



Bega Group

Bell Potter Emerging Leaders

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*creating great food
for a better future*

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FY25 is second year of Bega's 5-year Strategic Plan



- **Our transition** from a commodity-led to brand-led company generating higher and more consistent earnings
- Important role the Bulk business plays for the Group
- **Channel / market opportunities** to propel net revenue and profit growth
- **Disciplined cash flow focus** and capital management to enhance balance sheet and shareholder returns



PURPOSE *creating great food for a better future*

VISION *to become the great Australian food company*



2023-2028 HORIZON | *Focus & Simplify*

Protect & grow the core

Invest behind our 'power brands' to drive marketplace participation and growth.

Win on the street

Improve our competitiveness by leveraging our distribution and product capability.

Streamline our sites

Optimise our manufacturing and distribution footprint.

Sustainability

Deliver Strategy commitments focusing on circularity, community, and collaboration.

Secure solids

Grow and diversify the supply of milk solids to support branded growth and plant efficiency.

International opportunity

Focus and grow our international business.

Organisational Enablement Creating a sustainable organisation to achieve our strategy

Values:	GROW our people		PASSION for customer and consumer		INVEST in our future		SUPPORT each other									
Behaviours:	BE CARING		BE INCLUSIVE		BE OPEN		BE COURAGEOUS		BE COLLABORATIVE		BE COMMITTED					
Metrics:	ROFE >10%		EBITDA >\$250M		REVENUE >\$3.9B		GROSS MARGIN >23%		ENGAGEMENT >4.0		CO2 40% REDUCTION BY 2030		SAFETY TARGETS		GENDER 40:40:20	

Branded Portfolio Innovation

Protect & Grow the Core



Protein



Lactose Free



No Sugar added



Evolving the portfolio to respond to consumer preferences:

- Meeting demand for protein
- Promotion health with No Sugar Added offers
- Providing new Lactose Free options for those with intolerances
- Providing value size formats, and value price points
- Improved food service product portfolio





Key points:

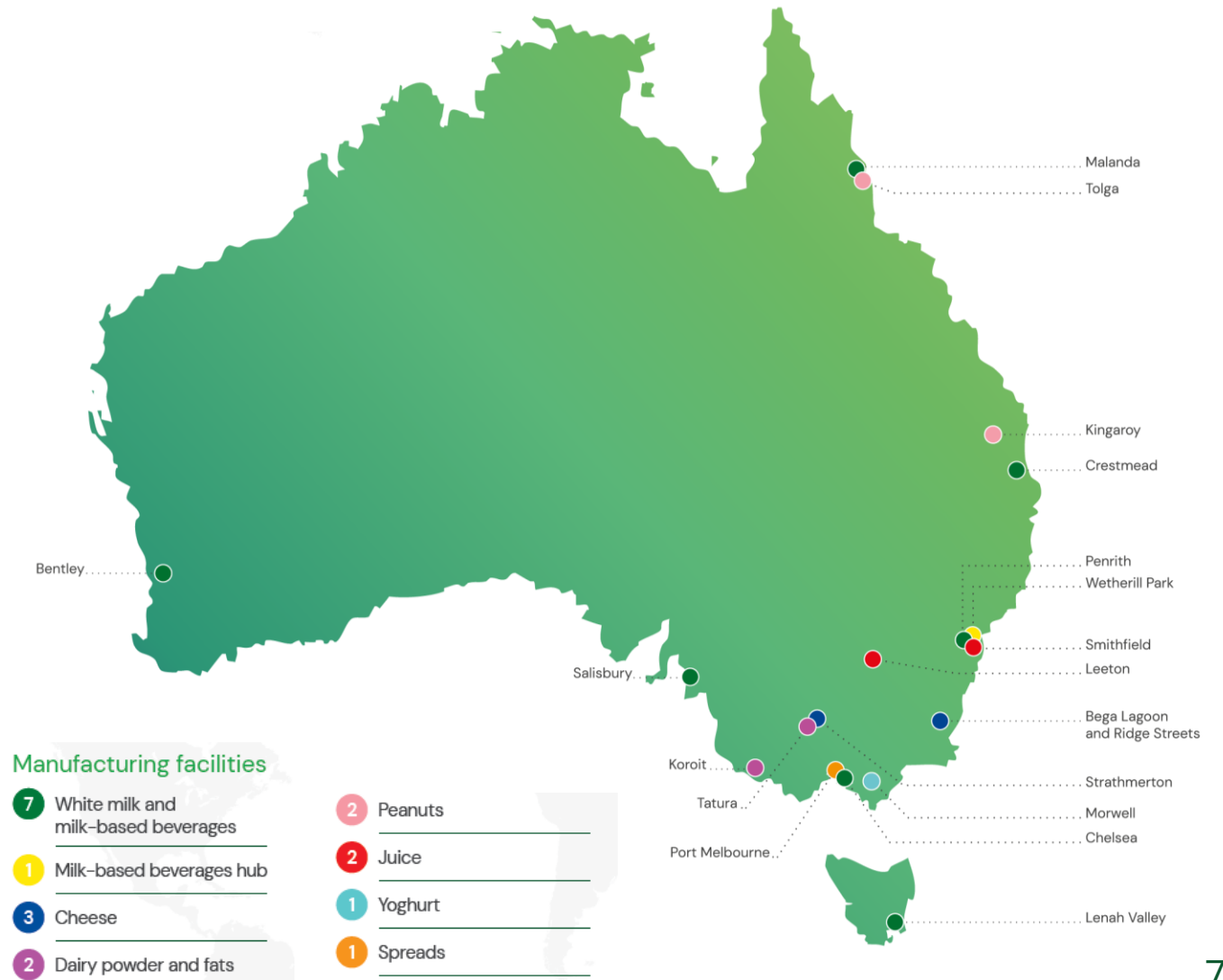
- The MyBega portal allows us to take advantage of “frictionless” transactions and personalisation
- Increase product mix and boost basket size by suggesting complementary or new items
- Improve customer engagement and cost to serve through providing 24/7 instant support and personalised experiences without human intervention

Streamline our sites

National footprint with overlapping capabilities across white milk, milk-based beverages, cream and cheese.

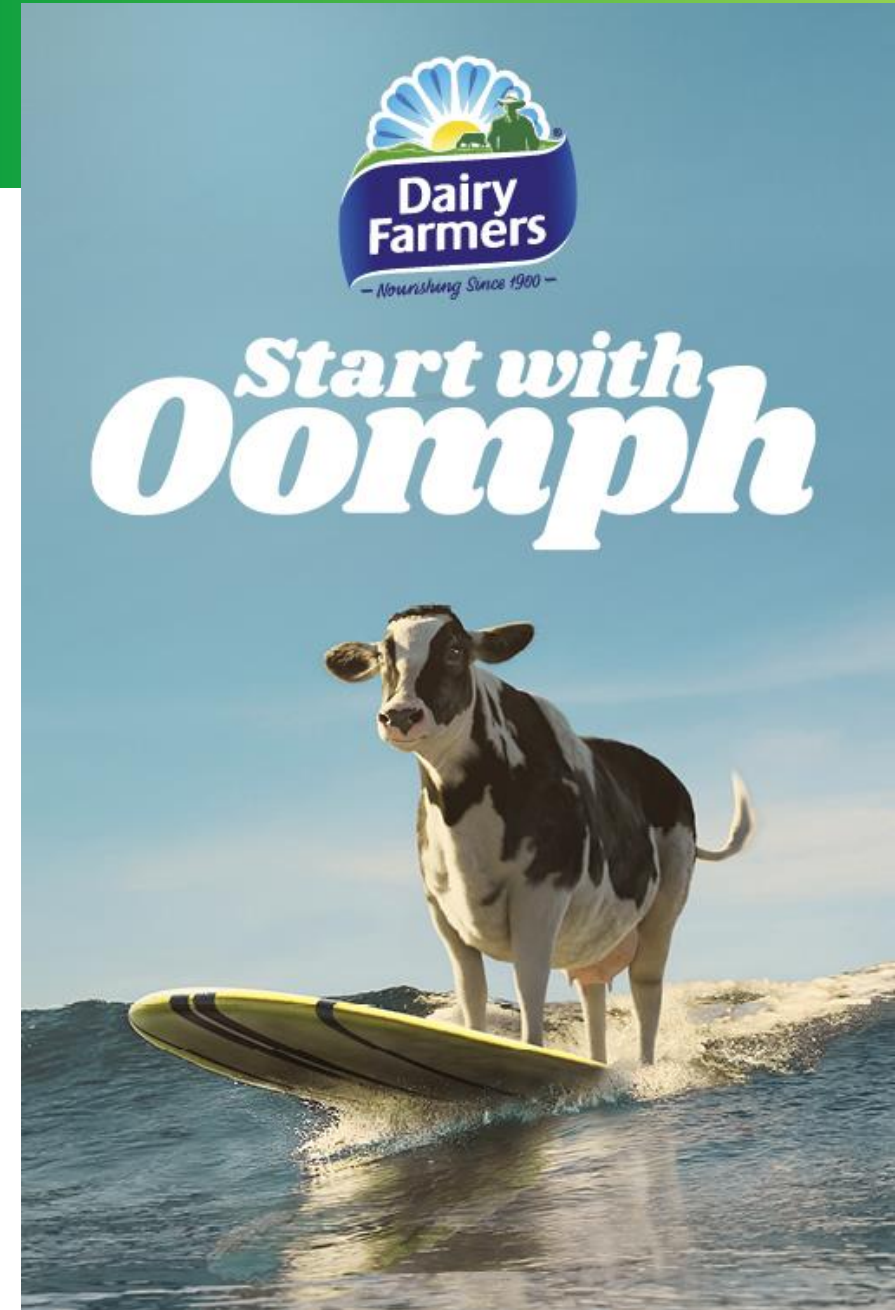
Opportunities:

- **Consolidation:**
 - Strathmerton announcement FY26
 - Sale of Leeton in H1 FY25
 - Burnie site shutdown in FY24
 - Canberra shutdown in FY23
- **Strategic partnerships**
- **Strategic investments** – introduce technology to support growth and improve efficiency
- **Optimise** – reduce conversion costs



Key messages – H1 FY25

- Strong 1H FY2025 Group results with continued successful implementation of Strategic Plan
- Resilient Branded performance driven by focus on key categories and savings programs
- Bulk business recovery
- Continued refinement of Branded assets and footprint
- Financial performance
 - Strong cash performance, well placed to execute strategic opportunities
 - Leverage ratio improves to 1.3x in 1H FY2025 from 1.9x in 1H FY2024
 - Revenue growth of 3% to \$1.8b
 - Group 1H FY2025 normalised EBITDA of \$110.3m improved +\$33.8m compared with 1H FY2024
 - Statutory NPAT of \$30.2m, normalised NPAT of \$35.9m improved +\$22.6m compared with 1H FY2024



Performance highlights – H1 FY25

Strong progress on all key financial metrics in 1H FY2025 when compared to 1H FY2024.

Net revenue ✓

\$1.8bn ▲ 3%

EBITDA ✓

\$110.3m ▲ 44%
Normalised

\$109.3m ▲ 27%
Statutory

Profit after tax ✓

\$35.9m ▲ 170%
Normalised

\$30.2m ▲ 14%
Statutory

Basic EPS ✓

11.8c ▲ 170%
Normalised

9.9c ▲ 14%
Statutory

Dividend (fully franked) ✓

6.0cps ▲ 50%

EBITDA Margin* ✓

6.2% ▲ 1.8 pts
Group

6.8% ▲ 0.4 pts
Branded

Net debt ✓

\$207.2m ▼ 17%

Leverage ratio ✓

1.3x ▼ 0.6x

ROFE

7.9% ▲ 3.2 pts

* Normalised

Outlook

- ▶ The Group reaffirms its full year guidance towards the upper end of a normalised EBITDA range of \$190 to \$200m in FY2025.
- ▶ Challenging consumer environments expected to continue through 2H FY2025
- ▶ Increase in A&C investments to support innovation and our brands
- ▶ Planned acceleration of capital investment from 2H FY2025 to unlock growth and efficiency
- ▶ Focus on high value categories and cost management program underpin continued branded margin growth
- ▶ On track to FY2028 EBITDA target \$250m plus, ROFE >10%



Strategic plan financials

	F18 Actual	FY23 Actual	FY24	FY25	FY28	CAGR FY24 to FY28
Revenue (\$b)	1.25	3.37	3.52	3.6	3.9 – 4.2	3 – 5%
Gross Margin (% Revenue)	26%	19%	19%		23 – 26%	Average > +1 pt increase per year
Branded EBITDA (\$m)	48	129	200		250+	
Bulk EBITDA (\$m)	73	43	(18)		30 – 40	
Unallocated OH (\$m)	(11)	(12)	(18)		(40) – (30)	
Normalised EBITDA (\$m)	110	160	164	195 - 200	250+	
EPS Cents (normalised)	23.9	9.4	9.6	16 - 17+	25 - 30+	25+%
ROFE	8.8%	4.2%	5.6%	7 - 8%	10 – 12%	> +1 pt per year

*



**THANK
YOU**

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