

Will Inghams' new strategy keep the company successful and prevent a takeover

Company/ASX Code	Inghams (ING)
AGM time and date	10am on Thursday, 13 November 2025
Location	The Langham Hotel, Millers Point Sydney
Registry	Computershare
Type of meeting	Hybrid AGM
Monitor	Allan Goldin
Pre-AGM Meeting	Chair Helen Nash, Timothy Longstaff Chair People & Remuneration Committee and Brett Ward Investor Relations

Monitor Shareholding: The individual or their associates involved in the preparation of this voting intention has no shareholding in this company.

1. How we intend to vote

No.	Resolution description	
2	Re – Election of Robert Gordon as a Non-Executive Director	For
3	Re- Election of Timothy Longstaff as a Non- executive Director	For
4	Remuneration Report	For
5	Approval of FY26-FY28 LTIP grant for CEO & Managing Director	For

2. Summary of Issues and Voting Intentions for AGM/EGM

- How much was the YR 25 result a surprise
- Will the new CEO's strategy be successful and will we see early signs that 2027 will be a better year
- Will Inghams continue to be listed and owned by Australians

3. Matters Considered

Accounts and reports

Very pleased to see the AGM will be a hybrid to allow the fullest possible participation.

At the ½ year results the projection was for Underlying EBITDA in the range of \$236 - \$250 million. The actual result was that 4 months later Underlying EBITDA was at the absolute bottom of this range at 236.4

The share price at the results announcement was \$3.55, it immediately dropped to \$2.83 and kept falling to, at writing, \$2.52. The question is what changed so much in the 4 months that led to the dramatic drop.

The major problem was the reduction in the size of Woolworths order. Knowing that there was a coming change in the WOW contract the Company had started to make other sales arrangements. They had considerable success in this endeavour, but the changed mix resulted in lower pricing

Inghams were optimistic that the size of the reduction from Woolworths was going to be considerably less than it was. This meant that the Company built up stock to cover WOW sales that did not eventuate. At the same time, pre interest rate reduction, consumer spending weakened which meant the Quick Service (QSR) market soften so ING had to sell excess inventory on the wholesale market which exacerbated an oversupply in that chain which resulted in lower prices.

So, what is going to happen? 2026 is not looking good with EBITDA predicted to be at best 2.8% lower and at worst, down by 10%

Is there a future upside? Hopefully! In the short term (1H26): reducing excess inventory built up in FY25 and rightsizing production, which is expected to weigh on 1H26 earnings

However medium-term: As inventory normalises and production is properly matched to demand, Inghams anticipate a return to historical volume growth trend at the sametime they expect growth to come from expanded customer relationships (beyond Woolworths) and full-year impact of contracts secured in FY26

At the sametime ING will be looking at \$60-80 Million structured annualised cost saving which is part of the more efficient and focused company which is part of the improved structure and strategy that the new CEO is developing.

The one shining light in ING's YR25 result was the successful growth of the business in NZ which runs a much tighter ship with a much tighter control over its farm business. Ed Alexander the new CEO spent the last couple of years running NZ so some of the relevant learnings from there will be introduced into the Australian operation.

There is a long running conflict with ATO which has asserted that Inghams' R&D tax offset claims require adjustment for each of the income years 2019, 2020 and 2021 (the adjustment is approximately equal to the offset claimed of \$8.5 million in each year).

Ingham and their advisors are confident they have met all certification requirements in order to submit for scheme participation and that they will have a successful outcome and will then submit claims for the following years.

Inghams has a substantial number of issues to overcome and hopefully it will, however its plunging share price and market positioning may make it susceptible to being bought out.

Inghams was listed in 2016 after its acquisition by a private equity firm. It once controlled about 25% of the poultry market but is now facing growing pressure from long-term competitor Baiada. a privately owned company with an estimated 18% market share, has been gaining ground and eroding Inghams' position.

It is hoped that as shareholders we do not lose another listed company and as Australians, we don't want another of our food supply chain to be overseas owned.

Financial performance

(As at FYE)	2025	2024	2023	2022	2021
NPAT (\$m)	89.8	101.5	60.4	65.1	83.3
UEBITDA (\$m)	236.4	240.1	183.6	135.2	209.6
Share price (\$)	3.55	3.62	2.62	2.58	3.98
Dividend (cents)	19	20	14.5	7	16.5
Simple TSR (%)	2.5	44.8	2.8	-32.9	28.7
EPS (cents)	24.2	27.3	16.3	9.5	22.4
CEO total remuneration, actual (\$m)	2.80	1.83	1.29	1.21	3.10*

Simple TSR is calculated by dividing (change in share price plus dividend paid during the year, excluding franking, by the share price at the start of the year.

*Both Jim Leighton and Andrew Reeves

Key board or senior management changes

Andrew Reeves the former CEO left in June and Ed Alexander the New Zealand CEO took over the top spot.

Sustainability/ESG

The Company puts considerable focus on sustainability, and it forms part of the awarding the Short-Term Incentive (STIP). Some highlights from the Company's efforts include:

From April 2025, an agreement saw Lodestone Energy generate electricity from its solar farm to meet 100% of Inghams' electricity requirements across its New Zealand network.

In a first for the Tasmanian poultry industry, Inghams' Marion Bay chicken products have been certified carbon neutral from paddock to shelf by Climate Active.

Ingham's prioritise their activities to optimise the positive impact on our animals, and the people that care for them. This included developing a pilot of bird care basics training modules that were delivered throughout our breeder farms, which will be rolled out further in FY26.

Maintained 100% certification with RSPCA Approved and SPCA Certified for the chicken broiler farming facilities in line with our target to maintain 100% certification.

17.4% reduction in absolute scope 1 and 2 greenhouse gas emissions and 31.0% reduction in emissions intensity from a FY19 baseline.

Increasing the percentage of packaging that is recyclable from 86% to 89% towards the target of 100%.

Reduced total water use by 3% vs FY24, meeting the FY25 target, and reduced the water withdrawal intensity by 5.5% vs FY25.

Total Recordable Injury Frequency Rate (TRIFR) declining by 3.6%.

1,137 tonnes of chicken donated. Equivalent to more than 2 million meals.

Women comprise 43% of the Board, 25% of the Executive Leadership Team, and 33% of the Organisational Leadership Team (59 senior leaders).

4. Rationale for Voting Intentions

Resolution 2 - Re-Election of Robert Gordon as a Non-Executive Director- For

Mr Robert Gordon was appointed as a Non-Executive Director of the Company on 11 April 2019. Mr Gordon is a member of the Finance & Audit Committee and the Nomination Committee. Mr Gordon has over 40 years' experience in the fast-moving consumer goods (FMCG) and agribusiness sectors. This includes over 20 years in Chief Executive Officer and Managing Director roles for companies including Ricegrowers Limited, Dairy Farmers Limited, Goodman Fielder Limited (Meadow Lea and Consumer Goods divisions) and Viterra Inc. The Board has reviewed the performance of Mr Gordon and believes that he continues to make a valuable contribution to the Board and Board Committees with his expertise and extensive experience across a range of other major agribusiness, food and FMCG organisations. ASA agrees and will vote our undirected proxies in his favour.

Resolution 3 - Re-Election of Timothy Longstaff as a Non-executive Director - For

Mr Timothy Longstaff was appointed as a Non-Executive Director of the Company on 20 January 2022. Mr Longstaff is a member of the Finance & Audit Committee, the Nomination Committee and is Chair of the People & Remuneration Committee. Mr Longstaff had a 25-year career in investment banking, with many years in Managing Director and senior executive roles at top-tier global investment banking firms.

Mr Longstaff is a Non-Executive Director of ASX listed Perenti Global Limited, Aurizon Holdings Ltd and Nine Entertainment Co Holdings Limited.

The Board has reviewed the performance of Mr Longstaff and believes that he continues to make a valuable contribution to the Board and Board Committees with his expertise and extensive experience in senior management and executive roles, including those spanning strategy and capital market transactions.

Although ASA would be happier if Mr. Longstaff had a bigger shareholding we will be voting our undirected proxies in favour of him.

Resolution 4 - Remuneration Report - For

The structure of the overall remuneration report is good. The STIP is a balanced scorecard with 70% based on their favoured measurement of underlying EBITDA. Then there is 10% based on reducing the water consumption tonne of production. A further 10% based on reduced TRIFR (the combined number of accepted lost time, and all medically treated injury claims per million hours worked) and the final 10% on completing and score in the global standards in food safety and food quality. 50% of the STIP is paid in cash and 50% in one-year deferred equity provided they are still employed

For the new CEO the STIP is worth 75% TFR at target and 125% at Maximum with the other executives having a lower potential bonus. But then there is a twist. A multiplier based on an individual performance and behaviour factors. The Multiplier can increase or decrease the award.

In this case because of the lower results the board used this discretion and reduced the CEO and some other senior executives award under this entitlement.

As shareholders it is asked why this discretion was needed. If a minimum, more in line with the projections had been in place the award would have been lower based on the financial results of the Company, thus no need for action by the board. There is the argument that if minimums qualifiers are set too high incentives are not going to work but there has to be direct correlation between results and rewards.

A good example of this not incurring is with the new CEO remuneration structure. It is understandable that a new incumbent with much less CEO experience than his predecessor has a lower fixed annual remuneration. However, why reduce the STI and LTI percentage that he could earn? Isn't it better to encourage better performance than expected.

We will discuss the LTIP in the next resolution, but we will be voting our open proxies in favour of the remuneration report, despite being concerned that the minimum 2026 financial hurdle may be too low.

Resolution 5 - Approval of FY26-FY28 LTIP grant for CEO & Managing Director- For

This is for 430,331 Performance rights which is equivalent to 125% of Mr. Alexander's FAR. As in the case of the STIP the total percentage of this award was reduced which we think is a regressive step.

50% of the reward is based on cumulative performance of the Return on Invested Capital (ROIC). There are lower threshold and maximum levels than previous years. The levels set by the Board reflect both the earnings forecasts outlined in the FY26 earnings guidance and also an upward trend in capital employed.

The other 50% is the relative Total Shareholder Return (RTSR) compared to the ASX small ordinaries. As the minimum for this award to partially vest requires a 50% rank, with the current Inghams share price this will be a difficult hurdle. On June 30 Inghams actual 3-year TSR was 15.1% p.a. and then on 30 September it had fallen to 6.7% p.a.

Although we would like the LTIP to be measured over 4 years not 3 we will be voting our undirected proxies in favour of this resolution.

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Appendix 1

Remuneration framework detail

CEO rem. Framework for FY26	Target* \$m	% of Total	Max. Opportunity \$m	% of Total
Fixed Remuneration	.950	36.0%	.950	28.6%
STI - Cash	.356	18.0%	.594	17.8%
STI - Equity	.356	18.0%	.594	17.8%
LTI	.742	28.0%	1.187	35.8%
Total	2.404	100.0%	3.325	100%

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan. *Target remuneration is sometimes called budgeted remuneration and is what the company expects to award the CEO in an ordinary year, with deferred amounts subject to hurdles in subsequent years before vesting. Some remuneration framework set a maximum opportunity amount, but not all.