MEDIA RELEASE

FY2025 FINANCIAL RESULTS AND FY2026 OUTLOOK

Continued business momentum as brands perform and Bulk returns to profit

Bega Cheese Limited (ASX:BGA) (the Group) has released its full year audited results for the financial year ended 30 June 2025. The Group has continued to grow profitability in its Branded segment, and successfully returned the Bulk segment to profit, delivering a strong normalised Group result.

Key measures	FY2025	FY2024	Change	
	$m	$m	$m	%
Statutory performance				
Revenue	3,539.0	3,521.6	17.4	0.5%
EBITDA	165.5	165.1	0.4	0.2%
EBIT	27.1	74.3	-47.2	-63.5%
PAT	-8.5	30.5	-39.0	-127.9%
EPS (cents per share)	-2.8	10.0	-12.8	-128.0%
Normalised performance				
EBITDA	202.0	164.1	37.9	23.1%
EBIT	110.8	76.1	34.7	45.6%
PAT	50.8	29.2	21.6	74.0%
EPS (cents per share)	16.6	9.6	7.0	72.9%
Net debt	126.1	162.4	-36.3	-22.4%
Leverage ratio (times)	0.8	1.3	-0.5	-38.5%

The Group achieved statutory earnings before interest, tax, depreciation and amortisation (EBITDA) of $165.5 million. A strong underlying financial performance was impacted by the restructuring costs of a number of transformational business improvement initiatives that position the Group exceptionally well for the future.

The normalised FY2025 EBITDA of $202.0 million increased by $37.9 million or 23% when compared to the prior period. Normalised items in the current period include the completed sale and exit of juice primary processing at Leeton NSW, the planned closure and consolidation of cheese packaging and processing capacities at Strathmerton Victoria into the Ridge Street facilities in Bega NSW, and the impairment of plant and equipment associated with the announced closure of peanut processing operations in Kingaroy and Tolga in Queensland.

Operational highlights of the FY2025 result included:

- Strong volume growth in branded white milk, yoghurt and spreads.
- The successful launch of branded high protein and 'better for you' products.
- Execution of cost savings and continuous improvement programs.

- Realignment of dairy commodities and farm gate milk prices combined with a focus on higher value dairy commodities returned the Bulk segment to profit.
- Discipline on working capital optimisation and improved operating cashflow.
- Strong balance sheet with leverage ratio of 0.8 times.

The Group maintained strong market share positions across key categories and continued to grow in foodservice and key Asian markets. Continued focus on core categories, the success of our branded new product development pipeline, and the full year benefit of business restructuring contributed to the pleasing financial performance. Branded segment normalised EBITDA was $205.2 million compared to $199.9 million in the prior year.

The return to profit of the Bulk segment made an important contribution to the FY2025 result. Bulk segment EBITDA was a profit of $38.7 million compared to an EBITDA loss of $18.2 million in the prior year.

Capital management and leverage ratio

The Group had consolidated net debt of $126.1 million as at 30 June 2025, compared to $162.4 million as at 30 June 2024, a reduction of $36.3 million. The reduction in net debt was enabled primarily by an increase in operating profit (after adjusting for non-cash items) and a reduction in working capital. The Group's normalised EBITDA to net debt leverage ratio decreased from 1.3 times at the end of the prior fiscal year to 0.8 times at 30 June 2025.

Final FY2025 dividend – 6.0 cents per share

The Group announced a final fully franked dividend of 6.0 cents per share for FY2025, taking the total dividends declared for the year to 12.0 cents per share, or $36.6 million. The final dividend will be paid on 25 September 2025. The Dividend Reinvestment Plan will be activated for this dividend.

Outlook

Subject to normal trading conditions, the Group expects continued growth in the Branded segment and stable returns in the Bulk segment. The Group's new product development pipeline will launch a number of exciting new products in FY2026 supporting further Branded growth. The manufacturing rationalisation initiatives announced are forecast to increase efficiency and effectiveness of the Branded segment and mitigate cost and overhead inflation towards the late stages of FY2026 with full year benefits being realised in FY2027. The Group provides guidance of a normalised EBITDA in the range of $215m to $220m in FY2026.

Ends…

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