Big Picture and market overview

MLA Insights week 2025
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December 2025

Agenda

Economic environment

Retailer Performance

Fresh Meat and adjacent categories

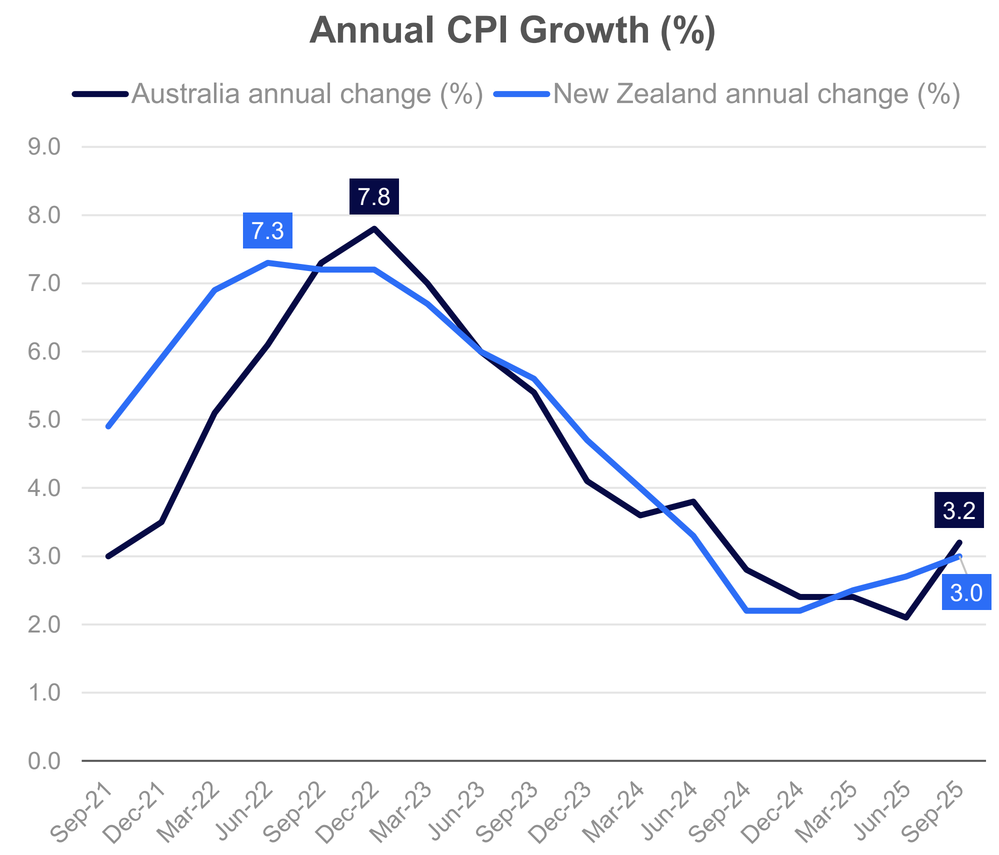
Beef and Lamb KPIs

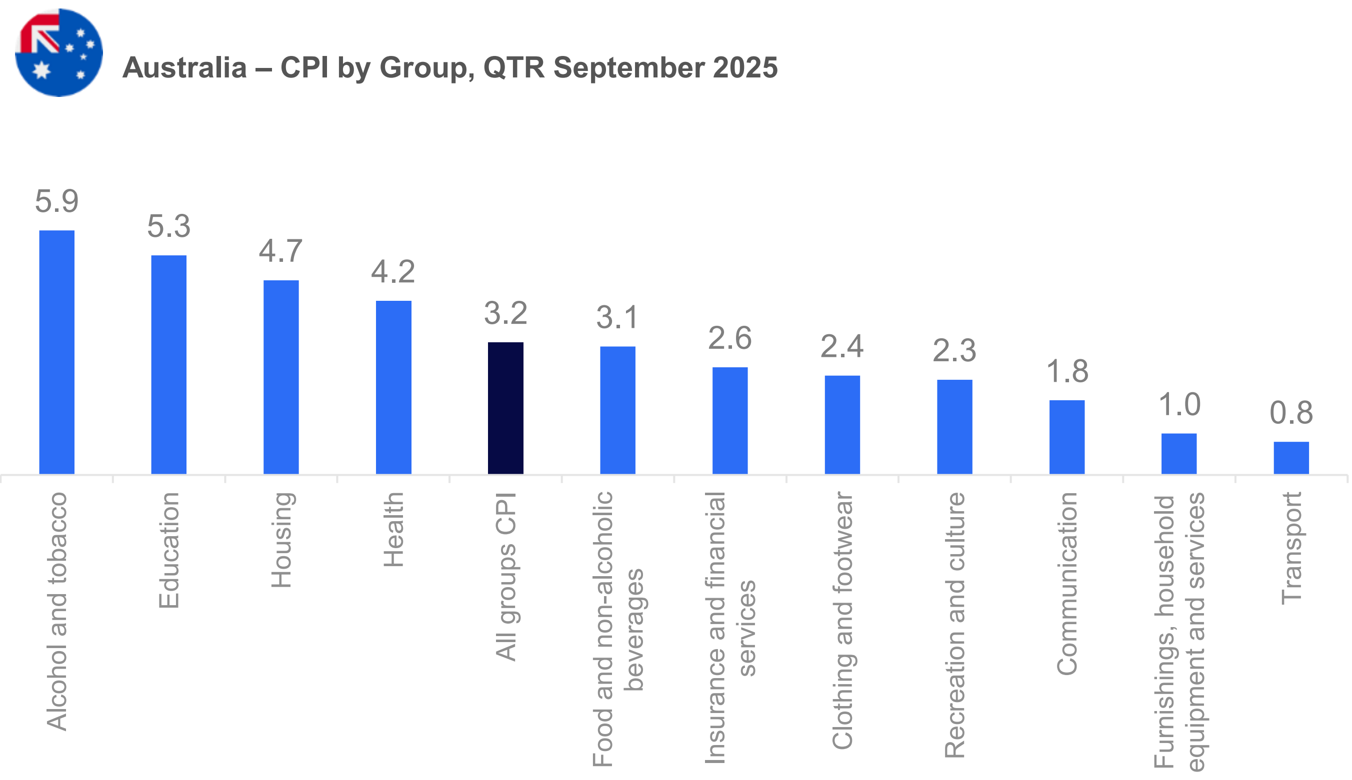
Q&A

Economic environment

Despite recent upward trajectory, inflation across ANZ is getting closer to pre-pandemic levels

Housing driven by electricity cost puts pressure in Australia in the latest quarter

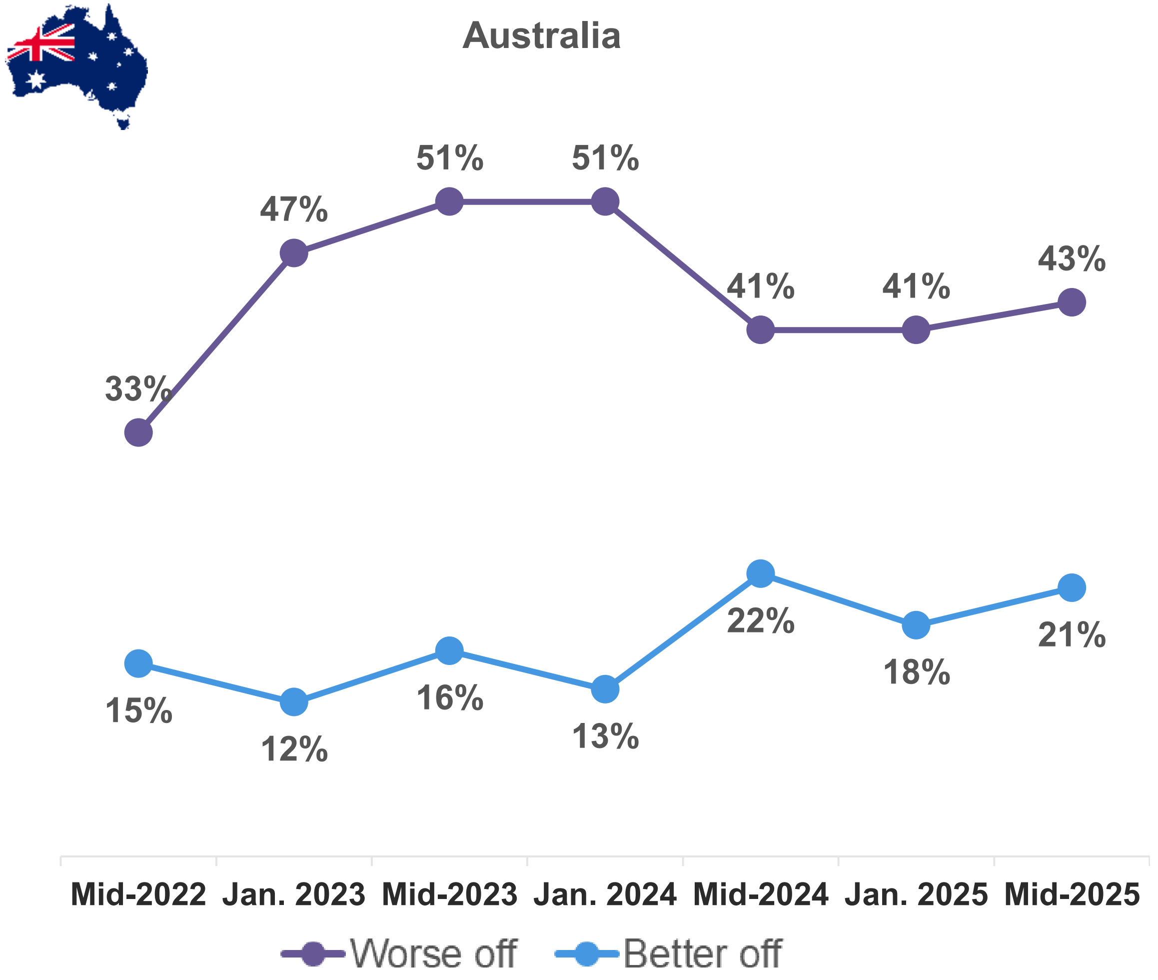




Source: ABS Consumer Price Index | Stats NZ Consumer Price Index | World Economic Outlook July 2025 Projection. * Global Inflation Data is an annual projection
NIQ Global Inflation Tracker, Measure of Eq Vol % Price Change, monthly measure of May 2025 vs. previous year. CPG total measured across a closed group of 225 consistent categories across 58 countries. Reflected in U.S. dollars.

Pacific consumer sentiment remains relatively unchanged, with most consumers still feeling worse off

Consumer financial position, sentiment year over year (% respondents)



Source: NIQ 2025 Mid-Year Consumer Outlook, Pacific, vs. previous studies. Q: Compared to a year ago, is your household better off or worse off financially?

Higher cost of living is still close to consumers' hearts, while global conflict is an uprising concern

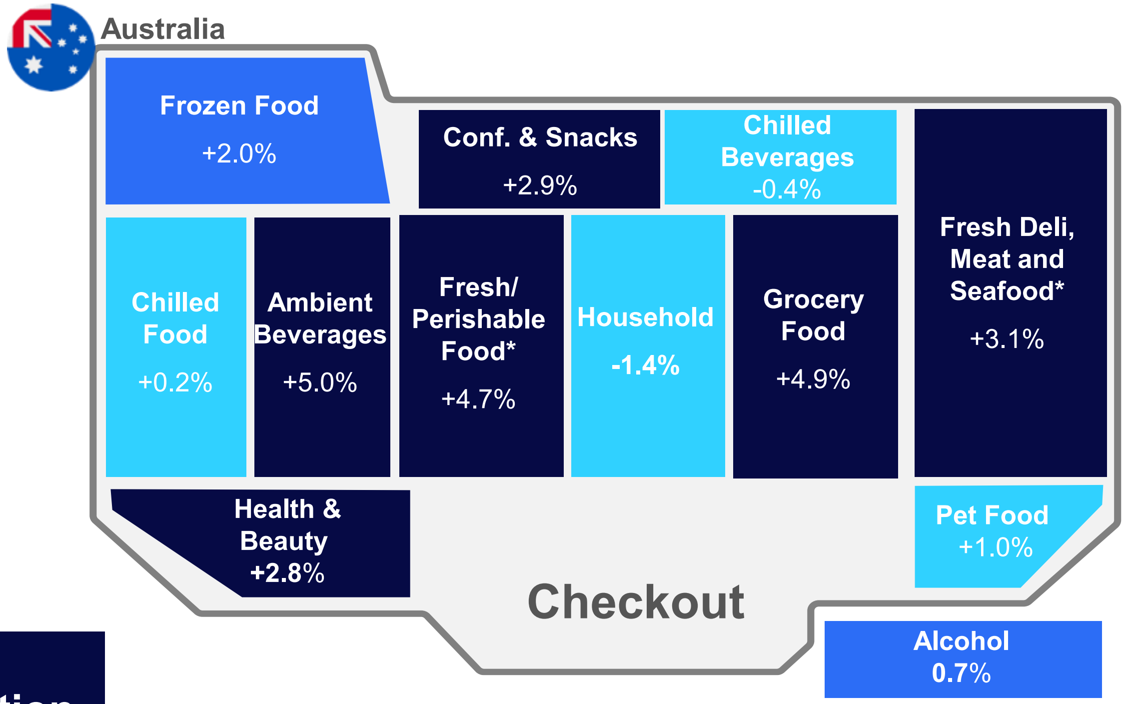
	July 2025	% change from last year
⬆ Global conflict/Escalation of crisis/War *(was #8 in 2024)*	17%	+12
⬇ Increasing food prices *(was #1 in 2024)*	16%	-3
Increased housing costs	12%	+1
Increasing utility bills	11%	+3
Economic downturn	6%	-1
⬇ Rising interest rates *(was #4 in 2024)*	5%	-4

Source: NIQ 2025 Consumer Outlook survey. Question: What is your biggest concern over the next 6 months? Please select one only and What is your second biggest concern over the next 6 moths? Please select 1 only. Numbers are the totals of both questions

Rising FMCG prices continue to affect everyday essentials

Price per Unit % change

Total FMCG excl Fresh : +2.3%



> +2.5% Higher than average

1.5 – 2.5% Average

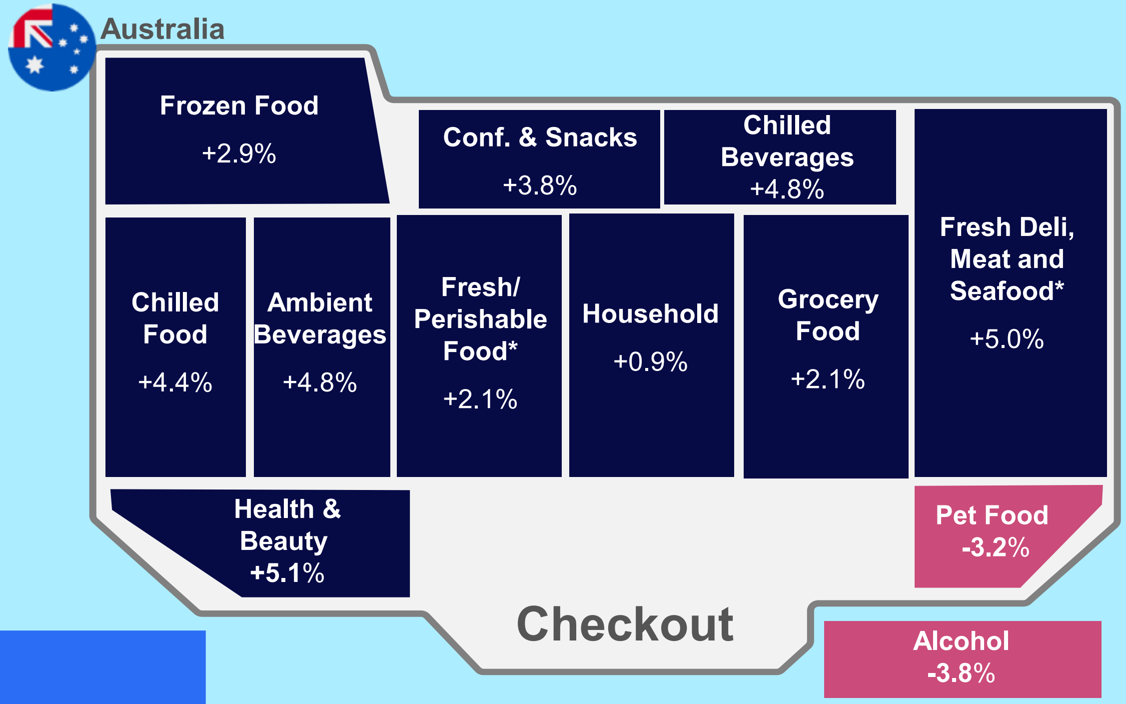
< 1.5% Below average

Inflation Heat Map

Despite of that, Units picked up across most departments in Australia

Unit % change

Total FMCG excl Fresh: +2.7%



Volumetric Heat Map

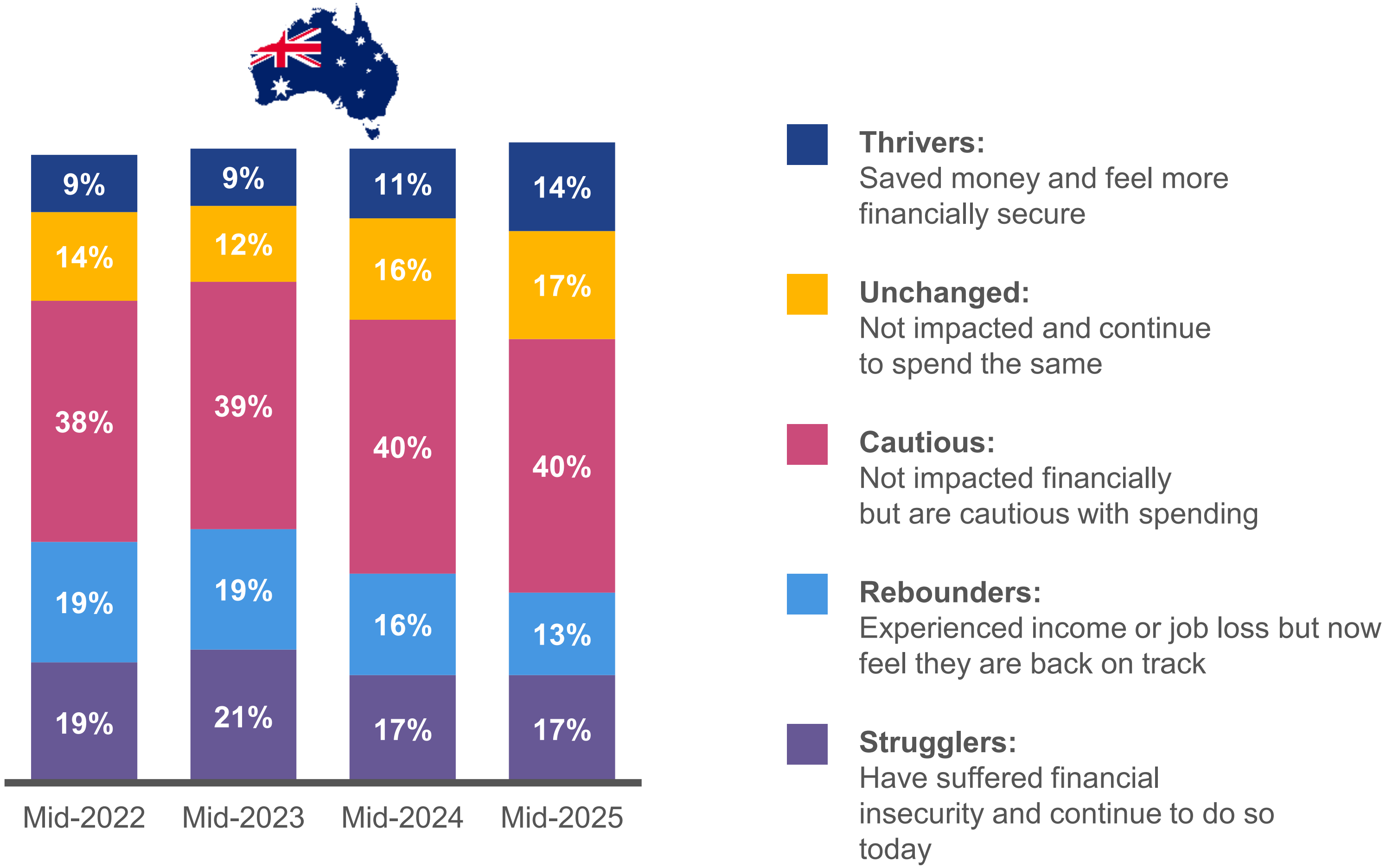
Volume Growth Volume Decline

NIQ

Source: NIQ Australia, Price per Volume % Growth vs YA – Latest 52 weeks ending 05/10/2025
*Price Chg % expressed in Price/Volume

The 2025 economic divide

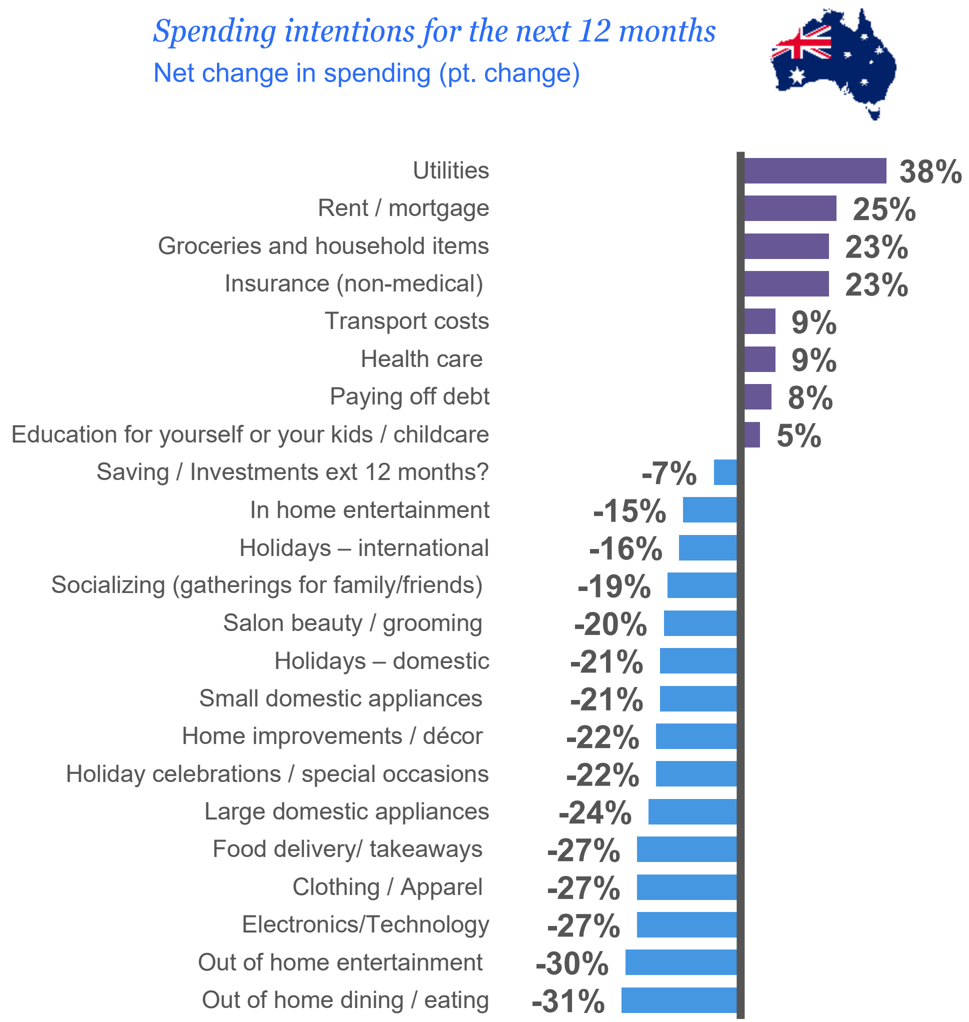
Consumers sentiment in Australia looks more positive



Source: NIQ 2025 Consumer Outlook survey vs. 2022, 2023, and 2024 Mid-Year Consumer Outlook studies (excludes China). Q: Which of the following best describes how current events of the last few years have impacted your overall household financial situation?

Higher spending expectations with Fresh and Dairy, and less with Snacks, Confectionary and Liquor evidence Health & Wellness priorities

Spending intentions for the next 12 months
Net change in spending (pt. change)



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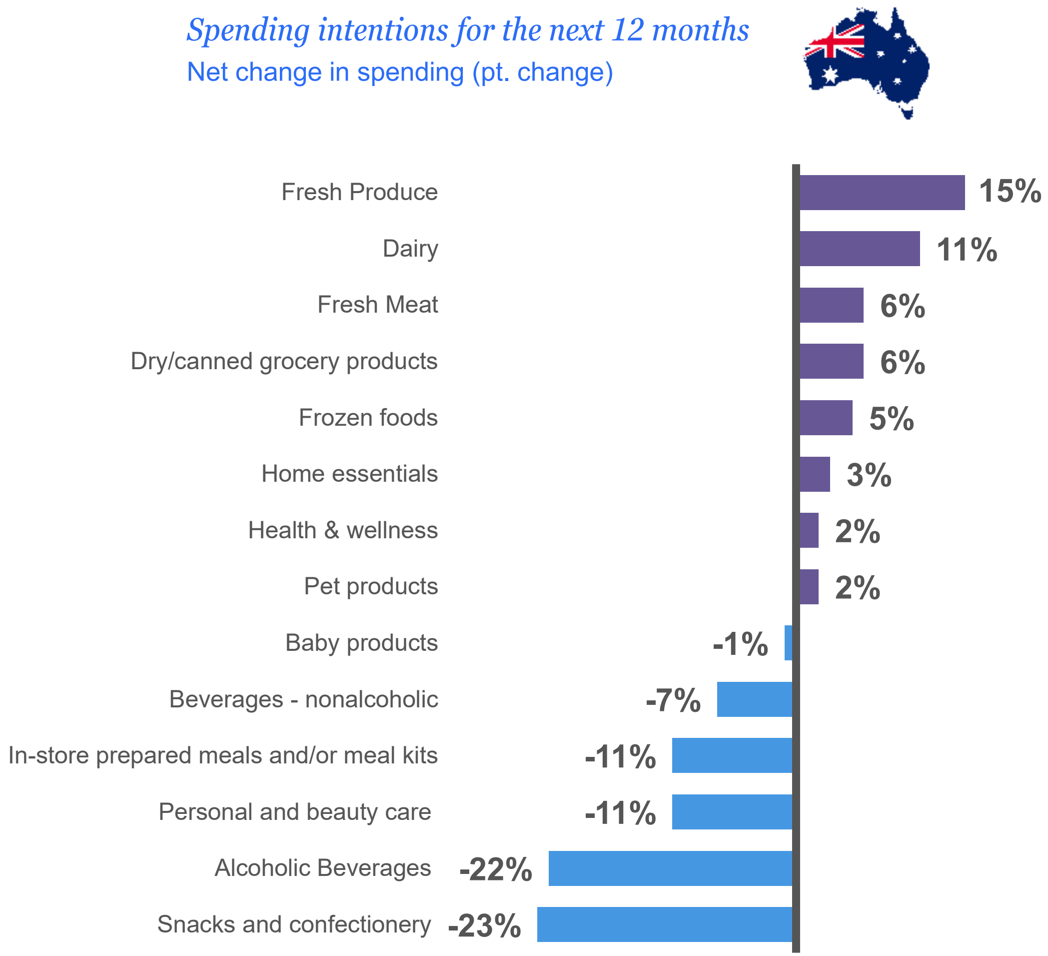
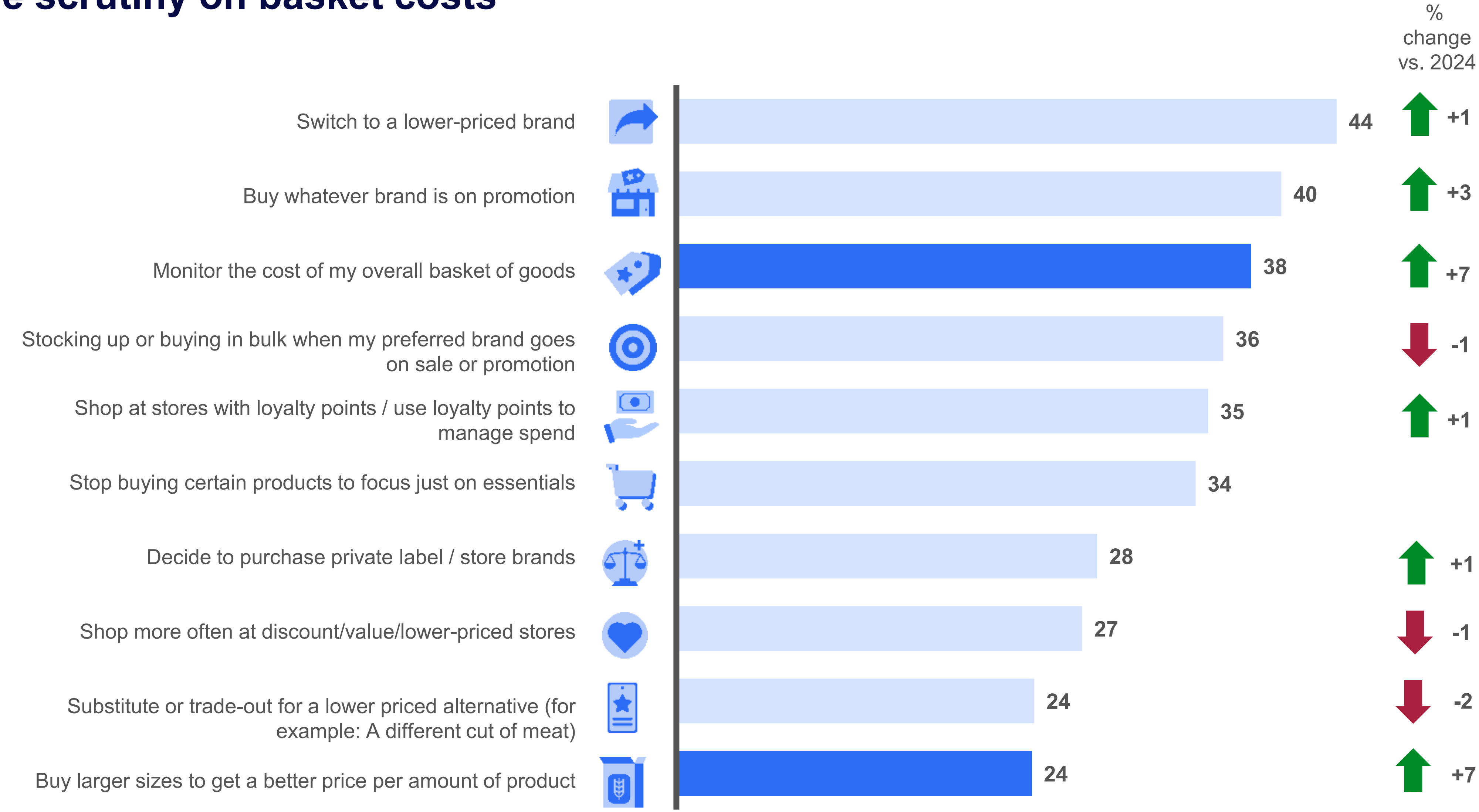


Source: NIQ 2025 Consumer Outlook Survey. Change in spending calculated by subtracting % of respondents who are spending less from % of respondents who are spending more

Australian shoppers are still chasing value – but some behaviors are changing, with more scrutiny on basket costs

Australia



Source: NIQ 2025 Consumer Outlook survey

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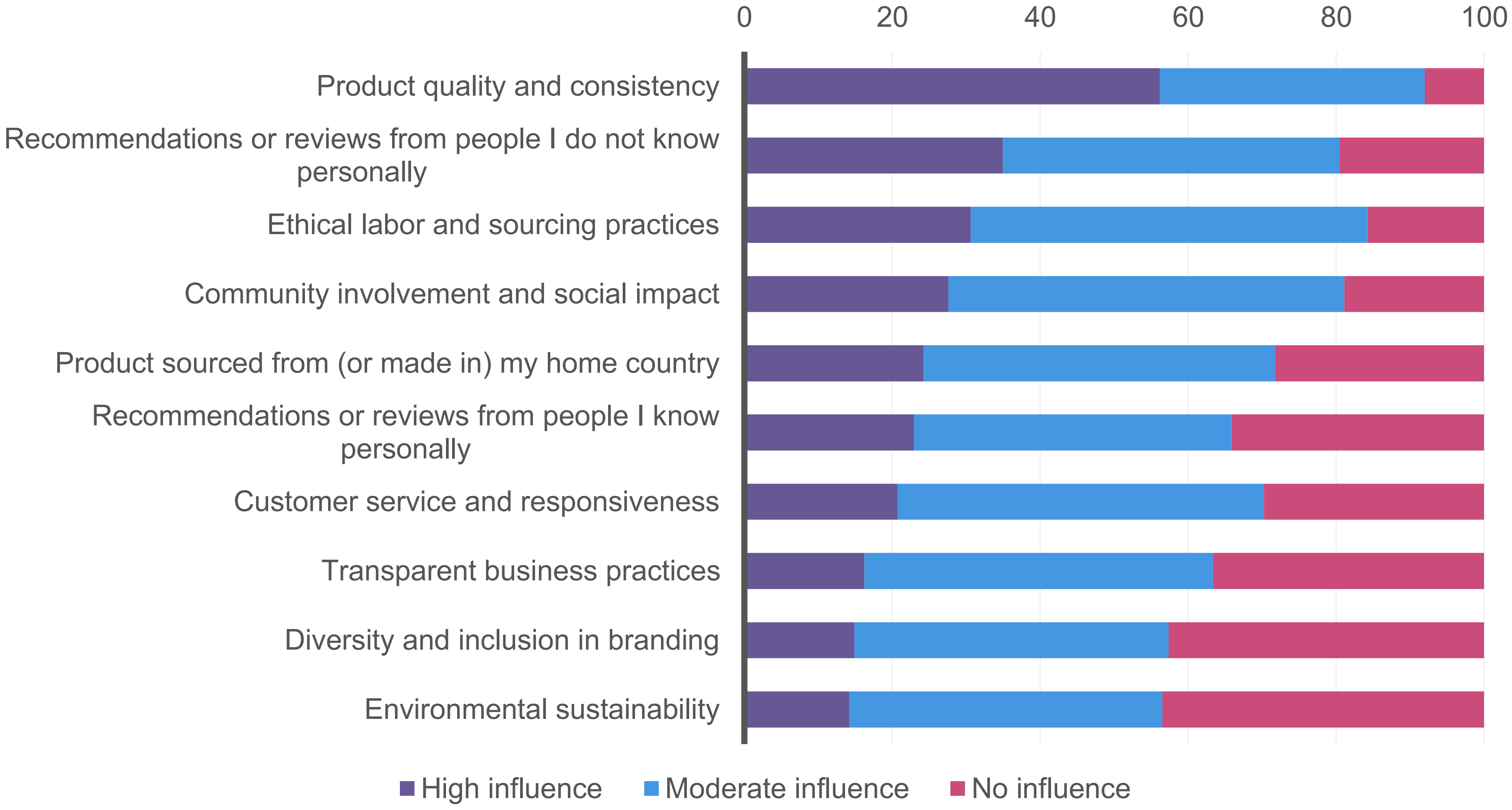
Other than product quality, Australians value reviews, ethical labour and community impact

Australia

95%

of global consumers say that trusting the brand they're buying from is very or somewhat important.



Source: NIQ 2025 Consumer Outlook survey

Retailer Performance

As inflation persists, grocery momentum is sustained through more shoppers and more frequent trips, despite declining basket sizes and lower per-trip spending

Value Growth vs YA

+6.1%

Val Growth vs 2YA: +11.9%

Volume Growth vs YA

+4.6%

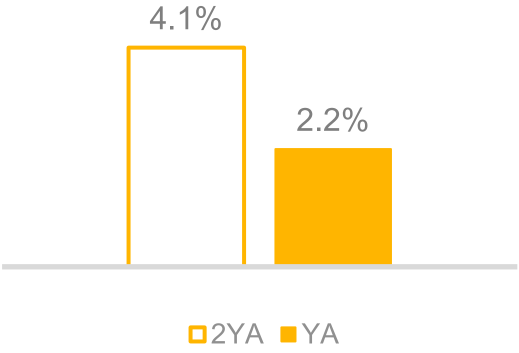
Vol Growth vs 2YA: +10.0%

Average Price per Volume vs YA

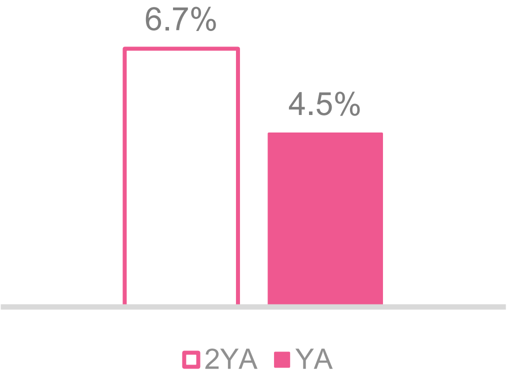
+1.4%

Price Change vs 2YA: +1.7%

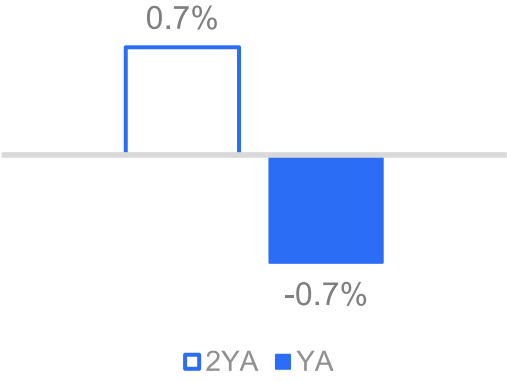
Buying Households



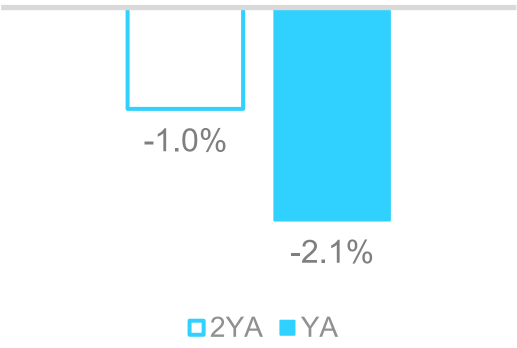
Average Trips



Average Spend per Trip



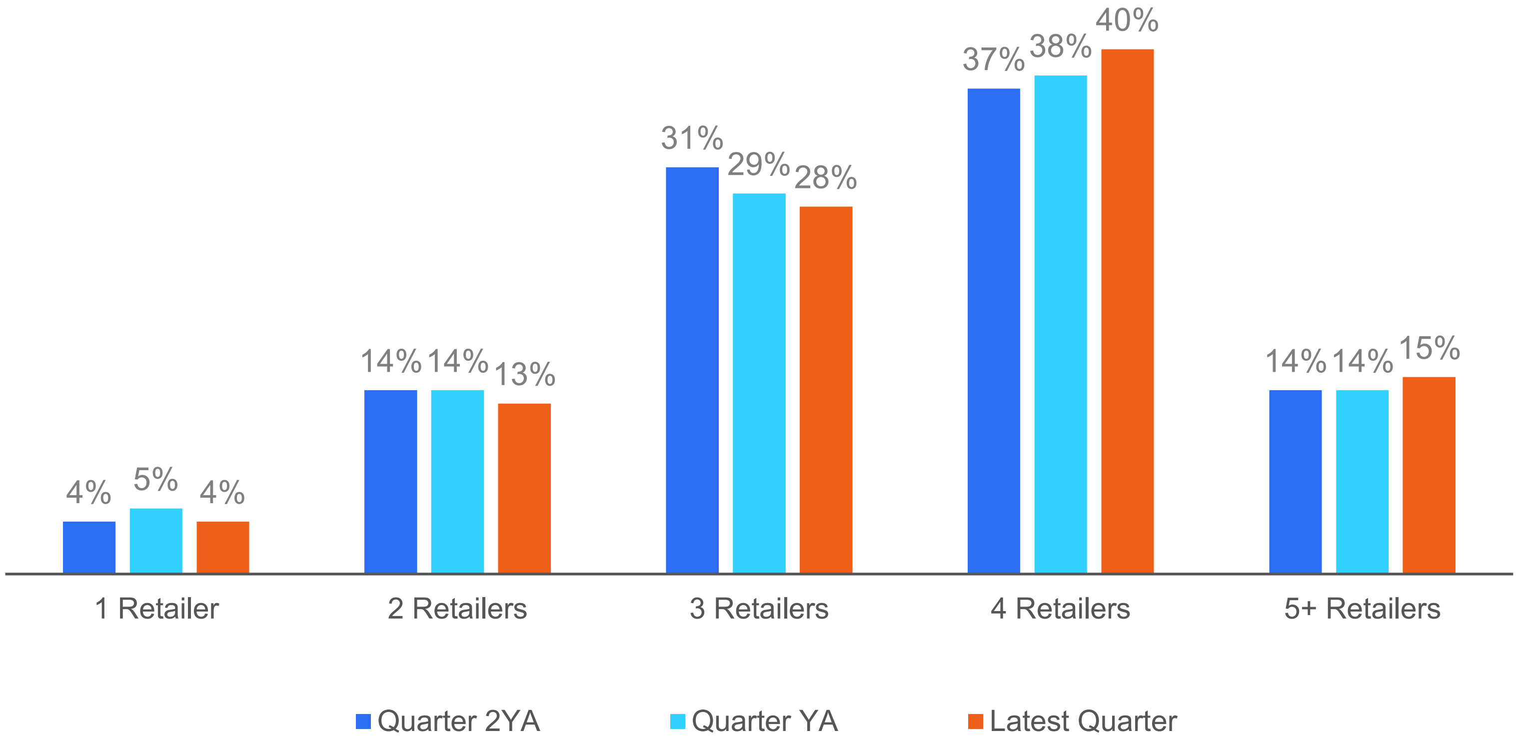
Volume (eq) per Trip



Source: NielsenIQ Homescan™ | 52 weeks to 05/10/2025 vs Year Ago (YA) & 2YA

In the latest quarter, more shoppers are shopping around in 4 and more retailers

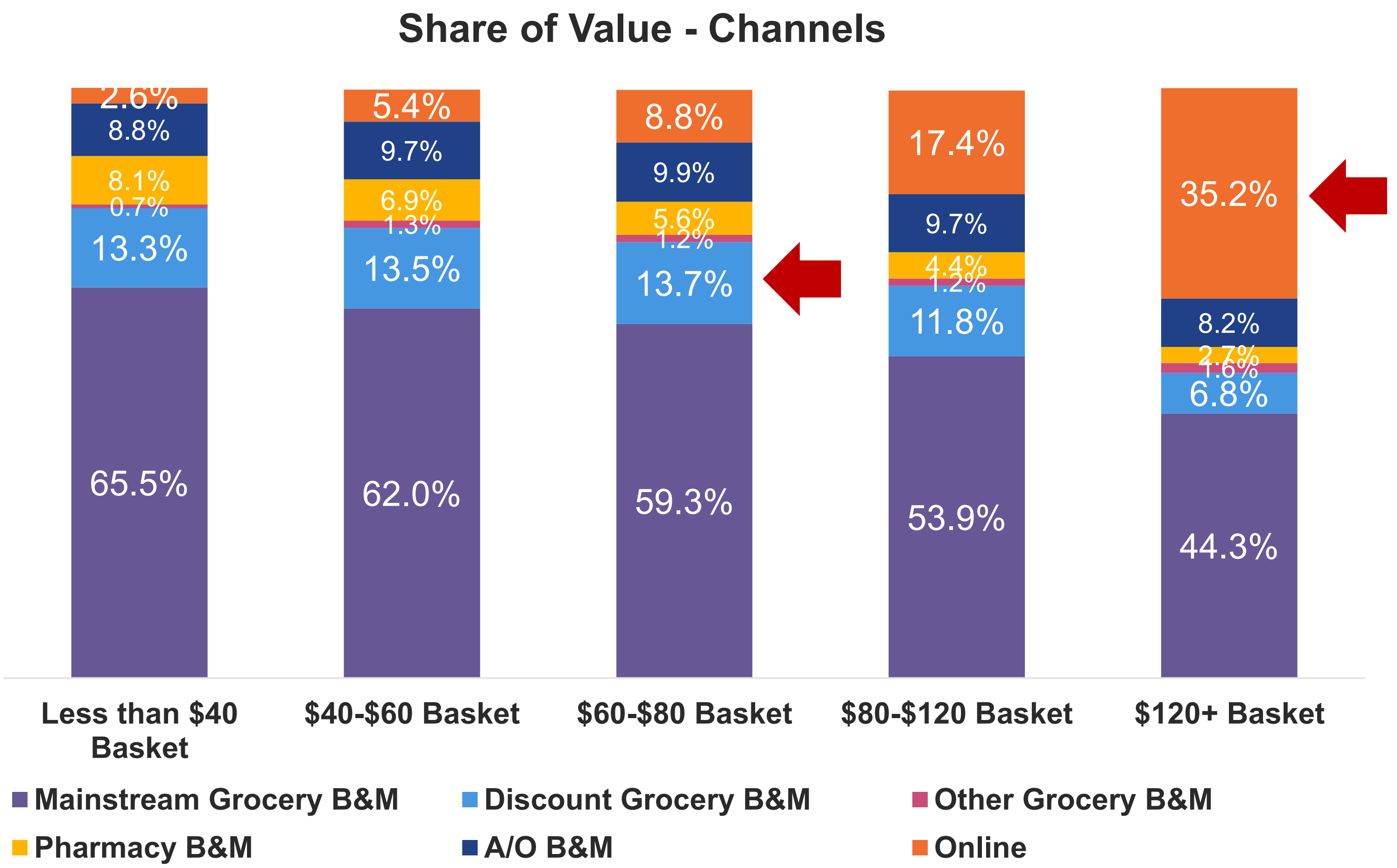
% of Buying Households shopped at

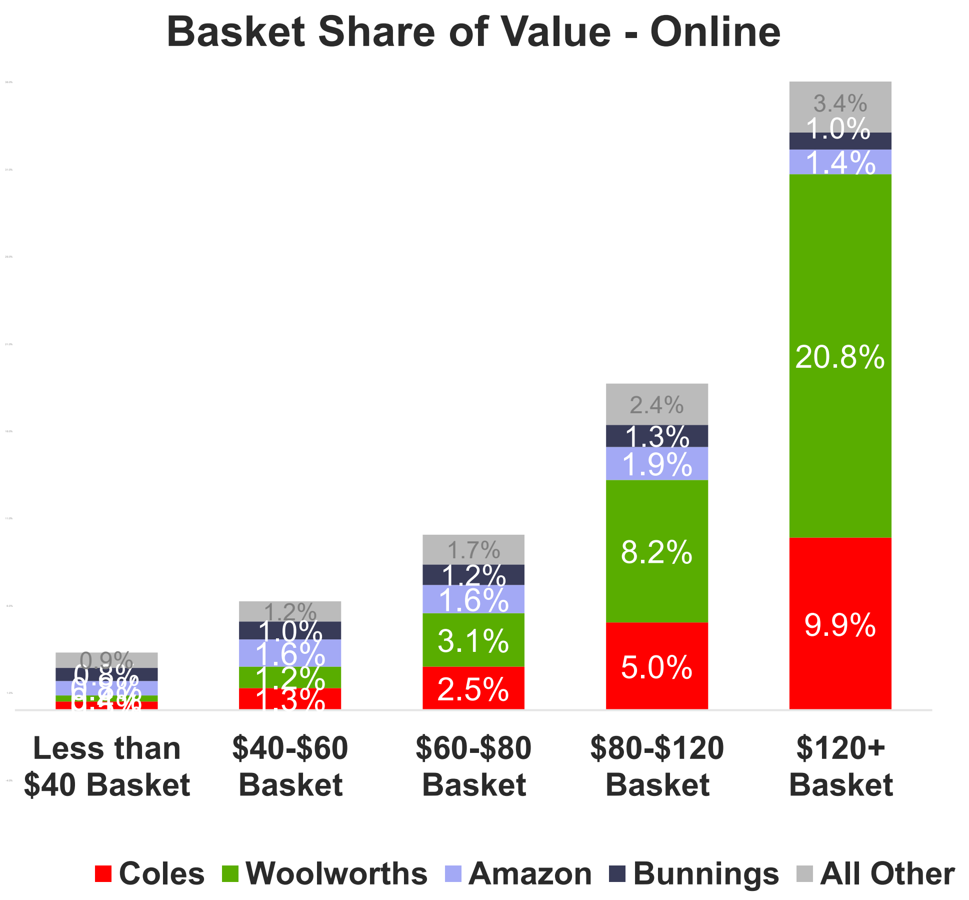


Source: NielsenIQ Homescan™ | 13 weeks to 05/10/2025 vs Year Ago (YA) & 2YA

Online is dominant among larger shopping trips ($120+), while Discounters B&M performance peaks among $60-$80 trips

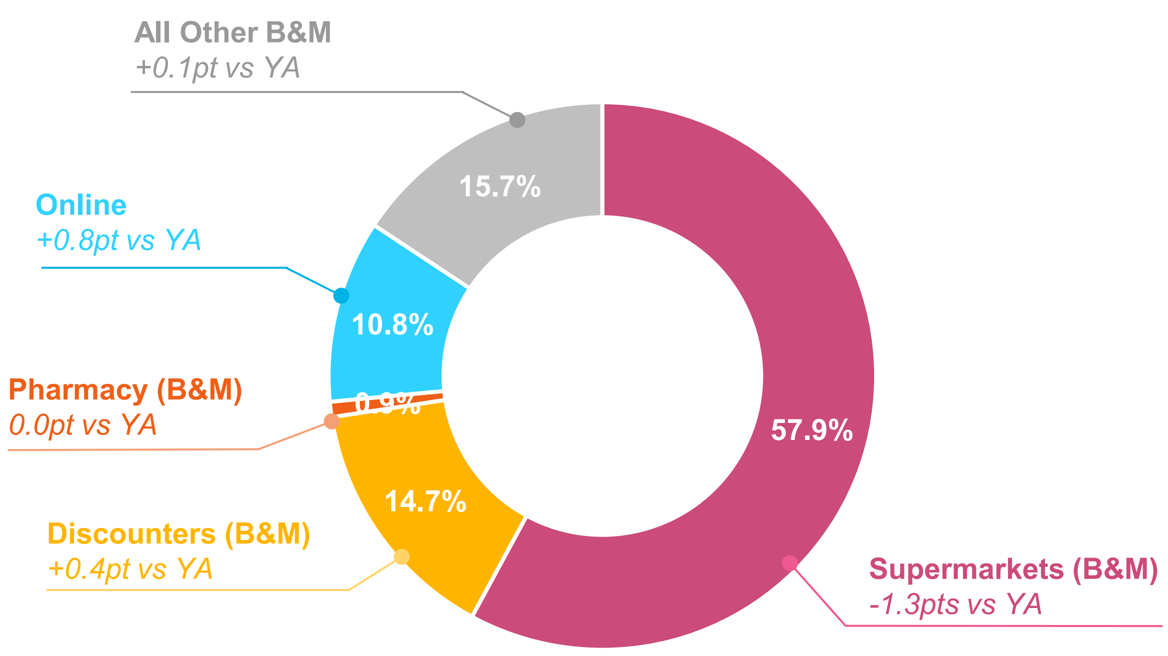
Woolworths Online represents more than half of Online share among $120+ trips

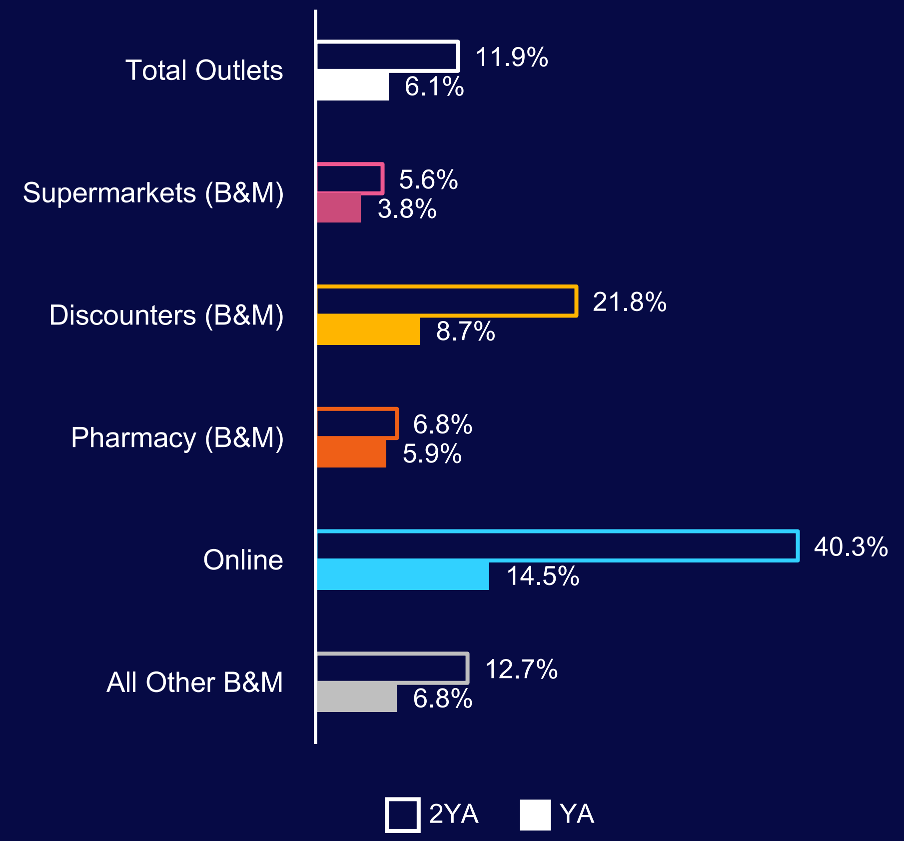




Source: NIQ Omnishopper - Latest 52 Wks - w/e 05/10/25

Discounters (B&M) and Online channels represent a quarter of Grocery value sales, outperforming the market and driving growth



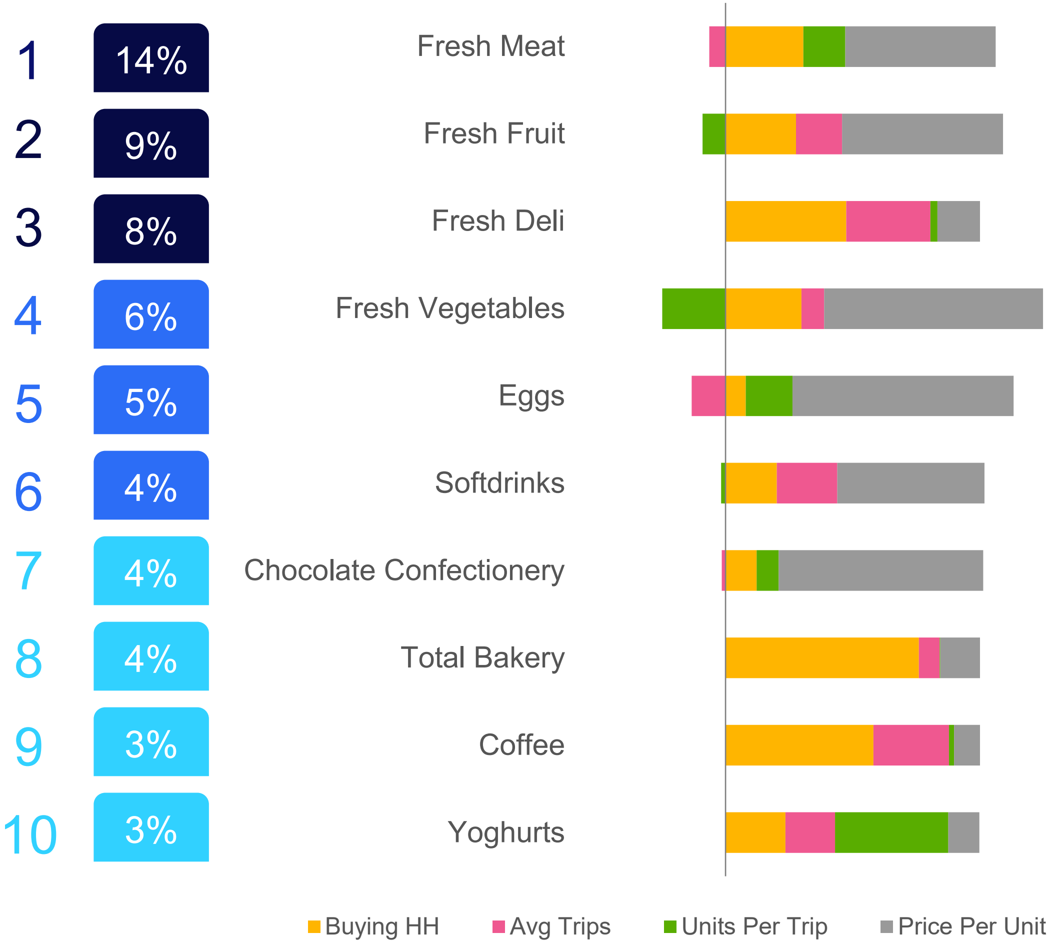


Supermarkets: Woolworths + Coles (Brick & Mortar only)
Discounters: ALDI, Costco, Chemist Warehouse (Brick & Mortar only)
Pharmacy: All other pharmacies except Chemist Warehouse (Brick & Mortar only)
Online: All online platforms
All Other Brick & Mortar: IGA Group, other independents, specialty (e.g. butcher, bakery, greengrocer, Asian grocers)

Source: NielsenIQ Homescan™ | 52 weeks to 05/10/2025 vs Year Ago (YA) & 2YA

Fresh categories have become more important in driving market growth, primarily due to higher prices and shopper expansion

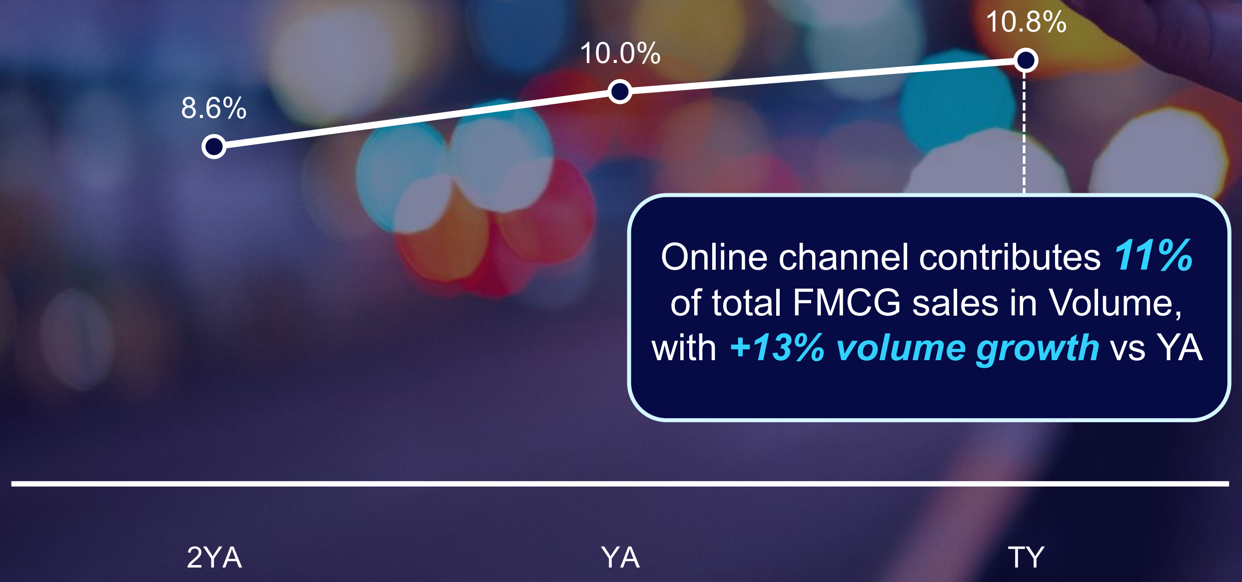
% Category Contribution to FMCG Val Growth & Drivers vs YA (Top 10)



Source: NielsenIQ Homescan™ | 52 weeks to 05/10/2025 vs Year Ago (YA)

Omni-shopping has become the norm, with online continuing to grow through shopper expansion and increased spending from existing shoppers

Value Share of Online Channel



In the latest 52 weeks,

63%

Aus Households are ***cross-shopping*** *in both Online and Brick & Mortar, up +3.8pts vs YA*

2x

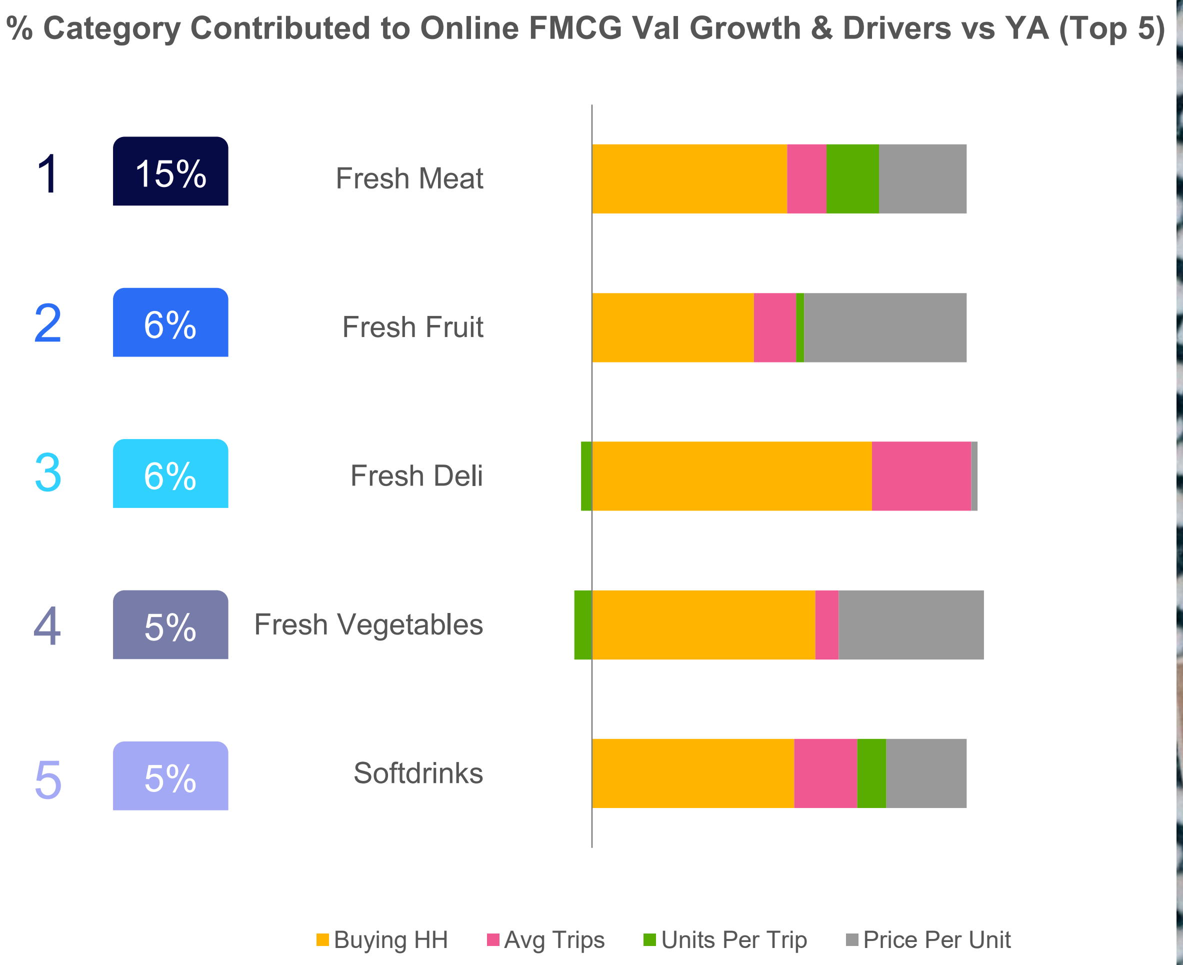
Avg $ spend per trip *Online ($109) vs Brick & Mortar ($51)*

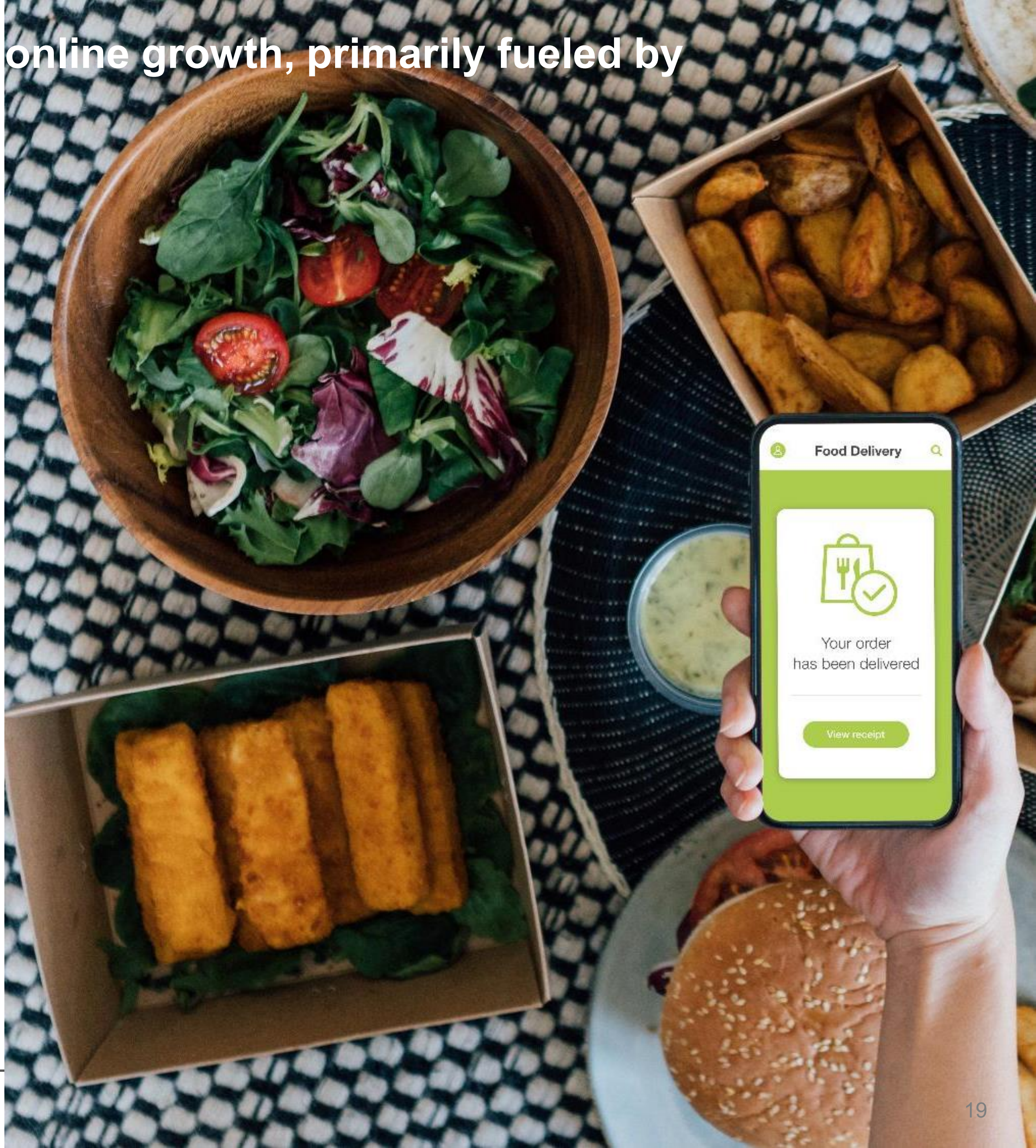
64%

of Online growth is driven by ***new shoppers*** *and* ***increased spend amongst existing shoppers***

Source: NielsenIQ Homescan™ | 52 weeks to 05/10/2025 vs Year Ago (YA)

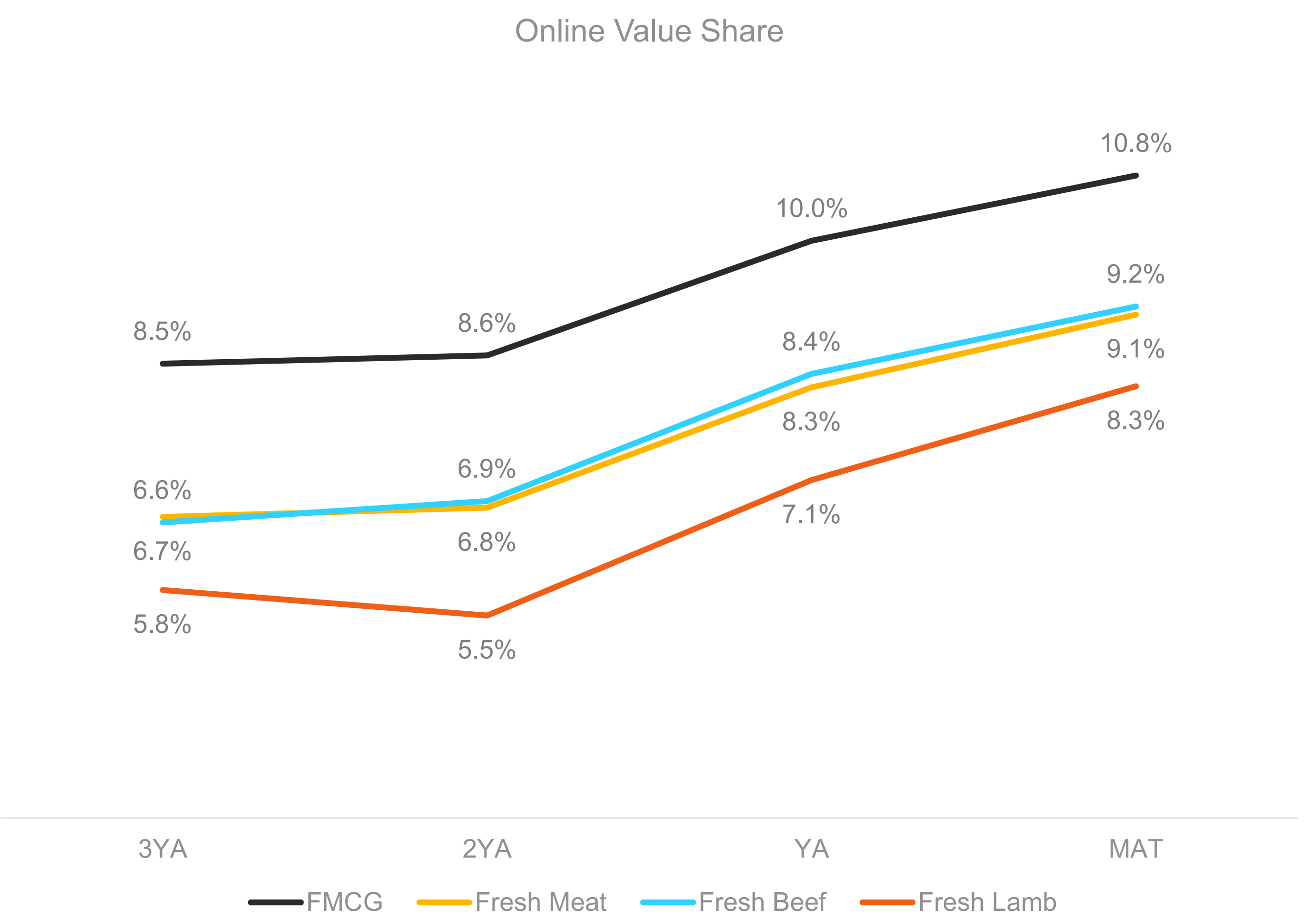
Fresh categories are key drivers of accelerated online growth, primarily fueled by a larger shopper base and higher prices





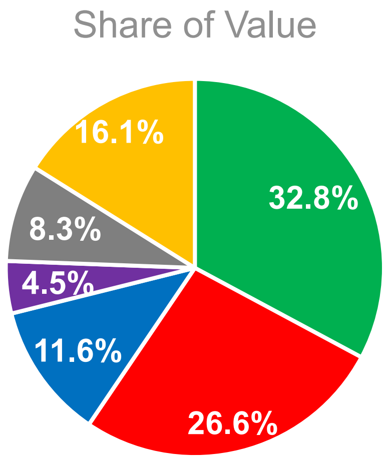
Source: NielsenIQ Homescan™ | 52 weeks to 05/10/2025 vs Year Ago (YA)

As a result, the gap between FMCG and Fresh Meat Online Share is narrowing

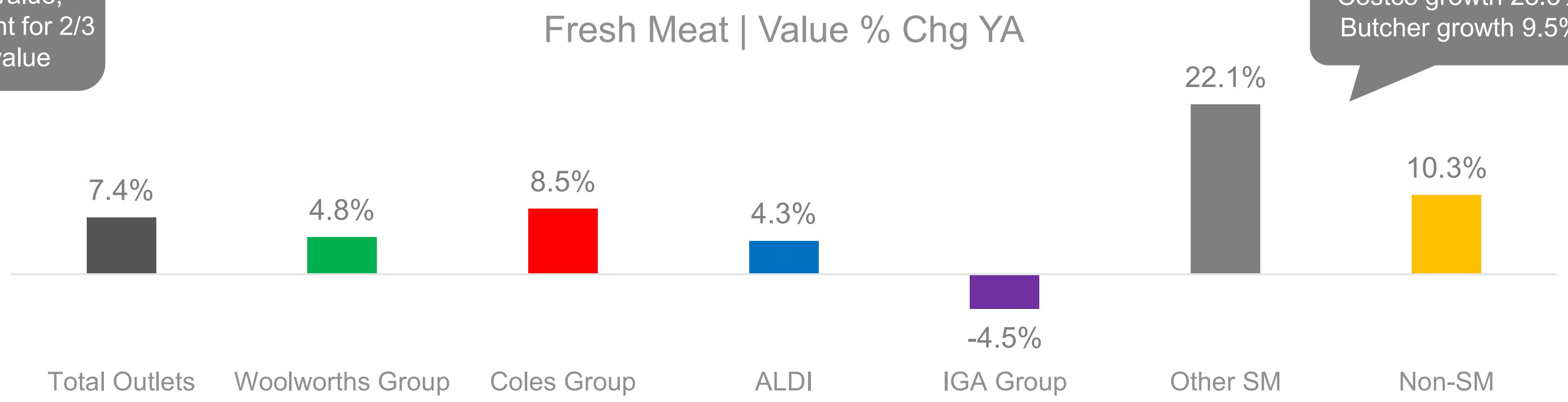


Source: NIQ Homescan, AUS, MAT to 05/10/2025

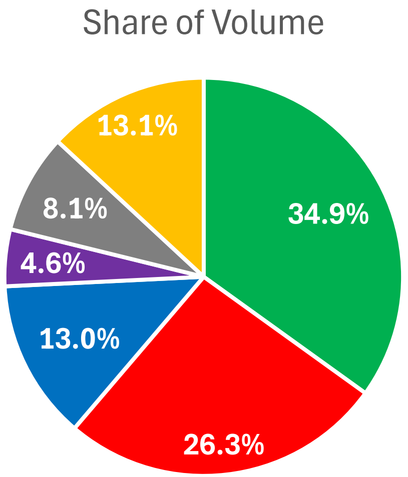
Costco and Butcher have the highest value growth in Fresh Meat followed by Coles

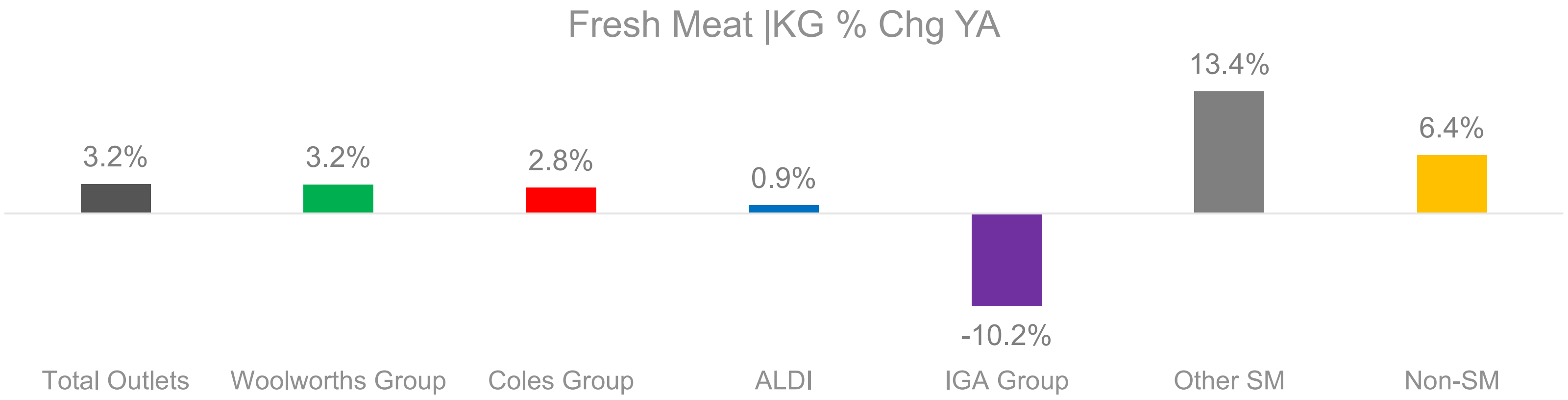


Costco accounts for half of Other SM value, Butchers account for 2/3 of Non SM value



Costco growth 28.5%
Butcher growth 9.5%





Source: NIQ Homescan, AUS, MAT to 05/10/2025

Key take aways

Basket sizes are shrinking as Aussies shop around

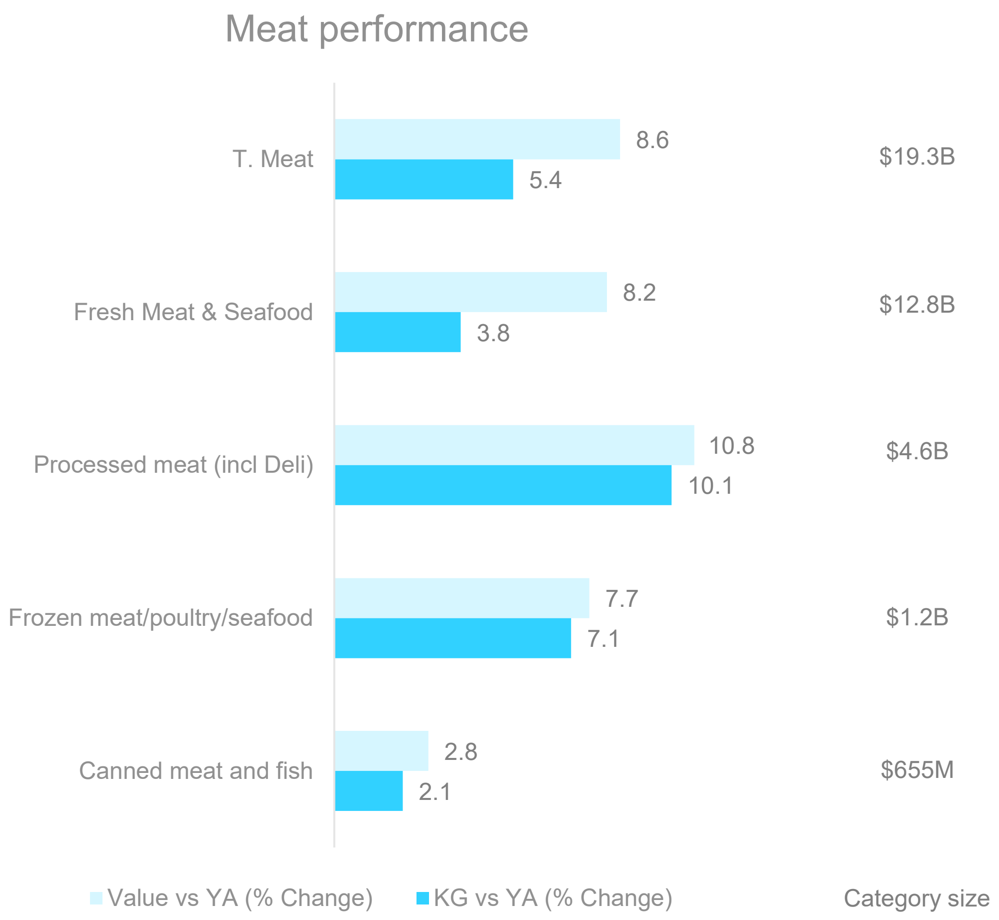
Discounters and Online continue to drive growth

Fresh Categories are key drivers of FMCG growth

Fresh Meat and adjacent categories

Fresh and Processed (Deli) Meat driving growth and gaining share in the latest MAT

This trend is also visible in total FMCG where Fresh Meat, Deli as well as Fresh Produce are the key contributors to FMCG growth



Growth Drivers

- Fresh & Processed growth is driven by higher Frequency and Spend per visit
- Frozen Meat grew in all metrics while Canned Meat gained new buyers, but lost frequency and spend per visit

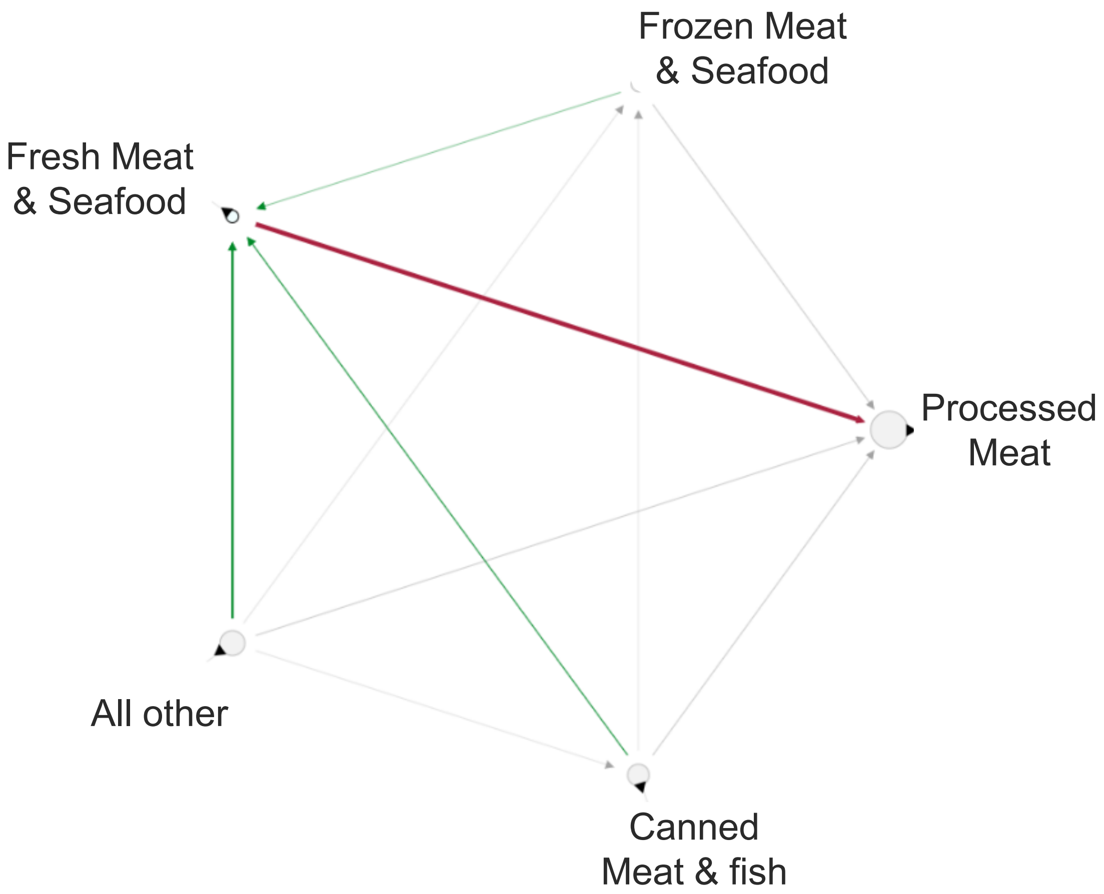
Demographics

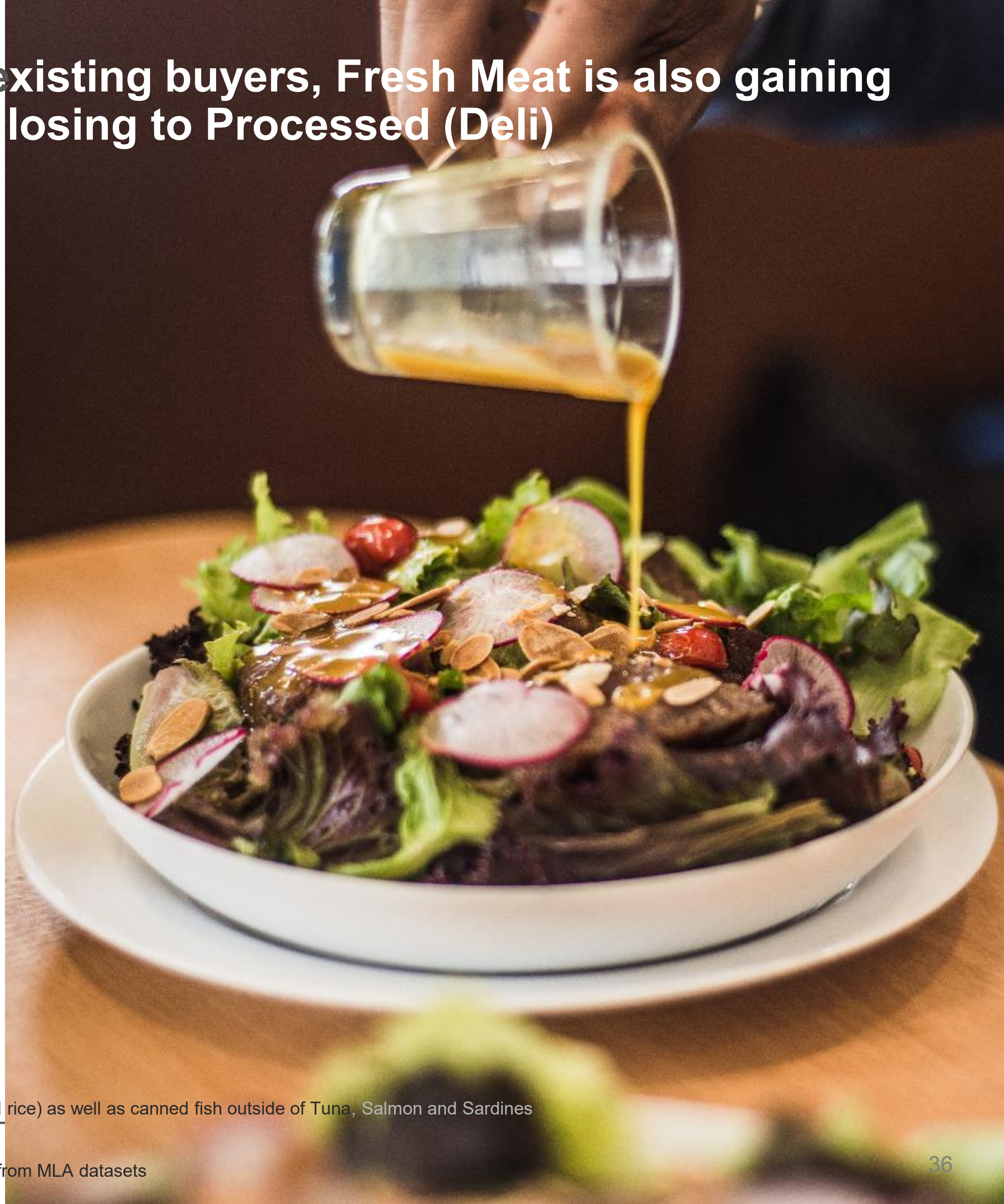
- Largest Meat demographics (Senior Couples, Independent Singles; Oceania, Eur/Am) contribute less than their share to growth, while smaller groups over-index in driving growth

While Meat growth is driven by higher spend from existing buyers, Fresh Meat is also gaining switching Value from Frozen and Canned Meat, but losing to Processed (Deli)

Processed meat (Deli) is gaining from all other Meat categories

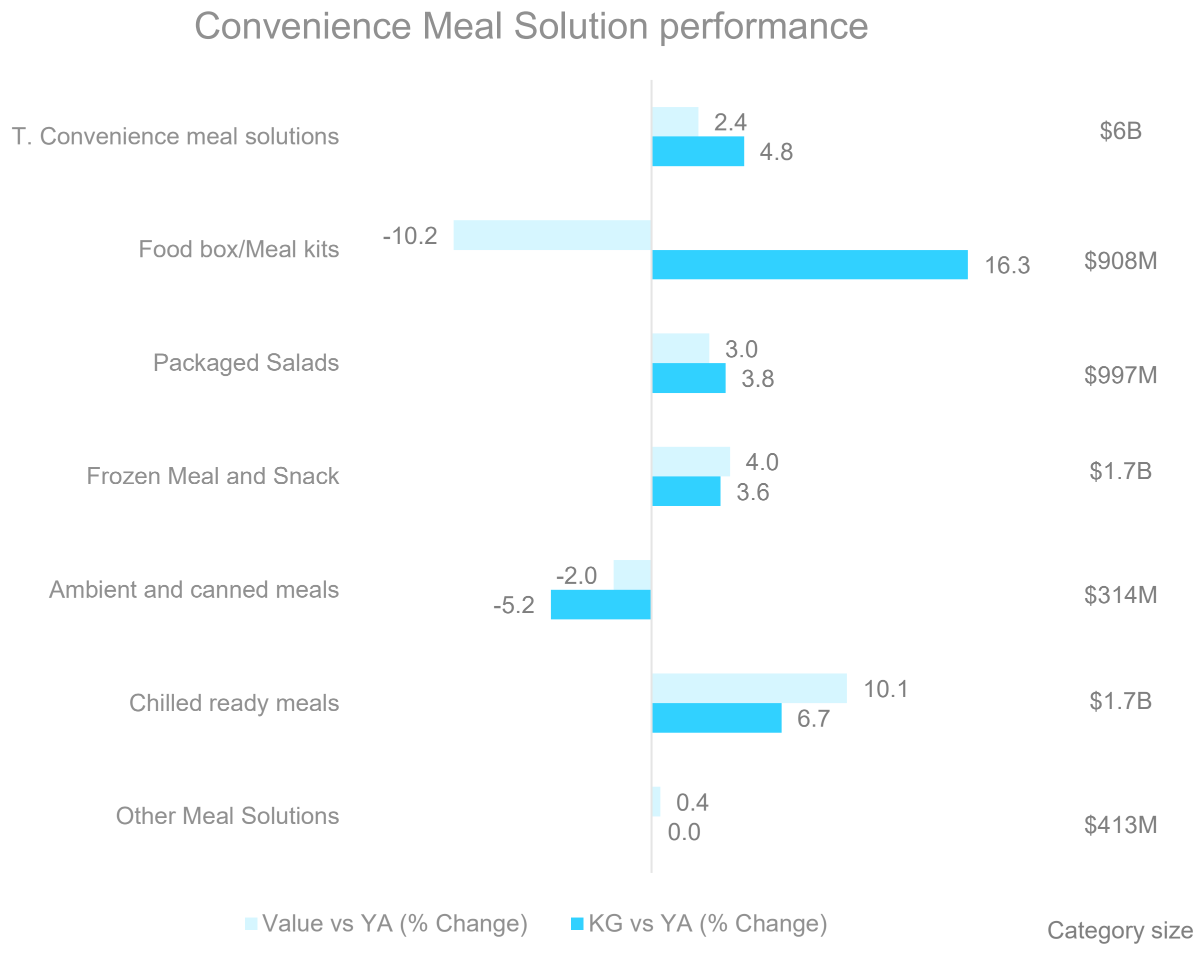
Shifting gains and losses, Value, AUS, MAT to 05/10/2025, relative to T. Meat*





* Due to model limitations "all other" includes ambient canned meals that are other then meat (such as baked beans, canned pasta and rice) as well as canned fish outside of Tuna, Salmon and Sardines

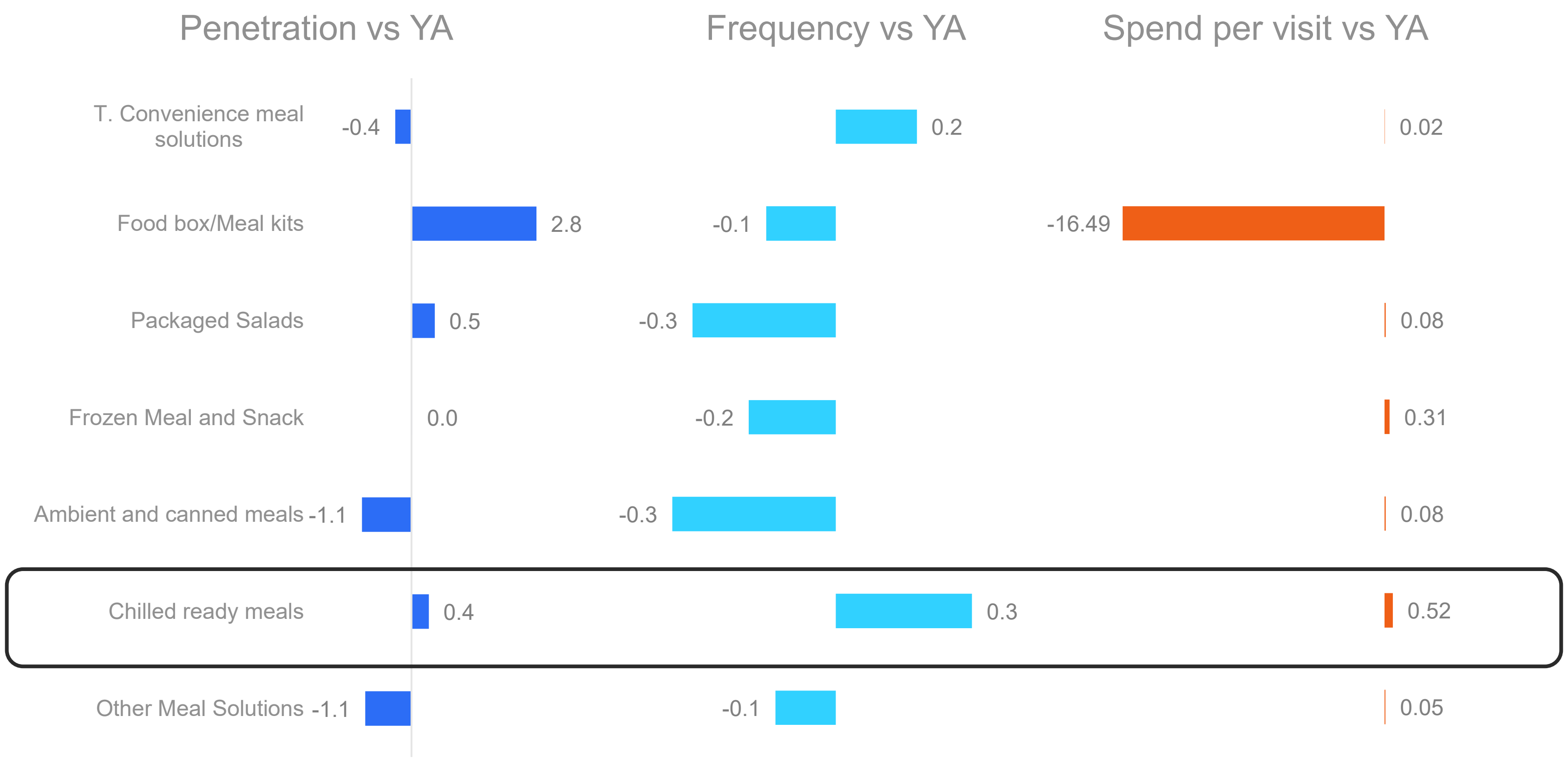
Convenience Meal solution growth is driven by Chilled ready Meals – the only Meal category that gained share this year



Food Box / Meal Kits are highly over-promoted, gaining more buyers and volume, but declining in value and losing share

Chilled Ready Meals grew in all metrics

Packaged salads attracted more buyers, while Frozen Meals & Snacks grew due to higher spend per visit



Source: NIQ Homescan, T. FMCG dataset, AUS, MAT to 05/10/2025. Note: definitions and segmentation might differ from MLA datasets

Ethnic Australians

17%
of buyers
who account for

50%
of Value Growth in Meat

45%
of Value Growth in Convenience Meals

Fresh Meat & Deli driving growth

Convenience still on the rise via Chilled Meals

Ethnic groups play big role on growth

Lamb & Beef Presentation tomorrow

Beef retains value share strength while lamb showing positive signs of value recovery but still slower than other proteins hence share softened

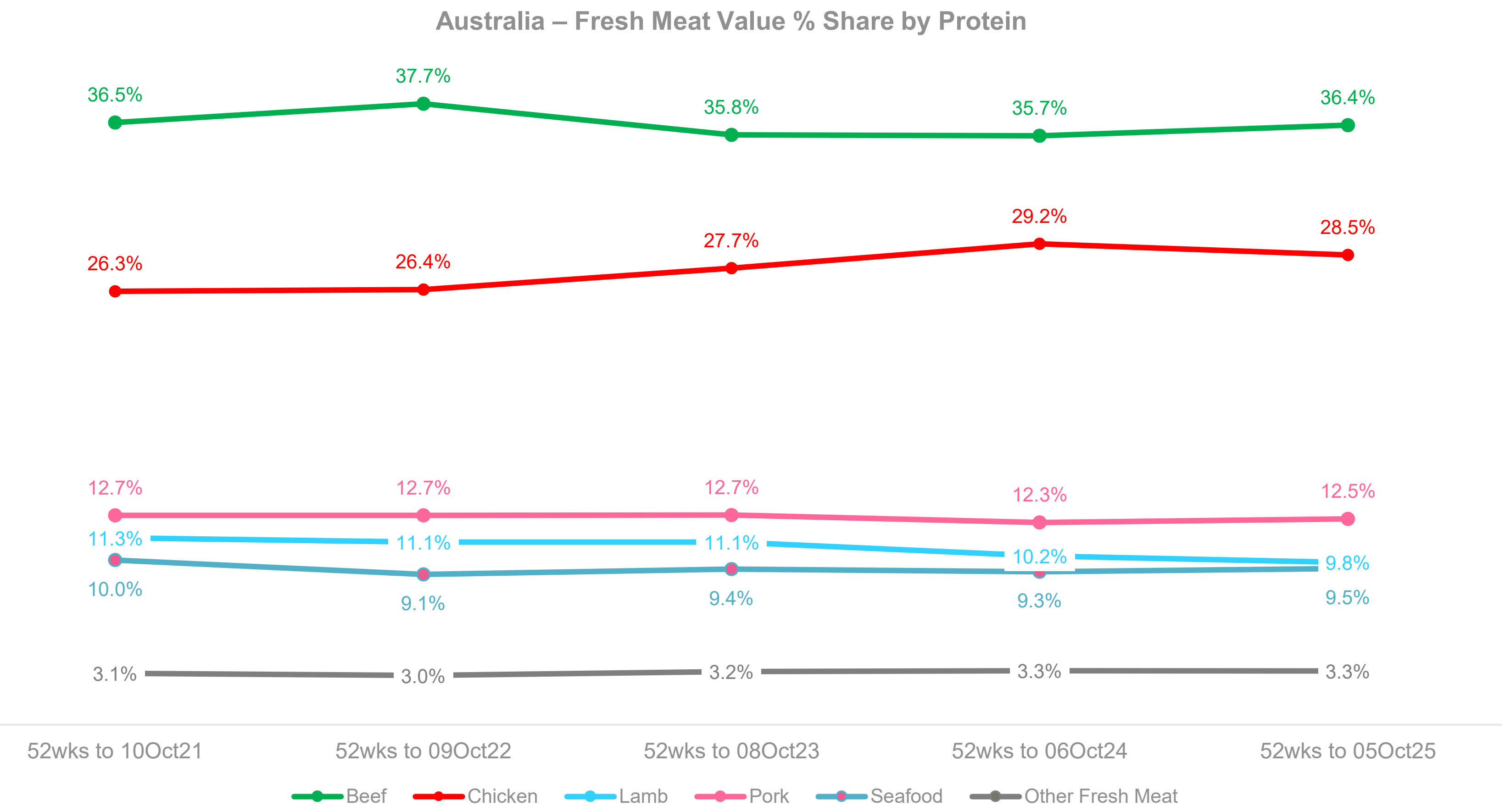
+7.4%
Fresh Meat

+9.3%
Beef

+3.2%
Lamb

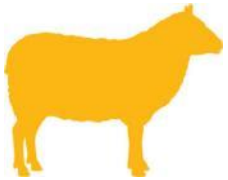
NIQ GfK

% Value vs YA



Source: NielsenIQ Homescan

Value holds up for beef and lamb as consumers still willing to pay more despite the increase in price

	% Aus households buying	How often do they buy	How much kg per trip	Price per kg
	91%	23x Per yr	1.2kg	$17
	70%	8x Per yr	1.1kg	$18

Source: NielsenIQ Homescan 52wks to 05 Oct 2025

Thank you

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