

Please do not amend or delete individual rows. As this template relates to prescribed content, changes to content should only be made where it is clearly indicated that this is permitted, otherwise, if an Issuer considers a particular element does not apply, mark the row as N/A. Any other changes to this prescribed form must first be approved by NZX as required under NZX Listing Rule 3.26.1.

Results for announcement to the market		
Name of issuer	Allied Farmers Limited	
Reporting Period	6 months to 31 December 2023	
Previous Reporting Period	6 months to 31 December 2022	
Currency	NZD	
	Amount (000s)	Percentage change
Revenue from continuing operations	\$17,113	8.28%
Total Revenue	\$17,113	8.28%
Net profit/(loss) from continuing operations	\$1,911	(8.91%)
Total net profit/(loss)	\$1,911	(8.91%)
Interim/Final Dividend		
Amount per Quoted Equity Security	No dividends proposed	
Imputed amount per Quoted Equity Security	N/A	
Record Date	N/A	
Dividend Payment Date	N/A	
	Current period	Prior comparable period
Net tangible assets per Quoted Equity Security	\$0.27	\$0.54
A brief explanation of any of the figures above necessary to enable the figures to be understood	Refer to results release and unaudited financial statements.	
Authority for this announcement		
Name of person authorised to make this announcement	Brian Lee	
Contact person for this announcement	Brian Lee	
Contact phone number	027 201 3040	
Contact email address	<a href="mailto:brian.lee@alliedfarmers.co.nz">brian.lee@alliedfarmers.co.nz</a>	
Date of release through MAP	29/02/2024	

(Unaudited financial statements accompany this announcement.)

## Consolidated Profit and Loss Statement

For the 6 months ended 31 December 2023

Unaudited

	Group		
	December	June	Dec
	2023	2023	2022
	\$000	\$000	\$000
	6 months	12 months	6 months
Commission and fee income	7,274	15,906	7,016
Sale of goods	9,442	10,015	8,002
Interest income	149	414	207
Other Income	248	387	162
Equity Accounted Earnings NZRLM	-	417	417
<b>Total Income</b>	<b>17,113</b>	<b>27,139</b>	<b>15,804</b>
Cost of goods sold	(6,918)	(7,155)	(5,599)
Personnel expenses	(4,719)	(10,018)	(5,101)
Depreciation and amortisation	(627)	(902)	(411)
Operating expenses	(2,595)	(4,717)	(2,489)
<b>Total Expenses</b>	<b>(14,859)</b>	<b>(22,792)</b>	<b>(13,600)</b>
<b>Finance Costs</b>	<b>(309)</b>	<b>(276)</b>	<b>(75)</b>
<b>Profit before tax</b>	<b>1,945</b>	<b>4,071</b>	<b>2,129</b>
Income tax (expense) / benefit	(34)	207	(32)
<b>Profit after tax</b>	<b>1,911</b>	<b>4,278</b>	<b>2,097</b>
<b>Profit attributable to:</b>			
Shareholders of Allied Farmers Limited ('Allied')	1,423	3,338	1,585
Minority shareholders of NZ Farmers Livestock Limited ('NZFL')	488	939	512
<b>Allied Earnings per share (cents) - Basic and Diluted</b>	<b>4.94</b>	<b>11.59</b>	<b>5.50</b>
Weighted average number of shares - Basic and Diluted (000's)	28,806	28,806	28,806

## Consolidated Statement of other Comprehensive Income

For the 6 months ended 31 December 2023

Unaudited

	Group		
	December	June	Dec
	2023	2023	2022
	\$000	\$000	\$000
	6 months	12 months	6 months
<b>Profit after tax</b>	<b>1,911</b>	<b>4,278</b>	<b>2,097</b>
<b>Change in value of investment in equity securities</b>	<b>(112)</b>	<b>(670)</b>	<b>(87)</b>
<b>Total comprehensive income</b>	<b>1,799</b>	<b>3,608</b>	<b>2,010</b>

## Consolidated Statement of Cash Flows

For the 6 months ended 31 December 2023

Unaudited

	Group		
	December 2023 \$000 6 months	June 2023 \$000 12 months	Dec 2022 \$000 6 months
<b>Cash flows from/(to) operating activities</b>			
Cash receipts from customers	20,483	26,144	16,403
Interest received	149	414	206
Cash paid to suppliers and employees	(19,488)	(23,541)	(18,675)
Interest paid	(309)	(276)	(77)
Income tax (paid)/received	(581)	(52)	(41)
<b>Net cash flow from operating activities</b>	<b>254</b>	<b>2,689</b>	<b>(2,184)</b>
<b>Cash flows from/(to) investing activities</b>			
Decrease (Increase) in finance receivables NZ Farmers Livestock Finance Ltd/Rural Financial SolutionNZ Ltd	(1,824)	1,324	(789)
Dividend income from NZRLC	-	152	-
Acquisition of New Zealand Rural Land Company Limited shares	-	(156)	(56)
Investment in New Zealand Rural Land Management Partnership	-	(6,358)	-
Purchase of shares in NZ Farmers Livestock Ltd	-	(93)	(7)
Net acquisition of intangibles, property, plant and equipment	(676)	(120)	(129)
<b>Net cash flow from/(used in) investing activities</b>	<b>(2,500)</b>	<b>(5,251)</b>	<b>(981)</b>
<b>Cash flows from/(to) financing activities</b>			
Drawdown (Repayment) of Heartland borrowings	(500)	3,660	-
Dividends paid to Minority Shareholders in Subsidiaries	(533)	(1,295)	(397)
Drawdown (Repayment) of Vehicle Finance Borrowings	76	(567)	(232)
<b>Net cash flow used in financing activities</b>	<b>(957)</b>	<b>1,798</b>	<b>(629)</b>
Net movement in cash and cash equivalents	(3,203)	(764)	(3,794)
Opening cash and cash equivalents	3,783	4,547	4,547
<b>Closing cash and cash equivalents</b>	<b>580</b>	<b>3,783</b>	<b>753</b>
<b>Reconciliation of Profit to Cash Surplus from Operating Activities</b>			
<b>Profit for the year</b>	<b>1,911</b>	<b>4,278</b>	<b>2,097</b>
<i>Adjustments for items not involving cash flows:</i>			
Impairment on receivables	20	10	(8)
(Profit)/loss on sale of assets	(57)	13	3
Depreciation and amortisation	627	902	411
(Increase) Decrease in Deferred Tax	(468)	(330)	-
Other - including non cash items	(60)	(442)	(411)
	<b>62</b>	<b>153</b>	<b>(5)</b>
Movement in trade and other receivables	3,383	75	1,247
Movement in inventories	(390)	(178)	(1,166)
Movement in trade, other payables and employee benefits	(4,791)	(1,493)	(4,338)
Movement in taxation	79	(146)	(19)
<b>Cash flow from operating Activities</b>	<b>254</b>	<b>2,689</b>	<b>(2,184)</b>

## Consolidated Balance Sheet

As at 31 December 2023

Unaudited

	Group		
	December	June	Dec
	2023	2023	2022
	\$000	\$000	\$000
<b>Equity</b>			
Share capital	158,204	158,204	158,204
Accumulated Losses	(139,823)	(141,134)	(142,245)
Equity attributable to owners of the Parent	18,381	17,070	15,959
Non-controlling interests	1,608	1,653	2,150
<b>Total equity</b>	<b>19,989</b>	<b>18,723</b>	<b>18,109</b>
<b>Liabilities</b>			
Trade and other payables	5,113	9,498	6,880
Employee benefits	958	1,365	1,145
Income tax payable	-	79	-
Bank borrowings	542	945	-
Lease liabilities	535	665	259
<b>Total current liabilities</b>	<b>7,148</b>	<b>12,552</b>	<b>8,284</b>
Bank borrowings	2,618	2,715	-
Lease Liabilities	1,110	905	1,626
<b>Total non-current liabilities</b>	<b>3,728</b>	<b>3,620</b>	<b>1,626</b>
<b>Total liabilities</b>	<b>10,876</b>	<b>16,172</b>	<b>9,910</b>
<b>Total liabilities and equity</b>	<b>30,865</b>	<b>34,895</b>	<b>28,019</b>
<b>Assets</b>			
Cash and cash equivalents	580	3,783	753
Trade Receivables	6,412	9,931	8,717
Inventories	642	252	1,240
Income tax receivable	-	-	27
Finance receivables	3,330	1,505	3,620
Other receivables	330	214	167
<b>Total current assets</b>	<b>11,294</b>	<b>15,685</b>	<b>14,524</b>
Deferred tax assets	1,792	1,324	993
Goodwill	742	742	742
Intangible assets	10,223	10,442	70
Investment - New Zealand Rural Land Management GP Limited	-	-	2,744
Investment - New Zealand Rural Land Company Limited	2,355	2,467	4,410
Investments - Other	18	6	5
Property - owned	2,796	2,837	3,026
Property - right of use assets	1,645	1,392	1,505
<b>Total non-current assets</b>	<b>19,571</b>	<b>19,210</b>	<b>13,495</b>
<b>Total assets</b>	<b>30,865</b>	<b>34,895</b>	<b>28,019</b>
Net Tangible Assets per Share - Consolidated (\$ per share)	0.31	0.26	0.60
Net Tangible Assets per Share - attributable to Allied (\$ per share)	0.27	0.21	0.54

Note: net tangible assets is calculated as equity from which is deducted goodwill and intangible assets

The Board of Directors of Allied Farmers Limited authorised these financial statements for issue on 29 February 2024.

  
Shelley Ruha – Chair

  
Richard Milsom - Managing Director

## Consolidated Statement of Changes in Equity

Components that make up the capital and reserves of the Group and the changes of each during the period.

For the 6 months ended 31 December 2023

Unaudited

Group	Share Capital	Accumulated losses	Revaluation Reserve	Allied Shareholders Interests	Minority Shareholders Interests	Total
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Balance at 1 July 2022</b>	158,204	(143,555)	(188)	14,461	2,042	16,503
Profit after tax for the period	-	1,585	-	1,585	512	2,097
Revaluation of Equity Securities	-	-	(87)	(87)	-	(87)
<b>Total comprehensive income for the period</b>	-	1,585	(87)	1,498	512	2,010
Dividends paid to Minority Interests	-	-	-	-	(397)	(397)
AFL purchase Minority Shareholders Shares	-	-	-	-	(7)	(7)
<b>Total transactions with owners</b>	-	-	-	-	(404)	(404)
<b>Balance at 31 Dec 2022</b>	158,204	(141,970)	(275)	15,959	2,150	18,109
<b>Balance at 1 January 2023</b>	158,204	(141,970)	(275)	15,959	2,150	18,109
Profit after tax for the period	-	1,753	-	1,753	428	2,181
Revaluation of Equity Securities	-	-	(583)	(583)	-	(583)
<b>Total comprehensive income for the period</b>	-	1,753	(583)	1,170	428	1,598
Dividends paid to Minority Interests	-	-	-	-	(898)	(898)
AFL purchase Minority Shareholders Shares	-	(59)	-	(59)	(27)	(86)
<b>Total transactions with owners</b>	-	(59)	-	(59)	(925)	(984)
<b>Balance at 30 June 2023</b>	158,204	(140,276)	(858)	17,070	1,653	18,723
<b>Balance at 1 July 2023</b>	158,204	(140,276)	(858)	17,070	1,653	18,723
Profit after tax for the year	-	1,423	(112)	1,311	488	1,799
<b>Total comprehensive income for the period</b>	-	1,423	(112)	1,311	488	1,799
Dividends paid to Minority Interests	-	-	-	-	(533)	(533)
<b>Total transactions with owners</b>	-	-	-	-	(533)	(533)
<b>Balance at 31 December 2023</b>	158,204	(138,853)	(970)	18,381	1,608	19,989

## A Financial performance

In this section

### A1 How we operate and generate returns for shareholders

Livestock services: An agency business facilitating livestock transactions and the procurement and export of veal.

Financial services: Providing and referring livestock finance to farmer clients.

Rural Land Management: New Zealand Rural Land Management Limited Partnership GP (NZRLM) - the contracted asset manager of New Zealand Rural Land Company Limited ('NZL').

Parent operations: The ultimate holding company for Allied Group's investments and governance activity for the Group.

#### Segment information (Unaudited)

	Livestock Services			Financial Services			Rural Land Management			Parent Operations			Total		
	December	June	Dec	December	June	Dec	December	June	Dec	December	June	Dec	December	June	Dec
	2023	2023	2022	2023	2023	2022	2023	2023	2022	2023	2023	2022	2023	2023	2022
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Commission and fee income	6,196	14,699	7,016	17	4	-	1,061	1,203	-	-	-	-	7,274	15,906	7,016
Sale of goods	9,442	10,015	8,002	-	-	-	-	-	-	-	-	-	9,442	10,015	8,002
Interest income	114	284	130	35	124	77	-	-	-	-	6	-	149	414	207
Other Income *	53	40	12	195	195	84	-	-	-	-	152	66	248	387	162
Equity Accounted Earnings NZRLM	-	-	-	-	-	-	-	417	417	-	-	-	-	417	417
<b>Total Income</b>	<b>15,805</b>	<b>25,038</b>	<b>15,160</b>	<b>247</b>	<b>324</b>	<b>161</b>	<b>1,061</b>	<b>1,620</b>	<b>417</b>	<b>-</b>	<b>158</b>	<b>66</b>	<b>17,113</b>	<b>27,139</b>	<b>15,804</b>
Cost of goods sold	6,918	7,155	5,599	-	-	-	-	-	-	-	-	-	6,918	7,155	5,599
Personnel expenses	4,502	9,789	5,014	54	96	48	115	56	-	48	77	39	4,719	10,018	5,101
Depreciation and amortisation	367	769	411	-	-	-	260	133	-	-	-	-	627	902	411
Operating expenses	2,011	3,606	2,095	24	41	23	190	210	-	370	860	371	2,595	4,717	2,489
<b>Total Expenses</b>	<b>13,798</b>	<b>21,319</b>	<b>13,119</b>	<b>78</b>	<b>137</b>	<b>71</b>	<b>565</b>	<b>399</b>	<b>-</b>	<b>418</b>	<b>937</b>	<b>410</b>	<b>14,859</b>	<b>22,792</b>	<b>13,600</b>
<b>Finance Costs</b>	<b>(78)</b>	<b>(128)</b>	<b>(31)</b>	<b>(69)</b>	<b>(64)</b>	<b>(44)</b>	<b>(162)</b>	<b>(84)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(309)</b>	<b>(276)</b>	<b>(75)</b>
<b>Profit/(loss) before tax</b>	<b>1,929</b>	<b>3,591</b>	<b>2,010</b>	<b>100</b>	<b>123</b>	<b>46</b>	<b>334</b>	<b>1,137</b>	<b>417</b>	<b>(418)</b>	<b>(779)</b>	<b>(344)</b>	<b>1,945</b>	<b>4,071</b>	<b>2,129</b>
Income tax (expense) / benefit	-	-	-	-	-	-	-	-	-	-	-	-	(34)	207	(32)
<b>Profit/(loss) after tax</b>													<b>1,911</b>	<b>4,278</b>	<b>2,097</b>
Current Assets	7,043	12,603	10,027	3,330	1,505	3,620	747	1,267	-	174	310	877	11,294	15,685	14,524
Investments in NZRLC	-	-	-	-	-	-	-	-	-	2,355	2,467	4,410	2,355	2,467	4,410
Investment in Associates and Joint Ventures	-	-	-	-	-	-	-	-	2,744	-	-	-	-	-	2,744
Other Non-Current Assets	7,028	6,296	6,240	100	100	100	10,088	10,347	-	-	-	-	17,216	16,743	6,340
Assets	<b>14,071</b>	<b>18,899</b>	<b>16,267</b>	<b>3,430</b>	<b>1,605</b>	<b>3,720</b>	<b>10,835</b>	<b>11,614</b>	<b>2,744</b>	<b>2,529</b>	<b>2,778</b>	<b>5,287</b>	<b>30,865</b>	<b>34,895</b>	<b>28,018</b>
Current Liabilities	3,582	10,869	5,233	2,800	525	3,000	624	1,001	-	142	158	51	7,148	12,552	8,284
Non-Current Liabilities	1,110	905	1,626	-	-	-	2,618	2,715	-	-	-	-	3,728	3,620	1,626
Liabilities	<b>4,692</b>	<b>11,774</b>	<b>6,859</b>	<b>2,800</b>	<b>525</b>	<b>3,000</b>	<b>3,242</b>	<b>3,716</b>	<b>-</b>	<b>142</b>	<b>158</b>	<b>51</b>	<b>10,876</b>	<b>16,172</b>	<b>9,910</b>
Additions of Property, Plant and Equipment, and Right of Use assets	709	231	254	-	-	-	-	-	-	-	-	-	709	231	254

\* Other Income in the Financial Services segment includes referral fee income from Heartland Bank Limited to 31 December 2023 \$178,439 (30 June 23: \$195,214; 31 December 2022: \$83,861)

\* The Group has unused tax losses of \$178,712,009 as at 31 December 2023 (30 June 2023: \$180,785,199; 31 December 2022: \$187,935,558). The level of losses recognised in the calculation of the deferred tax asset reflects managements expectation of recurring levels of taxable profitability for approximately the next 18 months.

## Measurement and Recognition

Commission income on facilitating a livestock sale agreement, grazing agreement or forward livestock sale agreement is recognised when the sale is agreed by a vendor and purchaser, net of rebates. The Group is acting as an agent as it doesn't have inventory risk and isn't able to set a price.

Forward delivery contracts in relation to herd sales on which commission income is earned contain an element of variable consideration due to the timeframe between when the sale is agreed and its completion. At year end the variable consideration is taken account of in the revenue recognised.

Sale of goods (veal meat and skins) revenue is recognised once goods are delivered to the customer. The Group is deemed a principal, rather than an agent, as it holds inventory risk.

Fee income relates to RFID scanning fees, yard fees charged at saleyards and valuation fees. The income is recognised when livestock are scanned, a sale is agreed within the auction or when the livestock are weighed. The Group is acting as a principal as it is primarily responsible for the service rendered and is able to set a price.

Revenue by NZRLM from property management fees, performance fees and transaction fees are recognised as revenue in the accounting periods in which the services are rendered, which is when they satisfy their performance obligations to NZL.

The Performance fees is satisfied in NZL shares with half of the shares issued subject to escrow arrangements for 5 years after the performance fee is payable.

Finance receivables interest income is recognised using the effective interest method. The calculation of the effective interest rate includes all fees that are integral to the effective interest rate. All fees except those charged to customer accounts in arrears are considered to be integral to the effective interest rate.

Fees charged to customer accounts in arrears are recognised as income at the time the fees are charged.

Income from referring customers to Heartland Bank Limited is recognised when the financing transaction is agreed between Heartland Bank Limited and the borrower. Because the Group is acting as a referrer to Heartland Bank Limited, it doesn't have credit risk and isn't able to set an interest rate.

The shares in New Zealand Rural Land Company Limited are equity investments quoted in an active market which the Group has elected to designate as a financial asset at fair value through Other Comprehensive Income. The fair value of these shares at 31 December 2023 is \$2,355,039 (June 2023: \$2,467,184; December 2022: \$4,410,000). The Company also owned 50% of NZ Rural Land Management Partnership ('NZRLM') until March 2023. NZRLM is the external manager of New Zealand Rural Land Company Limited. The remaining 50% the Company did not previously own, was acquired in March 2023. Accordingly, from that point, NZRLM has been fully consolidated in the Group's financial statements.

## Events Subsequent to 31 December 2023

Subsequent to balance date (on 9 February 2024), NZL sold 25% of its rural land portfolio to Australia-based Roc Partners, with the portfolio now held by a Limited Partnership owned 75/25% by NZL / Roc Partners. NZRLM continues to manage all of the portfolio of rural assets for both NZL and Roc Partners following the sale. The transaction will result in a 1.25% transaction fee to NZRLM, a material amount of which is to recover transaction costs incurred by NZRLM.

Also subsequent to balance date (on 20 February 2024) the Limited Partnership entered agreements to acquire Hawkes Bay apple orchard land, and forestry land located in close proximity to its existing estates, for a total purchase cost of approximately \$27.6 million. These transactions will result in transaction fees to NZRLM of 1.25% of NZL's proportion of Limited Partnership ownership, a material amount of which is to recover transaction costs incurred by NZRLM.

## About this report

Allied Farmers Limited is a for-profit entity domiciled in New Zealand and registered under the Companies Act 1993. The company is an FMC Entity in terms of the Financial Markets Conduct Act 2013 and prepares its financial statements in accordance with that Act, the Financial Reporting Act 2013, and NZX Main Board Listing Rules.

The consolidated financial statements are for Allied Farmers Limited and its subsidiaries (together referred to as "Allied") and Allied's interests in associates as at the six months ending 31 December 2023.

These interim consolidated financial statements do not include all of the information required for full annual consolidated financial statements. Unless otherwise specified, the same accounting policies and methods of computation are followed in the interim consolidated financial statements as applied in the Group's latest annual audited consolidated financial statements.

These Consolidated Financial Statements ("Financial Statements") have been approved for issue by the Board of Directors on 29 February 2024.

### Statement of compliance and basis of preparation

The financial statements have been prepared:

- in accordance with Generally Accepted Accounting Practice (GAAP) in New Zealand and comply with International Financial Reporting Standards (IFRS) and the New Zealand equivalents to IFRS (NZ IFRS) and other applicable financial reporting standards, as appropriate for a Tier 1 for-profit entity, and in particular NZIAS34 Interim Financial Reporting;
- on the basis of going concern. The directors, having considered projected future performance and the availability of financing, consider the going concern basis to be appropriate;
- presented on the basis of historical cost ; and
- in New Zealand dollars, with all values rounded to the nearest thousand dollars unless otherwise stated.

In preparing the Group financial statements, all material intragroup transactions, balances, income and expenses have been eliminated. Subsidiaries are consolidated on the date on which control is obtained to the date on which control is lost.

### Critical Judgements and Estimates

The financial statements have been prepared using significant estimates and critical judgements disclosed in the 2023 Annual Report.