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Chair's speech and Managing Director and CEO address delivered at The a2 Milk Company Limited's 2026 Annual Meeting, held at 11 am on 19 November 2026

Chair's speech (Pip Greenwood)

With the formalities taken care of, it is now my pleasure, on behalf of the Board, to update our shareholders on The a2 Milk Company's progress over the last year.

FY26 was a landmark year for the Company, underpinned by the acquisition of a2 Pōkeno, an advanced nutritional manufacturing facility located in the North Island of New Zealand, which has strengthened our supply chain and advanced our China growth strategy.

The acquisition has provided the Company with increased capacity and resilience, while enhancing our access to the attractive China label infant milk formula market through two existing China label registrations.

Since announcing the acquisition, we have received approval in China for those registrations to use the a2 brand, and have consequentially launched two new China label infant milk formula products into market. In addition, we have commenced the insourcing of English label *a2 Platinum*™ manufacturing to our a2 Pōkeno facility. These are important milestones in our manufacturing transition and China growth strategy.

From a trading perspective, we entered the year with strong momentum and delivered a positive first half result in February, with the Company trading ahead of plan and achieving growth across all product categories and markets.

However, as we entered the fourth quarter, we experienced supply chain challenges, largely outside the Company's control, that significantly affected product availability in China. During this period, we also managed a limited product recall in the USA.

While this was disappointing after such a strong start to the year, these events do not change our long-term strategy, the confidence we have in the strength of our brand, or the opportunities ahead.

Despite these fourth quarter challenges, the Company delivered a solid result for the year, with revenue of $1.97 billion, up 12.4% and reported net profit after tax of $207.5 million. Excluding a2 Pōkeno and one-off transformation costs associated with the transaction, separation, integration and transition, underlying net profit after tax was $235.8 million, up 7.0%, demonstrating the resilience and strength of the business.

Throughout the year, in addition to supply chain transformation we continued to invest for sustainable growth through brand marketing, product innovation and A1 protein free science, while progressing important operational priorities across the business.

Our infant milk formula business remained central to our strategy, with encouraging progress from *a2 Genesis*™ and in emerging markets. We also advanced our broader innovation pipeline across all life stages, with recent product launches in our Other Nutritionals portfolio performing well.

In liquid milk, the business performed strongly in both ANZ and the USA, reflecting the growing relevance of our A1 protein free proposition with consumers. We were also pleased to build brand visibility through initiatives including becoming the first ever dairy milk partner of the Australian Open and we are looking forward to partnering with the Australian Open again in 2027.

Turning to sustainability, we continued to advance our agenda, recognising that long-term performance depends on operating responsibly across our value chain.

During the year, we made further progress embedding sustainability into the way we work, with an ongoing focus on climate and nature, thriving farms, sustainable packaging, responsible sourcing and supporting the communities connected to our business.

While there is more to do, we remain focused on practical action that strengthens our position and demonstrates the Company's commitment to supporting the planet and the communities in which we operate.

From a capital management perspective, the Board remains focused on delivering returns to shareholders over time, while maintaining balance sheet flexibility to manage risk and fund potential future investment.

In FY26, the Company declared total ordinary dividends for the year of 21.0 cents per share representing a payout ratio of 74% of net profit after tax from continuing operations.

In addition, and as foreshadowed in August 2025, the Board also declared a special dividend totalling $300 million equating to 41.36 cents per share.

In total this year, the Company has paid $453 million in ordinary and special dividends providing a significant cash return to shareholders.

Looking ahead, FY27 is an important year for the Company as we rebuild momentum in our China label *a2 Zhichu*™ range, continue to advance our supply chain transformation programme, and support the in-market launch of our two new China label infant milk formula products.

The Board believes the business is well placed to build on its underlying strengths, with a clear focus on disciplined execution, recovery in the China infant milk formula business and operational priorities that will support long-term growth and value creation.

Before I close, I would like to acknowledge the hard work, resilience and commitment of our teams across Australia, China, New Zealand, the USA and Vietnam.

FY26 has been another significant year for the business, and on behalf of the Board, I thank all our teams for the focus, dedication and care they have shown in continuing to deliver for customers, partners and shareholders.

I would also like to thank our shareholders for your continued support and investment in The a2 Milk Company.

I will now invite David Bortolussi to address the meeting.

Managing Director and CEO Address (David Bortolussi)

Good morning everyone and thank you for joining us today at our Annual Meeting.

My name is David Bortolussi, I am the Managing Director and CEO of The a2 Milk Company.

Today, I will share with you our strategic, operational and financial highlights from the past year, and provide an update on our China IMF recovery and FY27 outlook.

We delivered FY26 results in line with, or slightly ahead of, our updated April guidance, with double-digit revenue growth.

Infant Milk Formula, or IMF, grew 5% in a flat China market, supported by strong English label growth, with China label sales significantly impacted by supply chain disruption in the fourth quarter.

Supply chain disruption had a material impact on China IMF product availability, performance and supply chain costs, which impacted our second half Group sales and earnings. As you would expect, we have been executing our comprehensive recovery plan, which I'll come back to later in the presentation.

Other Nutritionals grew significantly, by 42%, through innovation in kids, seniors, UHT and supplements – and Liquid Milk growth was well above market at 22% in Australia and the US.

Our commitment to innovation has resulted in the launch of a series of new products over recent years, which are making meaningful contributions to our growth. These new products accounted for more than 50% of our sales growth in FY26, with further launches occurring in FY27. We also advanced our supply chain transformation significantly through the divestment of MVM and the acquisition of a2 Pōkeno.

Finally, following regulatory approval of our two new China label registrations, we declared a $300 million special dividend, and recently paid our full year ordinary dividend with an improved payout ratio.

Turning to our financial summary.

Revenue was up 12.4% to $1,975 million.

Reported EBITDA was down 2.5% to $284 million, which was impacted by supply chain disruption and expected a2 Pōkeno losses.

On an underlying basis, excluding a2 Pōkeno, EBITDA was up 5.4%, and our EBITDA margin was 15.6%.

From an earnings perspective, underlying NPAT and EPS, were up 7.0% and 6.8% respectively.

The next slide shows that our growth was broad-based, across all our geographic markets and product categories.

China and Other Asia grew 11%, ANZ 10% and the US over 28%.

By product category, IMF was up around 5%, Liquid Milk up 22% and Other Nutritionals up 42% excluding a2 Pōkeno sales.

I will now cover the supply chain disruption experienced in the fourth quarter. As outlined in previous market announcements, product availability was materially impacted by a number of factors including:

- strong demand in the preceding quarter
- freight challenges
- a production backlog at Synlait
- extended product release timeframes, and

- additional customs and testing requirements

These factors were resolved and key channels mostly restocked by the end of June this year.

However, during the period of in-market product availability issues, a large portion of existing users were forced to switch to alternative brands, which as you can see, significantly impacted our China label market share during the fourth quarter.

Our ability to recover market share largely depends on our ability to regain past users, new user recruitment momentum, and the performance of our two new China label IMF products recently launched in the market.

Given the extended out of stock period, we expect recovery to be gradual as we rebuild our user base. We are taking a measured and disciplined approach which balances user recruitment with protecting brand health and trade economics, whilst reducing the risk of excess inventory and product freshness issues.

Early progress has been positive, and we continue to focus on executing our recovery plan which has four priorities: rebuilding brand trust, driving user recruitment, supporting our distributor and retailer ecosystem, and maximising the performance of new product launches.

We have completed our key trust building actions. These included introducing our market leading traceability tool with batch-by-batch testing and amplifying the benefits of the tool and other product credentials through social media, PR and independent endorsements.

We have also executed past user win back programmes, ramped up our investment in new user recruitment, and launched our two new China label products.

On that note, I would like to acknowledge the tremendous work and commitment of our amazing a2 team, our loyal distributors and customers, particularly our strategic partner China State Farm for their support throughout the disruption and recovery process.

Moving to the next page, our increased brand investment and careful trade management are supporting our recovery. Brand sentiment and net promoter score are back to prior levels and search activity on RED and e-commerce platforms is at or above prior levels.

Importantly our estimated China label consumer offtake has recovered to around 50% of pre-disruption levels, up from around 40% in August.

We are supporting the trade ecosystem and have intentionally constrained distribution to around two thirds of prior levels to support rate of sale at retail. While past user win back is slowing, new user recruitment is building, with conversion rates at or above prior levels.

Our two new China label products, launched recently at the China International Import Expo, also expand our addressable market, helping us reach more consumers and supporting our recovery.

English label sales have been impacted by category performance which has been softer following industry recalls, the indirect impact of our USA label recall, the in-market transition to our new *a2 Platinum™* product and *a2 Genesis™* China importation requirements currently requiring parcel shipments from Hong Kong. Sales are now stabilising and new user recruitment is improving. The recent launch of our upgraded *a2 Platinum™* formulation at CIIE, with significant marketing campaign support planned in the second half, will support the recovery.

Turning now to FY27 and the Company's Outlook.

We expect revenue and EBITDA to grow in FY27 supported by increased contribution from product innovation and new markets, continued momentum in Other Nutritionals and Liquid Milk, and a2 Pōkeno profitability improvement.

As previously outlined, we have been focused on executing our China IMF recovery plan and we expect China label and English label IMF to recover gradually in FY27, supported by the launch of new China label products, the recent launch of our updated *a2 Platinum*™ product and pending resolution of the China importation requirements currently impacting *a2 Genesis*™.

The transition of *a2 Platinum*™ manufacturing to our a2 Pōkeno facility is on track and substantially progressed. The Company now has greater clarity on the associated transition costs, with total one-off transformation costs expected to be approximately $15 million in FY27.

Whilst a range of outcomes is possible depending on the rate of recovery in IMF, the Company currently expects revenue growth of mid single digit percent and underlying EBITDA margin percent which excludes the transformation costs to be approximately 15%.

Turning to the next page, our strategy remains unchanged.

We remain focused on capturing the full potential in China IMF, ramping up product innovation, entering new markets, and transforming our supply chain – all underpinned by our investment in brand, science and innovation capability.

On the next slide, we just fell short of achieving our medium-term revenue ambition of $2 billion this year and now expect to do so in FY27.

Our market and category growth drivers remain on track, except for China label IMF, which has been impacted by supply chain disruption as previously mentioned.

Beyond our FY27 goals, we have significant growth opportunities, to capture in our core business, adjacent categories, and new markets over the years ahead.

We've been addressing these opportunities over time, and thought that it would be helpful, to lay out the markets and categories we are focused on, the estimated size of these markets at retail, the addressable component and our current share. Our product portfolio has expanded significantly through a focus on innovation, increasing from 7 products in FY21 to 32 by the end of FY27.

In summary, we have a relatively low share in substantial addressable markets, with plenty of growth opportunities to pursue over the long term.

Over recent years, we have been focused on expanding our product portfolio, supported by investment in innovation and product development capability, a2 Pōkeno, and building our network of strategic manufacturing partners.

Slide 19 highlights the many new innovations, coming to the market in FY27 and beyond which we are excited about.

In the first half of FY27, we have already launched two new China label products, that expanded our China label portfolio from one product to three. We are also in the process of launching a significant update to *a2 Platinum*™ and will be launching an updated *a2 Genesis*™ shortly, alongside continued expansion in kids, seniors and supplements.

Turning now to the science that underpins our a2 brand proposition and innovation.

We have continued to invest in R&D for more than 25 years, building scientific evidence, around milk that is A1 protein free.

A highlight this year, was our US Growth Monitoring Study, a key clinical requirement for the FDA new infant formula application process.

The study showed that infants consuming formula made with *a2 Milk*™, demonstrated appropriate growth, and had a comparable safety profile, to infants consuming a conventional formula which is the primary purpose of the study.

However, encouragingly, secondary analyses of the data, showed a 6% greater length and weight gain and higher protein conversion efficiency, versus conventional infant formula. These findings were presented, at the American Society for Nutrition Annual Meeting in July and it is something we will be exploring more over time.

Moving to the next page, our new markets strategy continues to progress with Vietnam starting to scale. Distribution has expanded to more than three and a half thousand stores and sales grew strongly during the year.

We are also continuing to assess and progress further opportunities across South-East Asia and the Middle East, including the Philippines, Singapore, Malaysia, Indonesia, UAE and Saudi Arabia.

Moving now to our supply chain transformation, as previously mentioned, during the year we completed the acquisition of a2 Pōkeno, a world-class nutritional manufacturing facility, and the divestment of MVM.

Since acquisition, we've more than doubled our Pōkeno team, delivered the first phase of our multi-year capital investment program, on time and on budget, and secured registration amendments for two new China label products. All significant achievements.

The site is on track to be marginally EBITDA positive in FY27, as we insource *a2 Platinum™* and capture vertical margin benefits.

All of our FY26 key milestones relating to English label transition, China label registrations and facility upgrades were completed. FY27 metrics are on track, with production and financials in line with plan.

Finally, we continued to make good progress on sustainability, including commencing work to convert the a2 Pōkeno gas-fired boiler to an electrode boiler, to support achievement of our Scope 1 & 2 net zero target by 2030.

We also established on farm data collection approaches, to increase the accuracy of our Scope 3 emissions reporting, and awarded 27 new projects through our Farm Sustainability Fund.

That brings me to the end of my presentation.

I look forward to answering any questions you may have after the formal business section of the Annual Meeting or after the meeting closes if you prefer.

Thank you very much for your time, and I'll now hand back to our Chair.

Authorised for release by the Board of Directors

David Bortolussi
Managing Director and Chief Executive Officer
The a2 Milk Company Limited

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