

# **TasFoods Limited**

ACN 084 800 902

## **Financial Report**

**For the Half Year Ended 30 June 2025**

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The Directors of TasFoods Limited (the Company) present the financial report on the Company and its controlled entities (the Group) for the half-year ended 30 June 2025.

### **Directors**

Details of the Directors of the Company in office at any time during or since the end of the financial year and at the date of this report are:

Mr Ben Swain	Chair, Non-Executive Director
Mr Greg Stones	Non-Executive Director (from 14 March 2025)
Mr Joshua Fletcher	Managing Director
Mr Paul Jensz	Non-Executive Director (from 19 June 2025)
Mr John Murphy	Chair, Non-Executive Director (resigned 12 May 2025)
Mr John O'Hara	Non-Executive Director (retired 12 May 2025)

### **Company Secretary**

Leanne Pritchard

### **Principal Activities**

The principal activities of the Group are the processing, manufacture and sale of premium Tasmanian-made food products.

### **Operating and Financial Review**

In the half-year ended 30 June 2025 the TasFoods Group reported a statutory net loss after tax of \$3.6 million which includes a \$1.2 million impairment of poultry assets. The Group net loss after tax (excluding impairment) of \$2.3 million was a reduction of 12% compared to a net loss after tax of \$2.1 million for H1 2024.

For H1 2025 total revenue and other income from continuing operations of \$20.0 million, which was a reduction of 18% on H1 2024 of \$24.5 million. Poultry sales volumes were 12% (356 tonnes) lower than prior corresponding period (pcp) driven by the oversupply of mainland poultry in market channels.

Gross margins in the poultry division remain flat compared to pcp, challenging market conditions with the oversupply of mainland poultry volumes together with heavily discounted wholesale pricing in markets and tightening of household and consumer spending. The increases in labour costs have offset productivity and efficiency initiatives implemented in other sections of the poultry segment.

Operating EBITDA for total operations was a loss of \$1.5 million which is a 49% decrease on pcp EBITDA loss of \$1.0 million. Operating EBITDA for continued operations was a loss of \$1.7 million which is a 50% decrease on pcp EBITDA loss of \$1.1 million, driven by the oversupply of poultry and heavily discounted wholesale pricing in the Tasmanian market channels sourced from mainland distributors and processors.

Isle & Sky pet treats continues to reach further with consumers who are seeking a premium, all natural, chemical free, 100% Tasmanian-made, human grade pet treat for their dogs and cats. We are confident of growing the demand within this segment as we continue to increase distribution through our domestic retailers through the Sales and Distribution Agreement with Natures Best.

Sales revenue in the Pyengana Dairy cheese and café sales revenue for H1 2025 was \$0.8 million, a 33% decrease from the pcp primarily due to the constraints of cheese aging in the cellar, this combined with a reduction in tourist numbers at the farmgate café and visitor centre. Regardless of the challenging current economic environment, we continue to increase focus on growth opportunities in cheese markets together with our distribution partners.

Operating the corporate office (Shared Services) as lean as possible, focusing only on essential services has resulted in an operating expenditure for H1 2025 of \$1.2 million, a 33% decrease from the pcp.

	H1 2025							
	Continued operations				Discontinued operations			Consolidated
	Dairy	Poultry	Shared Services	Total	Dairy	Horticulture	Total	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue & Other Income	783	19,224	17	20,024	200		200	20,224
Operating Expenditure	(864)	(19,601)	(1,225)	(21,691)	(53)		(53)	(21,744)
<b>Operating EBITDA</b>	<b>(82)</b>	<b>(377)</b>	<b>(1,208)</b>	<b>(1,667)</b>	<b>147</b>		<b>147</b>	<b>(1,520)</b>
GP Margin	43%	22%	0%	22%	0%	0%	0%	22%
Movement in Fair Value	-	175	-	175	-	-	-	175
Sale of Assets	-	-	-	-	-	-	-	-
<b>EBITDA</b>	<b>(82)</b>	<b>(202)</b>	<b>(1,208)</b>	<b>(1,492)</b>	<b>147</b>	<b>-</b>	<b>147</b>	<b>(1,345)</b>
<b>NPAT (excl. impairment)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,324)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,324)</b>
Impairment Expense	-	(1,228)	-	(1,228)	-	-	-	(1,228)
<b>NPAT</b>				<b>(3,552)</b>				<b>(3,552)</b>

	H1 2024							
	Continued operations				Discontinued operations			Consolidated
	Dairy	Poultry	Shared Services	Total	Dairy	Horticulture	Total	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue & Other Income	1,260	23,001	233	24,494	186	-	186	24,680
Operating Expenditure	(1,056)	(22,705)	(1,841)	(25,602)	(101)	1	(100)	(25,702)
<b>Operating EBITDA</b>	<b>204</b>	<b>296</b>	<b>(1,608)</b>	<b>(1,108)</b>	<b>85</b>	<b>1</b>	<b>86</b>	<b>(1,022)</b>
GP Margin	47%	23%	0%	25%	0%	0%	0%	25%
Movement in Fair Value	-	72	-	72	-	-	-	72
Sale of Assets	-	-	(16)	(16)	(13)	-	(13)	(29)
<b>EBITDA</b>	<b>204</b>	<b>368</b>	<b>(1,624)</b>	<b>(1,052)</b>	<b>72</b>	<b>1</b>	<b>73</b>	<b>(979)</b>
<b>NPAT (excl. impairment)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,099)</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>(2,079)</b>
Impairment Expense	-	(2,926)	-	(2,926)	-	-	-	(2,926)
<b>NPAT</b>				<b>(5,025)</b>			<b>20</b>	<b>(5,005)</b>

### Events Occurring After Reporting Date

On 31 July 2025, all conditions precedent for the sale of the Burnie property held by Van Diemens Land Dairy Pty Ltd have expired, with settlement of \$2.0 million plus GST due on 19 September 2025. TasFoods entered into an Option Agreement with MSC ATF AgFood Opportunities Fund ("AgFood") on 11 August 2025. The agreement provides TasFoods with the sole option to sell the Pyengana Dairy business for \$2.0 million plus inventory subject to a shareholders vote at an Extraordinary General Meeting which is expected in October 2025. It is anticipated the sale transaction would settle by 31 October 2025.

### **Auditor's Independence Declaration**

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5 and forms part of this Directors' Report.

### **Rounding of Amounts**

The 'rounding off' of amounts in the directors' report has been conducted in accordance with Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission. Amounts have been rounded off to the nearest thousand dollars or, in certain cases, to the nearest dollar.

Signed in accordance with a resolution of the Directors made pursuant to section 298(2) of the Corporations Act 2001.

On behalf of the Directors



Ben Swain  
Non-Executive Chair

29 August 2025



## Auditor's Independence Declaration

As lead auditor for the review of TasFoods Limited for the half-year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been:

- a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of TasFoods Limited and the entities it controlled during the period.

A handwritten signature in black ink, reading 'Brad Peake'.

Brad Peake  
Partner  
PricewaterhouseCoopers

Melbourne  
29 August 2025

**TasFoods Limited**Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the Half Year Ended 30 June 2025

<b>Continued Operations</b>		<b>30 June 2025 \$'000</b>	<b>30 June 2024 \$'000</b>
	<b>Note</b>		
Revenue from operations		<b>19,876</b>	23,985
Other income		<b>148</b>	509
Fair value adjustment of biological assets	4	<b>175</b>	72
Impairment expense	6	<b>(1,228)</b>	(2,926)
Raw materials used		<b>(10,607)</b>	(12,852)
Employment and contractor expense		<b>(6,882)</b>	(7,935)
Freight		<b>(1,622)</b>	(1,702)
Occupancy costs		<b>(536)</b>	(440)
Depreciation and amortisation		<b>(616)</b>	(744)
Insurance		<b>(340)</b>	(373)
Finance costs		<b>(369)</b>	(383)
Repairs and maintenance		<b>(239)</b>	(442)
Other expenses		<b>(1,459)</b>	(1,794)
<b>Loss before income tax</b>		<b>(3,699)</b>	<b>(5,025)</b>
Income tax expense		-	-
<b>Net loss after tax for the half year from continuing operations</b>		<b>(3,699)</b>	<b>(5,025)</b>
Net profit/(loss) after tax for the half year from discontinued operations		147	20
<b>Net loss after tax for the half year</b>		<b>(3,552)</b>	<b>(5,005)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss in the future:</i>			
Other comprehensive income net of tax		-	-
<b>Total comprehensive loss</b>		<b>(3,552)</b>	<b>(5,005)</b>
Net loss for the period attributable to:			
Owners of TasFoods Limited		<b>(3,552)</b>	(5,005)
		<b>(3,552)</b>	<b>(5,005)</b>
Total comprehensive loss for the half year is attributable to:			
Owners of TasFoods Limited		<b>(3,552)</b>	(5,005)
		<b>(3,552)</b>	<b>(5,005)</b>
Basic loss per share (cents per share)		(0.81)	(1.15)
Diluted loss per share (cents per share)		(0.81)	(1.15)
Basic loss per share from continuing operations (cents per share)		(0.81)	(1.15)
Diluted loss per share from continuing operations (cents per share)		(0.81)	(1.15)
Basic earnings per share from discontinued operations (cents per share)		0.03	0.00
Diluted earnings per share from discontinued operations (cents per share)		0.03	0.00

*The above consolidated statement should be read in conjunction with the accompanying notes*

**TasFoods Limited**

## Consolidated Statement of Financial Position

As at Half Year Ended 30 June 2025

	Note	30 June 2025 \$'000	31 December 2024 \$'000
<b>Current Assets</b>			
Cash and cash equivalents		55	485
Trade and other receivables		2,151	2,005
Biological assets	4	2,991	2,805
Inventory		2,015	2,232
Assets classified as held for sale	5	1,597	1,597
Prepayments		566	934
<b>Total Current Assets</b>		<b>9,375</b>	<b>10,058</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	6a	7,733	9,135
Right of use assets	6b	4,956	4,228
Intangible assets		395	413
<b>Total Non-Current Assets</b>		<b>13,084</b>	<b>13,776</b>
<b>Total Assets</b>		<b>22,459</b>	<b>23,834</b>
<b>Current Liabilities</b>			
Trade and other payables		6,789	7,514
Borrowings	7	5,067	948
Lease liabilities	6b	493	305
Provisions		863	893
<b>Total Current Liabilities</b>		<b>13,212</b>	<b>9,660</b>
<b>Non-Current Liabilities</b>			
Borrowings	7	793	2,773
Lease liabilities	6b	4,793	4,188
Provisions		92	92
<b>Total Non-Current Liabilities</b>		<b>5,678</b>	<b>7,053</b>
<b>Total Liabilities</b>		<b>18,890</b>	<b>16,713</b>
<b>Net Assets</b>		<b>3,569</b>	<b>7,121</b>
<b>Equity</b>			
Contributed Equity	8	66,834	66,834
Reserves		1,353	1,353
Accumulated Losses		(64,618)	(61,066)
<b>Total Equity</b>		<b>3,569</b>	<b>7,121</b>

*The above consolidated statement should be read in conjunction with the accompanying notes*



**TasFoods Limited**Consolidated Statement of Changes in Equity  
For the Half Year Ended 30 June 2025

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	Contributed Equity \$'000	Reserves \$'000	Accumulated Losses \$'000	Total \$'000
<b>Balance at 1 January 2024</b>	<b>66,834</b>	<b>1,353</b>	<b>(50,612)</b>	<b>17,575</b>
Loss for the half year	-	-	(5,005)	(5,005)
Total comprehensive loss for the half year	-	-	(5,005)	(5,005)
Share-based payment expense	-	80	-	80
<b>Balance at 30 June 2024</b>	<b>66,834</b>	<b>1,433</b>	<b>(55,617)</b>	<b>12,650</b>
<b>Balance at 1 January 2025</b>	<b>66,834</b>	<b>1,353</b>	<b>(61,066)</b>	<b>7,121</b>
Loss for the half year	-	-	(3,552)	(3,552)
Total comprehensive loss for the half year	-	-	(3,552)	(3,552)
Share-based payment expense	-	-	-	-
<b>Balance at 30 June 2025</b>	<b>66,834</b>	<b>1,353</b>	<b>(64,618)</b>	<b>3,569</b>

*The above consolidated statement should be read in conjunction with the accompanying notes*

**TasFoods Limited****Consolidated Statement of Cash Flows**

For the Half Year Ended 30 June 2025

	<b>30 June 2025 \$'000</b>	30 June 2024 \$'000
<b>Cash flows from operating activities</b>		
Receipts from customers relating to continued operations	19,830	24,161
Payments to suppliers and employees relating to continued operations	(21,666)	(25,245)
Interest paid relating to continued operations	(182)	(113)
<b>Net cash used in operating activities relating to continued operations</b>	<b>(2,018)</b>	<b>(1,197)</b>
Operating cash flows relating to discontinued operations	(37)	(524)
<b>Net cash used in operating activities relating to continued and discontinued operations</b>	<b>(2,055)</b>	<b>(1,721)</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment relating to continued operations	-	150
Payments for property, plant and equipment relating to continued operations	(159)	(279)
<b>Net cash (used in)/provided by investing activities relating to continued operations</b>	<b>(159)</b>	<b>(129)</b>
Investing cash flows relating to discontinued operations	-	(12)
<b>Net cash (used in)/provided by investing activities relating to continued and discontinued</b>	<b>(159)</b>	<b>(141)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings relating to continued operations	1,223	1,400
Principal element of borrowing payments relating to continued operations	(438)	(2,128)
Transaction costs related to borrowings relating to continued operations	-	(11)
Principal element of lease payments relating to continued operations	(348)	(256)
<b>Net cash used in financing activities relating to continued operations</b>	<b>437</b>	<b>(995)</b>
Financing cash flows relating to discontinued operations	-	(40)
<b>Net cash used in financing activities relating to continued and discontinued operations</b>	<b>437</b>	<b>(1,035)</b>
<b>Net decrease in cash held</b>	<b>(1,777)</b>	<b>(2,897)</b>
Cash and cash equivalents at the beginning of the half year	485	3,432
Cash and cash equivalents / (bank overdraft) at the end of the half year	<b>(1,292)</b>	<b>535</b>

*The above consolidated statement should be read in conjunction with the accompanying note*

This consolidated interim financial report and notes represent those of TasFoods Limited and controlled entities (the Group). TasFoods Limited is a company limited by shares, incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange (ASX).

## **1. BASIS OF PREPARATION**

This consolidated interim financial report for the half-year reporting period ended 30 June 2025 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2024 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

### **a) New and amended standards adopted by the Group**

There have been no new accounting standards adopted by the Group in the half year ended 30 June 2025.

### **b) Critical accounting estimates, judgements and errors**

The preparation of the interim financial statements of the Group requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

### **c) Going Concern, Debt Funding and Working Capital**

These financial statements have been prepared on the basis the Group is a going concern.

For the half-year ended 30 June 2025 the Group incurred losses of \$3.6 million after tax (H1 2024: \$5.0 million loss) which included a \$1.2 million impairment of the poultry assets (H1 2024: \$2.9 million) and incurred net cash outflows from operations of \$2.0 million (H1 2024: \$1.7 million). At 30 June 2025, the Group had negative cash and cash equivalents on hand of \$1.3 million (31 December 2024: positive \$0.5 million) with an available unused bank overdraft facility of \$0.7 million. The consolidated entity was in a net current liability position of \$3.8 million (31 December 2024: net current asset position of \$0.4 million).

The ability of the Group to continue as a going concern is dependent on:

- Completion of the Pyengana Dairy brand and business sale;

- Sale of land and buildings from discontinued operations (ex Betta Milk site);
- Continuing to enhance and improve the profitability of the Poultry segment, whilst exploring all possible strategic initiatives including partnerships and vertical integration;
- Continuing to evaluate the business and explore opportunities as part of the Capital Management Framework to commercialise certain assets held by the Group and reviewing options in relation to the capital structure.

The Group's ability to repay current borrowings and meet its working capital requirements is based on the successful sale of land and buildings (ex Betta milk site) and the successful completion of the Pyengana Dairy brand and business sale. In addition, it relies on achieving forecast EBITDA and cash flow requirements, which are based on meeting operational forecasts together with profitability strategies across the Poultry business whilst the Group continues to explore capital management opportunities and/or refinancing of borrowings.

Based on the above factors, there is material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern, and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

However, the directors believe that the Group will be successful in the execution of the above matters and, accordingly, have prepared the financial report on a going concern basis.

## **2. DISCONTINUED OPERATIONS**

During 2023 the Shima Wasabi, Betta Milk and Meander Valley Dairy business units were sold. These business units have been reported in the current reporting period as a discontinued operation.

Financial information relating to the discontinued operation for the half year is set out below:

**TasFoods Limited**

Notes to and Forming Part of the Financial Statements  
For the Half Year Ended 30 June 2025

**Financial Performance Information - Discontinued Operations**

	<b>30 June 2025 \$'000</b>	<b>30 June 2024 \$'000</b>
Revenue from operations	-	-
Other income	<b>201</b>	186
Raw materials used	-	-
Employment and contractor expense	-	-
Freight	-	(5)
Occupancy costs	<b>(39)</b>	(37)
Depreciation and amortisation	-	(50)
Insurance	<b>(8)</b>	(10)
Finance costs	-	(4)
Repairs and maintenance	-	(18)
Loss on sale of assets	-	(13)
Other expenses	<b>(7)</b>	(29)
<b>Profit/(Loss) before income tax</b>	<b>147</b>	20
Income tax expense	-	-
<b>Net Profit/(Loss) after tax for the half year from discontinued operations</b>	<b>147</b>	20
<b>Other comprehensive income</b>		
<i>Items that may be reclassified to profit or loss in the future:</i>		
Other comprehensive income net of tax	-	-
<b>Total comprehensive income/(loss)</b>	<b>147</b>	20
Net Profit/(Loss) for the period attributable to:		
Non-controlling interest	-	-
Owners of TasFoods Limited	<b>147</b>	20
	<b>147</b>	20
Total comprehensive income/(loss) for the half year is attributable to:		
Non-controlling interest	-	-
Owners of TasFoods Limited	<b>147</b>	20
	<b>147</b>	20

*Accounting policy for discontinued operations*

A discontinued operation is a component of the consolidated entity that has been disposed of that represents a separate major line of business or geographical area of operations. The results of discontinued operations are presented separately on the face of the consolidated statement of profit or loss and other comprehensive income.

### **3. SEGMENT INFORMATION**

The operating segments are based upon the units identified in the operating reports reviewed by the Board and executive management, and that are used to make strategic decision, in conjunction with the quantitative thresholds established by *AASB 8 Operating Segments*. As such, there are three identifiable and reportable segments each of which are outlined below:

- The Dairy segment incorporates Pyengana Dairy business operations, the assets of which were acquired in October 2017. The Dairy segment primarily derives revenue from dairy processing and manufacturing activity of premium cheese products. These products are sold under the Pyengana Dairy brand;
- The Poultry segment incorporates the net assets and business operations of Nichols Poultry Pty Ltd, which was acquired in June 2016 and Nichols Hatchery Pty Ltd, acquired in December 2023. Revenue is primarily derived from the sale of poultry meat products sold under the Nichols Poultry and Nichols Kitchen brands.
- The Shared Services segment comprises corporate costs that are not directly attributable to operational business units, including Shared Service teams, which provide administrative support to the operational production units in the areas of financial management, human resources, payroll services, IT, sales, marketing, brand management, route to market, quality assurance and food safety, and work health and safety.

Management measures the performance of the segments identified at the 'net profit before tax' level.

**TasFoods Limited**

Notes to and Forming Part of the Financial Statements  
For the Half Year Ended 30 June 2025

<b>Continued Operations</b>	<b>Dairy \$'000</b>	<b>Poultry \$'000</b>	<b>Shared Services \$'000</b>	<b>Total \$'000</b>
<b>Half year 30 June 2025</b>				
<b>Revenue</b>				
Total segment sales revenue	779	19,083	14	19,876
Other income/(expense)	3	142	3	148
	<u>782</u>	<u>19,225</u>	<u>17</u>	<u>20,024</u>
Segment EBITDA	(82)	(377)	(1,208)	(1,667)
Depreciation	(74)	(485)	(57)	(616)
Interest	(31)	(259)	(73)	(363)
Impairment expense	-	(1,228)	-	(1,228)
Fair value movement in biological assets	-	175	-	175
Segment profit/(loss)	<u>(187)</u>	<u>(2,174)</u>	<u>(1,338)</u>	<u>(3,699)</u>
Profit after tax from discontinued operations				<u>147</u>
Loss before income tax expense				<u>(3,552)</u>
Income tax expense				<u>-</u>
<b>Loss after income tax expense</b>				<u><b>(3,552)</b></u>
<b>Total segment assets</b>				
<b>30 June 2025</b>				
Segment assets	3,329	18,298	832	22,459
<b>Total segment liabilities</b>				
<b>30 June 2025</b>				
Segment liabilities	1,839	14,040	3,011	18,890

**TasFoods Limited**

Notes to and Forming Part of the Financial Statements  
For the Half Year Ended 30 June 2025

	Dairy \$'000	Poultry \$'000	Shared Services \$'000	Total \$'000
<b>Half year 30 June 2024</b>				
<b>Revenue</b>				
Total segment sales revenue	1,262	22,695	28	23,985
Other income	(2)	306	205	509
	1,260	23,001	233	24,494
Segment EBITDA	204	296	(1,624)	(1,124)
Depreciation	(62)	(616)	(66)	(744)
Interest	(16)	(235)	(52)	(303)
Impairment expense	-	(2,926)	-	(2,926)
Fair value movement in biological assets	-	72	-	72
Segment profit/(loss)	126	(3,409)	(1,742)	(5,025)
Loss after tax from discontinued operations				20
Loss before income tax expense				(5,005)
Income tax expense				-
<b>Loss after income tax expense</b>				<b>(5,005)</b>
<b>Total segment assets</b>				
<b>30 June 2024</b>				
Segment assets	4,037	22,819	1,968	28,824
<b>Total segment liabilities</b>				
<b>30 June 2024</b>				
Segment liabilities	1,662	11,865	2,647	16,174



**TasFoods Limited**

Notes to and Forming Part of the Financial Statements  
For the Half Year Ended 30 June 2025

**4. BIOLOGICAL ASSETS**

	<b>Poultry \$'000</b>
Balance as at 1 January 2024	3,487
Increases due to purchases and production	3,165
Decreases due to sales/processing/mortality	(3,487)
Movement in fair value as a result of physical and/or price changes (ii)	(359)
Balance as at 31 December 2024	<u>2,805</u>
Balance as at 1 January 2025	2,805
Increases due to purchases and production	2,816
Decreases due to sales/processing/mortality (i)	(2,805)
Movement in fair value as a result of physical and/or price changes (ii)	175
Balance as at 30 June 2025	<u>2,991</u>

- (i) Includes biological assets reclassified as inventory at the point of processing.  
(ii) Includes physical changes as a result of biological transformation such as growth, degeneration and procreation.

As at 30 June 2025, the Group held 416,231 live poultry and 324,312 fertile eggs (31 December 2024: 485,095 live poultry and 374,338 eggs).

**Fair Value Measurement**

	<b>31 December 2024</b>			
	<b>Level 1 \$'000</b>	<b>Level 2 \$'000</b>	<b>Level 3 \$'000</b>	<b>Total \$'000</b>
Recurring fair value measurements				
- Poultry	-	2,805	-	2,805
Total biological assets recognised at fair value	-	2,805	-	<u>2,805</u>

	<b>30 June 2025</b>			
	<b>Level 1 \$'000</b>	<b>Level 2 \$'000</b>	<b>Level 3 \$'000</b>	<b>Total \$'000</b>
Recurring fair value measurements				
- Poultry	-	2,991	-	2,991
Total biological assets recognised at fair value	-	2,991	-	<u>2,991</u>

**TasFoods Limited**

Notes to and Forming Part of the Financial Statements  
For the Half Year Ended 30 June 2025

**5. ASSETS HELD FOR SALE**

	<b>30 June 2025 \$'000</b>	<b>31 December 2024 \$'000</b>
Cost	1,765	1,765
Accumulated Depreciation	(168)	(168)
Net carrying amount	<u>1,597</u>	<u>1,597</u>

The carrying amount of assets classified as held for sale at 30 June 2025 is \$1.597m. There are no liabilities directly associated with assets held for sale.

The assets held for sale refers to land and buildings owned by Van Diemen's Land Dairy Pty Ltd. An unconditional sales contract is in place for this property with settlement to occur on the 19<sup>th</sup> September 2025.

**6. PROPERTY, PLANT AND EQUIPMENT****a-) Property, Plant and Equipment**

	<b>Land and buildings \$'000</b>	<b>Plant and equipment \$'000</b>	<b>Office equipment \$'000</b>	<b>Motor vehicles \$'000</b>	<b>Capital work in progress \$'000</b>	<b>Total \$'000</b>
At 1 January 2025						
Cost	5,560	9,602	246	673	588	16,669
Accumulated depreciation	(1,248)	(5,798)	(229)	(259)	-	(7,534)
Net carrying amount	<u>4,312</u>	<u>3,804</u>	<u>17</u>	<u>414</u>	<u>588</u>	<u>9,135</u>
Net carrying amount at the beginning of the half-year	4,312	3,804	17	414	588	9,135
Additions	-	39	-	-	120	159
Impairment of assets	-	(1,228)	-	-	-	(1,228)
Depreciation expense	(44)	(251)	(4)	(34)	-	(333)
Net carrying amount at the end of the half year	<u>4,268</u>	<u>2,364</u>	<u>13</u>	<u>380</u>	<u>708</u>	<u>7,733</u>
At 30 June 2025						
Cost	5,560	8,413	246	673	708	15,600
Accumulated depreciation	(1,292)	(6,049)	(233)	(293)	-	(7,867)
Net carrying amount	<u>4,268</u>	<u>2,364</u>	<u>13</u>	<u>380</u>	<u>708</u>	<u>7,733</u>

## **Impairment**

At each reporting period the Group assesses whether there is an indication of impairment for each cash generating unit (CGU), in accordance with AASB 136 Impairment. Where an indicator of impairment is identified, impairment testing is performed.

At 30 June 2025, the Group has two CGUs for which indicators of impairment were considered, which are as follows:

### **Poultry CGU**

Within the Poultry CGU, there are no indefinite lived intangible assets held at 30 June 2025. Based on the EBITDA result during the period, an indicator of impairment was identified. The recoverable amount of the Poultry CGU was assessed based on a fair value less costs to sell basis. The main source used in determining fair value was an independent property valuation report prepared by Herron Todd White for external borrowers, dated 15<sup>th</sup> January 2024. The report valued the land, buildings and property, plant and equipment held by Nichols Poultry Pty Ltd on an 'in use' and 'alternate use' basis with the Company applying a proportion to each scenario to calculate the value to include in its assessment of fair value. The valuation was based on sales of comparable commercial farming properties and as such is classified as a level 2 fair value.

Costs to sell were an estimate of legal and property agent fees based on costs incurred from prior asset disposals.

On the basis of this assessment, combined with the net working capital of the business, the fair value of the Poultry CGU at 30 June 2025 is \$7.0 million. The CGU's carrying amount was \$8.2m, resulting in an impairment of \$1.2 million.

#### *Review outcome*

Based on the above assessment an impairment of assets of \$1.2 million has been recognised at 30 June 2025.

### **Dairy CGU**

For the Dairy CGU, management have applied a fair value less costs to sell approach given the Option Agreement signed in August 2025. As the value exceeded the carrying value of the net assets, no impairment was considered necessary.

**TasFoods Limited**

Notes to and Forming Part of the Financial Statements  
For the Half Year Ended 30 June 2025

**b-) Right of Use Assets and Lease Liabilities*****Right of Use Assets***

Recognised right of use assets relate to the following asset types:

	Land and buildings \$'000	Motor vehicles \$'000	Total \$'000
Net carrying amount at 1 January 2025	3,956	272	4,228
Additions	994	-	994
Depreciation expense	(207)	(59)	(266)
Net carrying amount at 30 June 2025	4,743	213	4,956

***Lease Liabilities***

	30 June 2025 \$'000	31 December 2024 \$'000
Current	493	305
Non-Current	4,793	4,188
	5,286	4,493

**7. BORROWINGS**

	30 June 2025 \$'000	31 December 2024 \$'000
<i>Current</i>		
Bank overdraft	1,347	-
Bank loan facilities	3,720	536
Other	-	412
	5,067	948
<i>Non-Current</i>		
Bank loan facilities	793	2,773
	793	2,773
Total borrowings	5,860	3,721

**TasFoods Limited**

Notes to and Forming Part of the Financial Statements  
For the Half Year Ended 30 June 2025

***Contracted Financial Maturities of Financial Liabilities***

	Less than 12 months \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000	Total contracted cash flows \$'000	Carrying Amount \$'000
<b>At 30 June 2025</b>					
<i>Non-derivatives</i>					
Trade payables	5,442	-	-	5,442	5,442
Bank overdraft	1,347	-	-	1,347	1,347
Other	-	-	-	-	-
Bank loan facilities	3,720	793	-	4,513	4,513
	<u>10,509</u>	<u>793</u>	<u>-</u>	<u>11,302</u>	<u>11,302</u>
<b>At 31 December 2024</b>					
<i>Non-derivatives</i>					
Trade payables	7,514	-	-	7,514	7,514
Bank overdraft	-	-	-	-	-
Other	536	2,773	-	3,309	3,309
Bank loan facilities	412	-	-	412	412
	<u>8,463</u>	<u>2,773</u>	<u>-</u>	<u>11,236</u>	<u>11,236</u>

***Financing Arrangements***

	<b>30 June 2025</b>		<b>31 December 2024</b>	
	Limit	Undrawn Balance	Limit	Undrawn Balance
	\$'000	\$'000	\$'000	\$'000
Equipment Finance Liabilities	502	396	513	403
Bank Loan Facilities	4,407	-	3,200	-
Bank Overdraft	2,000	653	2,000	2,000
	<u>6,909</u>	<u>1,049</u>	<u>5,713</u>	<u>2,403</u>

**Secured liabilities and assets pledged as security**

The Group holds finance facilities with NAB and a shareholder loan with Research Corporation Pty Ltd at 30 June 2025. Facilities held with NAB include a \$2.0 million overdraft, \$0.5m asset finance facility and a \$3.7 million loan facility. The \$3.7 million loan facility is due for repayment in January 2026.

Available bank loan facilities are secured by mortgage over the property and water rights owned by Nichols Poultry Pty Ltd and property owned by Van Diemen's Land Dairy Pty Ltd. The facilities are also secured by a general security agreement over the property of Nichols Poultry Pty Ltd and Van Diemen's Land Dairy Pty Ltd not otherwise secured.

**TasFoods Limited**

Notes to and Forming Part of the Financial Statements  
For the Half Year Ended 30 June 2025

**8. CONTRIBUTED EQUITY**

	Number of Shares		Share Capital	
	30 June 2025	31 December 2024	30 June 2025 \$'000	31 December 2024 \$'000
Ordinary shares - fully paid (no par value)	437,095,516	437,095,516	66,834	66,834
Total share capital			66,834	66,834

TasFoods Limited has issued share capital amounting to 437,095,516 ordinary shares of no par value.

**9. SUBSIDIARIES**

Subsidiary	Country of Incorporation	Principal Activity	Equity Holding		ABN
			2024 %	2023 %	
Nichols Poultry Pty Ltd	Australia	Poultry	100%	100%	81 092 929 890
Nichols Hatchery Pty Ltd	Australia	Poultry	100%	100%	61 671 683 284
Tasmanian Food Co Dairy Pty Ltd	Australia	Dairy	100%	100%	68 621 829 856
Van Diemen's Land Dairy Pty Ltd	Australia	n/a	100%	100%	43 608 847 016
JJBBSM Pty Ltd (Shima Wasabi)	Australia	n/a	100%	100%	30 128 404 777

**10. EVENTS OCCURRING AFTER REPORTING DATE**

On 11 August 2025, TasFoods entered into an Option Agreement with MSC ATF AgFood Opportunities Fund ("AgFood") providing TasFoods with the sole option to sell the Pyengana Dairy business for \$2.0 million plus inventory. The agreement is subject to shareholders approval at an Extraordinary General Meeting which is expected in October 2025.

In the Directors' opinion:

- a) The financial statements and notes set out on pages 6 to 22 are in accordance with the *Corporations Act 2001*, including:
  - i. Complying with Accounting Standards, the *Corporations Regulations 2001* and other professional mandatory reporting requirements; and
  - ii. Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the half year ended on that date; and
- b) There are reasonable grounds to believe that TasFoods Limited will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

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



**Ben Swain**  
Non-Executive Chair

29 August 2025  
Launceston



# Independent auditor's review report to the members of TasFoods Limited

## Report on the half-year financial report

### Conclusion

We have reviewed the half-year financial report of TasFoods Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of changes in equity, consolidated statement of cash flows and consolidated statement of profit or loss and other comprehensive income for the half-year ended on that date, and selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of TasFoods Limited does not comply with the *Corporations Act 2001* including:

- 1 giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the half-year ended on that date
- 2 complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

PricewaterhouseCoopers, ABN 52 780 433 757  
2 Riverside Quay, SOUTHBANK VIC 3006, GPO Box 1331  
MELBOURNE VIC 3001  
T: +61 3 8603 1000, F: +61 3 8603 1999, [www.pwc.com.au](http://www.pwc.com.au)





## **Material uncertainty relating to going concern**

We draw attention to Note 1 in the half year financial report, which describes the directors' assessment of the ability of the Group to continue as a going concern. The events or conditions as stated in Note 1 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

## **Responsibilities of the directors for the half-year financial report**

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

## **Auditor's responsibilities for the review of the half-year financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



## **Matters relating to the electronic presentation of the reviewed half-year financial report**

This review report relates to the half-year financial report of the Company for the half-year ended 30 June 2025 included on TasFoods Limited's web site. The Company's directors are responsible for the integrity of the TasFoods Limited web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide a conclusion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed half-year financial report to confirm the information included in the reviewed half-year financial report presented on this web site.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

*Brad Peake*

Brad Peake  
Partner

Melbourne  
29 August 2025

## **Board of Directors**

Ben Swain	Non-Executive Chair
Greg Stones	Non-Executive Director
Joshua Fletcher	Managing Director
Paul Jensz	Non-Executive Director

## **Company Secretary**

Leanne Pritchard

## **Registered Office**

Level 2/93 Cimitiere Street  
Launceston Tasmania 7250 AUSTRALIA  
Telephone: + 61 3 6331 6983  
Facsimile: + 61 3 6256 9251  
Website: [www.tasfoods.com.au](http://www.tasfoods.com.au)

## **Postal Address**

PO Box 425  
Launceston Tasmania 7250 AUSTRALIA

## **Share Registry**

Link Market Services  
Level 12, 680 George Street  
Sydney New South Wales 2000 AUSTRALIA  
Telephone: + 61 2 8280 7100  
Facsimile: + 61 2 9287 0303

## **Auditor**

PricewaterhouseCoopers  
2 Riverside Quay, Southbank Boulevard  
Southbank Victoria 3006 AUSTRALIA

## **Solicitors**

HWL Ebsworth Lawyers  
Level 26, 530 Collins Street  
Melbourne VIC 3000, Australia

O'Reilly Legal & Governance Pty Ltd  
Maning Avenue  
Sandy Bay, Tasmania, 7005, Australia

## **Bankers**

National Australia Bank  
  
Australia and New Zealand Banking Group  
Bendigo and Adelaide Bank

**Stock Exchange Listing**

TasFoods Limited shares are listed on the Australian Securities Exchange, code TFL