focus for the Group, following the successful entry into the Ghanaian beverage market, a significant milestone in international expansion efforts. This development complements the established presence in the Australian market, where bottling agreements for the flagship soft drink, Kinnie, have been in place. These initiatives highlight the Group's commitment

to capturing global growth opportunities and diversifying revenue streams. Export revenues have increased across the portfolio, with promising prospects emerging for established brands such as Kinnie and Cisk. The Group continues to actively pursue opportunities to expand the footprint of its beer and soft drinks portfolio in select international markets.

For the six-month period, Group turnover from the Beverage sector, classified as Continuing Operations, increased by 6.5% to €54.8 million (2024: €51.5 million), demonstrating sustained demand in a competitive and evolving market. Profit before tax grew at an even faster pace, rising 11% to €9 million (2024: €8.2 million), reflecting effective margin management and operational improvements. The Food sector, now reported as Discontinued Operations, also showed solid growth with turnover up 6.2% and profitability improving by 2.5%.

This overall performance reflects strong consumer preference for the Group's high-quality products, supported by disciplined cost control, margin optimisation, innovation, and efficiency measures implemented throughout the business.

The Board remains confident that these results reflect the strength of the Group's diversified brand portfolio and its strategic focus on maintaining market leadership while maximizing shareholder value. The ongoing initiatives position the Group well to navigate market challenges and pursue future growth opportunities.

Earnings per share for shareholders rose by 6.5%, increasing to €0.261 in the first half-year ending July 2025 attributable to the 36 million shares in issue.

INVESTMENTS

Building on a decades-long tradition of excellence, the Farsons Group has consistently demonstrated an unwavering commitment to operational excellence across its manufacturing, retail, and logistics activities. This commitment has been underpinned by a disciplined and forward-looking reinvestment strategy, whereby retained earnings are continuously channelled into long-term capital projects. These investments are designed to drive innovation, strengthen

competitive positioning, and generate sustainable returns for shareholders.

The Group's strategic focus remains firmly centred on investing in the future prosperity and growth of its businesses. Particular emphasis is placed on digital transformation, environmental sustainability, and energy efficiency—key pillars guiding the Group's capital allocation decisions. In this regard, substantial upgrades to the logistics infrastructure at the Mriehel production site are progressing, as the Group seeks to further optimise supply chain operations and operational performance.

A notable milestone during the period was the completion of a major environmental investment: a new CO₂ recovery plant at the Mriehel site, which became fully operational in August 2025. This facility strengthens the Group's security of supply for a critical production input, while also supporting its decarbonisation objectives.

Aligned with the Group's long-standing commitment to circular economy principles, the use of returnable and refillable containers remains a core environmental initiative. In support of this, a significant logistics investment was launched earlier this year to convert the existing returnable packaging facility into a fully automated, centralised operation within the Mriehel premises. Once completed, this advanced facility will streamline the sorting and inspection of returnable containers, delivering meaningful improvements in efficiency across the manufacturing and distribution chain.

The Group's disciplined approach to capital investment spans all areas of its operations, with a continued emphasis on maintaining best-in-class production, logistics, and retail infrastructure. Over the years, this strategic reinvestment philosophy has enabled the Group to maintain its operational edge and adapt proactively to evolving industry standards and consumer expectations.

As part of the strategic Spin-Off of the Food segment, the Group initiated a key investment—now being executed by Quinco Holdings p.l.c.—for the development of a state-of-the-art logistics and office complex. This forward-looking project underscores the Group's long-standing commitment to establishing a strong, independent

platform from which the newly listed entity can pursue both organic and inorganic growth opportunities, while continuing to deliver long-term value to shareholders.

The development is taking place on strategically located land in Handaq, with construction having commenced in FY2025 and completion targeted for mid-2026. Once fully operational, the facility is expected to materially enhance storage capacity, enable the adoption of advanced digital inventory management systems, and streamline logistics workflows—thereby strengthening operational efficiency and supporting broader market reach across an expanding and diversified customer base.

Within the Food Business, the Group remains committed to a strategy of continuous investment in the development and enhancement of its restaurant network. Particular focus is placed on securing and maintaining strategically located outlets that provide the Food Chain with a solid operational foundation for sustained growth. These investments are not only designed to support future expansion but are also aimed at elevating the overall customer experience, ensuring that service excellence remains at the core of the business offering.

Advancing its sustainability agenda, the Group has also continued the phased replacement of its vehicle and delivery fleet with environmentally compliant alternatives. This transition contributes to the reduction of emissions and supports the Group's broader energy efficiency objectives.

Looking forward, the Group's capital investment strategy will remain sharply focused on enhancing efficiency, building resilience, and fostering innovation across all areas of its operations. Planned investments will continue to prioritise improvements in manufacturing, warehousing, and logistics, while reinforcing the Group's commitment to environmental stewardship and social responsibility. Strategic brand building and innovation will also remain integral to the Group's long-term vision.

These initiatives collectively reflect the Group's enduring commitment to continuous improvement, responsible resource management, and the creation of sustainable long-term value for shareholders.

BUSINESS OUTLOOK

The first half of the financial year has met expectations yielding another strong set of results, reflecting the Group's continued focus on disciplined execution, operational efficiency, and responsiveness to market dynamics. This performance was achieved despite ongoing challenges in the external environment, including rising input costs and shifting consumer behaviours.

Looking ahead, the second half of the year is expected to reflect the typical seasonality that characterises the Group's operations. Additionally, the planned Spin-Off of the Food Business—approved by shareholders at the Annual General Meeting held on 26 June 2025—is anticipated to be fully executed during October 2025. Upon completion, the financial results of the Food Business will no longer be consolidated within the Group's accounts but will instead be attributed to the newly listed entity, Quinco Holdings p.l.c.

Within this restructured framework, the Board of Directors and management remain fully committed to delivering sustainable financial performance and long-term value to shareholders. The Group will maintain a clear strategic focus on its core Beverages segment, continuing to drive cost efficiency and operational effectiveness.

Furthermore, the Group remains alert to changes in consumer preferences and broader societal trends, including the growing demand for low- and no-alcohol alternatives. Through innovation and continuous product development, the Group aims to meet these evolving needs while reinforcing its market position.

Despite a challenging and competitive operating environment, the Group is well-positioned to navigate the second half of the year with resilience, leveraging its streamlined structure, strong brand portfolio, and strategic agility.

DIVIDENDS

In line with the shareholder-approved Spin-Off of the Food Business into a separate listed entity, the Board of Directors has resolved to distribute a dividend in kind to all shareholders. This will be executed through the pro-rata distribution of 36 million shares in Quinco Holdings p.l.c., representing the entirety of the issued share capital of the new entity. The total value of this distribution amounts to €46.8 million. Subject to regulatory approval, the above in specie dividend will be distributed on 6 October 2025 to those shareholders appearing on the Company's register as at the close of business on Tuesday, 30 September 2025.

In addition to this significant distribution and based on the financial performance recorded during the first six months of the financial year, the Board of Directors has also approved the declaration of an interim cash dividend. This dividend amounts to €0.065 per ordinary share (2024: €0.06 per share), equivalent to a total distribution of €2,340,000 (2024: €2,160,000), and will be paid out of tax-exempt profits.

Shareholders appearing on the Company's register as at close of business on Tuesday, 30 September 2025 will be entitled to receive the interim cash dividend. The cash dividend will be distributed on Thursday, 16 October 2025.

STATEMENT PURSUANT TO CAPITAL MARKETS RULE 5.75.3 ISSUED BY THE LISTING AUTHORITY

We hereby confirm that to the best of our knowledge:

- The condensed interim financial information gives a true and fair view of the financial position of the Group as at 31 July 2025, and of its financial performance and cash flows for the period then ended, in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim Financial reporting (IAS34); and
- The Interim Directors' Report includes a fair review of the information required in terms of Capital Markets Rules 5.81 to 5.84.

Luis Farrugia

Louis A. Farrugia

Chairman

24 September 2025



Marcantonio
Stagno d'Alcontres

Vice-Chairman

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2025

	Group	
	31 July 2025 (unaudited)	31 January 2025 (audited)
	€'000	€'000
Assets		
Non-current assets	132,613	132,709
Current assets	69,899	63,178
Non-Current assets classified as held for sale	36,046	32,608
Total assets	238,558	228,495
Equity and Liabilities		
Capital and reserves attributable to owners of the company	169,562	165,196
Non-current liabilities	24,783	24,616
Current liabilities	30,359	24,383
Liabilities directly attributable to non-current assets held for sale	13,854	14,300
Total liabilities	68,996	63,299
Total equity and liabilities	238,558	228,495

CONDENSED CONSOLIDATED INCOME STATEMENT

PERIOD ENDED 31 JULY 2025

	Group	
	31 July 2025 (unaudited)	31 July 2024 (unaudited)
	€'000	€'000
Continuing Operations		
Revenue	54,781	51,460
Gross profit	23,994	22,468
Operating profit	9,457	8,620
Finance costs	(389)	(453)
Profit before tax	9,068	8,167
Tax expense	(587)	(271)
Profit for the period from continued operations	8,481	7,896
Profit after tax from discontinued operations	925	937
Profit for the period	9,406	8,833
Earnings per share	0.261	0.245

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

PERIOD ENDED 31 JULY 2025

	Group	
	31 July 2025 (unaudited)	31 July 2024 (unaudited)
	€'000	€'000
Profit for the period	9,406	8,833
Other comprehensive income:		
Items that may be subsequently reclassified to profit or loss:	-	(9)
Cash flow hedges net of deferred tax		
Other comprehensive income for the period	-	(9)
Total comprehensive income for the period	9,406	8,824

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

PERIOD ENDED 31 JULY 2025

	Group				
	Share capital	Hedging reserve	Revaluation and other reserves	Retained earnings	Total equity
	€'000	€'000	€'000	€'000	€'000
Period ended 31 July 2025					
Balance at 1 February 2025	10,800	-	53,939	100,457	165,196
Comprehensive income					
Profit for the six months ended 31 July 2025				9,406	9,406
Cash flow hedges net of deferred tax		-			-
Transactions with owners					
Dividends				(5,040)	(5,040)
Balance at 31 July 2025	10,800	-	53,939	104,823	169,562
Period ended 31 July 2024					
Balance at 1 February 2024	10,800	11	49,409	88,444	148,664
Comprehensive income					
Profit for the six months ended 31 July 2024				8,833	8,833
Cash flow hedges net of deferred tax		(9)			(9)
Transactions with owners					
Dividends				(3,960)	(3,960)
Balance at 31 July 2024	10,800	2	49,409	93,317	153,528

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

PERIOD ENDED 31 JULY 2025

	Group	
	31 July 2025 (unaudited)	31 July 2024 (unaudited)
	€'000	€'000
Net cash generated from operating activities	11,356	5,568
Net cash used in investing activities	(8,508)	(6,207)
Net cash used in financing activities	(6,725)	(5,201)
Net movement in cash and cash equivalents	(3,877)	(5,840)
Cash and cash equivalents at beginning of period	6,255	8,220
Cash and cash equivalents at end of period	2,378	2,380

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. This report is being published pursuant to the terms of Chapter 5 of the Capital Markets Rules.
2. The financial information being published has been extracted from the Simonds Farsons Cisk plc's unaudited interim financial statements for the six months ended 31 July 2025, prepared in accordance with accounting standards adopted for use in the European Union for reported interim financial information (IAS 34 - Interim Financial Reporting). In terms of Capital Markets Rule 5.75.5, this interim report has not been audited by the Group's independent auditors.
3. The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 January 2025.
4. The Board of Directors considers the Group's business mainly from the Beverage and Food sectors as geographically operations are carried out predominantly, on the local market.

On 27 November 2024, the Board of Directors issued a company announcement pursuant to Chapter 5 of the Capital Markets Rules as issued by the Malta Financial Services Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the Law of Malta).

Through this announcement the Board of Directors advised that after having carefully considered the outcome of the strategic review referred to in the Annual Reports of January 2023 and 2024, it concluded that the growth of the Food Business as well as the interest of the Group, its shareholders and other stakeholders would be served through a reorganisation by way of a Spin-off of the Food Business as a separate legal entity that would be listed on the Malta Stock Exchange.

The Spin-off was approved by the shareholders at the Annual General Meeting held on 26 June 2025.

The Spin-off will be implemented by way of a Distribution of Quinco Holdings p.l.c. shares to the shareholders.

The Distribution will be in the form of a transfer to the Simonds Farsons Cisk p.l.c. shareholders of Quinco Holdings p.l.c. shares pro-rata to the shares held by the shareholders in Simonds Farsons Cisk p.l.c.

In view of these developments, the Food Business was classified as a disposal group held for distribution to shareholders and as a discontinued operation.

Financials for continuing operations relate solely to the Beverage Segment.

	Group	
	31 July 2025 (unaudited)	31 July 2024 (unaudited)
Discontinued Operations	€'000	€'000
Revenue	19,263	18,138
Gross profit	5,571	5,229
Operating profit	1,578	1,513
Finance costs	(158)	(127)
Profit before tax	1,420	1,386
Tax expense	(495)	(449)
Profit for the period from discontinued operations	925	937

- Earnings per share is based on the profit after tax attributable to the ordinary shareholders of Simonds Farsons Cisk p.l.c. divided by the weighted average number of ordinary shares in issue during the period and ranking for dividend.



FARSONS GROUP

Farsons

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