12 November 2025

ASX Release

FY26 Trading Update and Reaffirming Guidance

Inghams Group Limited (ASX: ING) (Company, Inghams) provides the following trading update for the first 18 weeks of FY26.

Key points

- **Leadership and organisational restructure** implemented to remove layers, strengthen accountability and reduce cost
- **Market conditions supportive** with volume, pricing and revenue broadly in line with August 2025 outlook; wholesale pricing materially improved
- **Higher operational costs** in Australia across farming and processing operations expected to impact 1H26 earnings. Corrective actions underway supporting improved performance and partially offsetting cost pressures
- **Reaffirming FY26 guidance** for Underlying EBITDA pre AASB 16 between $215.0 million and $230.0 million and providing guidance for 1H26 Underlying EBITDA pre AASB 16 of approximately $80.0 million

Inghams CEO and Managing Director, Ed Alexander, said: "Market fundamentals have developed favourably over the first 18 weeks, with stable demand, volume and materially improved Wholesale pricing tracking in line or ahead of our FY26 outlook provided in August.

“At the same time, we have experienced higher than expected operational costs in Australia across farming and processing operations which arose toward the end of FY25. These factors will weigh on first half earnings, however, we are taking decisive corrective actions, and the early results are encouraging.

“Combined with the benefits from the organisational restructure, we remain confident in delivering a significantly improved second-half performance that will set us up for long-term sustainable growth.”

Organisational restructure

Following a detailed review, the Company implemented a streamlined organisational structure in early 2Q26, creating three operating divisions:

1. Primary Processing and Ingredients;
2. Agribusiness & Operations Enablement; and
3. Value Add & Turkey.

The new structure removes layers and delivers clearer accountability, faster decision making, and reduced cost and complexity. The structure is expected to deliver $8-10 million in annualised cost savings as part of the Company’s broader operational efficiency program.

Appendix 1 contains the new Executive Leadership Team structure.

Volume, Net Selling Prices and Revenue

Group core poultry volume declined -1.1% versus the prior corresponding period (PCP), reflecting the cycling of pre-reduction Woolworths volumes. Volume and net selling price performance for the first 18 weeks of FY26 has been flat to slightly positive versus 2H25 comparative periods.

Key trends observed over the first 18 weeks of FY26 include:

- Volumes stabilising vs FY25 exit run-rate[1]: Group +0.8%, AU +0.8% and NZ +0.7%;
- Australian non-Woolworths Retail +16.5% and QSR +8.6% vs PCP;
- Group net selling price/kg +0.9% vs PCP and +1.5% vs FY25 exit run-rate[1]; and
- Australian wholesale margins up ~39% vs the full year 2025.

Appendix 2 summarises core poultry volume and net selling price/kg performance.

1. Represents the last 18 weeks of FY25.

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Operational costs

The Company remains on track to deliver $60-80 million in annualised savings (unchanged from prior guidance) across labour, procurement and site operations (inclusive of restructure savings).

Overall, feed cost benefits are being realised broadly in line with expectations, with wheat prices tracking slightly ahead of expectations, while the recent observed firming in soymeal markets has resulted in current pricing levels slightly above expectations.

However, several short-term cost headwinds which arose toward the end of FY25 are affecting 1H26 earnings:

- **Farming performance:** higher egg costs due to reduced volumes and below-target feed conversion. Corrective actions are in place and delivering improvements, with farming performance expected to return to target in 2H26.
- **Processing operations**: temporary inefficiencies arising from customer portfolio changes in FY25 are being addressed through adjustments to operational processes. Specific areas of focus are:
  - **Primary processing:** customer portfolio and mix changes in 2H25 resulted in temporary production inefficiencies, generating lower yields and excess trim inventories and therefore higher costs into Further Processing, and which are expected to normalise as inventory stabilises and operating processes improve.
  - **Turkey processing:** production reduced to match demand, resulting in higher unit costs; expected to improve as inventory rebalances.

The Company has initiatives in place to address the above issues and, based on recent operational performance, these improvement actions are delivering positive results. Overall, our cost-out program is on track and we expect improved 2H26 performance and sustainable improvement beyond FY26.

Reaffirming FY26 guidance

The Company reaffirms FY26 Underlying EBITDA pre AASB 16 guidance[2] of between $215.0 million and $230.0 million.

1H26 Underlying EBITDA pre AASB 16 is expected to be approximately $80.0 million, reflecting the short-term impact of the operational cost pressures before the full benefit of the Company's corrective actions take effect.

In addition, FY26 guidance reflects the following assumptions:

- Earnings heavily weighted to second half due to weak 4Q25 trading, timing of operational improvements and stabilisation of inventory position following 1H26 corrective actions;
- Core poultry volumes slightly higher and NSP slightly lower than FY25, leading to improved revenue outlook;
- Wholesale margins expected to remain favourable;
- Operating costs (excluding feed) rising due to inflation and identified operational challenges, materially offset by $60-80 million in annualised savings from labour, procurement and site operations initiatives;
- Feed costs are expected to continue to provide a modest benefit; and
- Revised capital expenditure of $70-90 million (previously $80-100 million).

This announcement has been authorised by the Board of Directors.

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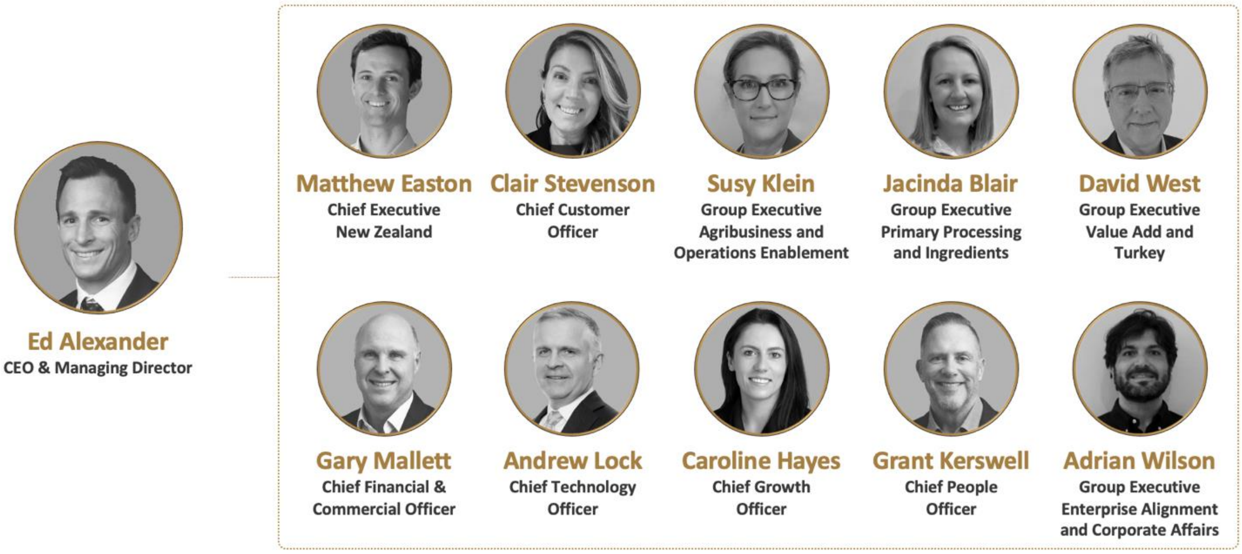
2. FY26 guidance takes into account several key factors, including current operating performance, full period effect of Woolworths Australia supply agreement, a sustained improvement in the price of key feed inputs and Wholesale channel average pricing.

Appendix 1: Executive Leadership Team



Appendix 2: Core Poultry Volume and Net Selling Price ($/kg) performance – 18 weeks

		Group	Australia	New Zealand (NZD)
Core Poultry Volume	1H26 vs PCP	**(1.1%)**	(1.0%)	(1.8%)
	1H26 vs 1st 18 weeks of 2H25	**1.7%**	1.1%	5.0%
	1H26 vs last 18 weeks of 2H25	**0.8%**	0.8%	0.7%
Core Poultry Net Selling Price ($/kg)	1H26 vs PCP	**0.9%**	0.1%	6.5%
	1H26 vs 1st 18 weeks of 2H25	**0.7%**	1.1%	(0.3%)
	1H26 vs last 18 weeks of 2H25	**1.5%**	2.4%	(0.7%)