

Appendix 4E

Preliminary Final Report to the Australian Securities Exchange

Part 1 – Details of entity, reporting period

Name of Entity	Australian Agricultural Projects Limited
ABN	19 104 555 455
Financial Period	Year ended 30 June 2025
Previous Corresponding Reporting Period	Year ended 30 June 2024

Part 2 – Results for Announcement to the Market

	\$'000	Percentage increase /(decrease) over previous corresponding period
Revenue from ordinary activities	5,596	18%
Profit from ordinary activities after tax attributable to members	1,960	56%
Net profit attributable to members	1,960	56%

Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	Not Applicable	

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

Refer to the Operations Review for commentary on the results for the year.

Part 3 – Contents of ASX Appendix 4E

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Part 4 – Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Part	2025 \$	2024 \$
Revenue	8(a)	5,595,578	4,728,014
Cost of sales		(2,636,716)	(2,248,902)
Gross profit		<u>2,958,862</u>	<u>2,479,112</u>
Other revenue	8(b)	14,130	105,088
Corporate and administrative expenses		(475,772)	(442,365)
Depreciation and amortisation		(784,858)	(667,550)
Borrowing costs		(446,271)	(506,903)
Revaluation of investment property	11	452,675	-
Profit before income tax		<u>1,718,766</u>	<u>967,382</u>
Income tax benefit		241,294	287,448
Net profit after income tax		<u>1,960,060</u>	<u>1,254,830</u>
Other Comprehensive Income			
Revaluation of bearer plants – net of tax	10	723,883	862,344
Total Comprehensive Income		<u>2,683,943</u>	<u>2,117,174</u>
Basic earnings per share (cents)	15	0.53	0.37
Diluted earnings per share (cents)	15	<u>0.53</u>	<u>0.37</u>

Part 5 – Consolidated Statement of Financial Position

	Part	2025 \$	2024 \$
CURRENT ASSETS			
Cash and cash equivalents		450,567	458,115
Trade and other receivables		4,899,910	4,283,255
Inventories		607,148	559,246
Other		81,307	66,030
Total Current Assets		6,038,932	5,366,646
NON-CURRENT ASSETS			
Property, plant & equipment		947,070	955,620
Right of use asset		18,248	35,694
Bearer plants	10	14,119,273	13,711,106
Investment property	11	2,766,535	2,313,860
Total Non-Current Assets		17,851,126	17,016,280
TOTAL ASSETS		23,890,058	22,382,926
CURRENT LIABILITIES			
Trade and other payables		2,124,847	2,569,143
Lease liability		19,342	17,387
Provisions		356,906	347,056
Loans and borrowings	12	787,806	558,209
Total Current Liabilities		3,288,901	3,491,795
NON-CURRENT LIABILITIES			
Lease liability		-	18,951
Loans and borrowings	12	5,256,033	6,210,999
Total Non-Current Liabilities		5,256,033	6,229,950
TOTAL LIABILITIES		8,544,934	9,721,745
NET ASSETS		15,345,124	12,661,181
EQUITY			
Contributed equity	13	25,285,850	25,285,850
Reserves		5,762,318	5,038,435
Accumulated losses		(15,703,044)	(17,663,104)
TOTAL EQUITY		15,345,124	12,661,181

Part 6 – Consolidated Statement of Cash Flows

	Part	2025 \$	2024 \$
Cash flows from operating activities			
Cash receipts in the course of operations including GST		6,104,676	4,671,676
Cash payments in the course of operations including GST		(4,639,280)	(4,451,061)
Interest received		7,312	5,498
Interest paid		(542,858)	(538,696)
Net cash provided by / (used in) operating activities		929,850	(312,583)
Cash flows from investing activities			
Proceeds from the sale of assets		6,818	66,000
Payments for property, plant and equipment		(201,454)	(417,000)
Net cash (used in) investing activities		(194,636)	(351,000)
Cash flows from financing activities			
Proceeds from issue of securities	13	-	952,564
Share issue transaction costs		-	(5,518)
Repayment of loan facilities		(882,000)	(489,000)
Proceeds from equipment finance facilities		221,599	458,700
Repayment of equipment finance liabilities		(64,968)	(8,992)
Repayment of lease liability		(17,393)	(15,396)
Net cash (used in) / provided by financing activities		(742,762)	892,358
Net (decrease)/increase in cash and cash equivalents		(7,548)	228,775
Cash and cash equivalents at the beginning of the year		458,115	229,340
Cash and cash equivalents at the end of the year		450,567	458,115
Cash and cash equivalents represented by:			
Cash at bank and in deposits		450,567	458,115
Cash and cash equivalents in the statement of cash flows		450,567	458,115

Part 7 – Consolidated Statement of Changes in Equity

	Contributed equity \$	Reserves \$	Accumulated losses \$	Total \$
Balance as at 1 July 2023	24,338,804	4,176,091	(18,917,934)	9,596,961
Profit for the year after income tax	-	-	1,254,830	1,254,830
Other comprehensive income for the year	-	862,344	-	862,344
Total comprehensive income for the year	-	862,344	1,254,830	2,117,174
<i>Transactions with owners in their capacity as owners</i>				
Contributions of equity (net of costs)	947,046	-	-	947,046
Balance as at 30 June 2024	25,285,850	5,038,435	(17,663,104)	12,661,181
Balance as at 1 July 2024	25,285,850	5,038,435	(17,663,104)	12,661,181
Profit for the year after income tax	-	-	1,960,060	1,960,060
Other comprehensive income for the year	-	723,883	-	723,883
Total comprehensive income for the year	-	723,883	1,960,060	2,683,943
<i>Transactions with owners in their capacity as owners</i>				
Contributions of equity (net of costs)	-	-	-	-
Balance as at 30 June 2025	25,285,850	5,762,318	(15,703,044)	15,345,124

2025
\$

2024
\$

Part 8 – Revenue and Income

(a) Revenue from continuing operations

Management fees	2,136,228	2,137,553
Lease fees from the investment property	844,334	813,699
Production sharing	2,615,016	1,776,762
	5,595,578	4,728,014

(b) Other revenue

Interest received	7,312	5,498
Proceeds of insurance claim	-	33,590
Gain on sale of assets	6,818	66,000
	14,130	105,088

Part 9 – Expenses

(a) Personnel expenses

Wages and salaries cost	841,274	693,999
Superannuation costs	93,689	91,556
Change in liability for annual and long service leave	9,850	13,093
Non-executive directors' fees	24,000	24,000
	968,813	822,648

In 2025, \$794,938 (2024: \$716,968) of personnel expenses were included in cost of sales and the balance, \$173,875 (2024: \$105,680), was included in corporate and administrative expenses.

Part 10 – Bearer Plants

Olive trees	14,119,273	13,711,106
Movement consists of:		
Opening balance	13,711,106	13,017,952
Depreciation	(557,010)	(456,638)
Revaluation of olive trees	965,177	1,149,792
Closing balance	14,119,273	13,711,106

Part 11 – Investment Property

	2025 \$	2024 \$
Investment property	2,766,535	2,313,860
Movement consists of:		
Opening balance	2,313,860	2,313,860
Revaluation	452,675	-
Closing balance	2,766,535	2,313,860

Part 12 – Loans and Borrowings

Current

Equipment finance liabilities	87,806	56,209
Unsecured loan facilities from shareholders	200,000	127,000
Secured loan facility	500,000	375,000
Total current loans and borrowings	787,806	558,209

Non-current

Equipment finance liabilities	518,533	393,499
Unsecured loan facilities from shareholders	800,000	1,000,000
Secured bank facility	3,937,500	4,817,500
Total non-current loans and borrowings	5,256,033	6,210,999

Total loans and borrowings

6,043,839	6,769,208
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Loans and borrowings facilities comprise:

- National Australia Bank facilities
 - Secured term facility of \$4,817,500 drawn to \$4,437,500 as at 30 June 2025;
 - Equipment financing facility of \$1,000,000 drawn to \$606,339 as at 30 June 2025; and
 - Corporate credit card facilities.
- The details of the term loan include:
 - Facility expiry 30 April 2028 with quarterly reductions of \$125,000;
 - An interest rate of 2.35% above BBSY;
 - A facility fee of 0.95% per annum; and
 - No covenants other than quarterly financial and compliance reporting.
- The details of the equipment financing facility include:
 - The weighted average interest rate on the drawn portion of the equipment finance facility is 6.99%.
 - Monthly repayment on drawn balance of \$10,615
- Loans from shareholders include:
 - An unsecured loan facility of \$1,000,000 which was fully drawn at 30 June 2025.
 - Facility expires 30 June 2030 with principal reductions of \$50,000 per quarter commencing September 2025;
 - Variable interest rate being the greater of the RBA cash rate plus 5% or a set rate being 8.0%; and
 - No lending covenants.

2025
\$

2024
\$

Part 13 – Contributed Equity

(a) Issued capital

368,603,712 (2024: 368,603,712) fully paid ordinary shares 25,285,850 25,285,850

Movements in ordinary share capital

	Date	No of shares	Issue price	\$
Balance	30 June 2023	305,099,476		24,338,804
Issue of shares on exercise of options	28 Dec 2023	63,504,236	0.015	952,564
Share issue transaction costs	28 Dec 2023	-	0.00	(5,518)
Balance	30 June 2024	<u>368,603,712</u>		<u>25,285,850</u>
Issue of new shares		-		-
Balance	30 June 2025	<u>368,603,712</u>		<u>25,285,850</u>

(b) Options

The Company had no options on issue as at 30 June 2025 (2024: nil).

Part 14 – Details Relating to Dividends

No dividends have been paid or declared by the Company since the beginning of the current reporting period. No dividends were paid for the previous reporting period.

Part 15 – Earnings per Share

(a) Basic earnings per share

The calculation of basic earnings per share at 30 June 2025 was based on the net profit after tax of \$1,960,060 (2024: \$1,254,830) and the weighted average number of ordinary shares outstanding during the financial year ended 30 June 2025 of 368,603,712 (2024: 338,156,476).

(b) Diluted earnings per share

The calculation of diluted earnings per share at 30 June 2025 was based on the profit attributable to ordinary shareholders of \$1,960,060 (2024: \$1,254,830) and the number of fully diluted ordinary shares calculated as follows:

	2025 \$	2024 \$
Ordinary shares issued at 30 June	368,603,712	368,603,712
Options on issue	-	-
Total diluted shares on issue	<u>368,603,712</u>	<u>368,603,712</u>

Part 16 – Net Tangible Assets per Security

	2025	2024
Net tangible asset backing per ordinary security 368,603,712 (2024: 368,603,712) shares used for NTAS calculation	4.16 cents	3.43 cents

Part 17 – Segment Information

The Company operates in one segment, being the operation of an olive orchard located in Boort, Victoria.

Part 18 – Events Subsequent to Balance Date

Subsequent to the end of the reporting period it has become apparent that the Victorian Olive Oil Project, a 285 hectare managed investment scheme the Company operates will cease to operate as the growers in that scheme did not exercise their option to extend their lease past 30 June 2025.

From 1 July 2025, the Company has decided to manage this portion of the orchard for its own benefit and expects to generate revenues from the sale of olive oil in excess of the operating costs incurred. As a consequence of this decision, the Company will be required to purchase the residual irrigation rights from the growers at a cost estimated to be \$783,780. The Company has budgeted to pay this amount from operating cash flows.

The Company will continue to earn lease and management fees from the other projects it manages.

Part 19 – Audit Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited		The accounts have been subject to review	
The accounts are in the process of being audited or subject to review	✓	The accounts have not yet been audited or reviewed	

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:

Not Applicable

If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:

Not Applicable