

Farmer Business Developments plc pays out €3.64m to Farmer Shareholders in Voluntary Share Buy-back Scheme

Farmer Business Developments plc has announced that 225 shareholders are to receive a total of €3,642,435 under the Voluntary Share Buy-back Scheme approved by shareholders at the company's AGM in June 2023. Payments are being made by bank transfer/cheque today Friday 18th August.

Company Chairman Pat Murphy said "the buy-back was 21% oversubscribed with 1,907,034 shares offered by 225 applicants. The Board decided under the circumstances that on this occasion the best approach was to accept the total amount offered and increase the funding committed to the scheme from €3m to €3.64m. I am pleased to announce therefore that we have agreed to buy 100% of the shares offered so that all applicants have sold their shares without any scale-back."

"A typical holder of 10,369 shares will receive €19,804.79 on exit, having already picked up the 9 cent dividend at end-June. That is a total of €2.00 per share, before tax.

The Board noted that this year's applications of 1.9m would have included about 0.95m shares which remained unsold after the 2022 scheme due to scale-back. In view of last year's historical overhang on this year's scheme, the Board felt it was appropriate and prudent to increase the funding committed by 21% or €0.64m in order to satisfy all applicants. For any future buy-back schemes, shareholders are advised that they should not expect the Company to increase funding above the amount committed in advance.

Original £50 investment in late 1960s returns a total of €37,658

Pat Murphy took the opportunity to thank the shareholders who had invested in the company for their loyalty and support and wished them well for the future. "These shareholders were mostly farmers canvassed by NFA members in the late 1960s whose investment established the FBD group of companies, which has been so successful over the intervening decades." *

"A typical £50 investor from that time would today hold 10,369 shares in Farmer Business Developments plc. If he/she cashed in that investment under the 2023 buy-back scheme, they would now receive a payment of €19,805, which comes on top of €17,853 paid in dividends and other returns over the years giving a total return of €37,658 for the €63 (£50) original investment of the retiring shareholder."

* Note: Today, those companies are: FBD Holdings plc, whose 100% subsidiary is FBD Insurance, the FBD Trust Company Ltd which provides educational and development support for the farming community and this company Farmer Business Developments plc which owns FBD Hotels & Resorts and other investments, as well as holding 27.8% of the voting shares in FBD Holdings plc.

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