Retail Food Group Limited
Level 4, 35 Robina Town Centre Drive
Robina Qld 4226

26 August 2026

FY26 Underlying EBITDA Within Guidance as Transformation Benefits Build

- **Underlying EBITDA of $20.3m (-31.4% vs PCP) within guidance range as transformation benefits emerge. 2H26 Underlying EBITDA up 20.9% on 1H26.**
- **Domestic Network Sales of $489.5m (-3.1% vs PCP), reflecting challenging trading conditions and ongoing network optimisation.**
- **Debt refinancing completed, providing balance sheet support for strategic priorities.**
- **Key transformation initiatives complete with cost rationalisation delivered, brand-aligned leadership implemented, and operational improvements well progressed. As a result, CEO search to recommence.**
- **RFG's first Firehouse Subs store opened in Mt Gravatt (QLD), setting an opening-day sales record for any international Firehouse Subs store. Targeting 4 stores by December 2026 and 15 by December 2027.**
- **The Group is positioned to build on 2H26 momentum in FY27, as Franchise Partner economics, coffee gross profit margins, cost savings, and cashflow are expected to benefit from the initiatives undertaken in 2H26.**

Retail Food Group Limited (ASX:RFG) today released its FY26 Annual Report, Appendix 4E and Results Presentation.

Commenting on these results, RFG Executive Chairman Peter George said: *"RFG delivered FY26 Underlying EBITDA of $20.3 million within guidance, despite challenging consumer conditions. Our key transformation program initiatives have been completed, delivering initial savings and a brand-aligned operating model intended to enhance franchise partner support and profitability. These actions, together with the successful refinancing in February 2026, provide a strengthened platform to support the Group's strategic priorities and future growth opportunities."*

Underlying Revenue, EBITDA, and NPAT

- **Underlying Revenue of $99.6m** (-3.0% vs PCP) reflects challenging consumer conditions and the impact of outlet rationalisation, partly offset by wholesale coffee price increases from March 2026, improved procurement, and the initial contribution from the Türkiye supply hub.
- **Underlying EBITDA of $20.3m** (-31.4% vs PCP) was within the FY26 guidance range of $20.0-21.0m and reflected:
  - Softer trading conditions;
  - Outlet closures across lower-performing and non-core outlets;
  - Cycling of prior-period insurance proceeds & lease-provision releases;
  - Lower coffee margins (before wholesale price increases were implemented in March 2026);
  - $2.3m of transformation program savings; and
  - 20.9% improvement in 2H26 EBITDA vs 1H26
- **Underlying NPAT of $7.8m (-**41.8% vs PCP), primarily reflecting the lower Underlying EBITDA result.
- **Statutory NPAT of $1.1m**. A detailed reconciliation between statutory and underlying results is provided on slide 28 of the accompanying presentation.

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Network Performance

- **Total Domestic Network Sales of $489.5m** (-3.1% vs PCP) reflected difficult trading conditions, and network rationalisation. **Core Brand Network Sales declined 1.7% vs the PCP to $476.0m**.
- **Total Domestic Same Store Sales were 0.7% lower** as continued growth from Crust (+0.3%) was offset by weakness across CCB brands (-1.3%).
- **Total Domestic Trading Outlets were down 29 on December 2025**, with the opening of 6 new outlets (all Core Brands) offset by 35 closures, mostly low-performing stores and non-core stores.

Balance Sheet & Cashflow

- As at 26 June 2026, **the Group had total unrestricted cash of $14.4m (vs $13.9m in PCP)** with total cash reserves of $24.2m (vs $26.0m in PCP).
- **Operating Cash Flow of $9.3m** (vs $18.4m in the PCP) declined largely due to first-half headwinds, transformation costs, and investment in new growth initiatives.
- **Operating Cash Flow strengthened materially to $7.4m in 2H26**, compared with $1.9m in 1H26 and $6.6m in 2H25. Driven by improved operating performance, including the impact of transformation program savings and working capital improvements.
- **RFG refinanced its senior debt facility in February 2026** with a new $41.2m facility with major shareholder Washington H Soul Pattinson Ltd (WHSP), including a further $7.5m drawdown and the capitalisation of establishment costs. Maturing on 31 August 2027, the facility refinanced existing WHSP facilities and provides balance sheet stability for the Group's strategic priorities.

Strategic Focus & Transformation

- RFG's Transformation Program key initiatives are complete, with cost rationalisation delivered, brand-aligned leadership implemented, and operational improvements well progressed.
- The simplified operating model is expected to improve Franchise Partner support through more effective field operations, procurement, supply-chain management, and targeted marketing.
- Initial savings were delivered in 2H26 and further benefits are expected in FY27 as RFG focuses on improving franchise partner profitability and growing Core-brand Network Sales to drive sustainable earnings growth.

Chief Executive Officer Search

- With the transformation program key initiatives now complete, the Board has decided to recommence its global search for a new CEO. Peter George will continue in his existing role as Executive Chairman, including the CEO functions currently undertaken by him, while the Board progresses the recruitment process and succession planning.

FY27 Outlook & Trading – Positioned to build on 2H26 momentum in FY27

- **Trading for the first 8 weeks of FY27** has seen core brand Network Sales down 2.6% vs PCP, primarily reflecting network rationalisation and outlet closures. Same Store Sales are down 0.4%, as still-challenging macroeconomic conditions are mitigated by revised marketing initiatives.
- **Franchise Partner unit economics are expected to benefit** from enhanced operational processes combined with the back-to-basics marketing approach in FY27.
- **Gross Profit Margins are expected to benefit** from recent wholesale coffee price rise and improved input costs, primarily through better buying of coffee green bean.
- **Cost out initiatives are targeted to deliver** $5-7 million in savings in FY27.
- **Cash Flow is expected to benefit from improved trading**, building on 2H26 momentum, and continued reduction in company store cash outflows.
- **Firehouse Subs rollout to continue building on strong launch**, with three additional stores targeted by December 2026, and 15 stores by December 2027.

Investor Briefing Details

RFG's Executive Chairman, Peter George, and Chief Financial Officer, Ryan Chellingworth, will host a briefing for investors and analysts at 10:00am AEST on Wednesday 26 August 2026.

The webinar will be streamed live and can be accessed through the link below. Participants can also pre-register to ask questions during the briefing.

https://investorhub.rfg.com.au/webinars/eNmwKy-fy26-financial-results-webinar

A recording of the webinar will be made available after the conclusion of the event.

The release of this announcement was authorised by the Board of Directors.

(1) This Announcement should be read in conjunction with RFG's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), available at www.asx.com.au. This announcement contains certain non-IFRS financial measures, including underlying Revenue and underlying EBITDA. Non-IFRS measures have not been subject to audit or review. A reconciliation and description of the items that contribute to the difference between RFG's underlying and statutory results is provided in the Company's FY26 Results Presentation lodged with the ASX.
(2) Unless otherwise specified, operational metrics (SSS, AWS, Customer Count) provided in this Announcement are based on unaudited reported sales by Franchise Partners and company stores amongst stores trading, in the case of the full year, a minimum of 46 of 52 weeks, versus unaudited reported sales by Franchise Partners and company stores against same stores trading a similar number of weeks during the prior comparable period (PCP).
(3) Network sales is based on unaudited reported sales across all domestic network outlets.
(4) Unless otherwise specified, trading outlets includes domestic active physical stores, mobile and virtual outlets as at the end of the financial period, excluding non-trading locations.

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About Retail Food Group

RFG is a global food and beverage company headquartered in Queensland. It is Australia's largest multi-brand retail food franchise manager and is the owner of iconic brands including Gloria Jean's, Donut King, Brumby's Bakery, Crust Gourmet Pizza and Beefy's Pies. The Company holds the exclusive licence to grow Firehouse Subs restaurants in Australia and opened the first restaurant in FY26. RFG distributes high quality pies from its Sunshine Coast Bakery and coffee through its Sydney Roastery.

For more information about RFG, visit: www.rfg.com.au