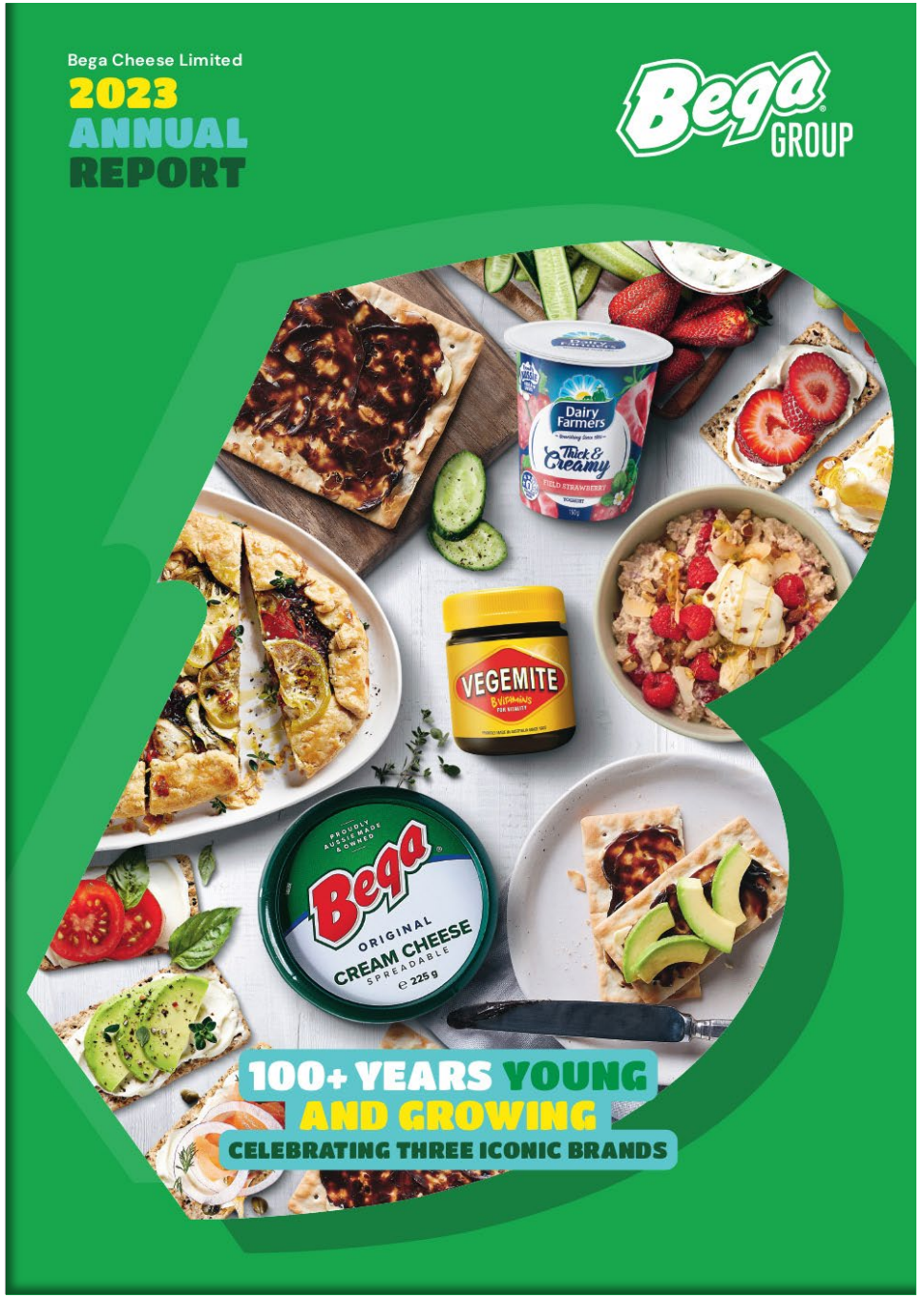
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FY2023 Results Presentation

Barry Irvin – Executive Chairman
Pete Findlay – CEO
Gunther Burghardt – CFO

24 August 2023



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creating great food for a better future



Barry Irvin
Executive Chairman

Key Messages

- Branded strategy delivers
  - Market leading brands
  - Strong second half momentum
  - Investment in key growth categories
- Accelerated alignment of organisation to branded strategy
- Commodity market volatility
  - Rapid decline in dairy global commodity pricing in excess of 30% impacting 2H
  - Australian farm gate milk pricing disconnected from international commodity value
- Right sizing commodity infrastructure
- Strengthened balance sheet
  - 1.6x leverage ratio
- Financial performance
  - Revenue $3.38b ⬆ 12%
  - Normalised EBITDA $160.2m ⬇ 11%, Statutory EBITDA $144.1m ⬇ 4%
  - Impairment of commodity assets ($275.9m)
  - Normalised NPAT $28.5m, Statutory NPAT ($229.9m)



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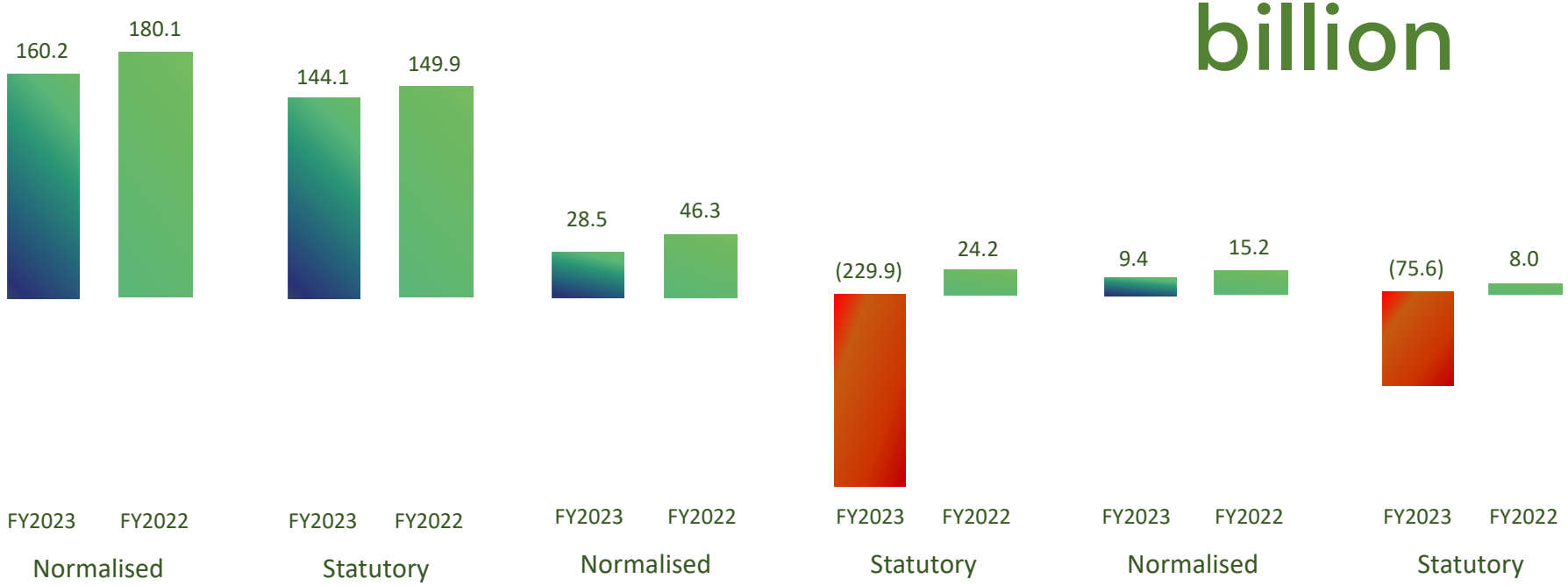
Performance Highlights

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Net revenue

FY2023 **$3.38 billion**

FY2022 $3.01 billion



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2001
Seeking New Opportunities

- Industry deregulation 2001
- Bega based co-op with strong regional brand

2007
Grow and Diversity

- Acquisition of Tatura
- Entry into nutritionals, cream cheese and milk powders

2009
Increasing Scale

- Acquisition of Strathmerton
- Cut, pack and processing scale and capability

2011
Structured for the Future

- Accessing capital for growth
- Successful ASX listing
- Investment in capacity and increased focus on nutritionals and high-value dairy products

2017
New Business Platform

- Acquisition of grocery brands
- Entry into spreads category
- Iconic Australian brands, including Vegemite
- Extending the Bega brand into new categories

2018
Strengthen Our Supply Chain

- Acquisition of Koroit
- Growth and diversification of milk sourcing
- Strengthening our dairy portfolio
- Integrated and flexible supply chain

2021
Transformational Acquisition

- Acquisition of Dairy and Drinks
- Portfolio of iconic Australian brands
- Broaden customer base and new cold chain distribution network
- Substantial synergies across the supply chain
- Accelerated investments in growth and innovation
- Further growth and diversification of the milk pool

Future
A Great Australian Food Company

- Creating great food for a better future
- Diversified portfolio of market-leading brands
- Efficient distribution network servicing customer growth
- Globally competitive supply chain
- Direct relationship with farmers and suppliers
- Shaping our future through corporate social responsibility and circularity



Sustainability and the Circular Economy

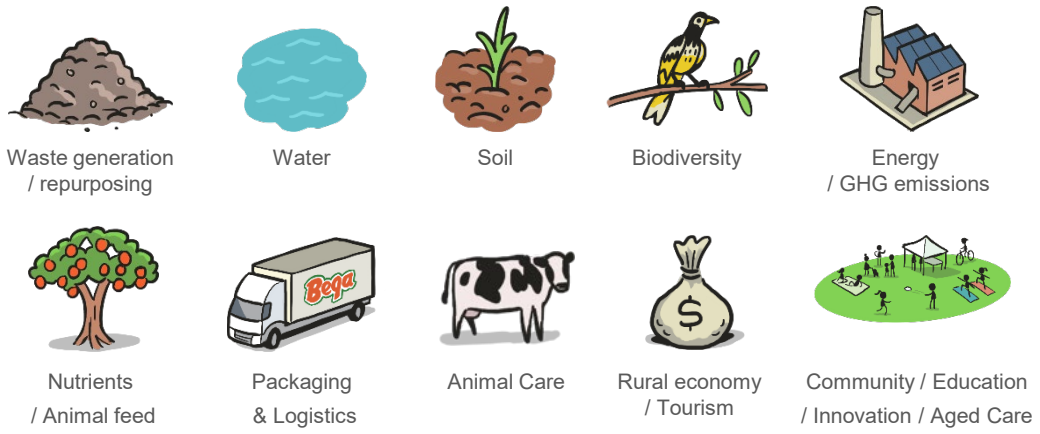
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Bega Cheese carbon target

Scope 1 and 2 emissions targets established in support of Paris Agreement goals:

- 50% reduction in emissions intensity by 2030
- 40% reduction in absolute emissions by 2030
- Net zero emissions by 2050

Circularity in the Bega Valley





creating great food for a better future

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Pete Findlay – CEO
Gunther Burghardt – CFO



Branded Business Momentum

- Brands sustained leading market positions and grew volume in an environment of unprecedented cost increases
  - Pricing initiatives substantially mitigated cost impacts
  - Strong growth in food service and convenience channels
- Restructuring program announced to improve efficiency and customer focus of branded business
  - $20m in annualised cost savings
- Strong brand innovation and new product development pipeline
- Capacity rationalisation
  - Canberra processing site consolidation to Penrith
  - Automation programs executed across a number of sites
- Maintained CAPEX investments to enable growth and efficiency
  - Wetherill Park sustainable packaging infrastructure commissioned in 2H FY2023
  - New pouch line at Morwell commissioned in July/August 2023
  - New digital sales B2B platform

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Innovation and Growth in Brands

Investment in core brands

- Focused marketing investment to enable strong pricing growth
- Vegemite 100 Anniversary execution led to full year growth rate at nearly twice rate of spreads category
- Four iconic brands with 100 years of heritage that remain contemporary
- Strong milk-based beverages performances including 2H launch of sustainable packaging
- 2H international branded sales rebounding from soft 1H with double-digit net revenue growth (focus on cheese and yoghurt)



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Innovation and Growth in Brands

Expanding the portfolio in core categories

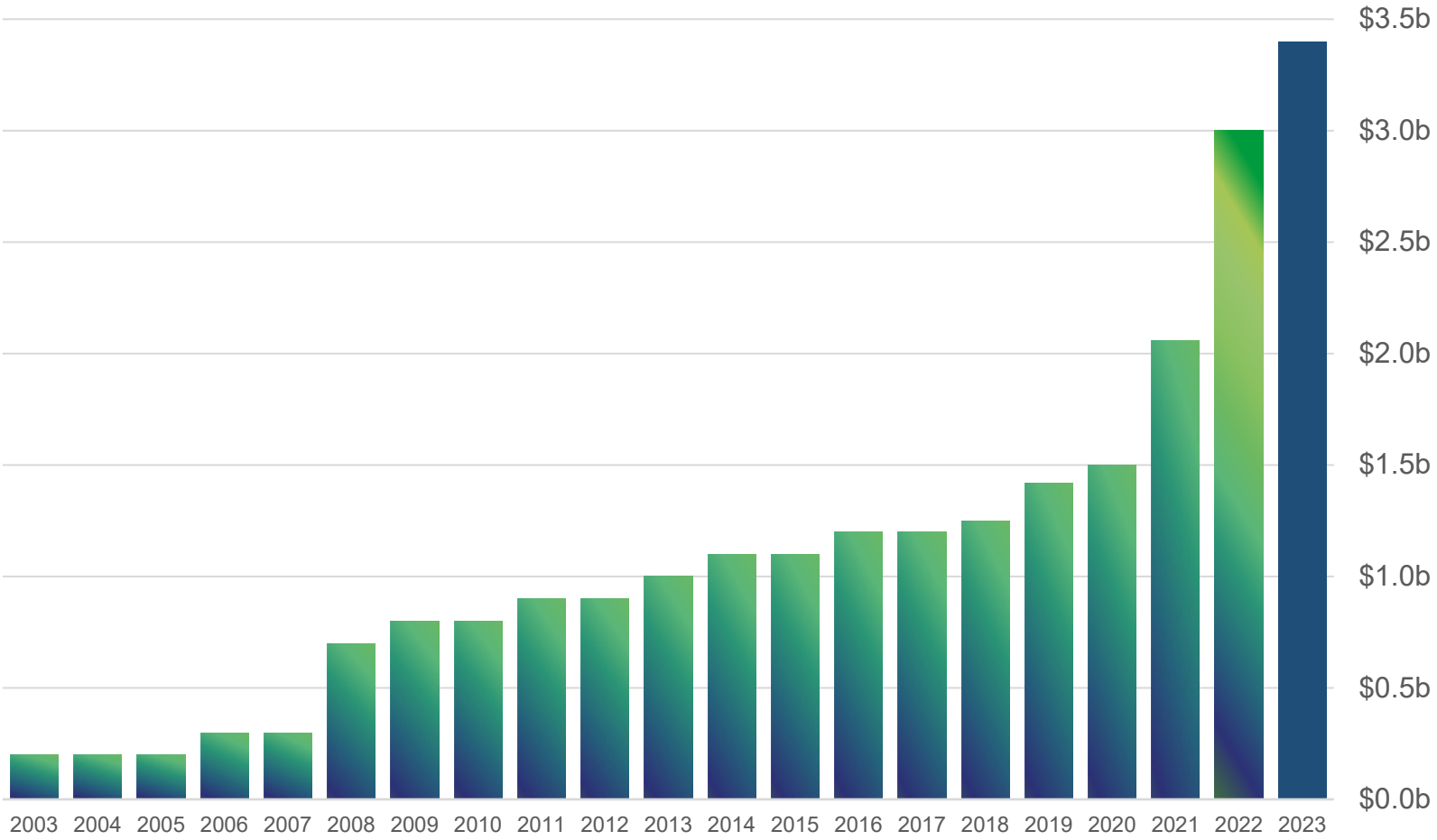
- Strong 2H branded growth
- Product innovation delivered lactose free, higher protein, added probiotics and reduced sugar
- Milk-based beverages flavour rotations
- Development of key yoghurt innovation including expansion of pouch/snacking opportunities and range
- Exited Vitasoy joint venture creating greater flexibility and opportunities in plant based
- Announced addition of MILK LAB plant based milk to route trade portfolio from Q4 FY2024

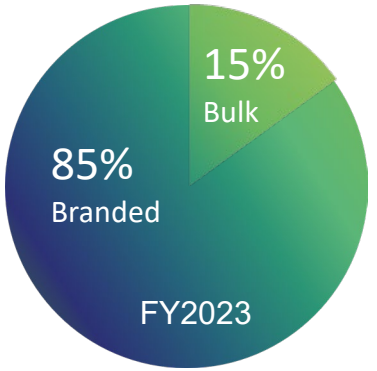


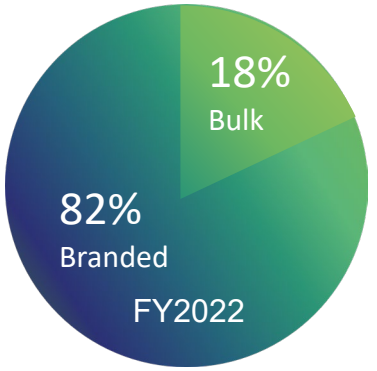
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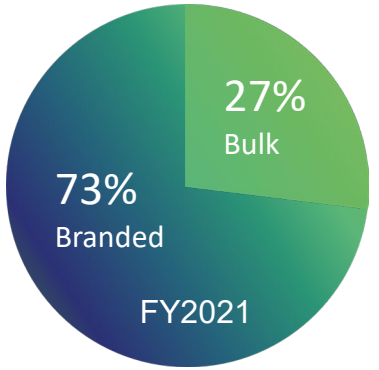
Growing Revenue with iconic Australian Brands

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Brand Shares | Australian Retail Categories

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Category	Category size $m	Category Annual growth	Bega share	Market Position	Brands
Fresh white milk	2,118	13%	12%	3	Dairy Farmers, PURA, Masters, Complete Dairy
Yoghurt	1,740	11%	26%	1	Farmers Union, Dairy Farmers, Yoplait
Milk based beverages	918	13%	52%	1	dare, Iced Coffee, Masters, Dairy Farmers, Big M, Good Sport
Spreads	700	5%	31%	1	Vegemite, Bega Peanut Butter, Bega Simply Nuts, Honey
Chilled juice	657	6%	22%	2	Daily Juice Co, The Juice Brothers, Mildura
Creams and custards	596	16%	9%	4	Dairy Farmers, PURA, Bega
Water ice	59	9%	81%	1	Zooper Dooper, Berri

Data extracted from IRI Total Business Scan (AU grocery Unweighted and Structured Convenience) MAT 30 June 2023. Statements in relation to market share data provided by IRI (and Bega's competitive position) are based on outside data sources, assumptions and weightings in combination with management estimates.
1 Bega calculation based in part on data reported by NIQ through its Scantrack Service for the Spreads category for the 52-week period ending 20 June 2023, for the Total Australia Grocery Channel according to a client defined category and based on value sales. Copyright © 2023, Nielsen Consumer LLC.

Consumer Trends Shaping the Future Portfolio and Activation Priorities

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BETTER VALUE



Cost of living pressures see consumers shift to seek better value from food & beverages

FUNCTIONAL HEALTH



Continuing desire for functional foods that enhance everyday offers

DEMOGRAPHIC EVOLUTION



Australia trends towards smaller and more ethnically diverse households

SUSTAINABILITY



Sustainable solutions becoming consumer & customer base expectation

Sources: Australian Bureau of Statistics, 2021 Census results; Australian Institute of Family Studies (AIFS), Families Then & Now: Households and families report; Australian Institute of Health and Welfare.

Branded Market Strategy

- Grow core grocery through focused innovation and brand execution excellence
  - More people consuming more often across more occasions
- Greater presence in food service and convenience channels
  - Leverage our sales force and national cold chain distribution network
  - Dare the No. 1 impulse beverage brand in convenience*
- Organisation enablement
- Streamline our sites
- International branded opportunities

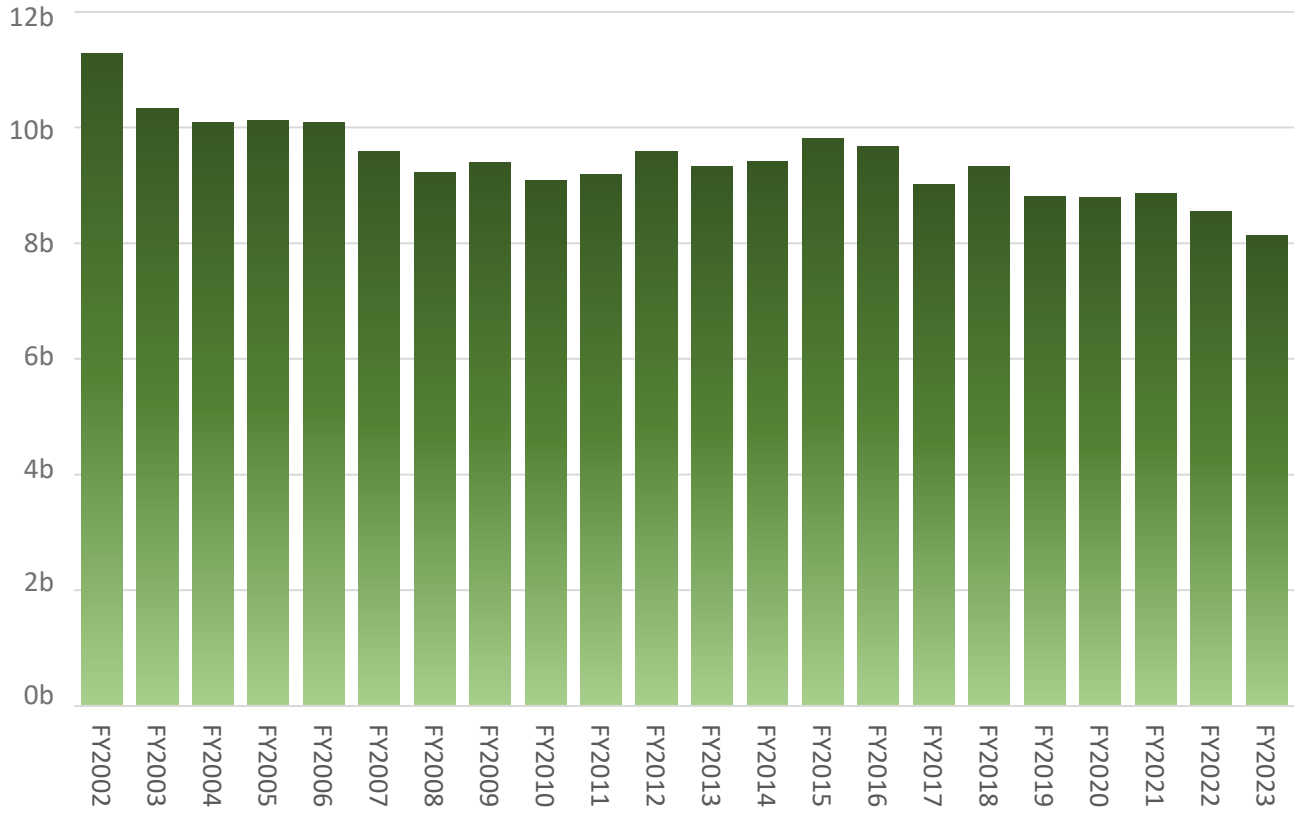
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*Source: Circana (IRI) convenience scanned MAT to 02/07/23 - Volume



Australian Milk Production

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Source: Dairy Australia

Industry

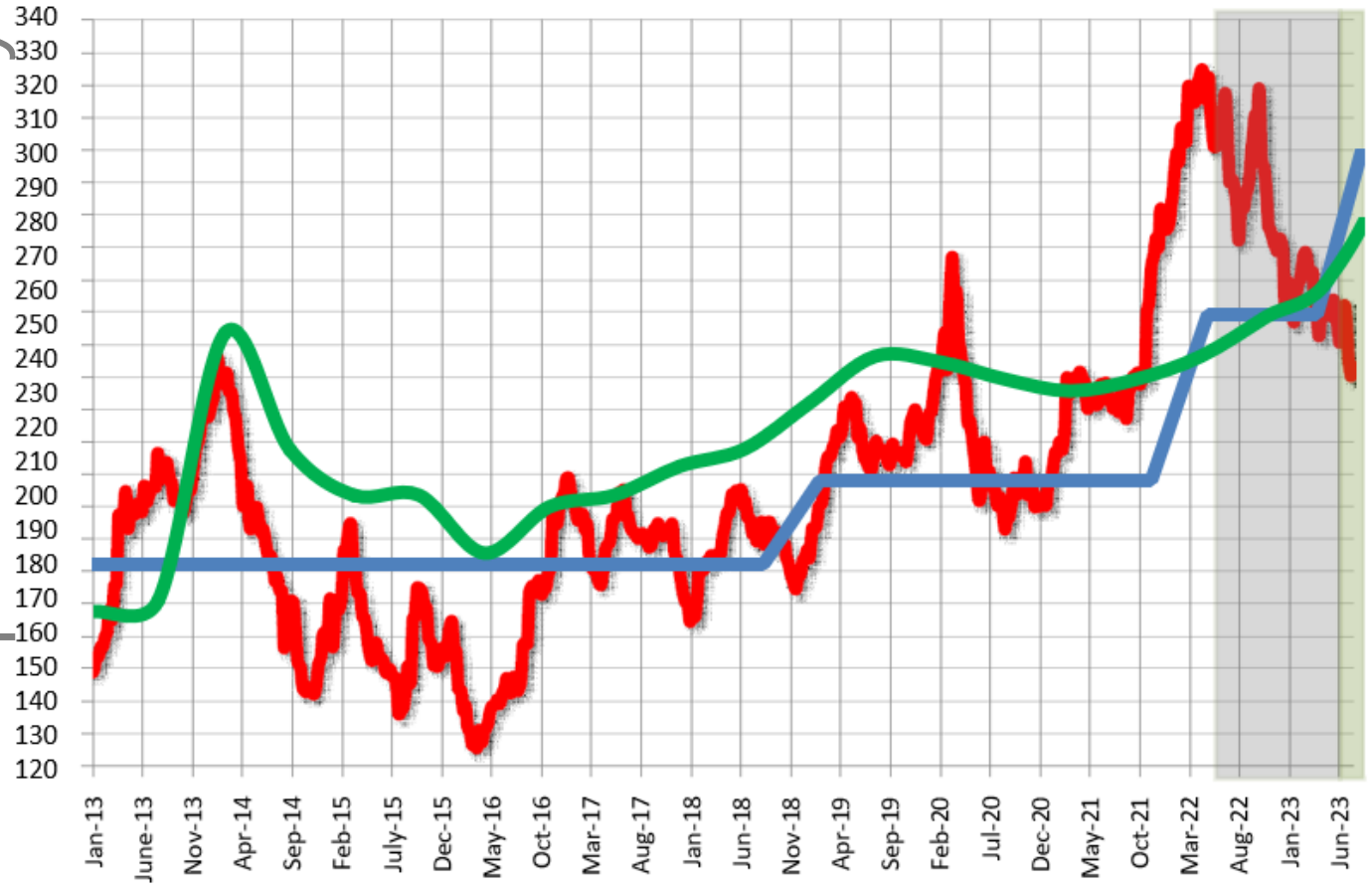
- Decline in milk production
- Relatively minor rationalisation of industry manufacturing capacity
- Reduced milk availability and industry over capacity increasingly creates disconnect between farm gate milk price and commodity markets

Bega

- Impairment reflects above
- Restructuring to create stronger platforms for future branded growth and infrastructure flexibility
- Future business profile less exposed to farm gate milk volumes and pricing

Farm Gate Milk Price and Market Returns

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- Domestic consumer markets reflecting farm gate price
- Global commodity prices highly volatile and now disconnected from farm gate milk price
- Further decrease in total milk supply in FY2023
- Robust competition for milk procurement remains

Export trend index – global commodity prices and Australian currency impact (source: freshagenda)

Bega Cheese southern farm gate milk price trend

Major grocers private label milk price index

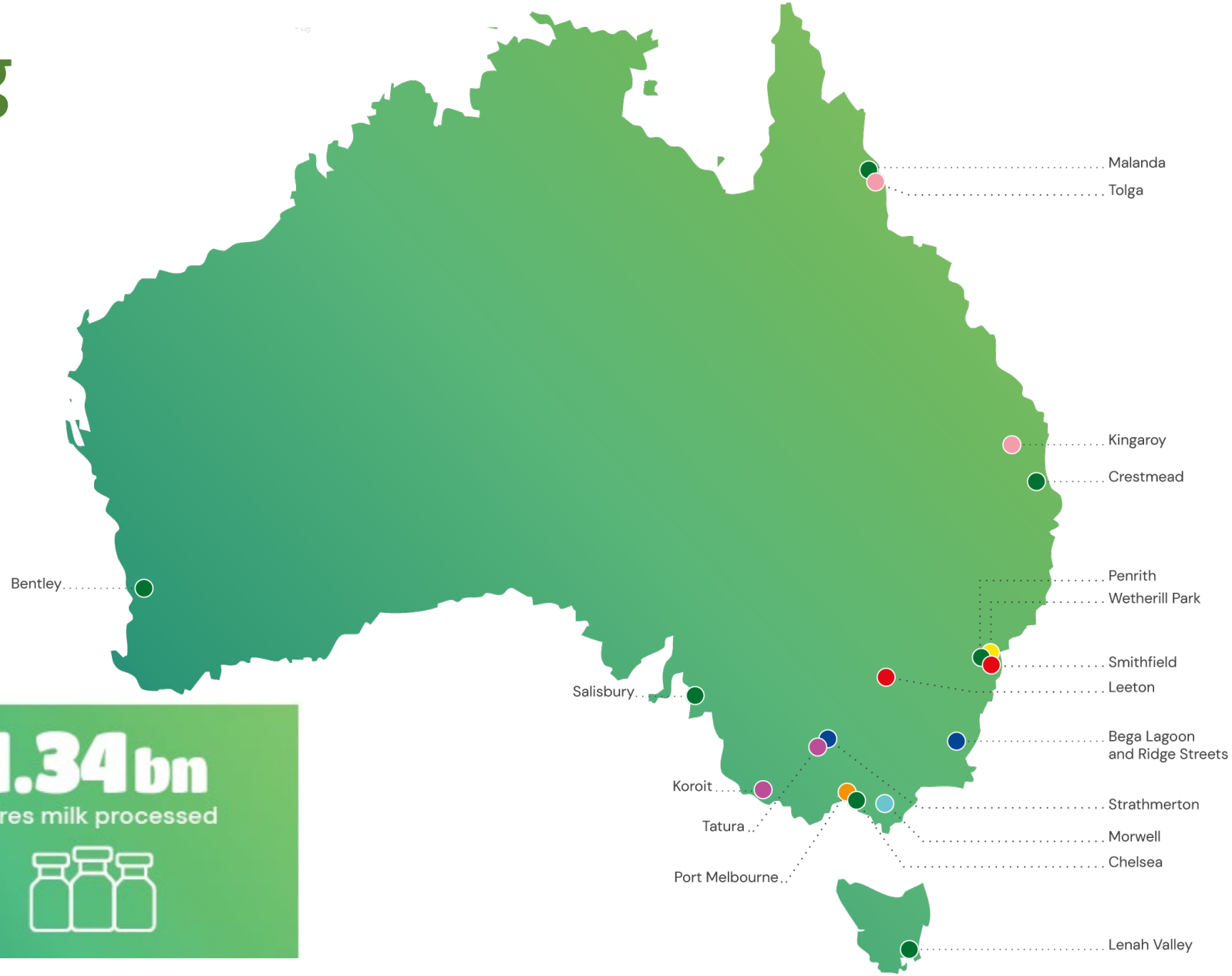
FY2022 opening milk price $7.14 per kg milk solids
FY2023 opening milk price $9.55 per kg milk solids

Manufacturing Network

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Manufacturing facilities

- 7 White milk and milk-based beverages
- 1 Milk-based beverages hub
- 3 Cheese
- 2 Dairy powder and fats
- 2 Peanuts
- 2 Juice
- 1 Yoghurt
- 1 Spreads



19 national manufacturing facilities

3,900+ employees

1.34bn litres milk processed

Dairy Infrastructure Supporting Brands & Markets

Site	Key Products
Tatura	• Milk receival & processing • Cream cheese & Infant formula • Lactoferrin
Koroit	• Milk receival and processing • Milk powders and butter • Lactoferrin
Lagoon	• Cheese

Integrated Sites

Site	Key Products
Wetherill Park	• Milk based beverages (MBB)
Penrith	• White milk & cream
Chelsea	• While milk & cream
Salisbury	• White milk & cream, MBB
Morwell	• Yoghurt
Ridge Street	• Branded cheese packaging and processing
Strathmerton	• Branded cheese packaging and processing

Site	Key Products
Crestmead	• White milk
Malanda	• White milk & cream, MBB
Bentley	• White milk & cream, MBB
Lenah Valley	• White milk & cream, MBB

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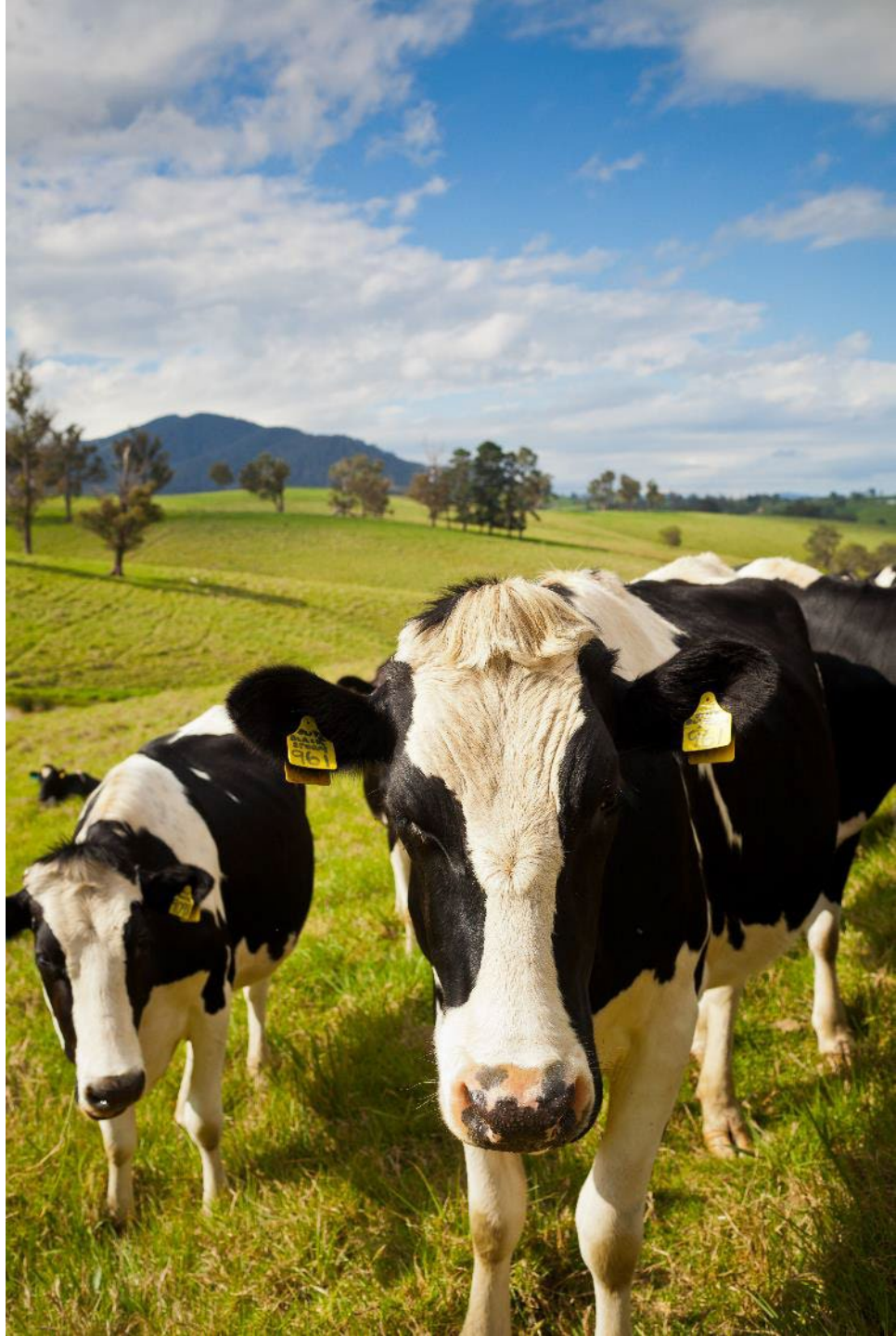






Dairy Commodity Strategy

- Right sizing commodity infrastructure
- Further aligning commodity capacities and capabilities with branded business
- Focus on higher value commodities and nutritional products
- Ensure capability to respond to international commodity market opportunities when they arise
- Commodity infrastructure will be an important component of ongoing branded business growth



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Profit and Loss

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Normalised $ millions	FY2023	FY2022	+/- %
Net Revenue	3,376.0	2,985.8	13%
EBITDA	160.2	180.1	-11%
D&A	(101.9)	(103.7)	2%
EBIT	58.3	76.4	-24%
Net Finance Costs	(23.1)	(12.4)	-86%
Profit Before Tax	35.2	64.0	-45%
Tax	(6.7)	(17.7)	62%
Profit After Tax	28.5	46.3	-38%
Basic EPS (cents per share)	9.4	15.2	

Statutory $ millions	FY2023	FY2022
Net Revenue	3,376.0	3,009.9
EBITDA	144.1	149.9
D&A / Impairment	(377.8)	(103.7)
EBIT	(233.7)	46.2
Net Finance Costs	(23.1)	(12.4)
Profit Before Tax	(256.8)	33.8
Tax	26.9	(9.6)
Profit After Tax	(229.9)	24.2
Basic EPS (cents per share)	(75.6)	8.0

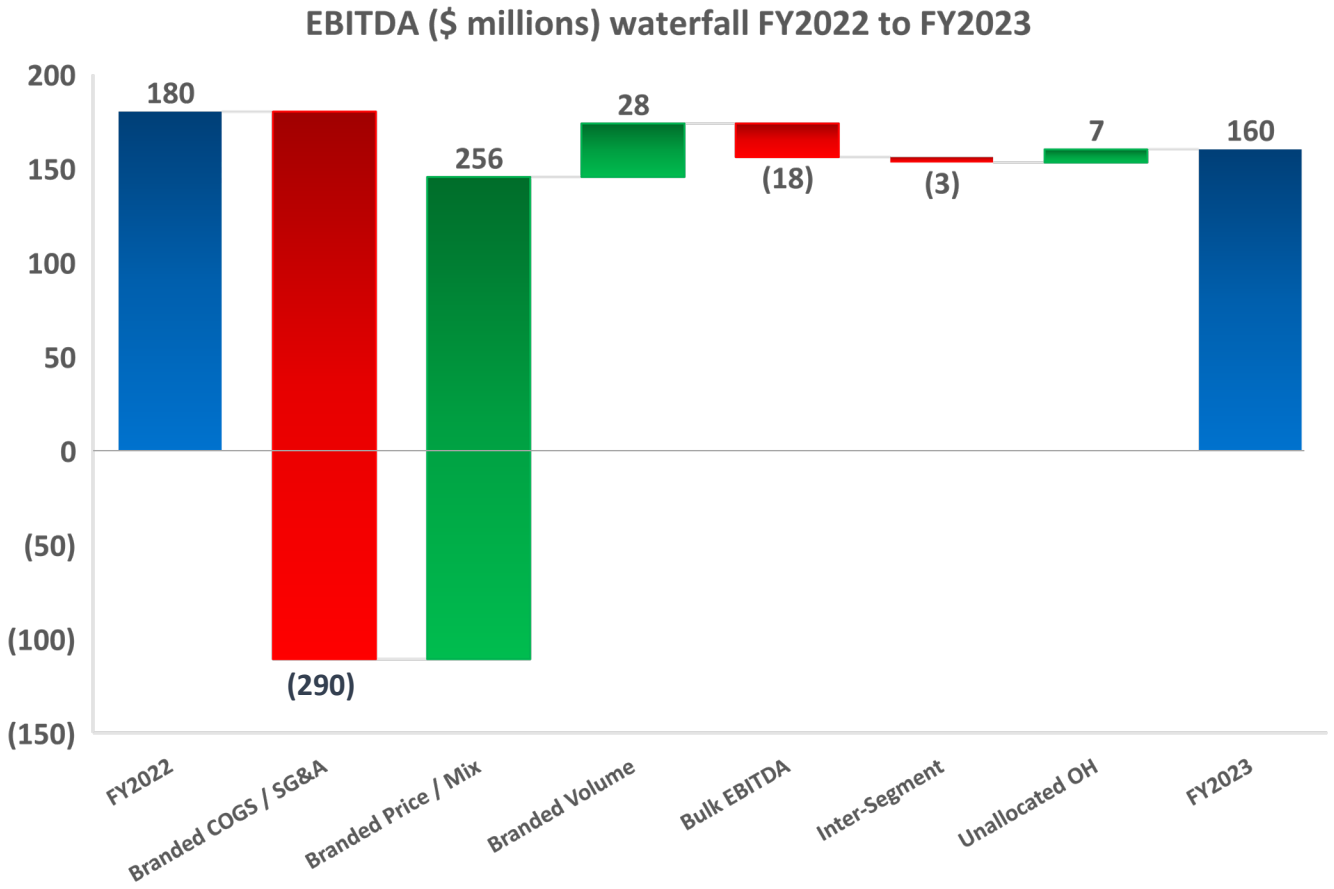
Reconciliation of Normalised Result

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Consolidated Period Ending 30 June 2023 ($ million)	Per Financial Statements	Vegemite Way	Impairment	Restructuring	Other Costs	Tax Consolidation	Normalised Outcome
Revenue	3,376.0	-	-	-	-	-	3,376.0
Cost of sales	(2,719.6)	-	-	-	-	-	(2,719.6)
Gross Profit	**656.4**	**-**	**-**	**-**	**-**	**-**	**656.4**
EBITDA	144.1	(16.2)	-	26.3	4.8	1.2	160.2
Depreciation, amortisation and impairment	(377.8)	-	275.9	-	-	-	(101.9)
EBIT	(233.7)	(16.2)	275.9	26.3	4.8	1.2	58.3
Net finance costs	(23.1)	-	-	-	-	-	(23.1)
Profit/(loss) before income tax	**(256.8)**	**(16.2)**	**275.9**	**26.3**	**4.8**	**1.2**	**35.2**
Income tax expense	26.9	(2.0)	(45.9)	(7.9)	(1.4)	19.6	(6.7)
Profit/(loss) for the year	**(229.9)**	**(14.2)**	**230.0**	**18.4**	**3.4**	**20.8**	**28.5**
Basic earning per share - cents	(75.6)						9.4

Profitability Overview

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- Complex, diverse and rapidly changing circumstances
- Strong double-digit growth – price, volume and product mix improvements for the Branded business
- By Q4 cumulative price increases had offset increased costs
- FY2023 Volume growth in Branded segment delivered $28m of EBITDA upside
- Bulk segment declined $(18)m in EBITDA due to rapid decline in 2H commodity prices

Key Performance Measures

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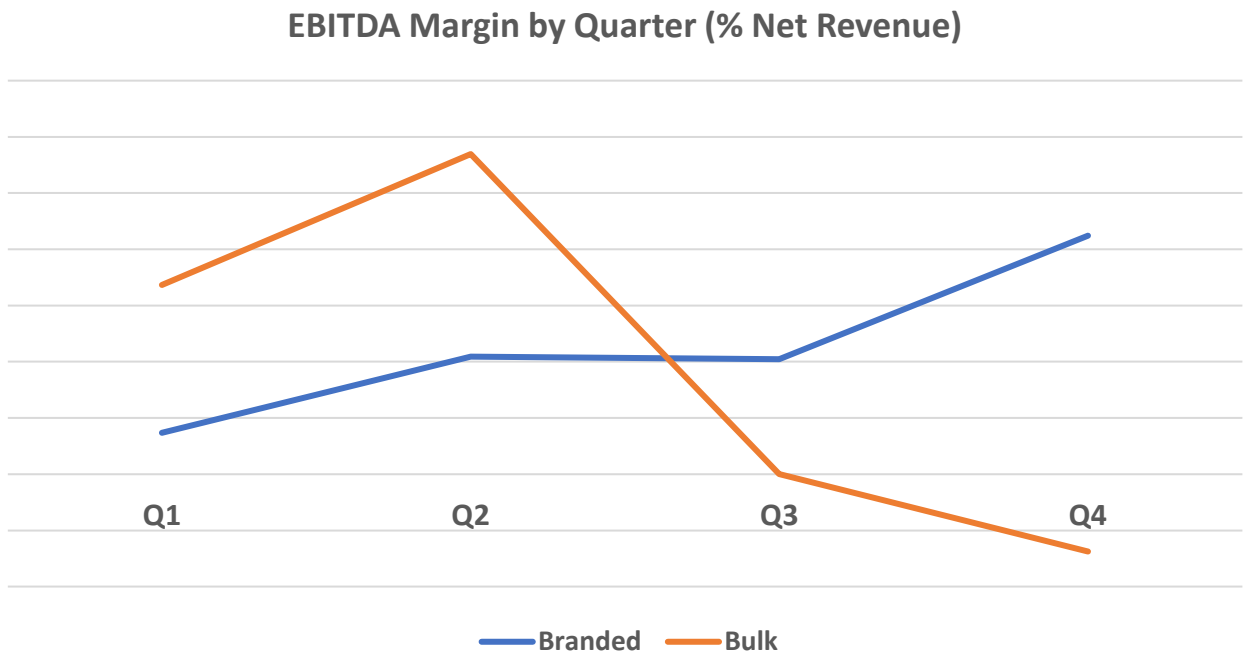
$ millions unless otherwise stated (Normalised)	FY2023	FY2022	Change
Net Revenue Growth vs prior year	13%	45%	
Gross margin (%of Net Revenue)	19.4%	22.3%	-2.9 pts
EBITDA	160.2	180.1	-11.0%
Depreciation and Amortisation costs	(101.9)	(103.7)	1.7%
Net Financial Costs	(23.1)	(12.4)	-86.3%
Profit After Tax	28.5	46.3	-38.4%
Basic EPS (cents per share)	9.4	15.2	-5.8
Dividends per share (cents per share)	7.5	11.0	-3.5
Reported Net Debt	203.6	265.1	23.2%
Leverage Ratio (times)	1.6	1.8	0.2
Return on Funds Employed (%)*	3.7%	4.7%	-1.0 pts

*calculated on 12 month rolling basis

- FY2022 first full year of branded Dairy and Drinks
- FY2023 branded Net Revenue +16% (price and volume)
- +30% farm gate milk and other inflation partly offset by pricing and product mix premiumisation
- Higher interest rates

Brand Momentum and Commodity Impact

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- Successful price execution in branded business in 1H
- Continued branded momentum into FY2024
- Rapid decline in global commodities in 2H
- Commodity impact continues in FY2024

Segments

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($ million)	Branded	Bulk	Unallocated Overheads	Inter-segment elimination	Group Total
Revenue	$2,880.7	$797.4	-	$(302.1)	$3,376.0
Growth vs FY2022%	16%	8%	-	46%	12%
Normalised EBITDA	$128.8	$43.1	$(10.4)	$(1.3)	$160.2
Increase/(decrease) vs FY2022 EBITDA	$(6.2)	$(17.9)	$7.1	$(2.9)	$(19.9)

BRANDED

- Bega portfolio of brands well positioned for economically challenging times growing volume despite price increases
- In FY2024, Branded business likely to make up substantially all of Bega Group's profit

BULK

- Embarked on restructuring of bulk business which will focus on the more profitable segments of dairy commodity markets and reduced costs
- Maintaining flexibility to ramp up bulk business in future years when commodity prices warrant doing so

Cash Flow

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	FY2023 $m	FY2022 $m
Receipts from customers	3,611.1	3,342.8
Payments to suppliers and employees	(3,607.8)	(3,179.2)
Net proceeds from the Trade Receivables Facility	36.6	18.9
Interest and other costs of financing paid	(24.1)	(12.5)
Income tax paid	(8.6)	(11.9)
Operating activities	**8.2**	**158.2**
Investing activities	**99.9**	**(63.8)**
Net repayments of borrowings	(40.0)	(83.0)
Dividends paid to shareholders	(26.8)	(28.7)
Financing activities	**(86.6)**	**(136.7)**
Net increase/(decrease) in cash and cash equivalents	21.5	(42.3)

- Operating cash flow impacted by lower EBITDA in the bulk business, and higher inventory costs due to inflation
- Interest costs have nearly doubled in FY2023 compared to prior year; will remain elevated in FY2024
- Positive cash flow from investing activities primarily related to Port Melbourne and Vitasoy JV transactions

Balance Sheet

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	FY2023 $m	FY2022 $m
Cash	66.4	44.9
Trade and other receivables	306.1	274.7
Inventories	428.7	317.6
Property, plant and equipment	687.2	844.0
Right of use assets	161.4	109.9
Intangible assets	464.5	588.1
Total Assets	**2,153.1**	**2,358.8**
Trade and other payables	510.0	449.2
Borrowing (net of costs)	269.0	308.5
Lease liabilities	180.9	114.3
Total Liabilities	**1,149.4**	**1,096.4**
Net Assets	**1,003.7**	**1,262.4**
Net Debt	**(203.6)**	**(265.1)**

- FY2023 decrease in Property, Plant and Equipment and corresponding increase in Lease Liability reflect the Sale and Leaseback transaction of the Port Melbourne site
- Part of the reduction in PP&E and intangibles reflects the bulk business asset impairment announced June 2023
- Value of inventory primarily driven by cost inflation and farmgate milk prices
- Trade Receivables reflect the higher sales in FY2023 (13% normalised growth, 12% on statutory basis)

Approach to Corporate Social Responsibility

Our focus is on the five areas where we can have the greatest impact

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Food and nutrition

Highlights FY2023

A 5% reduction in sugar in Bega Peanut Butter in FY2021 and are on track to our goal of a 10% reduction by the end of the 2023 calendar year.

Donated more than 886,000 kilograms of products to our partner Foodbank, equating to more than 1.6 million meals for Australians in need.

Approximately 65% of our revenue is generated from products which meet our BEST and GOOD Product Nutrition Criteria.



Diversity, inclusion and equality

Highlights FY2023

Commenced review of the Diversity and Inclusion Policy.

Joined the Diversity Council Australia as a commitment to promoting equity and inclusion in our business.

Partnered with external consultants on an approach to pay structures and develop our Gender Pay Equity strategy.

Women occupy more than 36% of management roles.



Greenhouse gases

Highlights FY2023

Energy Management Capability program completed at five more manufacturing sites.

Juice Brothers 1.5 litre range certified as Carbon Neutral by Climate Active for 29 November 2022 to 29 November 2023.

Partnering in a pilot program to understand and mitigate scope 3 emissions on dairy and beef farms in the Bega Valley.



Packaging sustainability

Highlights FY2023

35% recycled content in our packaging in calendar year 2022.

88% of our total packaging was reusable, recyclable or compostable in calendar year 2022.

Started a national roll out of recycled polyethylene Terephthalate (rPET) for all flavoured milk and iced coffee bottles.

Started using recycled hig density polyethylene (rHDPE) in two and three litre white milk bottles.



Water sustainability

Highlights FY2023

Adopted a target to reduce consumptive water use by 30% by 2030 based on a FY2021 baseline.

Developing water mapping and mass balance projects at all our facilities to better understand how water is used and can be recovered.

Where We Are Today

- Iconic leading brands
- Integrated manufacturing and processing infrastructure
- Agile response to changing markets
- Strong strategic positioning
- Both branded acquisitions ahead of business case
- Opportunities for further branded pricing and innovation, efficiency programs and margin improvement
- Brands contribution will continue momentum in FY2024
- Challenges remain in commodity markets
- FY2024 Normalised EBITDA of $160m to $170m

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Looking Forward

- Creating value for our shareholders
- Implementing new five-year strategic plan
- EBITDA target $250m plus, ROFE 10% or greater over that timeframe
- Revenue and growth primarily driven by the branded business
- Less exposed to milk volume farm gate milk price volatility
- Restructured commodity business supporting branded growth and responding to opportunities
- People, capability and investment aligned to strategic priorities

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creating great food for a better future



Barry Irvin
Executive Chairman

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Questions?



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