Cobram Estate Olives Limited™

ABN: 32 115 131 667

ASX: CBO

Cobram Estate Olives Limited ("CBO" or "the Company")

ASX Announcement – 7 July 2026
Australian Harvest and Business Update

2026 Australian Harvest

CBO is expected to complete its 2026 Australian olive harvest in the coming days, milling over 74,300 tonnes of olives (2025: 80,000 tonnes) producing approximately 11.3 million litres of olive oil (2025: 14.2 million litres). Production from the Company's own groves is expected to be 10.6 million litres (2025: 13.2 million litres). The Company also contract processed third-party fruit at its facilities, resulting in an additional 0.7 million litres of olive oil to be marketed by the Company.

Through a combination of supply agreements and spot purchases, the Company has also secured an additional 0.8 million litres of olive oil from other Australian millers, taking the total olive oil available from the 2026 Australian harvest to 12.1 million litres.

As expected, 2026 was a lower-yielding "off-year" across most of CBO's Australian olive groves, reflecting the natural biennial cycle of olive production. Total production from CBO's own groves and third-party fruit contract processed and marketed by the Company was 11.9% higher than the previous off-year harvest in 2024 of 10.1 million litres. While the total crop by fruit weight was only 7.1% lower than last year, oil content was 13.9% below the long-term average. Oil content is largely determined by natural seasonal conditions and can vary by up to 15% above or below the long-term average. This outcome was achieved despite the short-term yield reduction associated with the completion of the Company's replanting program.

Olive oil quality is consistent with the Company's expectations, and the Company will have sufficient supply to meet the requirements of its packaged goods sales plan through to the 2027 harvest.

Following this "off-year", the 2027 Australian harvest is expected to be an "on-year". With the Company's olive trees in good condition, and combined with its maturing grove age profile, the Company currently anticipates that the 2027 crop will be substantially higher than the 2026 crop and higher than the previous "on-year" in 2025. As previously advised, the two-year rolling average production from the Company's Australian owned groves is expected to exceed 20 million litres when the currently planted trees reach full maturity. These projections remain subject to the usual variables inherent in agricultural production.

Australian water costs

Australian water costs remain well above long-term average prices. Despite promising early rainfall in key catchment areas, the Bureau of Meteorology has confirmed that Australia is now in an El Niño phase, which typically increases the likelihood of drier winter and spring conditions across parts of southern and eastern Australia this year. This may result in lower rainfall and higher water costs throughout the next growing season.

California Olive Ranch, Inc. ("COR") Update

Integration

The integration of COR is progressing in line with expectations, with the consolidation of the USA business units complete. As previously announced, the Company expects initial annualised synergies of approximately US$12 million. Most of these synergies have already been implemented, with the balance expected to be predominantly realised by the end of FY2027. Synergies are expected to reach US$20 million by FY2030, driven by improved olive oil yields, reduced grove costs, corporate efficiencies and other operational improvements.

Last week the CBO Board travelled to California to attend its annual USA business strategy session. The Board is encouraged by the early progress of the integration and remains confident in the long-term outlook for the USA business and the Californian olive industry. The Company remains focused on maximising yields from its own groves as well as partnering with existing and new third-party Californian growers to increase supply over time and to enable the long-term growth of our Californian olive oil brands.

Earn-out

Under the terms of the acquisition, the sellers of COR ("Sellers") are eligible for an earn-out payment if the COR business achieves EBITDA of at least US$7.125 million for the six months to 30 June 2026, with a maximum possible earn-out payment of US$15.0 million. While it is not yet possible for the Company to reliably report the final EBITDA outcome for the COR business for the six months to 30 June 2026, it has become evident, based on unaudited management accounts to date that COR is unlikely to achieve the base threshold for the earn-out payment. As such, it is likely that no earn-out payment will be payable to the Sellers in respect of the COR acquisition. The final outcome will be confirmed through the Company's audit process and advised together with our FY2026 full year results.

Dispute

As part of the COR acquisition completion process and consistent with the purchase agreement, CBO has formally claimed a purchase price adjustment which, if determined in CBO's favour, would result in a reduction to the purchase price paid of up to US$31.9 million. The Sellers have disputed the adjustment in full and the matter is now subject to an ongoing legal process. The outcome of the dispute remains uncertain and, in the absence of a negotiated resolution, it may be some time before the final position is known.

FY2026 Full Year Results Announcement

CBO's audited FY2026 full year results will be released to the ASX on Friday 28 August 2026. Further details regarding the webinar registration will be announced in mid-August 2026.

This announcement contains forward-looking statements, including statements regarding expected future production, supply, operating costs, synergies, integration outcomes and strategy. These statements are based on the Company's current expectations and assumptions and are subject to risks and uncertainties, including agricultural, weather, market, operational and regulatory factors, which may cause actual results to differ from those expressed or implied.

For further information regarding this announcement please contact us at investors@cobramestateolives.com

Leandro Ravetti and Sam Beaton

Joint-CEOs and Executive Directors

On behalf of the Board of Cobram Estate Olives Limited

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About Cobram Estate Olives Limited

CBO is a leading vertically integrated olive farmer and marketer of premium quality extra virgin olive oil. The Company owns a portfolio of premium olive oil brands together with olive farming assets in Australia and the USA. CBO also owns Australia's largest olive tree nursery, olive mills, bottling and storage facilities, and the Modern Olives® laboratory. With operations in Australia and the USA, and export customers in twelve countries, CBO is the leading player in the Australian and California olive oil industries and a global leader in sustainable olive farming. For further information, please visit https://cobramestateolives.com.au.