Media Release

FY2026 Financial Results and FY2027 Outlook

Solid foundations and great brands deliver strong growth

Bega Cheese Limited (ASX:BGA) (Bega Group) has released its full year audited results for the financial year ended 30 June 2026. Bega Group has grown profitability and revenue in both its Branded and Bulk segments, delivering a strong Group result.

Key measures	FY2026 ($m)	FY2025 ($m)	Change ($m)	Change (%)
Statutory performance				
Revenue	3,774.6	3,539.0	235.6	6.7%
EBITDA	202.3	165.5	36.8	22.2%
EBIT	106.9	27.1	79.8	294.5%
PAT	54.8	-8.5	63.3	++%
EPS (cents per share)	17.9	-2.8	20.7	++%
Normalised performance				
EBITDA	225.6	202.0	23.6	11.7%
EBIT	130.9	110.8	20.1	18.1%
PAT	69.0	50.8	18.2	35.8%
EPS (cents per share)	22.6	16.6	6.0	36.1%
Net debt	151.6	126.1	25.5	20.2%
Leverage ratio (times)	0.8	0.8	-	-

Bega Group achieved statutory earnings before interest, tax, depreciation and amortisation (EBITDA) of $202.3 million, an increase of $36.8 million or 22% when compared to FY2025. The normalised FY2026 EBITDA of $225.6 million increased by $23.6 million, or 12%, when compared to FY2025.

Branded segment normalised EBITDA was $220.7 million, an increase of $15.5 million or 8% when compared to the prior period. Operational highlights of the FY2026 Branded result included:

- Strong volume growth in branded yoghurt, milk-based beverages and white milk.
- Increased demand for high protein and ‘better for you’ products, supported by higher marketing.
- Savings associated with the exit of primary peanut processing.
- International revenue growth of 12%.

The Bulk segment normalised EBITDA was $53.2 million, an increase of $14.5 million or 37% when compared to the prior period. This performance reflects:

- Increased integration of bulk ingredients into Bega Group's Branded product range.
- Growth in milk intake and a higher value dairy ingredients product mix.
- Stronger sales of nutritional powders.
- An improved alignment of dairy commodities and farm gate milk prices, particularly in the first half.

Unallocated (including inter-segment eliminations) recorded a normalised EBITDA of negative $48.3 million, compared to negative $41.9 million in the prior comparative period. The result was impacted by payroll inflation, investments in software as a service, and implementation costs associated with a back-office efficiency program which will benefit FY2027.

Normalised items in the current period predominantly relate to two initiatives: the closure of the Strathmerton, Victoria site and consolidation of cheese packaging and processing into the Ridge Street facility in Bega, NSW; and the loss on sale and other costs arising from Bega Group's exit from primary peanut processing, including the sale of the Kingaroy and Tolga facilities in Queensland.

Capital management and leverage ratio

Bega Group had consolidated net debt of $151.6 million as at 30 June 2026, compared to $126.1 million as of 30 June 2025, an increase of $25.5 million. The increase reflects a significant capital investment program and restructuring payments of $37.1 million, mainly associated with manufacturing rationalisation initiatives. Bega Group’s normalised EBITDA to net debt leverage ratio remained low and constant with the prior financial year at 0.8 times.

Final FY2026 dividend – 7.5 cents per share

Bega Group announced a final fully franked dividend of 7.5 cents per share for FY2026, taking the total dividends declared for the year to 14.5 cents per share, or $44.3 million. The final dividend will be paid on 1 October 2026. The Dividend Reinvestment Plan will be activated for this dividend.

Outlook

During FY2026 Bega Group refreshed its strategic plan, extending the target horizon to FY2031, and lifted its ambition to a normalised EBITDA of more than $310 million for that year. Marketing investment behind leading Australian brands has increased over the past two years and is expected to fuel growth in core categories and 'better for you' products. Demand for protein is expected to continue to elevate through FY2027 and beyond.

Bega Group's end-to-end supply capability across both segments leaves it well placed to capture this growth. International sales growth is forecast to remain strong with continued focus on Southeast Asia. Two major initiatives were completed in FY2026: the automation of Bega Group's largest warehouse in Laverton, and the consolidation of cheese packaging and processing to Ridge Street, Bega are expected to deliver significant savings in FY2027.

Subject to normal trading conditions, Bega Group provides normalised EBITDA guidance in the range of $240 to $245 million in FY2027.

Ends...
20 August 2026

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