



Market Announcement

10 March 2025

Fonterra releases divestment roadshow presentation

Fonterra Co-operative Group Ltd is today commencing roadshow meetings with potential investor groups as part of the divestment process for its global Consumer and associated businesses.

The information pack being presented at these meetings is attached.

As stated in the Co-op's update on 19 February 2025, these roadshow meetings are a step towards a potential initial public offering (IPO).

The information pack provides details of the financial profile of the business to be divested, which would be known as Mainland Group if Fonterra proceeds with an IPO.

The pack includes indicative pro-forma historical financial information up to FY24 and reflects a more refined view of the components of the Mainland Group business compared to previous financial disclosures by Fonterra, such as the decision for Fonterra to retain a manufacturing facility in Saudi Arabia and its Greater China consumer business.

These refinements have the effect of reallocating a larger portion of earnings into Fonterra's core business.

The roadshow meetings will be held in New Zealand, Australia and Asia, and will be led by Mainland Group CEO-elect René Dedoncker and CFO-elect Paul Victor.

Fonterra CEO Miles Hurrell says the meetings are an important step in the process of testing the merits and value of an IPO, which the Co-op is exploring as a divestment option alongside a trade sale.

"We are pleased to be making progress in both the potential trade sale and IPO processes and will continue to keep our farmer shareholders, employees and the market updated on milestones," says Mr Hurrell.

The Co-op's decision to pursue a divestment is grounded in an understanding of where it creates the most value for farmers today and where there's further room for growth.

It's chosen divestment option will balance:

- Maximising long term value for farmer shareholders, including the best return on capital invested;
- Cementing Fonterra's competitive advantage in Ingredients and Foodservice; and
- Expanding international channels to market for high-quality New Zealand dairy.

A divestment remains subject to approval from Fonterra's farmer shareholders.

Fonterra continues to target a significant capital return to be made to farmer shareholders and unit holders following the divestment.

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For further information contact:

Philippa Norman
Fonterra Communications
Phone: +64 21 507 072
