

Fresh Meat Annual Review 2024

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Australia
NielsenIQ

December 2024

Agenda

- **Total Market Performance**
- **FREMAC overview**
- **Channel overview**
- **Competitive Protein Landscape**
- **Beef and Lamb Performance**

Total market performance



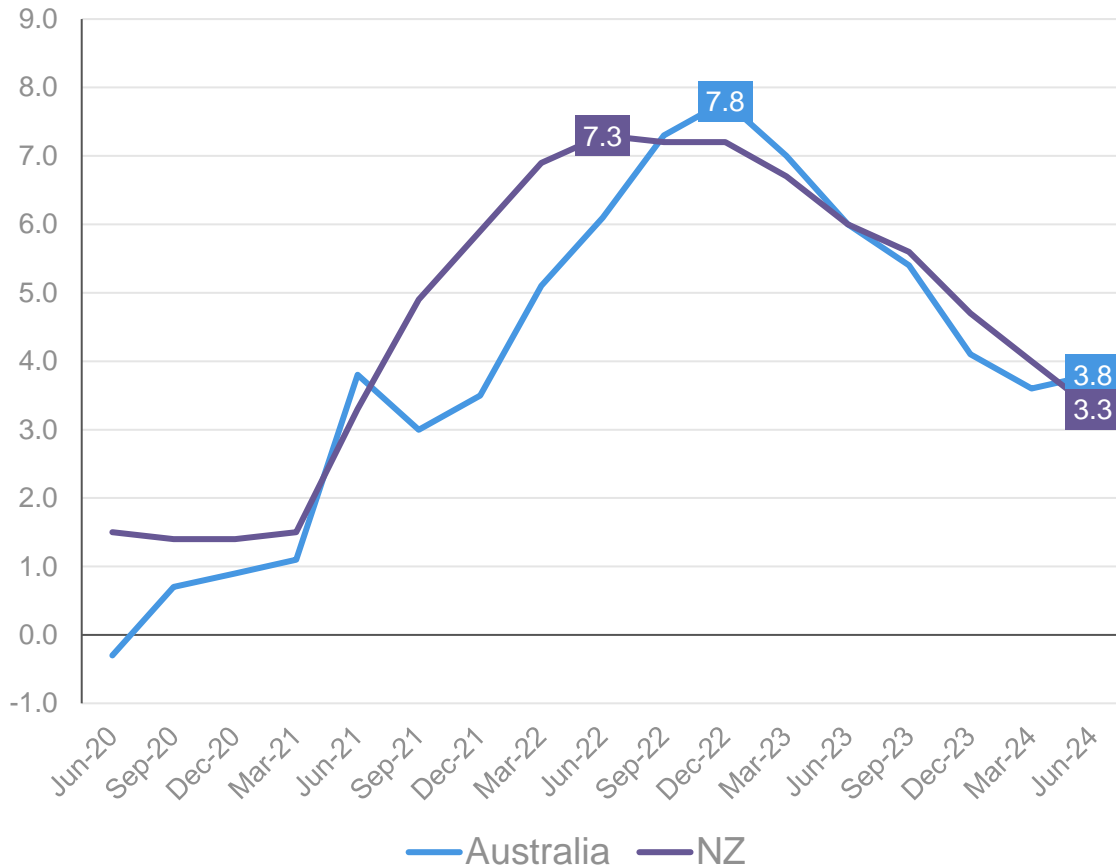
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MEAT & LIVESTOCK AUSTRALIA

Inflation continues to slow down across ANZ, although still above pre-pandemic levels

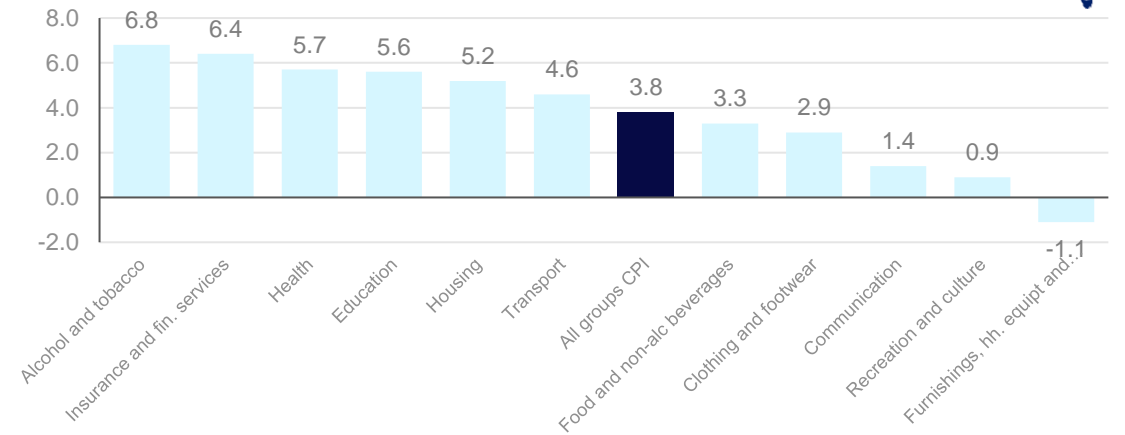
Alcohol/Tobacco and Insurance inflation has been more resilient

CPI Annual Change (%)



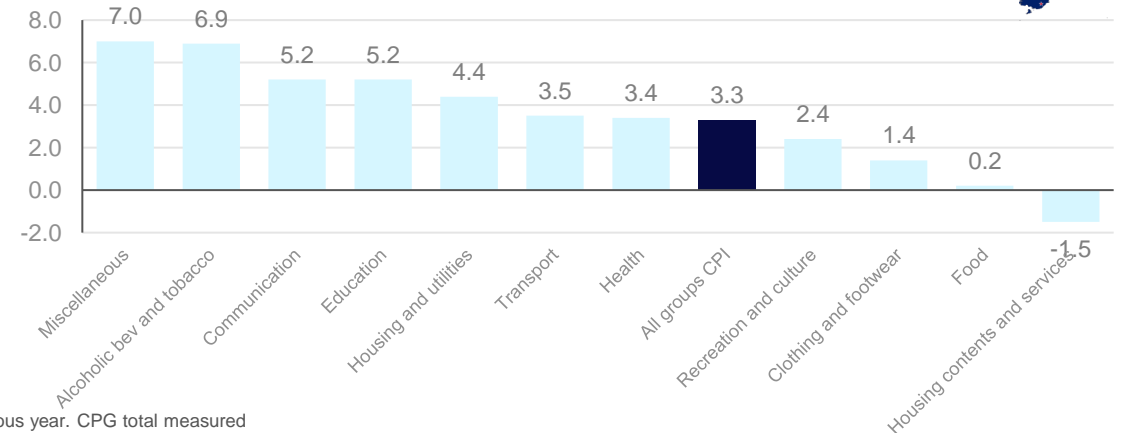
Australia

% CPI Growth QTR Jun 24 vs YA



NZ

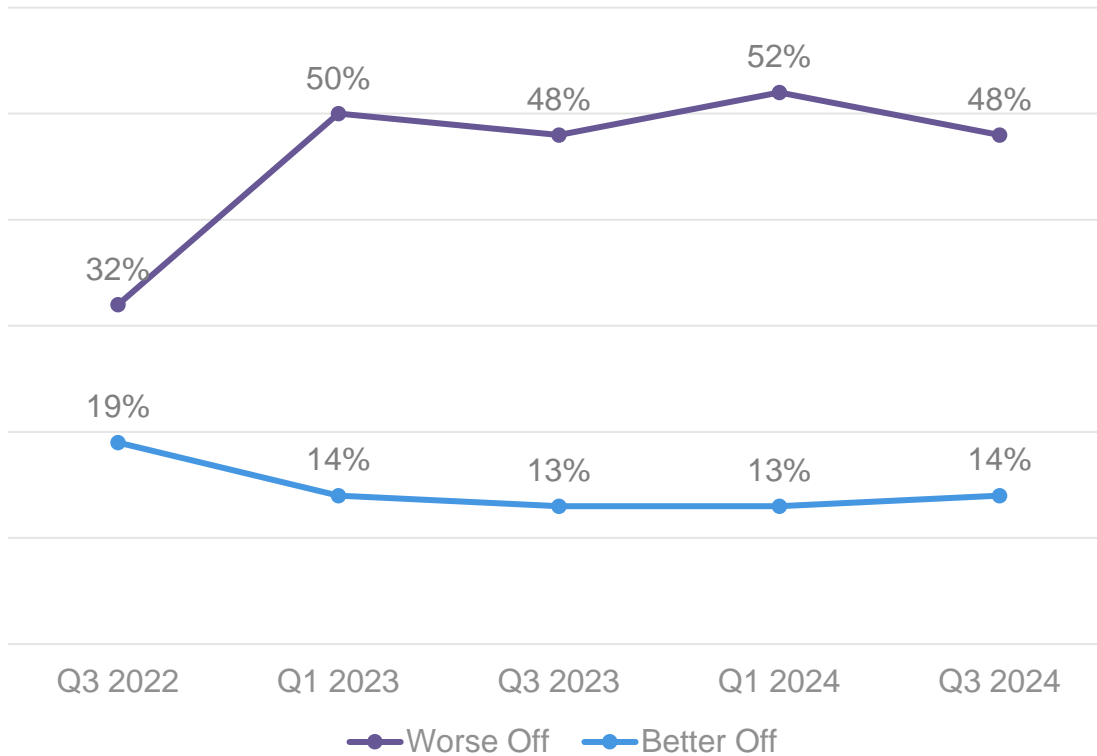
% CPI Growth QTR Jun 24 vs YA



Source: NIQ Global Inflation Tracker, Measure of Eq Vol % Price Change, monthly measure of May 2024 vs. previous year. CPG total measured across a closed group of 225 consistent categories across 58 countries. Reflected in U.S. dollars. ANZ CPI: Australian Bureau of Statistics, Stats NZ

Half of Australians still feel worse off financially, feeling the pinch of increased costs

Consumer financial position. Sentiment year over year (% respondents)



14% of Australian consumers say they're in a **better financial position** compared to a year ago – up **1%** vs. Q1 2024



48% say they're in a **worse financial position** compared to a year ago – down **4%** vs. Q1 2024



Why?

52%

Due to **increased costs**: food prices, utility, interest rates, housing

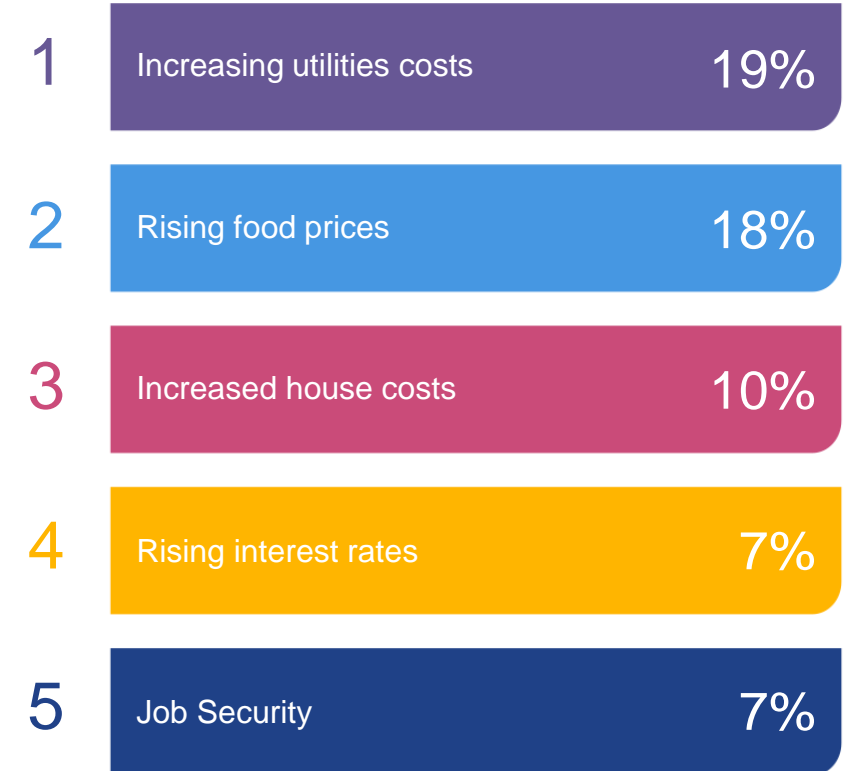
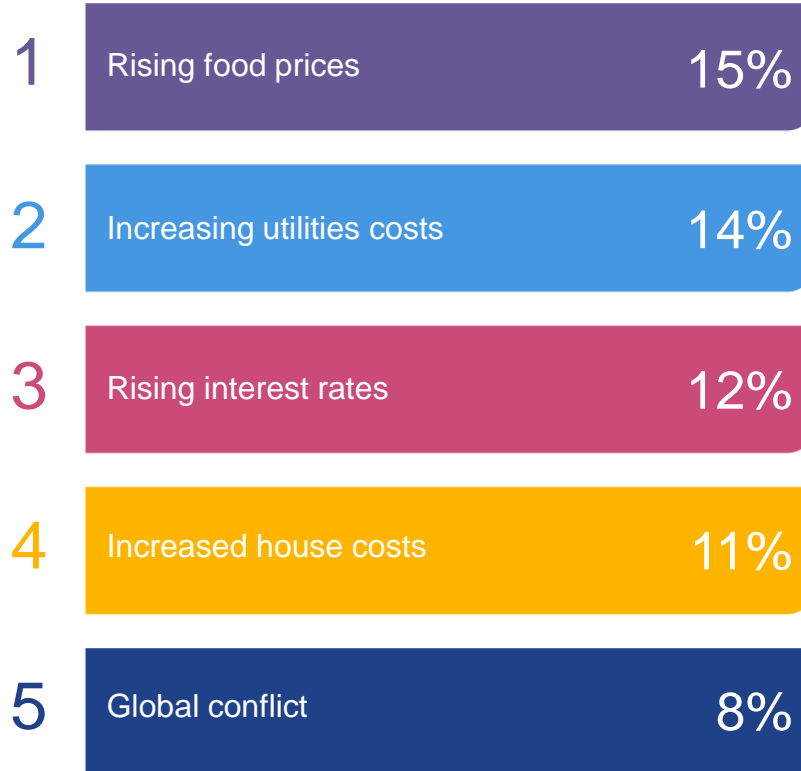
37%

Think we are currently **living in a recession** (vs. 30% in Q1 2024)

25%

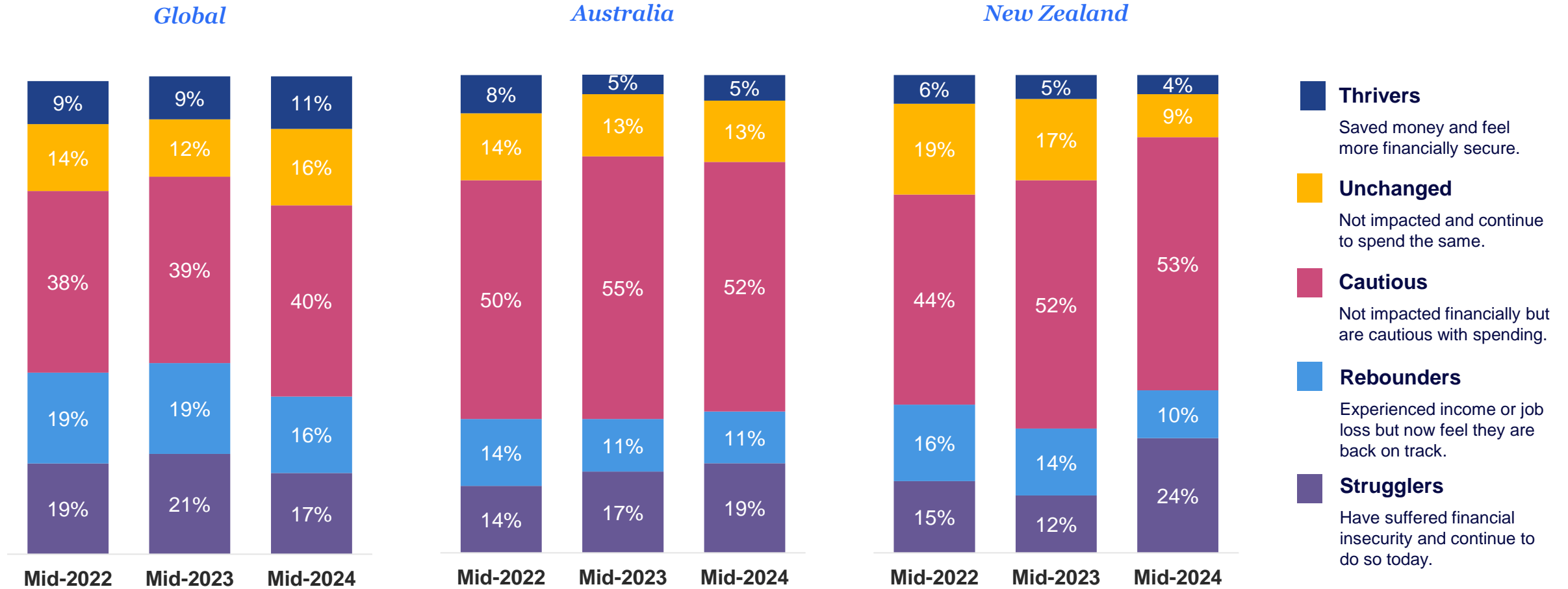
Expect to be in a **recession for the next 12 months** (vs. 22% in Q1 2024)

Top concerns in both Australia and New Zealand are still related to higher cost of living



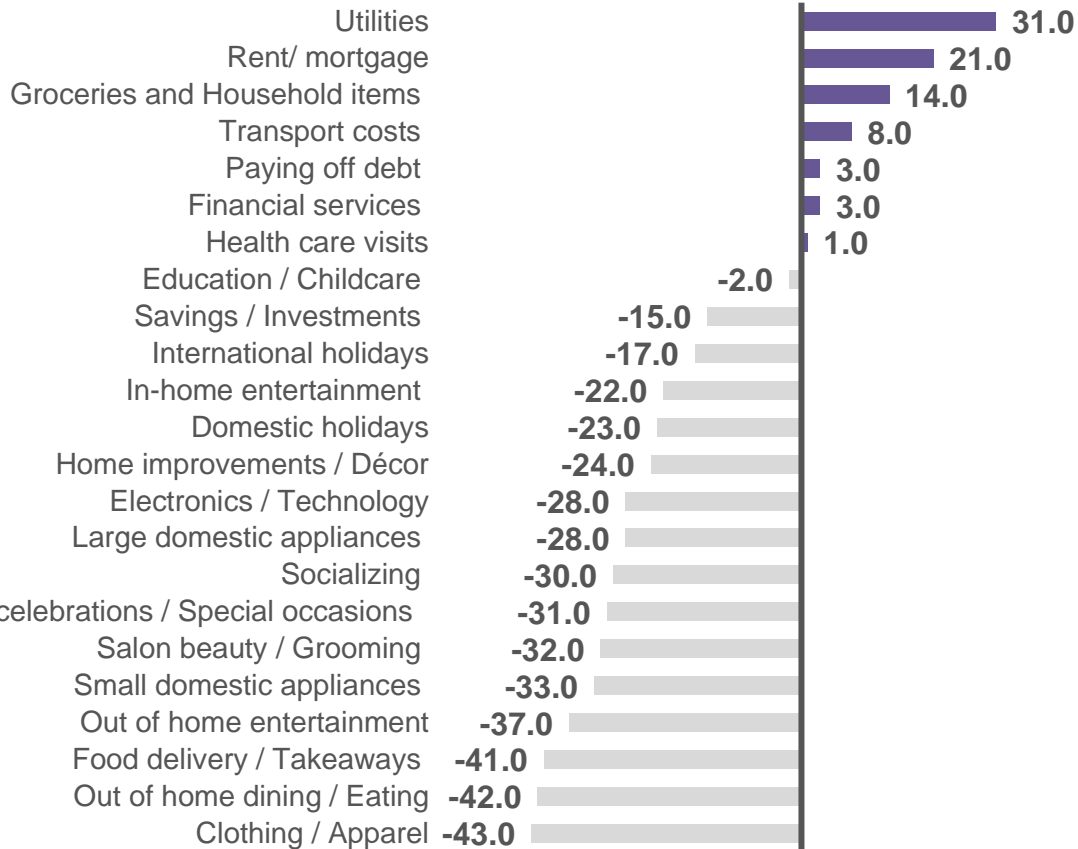
The 2024 economic divide

Most consumers in ANZ are 'Cautious' with their spending, and 'Strugglers' are on the rise

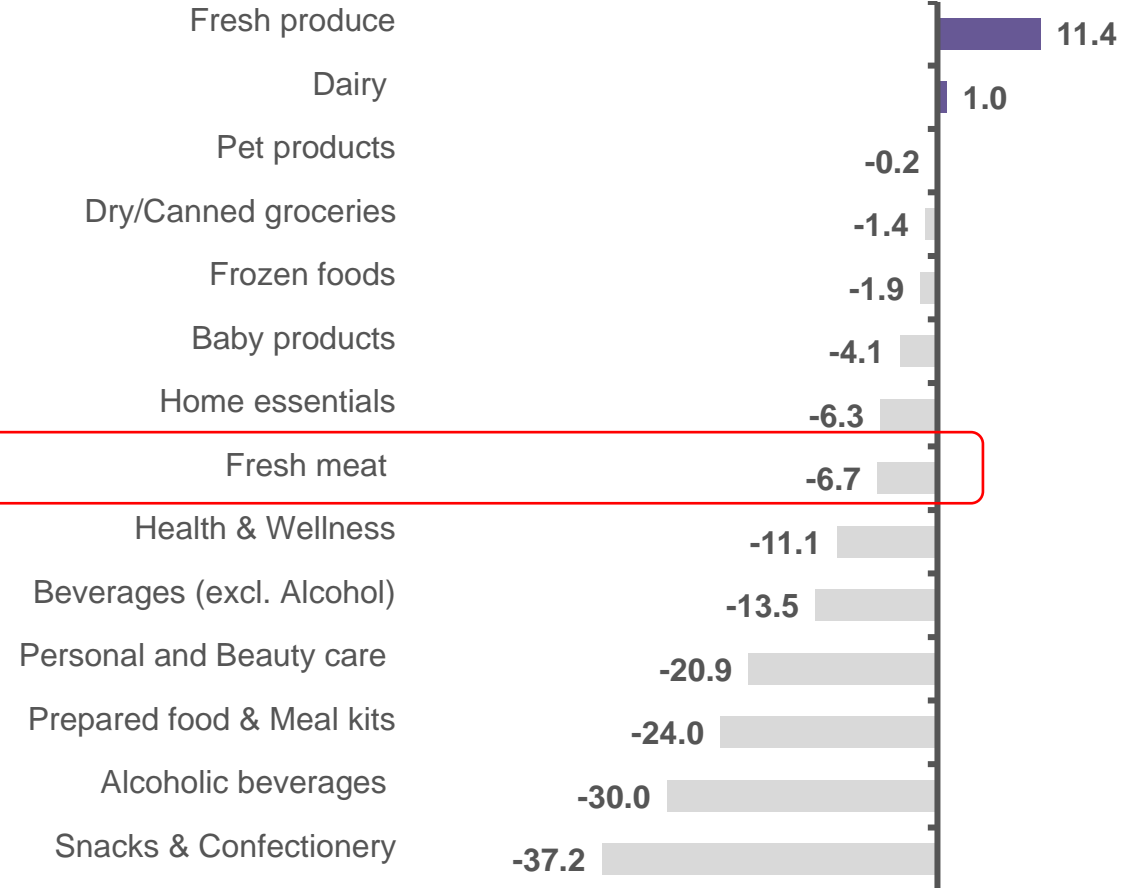


As essentials cost of living gets higher, discretionary spending is still scrutinized while FMCG tends to be more protected. Within FMCG, some categories face stronger headwinds than others

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



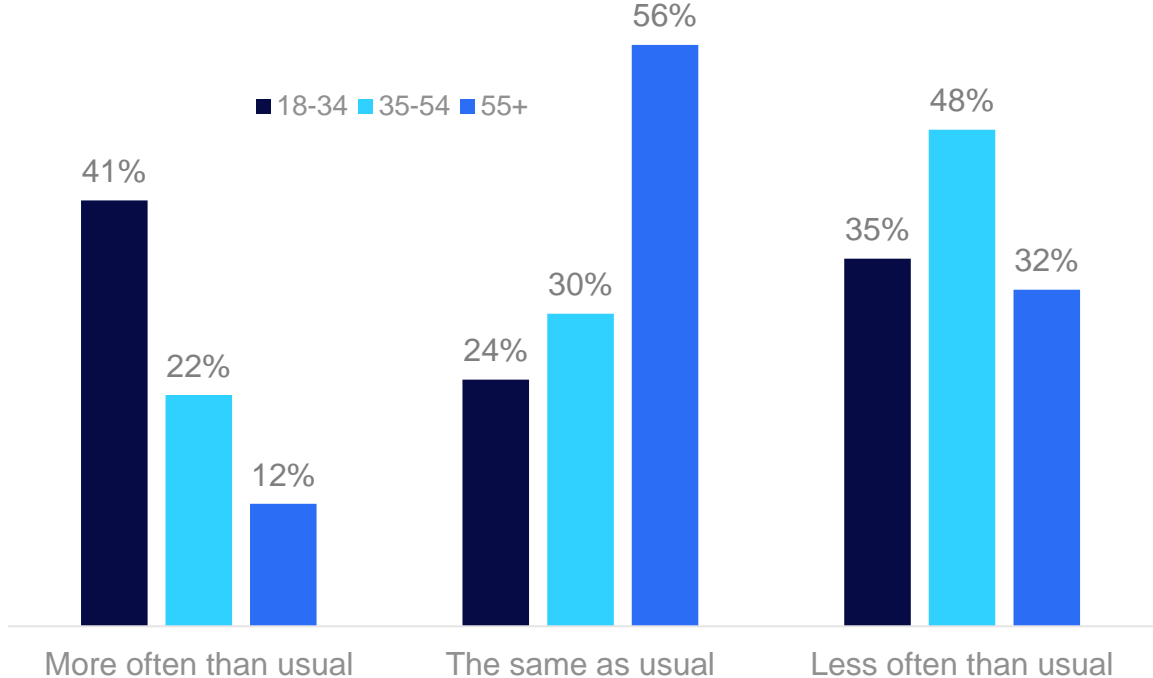
Spending intentions for the next 12 months
Net change in spending (pt. change)



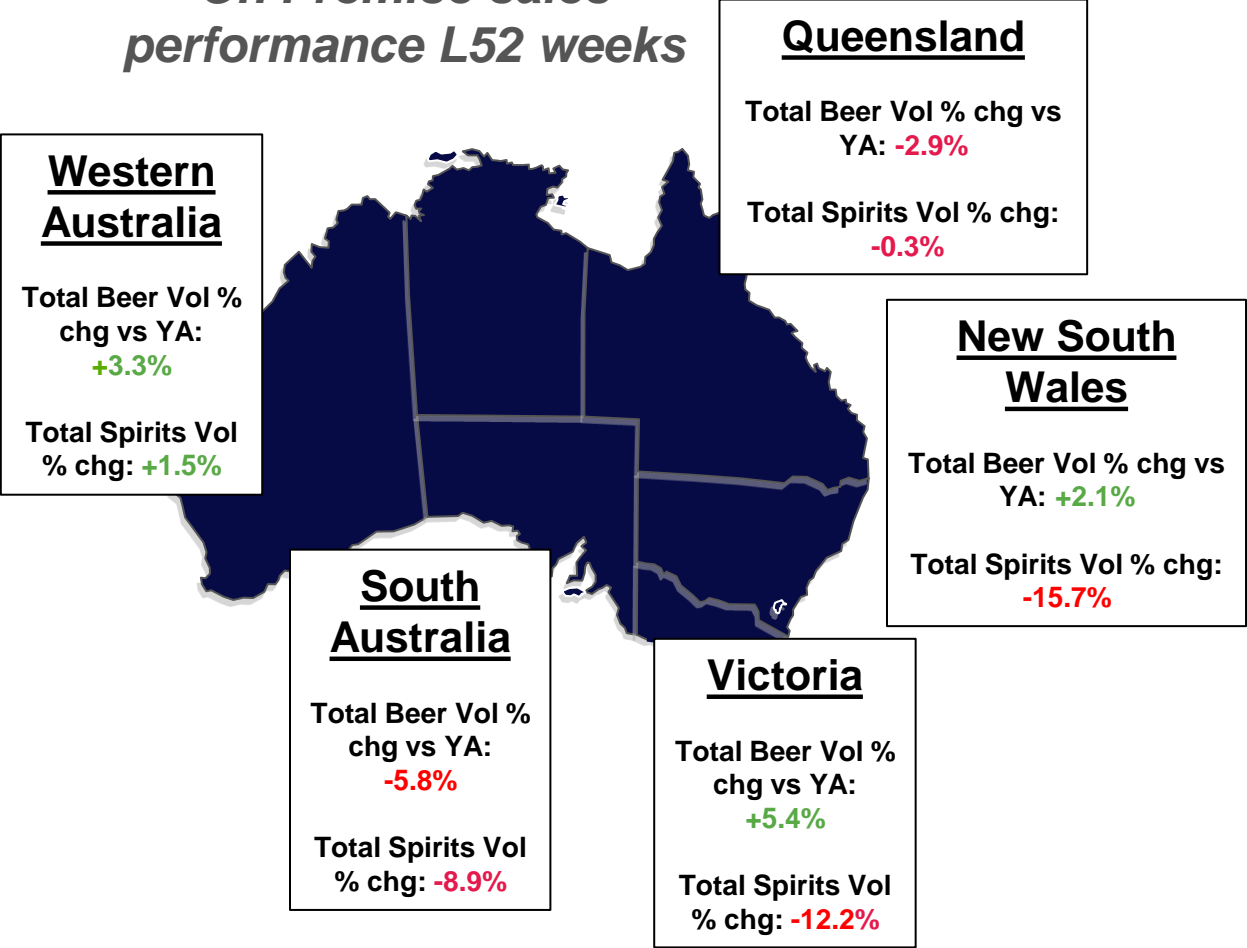
Although consumers are going out less often, on-premise visits are more resilient among young generations, while middle-aged consumers reduce out of home trips

Beer shows more resilience, as the value-for-money alternative at Bars & Restaurants

Change in number of visits per month to the On Premise channel

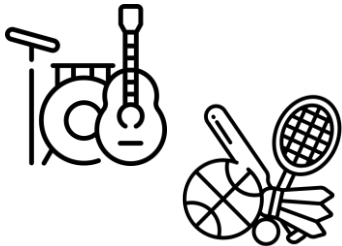


On Premise sales performance L52 weeks



Out-of-home consumers are prioritising experiences and events over casual occasions

Share of total On Premise occasions vs YA



Events & special occasions

39%

+6pp vs YA



Food-led occasions

33%

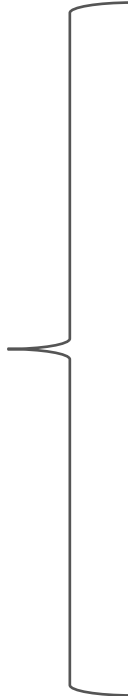
-4pp vs YA



Drink-led occasions

29%

-2pp vs YA

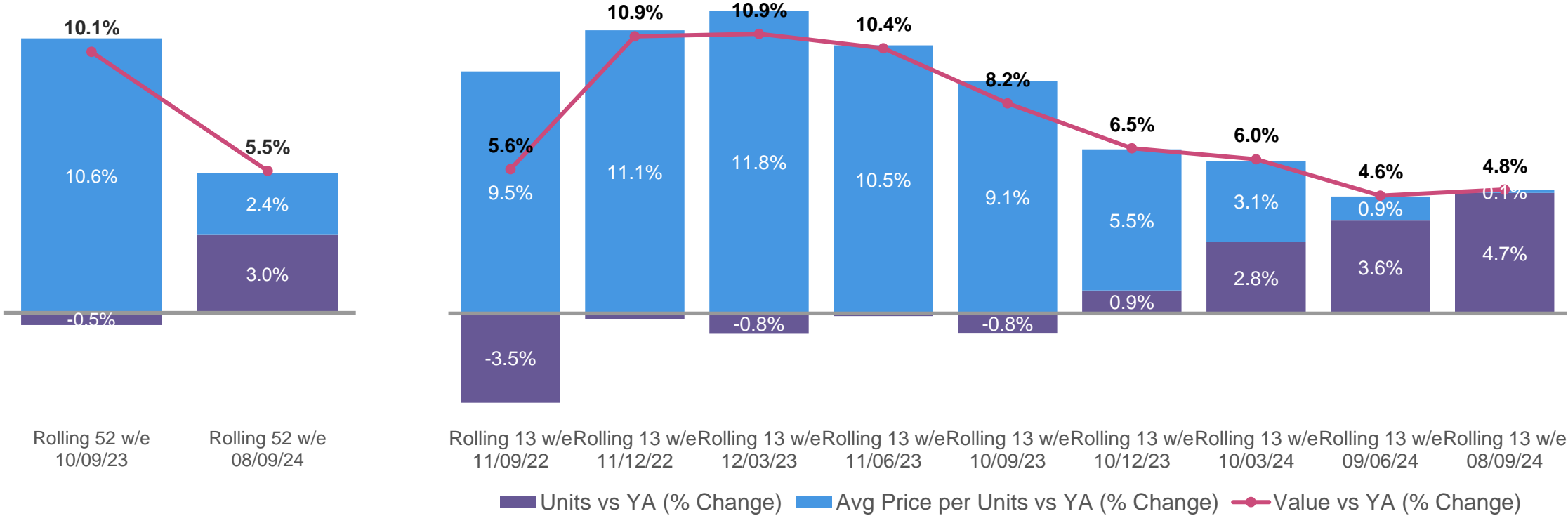


- Top 4 occasions gaining most share vs YA
- To watch live sport on television
- Before/during/after watching live sport in a stadium
- Special occasion (e.g. birthday, anniversary)
- Themed event



In this context, grocery unit sales recover as Price per Unit decelerates compared to last year

Total FMCG growth vs YA
Units, Price per Unit and Value Sales



Source: NIQ Homescan | All FMCG categories, excluding Liquor, Tobacco, and Fresh categories | Latest 2 MATs + quarters trend | Total Australia | Toal Panel

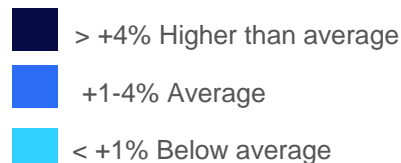
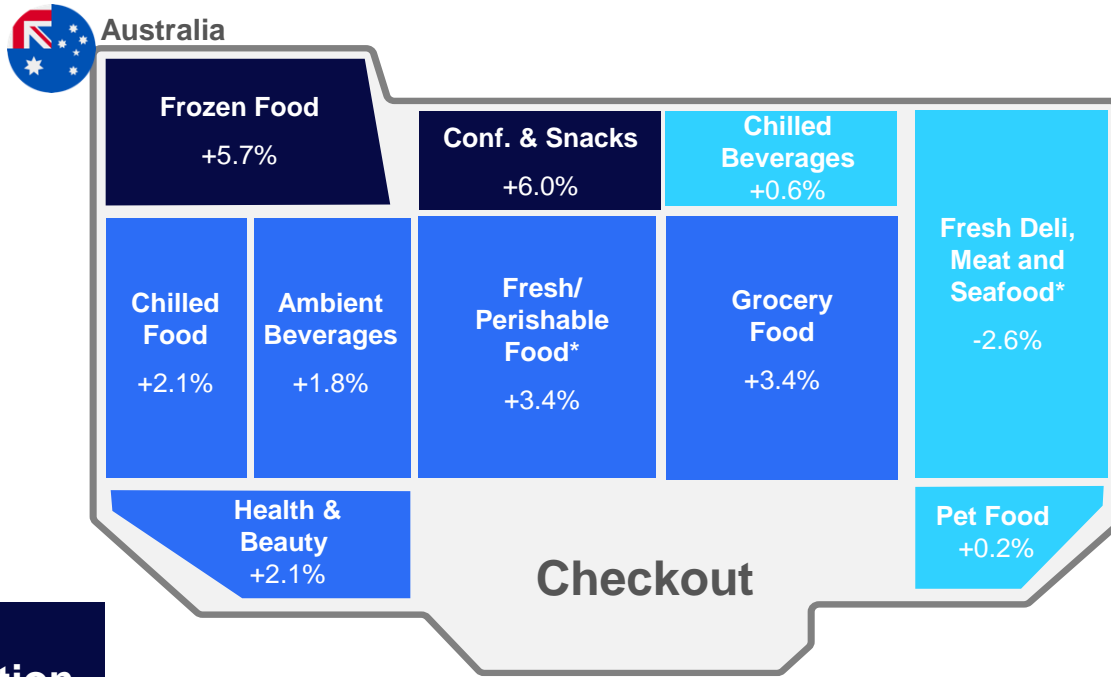
Rising prices are still plaguing several key departments

Snacks face consistent inflation in both Australia and NZ

Department *inflation* heat map

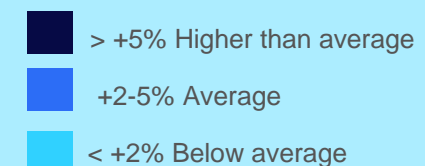
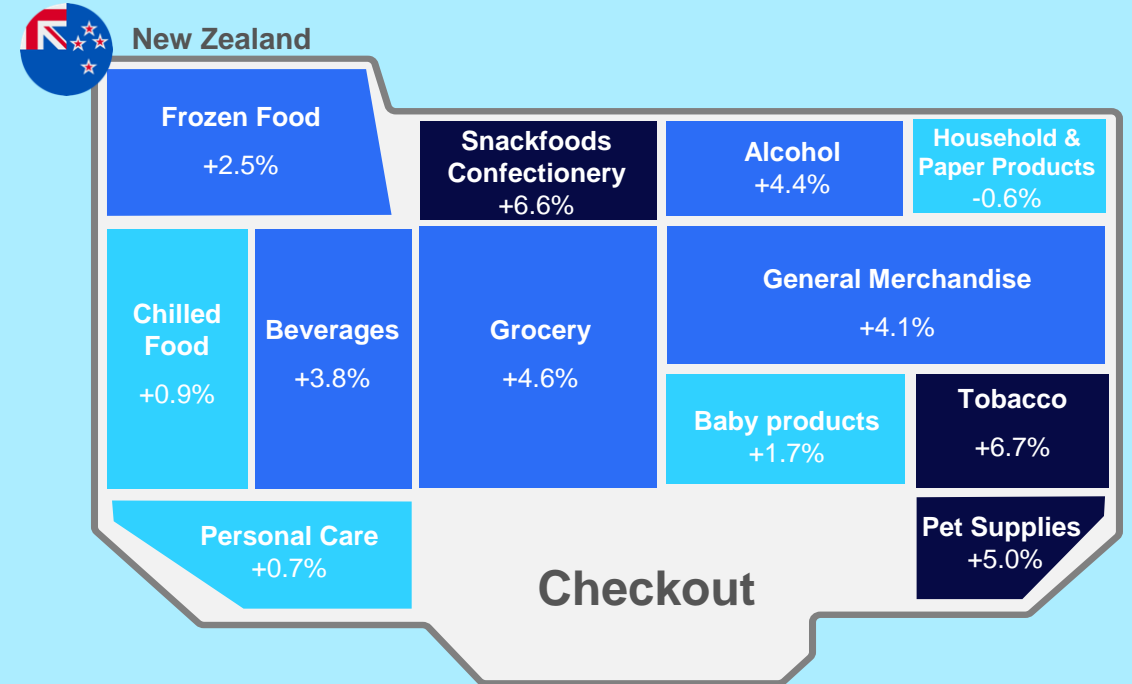
Price per Unit % change

Total FMCG ex Fresh: +2.4%



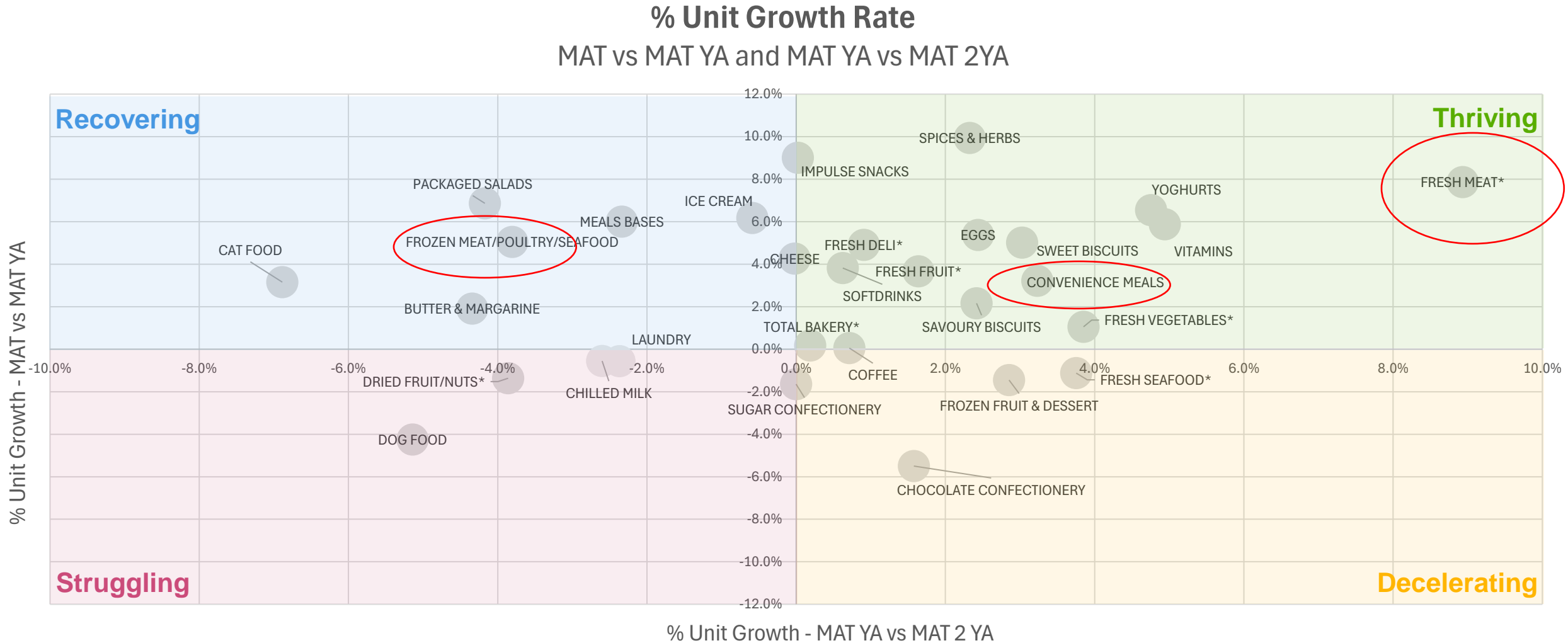
Price per Unit % change

Total FMCG ex Fresh: +2.6%



Inflation Heat Map

Performance of categories related to in-home eating contribute with FMCG growth recovery



Catalysts to 2025 change

Emerging factors faced by key verticals across industries.

Trends to Watch



Immigration

The ethnic profile of consumers are changing as immigration recovers post-covid, bringing risks and opportunities to FMCG products



GLP-1 Ripple Effect

Assessing the expansive lifestyle and socioeconomic impacts of these popular medications.

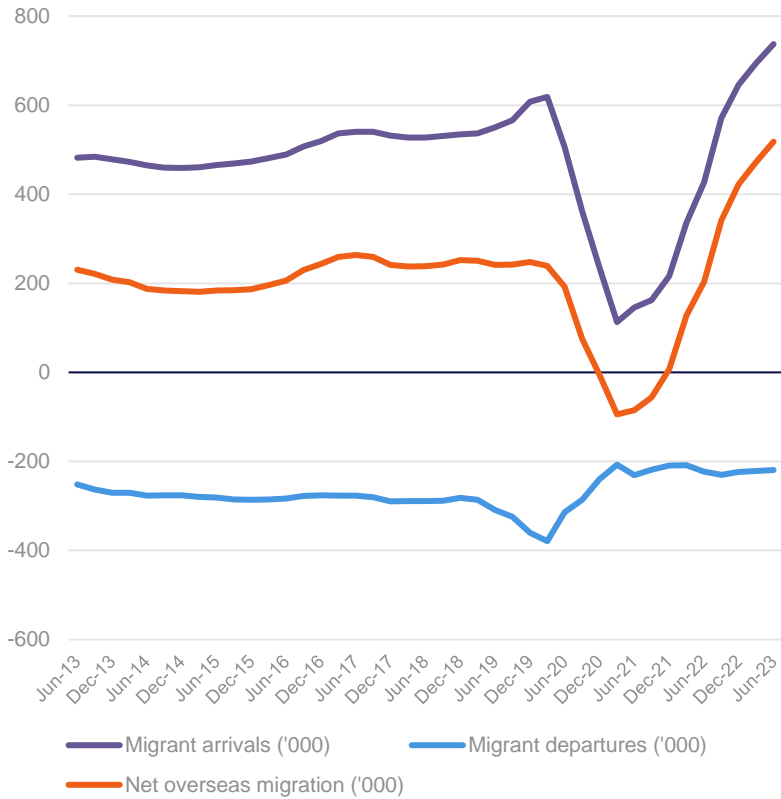


Hot Commodity Costs

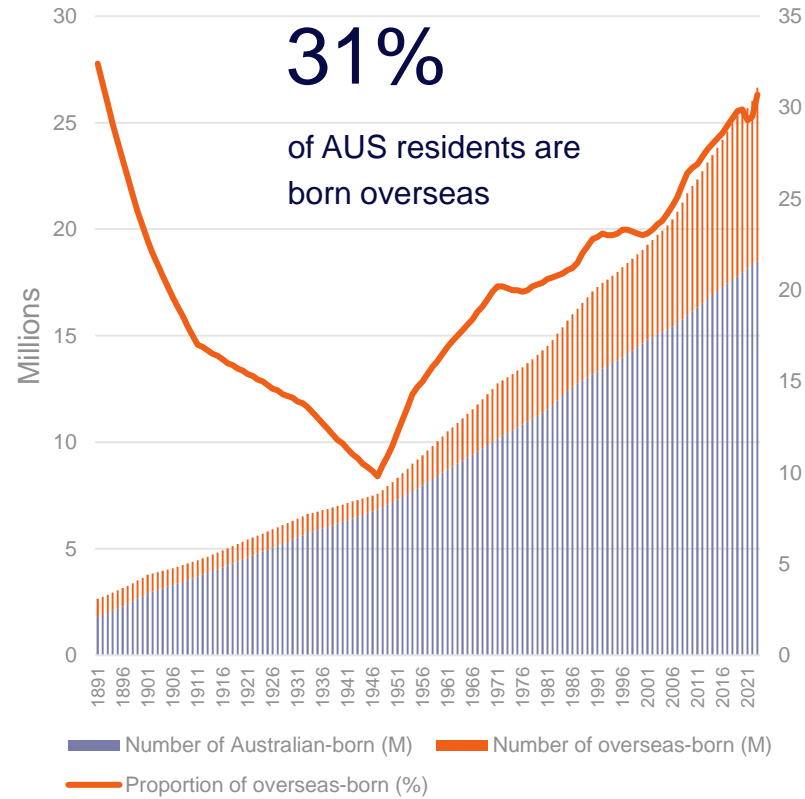
Analyzing the latest hot and cool commodity prices against measured consumer impact.

Migration recovering post COVID. 31% of the AUS population was born overseas, with India & China the fastest growing countries.

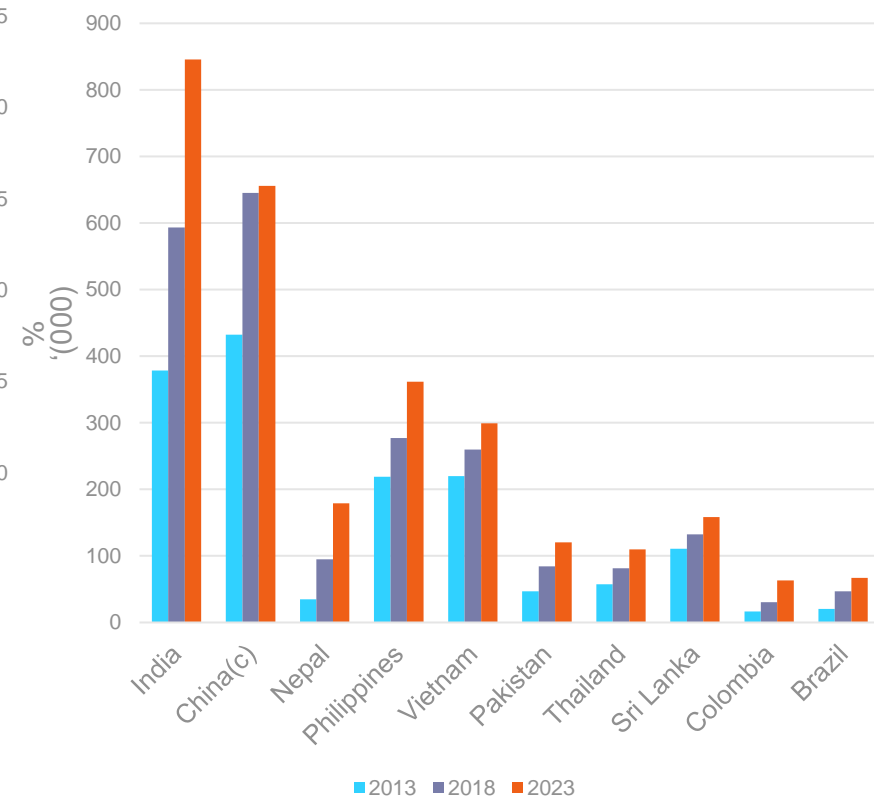
Overseas Migration



Estimated resident population, proportion born overseas

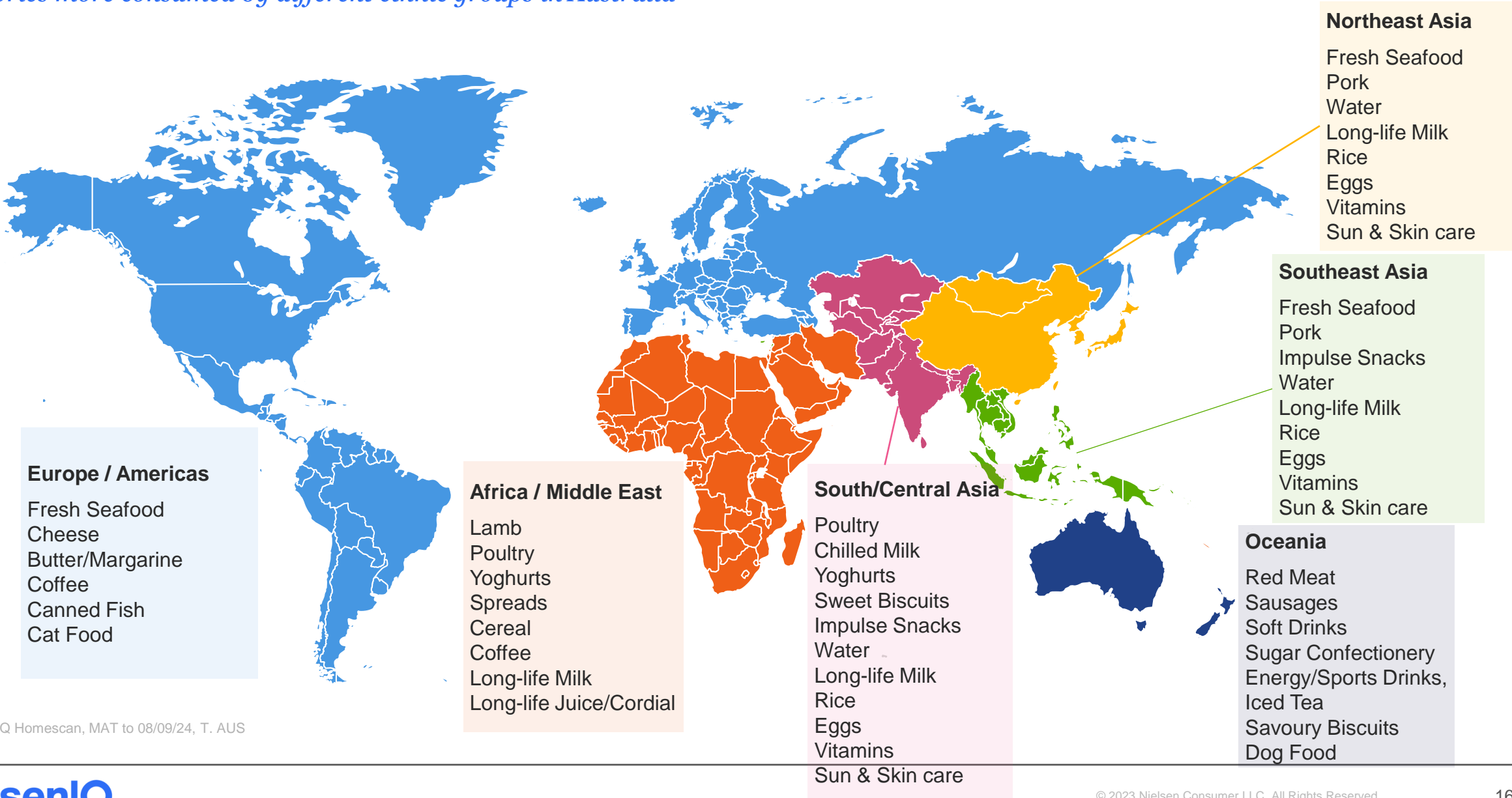


Estimated resident population by country of birth, largest increases since 2013



Opportunity exists to adapt to changing consumer landscape by offering the right products

Categories more consumed by different ethnic groups in Australia



Sources: NIQ Homescan, MAT to 08/09/24, T. AUS

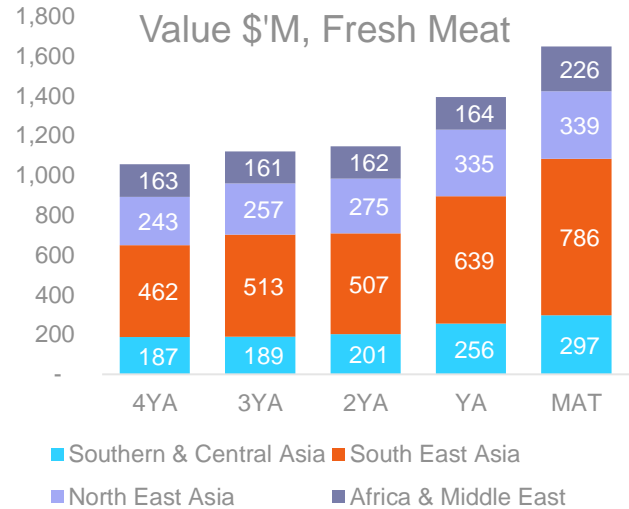
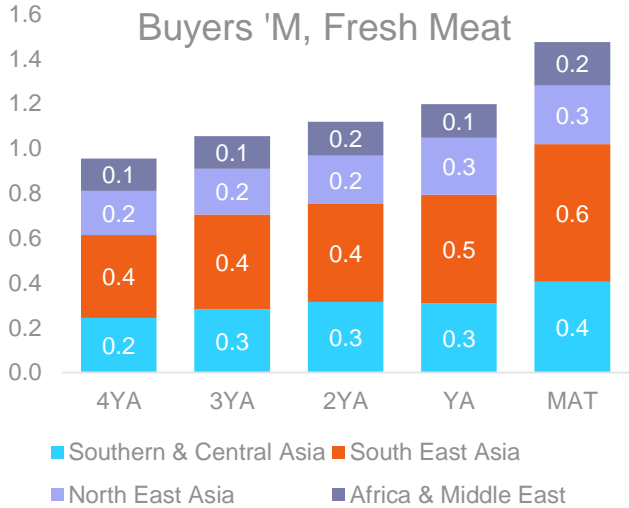
Immigration changes have high impact on Fresh Meat category

Ethnic Landscape Change in Fresh Meat category in the last 5 years



Ethnic HH's*
In Fresh Meat

Buyer Share	9.6%	▶▶▶	14.3%
Value Share	10.4%	▶▶▶	14.2%
Contribution to \$ growth		▶▶▶	40.2%



Source: NIQ Homescan, AUS, MAT to 03/11/2024

* Four Ethnic groups combined: SC Asia, NE & SE Asia, Afr & Middle East

FREMAC

Fresh Meat and Adjacent categories

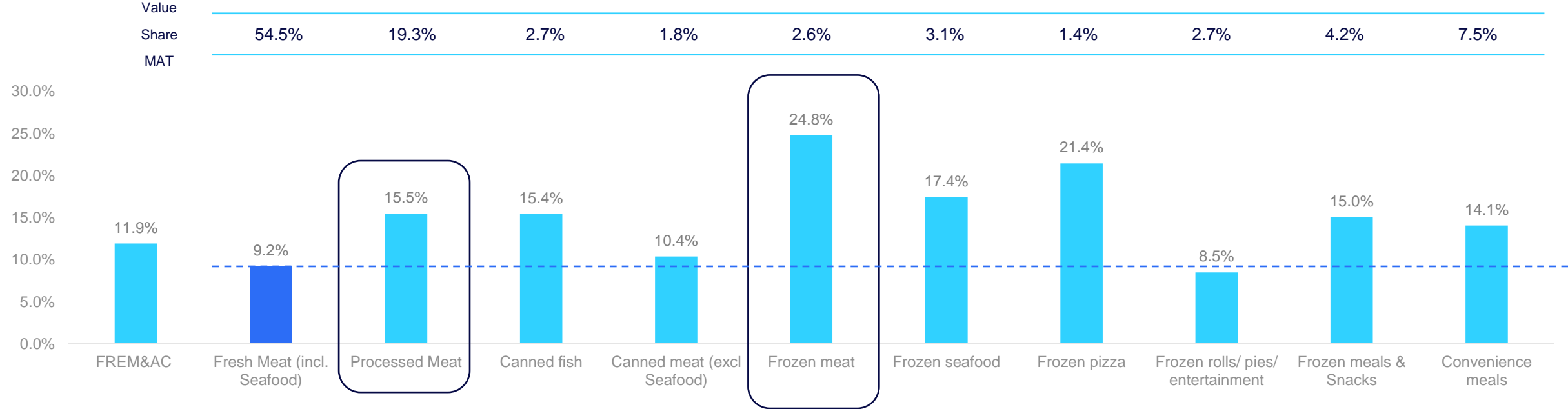
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Most of Adjacent categories are growing faster than meat in the last 2 years with Frozen Meat taking the lead

FREMAC growth is driven by higher frequency across all categories as well as increased prices in adjacent categories

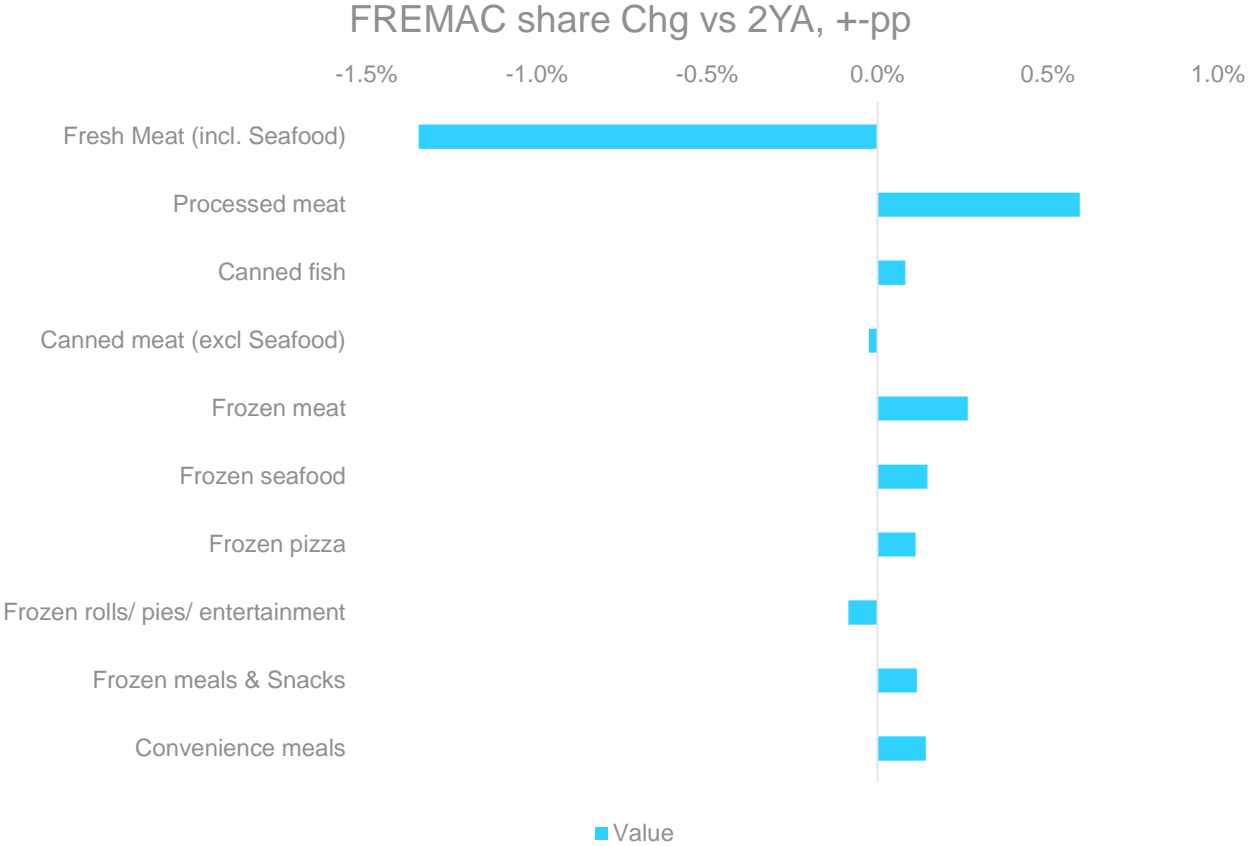
Total AUS | FREM&AC | Value Growth vs 2YA | MAT to 08/09/2024 vs 2YA



Source: NIQ Homescan, AUS, MAT to 08/09/2024

Processed meat & Frozen meat have gained most value share in the last two years in expense of Fresh meat

Processed meat value growth is driven by NonSupermarkets Brick and Mortar while Frozen meat growth driven by Supermarkets Online

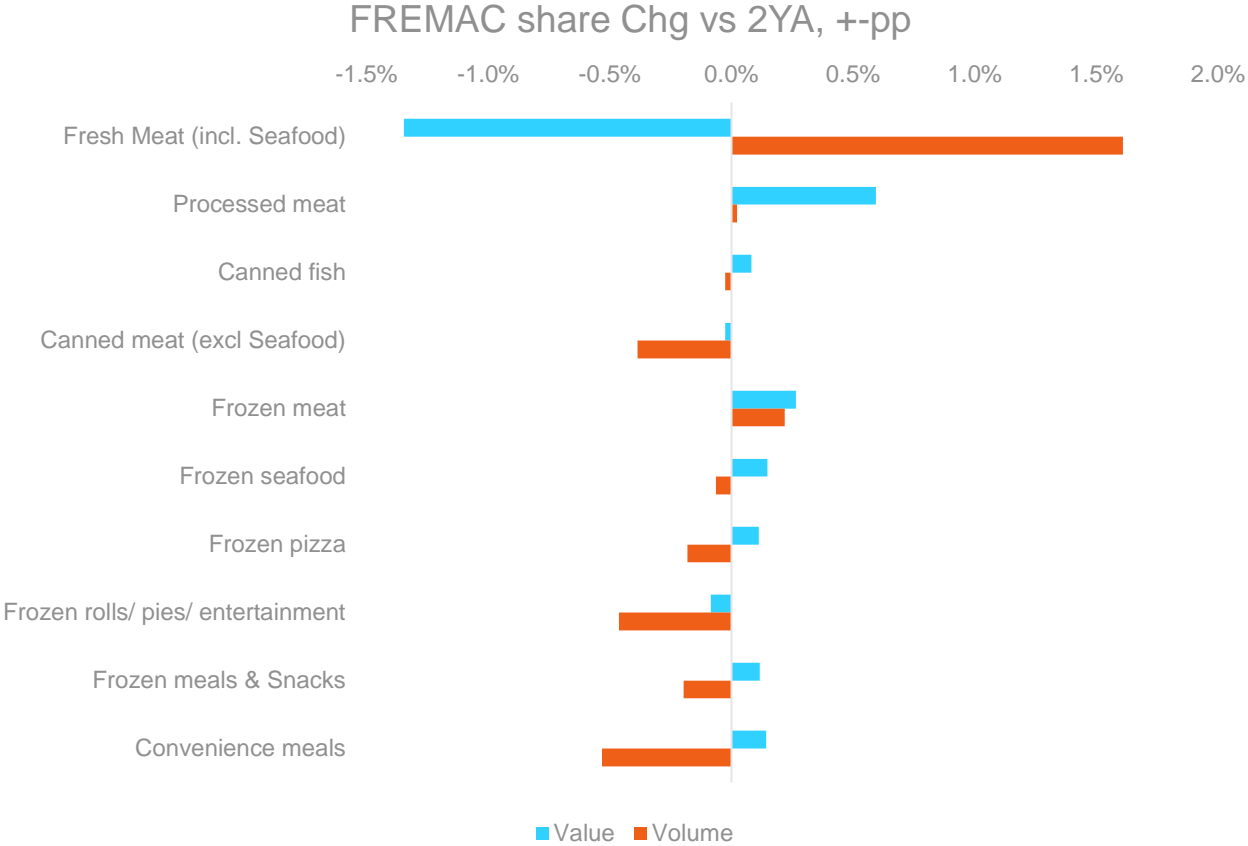


Note: \$ Share change differs by Affluence:
 High Affluence HHs are shifting more to Convenience Meals as well as Frozen meat and Seafood
 While Lower Affluence HHs increased share for Processed Meat and Frozen meals & snacks

Source: NIQ Homescan, AUS, MAT to 08/09/2024

Processed meat & Frozen meat have gained most value share in the last two years in expense of Fresh meat. However, Fresh Meat is doing well in Volume with +1.6% share gains vs 2YA

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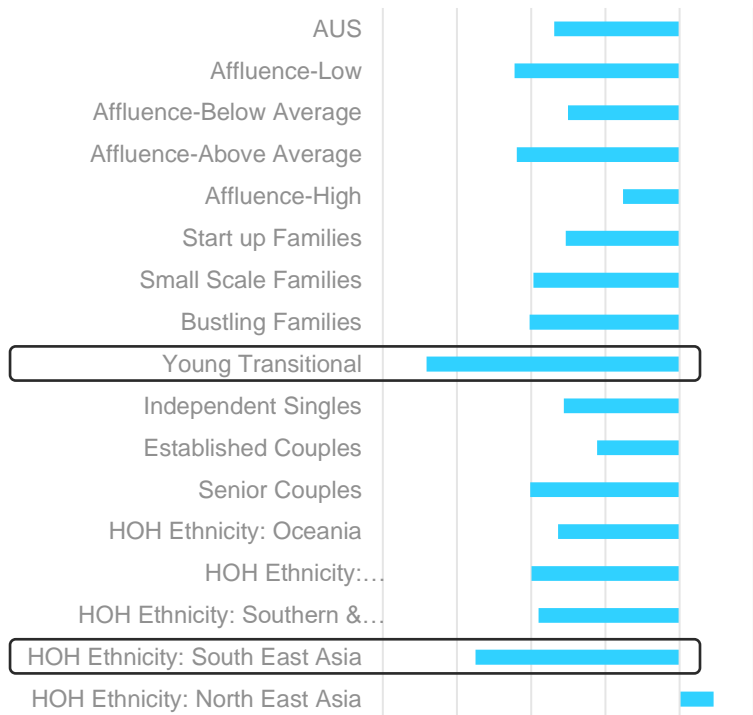
Source: NIQ Homescan, AUS, MAT to 08/09/2024

Consumer Switching is not a threat for Fresh Meat. Growth is driven by higher spend from retained buyers with only a fraction of value switching to adjacent categories

That small switching value that we observe is more likely to go to Frozen categories

Switching Total, Value

-2.0% -1.5% -1.0% -0.5% 0.0% 0.5%



All Frozen FREMAC Categories

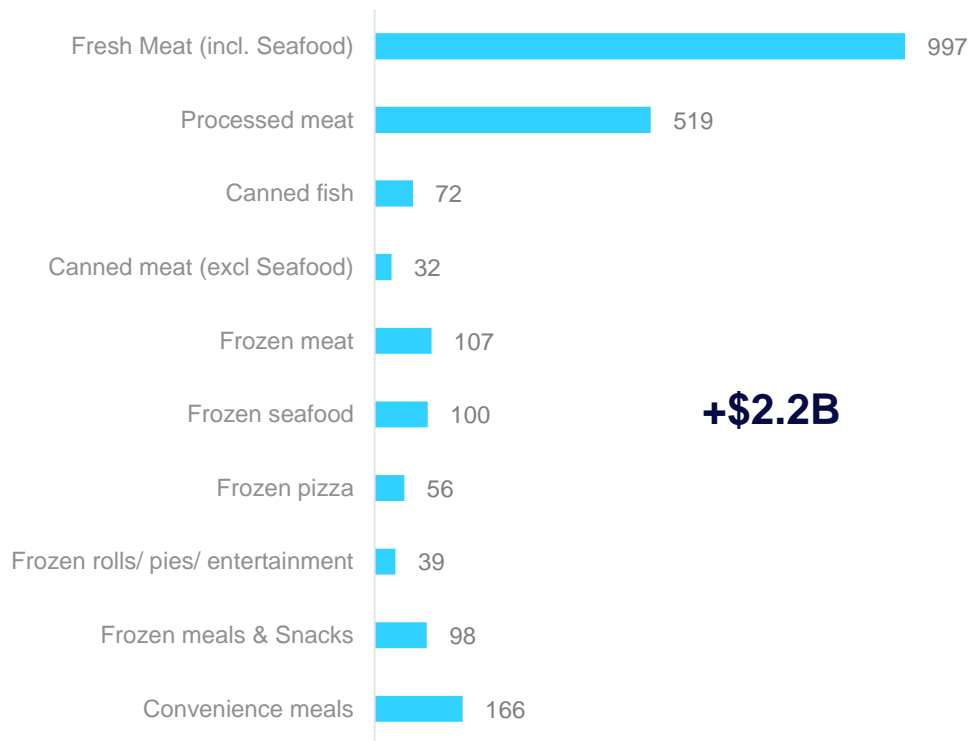


Frozen Meat, Seafood and Entertainment
Canned Meat (excl. seafood)

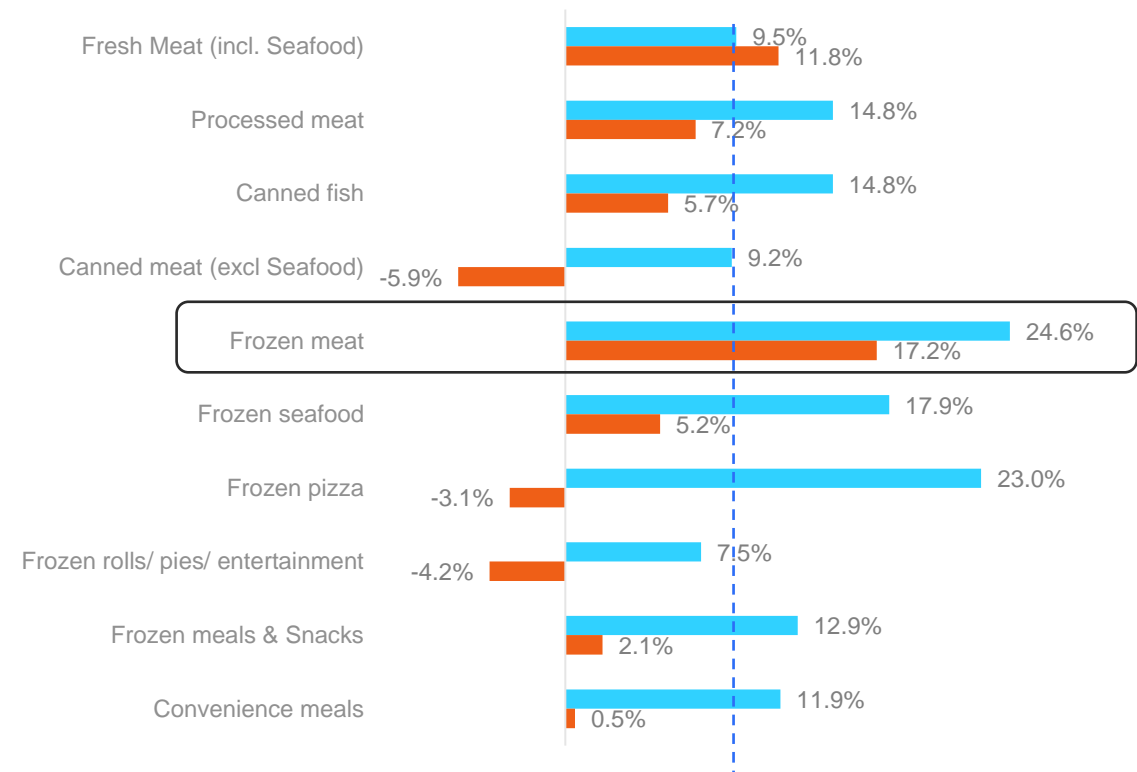
Source: NIQ Homescan, AUS, MAT to 08/09/2024

Due to higher prices households are needing to spend more on adjacent categories. However, Frozen meat is growing ahead in volume showing the trend is not just about price

Fresh Meat buyer spend on FREMAC, AUS
Growth \$'M vs 2YA



Fresh Meat buyer spend on FREMAC, AUS
Growth in % vs 2YA

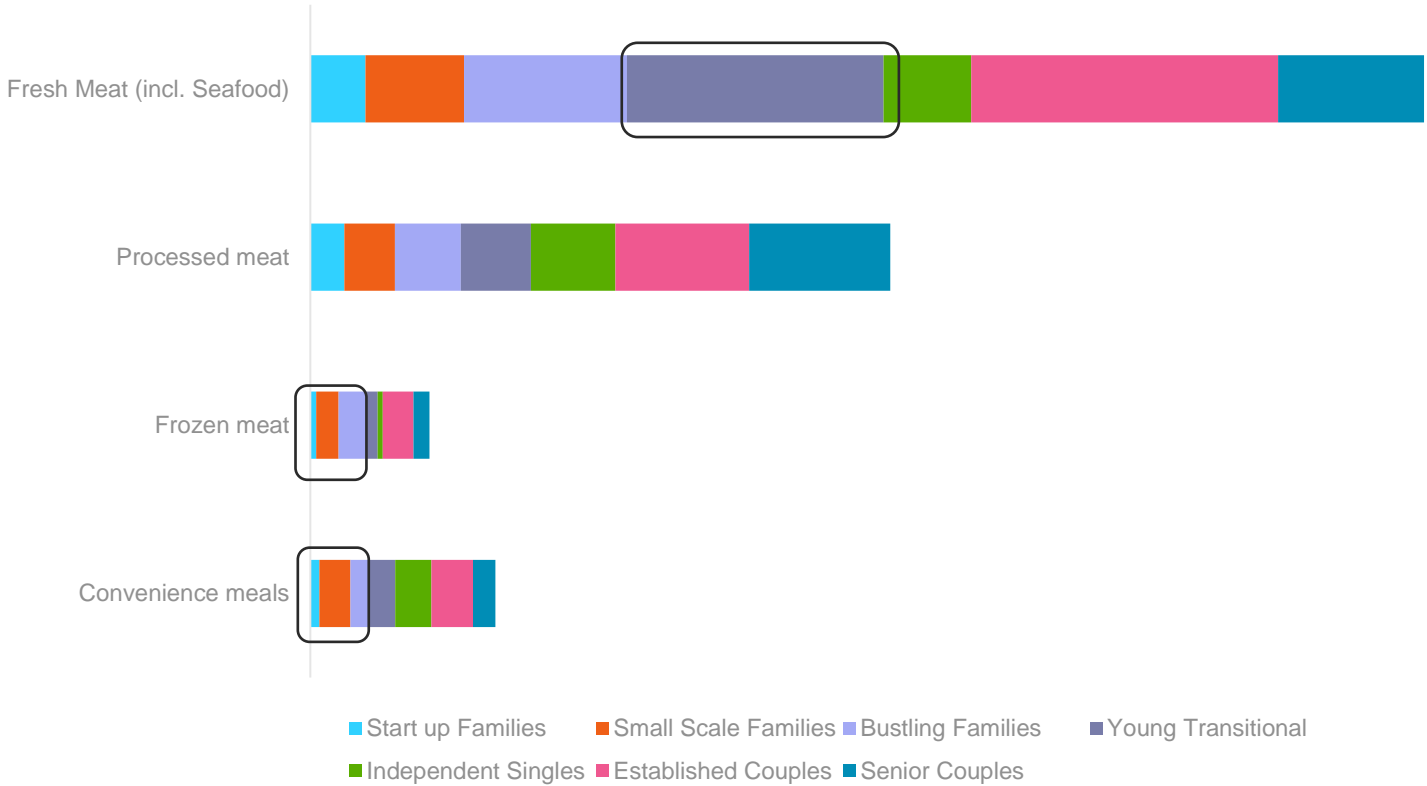


Source: NIQ Homescan, AUS, MAT to 03/11/2024

While most of FREMAC categories rely heavily on larger older demographic groups for growth, Fresh meat saw significant uplift coming from Youngest shoppers

Families also play big role in Fresh Meat, Frozen Meat and Convenience Meal growth

Fresh Meat buyer spend chg vs 2YA, \$'M



Low and Below average affluence HHs are driving long term FREMAC growth*

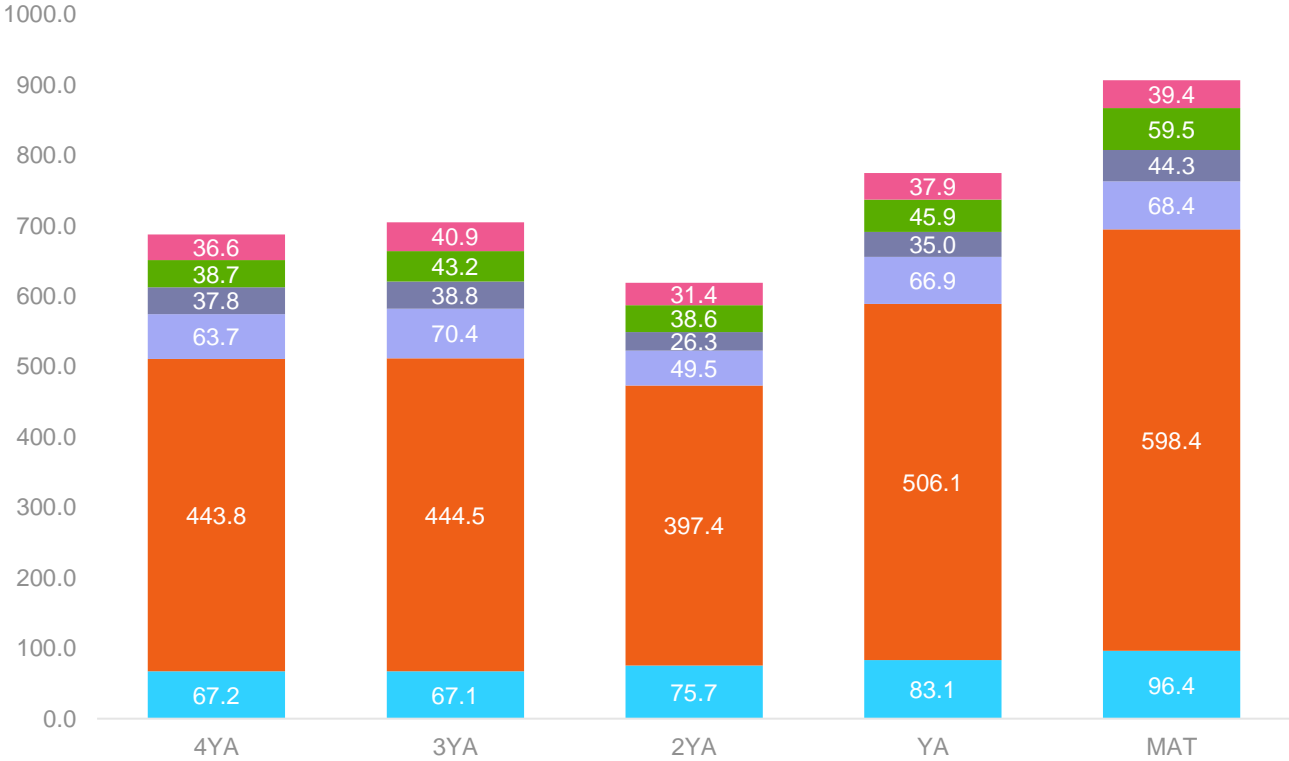
Despite of being small groups Southern & Central Asia as well as SE Asia contribute significantly to FREMAC growth*

Source: NIQ Homescan, AUS, MAT to 03/11/2024

* see hidden slides for details

In the last five years, Young Transitionals increased their spend on all FREMAC categories. While Meat gained most in Value, the growth was even faster in Frozen Meat & Convenience meals

Young Transitionals Spend by category \$'M

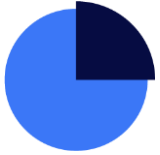


Diff vs 4YA

Category	%	+-\$'M
FROZEN SNACKS	7.6%	2.8
FROZEN MEAT/POULTRY/SEAFOOD	53.6%	20.8
FROZEN MEAL	17.2%	6.5
FRESH SEAFOOD	7.4%	4.7
FRESH MEAT	34.9%	154.7
CONVENIENCE MEALS	43.6%	29.3
Total		218.7

Source: NIQ Homescan, AUS, MAT to 08/09/2024

Key take aways for FREMAC



Lost value share

- The growth of frozen implying more at-home cooking and need for convenience, that holds opportunity for red meat which is currently not playing in this space
- Younger consumers could be targeted with easier, convenient options, such as pre-prepared



Smaller demographics gain importance

- It's fair to assume that convenience and in-home cooking play significant role on FREMAC growth as we see high growth in Frozen Meat which is driven by younger demographics and Families
- Ethnic groups continue to gain importance for FREMAC as they contribute beyond their fair share to growth

Channel overview



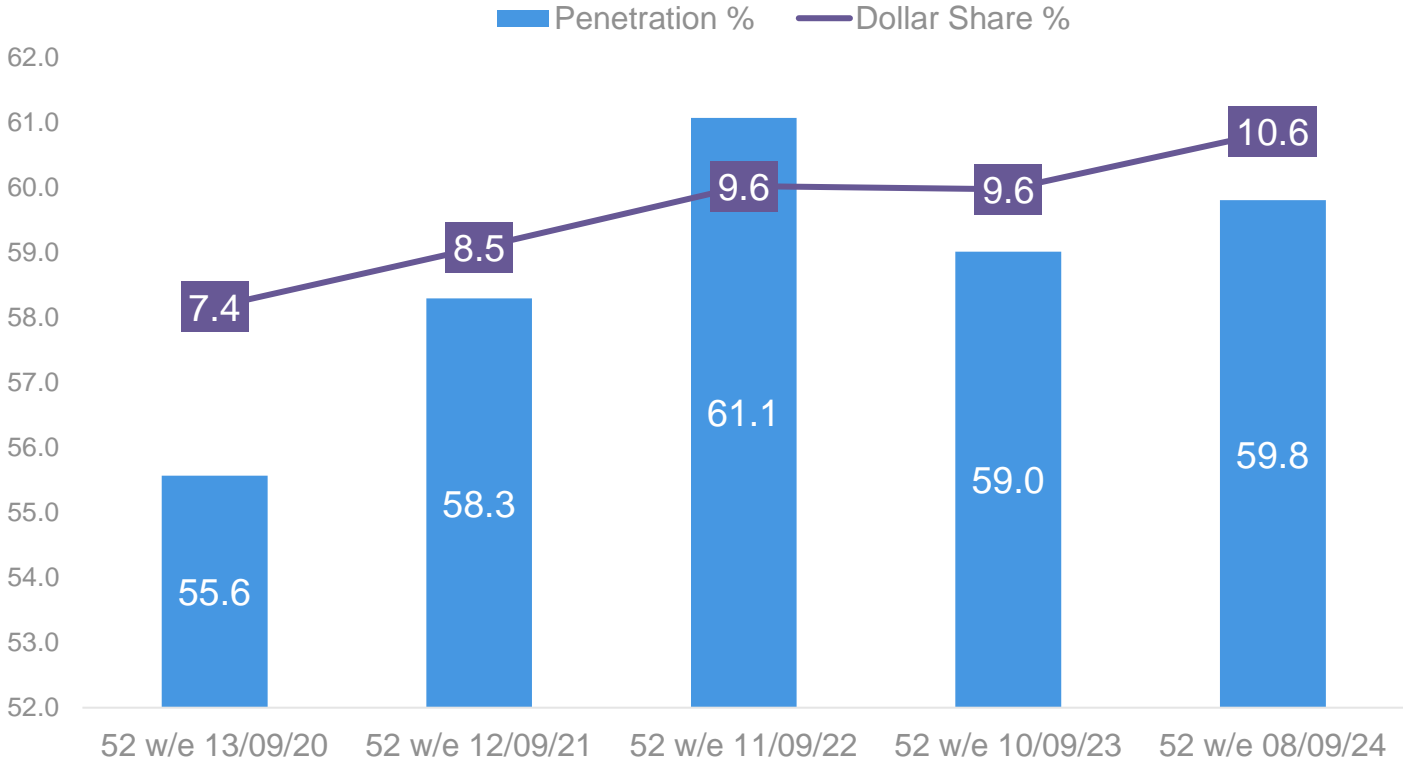
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Online growth recovers as well, with six-in-ten households purchasing groceries online at least once in the last year, up by 5 percentage points compared to 5 years ago.

Online continues to gain share from Bricks & Mortar over the last 5 years, highlighting an opportunity for brands and retailers in this space.

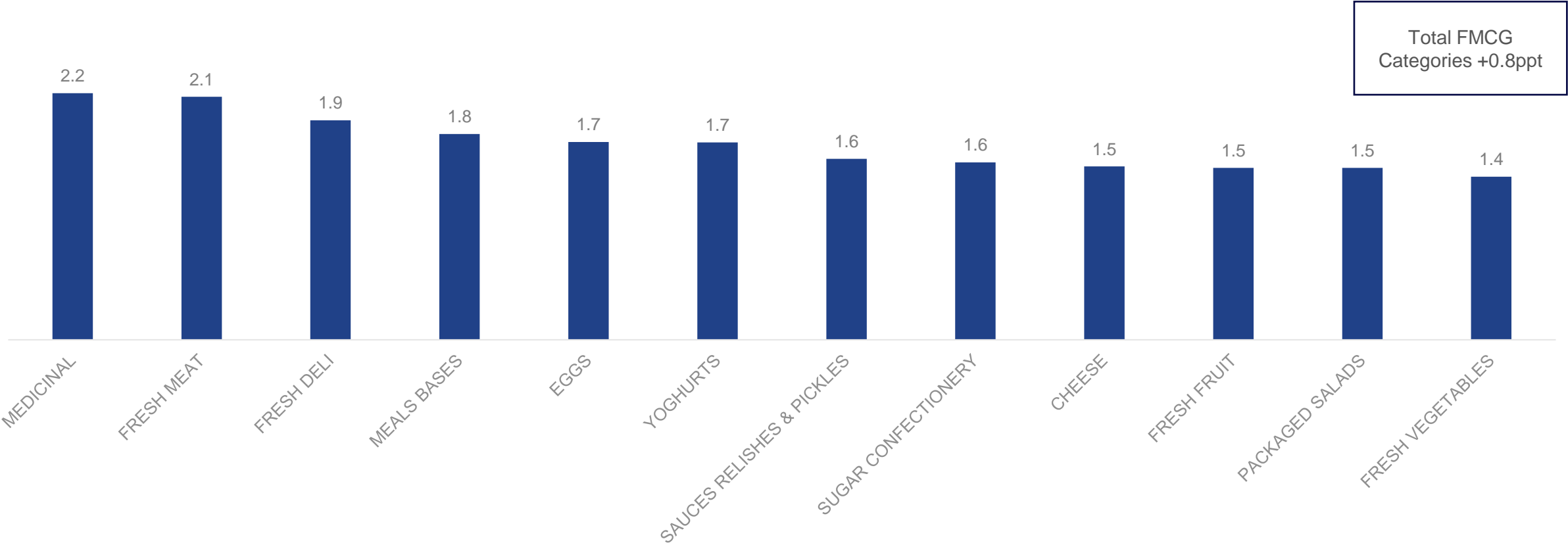
Total Grocery Online Penetration vs Online Value Share, AUS | Last 5 Years, 52 weeks to 08/09/24



Online is more consolidated within Families, but **Independent Singles** and **Senior Couples** are driving penetration growth in the last year

More households are buying Fresh and Chilled categories online this year compared to year prior, highlighting that previous potential barriers for these categories have been reduced

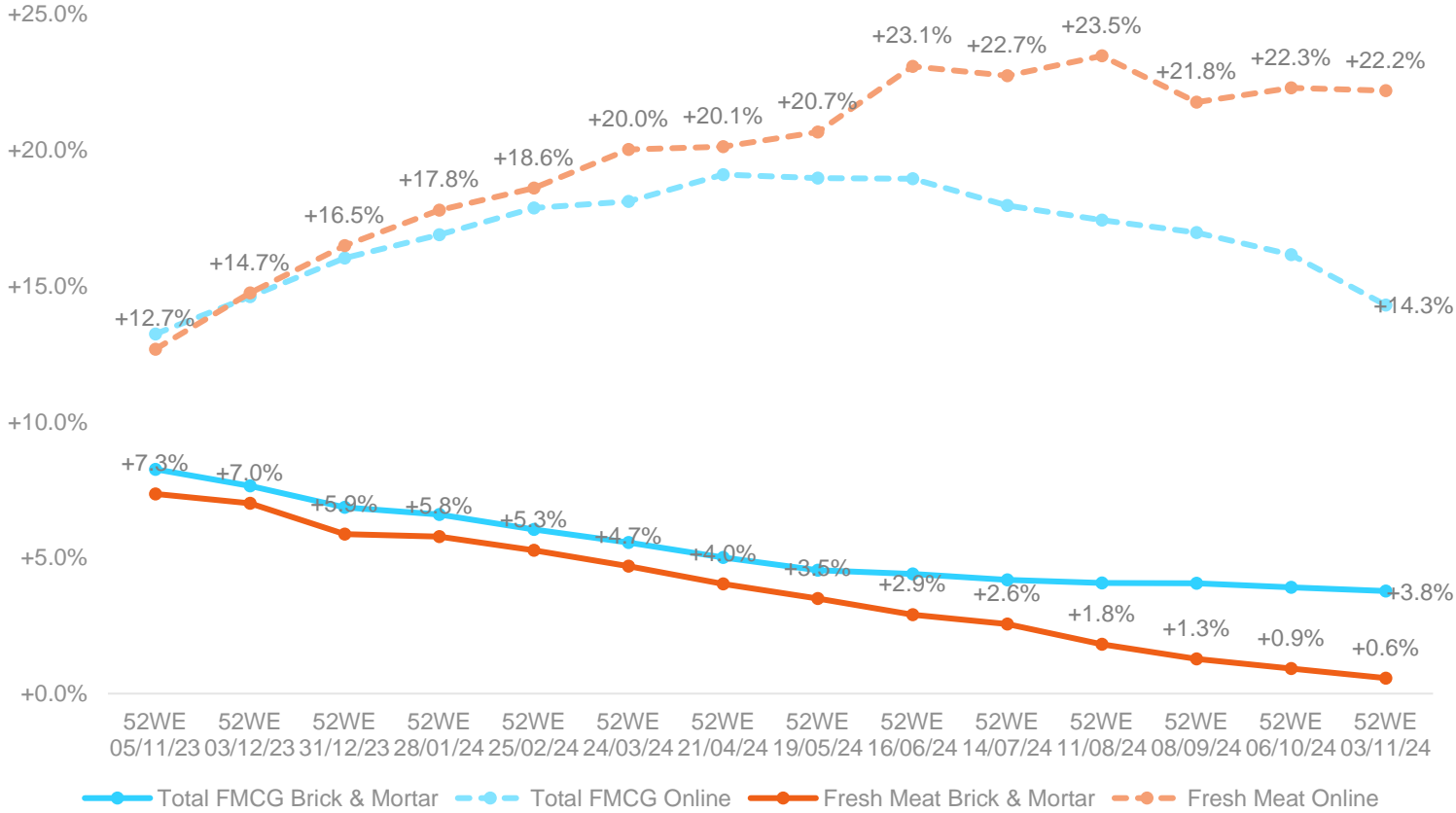
Online FMCG Categories Penetration percentage ppt change, AUS | 52 weeks to 08/09/2024 vs YA



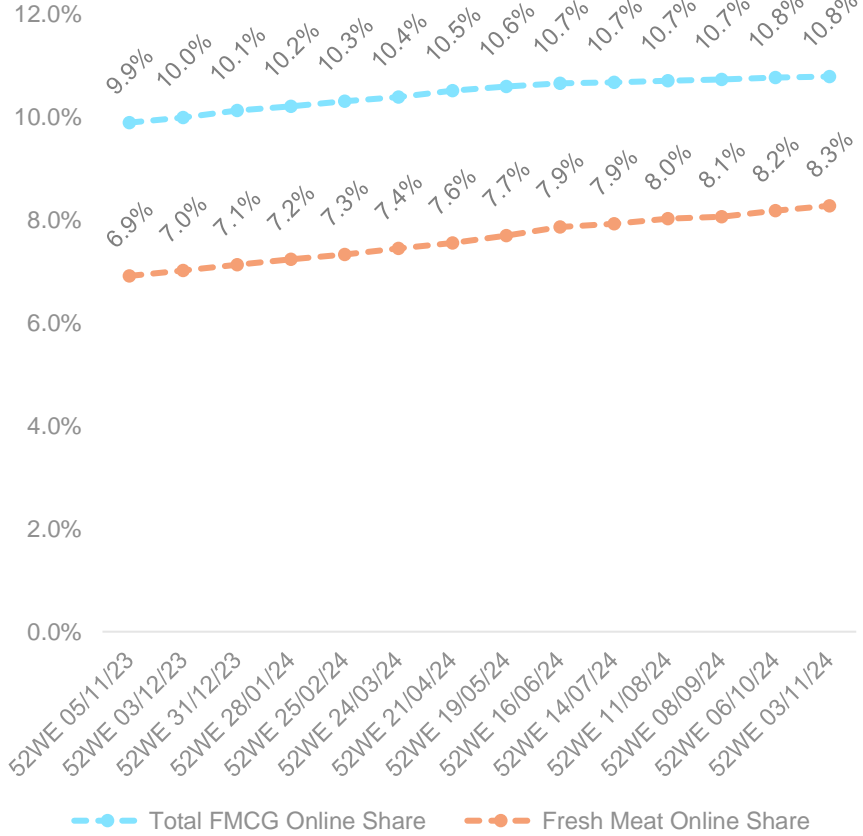
Fresh meat continues to show stronger growth online reaching 8.3% share in the latest MAT

Brick and mortar growth is slowing down cycling high growth last year

Online vs Offline Value Growth
52W Rolling Trended 4Weekly



Online Value Share of Trade
52W Rolling Trended 4Weekly

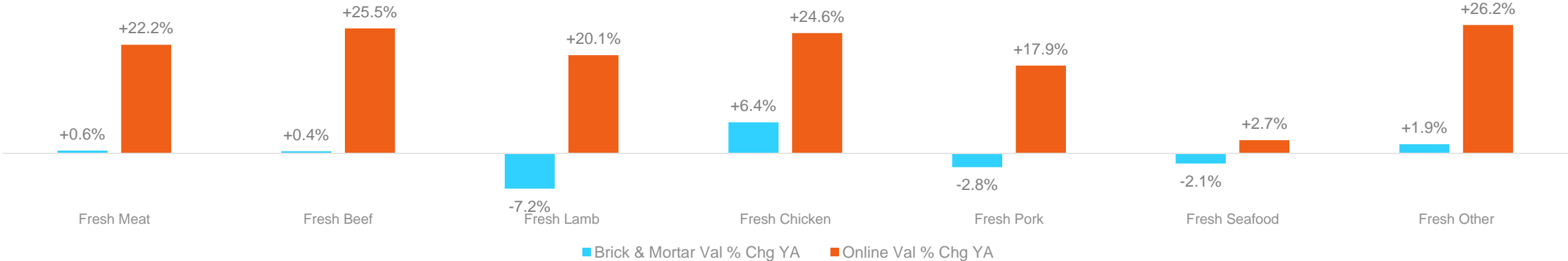


Source: NIQ Homescan, AUS, MAT to 03/11/2024

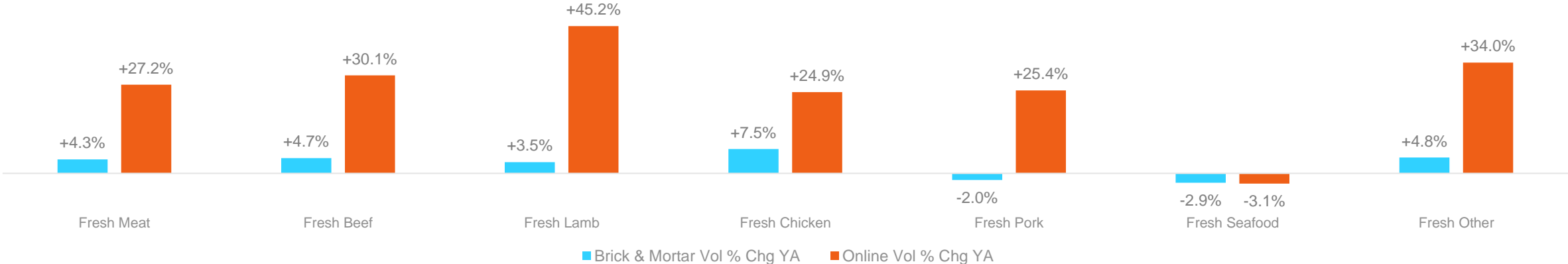
Lamb, Pork and Seafood are in Value decline in B&M, while all proteins except Seafood show strong growth Online

Fresh meat online growth is driven by more buyers, higher frequency and more volume per occasion

Value % Chg by Protein | Online vs Brick & Mortar 52W



Volume % Chg by Protein | Online vs Brick & Mortar 52W



Source: NIQ Homescan, AUS, MAT to 03/11/2024

Lamb Online sales by cut are mirroring B&M sales, while certain Beef cuts are over-indexing online showing higher trust by consumers

Volume distribution	B&M	Online	index online vs B&M
BEEF STIRFRY/DICED/STRIPS	3.3%	4.6%	139
BEEF SAUSAGES	14.9%	19.6%	131
BEEF MINCE	33.0%	37.5%	114
BEEF PRE-PREPARED	7.5%	8.5%	113
CORNED BEEF / SILVERSIDE	5.6%	5.4%	96
BEEF STEAK - SCOTCH FILLET	4.0%	3.3%	84
OTHER BEEF	6.4%	4.8%	75
BEEF STEAK - OTHER	8.5%	6.0%	71
BEEF ROAST	2.9%	2.0%	68
BEEF STEAK - EYE FILLET	2.5%	1.6%	65
BEEF STEAK - SIRLOIN/PORTERHOUSE	4.0%	2.5%	63
BEEF STEAK - RUMP	6.5%	3.9%	59
BEEF STEAK - T-BONE	1.0%	0.3%	31



Champion cuts

Online sales



BEEF STIRFRY/DICED/STRIPS



BEEF SAUSAGES



BEEF MINCE

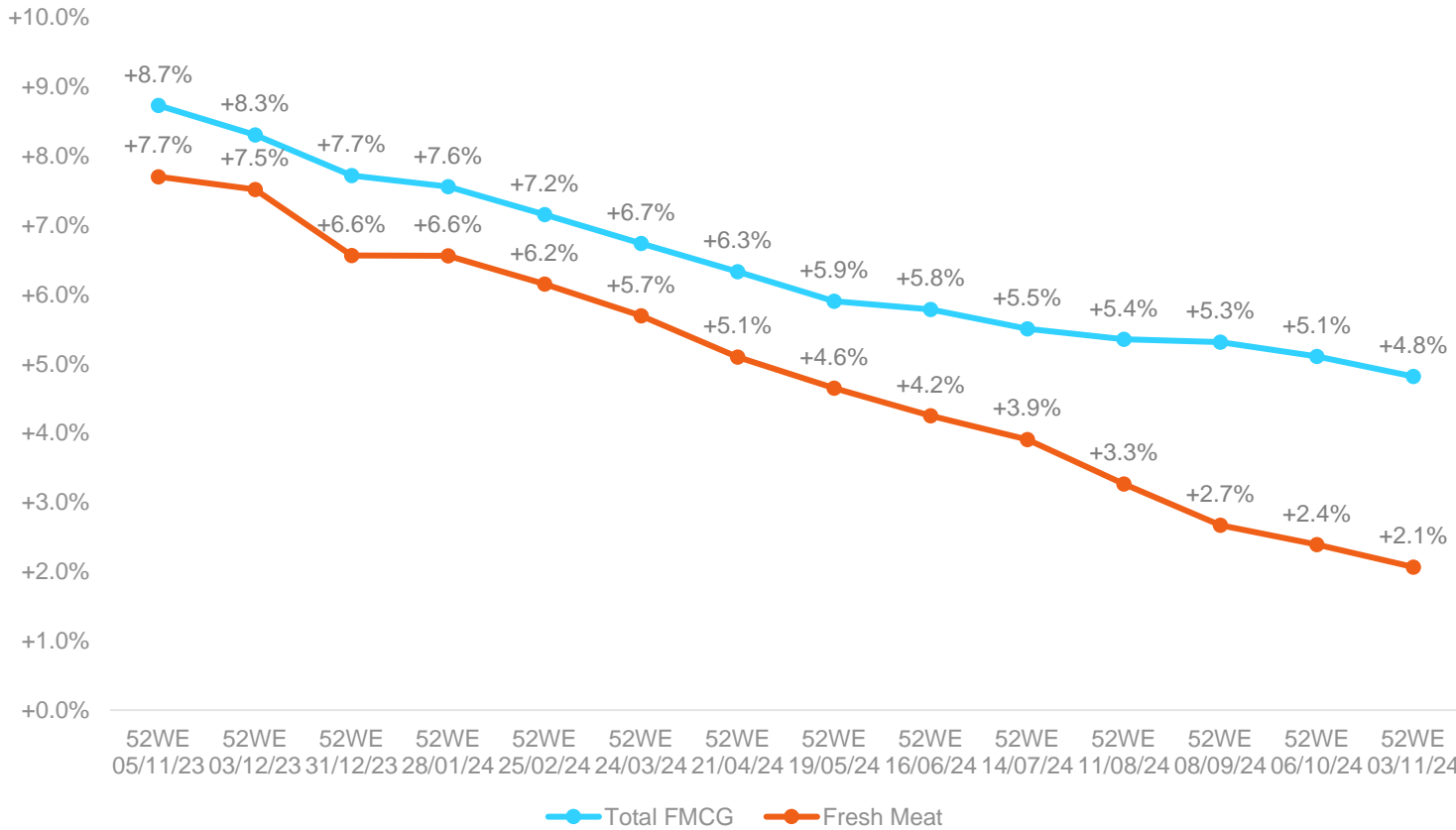


BEEF PRE-PREPARED

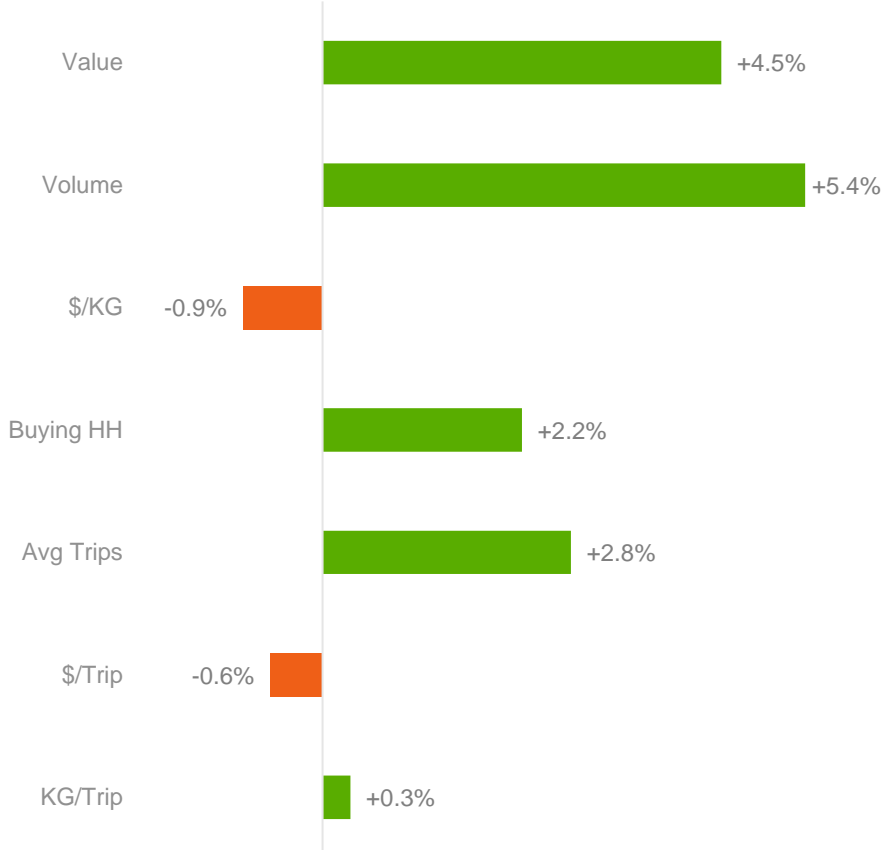
The gap between T. FMCG and Fresh meat growth is widening as Fresh meat growth slows. This is expected as Fresh Meat is cycling very high growth last year

FMCG growth is driven by frequency and volume per trip

FMCG vs Fresh Meat Value Growth | Total Australia
52W Rolling Trended 4Weekly



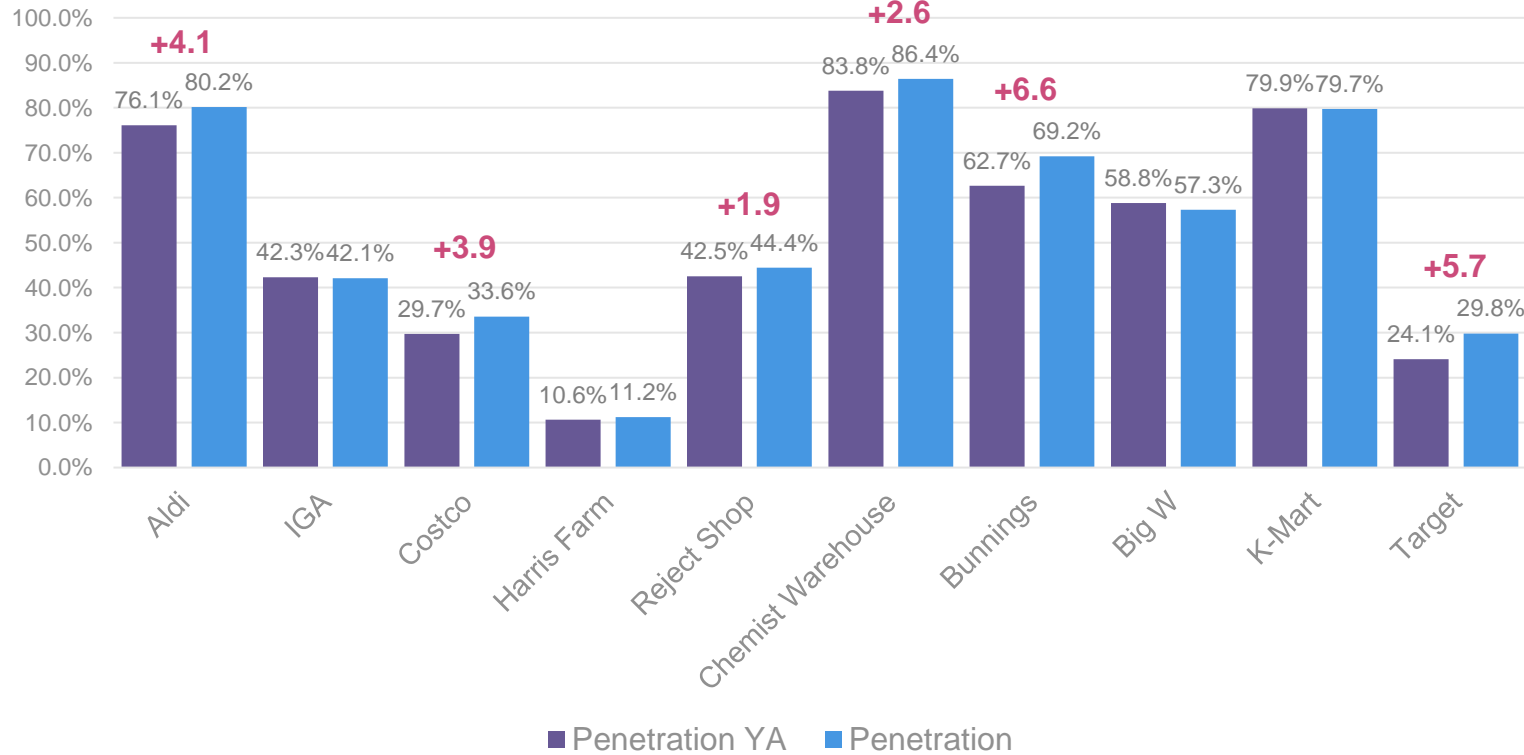
FMCG 12W KPIs | Total Australia



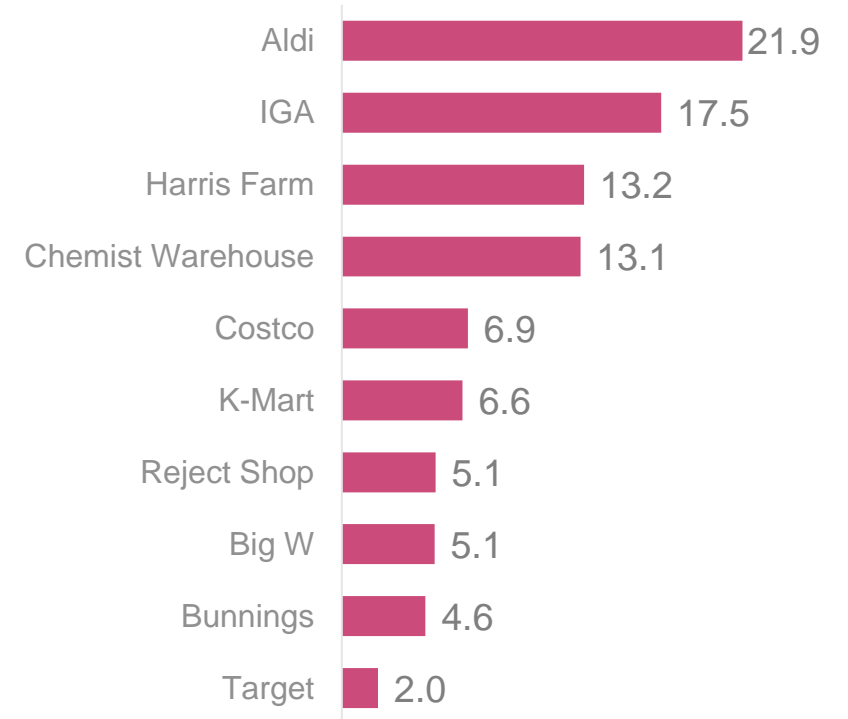
Source: NIQ Homescan, AUS, MAT to 03/11/2024

Alternative retailers become increasingly more important in the shopping journey, as consumers shop around to find better deals

Penetration Growth MAT 52W vs YA



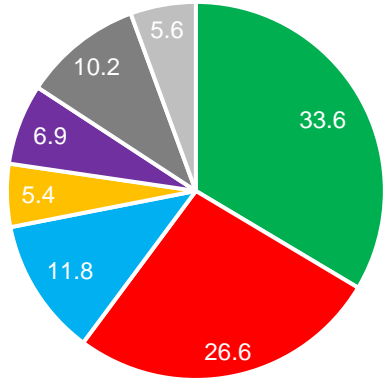
Average Occasions per Buyer MAT 52W



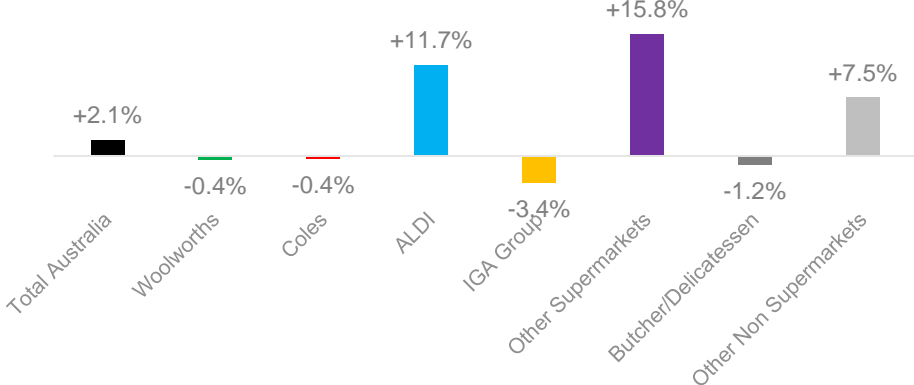
While online is accelerating Fresh Meat growth, Discounters continue to be the key driver of growth at total level

Aldi and Woolworths share is notably higher in Volume compared to Value

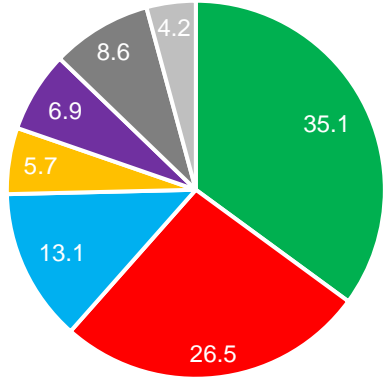
Value Share of Trade | Fresh Meat | 52W



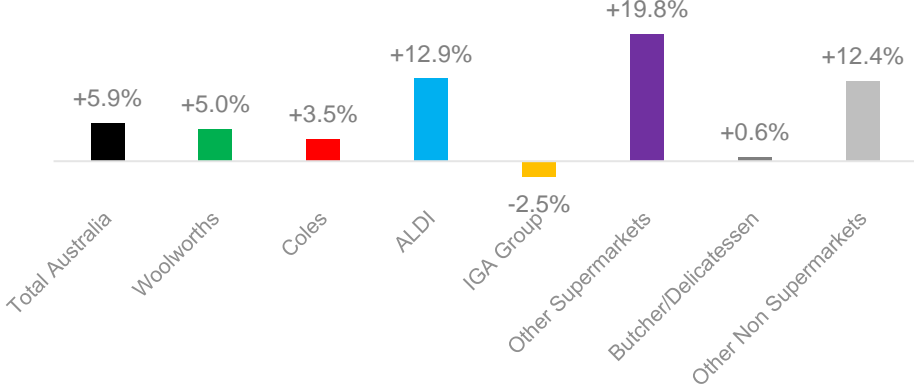
Value % Chg | Fresh Meat | 52W



Volume Share of Trade | Fresh Meat | 52W



Volume % Chg | Fresh Meat | 52W



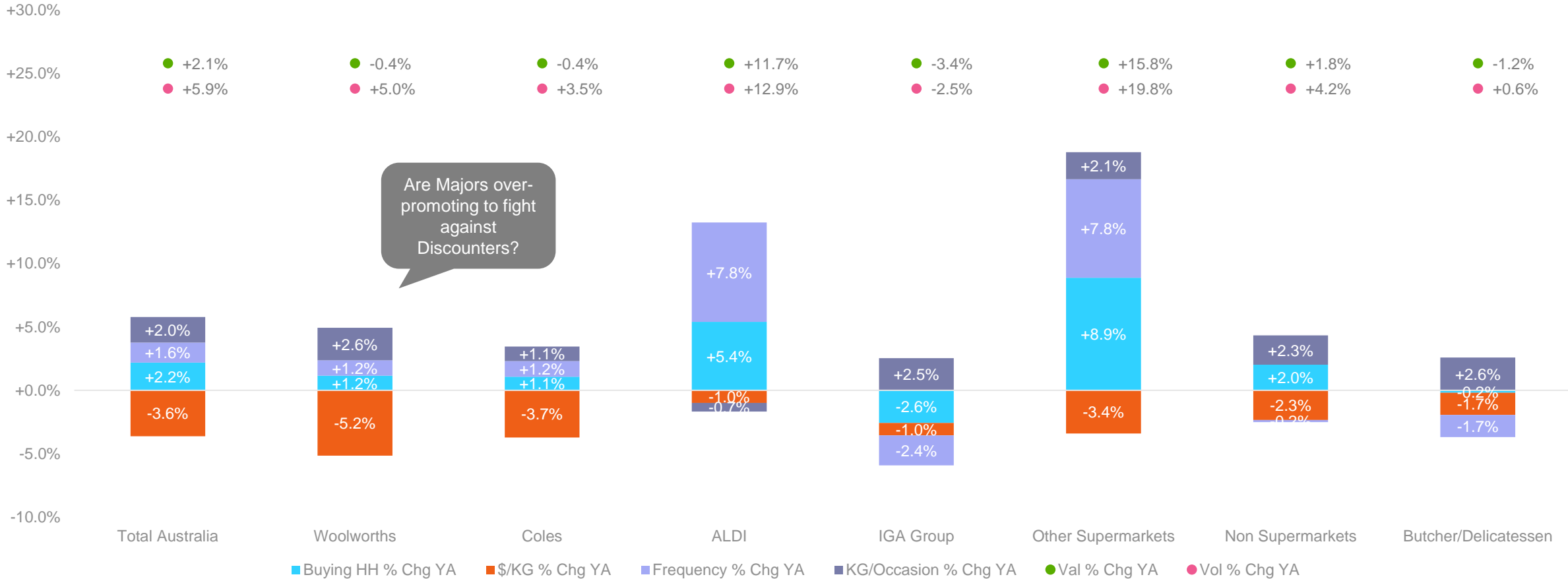
Source: NIQ Homescan, AUS, MAT to 03/11/2024

Discounter growth is highly driven by new households and increased frequency

IGA had higher volume per visit, but this did not compensate loss of HHs and frequency.

Majors decreased fresh meat price significantly – despite of growth in buyers, frequency and volume per visit, total value is in decline

KPI Drivers of Change | Fresh Meat | 52W



Are Majors over-promoting to fight against Discounters?

Source: NIQ Homescan, AUS, MAT to 03/11/2024

Drivers of change

Discounters



New stores

- Aldi has opened 6 new stores in Australia in 2024
 - 1NSW, 1VIC, 2QLD, 1WE, 1SA
- Costco did not open new stores in 2024. Is yet to open Ardeer, Melbourne in late 2024 or early 2025



New buyers & Frequency

Both Aldi and Costco saw significant growth of new buyers as well as growth in number of visits. Costco also saw higher volume per visit in Fresh meat

NonSupermarkets (Butchers)



Unstable performance

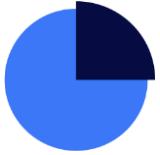
Butchers attracted a lot of new buyers in the first half of the year, but that changed in the middle of the year causing value decline. There was also decline in spend per visit due to lower prices. Buyer loss seem to have recovered in the latest QTR, however, frequency declined



Protein impact

Lamb and Seafood are driving value decline this year with Pork and other fresh meat also in decline in the latest quarter

Key take aways for Channel Overview



Fresh Meat thrives online

- While we see high growth Online, there is still opportunity to expand as share is lower than total FMCG.
- Retailers should continue to focus on building trust in the quality and freshness of meat purchased online



Growth driven by Discounters

- Alternative retailers gain importance as customers shop around for deals
- Fresh Meat growth driven by Discounters via new buyers and increased frequency
- This has hurt Butchers in last MAT as they lost buyers and visits



Majors declining in Value

- Majors have reduced meat prices causing decline in total value sales while volume is growing
 - This shows potential action plan to fight discounters
 - We can see focus shifting from Lamb to Beef in volume growth while chicken in high growth highly influencing total Fresh Meat trends

Competitive protein landscape

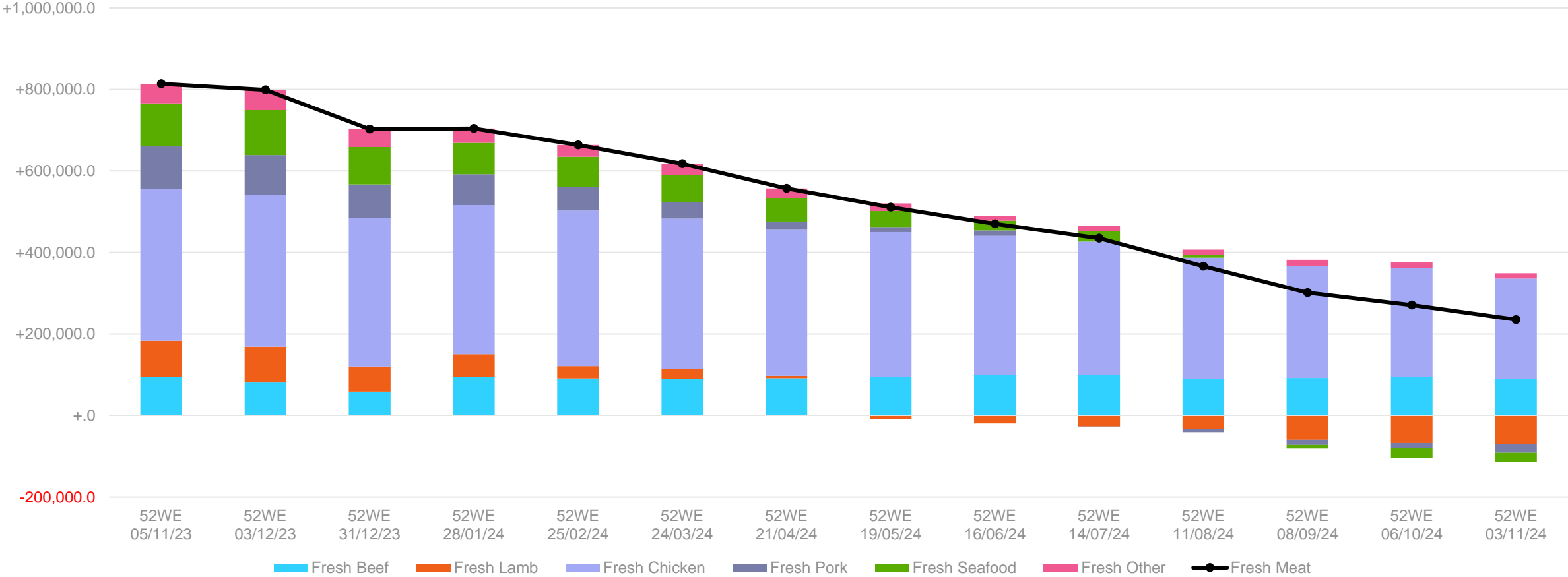


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Beef and Chicken remains strong in value growth, while other proteins shifted to decline in the last half year

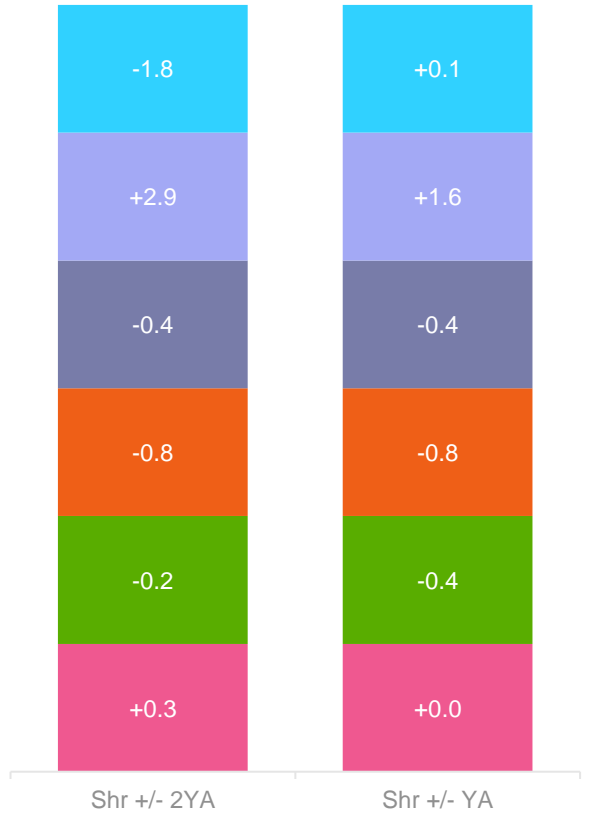
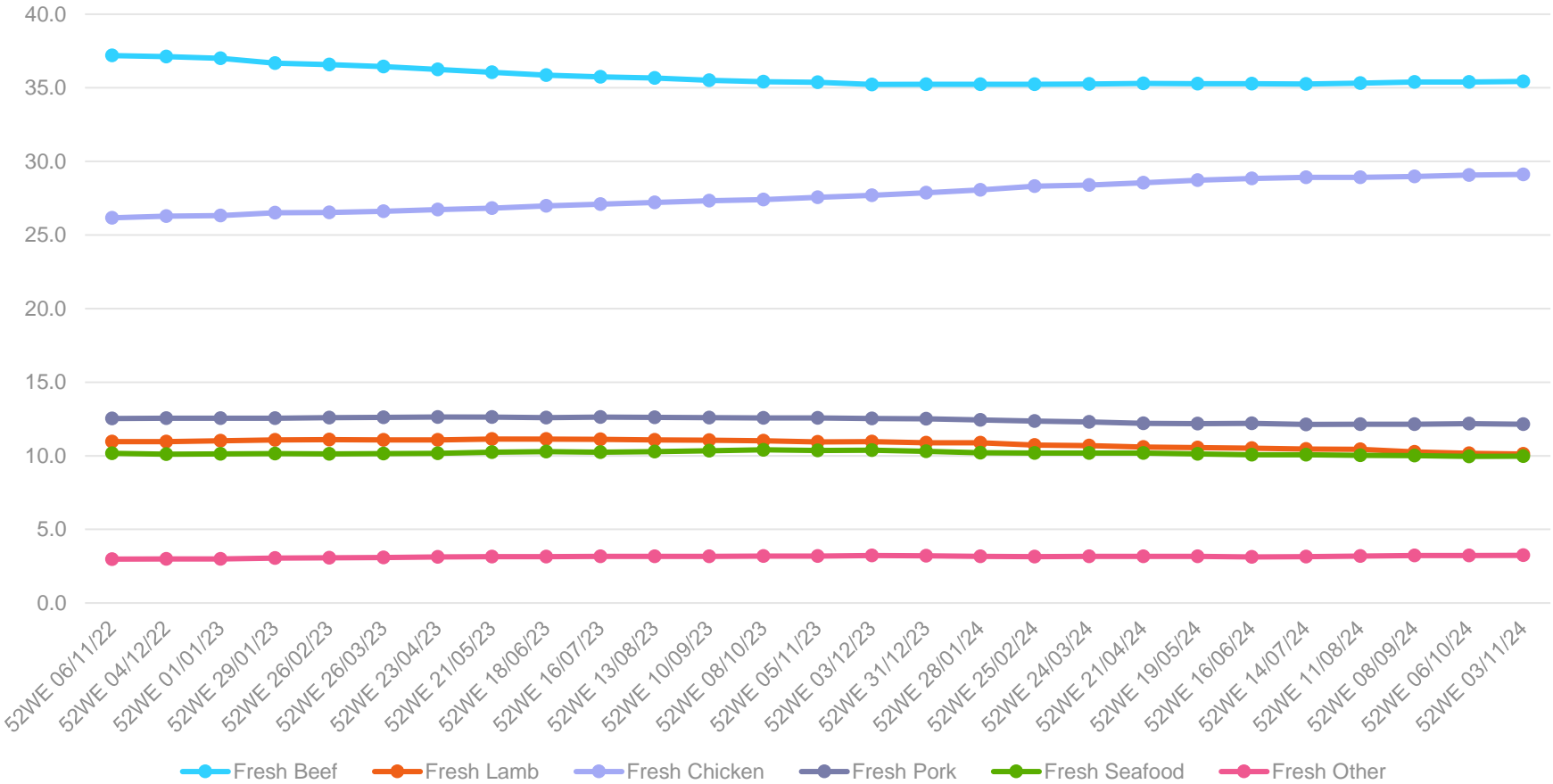
+/- Val Sales (000) by Protein | Total Australia | 52W Rolling Trended 4Weekly



Source: NIQ Homescan, AUS, MAT to 03/11/2024

Beef has gained share in the latest MAT while other proteins lost share to Chicken

Val % Share | Total Australia | 52W Rolling Trended 4Weekly

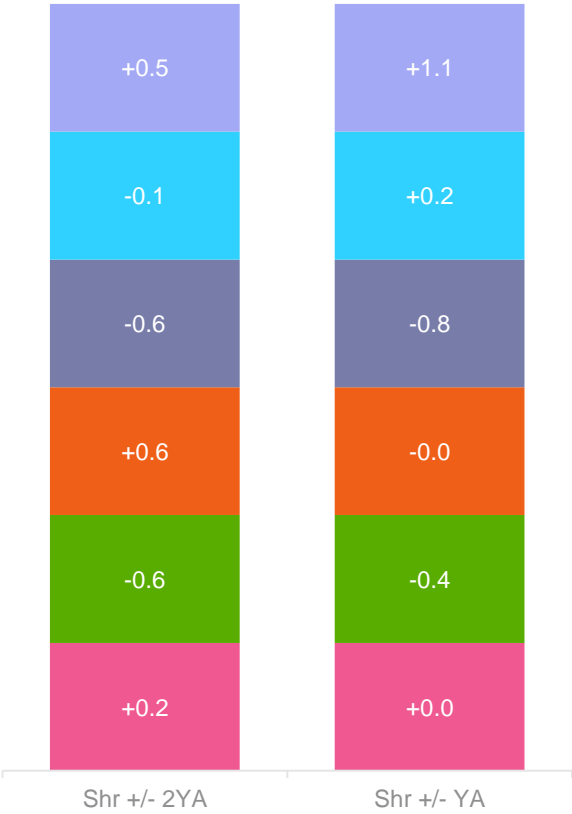
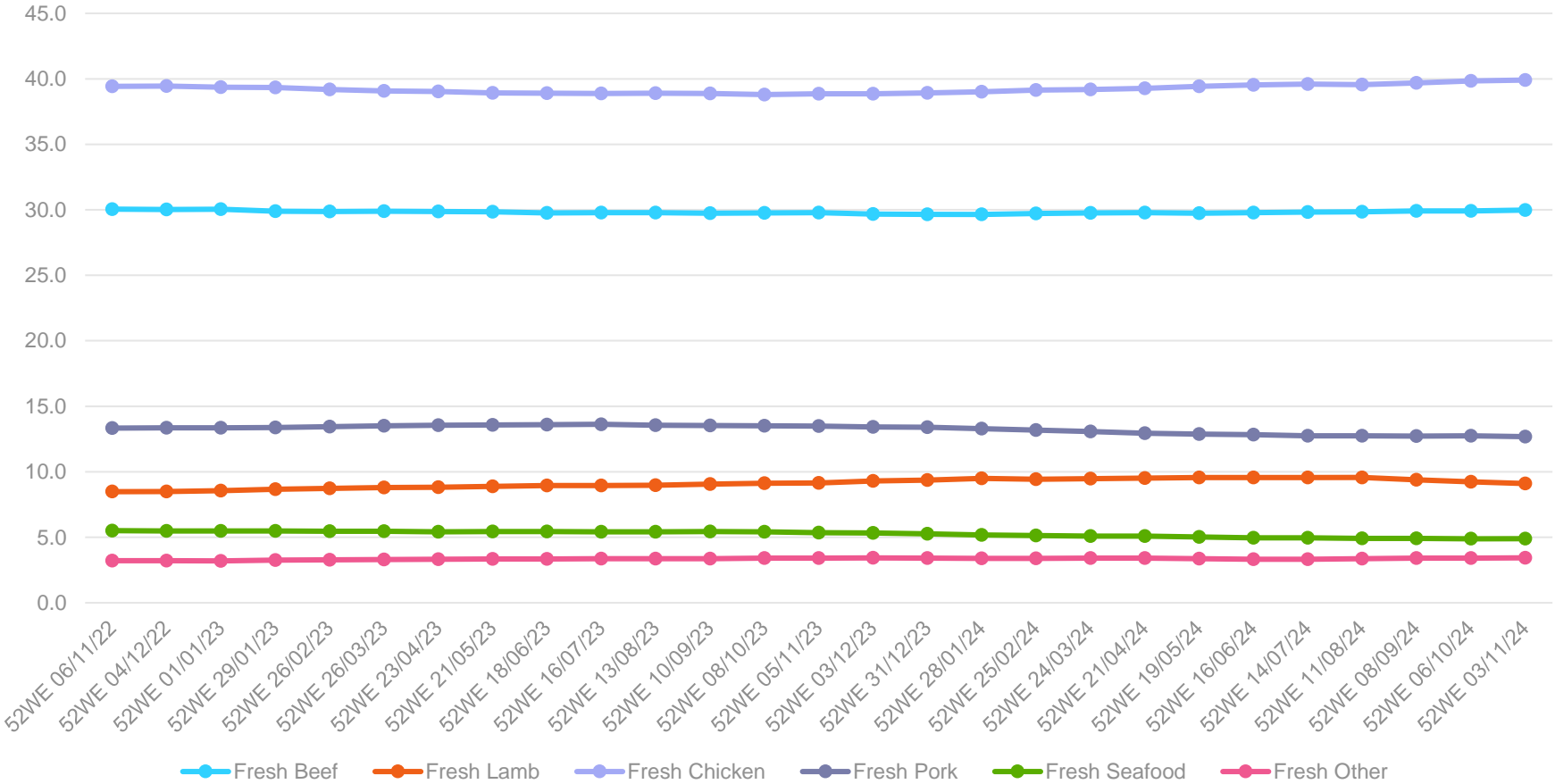


Source: NIQ Homescan, AUS, MAT to 03/11/2024

Lamb has continuously gained volume share this year, but this has changed in the latest period

Beef had strong growth in volume share in the latest MAT, while chicken regained volume share recovering from loss earlier this year

Vol % Share | Total Australia | 52W Rolling Trended 4Weekly

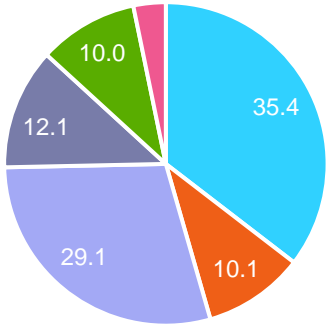


Source: NIQ Homescan, AUS, MAT to 03/11/2024

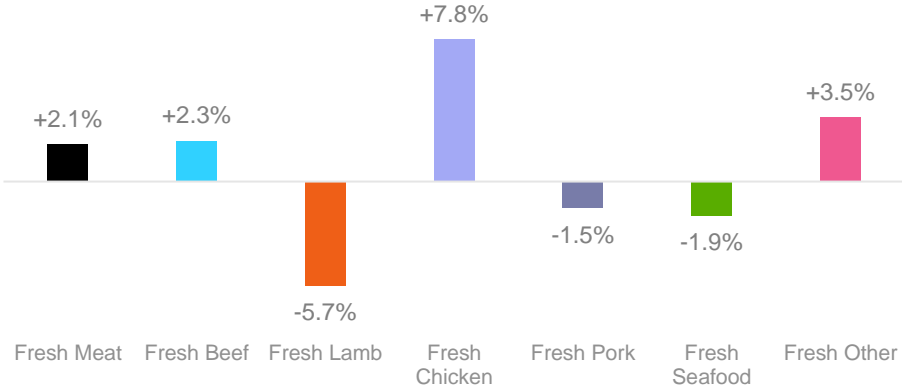
Chicken and beef have been driving Fresh Meat growth in the latest MAT

Pork and Seafood had poor performance this year while Lamb growth is in Volume, but Value declining due to low prices

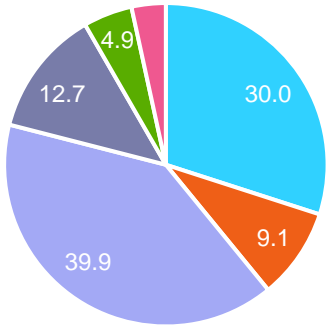
Value Share by Protein | Total Australia | 52W



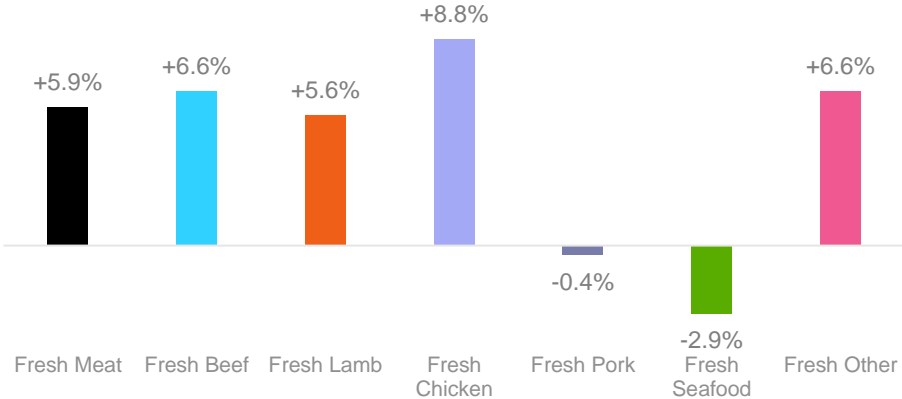
Value % Chg | Total Australia | 52W



Volume Share by Protein | Total Australia | 52W



Volume % Chg | Total Australia | 52W

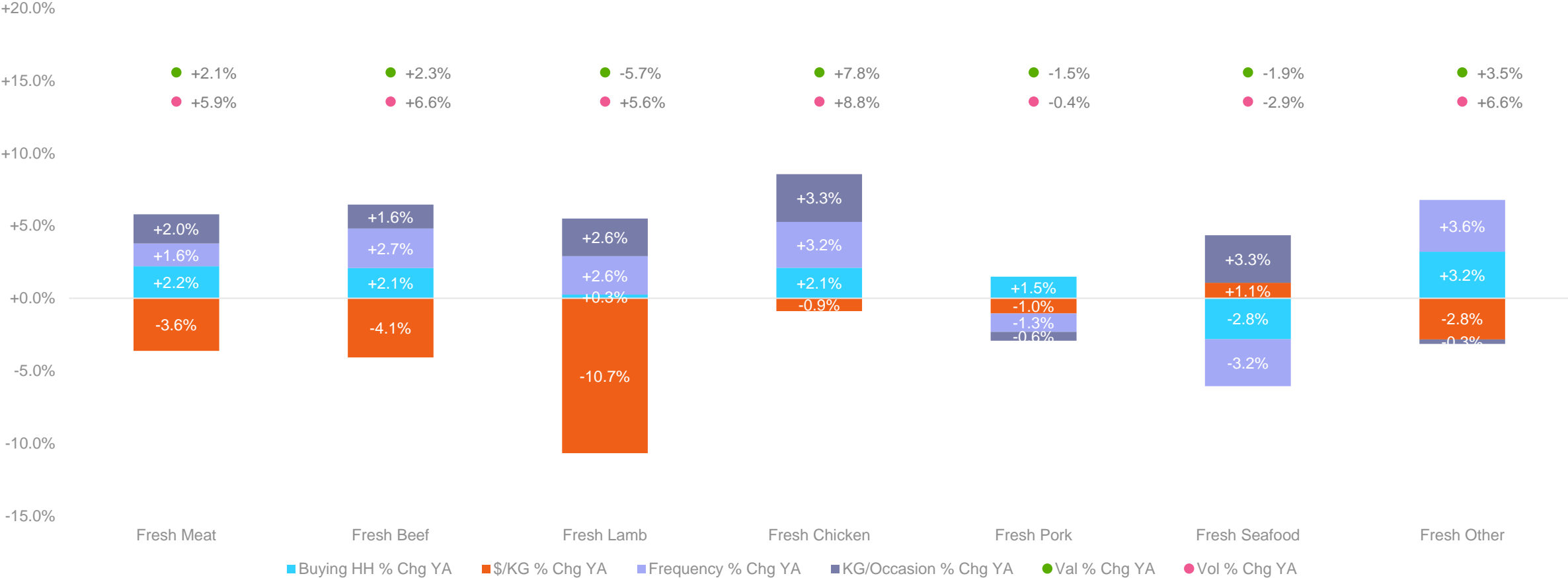


Source: NIQ Homescan, AUS, MAT to 03/11/2024

Beef, Lamb and Chicken are growing in all metrics driven by lower prices.

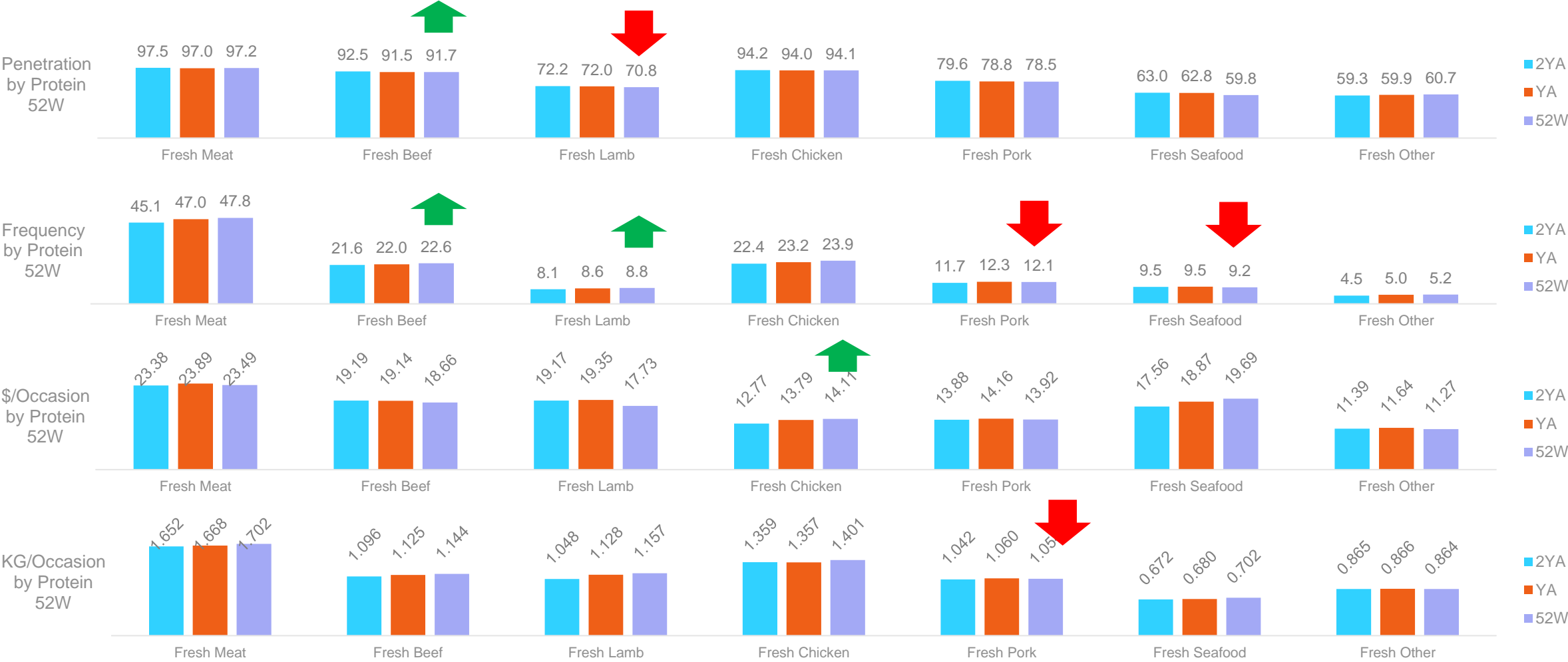
Pork gained new buyers, but declined due to lower frequency and lower volume per visit

KPI Drivers of Change by Protein | Total Australia | 52W



Source: NIQ Homescan, AUS, MAT to 03/11/2024

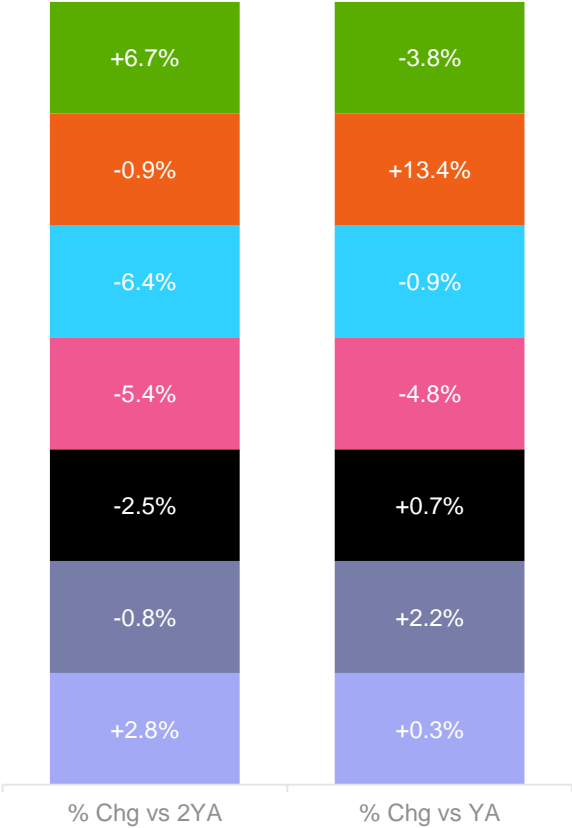
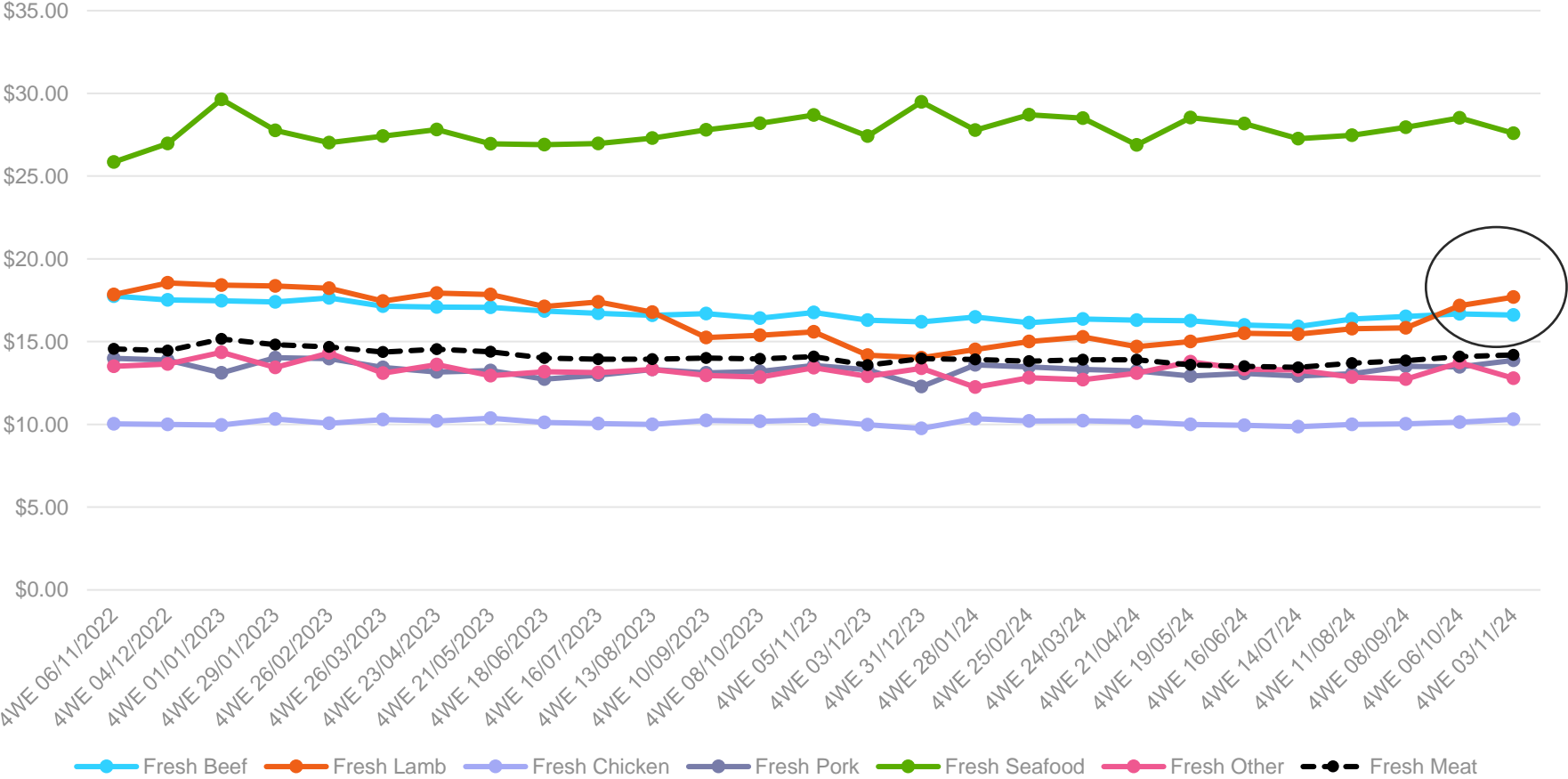
Fresh Lamb penetration declined more this year, while Beef Penetration is up vs YA



Source: NIQ Homescan, AUS, MAT to 03/11/2024

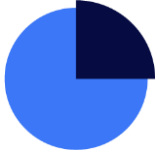
Lamb price has jumped in the last two months affecting results as its 13% more expensive compared to last year and more expensive than beef returning to the level we saw 2YA

\$/KG | Total Australia | 4W Rolling Trended 4Weekly



Source: NIQ Homescan, AUS, MAT to 03/11/2024

Key take aways for Competitive Protein Landscape



Growth slowing down

- It's important to utilize growing channels to sustain growth for red meat
- New buyers are flowing to discounters, having right offer in this channel is highly important for growth
- Similarly, Fresh Meat has high growth Online but is still below FMCG level showing further opportunities



Finding the right cut

- Consumers are extremely sensitive to price changes, but opportunities exist with the right offer for the right audience
- Younger audiences are seeking for convenience, pre-prepared shows high potential for growth
- Ethnic groups continue to drive growth beyond their share, finding right offer for these buyers will continue to rise in importance
- Some Beef cuts are growing stronger online, while steaks fall behind. Building consumer trust to purchase all cuts online could be an avenue for growth
- Lamb had the strongest growth online among all proteins, its important to utilize this channel after recent price increase

Beef and Lamb performance



NielsenIQ

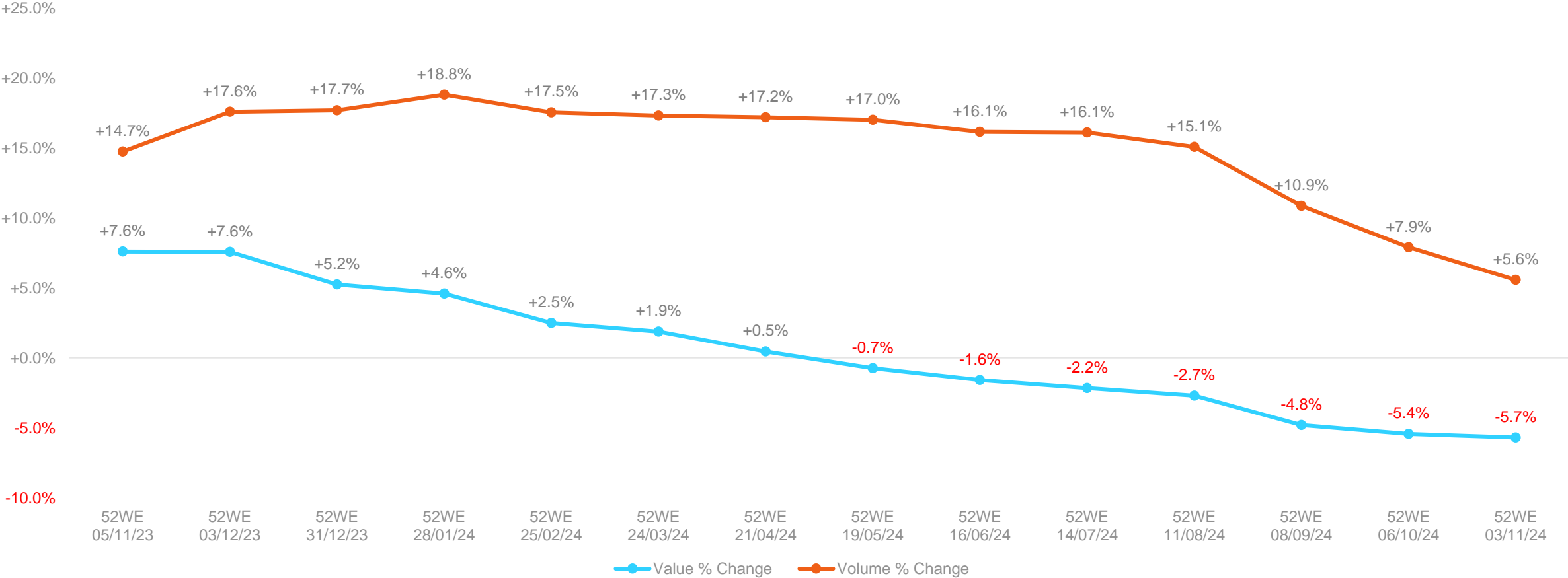

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LAMB

Lamb volume growth is slowing down

Value & Volume Growth | Fresh Lamb | Total Australia | 52W Rolling Trended 4Weekly



Source: NIQ Homescan, AUS, MAT to 03/11/2024

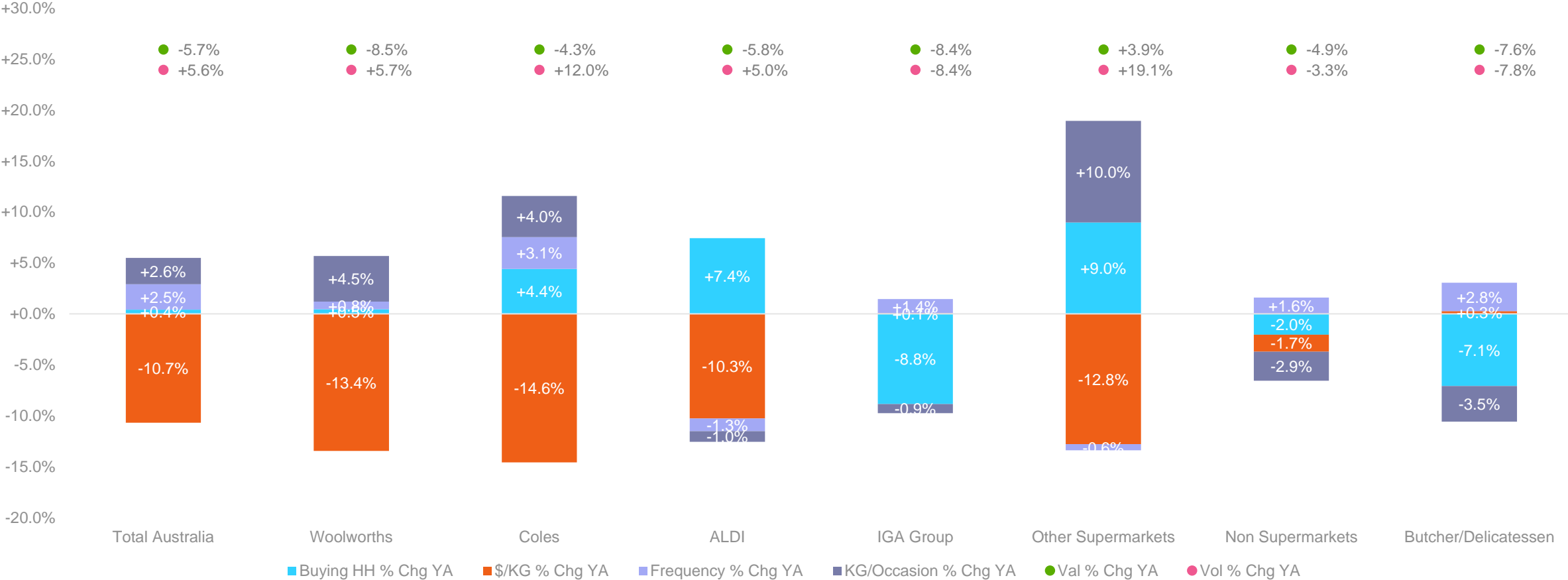
Fresh Lamb Source of Volume: Growth driven by retained buyers purchasing more followed by gains from Pork, Chicken and all other proteins

Total Fresh Lamb | Source of Volume - Relative to Fresh Meat | 52 weeks to 03/11/2024 vs YA



Majors decline continues to be driven by price, strategy that continues to drive volume through increased frequency and volume per occasion. Meanwhile IGA decline is driven by lost buyers

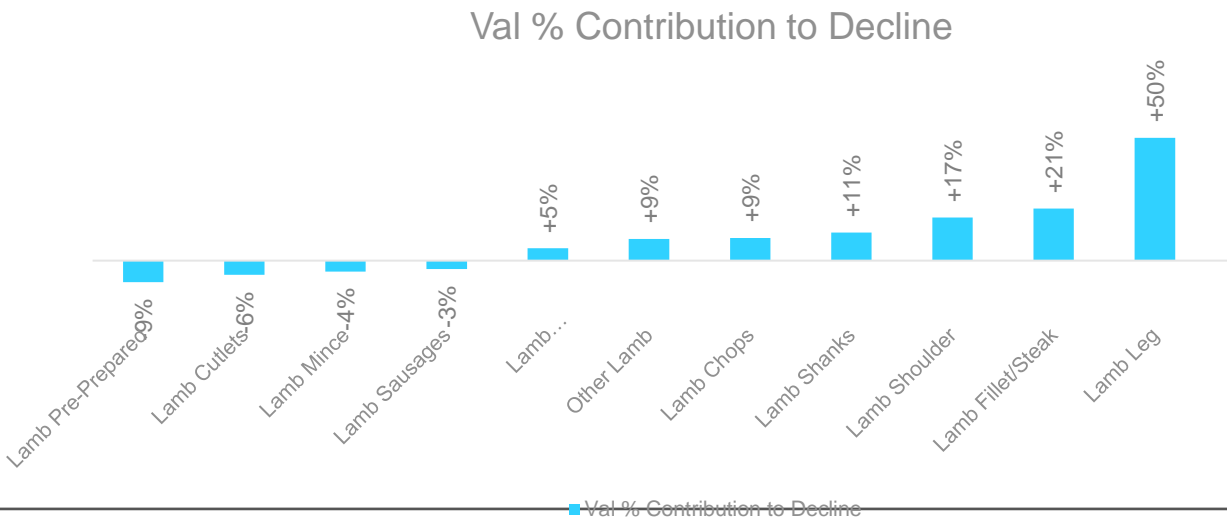
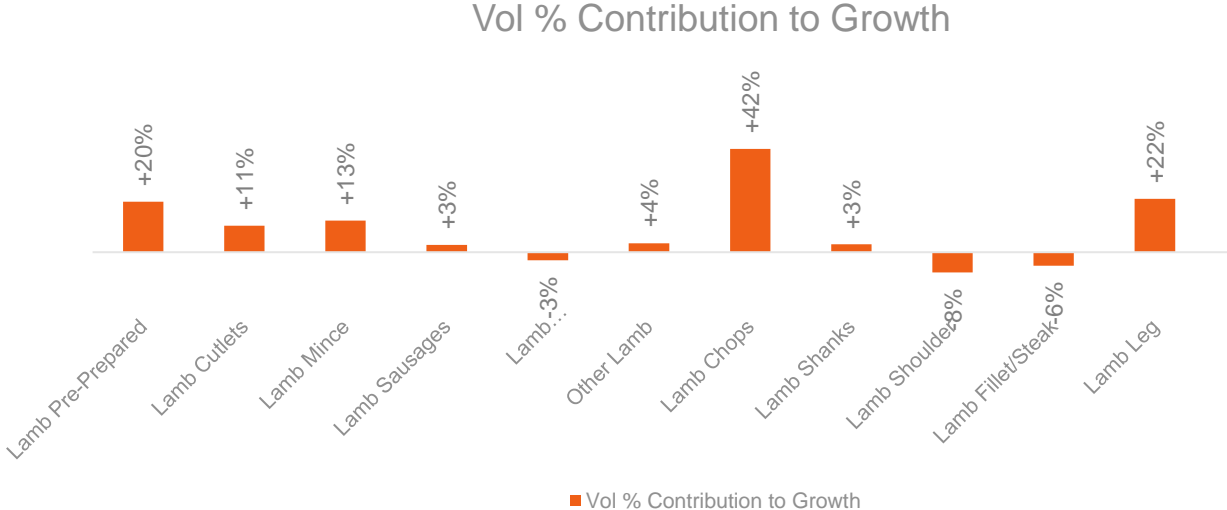
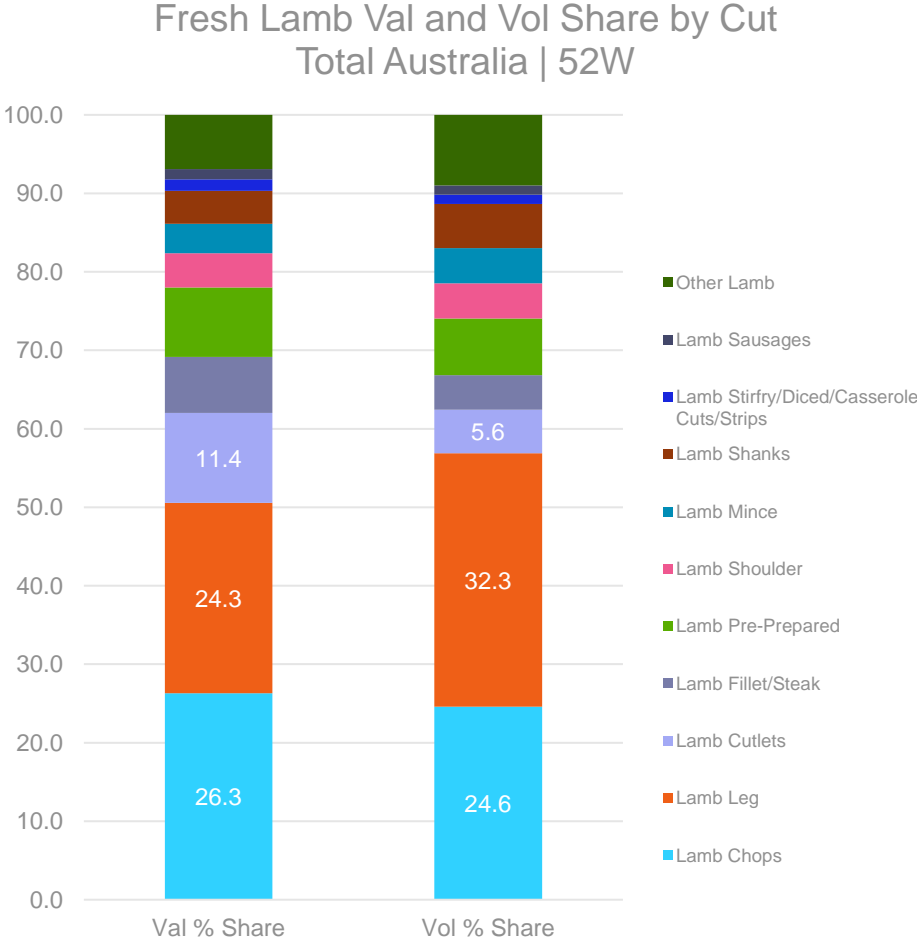
KPI Drivers of Change | Fresh Lamb | 52W



Source: NIQ Homescan, AUS, MAT to 03/11/2024

Lamb volume growth is driven by Chops, Leg, pre-prepared, mince and cutlets

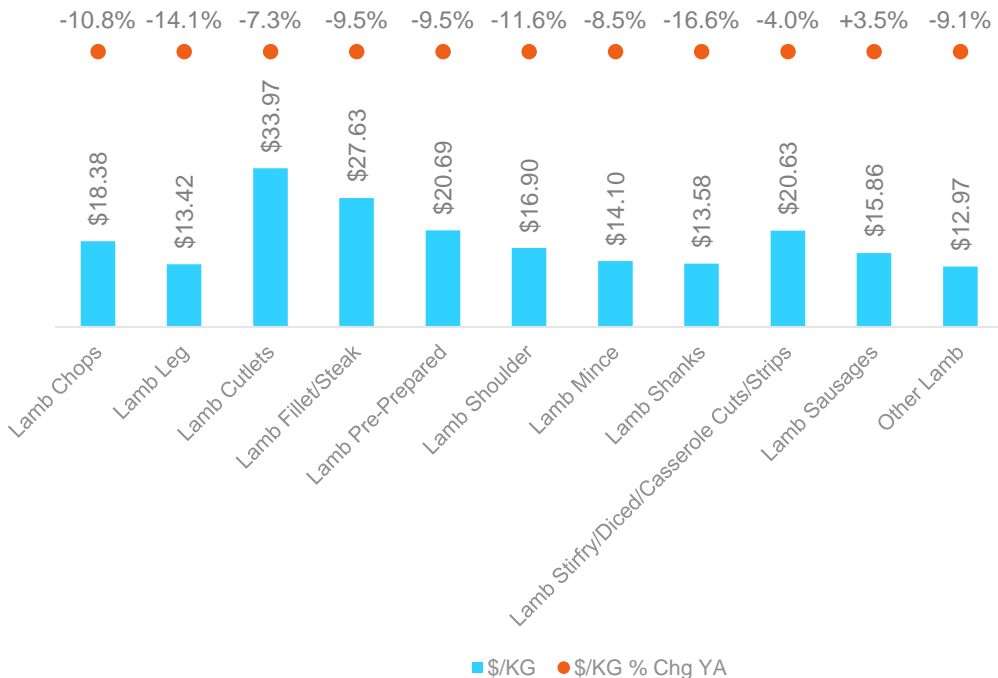
Half of value decline comes from Lamb Leg



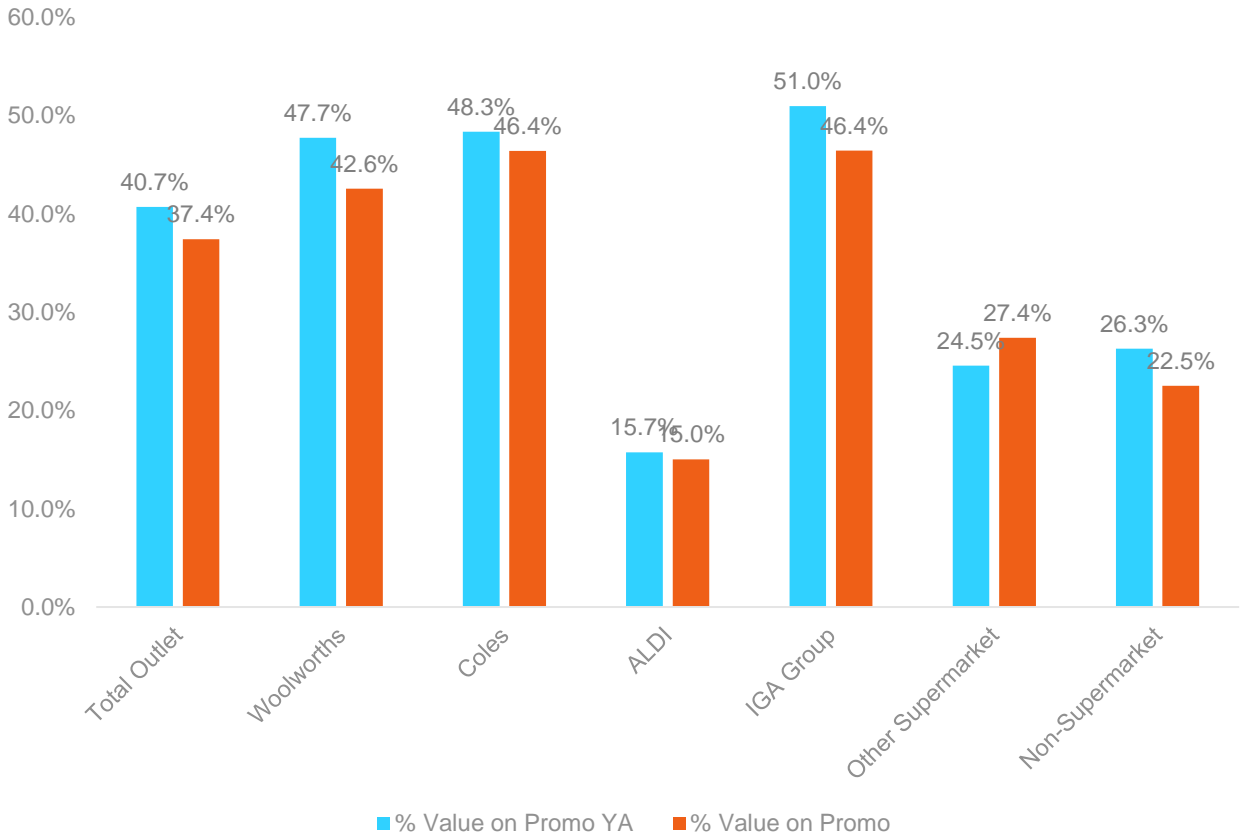
Source: NIQ Homescan, AUS, MAT to 03/11/2024

Less value is coming from promotions in majors in the latest MAT

Fresh Lamb \$/KG and % Change by Cut
Total Australia | 52W



Fresh Lamb % Value sold on Promotion | 52w to 03/11/2024 vs YA

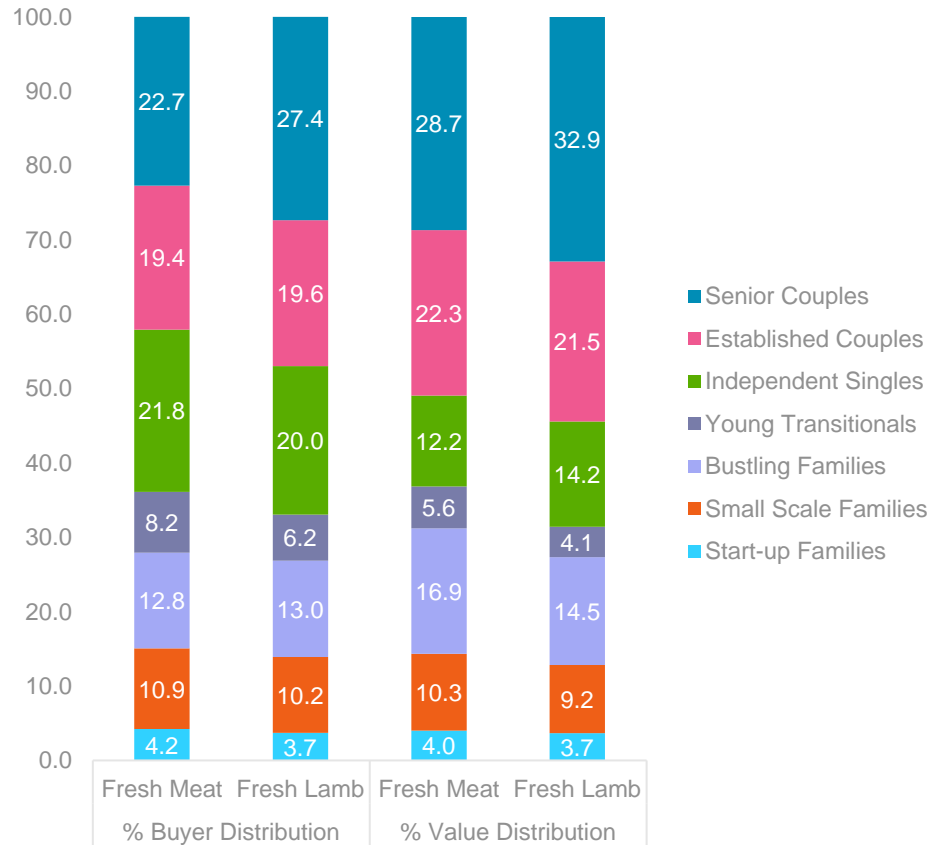


Source: NIQ Homescan, AUS, MAT to 03/11/2024

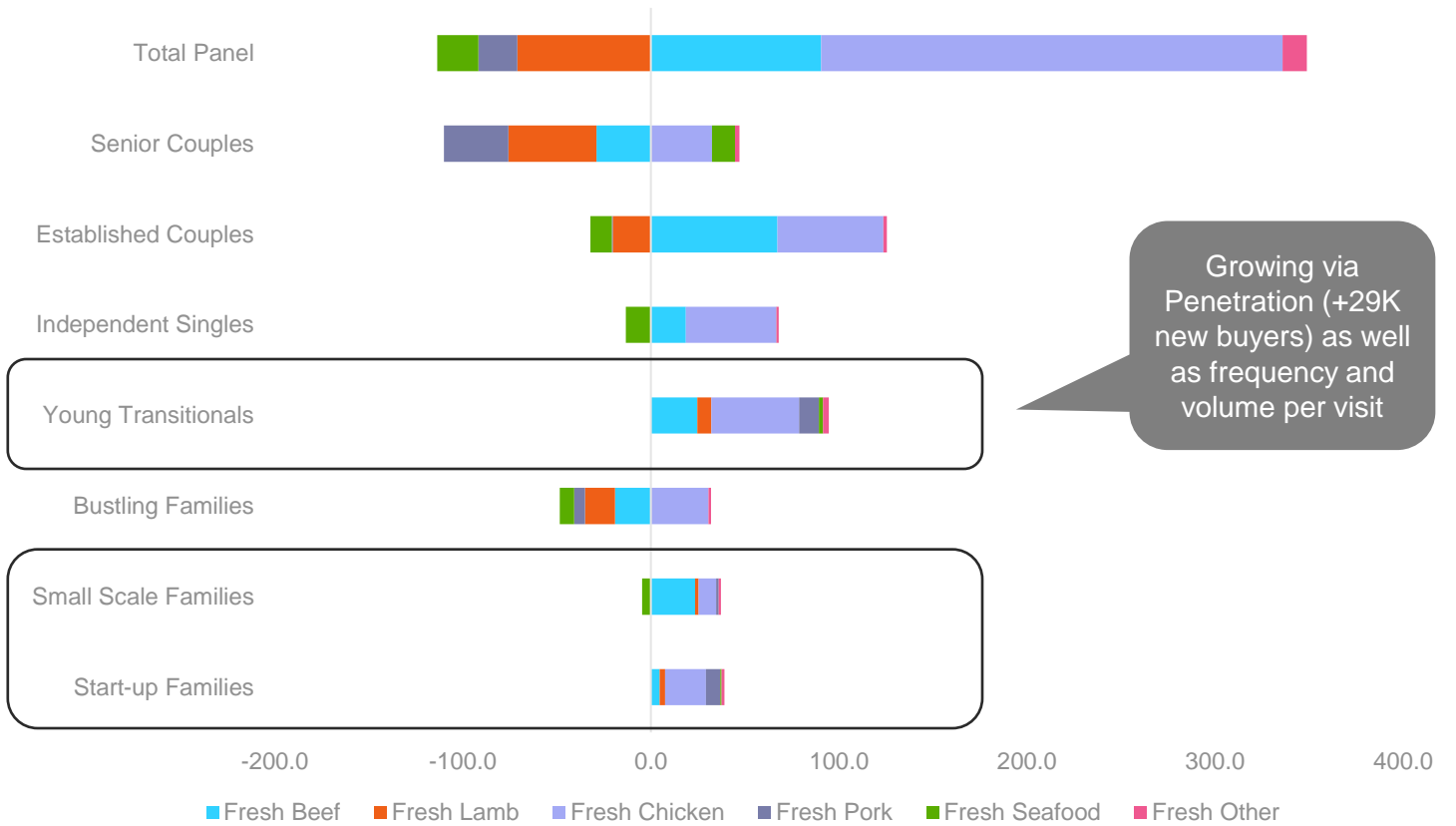
We observe Value growth among young demographics, while total lamb value is in decline

Lamb value growth is coming from Below average affluence while more affluent customer are driving the decline

Fresh Lamb Lifestage Performance
Total Australia | 52W



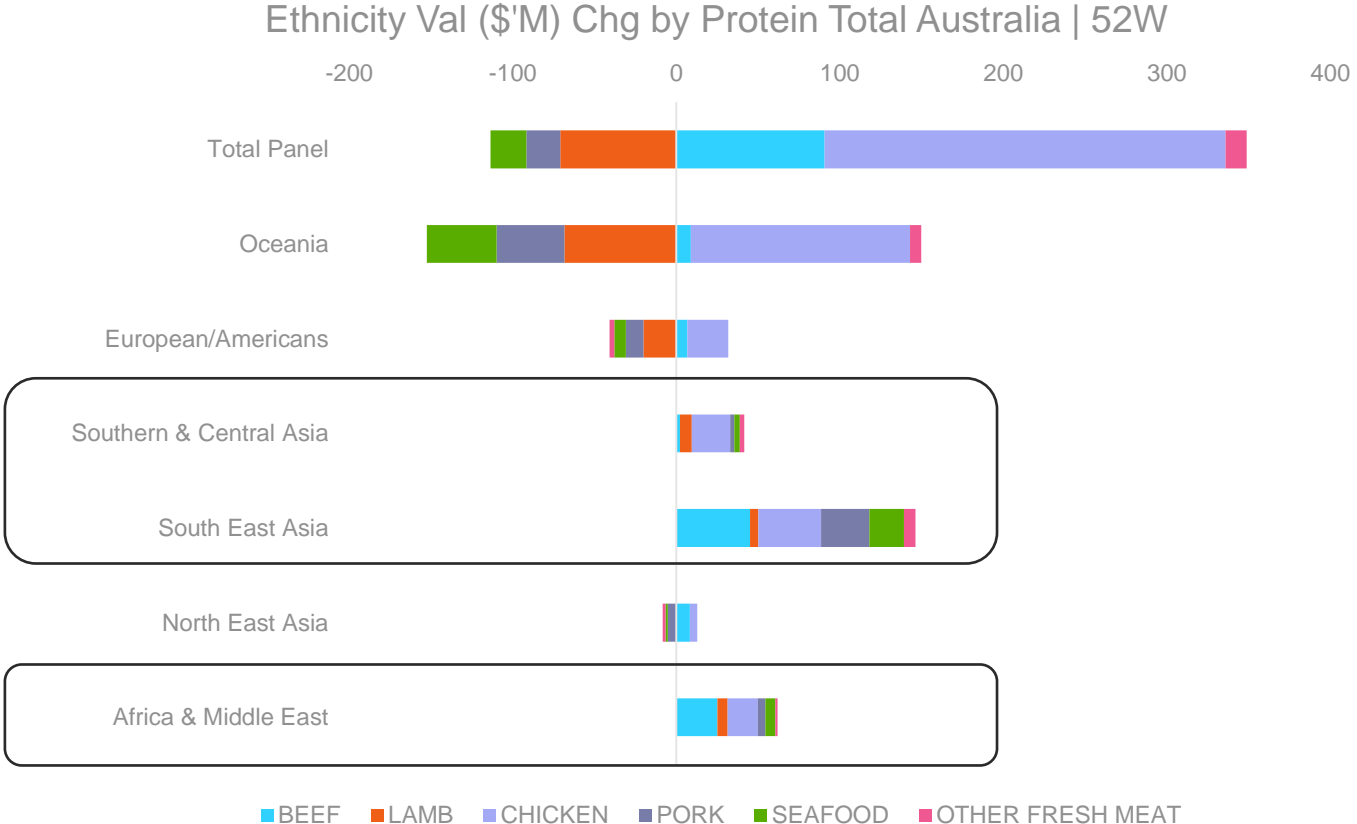
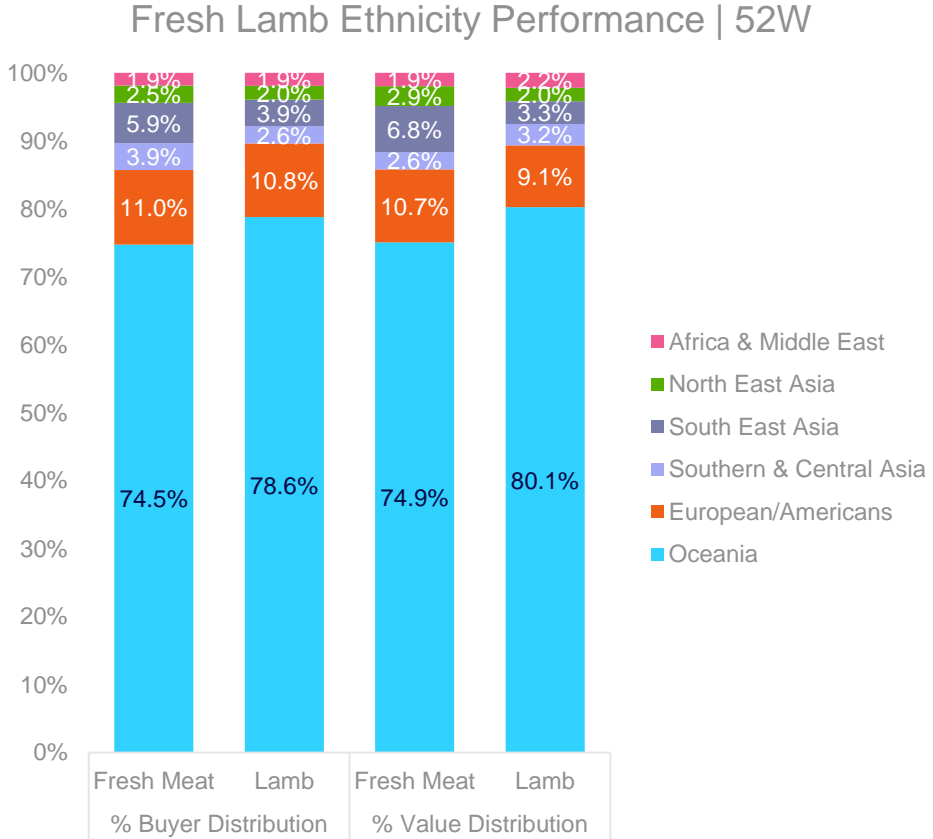
Lifestage Val (\$m) Change by Protein
Total Australia | 52W



Growing via Penetration (+29K new buyers) as well as frequency and volume per visit

Source: NIQ Homescan, AUS, MAT to 03/11/2024

All Ethnic groups show positive results for Lamb, however, due to size Oceania and Eur/Am are driving decline

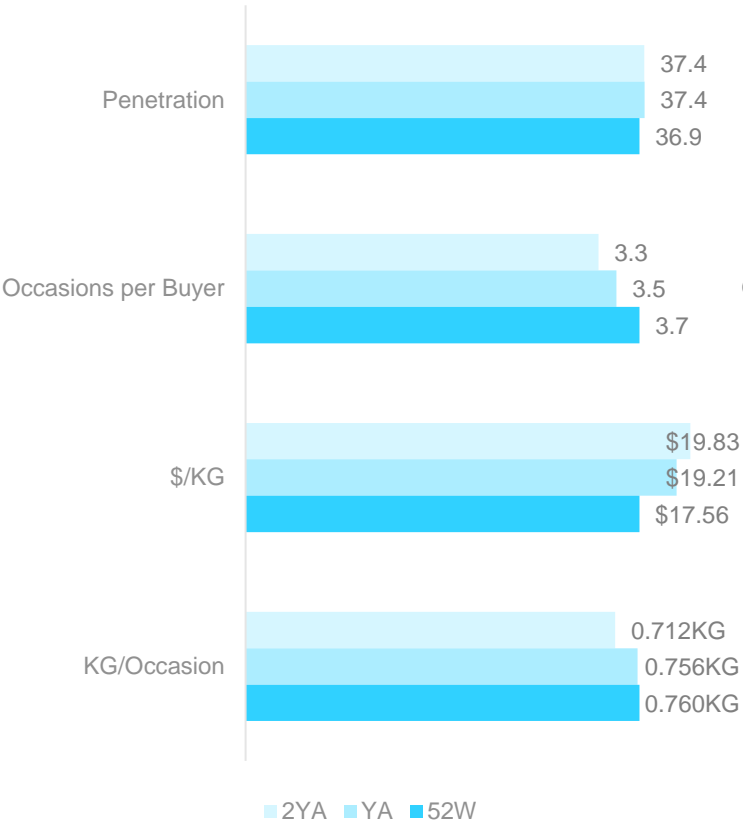


Source: NIQ Homescan, AUS, MAT to 03/11/2024

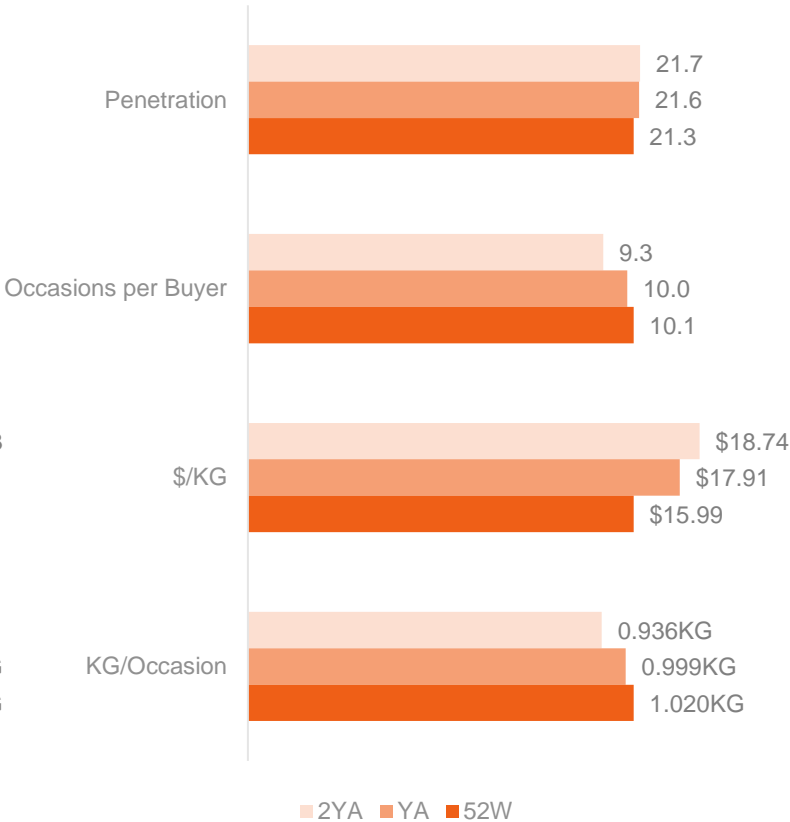
Lamb has lower penetration but increased frequency and volume per occasion across all groups

Lamb trends are influenced by Heavy and Medium buyers the most – they are driving Value decline as well as volume growth

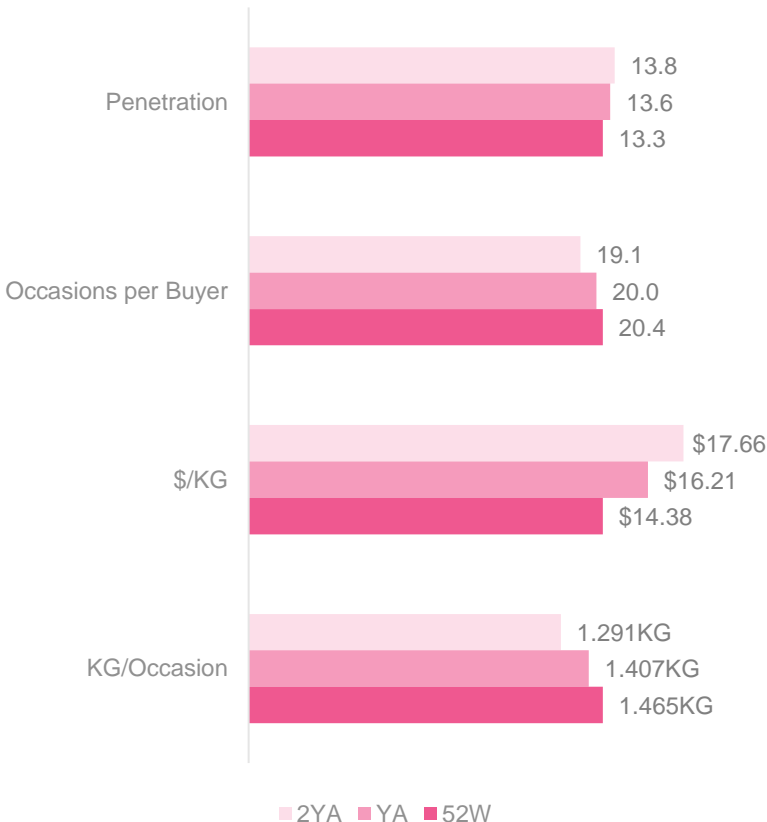
Fresh Lamb | Light Buyer KPIs
Total Australia | 52WE 03/11/24



Fresh Lamb | Medium Buyer KPIs
Total Australia | 52WE 03/11/24



Fresh Lamb | Heavy Buyer KPIs
Total Australia | 52WE 03/11/24



Source: NIQ Homescan, AUS, MAT to 03/11/2024

Which cuts attract new buyers to lamb?

Share of repertoire	Retained	New	New index vs Retained
LAMB CHOPS	8.8%	15.8%	180
LAMB CUTLETS	1.3%	2.4%	177
LAMB FILLET/STEAK	3.5%	5.2%	149
LAMB LEG	6.7%	8.1%	121
LAMB MINCE	4.0%	4.7%	117
LAMB PRE-PREPARED	1.6%	1.7%	105
LAMB SAUSAGES	4.0%	4.0%	99
LAMB SHANKS	26.4%	22.6%	86
LAMB SHOULDER	11.7%	9.9%	85
LAMB STIRFRY/DICED/CASSEROLE CUTS/STRIPS	24.7%	20.5%	83
OTHER LAMB	7.2%	5.1%	71



Champion cuts

For attracting new buyers



LAMB CHOPS



LAMB CUTLETS



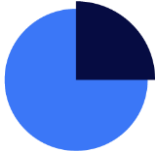
LAMB FILLET/STEAK



LAMB LEG

Source: NIQ Homescan, AUS, MAT to 03/11/2024

Key take aways for Lamb



Growth slowing down

- Lamb performance in volume is still strong at MAT level, however, recent price increases threaten that trend
- It will be important to find avenues for growth for Lamb to sustain volume next year



Changes by channel

- Focusing on right offer in Discounters has potential for further growth especially due to new buyer flow to this channel
- Lamb had the highest growth Online, it's highly important to retain these buyers and frequency to sustain this trend
- There is a need to rethink strategy for Butchers, this channel attracted a lot of buyers in the first half of the year, but trend changed in the latest QTR. How can this channel appeal in such a competitive landscape?



Champion cuts

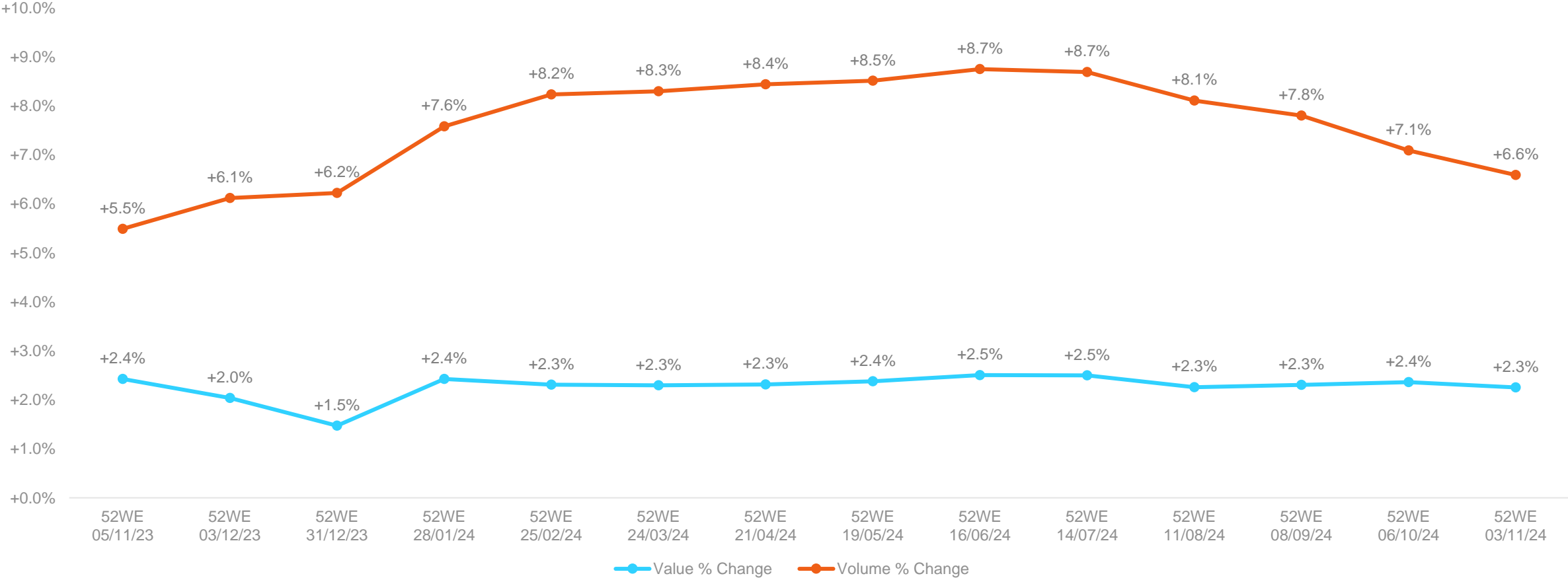
- New buyers enter via: chops, cutlets, fillet / steak and leg. These cuts could play an important role in capturing new buyers in Discounters



BEEF

Beef has maintained consistent value growth, while volume growth shows signs of slowing down in recent periods

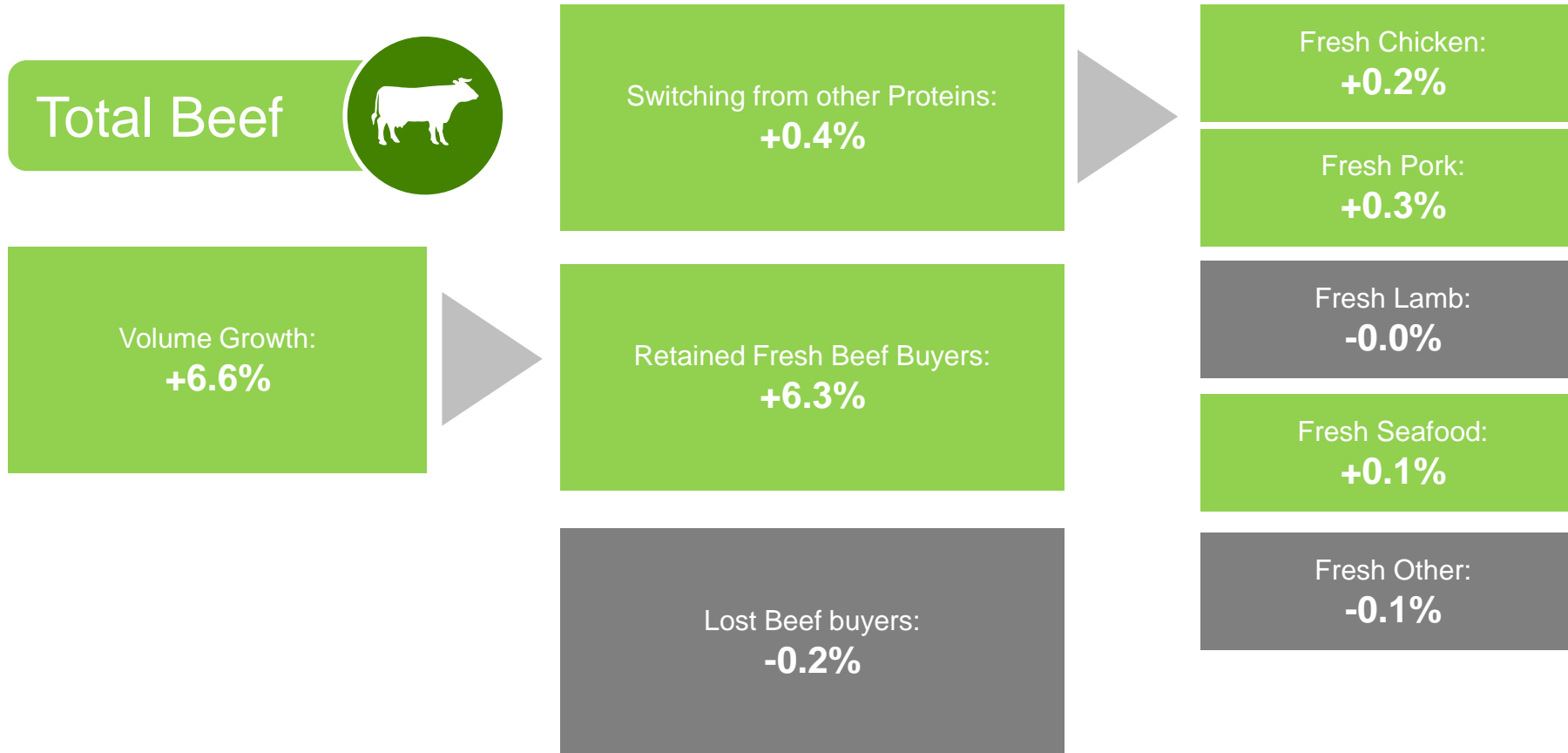
Value & Volume Growth | Fresh Beef | Total Australia | 52W Rolling Trended 4Weekly



Source: NIQ Homescan, AUS, MAT to 03/11/2024

For the past year, KG sales growth is coming from existing buyers purchasing more, followed by switching gains from Pork, Chicken and Seafood

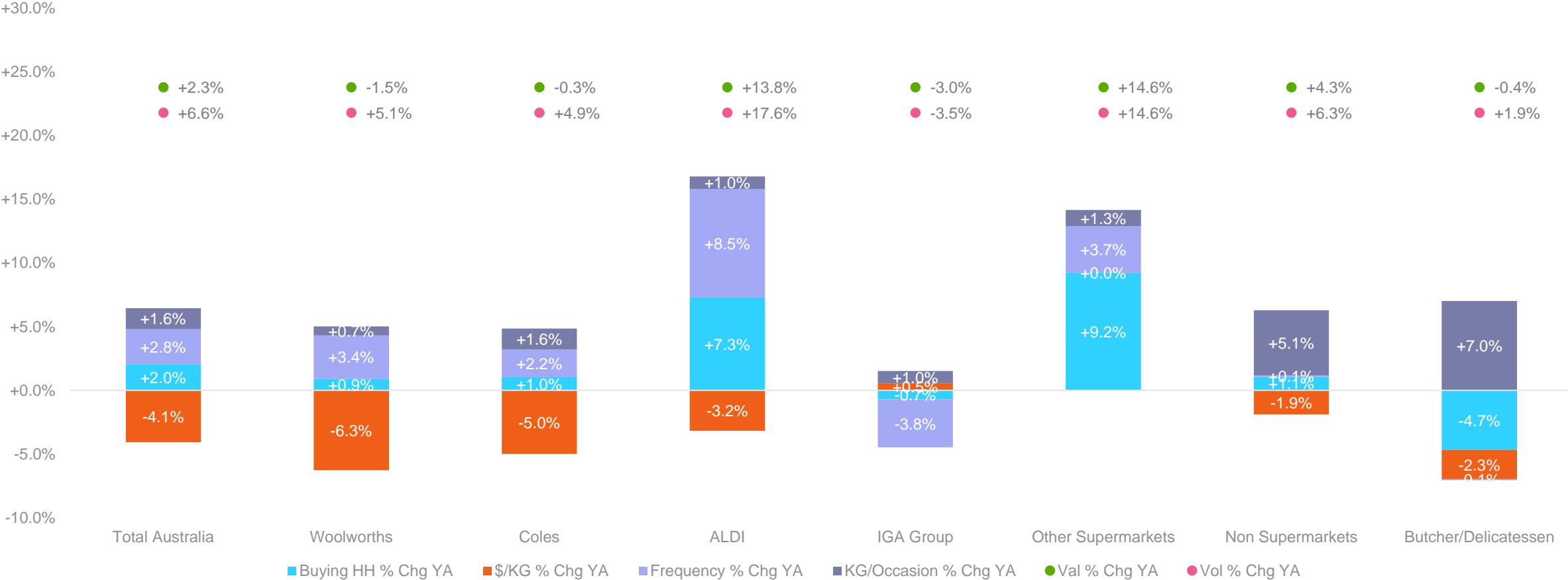
Total Fresh Beef | Source of Volume - Relative to Fresh Meat | 52 weeks to 03/11/2024 vs YA



Beef has attracted new buyers this year, mostly driven by Discounters. Growth is also accelerated by higher frequency and volume per visit.

IGA and Butchers lost buyers and frequency driving the decline

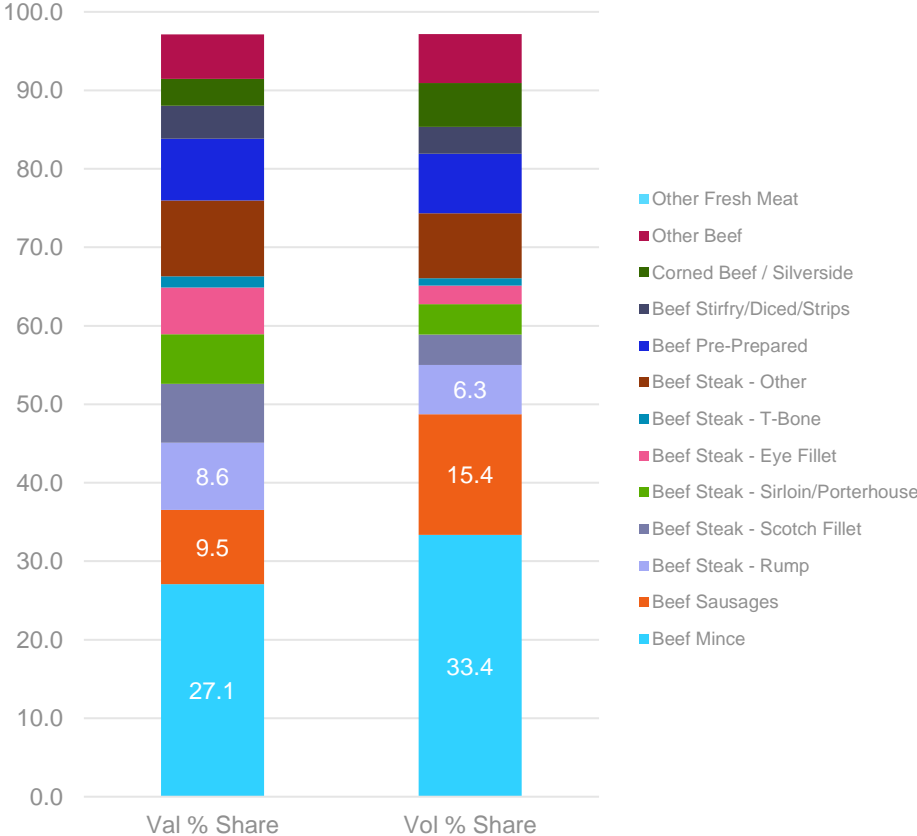
KPI Drivers of Change | Fresh Beef | 52W



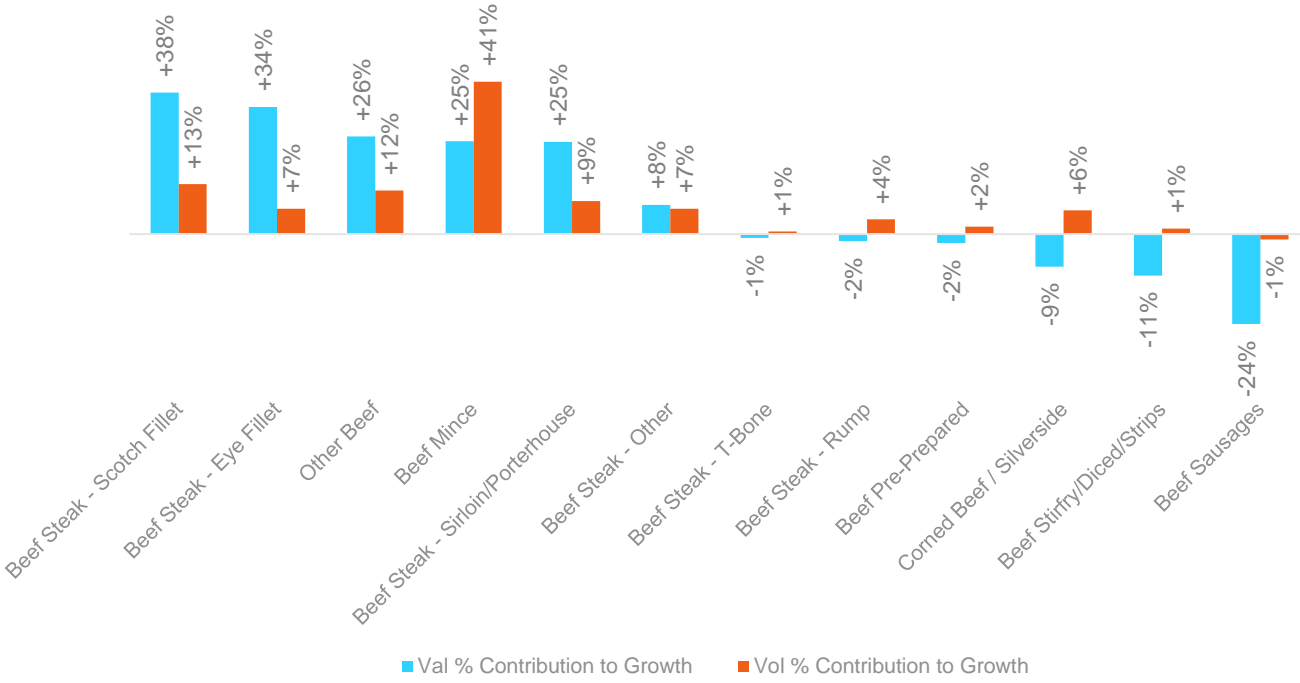
Source: NIQ Homescan, AUS, MAT to 03/11/2024

Volume growth is highly driven by Mince while Scotch, Eye Fillet and Porterhouse steaks were driving value growth

Fresh Beef Val and Vol Share by Cut
Total Australia | 52W



Fresh Beef % Contribution to Change by Cut
Total Australia | 52W

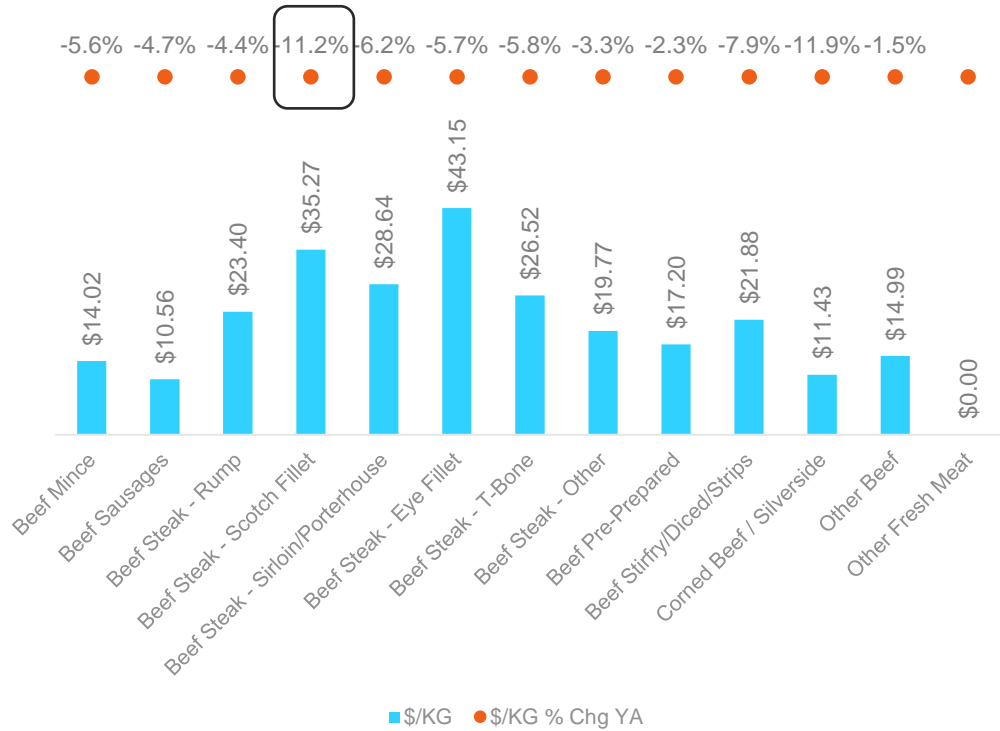


Source: NIQ Homescan, AUS, MAT to 03/11/2024

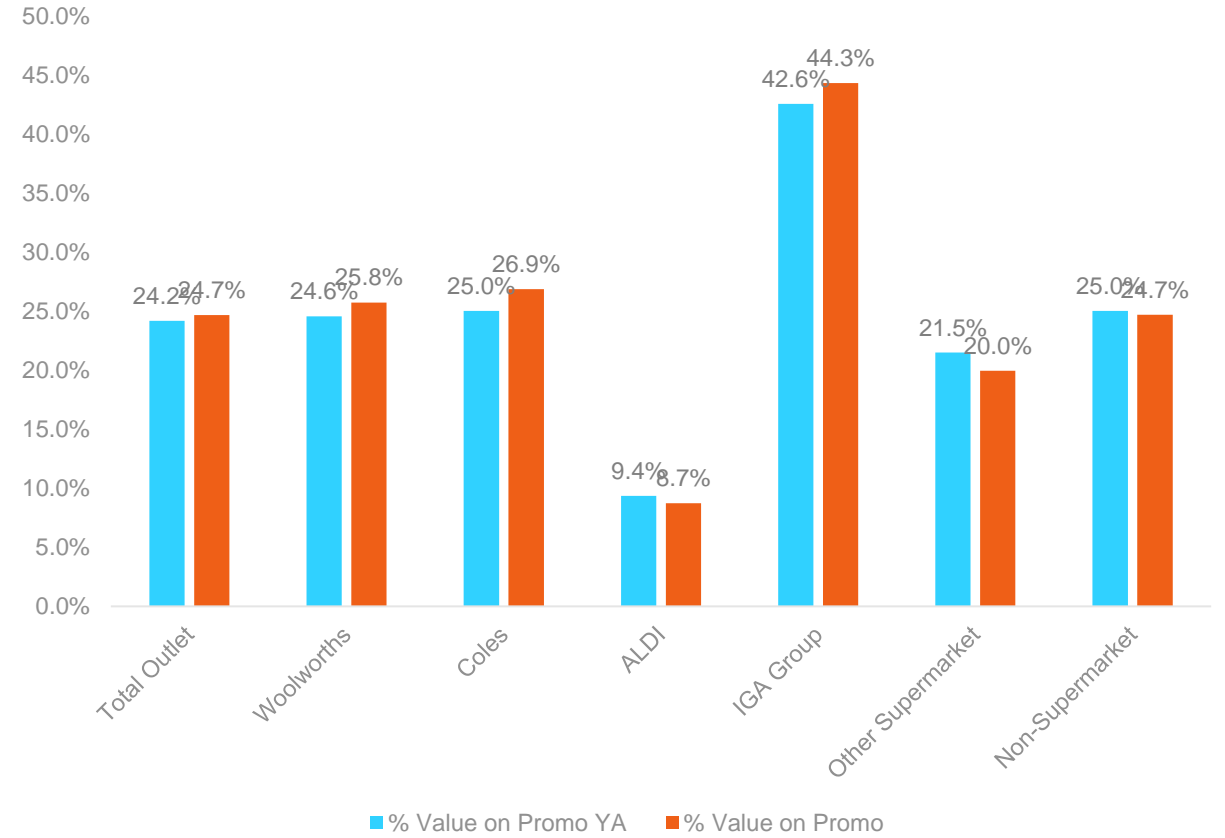
Beef value on promo increased in majors

High growth and value on promo for Mince and Scotch fillet steak in Majors

Fresh Beef \$/KG and % Change by Cut
Total Australia | 52W



Fresh Beef % Value sold on Promotion | 52w to
03/11/2024 vs YA

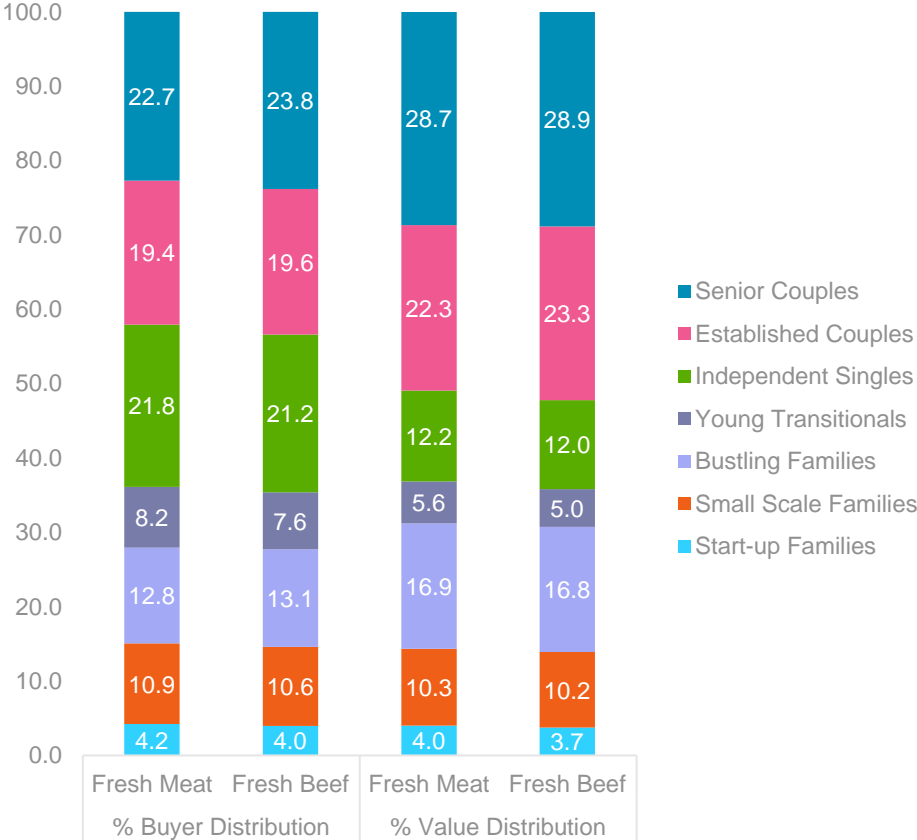


Source: NIQ Homescan, AUS, MAT to 03/11/2024

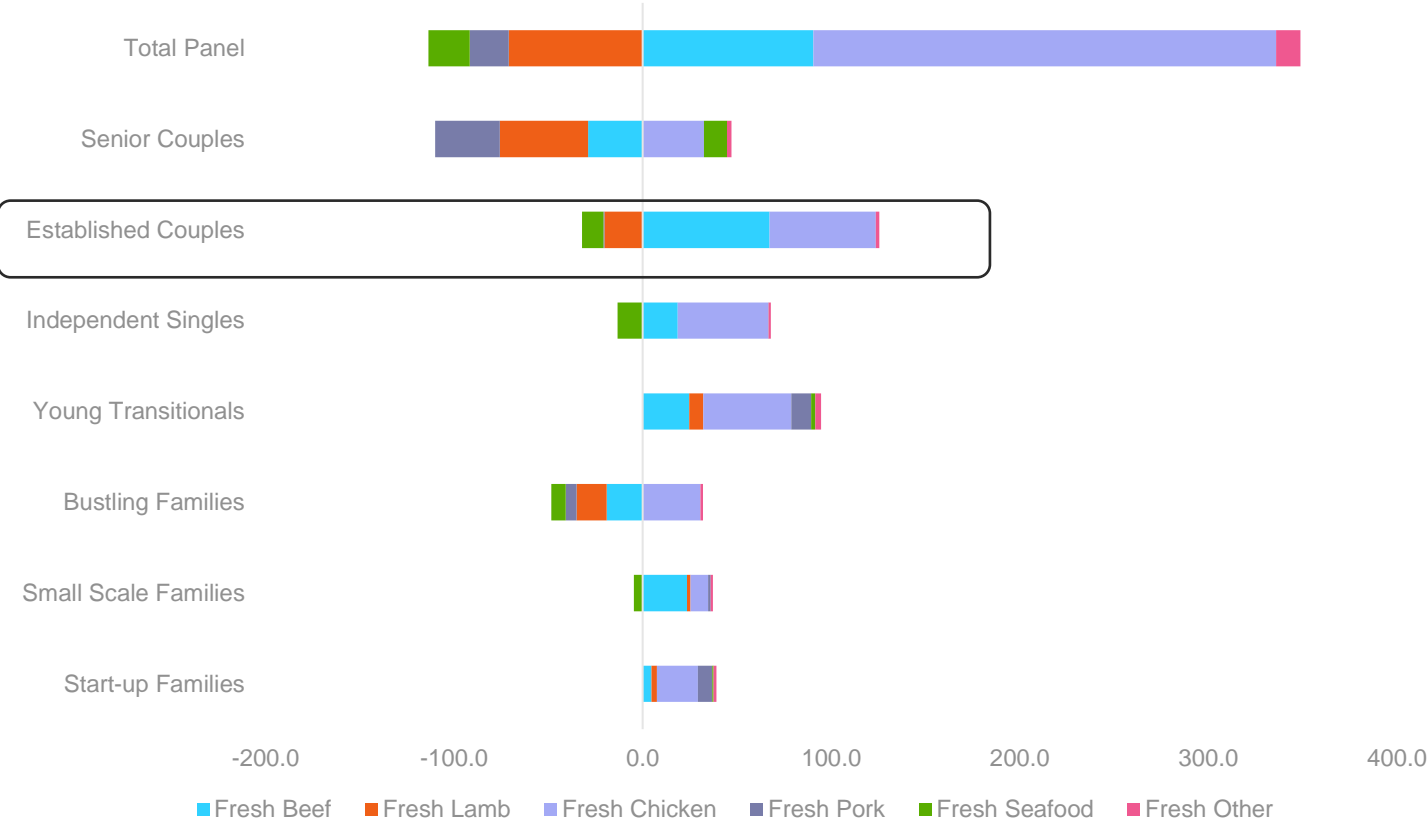
Beef growth is driven by Established couples & Young Transitionals, Independent Singles and Small Scale Families. Opportunity to reverse trend among Senior Couples & Bustling Families

Middle affluence households are driving Beef growth

Fresh Beef Lifestage Performance
Total Australia | 52W



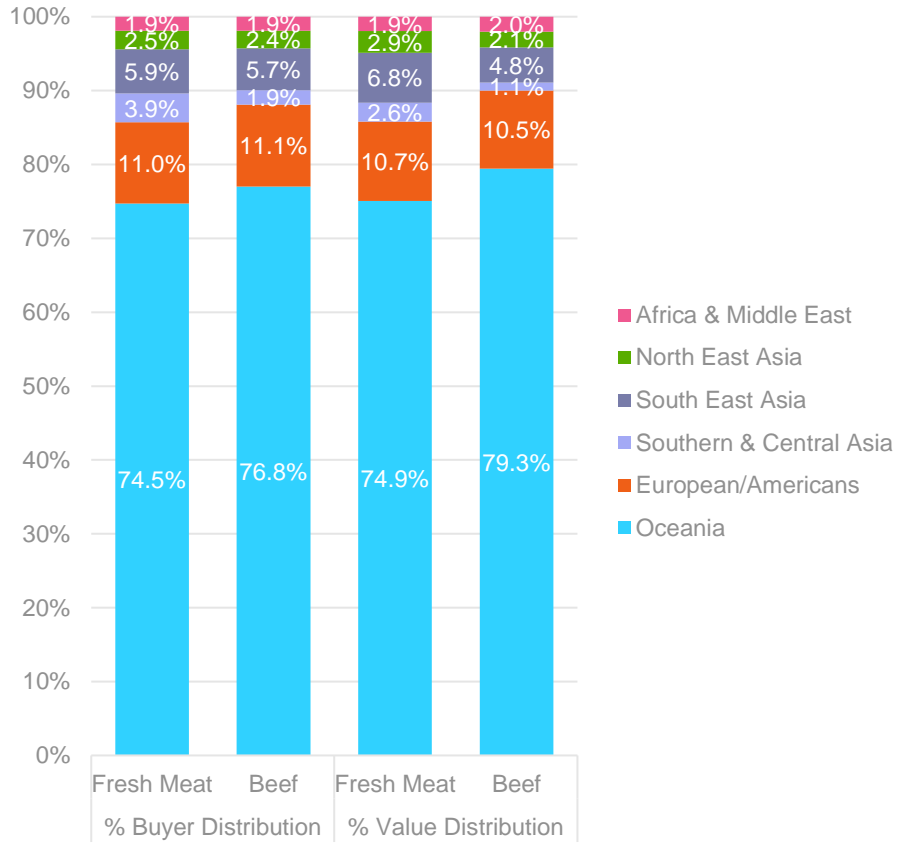
Lifestage Val (\$m) Change by Protein
Total Australia | 52W



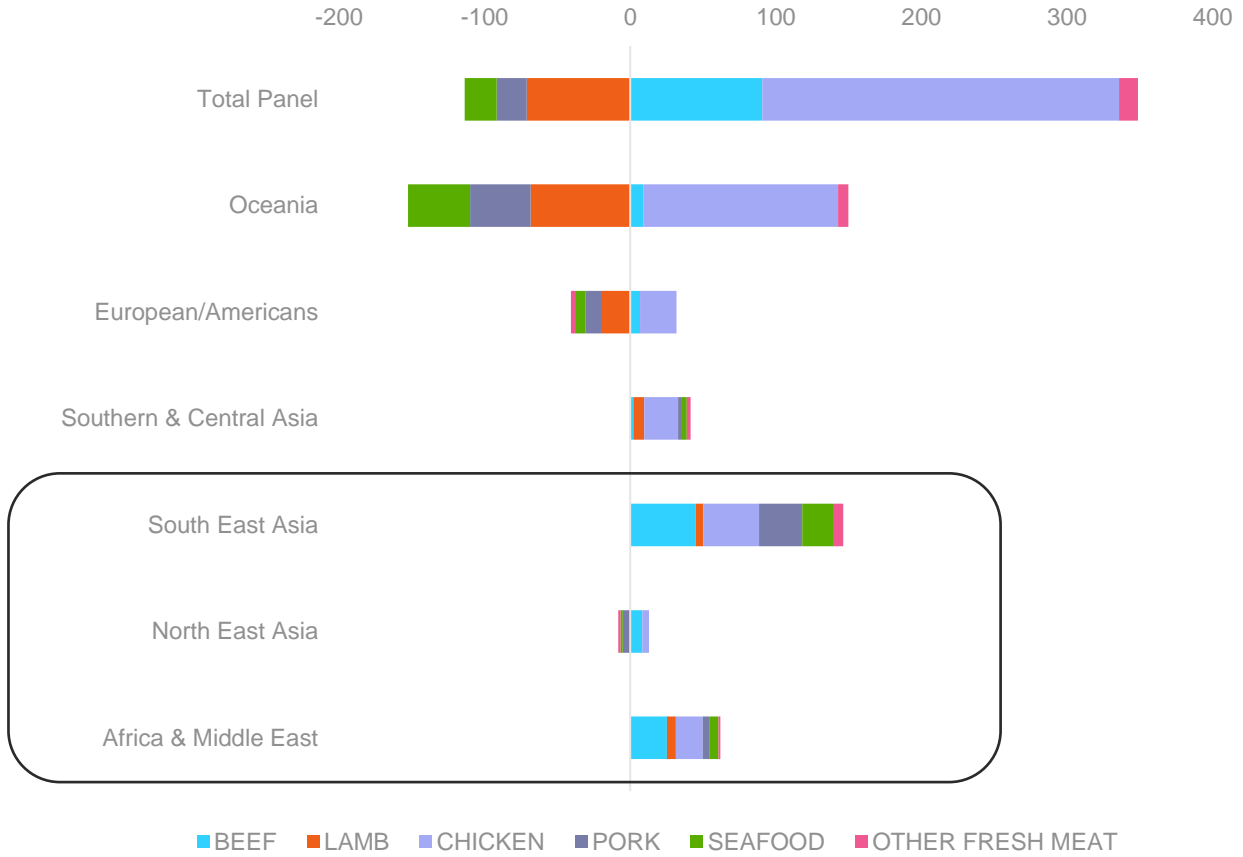
Source: NIQ Homescan, AUS, MAT to 03/11/2024

Beef growth is driven by SE Asian and Afr & Middle East ethnic groups. All Ethnicities increased their spend on Beef this year.

Fresh Beef Ethnicity Performance | 52W



Ethnicity Val (\$'M) Chg by Protein Total Australia | 52W

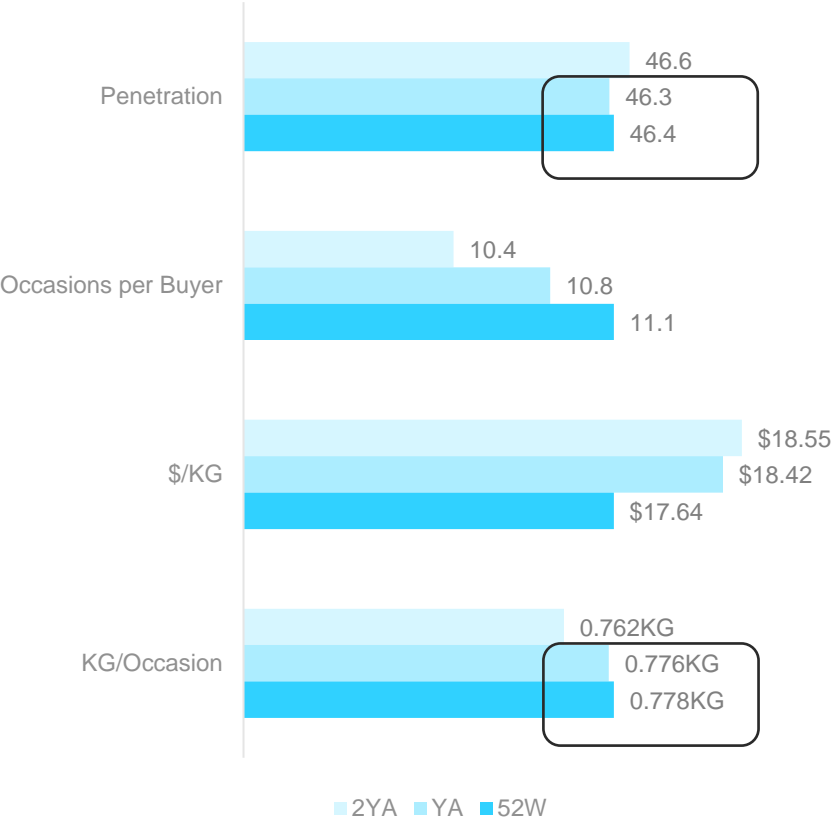


Source: NIQ Homescan, AUS, MAT to 03/11/2024

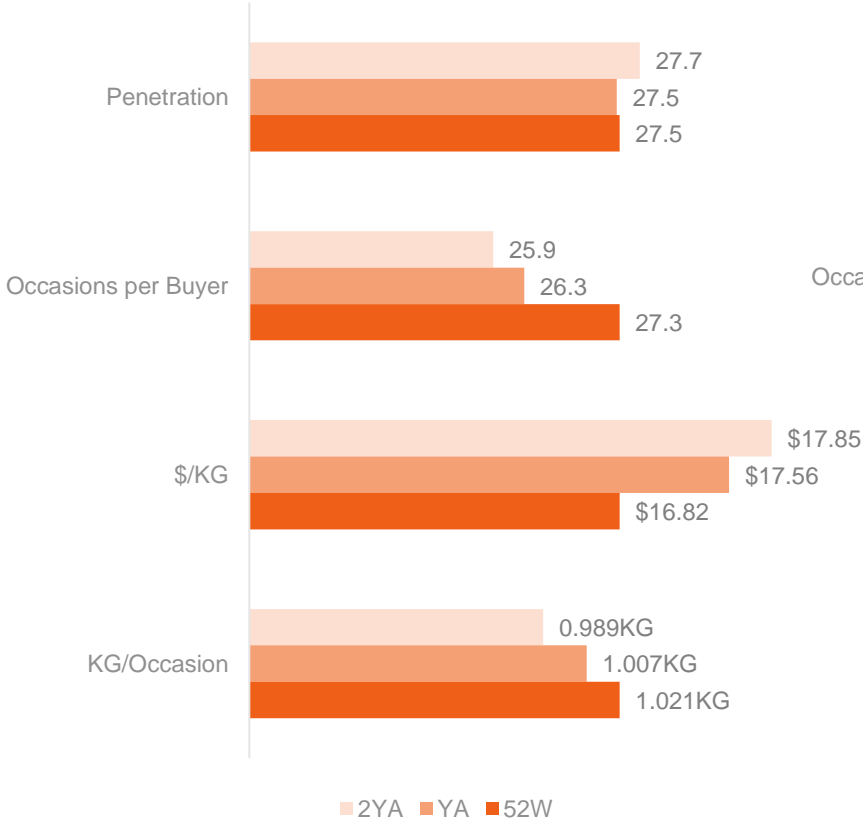
Actions taken helped to sustain Penetration as well as increase frequency and volume per visit across all buyer groups

Beef managed to attract new light buyers as well as increase volume per spend even among Light buyer group

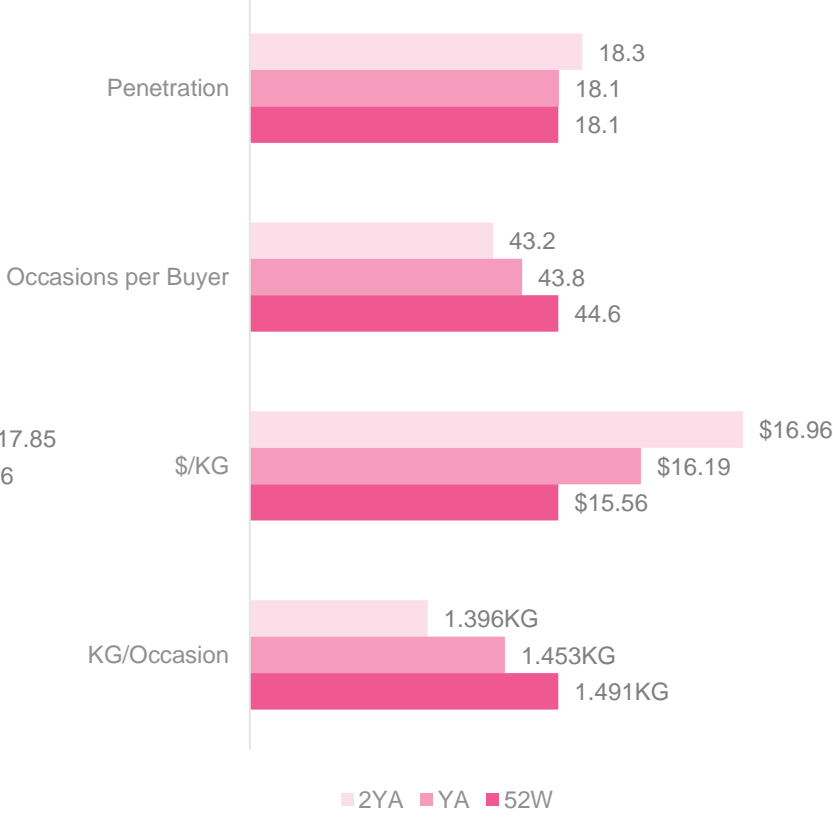
Fresh Beef | Light Buyer KPIs
Total Australia | 52WE 03/11/24



Fresh Beef | Medium Buyer KPIs
Total Australia | 52WE 03/11/24



Fresh Beef | Heavy Buyer KPIs
Total Australia | 52WE 03/11/24



Source: NIQ Homescan, AUS, MAT to 03/11/2024

Which cuts attract new buyers to beef?

Share of repertoire	Retained	New	New index vs Retained
BEEF STIRFRY/DICED/STRIPS	4.1%	8.5%	205
BEEF PRE-PREPARED	8.0%	13.0%	163
BEEF STEAK - EYE FILLET	6.3%	9.8%	157
BEEF SAUSAGES	9.7%	15.0%	155
OTHER BEEF	5.2%	6.8%	130
BEEF STEAK - T-BONE	1.5%	1.6%	103
BEEF STEAK - OTHER	9.3%	9.5%	102
BEEF STEAK - SIRLOIN/PORTERHOUSE	6.5%	5.3%	81
BEEF MINCE	26.7%	21.0%	79
BEEF STEAK - RUMP	8.8%	5.6%	64
CORNED BEEF / SILVERSIDE	3.8%	2.0%	54
BEEF STEAK - SCOTCH FILLET	7.2%	1.6%	22



Champion cuts

For attracting new buyers



BEEF STIRFRY/DICED/STRIPS



BEEF PRE-PREPARED



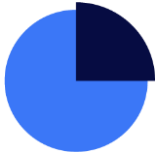
BEEF STEAK - EYE FILLET



BEEF SAUSAGES

Source: NIQ Homescan, AUS, MAT to 03/11/2024

Key take aways for Beef



Consistent growth

- Beef has maintained consistent value growth which helped gain share in the latest MAT (+0.1pp in \$), however, volume growth is slowing down
- Discounters and Online remain key channels for growth and attracting new buyers



Appealing to all demographics

- Opportunity in understanding why Bustling Families and Senior couples are in decline to reverse the trend
- Continue focusing on Ethnic groups that have positive impact to beef growth



Champion cuts

- Mince is the key driver of volume growth
- Certain Beef cuts are more likely to attract new buyers, namely: stir fry, pre-prepared, eye fillet and sausages
- While stir fry & sausages are attracting new buyers via promotions, pre-prepared has a role to play in attracting new buyers that seek convenience.
- Opportunity to focus on these cuts to reverse buyer loss in Butchers & IGA

Executive summary

Fresh Meat thriving Online and in Discounters

Online is the fastest growing channel and holds further opportunities for growth, specially for Lamb that will have to find avenues of growth due to recent price increase

Discounters remain of paramount importance for red meat as they attract new buyers and continue to grow in frequency

Price sensitivity affecting performance

While consumers are extremely sensitive to price changes, opportunities exist in finding the right cut for the right audience

Certain cuts are more likely to attract new buyers, others have potential to grow online.

Rethinking activities for the right cuts could hold potential in reversing IGA and Butcher trends

Smaller buyer groups play larger role for growth

Strong evidence that Younger households are seeking convenience via frozen meat and convenience meals.

Red meat has a role to play in these avenues, especially by utilizing pre-prepared segment

Relatively small Ethnic groups contribute beyond their share to red meat growth. Appealing to these buyers will remain important in the nearest future

The Full View™

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6. Disclaimer and liability