BRG GROUP

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ASX Market Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Full Year Results Announcement – Year Ended 30 June 2025

Attached is a copy of the Breville Group Limited Full Year Results Announcement for the year ended 30 June 2025.

The release of this announcement was authorised by the Board.

Yours faithfully

Sasha Kitto and Craig Robinson
Joint Company Secretaries

BRG GROUP

BRG Group Results

(ASX : BRG)

Year ended 30 June 2025

Double-digit growth across all Theatres. EBIT at top end of guidance

Group Summary Result

AUDm[1]	FY25	FY24	*% Growth*
Revenue	**1,696.6**	**1,530.0**	***10.9%***
Gross Profit	**620.5**	**556.9**	***11.4%***
Gross Margin	**36.6%**	**36.4%**	
EBITDA	**271.9**	**245.5**	***10.8%***
EBIT	**204.6**	**185.7**	***10.2%***
NPAT	**135.9**	**118.5**	***14.6%***
Dividends per share - ordinary (cents)	**37.0**	33.0	***12.1%***
Franked (%)	**100%**	100%	
Net (debt) / cash ($m)	**48.5**	53.6	
ROE[2] (%)	**14.9%**	14.6%	

- Solid double digit Global Product revenue growth across all Theatres, led by Coffee
- Gross Margin held broadly steady at **36.6%**
- EBIT growth of **10.2%** at top end of guidance with operating expenses growth aligned to 11.4% Gross Profit growth
- Potential US tariff impact on COGS in 2H25 largely mitigated by tactical pull forward of US inventory pre-April 25. Incremental storage, transportation, engineering costs and interest managed within FY25 result
- NPAT growth of **14.6%** with lower average borrowings than PY
- Healthy underlying cashflow resulted in Group net cash of $48.5m at year end as investment in manufacturing diversification began in earnest
- Dividend of 37.0 cents per share (100% franked)
- Continued investment in growth engines of the business – new product and solutions development, tech services, geographic expansion and marketing
- Revenue, Gross Profit and EBIT have increased every year since FY15

Commenting on the Group's result, BRG's MD and CEO, Jim Clayton said:

"After multiple years of macro uncertainty and post-COVID normalisation, BRG Group returned to double-digit revenue growth in Global Product across all three Theatres (Americas, EMEA, and APAC).

Coffee once again led performance across the portfolio. Cooking returned to growth, and Food Prep stabilised, while the platforms we've spent years building—new product development, geographic expansion, and digital platforms—all scaled together, delivering nearly $1.7bn in Sales and $620m of Gross Profit.

*New Product Development delivered another strong year with the rollout of the **Oracle® Jet**, **premium coffee accessories,** the **Luxe Brewer™**, and **the Smart Oven™ Air Fryer Compact**, as well as solid performance from products launched in FY23 and FY24.*

*BRG Group continued its geographic expansion with direct entry into the **Middle East** and **China**, both of which have performed well post-launch. While still early days, customer and partner engagement has been strong, and both markets have meaningful long-term growth potential.*

Across the year EMEA and APAC continued their healthy trajectory while the Americas became more dynamic with the introduction of the evolving US Administration's global tariff program. This bifurcated reality required rapid, forward-leaning tactical execution for the Americas, while maintaining the steady cadence of progress on multi-year strategic initiatives.

Our manufacturing diversification program continues to progress at pace and is on track, with manufacturing locations in Mexico and Southeast Asia for 120-volt product emerging to complement China.

For the Americas, FY26 is expected to be a year of countervailing forces: input cost inflation and an evolving US tariff policy against resilient top-line momentum buttressed by new products. Our strong balance sheet and unleveraged position gives us flexibility to react to challenges, so we are better placed than many, but FY26 is expected to be a dynamic year for the Americas.

To the entire BRG team thank you for your agility, tenacity, teamwork, and continued commitment to excellence. To our consumers and retailer partners, thank you for your continued support and to our shareholders, thank you for your long-term commitment."

Segment Results

AUDm[1]	Revenue			Gross Profit			Gross Margin	
	FY25	FY24	***% Growth***	**FY25**	FY24	***% Growth***	**FY25**	FY24
Global Product	**1,500.6**	1,336.0	*12.3%*	**558.9**	503.0	*11.1%*	**37.2%**	37.7%
% Growth in constant currency			*11.4%*					
Distribution	**196.0**	194.0	*1.0%*	**61.6**	53.9	*14.4%*	**31.4%**	27.8%
TOTAL	**1,696.6**	1,530.0	*10.9%*	**620.5**	556.9	*11.4%*	**36.6%**	36.4%

Our Global Product segment revenue grew by 12.3% (or 11.4% in constant currency) and Gross Profit grew by 11.1%. Coffee delivered strong double-digit growth, with Cooking in high single-digit growth and Food Preparation improving its Gross Margin but posting a small single-digit revenue decline.

NPD (new product development) launches contributed materially to growth in the year with the premium *Oracle® Jet, the Luxe Brewer™ Thermal, the Smart Oven™ Air Fryer Compact* and the *premium coffee accessories,* all performing well. We also entered China and the Middle East as direct markets in the second half of the year.

Global Product segment Gross Margin was slightly dampened by elevated shipping costs into EMEA and the strong USD.

The Distribution segment fulfilled its strategic role by delivering strong Gross Margin growth, driving an increase in Gross Profit of $7.7m.

Global Product Segment Revenue Growth – reported and constant currency

	Global Product Segment Revenue			
AUDm[1]	**FY25**	FY24	% Growth	***% Growth in constant currency***
Americas	**822.2**	735.5	11.8%	***11.5%***
EMEA	**374.4**	325.2	15.1%	***12.0%***
APAC	**304.0**	275.4	10.4%	***10.7%***
TOTAL	**1,500.6**	1,336.0	12.3%	***11.4%***

Global Product Segment

FY25 saw all three Theatres delivering double-digit reported and constant currency growth.

In **The Americas** the US consumer remained encouragingly resilient, whilst Canada rebased as Hudson Bay closed. Revenue grew strongly by 11.5% in constant currency, with both Coffee and Cooking in double-digit growth. Food Preparation grew Gross Profit with a slight revenue decline.

In **EMEA** a strong Coffee performance led a 12.0% growth in constant currency revenue. Key countries all performed well and our direct entry into the Middle East is off to a solid start, though the transition negatively impacted the reported 2H25 growth rate.

APAC delivered robust growth of 10.7% in constant currency with ANZ delivering double-digit growth and South Korea continuing to move from strength to strength. Our China entry shows early promise with the previous distributor change-out acting as an expected temporary drag on 2H growth.

EBIT and NPAT

In a year with 10.9% revenue growth, mix slightly improved Gross Margin, growing Gross Profit by 11.4%. Operating expenses growth was aligned to this Gross Profit growth to deliver EBIT growth of 10.2% for the year, at the top end of guidance.

Within this 10.2% EBIT growth, the COGS impact of US tariffs in 2H25 was largely mitigated by the tactical pull forward of inventory in the US before April 2025. Associated incremental storage, transportation, engineering and interest costs were all managed within the FY25 result.

Gross Profit grew by $63.5m in FY25 of which approximately 30% flowed through to EBIT, with 70%, or $44.6m, invested into operating expenses.

- D&A expenses increased, in line with plan, by $7.5m, or 12.6%, due to the acceleration in the rate of new product and solutions launches and past investments.

- Employee expenses grew by $16.1m, or 8.2%, due to annual pay rises, geographic expansion and some headcount growth in key investment functions, as well as increases in variable pay incentive schemes.

- Marketing and advertising investment increased $7.9m, or 14.5%, driven by key launches and initiatives.

- Premises and Other expenses were up $13.1m, or 21.8%, driven by temporary storage costs and engineering fees associated with US tariff mitigants, as well as some foreign exchange losses.

NPAT grew 14.6% boosted by reduced finance costs, down $(5.9)m, or (26.5)%, arising from lower average net borrowings throughout FY25.

Financial Position

In FY25 the Group made a number of manufacturing-related investments as a part of the manufacturing diversification project as well as strategic capital investments focused on driving future business growth.

The investments were made whilst also delivering healthy underlying cashflow, resulting in a net cash position of $48.5m at 30 June 2025, broadly in line with PY of $53.6m and a slightly improved ROE% of 14.9%.

The pull forward of inventory into the US, as a hedge against potential tariffs, substantially drove an inventory increase of $93.5m to $426.3m at 30 June 2025 (pcp $332.8m). Inventory outside of the US and new markets was broadly flat as a percentage of sales.

Receivables of $302.3m at 30 June 2025 were 7.2%, or $20.3m, above pcp ($282.0m) with a small improvement in days outstanding. Year-end receivables were 38% or $176.8m lower than the balance at 31 December 2024 ($479.1m), exhibiting our normal seasonal pattern.

The increase in the Group PPE balances over the pcp of $29.5m was led by a $21.4m investment in tooling and fixed assets related to the establishment of diversified manufacturing sites, as well as $5.1m related to the expansion of the store-in-store program with key retailers.

In FY25 the Group capitalised Development Costs and Software of $42.9m (FY24: $37.2m) and recognised an amortisation expense of $27.5m (FY24: $22.4m), increasing the total capitalised value of Development Costs and Software to $102.7m. This intangible balance is a leading indicator of future growth, with the growing balance signalling that projects are moving toward launch or have recently launched. As more new products and solutions are developed, and launched, capitalisation increases, and with a lag so does amortisation, driven by the length of our development cycle.

In FY25 the Group also completed the $12.8m acquisition of an exclusive licence for third party developed IP / technology that we plan to use in future product development. As a purchase it is included as part of Goodwill, Brands and Licences. This overall asset category was also subject to a $11.4m forex translation vs PY.

Net Debt and Cash flow

Healthy underlying cashflow delivered a net cash position of $48.5m (pcp $53.6m) notwithstanding tariff-led investments in both inventory and fixed assets associated with diversifying manufacturing locations.

At the beginning of FY26 the Group is unleveraged and has significant cash ($105.7m) and unused debt facilities ($388.2m) in place which provides funding flexibility for normal peak season inventory and receivables builds, as well as funds to complete the establishment of our diversified manufacturing base, the growing investment in store-in-store expansion and to take advantage of opportunities as they arise.

Dividends

A final dividend of 19.0 cents per share (100% franked) has been declared (FY24: 17.0 cents,100% franked), bringing the total dividends for the year to 37.0 cents per share (FY24: 33.0 cents).

The total dividend reflects the target payout ratio of approximately 40% of EPS on a full year basis.

The final dividend will have a record date of 12 September 2025 and will be paid on 2 October 2025.

FY26 Landscape

The outlook for a majority of the Group's markets resembles recent years, with macro headwinds playing against company specific tailwinds, including new product launches, fast growing new geographies and solution plays, all supported by increased investment for long-term growth.

The turbulence represented by the evolving US tariff landscape is contained to one of our markets, albeit our largest single country.

Diversification of manufacturing for 120-volt products (US portfolio) is progressing well; however, the tariffs impacting these new locations, are becoming clearer, but remain subject to change.

Based on the current fact set, the Group will face a significant input cost increase in FY26 and FY27 for US-based sales. In the face of this challenge, we are actively pursuing cost mitigants including FOB reductions, diversified sourcing locations, distribution channel adjustments and taking price where appropriate.

It is too early to predict how the various forces will play out across the next 12 to 18 months, a period of undoubtedly higher input costs for US products, coupled with potential second and third order effects, globally.

In this environment, and consistent with past practice, we currently expect to be in a better position to give FY26 guidance with our 1H26 results.

For further information, please contact:
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(02) 9384 8100

Footnotes:

[1] *Minor differences may arise due to rounding.*

[2] *ROE is calculated based on NPAT for the 12 months ended 30 June 2025 (FY24: 12 months ended 30 June 2024) divided by the average of shareholders' equity in June each year and 12 months earlier.*