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fresh food industries

FFI HOLDINGS LIMITED

ABN 32 009 155 328



annual report 2025

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Corporate Directory

COMPANY ABN

32 009 155 328

DIRECTORS

Rodney G Moonen
Geoffrey W Nicholson
Robert D Fraser

COMPANY SECRETARY

Rodney G Moonen

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

15 Monash Gate,
Jandakot, Western Australia 6164
Tel: +61 8 9417 6111
E-mail: sales.support@ffiholdings.com.au
Website: www.ffiholdings.com.au

AUDITORS

Moore Australia Audit (WA)
Level 15, Exchange Tower,
2 The Esplanade, Perth WA 6000

LOCATION OF REGISTER OF SECURITIES

Automic Group Ltd
Level 5, 126 Phillip Street, Sydney, NSW 2000
Tel: 1300 288 664 (within Australia)
Tel: +61 2 9698 5414 (Overseas)

STOCK EXCHANGE

Australian Securities Exchange
Level 40, Central Park,
152-158 St Georges Terrace, Perth, WA 6000

Company Profile



F.F.I. HOLDINGS LTD is a Western Australian based investment and operating company focused on generating sustainable, long-term shareholder value through two core pillars: food manufacturing and property investment.

This dual-sector strategy provides balance and security, allowing the Company to capitalize on market opportunities while mitigating risk.

Through active management, targeted development and careful capital management, the Company aims to deliver consistent income and capital appreciation for shareholders.

FOOD OPERATIONS

Fresh Food Industries Pty Ltd, a 100% controlled entity, operates the following business divisions:



Chocolate Products of Australia

Specialises in the manufacture of cooking chocolate, chocolate coated confectionery, sugar confectionery, cake decorations, ready to roll icing and popcorn snack foods. Includes products manufactured under retailers' private labels and also the Company's own proprietary retail brands "Nemar", "Golden Popcorn" and "Orchard Icing".



Prepact

Processing and packaging a wide range of products for the home cooking needs market sector. The majority of products are distributed to the retail market under the "Prepact" and "Snowflake" brands. Also incorporates contract packing for third party brands.



Fresh Food Industries - Bakery Products

Includes the processing and manufacture of apple products, fruit and bakers fillings, chocolate, specialty chocolate compounds and cake decoration toppings for the bakery and pastrycooks industry.

PROPERTY INVESTMENT

The Company has a significant investment in prime industrial and commercial property which is held for investment purposes. The property investment portfolio is strategically located in the rapidly developing Cockburn Central industrial area in Western Australia. The properties are only partially developed and provide a significant opportunity to grow the Company's investment income.

Financial Summary

FOR THE FINANCIAL YEARS ENDED 30 JUNE 2025

	2025 \$	2024 \$	2023 \$	2022 \$	2021 \$
Revenue -					
-Continuing operations	58,460,119	53,061,586	46,821,017	37,218,984	37,297,337
-Other revenue	5,193,269	-	24,550	(9,000)	6,831,529
Total revenue	63,653,388	53,061,586	46,845,567	37,209,984	44,128,866
Profit before tax -					
-Underlying profit	4,327,009	3,970,106	2,329,877	1,628,114	4,692,308
- MRWA related transactions	-	-	-	-	6,888,637
- Investment Property revaluation	5,193,269	-	-	-	-
Profit before tax	9,520,278	3,970,106	2,329,877	1,628,114	11,580,945
Income tax	(2,856,567)	(2,232,359)	(583,269)	(409,534)	(2,857,655)
Profit after tax	6,663,711	1,737,747	1,746,608	1,218,580	8,723,290
Earnings per share (cents)	61.4	16.1	16.2	11.3	81.0
Ordinary dividend per share (cents) (including final dividend)	22.5	12.5	10.0	10.0	26.0
Dividends paid	2,425,254	1,078,037	-	2,587,288	2,692,491
Total shareholders' equity	59,533,803	44,662,554	44,243,415	42,496,807	43,865,515
Net tangible asset backing per share	4.50	4.09	4.05	3.89	4.02

Chairman's Review

Financial results

FFI Holdings Limited (the Company) has reported a net profit before tax of \$9.52 million for the year ended 30 June 2025.

The net profit before tax for the previous corresponding period was \$3.97 million.

The reported net profit before tax has benefited significantly by an increase in the value of the Company's properties held for investment purposes of \$5.19 million. Details of the expected increase in value were announced to the market on 30 May 2025 and are based on independent valuations obtained by the Directors from a suitably qualified Licensed Valuer.

Excluding the benefit of the unrealized gain in investment property values, the Company achieved a 9% improvement in the underlying trading operation results.

A summary of the Company's underlying profit is set out below.

Year ended 30 June	2025	2024	Change
Reported net profit before tax	\$9.52 million	\$3.97 million	
Revaluation of investment properties	\$5.19 million	n/a	
Underlying net profit before tax	\$4.33 million	\$3.97 million	9%
Tax expense on underlying profit	\$1.30 million	\$1.19 million	
Underlying net profit after current year income tax	\$3.03 million	\$2.78 million	9%

Food operations

Profit before tax from the food operations increasing by 20.4% to \$3.80 million for the year under review.

The results were achieved on sales revenue of \$56.8 million, up 10.6% on the previous year. The continuing sales and profit growth builds on the steady improvements that have been achieved in recent years.

The results are particularly pleasing given the challenges faced by the Company's important chocolate and cocoa division. The market for cocoa products has experienced extreme volatility in the past year. Record-high prices and supply chain disruptions have negatively impacted the profit margins on chocolate products and significantly affected cash flows from operations. The Directors do not expect the volatility to continue in the 2026 financial year. Accordingly, inventory costs are expected to return to more normal levels with a corresponding increase in cash flow from operations in the current financial year.

Property investment

Operating in parallel to the food operations, the Company's investment property activities are an important part of the Company's growth strategy. The investment properties comprise of five lots totalling 6.3 hectares of prime industrial and commercial land. The land is located in Western Australia in the rapidly developing Cockburn industrial area and has immediate access to Perth's metro rail system, major regional roads and freeways and the Cockburn Central town site. Rent received from the properties increased by 4.0% to \$1.68 million for the year under review.

The Company currently has plans to develop further the properties with the construction of a factory and warehouse facility of approximately 4,000 square metres. The development is expected to cost approximately \$5.1 million with construction expected to commence in the current 2026 financial year. The development will be funded from existing working capital raised in the Company's recent Entitlement Offer capital raising and will increase the cash flow and the potential for future long-term capital gains from the investment properties.

Independent valuations were completed for all of the Company's property investments as at 30 June 2025 (as referred to above) and resulted in an uplift in values as at that date of 19.8% to \$31.5 million.

An independent valuation was also completed for the Company's main food manufacturing site as at 30 June 2025. The valuation resulted in an uplift in value of this property of \$3.6 million and while the revaluation had no effect on net profit, it did materially increase the Company's revaluation reserve and strengthen the Company's financial position.

Chairman's Review

The uplift in property values reflects the strong demand for quality industrial and commercial property in the Jandakot area of Perth, Western Australia.

Entitlement offer rights issue – capital growth plan

During the year, as part of the Company's long-term growth plans, the Company successfully completed a non-renounceable rights issue to raise \$7.2 million. The Entitlement Offer resulted in the Company's contributed equity increasing to \$28.0 million. The proceeds raised from the new shares issued will go towards expanding the Company's food manufacturing operations and property investments.

The increased capital places the Company in an excellent position to capitalise on a number of opportunities to improve materially long-term shareholder returns.

Balance sheet

The Company continues to be in a very strong financial position with quality assets and low debts. During the year ended 30 June 2025, the Company's net assets increased 33.3 % to \$59.5 million.

The increase in net assets reflects the increases in the Company's property values, the solid underlying profit for the year and the additional capital raised from the Entitlement Offer referred to above.

Net tangible asset backing per share has increased from \$4.09 to \$4.50 per share during the year under review.

Management team

During the year under review, the Company took the opportunity to review and update its executive management team. The changes were part of the smooth transition of the team to ensure the Company's ongoing leadership, company culture and success. Details of the changes were announced to the market on 5 March 2025.

Mr Brett Matthews was appointed as Chief Executive Officer effective from 1 April 2025. Mr Matthews is a long-time employee of FFI Holdings Limited, commencing with the Company in 1992. He has provided consistently strong leadership in various roles across the Company's operations and most recently as Group General Manager. The Company has achieved significant growth in all areas of operations during Mr Matthews tenure.

Mr Geoffrey Nicholson, also effective from 1 April 2025, retired from his position of Managing Director and become a Non-Executive Director of the Company. Mr Nicholson has been an Executive Director of the Company since 1986 and Managing Director since 2019. He has played a significant role in the growth and development of the Company over this period. The Board congratulates Mr Nicholson on his distinguished executive leadership of FFI Holdings Limited and is pleased that he will remain as a Non-Executive Director of the Company.

Dividend

Directors have resolved to pay a final dividend of 12.5 cents per share, unchanged from the previous corresponding period. Together with the interim dividend of 10.0 cents, this brings the total ordinary dividends for the year to 22.5 cents fully franked at a tax rate of 30%.

The Directors are pleased to maintain the final dividend per share on the expanded share capital resulting from the additional shares issued in connection with the Company's rights issue and dividend reinvestment plan during the year. The decision to maintain the dividend payments on the expanded capital base reflects the strength of the Company's financial position and the Directors confidence in its long-term future prospects.

Outlook

The Company's growth strategy remains focused on generating sustainable long-term shareholder value through two main pillars - food manufacturing and property investment. The outlook for both pillars is very positive and the Company is well placed to pursue future growth opportunities with –

- a new, proven and enthusiastic management team,
- a well-established, diverse and profitable food manufacturing business,
- a significant and quality property investment portfolio, and
- additional capital available for investment in financially sound opportunities in both the food and property divisions.

The Directors and Management team look to the future with confidence and enthusiasm.

Rodney Moonen

26th September 2025

Chairman

Directors' Report

Your Directors have pleasure in presenting their report on the company and its controlled entities for the financial year ended 30 June 2025.

DIRECTORS

The names and details of the Directors of the Company in office at any time during the financial period and up to the date of this report are:

Mr Rodney G Moonen

Mr Geoffrey W Nicholson

Mr Robert D Fraser

COMPANY SECRETARY

The following person held the position of Company Secretary at the end of the financial year:

Rodney G Moonen

(Refer to Information on Directors for details of experience and qualifications for Directors and Company Secretary)

PRINCIPAL ACTIVITIES

The activities of the Company during the year were:

- The processing, manufacture, packaging and distribution of food products for the Australian food industry.
- Property investment and leasing.

There were no significant changes in the nature of the Company's activities during the year.

OPERATIONS AND FINANCIAL REVIEW

Financial Results

The consolidated profit of the consolidated entity after income tax for the year ended 30 June 2025 amounted to \$6,663,711 (2024: \$1,737,747).

The profit result benefited significantly from a revaluation of the company's investment properties. Independent valuations were completed for all of the Company's property investments as at 30 June 2025 and resulted in an uplift in values as at 30 June 2025 of \$5.19 million.

The underlying performance of the business, represented by net profit before tax, excluding an unrealized gain from the revaluation of the Company's investment property referred to above, increased by 9% to \$4.33 million. A summary of the Company's underlying profit before and after tax is set out in the Chairman's Review on page 3.

The main improvement in the underlying operating result was from the Company's food manufacturing operations. Profit before tax from the food operations increased by 20.4% to \$3.80 million for the year under review.

Steady sales growth across all major product lines resulted in sales revenue of \$56.83 million, up 10.6% on the previous year.

Cash flow from operating activities was significantly impacted by an 86% increase in inventories during the year to \$18.25 million as at 30 June 2025. The increase in inventory costs mainly relates to the Company's important chocolate and cocoa division. The market for cocoa products has experienced extreme volatility in the past year. Record-high prices and supply chain disruptions have negatively impacted the profit margins on chocolate products and significantly affected cash flows from operations. The Directors do not expect the volatility to continue in the 2026 financial year. Accordingly, inventory costs are expected to return to more normal levels with a corresponding increase in cash flow from operations in the current financial year.

Increased rent received from the Company's investment properties also contributed to the increase in profit before tax. Rent received increased by 4.0% to \$1.68 million for the year.

Financial Position

During the year ended 30 June 2025, the Company's net assets increased by 33.3%, compared with the prior year, to \$59.5 million. The net tangible asset backing per share was \$4.50 as at 30 June 2025.

Directors' Report

During the year as part of the Company's long-term growth plans the Company successfully completed a non-renounceable rights issue to raise \$7.2 million. The Entitlement Offer resulted in the Company's contributed equity increasing to \$28.0 million. The proceeds raised from the new shares issued will go towards expanding the Company's food manufacturing operations and property investments.

The increased capital places the Company in an excellent position to capitalise on a number of opportunities to materially improve long-term shareholder returns.

An independent valuation was also completed for the Company's main food manufacturing site as at 30 June 2025. The valuation resulted in an uplift in value of this property of \$3.6 million and while the revaluation had no effect on net profit, it did materially increase the Company's revaluation reserve and strengthen the Company's financial position.

BUSINESS STRATEGIES AND PROSPECTS

Food Operations

The Company is a manufacturer of a range of food products for the Australian industrial, wholesale and retail markets. The food operations are based entirely in Australia and include:

- The manufacture of chocolate and confectionery products.
- The manufacture of bakers jam fillings and processed apple products.
- The processing and packing of home cooking needs products.

The Company's main activities are based on being a niche market manufacturer, developing and supplying products to meet the needs of major Australian manufacturing, wholesale and retail food companies. With a focus on niche markets and a diverse customer base, the Company does not have either a dominant position in any of the markets in which it operates or an economic dependency on any of its major customers.

The Company continues to pursue a number of opportunities to increase sales and to provide for long term growth. This growth strategy is driven around leveraging off the Company's existing customer base and manufacturing capabilities.

In addition to the sales growth strategy, the Company will continue to pursue profit growth by improving productivity and reducing manufacturing costs. The growth strategy will be underpinned by further investment in automation, innovation and technology.

Property Investment

Operating in parallel to the food operations, the Company's investment property activities are an important part of the Company's growth strategy. The investment properties comprise of five lots totalling 6.3 hectares of prime industrial and commercial land. The land is located at Western Australia in the rapidly developing Cockburn industrial area and has immediate access to Perth's metro rail system, major regional roads and freeways and the Cockburn Central town site.

The Company currently has plans to further develop the properties with the construction of a factory and warehouse facility of approximately 4,000 square metres. The development is expected to cost approximately \$5.1 million with construction expected to commence in the current 2026 financial year. The development will be funded from existing working capital raised in the Company's recent Entitlement Offer capital raising and will increase the cash flow and the potential for future long term capital gains from the investment properties.

The development of the vacant land held to increase the cash flow from the investment properties is an important part of the Company's growth strategy.

Material Business Risk

The high cost of manufacturing in Australia is the most material business risk faced by the Company. The Company and the Australian food industry will need to remain competitive against lower cost overseas competitors. The Company is managing this risk by maintaining the strategy of being a niche market supplier while focusing on the quality, "clean and green" aspects of Australian food processing.

The Company has modern and flexible processing operations and is therefore well placed to deal with any long term changes in the Australian market. The Company regularly reviews these risks in order to minimise any long term impact.

The value of the Company's investment properties total \$31.5 million and represents 52.9% of total net assets. The value of these significant assets are materially dependent on the strength of the Western Australian industrial and commercial property market. Historically, the property market is cyclical in nature.

Directors' Report

The rental income for the year under review was \$1.68 million. This income is based on short term leases. Uncertainty regarding opportunities to maintain or increase rent income is a material business risk.

To mitigate and manage the property market and rental cyclical risks, the Company has focused on holding only prime industrial property adjacent to the rapidly developing Cockburn Central Town Centre and maintaining a conservative level of debt gearing.

DIVIDENDS PAID OR RECOMMENDED

Dividends paid or declared by the Company to members since the end of the previous financial year were as follows:

- Final ordinary dividend for the year ended 30 June 2024 of 12.5 cents per share franked at the corporate tax rate of 30% paid on 26 September 2024. Total dividend = \$1,347,547.
- Interim ordinary dividend of 10.0 cents per share franked at the corporate tax rate of 30% paid on 17 April 2024. Total dividend = \$1,077,707.
- Final ordinary dividend for the year ended 30 June 2025 of 12.5 cents per share franked at the corporate tax rate of 30% paid on 30 October 2025. Total dividend = \$1,638,582.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

No other significant changes in the state of affairs of the Consolidated Entity have occurred other than those matters referred to elsewhere in this report.

AFTER BALANCE DATE EVENTS

On 22 July 2024, the Company advised that an existing lease of one of its investment properties was due to expire in November 2025 and the lessee had advised that it did not intend to renew the lease.

On 2 September 2025 the Board advised that the lease referred to above has ended and the Company had entered into a new agreement to lease the property for a 10-year period (with an option for the lessee to extend for a further two, five-year terms). The commencing lease income will be \$0.938 million per annum. One-off costs associated with securing the new lease (including lease incentives, legal and agents' fees) are expected to be approximately \$0.38 million. The new lease is not expected to change the asset value from the valuation used in the 30 June 2025 financial accounts of the Company. The counter party to the transaction is a government agency owned by the Western Australian Government.

No matters or circumstances other than those referred to above have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial years.

ENVIRONMENTAL ISSUES

The consolidated entity's operations are subject to environmental regulation under the Environmental Protection Act 1986.

The consolidated entity complied with the requirements of all relevant environmental regulations during the year.

INFORMATION ON DIRECTORS

Rodney G Moonen (Non-Executive Chairman & Company Secretary)

(Director since 4 January 1988. Executive Chairman and Managing Director until 30 June 2019. Non-Executive Chairman since 1 July 2019).

Qualifications and Experience

Bachelor of Business Studies (Curtin University)

Over 40 years' experience in management and finance.

Interest in Shares

Beneficial owner of 4,360,057 fully paid ordinary shares in the Company.

Directors' Report

Directorships in other listed entities

During the three years prior to the end of the current year Mr Moonen has not held any directorships in any other listed company.

Geoffrey W Nicholson (Non-Executive Director)

(Director since 2 September 1986. Executive Director until 30 June 2019. Managing Director since 1 July 2019. Non-Executive Director since 1 April 2025).

Qualifications and Experience

Over 40 years' experience in the food processing industry.

Interest in Shares

Beneficial owner of 679,586 fully paid ordinary shares in the Company.

Directorships in other listed entities

During the three years prior to the end of the current year Mr Nicholson has not held any directorships in any other listed company.

Robert D Fraser (Independent Non-Executive Director)

(Director since 14 October 2011).

Qualifications and Experience

B.Ec., LLB (Hons) (Sydney)

Corporate adviser and company director with over 35 years of investment banking experience. Robert is presently the Sydney based Managing Director of TC Corporate Pty Limited, the corporate advisory division of Taylor Collison Limited stockbrokers, of which he is also a director and principal. He is also a licensed business broker, real estate agent and a registered tax (financial) advisor.

Interest in Shares

Beneficial owner of 246,918 fully paid ordinary shares in the Company.

Directorships in other listed entities

During the three years prior to the end of the current year, Mr Fraser also held non-executive directorships with ARB Corporation Limited (2004 to current), Magellan Financial Group Limited (2014 to 2023), MFF Capital Investments Limited (2019 to current) and Supply Network Limited (2024 to current).

REMUNERATION REPORT

This report details the remuneration arrangements for key management, directors and executives of the F.F.I. Holdings Limited Consolidated Entity.

Remuneration Policy

The remuneration policy of F.F.I. Holdings Limited is effectively controlled by the Board of Directors. The Board of F.F.I. Holdings Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the economic entity, as well as maintaining goal congruence between directors, executives and shareholders.

The remuneration structure for directors and executive officers is not directly related to the financial performance of the Group. A summary of the Group's financial performance over the past five years is presented on page 2 of this annual report. Remuneration is based on a number of factors, including- qualifications, proven management skills and the experience of the individual concerned. Key management personnel are not employed on fixed term employment contracts. Terms and conditions of employment are covered by the relevant statutory legislation.

Non-executive directors receive directors' fees and statutory superannuation (unless exempt) and do not receive any retirement benefits. Increases in aggregate non-executive directors' fees are subject to shareholder approval. Executive directors receive a combination of base salary, superannuation, fringe benefits and discretionary bonuses. Executives receive a combination of bases salary, superannuation, fringe benefits and discretionary bonuses.

Directors' Report

Executive directors and executives are also eligible to participate in the Company's Executive Share Plan upon an invitation being made from the Board.

The remuneration table below details the remuneration of directors and executives for the year ended 30 June 2025.

Additional information relating to Key Management Personnel can be found at Note 25 to the Financial Statements.

Key Management Personnel Remuneration Details

- (a) Key management personnel are classified as directors and other key management personnel of the consolidated entity. Names and positions held of parent entity directors and specified executives in office at any time during the financial year are:

Directors

Rodney G Moonen	Non-Executive Chairman and Company Secretary
Geoffrey W Nicholson	Managing Director until 31 March 2025. Non-Executive Director since 1 April 2025
Robert D Fraser	Independent Non-Executive Director

Other Key Management Personnel

Brett R Matthews	Group General Manager until 31 March 2025. Chief Executive Officer since 1 April 2025
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- (b) Key Management Personnel Remuneration Table

2025

Name	Salary and Fees	Super-annuation	Discretionary Bonus ¹	Non-Monetary Benefits ²	Long term benefits – LSL	Other	Total
	\$	\$	\$	\$	\$	\$	\$
R G Moonen	123,000	27,000	-	-	-	-	150,000
G W Nicholson	181,299	20,849	-	-	-	-	202,148
R D Fraser	60,000	-	-	-	-	-	60,000
B R Matthews	258,362	29,039	-	-	4,525	2,483	294,409
Total	622,661	76,888	-	-	4,525	2,483	706,557

2024

Name	Salary and Fees	Super-annuation	Discretionary Bonus ¹	Non-Monetary Benefits ²	Long term benefits – LSL	Other	Total
	\$	\$	\$	\$	\$	\$	\$
R G Moonen	123,000	27,000	-	-	-	-	150,000
G W Nicholson	217,795	23,958	100,000	-	3,604	-	345,357
R D Fraser	56,250	-	-	-	-	-	56,250
B R Matthews	237,612	23,904	100,000	-	4,128	2,831	368,475
Total	634,657	74,862	200,000	-	7,732	2,831	920,082

1 Discretionary bonuses are paid at the discretion of the Board based on the KMP's individual performance, the overall performance of the company, the KMP's length of service and prior years' salary reviews.

2 Non-monetary benefits are reportable fringe benefit payments.

Directors' Report

(c) Loans

Name	Loan Balance 1/7/24	Interest Charged	Interest Not Charged (*)	Loan Balance 30/6/25	Highest Balance During Period
	\$	\$	\$	\$	\$
B R Matthews	32,413	-	2,483	24,217	32,413
Total	32,413	-	2,483	24,217	32,413

All loans were made pursuant to the Company's Executive Share Plan and were duly approved by shareholders.

(*) Loans are interest free and non-recourse. Loans are repaid from dividends paid on shares issued under the Executive Share Plan. Amounts for interest not charged have been estimated based upon likely interest payable if the loans had been made under normal commercial conditions.

(d) Shareholdings

Name	Balance 1/7/24 No.	Net Change Other (^) No.	Balance 30/6/25 No.
R G Moonen	3,301,206	1,058,851	4,360,057
G W Nicholson	556,237	123,349	679,586
R D Fraser	186,954	59,964	246,918
B R Matthews	232,080	74,439	306,519
Total	4,276,477	1,316,603	5,593,080

(^) Net Change Other denotes shares purchased or sold during the financial year.

- (e) The Company's policy for determining the nature and amount of emoluments of board members and senior executives of the Company is as follows -

The remuneration structure for executive officers is not directly related to financial performance of the Group. It is based on a number of factors, including qualifications, proven management skills and the experience of the individual concerned.

- (f) Other transactions with KMP and/or related parties.

There were no other transactions conducted between the Group and KMP or their related parties, other than those disclosed above relating to equity, compensation and loans, that were conducted other than in accordance with normal employee, customer or supplier relationships on terms no more favourable than those reasonable expected under arm's length dealings with unrelated persons.

MEETINGS OF DIRECTORS

The number of meetings of Directors and the number of meetings attended by each of the Directors of the company during the financial year are:

Director	Number eligible to attend	Number attended
Rodney G Moonen	5	5
Geoffrey W Nicholson	5	5
Robert D Fraser	5	5

SHARE OPTIONS

No entity in the consolidated entity has granted an option to any person entitling that person to take up unissued shares of the entity or of any other body corporate.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Directors' Report

INDEMNIFYING DIRECTORS, OFFICERS AND AUDITORS

The Company's directors' and officers' indemnity insurance policy indemnifies the directors named in this report in respect of their potential liability to third parties for wrongful acts committed by them in their capacity as directors (as defined in the policy). The terms of the insurance policy prohibits disclosure of the amount of the premium.

NON-AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence of auditors imposed by the Corporations Act 2001. Non-audit services were provided in the current year by the Company's auditors. The nature and scope of the non-audit services provided means that auditor independence was not compromised.

Non-audit services

Moore Australia Audit (WA) or their related entities received or are due to receive the following amounts for the provision of non-audit services.

	2025	2024
	\$	\$
Advisory services	1,530	-

Details of the auditor's remuneration are included in Note 5 to the Financial Statements.

DIRECTORS' BENEFITS

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the chief entity or a related body corporate with a Director, a firm of which a Director is a member or an entity in which a Director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors and shown in the Company's accounts, or the fixed salary of a full-time employee of the chief entity, controlled entity, or related body corporate.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2025 has been received and can be found on page 12 of the Annual Report.

This report of the Directors, incorporating the Remuneration Report, is signed in accordance with the resolution of the Board of Directors.



R G Moonen



G W Nicholson

Dated this 26th day of September 2025.

For personal use only

Independence Declaration



Moore Australia Audit (WA)

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PO Box 5785, St Georges Terrace, WA 6831

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www.moore-australia.com.au

Auditor's Independence Declaration Under Section 307c of the Corporations Act 2001

To the Directors of FFI Holdings Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025, there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'Neil Pace'.

Neil Pace
Partner – Audit and Assurance
[Moore Australia Audit \(WA\)](#)
Perth
26th day of September 2025

A handwritten signature in black ink that reads 'Moore Australia'.

Moore Australia Audit (WA)
Chartered Accountants

Corporate Governance Statement

The Board of F.F.I. Holdings Limited (the Company) is committed to high standards of corporate governance and supports the principles of good corporate governance as published in the 4th Edition of the Corporate Governance Principles and Recommendations issued by the ASX Corporate Governance Council.

This Corporate Governance Statement (Statement) outlines the key corporate governance practices of the Company as they relate to the 4th Edition recommendations for the financial year. It is current as at 30 June 2025 and has been approved by the Board.

The Directors do not believe that any 4th Edition recommendations that have been disclosed below as not having been adopted, in any way disadvantage the commercial effectiveness with which the Board operates. The Board remains clearly focused on maximising shareholder value in an ethically responsible manner and willingly adopts corporate governance best practice recommendations as the circumstances and needs of the Company require.

PRINCIPLE 1: Lay solid foundations for management and oversight

1.1. The Board of Directors is responsible for ensuring the Company is managed in a manner that protects and enhances the interests of shareholders and takes into account the interests of all stakeholders. The responsibilities of the Board are set out in the Board Charter and include:

- setting the strategic direction of the Company;
- overseeing and monitoring the Company's performance and achievement of strategic goals and objectives;
- approving major investment decisions and financial budgets;
- determining capital, funding and dividend policies;
- defining the limits to management's responsibilities;
- ensuring that the capital markets are informed of all relevant material matters;
- monitoring executives' performance against appropriate measures;
- ensuring appropriate risk management systems and internal controls are in place; and
- meeting formally and informally on a regular basis and reviewing management operational reports regarding the financial performance of the Company.

The Board has delegated to management the responsibility for the operation and administration of the Company, including the implementation of corporate strategies and the development of annual budgets. Management is responsible for keeping the Board informed, through the provision of management reports and monthly management accounts.

1.2. Before Directors are appointed, all necessary checks are undertaken by the Board. In addition, biographical details, as well as details pertaining to material directorships held, are included in election and re-election notices to shareholders. These details are also included in the Directors' Report in the Annual Report of the Company.

1.3. There is a written agreement with each Director and senior executive setting out the terms of their employment.

1.4. The Company Secretary is currently the Chairman of the Company and is therefore accountable directly to the Board.

1.5. The Board has not adopted a formal diversity policy or set measurable objectives based on diversity alone. Instead, the Board believes that it has fostered, and the Company and its employees have a governance culture that encourages, excellence and ethical business practices to enhance long term shareholder value, including the merit-based advancement of all employees irrespective of gender, age, religion, sexuality, ethnicity and cultural background.

The proportion of women employed by the Company in the following roles is as follows:

Board	0%
Senior management	0%
Consolidated entity	45%

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- 1.6. Board performance is open to evaluation by shareholders at the Annual General Meeting. It is self-appraised on a periodic basis. During June 2025 the Board undertook a performance review in accordance with this process and concluded that it had performed satisfactorily.
- 1.7. Senior executive performance is reviewed by the Board annually. During the year ended 30 June 2025 the Board carried out a performance evaluation on all senior executives in accordance with this process.

PRINCIPLE 2: Structure the board to be effective and add value

- 2.1 The Board consists of three Non-Executive Directors, one of whom is independent. The names, details and qualifications of the Directors are included in the Information on Directors section of the Directors' Report.

The current structure of the Board has been designed to provide the most effective composition, size and commitment from its members. The members have extensive experience and between them possess an extensive range of skills and knowledge and a wide diversity of expertise. This ensures that the Board performs its function effectively and meets corporate governance standards that are relevant to the Company's current size and scope of operations.

Given the current size of the Company, the Board does not consider it appropriate to establish a nomination committee. The Board as a whole effectively performs this function.

- 2.2 The Board has identified the skills required of the members of the Board as follows:

Skill	R Moonen	G Nicholson	R Fraser
Management Experience	•	•	•
Food Manufacturing	•	•	
Food Industry	•	•	
Property Industry	•		•
Business Development		•	
Financial Management	•		•
Risk Management	•	•	•
Corporate Finance			•
Legal			•
Directorships	•		•

- 2.3 As noted in 2.1, the Company presently has three non-executive Directors, one of whom is independent. Details of the Directors are included in the Information on Directors section of the Directors' Report, including the length of service of each Director.
- 2.4 In light of the Company's approach to board composition and function, the majority of the Board are not independent Directors.
- 2.5 The Chairman of the Board is a non-executive Director but is not an independent Director. The Board believes that the wealth of knowledge and expertise of the current Chairman and his interest in the Company as a substantial shareholder, make it appropriate for him to be Chairman.
- 2.6 The Company provides appropriate induction as and when required for new Directors. The Board periodically reviews whether there is a need for existing Directors to undertake professional development to maintain the skills and knowledge needed to perform their roles as Directors effectively.

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PRINCIPLE 3: Instil a culture of acting lawfully, ethically and responsibly

3.1 The Company is committed to its underlying core values which are to:

- act lawfully with honesty and integrity;
- promote ethical behaviour; and
- provide accountability to investors.

These values are reflected in the Company's policies, corporate governance practices and instilled within the culture of the Company.

3.2 The Board has opted not to establish a formal code of conduct. Instead, the Board and the senior management team believe they have fostered, and the Company and its employees have a governance culture that encourages, excellence and ethical business practices. The Board believes that this is consistent with its objective of actively promoting ethical and responsible decision-making to generate long term shareholder value in a sustainable manner.

The Company's practice is for senior management to inform the Board promptly of any breaches of acceptable or expected standards of conduct.

The Company adheres to all ASX and Corporations Act requirements regarding the trading by Directors and employees of shares in the Company.

3.3 The Company has a Whistleblower Policy. A copy of the Whistleblowing Policy is available on the Company's website. Any disclosures made under the Whistleblowing Policy are reported to the Board.

3.4 The Company has an Anti-Bribery and Corruption Policy. Any material breaches of that policy are reported to the board.

PRINCIPLE 4: Safeguard the integrity of corporate reports

4.1 The Company does not have an audit committee. All external audit reports are reviewed by the whole Board to ensure appropriate action is taken by management regarding any areas which are identified as a weakness in internal control. Accordingly, the Board will:

- ensure that the external auditors who are selected and appointed remain appropriate to the needs of the Company;
- review the independence of the external auditors;
- ensure the rotation of external audit engagement partners is in accordance with regulatory requirements;
- review, with management and the auditors, the Company's periodic statutory accounts and reports;
- monitor procedures in place aimed at ensuring compliance with the Corporations Act and the ASX Listing Rules; and
- monitor the effective management of financial and other business risks.

4.2 The Chief Executive Officer and the Chief Financial Officer provide a declaration in writing to the Board that the Company's financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company as required by section 295A of the Corporations Act for each reporting period. Their declaration states that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

4.3 The Company's periodic corporate reports are reviewed or audited by the external auditor, Moore Australia Audit (WA). The Company does not currently disclose any other periodic corporate reports that are not audited or reviewed by its external auditor.

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PRINCIPLE 5: Make timely and balanced disclosure

- 5.1 The Company's policies and procedures for complying with its ASX continuous disclosure obligations are as follows:
- The Company must notify the market, via the ASX continuous disclosure regime, of any price sensitive information;
 - The Directors, the Company Secretary and the Group General Manager are designated as Disclosure Officers who are responsible for reviewing potential disclosures and deciding what information should be disclosed;
 - Only a Disclosure Officer may authorise communication with external parties on behalf of the Company, thereby safeguarding the confidentiality of corporate information;
 - The onus is on all Company executives to inform a Disclosure Officer of all potential disclosures as soon as they become aware of the information and the senior management team is responsible for ensuring staff understand and comply with this policy; and
 - ASX and media releases must be approved by a Director who is a Disclosure Officer.
- 5.2 The Board requires the Company Secretary to provide copies to all Board members of all material market announcements promptly after they are released to the ASX.
- 5.3 Any investor and analyst presentations given by the Company, containing new and material information, are lodged with the ASX before the presentation is given.

PRINCIPLE 6: Respect the rights of security holders

- 6.1 Given the current size of the Company, the Board does not consider it necessary to have an investor relations section on its website. However, the Board believes that all relevant information about itself and its governance is available in the Annual Report and through the ASX.
- 6.2 The Board believes it has effective two-way communication with investors by:
- encouraging attendance at the Annual General Meeting by all shareholders;
 - lodging with ASX all necessary statutory announcements;
 - fulfilling its obligations of continuous disclosure through ASX announcements;
 - distributing the Company's Annual Report to all shareholders;
 - sending notices and explanatory memoranda to all shareholders in relation to resolutions to be put to a vote.
- 6.3 The Annual General Meeting of the Company provides an opportunity for the Company to impart to shareholders a greater understanding of its business, governance, financial performance and prospects and gives shareholders the opportunity to express their views on matters concerning the Company and to vote on other items of business for resolution by shareholders. The Company's policy is to encourage effective shareholder participation at general meetings.
- Shareholders unable to attend general meetings can exercise their right to ask questions about, or make comments on, the management of the Company by submitting questions or comments ahead of the meeting. Where appropriate these questions will be responded to at the meeting.
- 6.4 It is the Company's practice to conduct all substantive resolutions at shareholder meetings by a poll.
- 6.5 The Company provides shareholders with the option of receiving communications from, and sending communications to, its share registry electronically.

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PRINCIPLE 7: Recognise and manage risk

- 7.1 The Company does not have a committee to oversee risk. In view of the size and structure of the Board, the risk management framework is overseen by the senior management team and the whole Board. Business risks and internal control procedures are identified, assessed, monitored and overseen by the Board and the Company's senior management team by considering such matters as part of regular Board and senior management meetings.
- 7.2 Senior management and the Board periodically consider the risk management framework and are satisfied that it continues to be sound. The Board reviewed the framework during the current reporting period.
- 7.3 The Company does not have an internal audit function. Instead, monthly management reports are prepared by senior management within the Company, identifying relevant areas of risk and internal control. These reports are circulated to Board members, where applicable, for them to evaluate and to continue to improve the effectiveness of the risk management framework and internal control processes.
- 7.4 The Company does not believe it has any material exposure to environmental or social risks. The Company complies with all environmental and social regulations and laws.

PRINCIPLE 8: Remunerate fairly and responsibly

- 8.1 Given the current size of the Company, the Board does not consider it appropriate to establish a remuneration committee. The Board as a whole effectively performs this function. Remuneration levels are based on skills, knowledge, experience, education, length of service, industry salary and remuneration levels and retention. Remuneration is reviewed annually for executive Directors, non-executive Directors and senior management to ensure that it remains appropriate.
- 8.2 The independent non-executive Directors are remunerated by way of fees and statutory superannuation and do not receive any retirement benefits. This remuneration is in line with the responsibilities, duties and risks involved in the role. Total remuneration to any non-executive Directors is restricted in terms of the remuneration cap, which is reviewed annually and is subject to shareholder approval for increased limits.

Additional information with respect to remuneration, including separate disclosure of policies and practices regarding the remuneration of non-executive Directors, executive Directors and other senior key management, is provided in the Remuneration Report in the Company's Annual Report.
- 8.3 The Company does not presently have a policy on whether participants are permitted to enter into transactions which limit the economic risk of participating in the Executive Share Plan (the Company's equity-based remuneration scheme) because the existing loans under that plan are not considered to be material. However, any shares issued under the Executive Share Plan in the future will be considered on a case-by-case basis.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
Revenue from continuing operations	2	58,460,119	53,061,586
Other income	2	5,193,269	-
Changes in inventories of finished goods and work in progress		1,840,348	(37,768)
Raw materials and consumables used		(34,739,736)	(28,076,884)
Employee benefits expense		(10,948,516)	(10,613,382)
Depreciation and amortisation expense	3	(1,000,853)	(931,437)
Repairs and maintenance expense		(1,734,289)	(1,544,024)
Freight expense		(2,614,677)	(2,648,085)
Finance cost		(299,204)	(4,673)
Other expenses		(4,636,183)	(5,235,227)
Profit before income tax		9,520,278	3,970,106
Income tax expense			
Current year income tax	4	(2,856,567)	(1,191,292)
Income tax expense on restatement of deferred tax liabilities due to change in Company's tax rate from 25% to 30% on 1 July 2023	4	-	(1,041,067)
Profit after tax attributable to members of the parent entity		6,663,711	1,737,747
Other comprehensive income for the period			
Items that will not be reclassified to profit or loss:			
Net gain on revaluation of land not held for investment		2,554,125	-
Movement in reserve due to changes in the Company tax rate		-	(240,571)
Other comprehensive income for the period, net of tax		2,554,125	(240,571)
Total comprehensive income for the period attributable to members of the parent entity		9,217,836	1,497,176
Basic and diluted earnings per share (cents per share)	7	61.4	16.1

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

AS AT THE 30 JUNE 2025

	Note	2025 \$	2024 \$
CURRENT ASSETS			
Cash and cash equivalents	8	-	359,873
Trade and other receivables	9	8,316,515	7,816,083
Inventories	10	18,252,773	9,789,353
Other current assets	16	191,936	729,098
TOTAL CURRENT ASSETS		26,761,224	18,694,407
NON-CURRENT ASSETS			
Trade and other receivables	9	123,092	111,913
Financial assets	11	71,536	71,536
Property, plant and equipment	13	20,885,102	16,866,663
Investment property	14	31,500,000	26,293,231
Intangible assets	15	551,852	551,852
Deferred tax assets	18	452,553	581,096
TOTAL NON-CURRENT ASSETS		53,584,135	44,476,291
TOTAL ASSETS		80,345,359	63,170,698
CURRENT LIABILITIES			
Bank Overdraft	8	659,087	-
Trade and other payables	17	3,815,554	4,191,168
Current tax liabilities	18	217,453	911,881
Short-term provisions	19	1,268,510	1,286,987
Borrowings	20	4,000,000	4,000,000
TOTAL CURRENT LIABILITIES		9,960,604	10,390,036
NON-CURRENT LIABILITIES			
Trade and other payables	17	60,230	60,230
Deferred tax liabilities	18	10,790,722	8,057,878
TOTAL NON-CURRENT LIABILITIES		10,850,952	8,118,108
TOTAL LIABILITIES		20,811,556	18,508,144
NET ASSETS		59,533,803	44,662,554
EQUITY			
Contributed equity	21	28,017,935	19,939,268
Reserves		6,686,462	4,132,337
Retained earnings		24,829,406	20,590,949
TOTAL EQUITY		59,533,803	44,662,554

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2025

	Ordinary Share Capital \$	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
Balance at 1.7.2024	19,939,268	20,590,949	4,132,337	44,662,554
Comprehensive income:				
Profit attributable to members of parent entity	-	6,663,711	-	6,663,711
Other comprehensive income:				
Land revaluation	-	-	2,554,125	2,554,125
Total comprehensive income for the period	-	6,663,711	2,554,125	9,217,836
Transactions with owners, in their capacity as owners:				
New Share issue	8,078,667	-	-	8,078,667
Dividends recognised for the period	-	(2,425,254)	-	(2,425,254)
Balance at 30.6.2025	28,017,935	24,829,406	6,686,462	59,533,803
Balance at 1.7.2023	19,939,268	19,931,239	4,372,908	44,243,415
Comprehensive income:				
Profit attributable to members of parent entity	-	1,737,747	-	1,737,747
Other comprehensive income:				
Income tax expense on restatement of deferred tax liabilities due to change in the Company's tax rate from 25% to 30% on 1 July 2023	-	-	(240,571)	(240,571)
Total comprehensive income for the period	-	1,737,747	(240,571)	1,497,176
Transactions with owners, in their capacity as owners:				
Dividends recognised for the period	-	(1,078,037)	-	(1,078,037)
Balance at 30.6.2024	19,939,268	20,590,949	4,132,337	44,662,554

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		57,916,089	52,006,961
Payments to suppliers and employees		(61,133,591)	(49,886,950)
Dividends received	2	4,267	3,556
Interest received	2	19,520	128,769
Finance costs		(299,204)	(4,673)
Income tax paid		(1,784,233)	(32,805)
Net cash provided by (used in) operating activities	23	(5,277,152)	2,214,858
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property		-	(5,279,856)
Purchase of plant and equipment		(1,098,789)	(1,953,896)
Own use property development costs		(271,753)	(164,590)
Investment property development costs		(13,500)	(82,332)
Net cash provided by (used in) investing activities		(1,384,042)	(7,480,674)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of employee share loans		(11,179)	6,142
Proceeds from borrowings		-	4,000,000
Bond received		-	11,666
Net Proceeds from share issues		7,237,261	-
Dividends paid by parent entity		(1,583,848)	(1,078,037)
Net cash provided by (used in) financing activities		5,642,234	2,939,771
Net increase (decrease) in cash held		(1,018,960)	(2,326,045)
Cash at 1 July 2024		359,873	2,685,918
Cash at 30 June 2025	8	(659,087)	359,873

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES

The financial report includes the consolidated financial statements and notes of F.F.I. Holdings Ltd and controlled entities ('Consolidated Entity'), and the separate financial information (note 28) of F.F.I Holdings Ltd as an individual parent entity ('Parent Entity').

F.F.I. Holdings Limited is a listed public company, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 26 September 2025 by the Directors of the Company.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. All monetary amounts in the financial report are stated in Australian dollars.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The functional currency of the Group is Australia dollar.

Except for cash flow information, the financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a. New and Amended Accounting Policies Adopted by the Group

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The Group has applied the following standards and amendments for the first time:

AASB 2020-1: Classification of Liabilities as Current or Non-current

The Group adopted AASB 2020-1 which amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It also clarifies the meaning of "settlement of a liability".

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2022-5: Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback

The Group adopted AASB 2022-5 which amends AASB 16 to add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15: Revenue from Contracts with Customers to be accounted for as a sale.

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2022-6: Amendments to Australian Accounting Standards – Non-Current Liabilities with Covenants

The Group adopted AASB 2022-6 which amends AASB 101 to improve the information an entity provides in its financial statements about liabilities from loan arrangements for which the entity's right to defer settlement of those liabilities for at least 12 months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement.

The adoption of the amendment did not have a material impact on the financial statements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

b. Principles of Consolidation

A controlled entity is any entity over which F.F.I. Holdings Limited is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

A list of controlled entities is contained in Note 12 to the financial statements. All controlled entities have a 30 June financial year-end.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the consolidated entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Business combinations

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted for by applying the purchase method. The purchase method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and contingent liabilities to be determined as at acquisition date, being the date that control is obtained. Cost is determined as the aggregate of fair values of assets given, equity issued and liabilities assumed in exchange for control together with costs directly attributable to the business combination. Any deferred consideration payable is discounted to present value using the entity's incremental borrowing rate.

Goodwill is recognised initially at the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in profit or loss.

c. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

d. Revenue

Revenue recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers as this corresponds to the transfer of significant risk and rewards of ownership and the cessation of all involvement in those goods.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established, generally when the dividend is declared.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Any lease incentives granted are recognised as an integral part of total rental income, over the term of the lease.

Grant income received is recognised in the statement of financial position by deducting the grant in arriving at the carrying amount of the asset acquired. The grant is recognised in profit or loss over the life of the depreciable asset as a reduced depreciation expense.

e. Financial Instruments

The Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

The Group subsequently measures all equity investments at fair value. The Group has not elected to present fair value gains and losses on equity investments in OCI, where there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

As per AASB 9, an expected credit loss model is applied. To reflect changes in credit risk, this expected credit loss model requires the Group to account for expected credit loss since initial recognition.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (i.e. diversity of customer base, appropriate groupings of historical loss experience, etc.).

f. Inventories

Inventories are measured at the lower of cost or net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the first in first out basis.

g. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by directors, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

Plant and equipment

Plant and equipment are brought to account at cost.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows are discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation

The depreciable amount of all fixed assets, including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation/amortisation rates used for each class of assets are:

Class of Fixed Assets	Depreciation Rate
Building	2.5%
Plant and equipment	5-25%

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

h. Investment Property

Investment property comprises land held for future development and/or resale. Investment property is carried at fair value determined annually by Directors and/or independent licensed valuers. Changes to fair value are recorded in the income statement as other income.

Fair value is the amount for which the property could be exchanged between knowledgeable, willing parties, in an arms-length transaction, based on highest and best use of the property.

Fair value is based on current prices in an active market, adjusted if necessary for any difference in the nature, location or condition of the specific property. The group uses alternative valuation methods such as the capitalisation of rental income method where appropriate.

i. Leases

The Group as lessee

At inception of a contract, the Group assesses if the contract contains a lease or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expenses on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Group as lessor

The Group leases industrial and commercial properties owned by the Group.

Upon entering into each contract as a lessor, the Group assesses if the lease is a finance or operating lease.

A contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases.

Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease. Initial direct costs incurred in entering into an operating lease (for example, legal cost and costs to set up equipment) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Rental income due under finance leases is recognised as receivables at the amount of the Group's net investment in the leases.

When a contract is determined to include lease and non-lease components, the Group applies AASB 15: Revenue from Contracts with Customers to allocate the consideration under the contract to each component.

j. Impairment of Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared with the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

k. Intangibles

Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

Trademarks and Licences

Patent, trademarks and licenses are recognised at cost of acquisition. These assets are assessed as having an indefinite useful life. These intangibles are tested annually for impairment and carried at cost less accumulated impairment losses. At each reporting date, the Group reviews the useful life of these assets.

l. Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Superannuation

Contributions are made to superannuation funds on behalf of employees and are charged as expenses when incurred.

m. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that an outflow can be reliably measured.

n. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 12 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Consolidated Statement of Financial Position.

o. Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for expected credit loss (ECL). Refer to Note 1(e) for further discussion on the determination of expected credit loss.

p. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days from end of month of recognition of the liability.

q. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Consolidated Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

r. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

s. Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates

(i) Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(ii) Investment Property

The value of the Group's investment property was reviewed at 30 June 2025 by the Directors. The value adopted as at 30 June 2025 is based on a valuation performed as at 30 June 2025 by a licensed independent valuer as well as consideration of other current relevant factors and market conditions. As of 30 June 2025, the Directors adopted the value assessed by the independent valuer. Fair market value was supported by the market evidence and makes use of assumptions that a market participant would anticipate based on highest and best use of the property. The value adopted is based on an assessment of the property's current active open market value.

(iii) Land Held for Own Use

The value of the Group's freehold land was reviewed at 30 June 2025 by the Directors. The value adopted as at 30 June 2025 is based on a valuation performed as at 30 June 2025 by a licensed independent valuer as well as consideration of other current relevant factors and market conditions. As of 30 June 2025, the Directors adopted the value assessed by the independent valuer. Fair market value was supported by the market evidence and makes use of assumptions that a market participant would anticipate based on highest and best use of the property. The value adopted is based on an assessment of the property's current active open market value.

(iv) Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of Directors. These estimates take into account both the financial performance and position of the company as they pertain to current income taxation legislation, and the Directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents the Directors' best estimate, pending an assessment by the Australian Taxation Office.

t. Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

u. New standards and interpretations issued but not yet effective

The Consolidated Entity has adopted all new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period.

The following standards and amendments are not yet effective but may have a material impact on the financial statements of the Group in the future:

- AASB 18: *Presentation and Disclosure in Financial Statements*

AASB 18 will replace AASB 101 to amend the presentation and disclosure requirements in financial statements which includes:

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

- the presentation of the statement of profit or loss into five categories, namely the operating, investing, financing, discontinued operations and income tax categories, as well as newly-defined operating profit subtotals;
- disclosure of management-defined performance measures (MPMs) in a single note; and
- enhanced requirements for grouping (aggregation and disaggregation) of information.

In addition, the Group will be required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group plans on adopting the amendment for the reporting period ending 30 June 2028. The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

- *AASB 2024-2: Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments*

AASB 2024-2 amends AASB 7 and AASB 9 in relation to:

- settling financial liabilities using an electronic payment system;
- assessing contractual cash flow characteristics of financial assets with environmental, social and corporate governance (ESG) and similar features; and
- disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income, and adds disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs.

The Group plans on adopting the amendment for the reporting period ending 30 June 2027. The amendment is not expected to have a material impact on the financial statements once adopted.

- *AASB 2024-3: Amendments to Australian Accounting Standards – Annual Improvements Volume 11*

AASB 2024-3 amends the following:

- AASB 1 to improve consistency between AASB 1 and the requirements for hedge accounting in AASB 9, as well as to improve the understandability of AASB 1;
- AASB 7 to replace a cross-reference and improve the consistency in the language used in AASB 7 with the language used in AASB 13;
- AASB 9 to clarify how a lessee accounts for the derecognition of a lease liability when it is extinguished and address inconsistencies between AASB 9 and the requirements in AASB 15 in relation to the term "transaction price";
- AASB 10 in relation to determining de facto agents of an entity; and
- AASB 107 to replace the term "cost method" with "at cost", as the term is no longer defined in Australian Accounting Standards.

The Group plans on adopting the amendment for the reporting period 30 June 2027. The amendment is not expected to have a material impact on the financial statements once adopted.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 2: REVENUE AND OTHER INCOME		
— Sale of goods	56,752,710	51,309,951
— Dividends received	4,267	3,556
— Interest received - other	19,520	128,769
— Rent received	1,683,622	1,619,310
Total revenue	58,460,119	53,061,586

Other income

Gain/(Loss) on revaluation of investment property	5,193,269	-
Total other income	5,193,269	-

Disaggregation of revenue from contracts with customers

In the following table, segmental revenue from contracts with customers is disaggregated by primary geographical market and timing of revenue recognition.

	Food Operations \$	Investment Property \$	Unallocated \$	Total \$
2025				
Primary geographical markets				
Australia	56,752,710	1,683,622	23,787	58,460,119
Timing of revenue recognition				
At a point				
In time	56,752,710	-	-	56,752,710
Over time	-	1,683,622	23,787	1,707,409
	56,752,710	1,683,622	23,787	58,460,119

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 2: REVENUE AND OTHER INCOME (continued)

	Food Operations	Investment Property	Unallocated	Total
2024	\$	\$	\$	\$
Primary geographical markets				
Australia	51,309,951	1,619,310	132,325	53,061,586
Timing of revenue recognition				
At a point				
In time	51,309,951	-	-	51,309,951
Over time	-	1,619,310	132,325	1,751,635
	51,309,951	1,619,310	132,325	53,061,586

2025
\$

2024
\$

NOTE 3: PROFIT FOR THE YEAR

Profit from ordinary activities before income tax has been determined after

a. Expenses

— Cost of sales	46,167,459	40,672,671
— Depreciation of buildings	57,871	53,603
— Depreciation of plant and equipment	942,982	877,834
— Rental expense on short term leases	181,826	156,750
— Employee benefits - superannuation	812,965	812,022

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 4: INCOME TAX EXPENSE		
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Operating profit before income tax	9,520,278	3,970,106
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2024: 30%)	2,856,083	1,191,032
Add:		
Tax effect of:		
Non-deductible depreciation and amortisation	17,361	16,081
Other non-allowable items	1,764	1,327
Under provision for income tax in prior year	1,949	1,717
	2,877,157	1,210,157
Less:		
Tax effect of:		
Rebateable fully franked dividends	1,280	1,067
Other allowable items		
Other tax benefits	19,310	17,798
Income tax expense	2,856,567	1,191,292
Add:		
Tax effect of:		
Income tax expense on restatement of deferred tax liabilities due to change in the Company's tax rate from 25% to 30% on 1 July 2023	-	1,095,117
Less:		
Tax effect of:		
Income tax benefit on restatement of deferred tax assets due to change in the Company's tax rate from 25% to 30% on 1 July 2023	-	54,050
Income tax expense	-	1,041,067
Total income tax expense	2,856,567	2,232,359

Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The tax rate used in the reconciliation above is the corporate tax rate of 30% (2024: 30%) payable by Australian Companies with an aggregate turnover over \$50 million in financial year ended 30 June 2025.

NOTE 5: AUDITORS' REMUNERATION

Remuneration of the auditors of the parent entity for:

— auditing or reviewing the financial report	74,878	69,071
— advisory services	1,530	-
	76,408	69,071

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 6: DIVIDENDS		
(a) Dividends declared and paid during the year		
Final fully franked dividend for 2024 of 12.5 cents per share franked at the rate of 30% paid on 25 September 2024	1,347,547	1,078,037
Interim fully franked dividend of 10.0 cents etc.	1,077,707	-
	<u>2,425,254</u>	<u>1,078,037</u>

(b) Dividends proposed subsequent to 30 June and not recognized as a liability		
Final fully franked ordinary dividend 12.5 cents per share franked at the rate of 30% to be paid on 30 October 2025	1,638,582	1,347,546
(c) Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables.	3,230,813	3,177,784
Subsequent to year end, the franking account would be reduced by the proposed dividend per 6(b) above.	702,249	577,520

NOTE 7: EARNINGS PER SHARE

Earnings used to calculate basic and diluted EPS	6,663,711	1,737,747
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	2025 Number	2024 Number
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted EPS	10,860,325	10,780,367

	2025 \$	2024 \$
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NOTE 8: CASH AND CASH EQUIVALENTS

Cash at bank and in hand	-	359,873
Bank overdraft	(659,087)	-

NOTE 9: TRADE AND OTHER RECEIVABLES

CURRENT

Trade receivables	8,242,535	7,686,661
Less: Provision for expected credit loss	-	-
Other receivables	73,980	129,422
	<u>8,316,515</u>	<u>7,816,083</u>

Aging of gross carrying amounts due

0-30 days	4,466,609	4,001,192
30-60 days	3,491,112	2,997,346
60-90 days	197,604	570,748
90+ days	161,190	246,797
Total	<u>8,316,515</u>	<u>7,816,083</u>
Lifetime expected credit loss: credit impaired	-	-

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 9: TRADE AND OTHER RECEIVABLES (continued)

The Group applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

There has been no change in the estimation techniques used or significant assumptions made during the current reporting period. As noted above, the lifetime ECL allowance is Nil.

Credit risk - Receivables

The group has significant concentrations of credit risk with respect to a number of major customers of the Group (Refer Note 22). The balances of receivables that relate to these major customers are considered to be of high credit quality. The class of assets described as receivables is considered to be the main source of credit risk related to the Group. On a geographical basis, the Group has 100% of its credit risk exposure in Australia.

	2025 \$	2024 \$
NON-CURRENT		
F.F.I. Holdings Ltd Executive Share Plan – refer to remuneration note for loans	123,092	111,913

NOTE 10: INVENTORIES

At cost:

Raw materials and stores	12,318,016	5,694,944
Finished goods	5,934,757	4,094,409
	18,252,773	9,789,353

NOTE 11: FINANCIAL ASSETS

Shares in unlisted corporations	71,536	71,536
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NOTE 12: INTEREST IN SUBSIDIARIES

Set out below are the Group's subsidiaries at 30 June 2025. The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's country of incorporation or registration is also its principal place of business. The financial statements of the subsidiaries used in the preparation of these consolidated financial statements have also been prepared as at the same date as the Group's financial statements.

The Group has not gained or lost control over any entity during the reporting period and does not have any associates or joint-ventures.

Name of Subsidiary	Principal Place of Business	Ownership Interest held by the Group	
		2025 %	2024 %
Fresh Food Industries Pty Ltd	Perth, Western Australia	100	100
Chocolate Products of Australia Pty Ltd	Perth, Western Australia	100	100

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 13: PROPERTY, PLANT AND EQUIPMENT		
LAND AND BUILDINGS		
Freehold land at fair value	8,861,250	5,212,500
Buildings		
Fair value	3,321,279	3,049,526
Accumulated depreciation	(1,149,242)	(1,091,371)
Total buildings	2,172,037	1,958,155
Total land and buildings	11,033,287	7,170,655
PLANT AND EQUIPMENT		
At cost	21,798,061	20,699,272
Accumulated depreciation	(11,946,246)	(11,003,264)
Total plant and equipment	9,851,815	9,696,008
Total property plant and equipment	20,885,102	16,866,663

The value of the Group's freehold land was reviewed at 30 June 2025 by the Directors. The value adopted as at 30 June 2025 is based on the value assessed by a licensed independent valuer as well as consideration of current relevant factors and market conditions.

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year:

	Freehold Land \$	Buildings \$	Plant and Equipment \$	Total \$
Balance at the beginning of the year	5,212,500	1,958,155	9,696,008	16,866,663
Additions	-	271,753	1,098,789	1,370,542
Revaluations	3,648,750	-	-	3,648,750
Disposals	-	-	-	-
Depreciation expense	-	(57,871)	(942,982)	(1,000,853)
Carrying amount at the end of the year	8,861,250	2,172,037	9,851,815	20,885,102

	2025 \$	2024 \$
(b) If land and buildings were stated at historical cost, amounts would be as follows:		
Cost	3,547,360	3,275,607
Accumulated depreciation	(1,149,242)	(1,091,373)
Net book value	2,398,118	2,184,234

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 14: INVESTMENT PROPERTY		
Balance at beginning of year	26,293,231	20,931,043
Property purchased	-	5,279,856
Fair Value adjustments	5,193,269	-
Property development costs	13,500	82,332
Balance at end of year	31,500,000	26,293,231

The value of the Group's investment property was reviewed at 30 June 2025 by the Directors. The value adopted as at 30 June 2025 is based on a valuation performed as at 30 June 2025 by a licensed independent valuer as well as consideration of other current relevant factors and market conditions.

NOTE 15: INTANGIBLE ASSETS

Trademarks and goodwill at cost	551,852	551,852
Accumulated amortisation	-	-
Net carrying value	551,852	551,852

Impairment Disclosures

All intangible assets are allocated to the cash generating unit represented by the Group's bakery segment. The recoverable amount of each cash-generating unit is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a 5-year period. The cash flows used an assumed growth rate, discounted using the yield of 10-year government bonds at the beginning of the budget period and adjusted to incorporate risks associated with the segment. Growth rate of 2.5% and a discount rate of 11% have been used in the calculations. The value of accumulated impairment losses on intangible assets as at 30 June 2025 was Nil.

NOTE 16: OTHER ASSETS

CURRENT

Prepayments	191,936	729,098
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NOTE 17: TRADE AND OTHER PAYABLES

CURRENT

Unsecured liabilities	3,815,554	4,191,168
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NON-CURRENT

Security bond – lease property	60,230	60,230
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Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 18: TAX		
(a) Liabilities		
CURRENT		
Income tax payable	217,453	911,881
NON-CURRENT		
Deferred tax liability comprises:		
Tax allowances relating to property, plant and equipment	2,523,845	2,443,607
Revaluation adjustments taken directly to equity	2,538,050	1,443,425
Fair value gain adjustments	5,728,827	4,170,846
Total	10,790,722	8,057,878
(b) Assets		
CURRENT		
Income tax receivable	-	-
NON-CURRENT		
Deferred tax asset	452,553	581,096
(i) Deferred Tax Liability		
The movement in deferred tax liability for each temporary difference during the year is as follows:		
Tax allowances relating to property, plant and equipment		
Opening balance	2,443,607	2,000,881
Credited/(charged) to the income statement	80,238	442,726
Closing balance	2,523,845	2,443,607
Tangible assets revaluation adjustments taken directly to equity		
Opening balance	1,443,425	1,202,854
Net revaluations during the current period	1,094,625	240,571
Closing balance	2,538,050	1,443,425
Fair value gain adjustment		
Opening balance	4,170,846	3,474,705
Credited/(charged) to the income statement	1,557,981	696,141
Closing balance	5,728,827	4,170,846
(ii) Deferred Tax Assets		
The movement in deferred tax assets for each temporary difference during the year is as follows:		
Provisions	-	-
Opening balance	581,096	270,250
Credited/(charged) to the income statement	(128,543)	310,846
Closing balance	452,553	581,096

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 19: PROVISIONS		
EMPLOYEE ENTITLEMENTS		
Opening balance at 1 July	1,119,439	971,252
Additional provisions	89,071	148,187
Amounts used/paid	-	-
Balance at 30 June	1,208,510	1,119,439

The entire obligation is presented as current since the Company does not have an unconditional right to defer settlement.

OTHER PROVISIONS		
Balance at 30 June	60,000	167,548
Total provisions	1,268,510	1,286,987

The entire obligation is presented as current since the Company does not have an unconditional right to defer settlement.

NOTE 20: BORROWINGS

CURRENT

Bank loan	4,000,000	4,000,000
-----------	-----------	-----------

All bank borrowings are reviewed annually by the Company's management and the Company's bank. The next review date is 30 October 2025. The Company is comfortably within its financial covenants and all banking facilities have been consistently kept in place in prior years after completion of the annual review. At the date of this report the Directors of the Company fully expect all bank facilities to be continued at the next review date, however in order to comply with the Australian Accounting Standards for presentation of the financial statements, the facilities have been classified as current.

NOTE 21: ISSUED CAPITAL

Issued and Paid Up Capital

13,108,652 (2024: 10,780,367) fully paid ordinary shares	28,017,935	19,939,268
--	------------	------------

(a) Movement in ordinary shares on issue

Details	Date	No of Shares	Issue Price	\$
Balance as at 30 June 2023		10,780,367		19,939,268
Issued		-	-	-
Balance as at 30 June 2024		10,780,367		19,939,268
Issue of shares on dividend reinvestment plan	17 April 2025	229,266	3.67	841,406
Issue on exercise of share rights	23 June 2025	2,099,019	3.50	7,346,567
Cost of rights issue				(109,306)
Balance as at 30 June 2025		13,108,652		28,017,935

The Group does not have a current on-market share buy-back.

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 21: ISSUED CAPITAL (continued)

At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(b) Capital Management

The Board and management control the capital of the Group in order to maintain an appropriate debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

	Note	2025 \$	2024 \$
Total borrowings		4,000,000	4,000,000
Less cash and cash equivalents	8	-	(359,873)
Add bank overdraft	8	659,087	-
Net debt		4,659,087	3,640,127
Total equity		59,533,803	44,662,554
Total capital		64,192,890	48,302,681
Gearing ratio		7.3%	8.2%

NOTE 22: OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of industry category. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold;
- the manufacturing process; and
- the type or class of customer for the products.

Types of products and services by segment

(i) Food Operations

This segment manufactures a wide range of predominantly bakery and home cooking needs food products for distribution to a diverse customer base.

(ii) Investment Property

This segment manages the Company's industrial/commercial land which is held for investment purposes. This segment does not include land held for the Company's own use.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 22: OPERATING SEGMENTS (continued)

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, accounting policies adopted in reporting by operating segments are consistent to those adopted in the annual financial statements of the Group.

Inter-segment transactions

There were no inter-segment transactions during the financial year.

There were no corporate charges allocated to reporting segments during the financial year.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment.

Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- revenue from financial assets not attributable to a segment
- impairment of assets and other non-recurring items of revenue or expense
- corporate and overhead expenses not attributable to a specific segment
- cash and cash equivalents

Geographical Segments

The Group's business segments operate entirely within the one geographical segment of Australia.

Major Customers

The Group has a number of customers to which it provides products. The Group supplies two external customers in the food operations segment which accounted for the following % of total external revenue: 10% (2024: 9%) and 8% (2024: 6%). The next most significant customer accounts for 7% (2024: 7%) of external revenue. Refer Note 9 and Note 24 for policies on credit risk management.

(a) Income Statement

	Food Operations \$	Investment Property \$	Eliminations/ Unallocated \$	Total \$
2025				
Revenue				
Total segment revenue	56,752,710	1,683,622	-	58,436,332
Other and unallocated revenue (refer Note 2)	-	-	-	23,787
Total revenue				58,460,119
Net profit before tax				
Total segment net profit before tax	3,804,937	1,683,622	-	5,488,559
Other amounts not included in segment result but reviewed by the Board	-	-	-	4,031,719
Total net profit before tax				9,520,278

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 22: OPERATING SEGMENTS (continued)

	Food Operations \$	Investment Property \$	Eliminations/ Unallocated \$	Total \$
2024				
Revenue				
Total segment revenue	51,309,951	1,619,310	-	52,929,261
Other and unallocated revenue (refer Note 2)	-	-	-	132,325
Total revenue				53,061,586
Net profit before tax				
Total segment net profit before tax	3,160,394	1,619,310	-	4,779,704
Other amounts not included in segment result but reviewed by the Board	-	-	-	(809,598)
Total net profit before tax				3,970,106

(b) Statement of Financial Position

	Food Operations \$	Investment Property \$	Eliminations/ Unallocated \$	Total \$
2025				
Segment assets	48,565,100	31,500,000	280,259	80,345,359
Segment liabilities	10,307,227	5,789,057	4,715,272	20,811,556
Segment acquisition of property, plant and equipment	1,370,542	13,500	-	1,384,042
Reconciliation of unallocated assets				
- Land and buildings				-
- Cash and cash equivalents				-
- Other				280,259
Total unallocated assets				280,259

2024				
Segment assets	28,787,730	26,293,231	8,089,737	63,170,698
Segment liabilities	27,183,348	8,413,910	(17,089,114)	18,508,144
Segment acquisition of property, plant and equipment				-
Reconciliation of unallocated assets				
- Land and buildings				7,170,655
- Cash and cash equivalents				359,873
- Other				559,209
Total unallocated assets				8,089,737

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 23: CASH FLOW INFORMATION		
Reconciliation of cash flow from operations with operating profit from ordinary activities after income tax		
Profit from ordinary activities after income tax	6,663,711	1,737,747
Non-cash flows in profit from ordinary activities:		
Depreciation and amortisation	1,000,853	931,437
Unrealised gain on investment property revaluation	(5,193,269)	-
Changes in assets and liabilities:		
Decrease/(Increase) in trade and other receivables	(500,432)	(900,699)
Decrease/(Increase) in prepayments	537,162	(596,579)
Decrease/(Increase) in inventories	(8,463,420)	(1,041,535)
Increase/(Decrease) in creditors and accruals	(375,614)	(321,054)
Increase/(Decrease) in provisions	(18,477)	205,987
Decrease/(Increase) in deferred tax asset	128,543	(310,846)
Increase/(Decrease) in income tax payable	(694,428)	1,371,533
Increase/(Decrease) in deferred tax payable	1,638,219	1,379,438
Movement in asset revaluation reserve due to change in the Company's tax rate	-	(240,571)
Cash flow from operations	(5,277,152)	2,214,858
Credit Standby Arrangements with Banks		
Credit facility	4,000,000	4,000,000
Amount utilized	4,000,000	4,000,000
Amount unutilised	-	-

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 24: FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to and from subsidiaries. The Group does not operate any derivative financial instruments.

The main purpose on non-derivative financial instruments is to raise finance for Group operations.

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and price risk.

(a) Interest rate risk

The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

Summary of Financial Instruments and Interest Rate Risks

	2025 \$	2024 \$	2025 Effective Interest Rate	2024
Financial Assets:				
Cash (floating interest rate)	-	359,873	N/A	4.10%
Loans and receivables:				
Trade Receivables & other (non-interest bearing)	8,439,607	7,927,996	N/A	N/A
Available for Sale of Financial Assets (at cost):				
Investments (non-interest bearing)	71,536	71,536	N/A	N/A
Total financial assets	8,511,143	8,359,405		
Financial Liabilities:				
Financial liabilities at amortised cost:				
Bank Overdraft	659,087	-	4.61%	-
Bank loan (floating interest rate)	4,000,000	4,000,000	5.73%	6.29%
Trade and other payables (non- interest bearing)	3,815,554	4,191,168	N/A	N/A
Total financial liabilities	8,474,641	8,191,168		

(b) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms: ensuring adequate unutilised borrowing facilities are maintained if required, preparing forward looking cash flow analysis in relation to its operational, investing and financing activities, maintaining a reputable credit profile, managing credit risk related to financial assets, only investing surplus cash with major financial institutions and by comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

All bank borrowings are reviewed annually by the Company's management and the Company's bank. The next review date is 30 October 2025. The Company is comfortably within its financial covenants and all banking facilities have been consistently kept in place in prior years after completion of the annual review. At the date of this report the Directors of the Company fully expect all bank facilities to be continued at the next review date, however in order to comply with the Australian Accounting Standards for presentation of the financial statements, the facilities have been classified as current.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 24: FINANCIAL RISK MANAGEMENT (continued)

Financial Liability and Financial Asset Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2025 \$	2024 \$	2025 \$	2024 \$	2025 \$	2024 \$	2025 \$	2024 \$
Consolidated Group								
Financial liabilities due for payment								
Bank loan	4,000,000	4,000,000	-	-	-	-	4,000,000	4,000,000
Bank overdrafts	659,087	-	-	-	-	-	659,087	-
Trade and other payables (excluding est. annual leave)	3,815,554	4,191,168	-	-	-	-	3,815,554	4,191,168
Total contractual outflows	8,474,641	8,191,168	-	-	-	-	8,474,641	8,191,168
Total expected outflows	8,474,641	8,191,168	-	-	-	-	8,474,641	8,191,168
Financial assets – cash flows realisable								
Cash and cash equivalents	-	359,873	-	-	-	-	-	359,873
Trade, term and loan receivables	8,316,515	7,816,083	123,092	111,913	-	-	8,439,607	7,927,996
Other investments	-	-	-	-	71,536	71,536	71,536	71,536
Total anticipated inflows	8,316,515	8,175,956	123,092	111,913	71,536	71,536	8,511,143	8,359,405
Net inflow on financial instruments	(158,126)	(15,212)	123,092	111,913	71,356	71,356	36,502	168,237

(c) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group (also refer to Note 9).

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Depending on the division within the Group, credit terms range from 7 days from invoice date to 60 days from end of month.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. This amounts to \$8,511,143 for 2025 (2024: \$8,359,405).

Credit risk related to cash balances held with banks is managed by the Board policy of only investing surplus funds with major banks with a Standard and Poor's credit rating of at least AA-. As at reporting date all surplus funds was held with a major bank with a Standard and Poor's credit rating of AA-.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 24: FINANCIAL RISK MANAGEMENT (continued)

(d) Price risk

The Group is exposed to price risk through fluctuations in the prices of all business input costs including food commodities. The exposure is however mitigated by the Group's ability to change its selling price structure and by the very large and diverse base of customers, suppliers and products with which the Group operates. These factors limit any commodity based price risk to the Group.

Net Fair Values

The fair values of financial assets and financial liabilities are presented in the table in part (a) of this note and can be compared to their carrying values as presented in the Consolidated Statement of Financial Position. Fair Values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Sensitivity Analysis

Interest Rate Risk

The Group has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates that a +/- 2% change in the interest rate would not result in a material effect on the current year profit and equity.

NOTE 25: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(a) Controlled Entities

F.F.I. Holdings Ltd provides factory and office space, and management services to its controlled entities. The total of these transactions for the year was as follows:

	2025 \$	2024 \$
Fresh Food Industries Pty Ltd		-
Inter-company loan balances in the Parent Entity at reporting date were as follows:		
Fresh Food Industries Pty Ltd	20,218,611	20,216,634
Chocolate Products of Australia Pty Ltd	(100,982)	(100,982)

(b) Share transactions by directors

Directors and their related entities held directly, indirectly or beneficially as at the reporting date the following equity interests in the parent entity:

	2025 No	2024 No
R G Moonen	4,360,057	3,301,206
G W Nicholson	679,586	556,237
R D Fraser	246,918	186,954

For movements in Directors' shareholdings during the year ended 30 June 2025 refer to the Remuneration Report in the Directors' Report.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 25: RELATED PARTY TRANSACTIONS (continued)

The interests of each Director in the share capital of the Company as at 30 June 2025 and the nature of the interests are as follows:

Director	Ordinary Shares Held	
	Directly	Beneficially
R G Moonen	212,017	4,148,040
G W Nicholson	391,785	287,801
R D Fraser	52,829	194,089

(c) Transactions of group companies with companies related to a director

There were no transactions of Group companies with companies related to a Director during the year ended 30 June 2025.

(d) Loans to Key Management Personnel

For loans provided to Key Management Personnel refer to the Remuneration Report contained in the Directors' Report.

(e) Key Management Personnel Compensation

Refer to the remuneration report contained in the Director's report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2025.

The totals of remuneration paid to KMP of the Company and the Group during the year are as follows:

	2025 \$	2024 \$
Short-term employee benefits	622,661	834,657
Post-employment benefits	76,888	74,862
Other long-term benefits	4,525	7,732
Other benefits	2,483	2,831
	706,557	920,082

Short term benefits: These amounts include fees paid to non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

Post-employment benefits: These amounts are superannuation contributions made during the year.

Other long-term benefits: These amounts represent long service leave benefits accruing during the year.

Further information in relation to KMP remuneration can be found in the Directors' report.

NOTE 26: COMMITMENTS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company is not aware of any significant commitments, contingent liabilities or contingent assets as at reporting date.

NOTE 27: EVENTS AFTER THE REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial years.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 28: PARENT ENTITY DISCLOSURES		
(a) Financial Position		
Assets		
Current assets	6,119,105	433,088
Non-current assets	63,917,760	54,817,731
Total assets	70,036,865	55,250,819
Liabilities		
Current Liabilities	4,059,115	4,164,599
Non-current liabilities	10,524,203	7,840,859
Total liabilities	14,583,318	12,005,458
Equity		
Issued capital	28,017,935	19,939,268
Reserves:		
Asset revaluation	6,628,612	4,074,487
Retained profits	20,807,000	19,231,606
Total Equity	55,453,547	43,245,361
(b) Financial Performance		
Profit for the year after tax	5,400,650	915,786
Other comprehensive income	-	(240,571)
Total comprehensive income	5,400,650	675,215
(c) Contingent Liabilities of the Parent Entity		
	-	-
(d) Commitments for Acquisitions by the Parent Entity		
Property, Plant and Equipment	-	-

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

NOTE 29: FAIR VALUE MEASUREMENT

The net fair value of financial assets and financial liabilities is the same as their carrying amounts as disclosed in the Consolidated Statement of Financial Position and Notes to the Financial Statements. Fair value of investment in shares in unlisted corporations, freehold land, buildings and investment property have been determined as level 2 in the fair value hierarchy. The fair value of property assets adopted as at 30 June 2025 is based on an assessment by Directors of the asset's current active open market value.

NOTE 30: LEASE COMMITMENTS RECEIVABLE

Minimum future lease payments receivable under non-cancellable leases are as follows:

	Within 1 Year	1 to 5 Years	Over 5 Years	Total
	\$	\$	\$	\$
Monash Gate Jandakot	497,718	-	-	497,718

The investment property is leased to a multi-national environmental services company for a period of 6 years 6 months effective from 16 May 2019.

The Lease has been negotiated on a basis reflective of the commercial terms and prevailing market conditions at the time of the negotiations.

The Lease conditions in place have been negotiated on a basis reflective of commercial terms and prevailing market conditions.

Consolidated Entity Disclosure Statements

Set out below is the Consolidated Entity Disclosure Statement for FFI Holdings Limited as at 30 June 2025. The Consolidated Entity Disclosure Statement is a separate statement required by section 295(3A)(a) of the *Corporations Act 2001*. It does not form part of the notes to the financial statements and is included in the audit of the Company's Annual Financial Report.

Entity Name	Entity Type	Country of Incorporation	% of Share Capital Held	Australian Tax Residency Status	Foreign Countries Tax Residency
FFI Holdings Limited	Body Corporate	Australia	N/A	Australia	N/A
Fresh Food Industries Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Chocolate Products of Australia Pty Ltd	Body Corporate	Australia	100	Australia	N/A

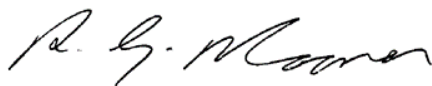
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Directors' Declaration

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 18 to 49, are in accordance with the *Corporations Act 2001*, and:
 - a. comply with Accounting Standards;
 - b. give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Company and consolidated group;
 - c. are in accordance with International Financial Reporting Standards issued by International Accounting Standards Board; and
 - d. the consolidated entity disclosure statement for FFI Holdings Limited and its controlled entities as at 30 June 2025 is true and correct.
2. the Managing Director and Chief Financial Officer have each declared that:
 - a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b. the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c. the financial statements and notes for the financial year give a true and fair view.
3. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



R G Moonen



G W Nicholson

Dated this 26th day of September 2025

Independent Auditor's Report



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FFI HOLDINGS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of FFI Holdings Limited (the Company) and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended;
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001, and
- iii. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Independent Auditor's Report



Key audit matter	How the matter was addressed in our audit
Valuation of Land & Buildings Held for Own Use	
Refer to Note 1(s)(iii) Critical Accounting Estimates and Judgements – Land Held for Own Use & Note 13 Property, Plant and Equipment	
As at 30 June 2025, the Group had \$8.8 million of land and \$2.2 million in buildings held for own use. The valuation of land and buildings held for own use is a key audit matter as it is a significant asset and is highly dependent on estimates and judgements. The increase in value from 30 June 2024 was based on a valuation carried out at 30 June 2025 by an independent licensed valuer, with a revaluation gain of \$3.6 million recorded in the consolidated statement of profit or loss and other comprehensive income (recorded under other comprehensive income as the gain is recorded in the Group's revaluation reserve). Management's assessment of value incorporated an independent external valuation which considered comparable sales value of the other industrial properties in the area, as well as other current relevant factors and market conditions. The valuation is dependent on several key assumptions and judgements including highest and best use concepts, capitalisation rates and comparable market values.	Our audit procedures to test the valuation of Land Held for Own Use included, amongst others, the following: • Obtained and reviewed minutes of director meetings and resolutions pertaining to their valuation model. • Tested the mathematical accuracy of the valuation model prepared by management and assessed the valuation methodology including the reasonableness of the key assumptions and key inputs used in the valuation model. • Reviewed the valuation report prepared by the independent valuer, effective as at 30 June 2025, including the competencies and experience of the valuer. • Tested key assumptions adopted by the external valuer. This included obtaining current WA commercial/industrial property reports and comparing land values adopted by the valuer to other known market related information. The results of this work did not suggest any indicators that the current book values of the land held for own use and buildings are impaired. • Tested depreciation expense recorded for buildings and ensured consistency with accounting policies. • Reviewed disclosure in the financial statements to ensure appropriateness and adequacy.

Independent Auditor's Report



Key audit matter

How the matter was addressed in our audit

Valuation of Investment Properties

Refer to Note 1(s)(ii) Critical Accounting Estimates and Judgements – Investment Property & Note 14 Investment Property

The valuation of investment properties is a key audit matter as it is the Group's most significant asset and is highly dependent on estimates and judgements.

Management has estimated the fair value of the Group's investment properties to be \$31.5 million as at 30 June 2025 (\$26.29 million as at 30 June 2024). The increase in value from 30 June 2024 was based on a valuation carried out at 30 June 2025 by an independent licensed valuer, with a revaluation gain of \$5.2 million recorded in the consolidated statement of profit or loss and other comprehensive income.

Management's assessment of value incorporated an independent external valuation which considered comparable sales value of the other industrial properties in the area, as well as other current relevant factors and market conditions.

The valuation is dependent on several key assumptions and judgements including highest and best use concepts, capitalisation rates and comparable market values.

Our procedures to test the valuation of investment properties included, amongst others, the following:

- Obtained and reviewed minutes of director meetings and resolutions pertaining to their valuation model.
- Tested the mathematical accuracy of the valuation model prepared by management and assessed the valuation methodology including the reasonableness of the key assumptions and key inputs used in the valuation model.
- Reviewed the valuation report prepared by the independent valuer, effective as at 30 June 2025, including the competencies and experience of the valuer.
- Tested key assumptions adopted by the external valuer. This included obtaining current WA commercial/industrial property reports and comparing land values adopted by the valuer to other known market related information. The results of this work did not suggest any indicators that the current book values of the investment properties are impaired.
- Reviewed disclosure in the financial statements to ensure appropriateness and adequacy.

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Independent Auditor's Report



Key audit matter

How the matter was addressed in our audit

Existence and Valuation of Inventories

Refer to Note 10 Inventories

The Group holds significant inventories (raw materials and finished goods) which are used in the processing, manufacturing, packaging, and distribution of foods products. Inventories balances have increased from \$9.8 million in the prior period to \$18.2 million as at 30 June 2025.

Inventories are valued at the lower of cost and net realisable value (NRV).

Valuation at cost includes different components and is subject to significant management estimates. This could result in an overstatement of the value of the inventories if the historical cost is higher than the net realisable value.

We have therefore identified inventory existence and valuation as a key audit matter.

Our procedures to test the existence and valuation of inventories included, amongst others, the following:

- Discussed with management and tested the relevant internal control procedures relating to the existence and valuation of inventory, including stocktake attendance of the inventory count at year end.
- Tested a sample of stock items and comparing our count results with count results by the Group's representative and investigated any variances.
- Performed analytical procedures and held discussions with management to better understand the basis behind the stock movements and significant increase in closing stock balance compared to the prior year.
- Performed test of details on historical costs against supplier invoices, including testing the mathematical accuracy of the final stock listing and assessment of management estimates and assumptions in relation to other fixed costs allocations.
- Tested a sample of stock items to subsequent sales to ensure that they were recorded at the lower of cost and net realisable value.
- Discussed with management, reviewed and documented our understanding of the gross margins during the year for any unusual patterns compared to prior periods, and
- Reviewed the disclosures in the financial statements to ensure appropriateness and adequacy.

Independent Auditor's Report



Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and
- c) for such internal control as the directors determine is necessary to enable the preparation of:
 - i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
 - ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Independent Auditor's Report



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report as included the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of FFI Holdings Limited, for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in dark ink that reads 'Neil Pace'.

Neil Pace
Partner – Audit and Assurance
[Moore Australia Audit \(WA\)](#)
Perth
26th day of September 2025

A handwritten signature in dark ink that reads 'Moore Australia'.

Moore Australia Audit (WA)
Chartered Accountants

Additional Information for Listed Public Companies

The following additional information is required by the Australian Securities Exchange:

a) Distribution of Shareholder Numbers as at 9 September 2025:

Range of Holding	Total Holders	No of Shares	% of Issued Capital
1 to 1,000	451	156,617	1.19%
1,001 to 5,000	165	390,533	2.98%
5,001 to 10,000	62	463,562	3.54%
10,001 to 100,000	80	1,918,762	14.64%
100,001 and over	23	10,179,178	77.65%
Total Shareholders	781	13,108,652	100%

b) The number of shareholdings held in less than marketable parcels is 93 holders with 4,611 shares.

c) The names of the substantial shareholders listed in the holding company's register as at 9 September 2025 are:

Name	Fully Paid Shares	% of Issued Capital
Moonen Mr Rodney Graham	4,360,057	33.26%
Morrison Mr Donald John	1,290,070	9.84%
Beer Mr Kenneth John	887,945	6.77%
Phoenix Portfolios Pty Ltd	832,419	6.35%
Nicholson Mr Geoffrey W	679,586	5.18%

d) Voting Rights: All ordinary shares carry 1 vote per share.

e) As at 9 September 2025, the twenty largest shareholders held 9,856,515 shares as follows:

Names of 20 Largest Shareholders	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
PEARLWOOD HOLDINGS PTY LTD	3,029,990	23.11%
EVELIN INVESTMENTS PTY LTD	891,134	6.80%
MR KENNETH JOHN BEER & MR ALEXANDER CHARLES BEER <BEER SUPER FUND A/C>	887,945	6.77%
SALTER POINT INVESTMENT PTY LTD	646,734	4.93%
WARR NOMINEES PTY LTD <WARR FAMILY A/C>	542,710	4.14%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	409,565	3.12%
CITICORP NOMINEES PTY LIMITED	401,210	3.06%
RATHVALE PTY LIMITED	385,266	2.94%
MR GEOFFREY WAYNE NICHOLSON	342,540	2.61%
NAIRANA PTY LTD	314,410	2.40%
NEREID PTY LTD <NEREID NO 1 A/C>	301,072	2.30%
MR BRETT ROSS MATTHEWS	258,408	1.97%
SAMUEL GORDON SIMPSON DECD	246,360	1.88%
KEISER INVESTMENTS PTY LTD <GANN FAMILY RETIREMENT A/C>	214,464	1.64%
MR RODNEY GRAHAM MOONEN	212,017	1.62%
MR ROBERT DARIUS FRASER	194,089	1.48%
MR BRUCE ATHOL BELL	166,013	1.27%
KAMGA PTY LTD <KAMGA A/C>	158,489	1.21%
GOLD SEAL HOLDINGS PTY LTD	132,074	1.01%
G G PANIZZA PTY LTD <PANIZZA NO 2 A/C>	122,025	0.93%
TOTAL	9,856,515	75.19%

STOCK EXCHANGE LISTING

Quotation has been granted for all ordinary shares of the Company on the Australian Securities Exchange.

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