



METCASH LIMITED
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22 June 2026

Market Announcements Office
Australian Securities Exchange Limited
Level 27, 39 Martin Place
Sydney NSW 2000

Dear Sir/Madam

METCASH LIMITED – FY26 RESULTS ANNOUNCEMENT

Please find attached for release to the market the FY26 Results Announcement for Metcash Limited.

This announcement was authorised to be given to ASX by the Board of Directors of Metcash Limited.

Yours faithfully

A handwritten signature in black ink, appearing to read "Johanna O'Shea".

Johanna O'Shea
Company Secretary

**Metcash Limited**

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ASX Announcement**Metcash Limited FY26 Results****Resilient performance, strong cash generation and strategic delivery**

Metcash Limited (ASX: MTS) today released its results for the year ended 30 April 2026, demonstrating the strength of its scaled independent retail platform, the resilience of its diversified portfolio, and continued progress in executing its long-term strategy.

The Group delivered a solid financial performance in challenging markets, supported by disciplined execution, strong cash generation and ongoing investment in strategic capabilities.

Highlights

- Continued disciplined execution of Metcash platform strategy
- Resilient performance of Food and Liquor
- Improved sales momentum in Hardware & Tools
- Strong cash performance
- Reduced capital expenditure
- Strong financial position

Financials

- Group revenue: \$19.6bn¹, up 0.7% (+3.8% ex-tobacco)
- Group EBITDA: \$761.7m, up 1.9%
- Underlying EBIT: \$503.7m (-0.8% and +1.6% ex one-off integration & strategy costs²)
- Underlying EPS³: 24.5c
- Operating cashflow: \$558m, up 3.5%
- 3-year average CRR⁴: ~104%
- Debt leverage ratio⁵: 1.0x (low end of target range)
- Dividend: 18c fully franked (~74% UPAT payout)

Commentary

Metcash Group CEO, Doug Jones said: “Our FY26 performance demonstrates the strength and resilience of the Metcash business model. Despite mixed trading conditions across our markets, we delivered solid earnings, strong cash generation and continued progress on our long-term strategic priorities.

“Our scale, our national supply chain, and our deep relationships with independent retailers remain powerful competitive advantages. We now support ~105,000 customers, ~6,300 bannered stores and reach ~95% of Australians – a unique platform that continues to generate resilient, high-quality cashflows.

“We are winning with independents because we combine the benefits of scale with the agility and community connection of local ownership. This combination is difficult to replicate and continues to underpin our performance across all pillars.”

“In Food, we delivered a strong result with EBIT up 5.4%, supported by strong execution in Supermarkets and continued momentum in Foodservice & Convenience. Ex-tobacco sales¹ grew 5.4%, and the IGA network is more competitive than ever. Our Foodservice & Convenience business continued to scale rapidly, with a sales CAGR of 38.2% since FY23.

“In Liquor, we grew revenue¹ by 1.0%, which was ahead of the market, and increased share to 32.3%. While EBIT was lower, the business delivered a stronger second half, supported by diversified channels and our independents’ agility, shopper-led range, value and service.

“In Hardware & Tools, revenue¹ grew 4.3% with improved momentum in the second half across both Hardware and Tools. Total Tools delivered pleasing earnings growth, while Hardware’s earnings were subject to softer trade demand in parts of the network, particularly in Victoria and Tasmania. The integration of the Total Tools & Hardware Group is now complete, and the combined business is well positioned as we target a return to mid-cycle margins.

“Our cash performance was a standout. Operating cashflow increased to \$558 million, reflecting disciplined working capital management and the resilience of our earnings. Our three-year average cash realisation ratio was approximately 104%, well above our long-term target range. We maintained a strong balance sheet with leverage at 1.0x, which is the low end of our target range, providing significant flexibility to fund growth. Capital expenditure moderated following prior year acquisitions and our disciplined approach, and we continued to invest in strategic priorities.

“Looking ahead, we are well positioned with a unique combination of scaled assets and capabilities that generate resilient, quality cashflows. Our AI-ready technology is positioned to leverage Microsoft’s broad enterprise stack to unlock new levels of insight, efficiency and capability across our network. Our competitive advantages continue to strengthen, our digital platforms are scaling and our retail networks are growing.

Metcash enters FY27 with strong momentum, a clear strategy and a deep commitment to helping independent retailers thrive in their local communities.”

Strategic progress

Metcash's long-term strategy continues to deliver results. The Group's investment thesis remains centered on a unique combination of scaled assets, trusted capabilities and competitive networks that generate resilient cashflows and underpin reliable shareholder returns. The business operates in large, essential markets with strong fundamentals, and continues to strengthen its position as the leading partner to independent and non-chain retailers.

The Group's sustainable competitive advantage is built on three mutually reinforcing elements: scale, differentiated capabilities and strong competitive networks. These include national procurement, supply chain and logistics, trade marketing, digital solutions, business services, and retail support – all of which continue to attract new retailers and suppliers onto the Metcash platform.

Metcash also maintains leading positions across the supply to independents in Food, Liquor and Hardware & Tools. Their markets remain large, essential and resilient, supported by consumer demand for convenience, localised offers and trusted brands.

The strategy is delivering tangible results. The Group continues to leverage its platform for M&A growth, with Foodservice & Convenience delivering a 38.2% sales CAGR since FY23 and synergy targets achieved across Superior Foods, Bianco Building Supplies and Alpine Frame & Truss. Retail earnings have increased to 12.5% of Group earnings (from 7.7% in FY20), and the Group has added more than 290 new stores across its networks on a gross basis since FY24, reinforcing the attractiveness of our models to small business investors. Digital and data capabilities continue to scale, with the Sorted B2B marketplace now representing ~\$5.9bn or approximately 30% of Group revenue. This represents the modernisation of our core wholesale platform and presents new growth opportunities.

A major milestone is the near-completion of Horizon, our ERP upgrade program, to deliver an AI-ready platform that enables the Company to leverage Microsoft's broad enterprise technology stack. This will deliver improved inventory health, improved operational intelligence and a single shopper view, enhancing new growth initiatives such as retail media.

Pillar performance

Food⁶

The Food pillar delivered a strong performance in FY26, with EBIT increasing 5.4% to \$261.8m, or 7.0% on a normalised basis (excluding one-off strategy and integration costs). Total revenue including charge-through was \$10.5bn, with ex-tobacco sales growing 5.4% as the business continued to improve its competitiveness and value proposition. There were early signs of improved tobacco sales in the second half where enforcement was enacted, particularly in Queensland. The IGA network remains a core strength, with the large-store price gap narrowing to 2.1%, making the network more price competitive than ever. Foodservice & Convenience continued its rapid expansion, supported by the integration of Superior Foods and strong demand from corporate customers. The business also progressed its retail ownership strategy, completing its first supermarket acquisitions in Q4.

Liquor

Liquor delivered a resilient result, with revenue¹ increasing 1.0% to \$5.4bn and market share rising to 32.3%. EBIT was \$100.1m, slightly lower than the prior year due to softer first-half trading, but the business delivered a stronger second half as shopper demand for convenience and localised offers remained robust and inflation increased. The business continued to benefit from strong execution across both retail and on-premise channels. The attractiveness of the Metcash platform is evidenced in the renewal of over \$500m of national retail and on-premise customer contracts.

Hardware & Tools

Hardware & Tools delivered revenue¹ growth of 4.3% to \$3.7bn, supported by improved second-half momentum across both Hardware and Tools. EBIT was \$177.3m or \$184.2m on a normalised basis (excluding one-off integration and strategy costs), reflecting softer trade conditions for its Hardware retail stores in Victoria and Tasmania, partially offset by continued strength in Total Tools, which grew earnings by 3.7%. The integration of Total Tools and the Independent Hardware Group has been completed, with duplication removed and scale benefits beginning to flow. The combined business is now focused on returning to mid-cycle margins ahead of the market through its strategy reset and new growth initiatives.

Capital management

Metcash maintained disciplined capital management throughout FY26. Operating cashflow increased to \$558m, reflecting strong earnings quality and effective working capital management. The Group's three-year average cash realisation ratio⁴ improved to approximately 104%, well above the long-term target range. Net debt increased modestly to \$617m, with leverage at 1.0x, which is the low end of the Company's target (1.0x to 1.75x), providing balance sheet flexibility. Capital expenditure moderated to \$244m reflecting the Company's disciplined approach and prior year M&A activity. The Board declared a fully franked dividend of 9.5 cents per share, bringing total dividends for the year to 18 cents fully franked, moderately above the Company's target payout ratio of approximately 74% of underlying profit after tax. The dividend reinvestment plan has been suspended until further notice.

Trading update and outlook

FY27 Revenue – first 7 weeks

Group sales have made a steady start to FY27, reflecting softer trading conditions in May followed by a clear improvement in June.

Food and Liquor experienced a subdued May, as consumer sentiment softened in response to geopolitical uncertainty and cost-of-living pressures. Both pillars have recovered well in the first three weeks of June, trading in line with FY26 growth levels as conditions stabilised.

Campbell's & Convenience has cycled the Ampol contract win, and is expected to benefit from the commencement of new tobacco contracts over the balance of FY27.

Hardware & Tools continues to deliver strong momentum, extending the improved 2H26 performance into early FY27, led by high single digit growth in Total Tools. Market conditions expected to remain challenging through balance of FY27. Retail margins continue to be under pressure.

The Group's cost out program remains on track, with ~\$25m in annualised savings expected in FY27, supporting earnings resilience.

Metcash enters FY27 with strong momentum across its core businesses. Foodservice & Convenience continues to scale rapidly, Liquor remains resilient with growing market share, and Hardware & Tools is positioned for margin recovery through its strategy reset and as market conditions improve. The Group expects to continue strengthening its competitive advantages, expand its digital and AI-enabled capabilities, and support independent retailers to win in their local communities.

FY27 Revenue – first 7 weeks

		Ex tobacco	Actual
Group	Total sales	+2.4%	+1.9%
Food	Total Food sales	+1.6	+0.7%
	Supermarkets sales	+1.2%	
	Foodservice & Convenience sales	+3.0%	+5.5%
	- Campbells & Convenience	+1.0%	+6.8%
	- Superior Foods		+4.4%
	Tobacco sales		-4.8%
	May wholesale price inflation (ex tobacco and produce)	+1.3%	
Liquor	Total sales		+1.3%
	Wholesale sales to on-premise customers		+6.4%
	Australian wholesale sales to IBA retail & contract customers		+0.2%
Hardware & Tools	TTHG sales		+5.8%
	- Total Tools		+9.5%
	- Hardware		+4.9%
	Retail network LfL: Total Tools		+4.9%
	Retail network LfL: Hardware		+4.9%

Ends

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Attachment A – FY26 Financial Summary

Group financial performance

	FY26	FY25	Change
Group revenue (incl. charge-through)	\$19.63bn	\$19.49bn	+0.7%
Group revenue growth (ex tobacco) ^{1,7}	+3.8%	+11.1%	
Charge-through sales	(\$2,274.4)	(\$2,166.3m)	+5.0%
Statutory Revenue	\$17.35bn	\$17.32bn	+0.2%
EBITDA	\$761.7m	\$747.8m	+1.9%
Underlying EBIT	\$516.1m	\$507.8m	+1.6%
Reported EBIT	\$503.7m	\$507.8m	(0.8%)
Underlying NPAT ⁸	\$268.8m	\$275.5m	(2.4%)
Reported NPAT	\$279.1m	\$283.3m	(1.5%)
Underlying EPS	24.5c	25.1c	(2.4%)
Dividend (full year)	18.0c	18.0c	-

Cashflow & balance sheet

	FY26	FY25	Change
Operating cashflow	\$558.0m	\$539.0m	+3.5%
3 yr cash realisation ratio ⁴	~104%	~95%	↑
Net debt	\$617m	\$577m	+6.9%
Debt leverage ratio ⁵	1.0x	1.0x	-
Capex and M&A	\$244m	\$552m	↓

Pillar EBIT (\$m)

	FY26	FY25	Change
Food ⁶	261.8	248.4	+5.4%
Liquor	100.1	104.1	(3.8%)
Hardware & Tools	177.3	189.3	(6.3%)
Corporate	(35.5)	(34.0)	(4.4%)
Total Pillar EBIT	539.2	541.8	(0.5%)

¹ Includes charge-through sales, which represent direct sales from suppliers to retailers, invoiced through Metcash

² FY26 strategy and integration costs of \$12.4m

³ Includes impact of dividend reinvestment plan (DRP) on weighted average shares outstanding (WASO)

⁴ Cash realisation ratio (CRR) = cashflow from operations/underlying NPATDA (depreciation and amortisation not tax effected)

⁵ Debt Leverage Ratio (DLR) = Net Debt/Underling EBITDA less depreciation of ROU assets (rolling 12 months basis)

⁶ Includes Superior Foods for 52 weeks in FY26 and 47 weeks in FY25

⁷ FY25 includes Superior Foods sales for 47 weeks from 3 June 2024

⁸ Excludes significant items: put option valuation and business acquisition valuation adjustments of \$22.8m (net gain), Program Horizon implementation costs of \$12.3m and Mega DC costs of \$0.2m (all post tax)