

ALLIED **FARMERS**

SINCE 1889

Annual Report

for the year ended 30 June 2025

www.alliedfarmers.co.nz

Listed on:



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This report is dated 29 September 2025 and is signed on behalf of the Board of Allied Farmers Limited:


Shelley Ruha – Chair


Richard Milsom - Managing Director

SECTION 1 BUSINESS OVERVIEW

Business Description

Allied Farmers is primarily a rural investment company and rural asset manager. Landowners and co-investors entrust Allied Farmers with their rural assets because it has the requisite robust governance structures, asset management team expertise and experience, and access to a network of best-in-class business partners.

Allied Farmers' goal is to deliver earnings per share growth by leveraging these core strengths and optimizing the use of its tax losses.

Allied Farmers provides management, investment and administrative services to rural landowners NZX listed New Zealand Rural Land Company Limited, and Australian capital managers Roc Partners (together, **NZL**) pursuant to Management Agreements. NZL owns and leases rural land to tenants to provide shareholders with superior risk-adjusted returns compared to legacy rural investment vehicles.

Allied Farmers foundation rural business is 67.8% owned national livestock agency business, NZ Farmers Livestock Limited (**NZFL**). Allied Farmers provides NZFL with governance support and guidance for its livestock agency, rural financing and veal processing operations.

Tax Losses

Allied Group's unrecognised deferred tax assets comprise unused tax losses as at 30 June 2025 total \$172,428,062 gross (2024: \$178,126,791).

The ability to utilise the tax losses is dependent on meeting shareholder continuity requirements of prevailing tax legislation, and the Allied Farmers' Board is acutely aware of maintaining shareholder continuity to preserve this valuable asset for shareholders. Accordingly, in July 2024 Allied Farmers obtained shareholder approval to amend its constitution to significantly strengthen its ability to restrict share transfers that would cause a breach of shareholder continuity.

SECTION 2 CHAIR REPORT

FY25 Results Commentary

The Directors of Allied Farmers Limited (“Allied Farmers” or “Allied Group”) (ALF:NZX) are pleased to report an audited net profit before tax for the year to 30 June 2025 of \$4.066 million (FY24 \$7.315 million), with an audited net profit after tax attributable to Allied Farmers’ shareholders of \$2.871 million (FY24 \$5.206 million).

FY25 profit was lower than the previous comparable period due to the one-off \$4.2 million gain on the book value of the sale and licence back by NZ Farmers Livestock Limited of its interest in the Frankton saleyards, of which \$2.85 million was attributable to Allied Farmers’ shareholders.

Excluding this one-off gain in FY24, Allied Group’s FY25 profit after tax of \$3.84 million is substantially higher than FY24 adjusted profit after tax of \$2.690 million, primarily due to NZ Farmers Livestock Limited’s earnings being significantly improved from the comparative period. NZ Rural Land Management Limited (**NZRLM**) earnings were similar to FY24, and improved contributions were obtained from Allied Farmer’s investments and a rural loan.

Five Year Earnings Summary

Financial Year Ending 30 June	FY25	FY24	FY23	FY22	FY21
Allied Farmers Net Profit After Tax (NPAT) - consolidated - \$ 000's	\$3,841	6,919	4,278	3,532	2,576
Allied Farmers Net Profit After Tax (NPAT) - attributable to Allied Farmers shareholders - \$ 000's	2,871	5,206	3,338	2,876	2,021
Allied Farmers Earnings Per Share (Basic) – cents per share	9.97	18.07	11.59	9.98	8.57

Commentary on the results for NZRLM and NZFL business units are set out in the following sections.

Allied Farmers’ basic earnings per share (**EPS**) decreased by 44.4% to 9.97 cents per share (FY24 18.07 cps), and Net Tangible Assets (**NTA**) per share, based on 67.8% direct ownership of NZFL and 100% ownership of NZRLM, equals \$0.51 per share (FY24 \$0.40 per share).

During FY25 the Board continued to review its allocation of assets across the rural sector, with a focus on ensuring the optimal deployment of Allied Farmers' capital for long term value growth and tax loss utilisation. The significance of tax losses means that shareholders' interests are best served by deploying earnings into growth opportunities that can utilise the tax losses. Accordingly, Allied Farmers' continues its policy of not paying dividends, including in relation to FY25.

In September 2024, Allied Farmers (through an SPV) acquired land and buildings in the Waikato from the mortgagee for \$10.5 million. In return the SPV assumed a mortgage debt of equivalent amount. The loan is secured over the 4 properties with a GSA over the SPV, but there is no exposure to Allied Farmers as the securities are against the SPV only.

Also in September 2024, Allied Farmers advanced \$3 million to a substantial farming dairy farming operation in South Canterbury to fund its working capital. The loan was refinanced in March 2025, and is secured by a second ranking GSD over the assets of the borrower and related entities of the borrower, and a guarantee from a related entity of the borrower.

As at 30 June 2025, Allied Farmers held 3,933,110 shares in NZ Rural Land Company Limited (**NZL**) (~2.7% of NZL shares on issue). During FY25 NZL re-commenced paying shareholder dividends.

Subsequent to balance date, on 27 August 2025 the shareholders of NZ Farmers Livestock Limited (**NZFL**), conditionally sold NZFL to Rural Livestock Limited (**RLL**) for an enterprise value of \$10.988 million, adjusted at completion to recognise RLL's assumption of net debt and employee and vehicle lease liabilities, the value of NZFL's loan book, and to recognise agreed Target Trade Net Working Capital. Allied Farmer's 67.77% of the sale proceeds will be fully satisfied in cash. There are several usual conditions precedent, including that Allied Farmers obtain shareholder approval (by way of ordinary resolution) as a Major Transaction pursuant to NZX Listing Rule 5.1.1 (a). This approval will be sought at Allied Farmers Limited's Annual Meeting, likely to be held in early November 2025. Completion is targeted for 1 December 2025.

**NEW ZEALAND
RURAL LAND
MANAGEMENT**

New Zealand Rural Land Management (NZRLM) - 100% owned

NZRLM is the external manager of NZX listed NZL. NZL currently owns 17,077 hectares of forestry estates, and pastoral and horticultural land.

NZRLM's FY25 revenue was largely in line with FY24, comprised of fees associated with status quo portfolio management, successfully executed NZL transactions, and overall portfolio performance.

In March 2025 NZL acquired a 305 ha, high yielding dairy farm located in Canterbury. NZL sold two pastoral farms as part of the consideration for this acquisition. These transactions generated transaction fees for NZRLM, while also increasing its recurring revenue base from portfolio management. NZRLM also received a retrospective performance fee for the value gain on NZL's assets for the 12-month period ended 31 December 2024 (NZL's balance date). This fee is in-line with the change in the Net Asset Value (NAV) of NZL's portfolio during this period and is paid in NZL shares.

New Zealand Farmers Livestock Limited (NZFL) – 67.8% owned

NZFL, like most farming businesses, has seen a substantial improvement in trading conditions during FY25, to achieve a very strong result despite some softening of the veal business performance.

In a marked shift, particularly in the second half of the year, most livestock categories are now seeing very high prices relative to recent years. Cattle and sheep tallies have increased year on year. Offshore market returns, processor schedules, forecast milk solids payouts and farmer confidence have supported this progress. On-farm conditions have also been favourable in many areas and allowed farmers to hold stock where that could improve returns.

NZFL's agency business is now operating in a very buoyant environment, with much-improved farmer confidence, and a pleasing increase in young stock rearing. Dairy confidence and activity are seeing early herd sale progress at elevated prices now, and very strong cow prices. Redshaw Livestock is also benefitting from the appreciable improvement in sheep and beef fortunes.

The veal business was a significant contributor, but impacted by deteriorating skin prices and some cost inflation. Skin prices have deteriorated further. Veal pricing has held up well. We continue to refine this business, including dealing with some challenge to tallies with a move to more feeder calf options early in 2025/26. While farming capacity and commercial constraints limit this movement, we note that increased feeder calf numbers should help NZFL's agency business performance in coming years.

Livestock Finance, based around our Heartland-supported and own lending offerings, has continued a steady improvement in earnings contribution, and remains a valued diversification of earnings, and support to our clients and to core agency activity.

The business has continued to focus on improving productivity, cost structure, capital efficiency and driving our developing digital platform and presence. MyLiveStock remains a NZ-controlled and integrated digital platform serving our clients and supporting a growing online focus.

Potential impacts from the ongoing US tariff, geopolitical uncertainties and related movements remain unclear, but the start to FY26 remains very positive for NZFL, despite the further softening in the veal business noted earlier.

The Board wishes to thank and acknowledge the hard work and initiative of our NZFL and NZRLM teams over the last year.

Shelley Ruha - Chair

SECTION 3 DIRECTORS

Shelley Ruha - Independent Chair

Shelley was appointed a Director of Allied Farmers Limited in November 2022, and Chair in April 2023. Shelley is a Company Director and Investor across a variety of industries. She Chairs PaySauce Limited and is a director of Heartland Bank Limited, Smartpay Holdings Limited, Partners Life Limited, and 9 Spokes International Limited. Previous directorships include Hobson Wealth Limited, Paymark Limited, JB Were Limited and The Icehouse. Shelley is an independent director. She has the following qualification: Bachelor of Commerce.

Philip Luscombe - Independent Director

Philip was appointed a Director of Allied Farmers Limited in December 2005 and is Chair of New Zealand Farmers Livestock Limited. As a former Agricultural Research Scientist, and with a broad farming background, he has extensive experience in the agricultural sector. He is a shareholder and Chair of the Argyll Dairy Farm group of farms in Otago. He is an Independent Director of dairy farming business, Te Rua O Te Moko Limited. He is a former director of PKW Farms Limited, Kiwi Cooperative Dairies Limited, Kiwi Milk Products Limited, Dairy Insight, Dexcel, and NZAEL Limited. Mr. Luscombe is an independent director. He has the following qualifications: BAgSci(Hons).

Richard Milsom – Managing Director

Richard was appointed Managing Director of Allied Farmers Limited in April 2023. Richard is one of the founders and executives of New Zealand Rural Land Management and NZX-listed New Zealand Rural Land Company. He was previously a consultant at global investment management firm Elevation Capital Management, where he focused on special situation investments. Richard has been involved in a number of industries including investment management, tourism, retail and agriculture/ biotechnology – in functions ranging from finance, to marketing, strategy, strategic review and implementation. Richard was previously on the board of the Institute of Finance Professionals New Zealand (INFIZ) and was recognised within the financial services industry by being awarded the INFIZ Emerging Leader Award 2017. Richard is not an independent director. He holds a BCom in finance and economics from the University of Canterbury, with post-graduate certificates in value investing from Columbia University (New York), and agricultural businesses and leadership from Harvard Business School (Boston).

Director Independence:

As at 30 June 2024, Shelley Ruha and Philip Luscombe are considered by the Board to be independent directors. They are considered to be independent due to the following factors:

- They are/were non-executive directors who are not substantial shareholders and who are free of any interest, business or other relationship that would materially interfere with, or could reasonably be seen to materially interfere with, the independent exercise of their judgement;
- They have not been employed or retained, within the last three years, to provide material professional services to the Company;
- Within the last 12 months, they were not a partner, director, senior executive or material shareholder of a firm that provided material professional services to the Company or any of its subsidiaries; and
- Neither of these directors:
 - o have been, within the last three years, a material supplier to the Company or have any other material contractual relationship with the Company or another group member other than as a director of the Company;
 - o receive performance-based remuneration from, or participates in, an employee share scheme of the Company; and
 - o control, or is an executive or other representative of an entity which controls, 5% or more of the Company's voting securities.
- For the purposes of NZX Listing Rule 7.8.3(b), factor 9 in Table 2.4 of the NZX Corporate Governance Code applies to Mr. Luscombe, as he has been a director of the Company for a period of more than 12 years. However, the Board has determined that Mr. Luscombe's tenure does not directly or indirectly interfere, nor might reasonably interfere, with his capacity to bring an independent view to decisions in relation to the issuer and to act in the best interests of Allied Farmers and to represent the interests of shareholders generally.
- The Board considers that Mr. Luscombe's extended tenure provides significant value to Allied Farmers. He brings not only deep institutional knowledge and long-standing relationships, but also skill and understanding of the Group's operations, strategy and governance. During his tenure, Mr. Luscombe has not demonstrated any undue influence over management. Allied Farmers' Managing Director's primary relationship and point of communication is with the Independent Chair (Shelley Ruha), and Mr. Luscombe does not involve himself in matters beyond what would reasonably be required or expected of an Independent Director. As noted above, none of the other factors in Table 2.4 of the NZX Corporate Governance Code apply to Mr. Luscombe.

Richard Milsom is not considered to be independent because he is Allied Farmers' Managing Director and a substantial shareholder.

SECTION 4 STATUTORY DISCLOSURES

Statutory Disclosures:

More information on Allied Farmers governance is set out in the Corporate Governance Report, a copy of which is available on the Allied Farmers' website, www.alliedfarmers.co.nz/investors.

Disclosure of Interest:

Pursuant to section 140 of the Companies Act 1993, the following changes in interests were disclosed during FY25 (excluding directorships of wholly owned subsidiaries) in the Interests Register:

Director	Entity	Relationship
Shelley Ruha	Smartpay Holdings Ltd Analey Riverhead Ltd	Director Director and Shareholder

Directors' Share Trading and Holdings:

Directors disclosed the following acquisitions and disposals of relevant interests in Allied Farmers Limited shares during FY25 pursuant to section 148 of the Companies Act 1993:

Director/relevant Interest	Date(s)	Details
Richard Milsom	21 November 2024	Issue of 144,032 Performance Share Rights

As at 30 June 2025, directors, or entities related to them, held relevant interests (as defined in the Financial Markets Conduct Act 2013) in Allied Farmers Securities as follows:

Director	Number of shares and percentage of shares on issue
Richard Milsom	4,553,667 (15.8%)
Philip Luscombe	15,557 (0.054%)
Shelley Ruha	150,000 (0.52%)

Directors' Fees:

Director	2025	2024
Philip Luscombe	\$70,000	\$67,500
Shelley Ruha	\$85,000	\$82,500
Richard Milsom	-	-
Total	\$155,000	\$150,000

Richard Milsom does not receive director's fees. His remuneration is described in the Managing Director's Remuneration section below. Shareholders approved a cap on directors' fees of \$332,000 p.a. at the 2007 Annual Meeting. This cap includes all directors' fees paid in relation to Group subsidiary companies as well as for the Parent. In addition to the above payments, Simon Williams, a director of NZ Farmers Livestock Limited and NZ Farmers Livestock Finance Limited, received total remuneration and benefits from NZ Farmers Livestock Limited of \$135,094. This remuneration and benefits did not include any director's fees.

Particular Disclosures:

Related Party disclosures and information can be found in section E1 of the FY25 Financial Statements.

General:

Except to the extent described above, no Director has entered into any transactions with the Company or its subsidiaries other than in the normal course of business, on the Company's normal terms of trade, and on an arms-length basis.

No Director issued a notice requesting to use Group information received in their capacity as a Director which would not otherwise have been available to them.

During the year the Company paid premiums on contracts insuring directors and officers in respect of liability and costs permitted to be insured against in accordance with Section 162 of the Companies Act 1993 and the Company's constitution.

Managing Director Remuneration:

The review and approval of the Managing Director's remuneration is the responsibility of the Allied Farmers' Board after receipt of recommendations from the Remuneration and Nomination Committee.

The Managing Director's remuneration comprises a fixed base, and at-risk short-term and long-term incentives. At-risk incentives are paid against targets agreed with the Managing Director, and are based on financial measures including earnings targets and progress against objectives related to the strategic plan and other personal objectives. The Board assesses the Managing Director's Short Term Incentive performance at the end of each financial year.

Richard Milsom's total remuneration for FY25 was as follows:

Financial Year	Fixed Remuneration*	Short Term Incentive		Long Term Incentive		Total Remuneration
		Earned	Amount earned as % of maximum award	Number of Shares Vested	Market Price	
FY 2025	\$375,000**	\$281,250	75%	Nil	n/a	\$656,250
FY 2024	\$250,000	\$250,000	100%	Nil	n/a	\$ 500,000

* No other benefits were paid to Mr. Milsom.

**The increase in FY25 Base Remuneration is a prorated adjustment of FY24 Base Remuneration to reflect that the Managing Director moved from 3 days per week to 5 days per week for FY25.

FY25 Short Term Incentive: For FY25 the Managing Director's short-term targets and objectives were:

- Target: \$187,500, being 50% of the Managing Director's FY25 base remuneration.
- Maximum achievable: \$375,000 being 100% of the Managing Director's FY25 base remuneration.
- Objectives:
 - 35% - NZRLM and NZFL achieving their respective Budgeted NPBT.
 - 65% - Achieving strategy and leadership targets.

The Allied Farmers' Board assessed Richard Milsom FY25 performance targets, resulting in a payment of \$281,250.

FY26 Short Term Incentive: For FY26 the Managing Director's short-term targets and objectives are:

- Target: \$200,000, being 50% of the Managing Director's FY25 base remuneration.
- Maximum achievable: \$400,000 being 100% of the Managing Director's FY25 base remuneration.
- Objectives:
 - 25%- NZRLM achieves Net Profit Before Tax (NPBT) 10% higher than FY25 NPAT
 - 75% - Achieving strategy, transaction, and leadership targets

The Allied Farmers' Board will assess Richard Milsom's achievement against these FY26 performance targets at the end of FY26.

Long Term Incentive

The Board has established a Long-Term Incentive Plan to link rewards with strategic long-term goals and performance and the maximisation of shareholder returns. This involves a grant of Performance Rights being made to the Managing Director subject to certain Vesting Conditions. Each Performance Right represents a right to receive an Allied Farmers' ordinary share or be paid an amount of cash consideration (in certain circumstances), subject to the satisfaction of the Vesting Conditions. The Vesting Conditions are measured over a three-year performance period. The NPAT target will be set at the beginning of each of the three financial years and assessed at the conclusion of the three-year performance period.

FY25 Long Term Incentive: 144,032 Performance Rights were issued to Mr. Milsom for FY25 on 21 November 2024, with that number being equivalent to 0.5% of Allied Farmers's total number of ordinary shares on issue as at 1 July 2024. Allied Farmers' share price on 21 November 2024 was 76 cents per share, meaning that if the PSR's had vested and ordinary shares issued on that date, those shares would have had a face value of \$109,464 on that date.

Allied Farmers amended its constitution in July 2024 to restrict the issue of further equity securities to shareholders such as Mr. Milsom who already own greater than 5% of Allied Farmers' shares. Therefore, at the Allied Farmers' 2024 Annual Meeting shareholder approval was sought and obtained for the grant of Performance Rights to Mr. Milsom for FY25, FY26 and FY27.

The proportion of Performance Rights that satisfy the Vesting Condition are determined by reference to the following scale:

Performance against target (budgeted) three-year average of Group NPAT	Percentage of performance rights to satisfy Vesting Condition
<80% of target	0%
80% to 100% of target	50% paid if achieve 80%. 100% paid if achieve 100% or more. with a pro rata allocation between the 80% and 100% achievement levels.

FY26 Long Term Incentive: The Board has agreed to issue Mr. Milsom a further 144,032 Performance Rights for FY26.

The proportion of Performance Rights, if approved, that satisfy the Vesting Condition will be determined by reference to the following scale:

Performance against target (budgeted) three-year average of Group NPAT	Percentage of performance rights to satisfy Vesting Condition
<80% of target	0%
80% to 100% of target	50% paid if achieve 80%. 100% paid if achieve 100% or more. with a pro rata allocation between the 80% and 100% achievement levels.

Mr. Milsom does not have a severance package and his contract can be terminated on 3 months' notice.

Employee Long Term Incentive Plan

Certain employees also participate in the Long-Term Incentive Plan on the same basis as the Managing Director. On 16 September 2024 95,000 Performance Share Rights were issued to employees.

Subsidiary Employee Remuneration:

Employees' FY25 remuneration and benefits over \$100,000 is within the following specified bands:

Remuneration Range		2025	2024
100,000	110,000	3	4
110,001	120,000	3	5
120,001	130,000	3	4
130,001	140,000	5	1
140,001	150,000	3	2
150,001	160,000	1	1
160,001	170,000	1	2
170,001	180,000	-	2
180,001	190,000	4	1
220,001	230,000	1	1
230,001	240,000	1	2
240,001	250,000	1	1
250,001	260,000	1	-
270,001	280,000	1	-
280,001	290,000	1	1
320,001	330,000	1	1
Total		30	28

The remuneration figures shown in the above table include all monetary remuneration actually paid, plus the cost of all benefits provided, during the year. The table does not include independent contractors.

Substantial Product Holders:

Notices given under the Financial Markets Conduct Act 2013 up to 30 June 2025:

Holder	Relevant Interest	Date of Notice
Richard Milsom	4,553,667 ordinary shares (15.8%)	5 April 2023
WAF Limited	5,758,406 ordinary shares (19.99%)	25 October 2023

Subsidiary Companies:

Directors of subsidiary companies as at 30 June 2025 were as follows:

Subsidiaries of the Parent	Principal Activity	Directors
Allied Farmers Rural Limited	Rural Services	S. Ruha, P Luscombe
ALF Nominees Limited	Nominee company	S. Ruha
Allied Farmers (New Zealand) Limited	Non-trading	S. Ruha
Rural Funding SolutionNZ Limited	Rural Financing	S. Ruha, O Carruthers
Allied FLA Limited	Non-trading	R. Milsom
NZ Rural Land Management GP Limited	General Partner of NZ Rural Land Management Limited Partnership	S. Ruha, R Milsom
Subsidiary of NZ Rural Land Management GP Limited		
NZRLM Limited	Non-trading	R. Milsom
Subsidiaries of Allied Farmers (New Zealand) Limited		
Allied Farmers Property Holdings Limited	Non-trading	S. Ruha
QWF Holdings Limited	Non-trading	S. Ruha
Lifestyles of NZ Queenstown Limited	Non-trading	S. Ruha
LONZ 2008 Limited	Non-trading	S. Ruha
LONZ 2008 Holdings Limited	Non-trading	S. Ruha
Clearwater Hotel 2004 Limited	Non-trading	S. Ruha
Subsidiaries of Allied Farmers Property Holdings Limited		
UFL Lakeview Limited	Non-trading	S. Ruha
5M No 2 Limited	Non-trading	S. Ruha
Subsidiaries of Allied Farmers Rural Limited		
NZ Farmers Livestock Limited	Livestock Trading	P Luscombe, R. Milsom, S Williams, O Carruthers
Subsidiaries of NZ Farmers Livestock Limited		
Farmers Meat Export Limited	Meat Processing	S Morrison, W Sweeney, P Luscombe
NZ Farmers Livestock Finance Limited	Rural Finance	S. Ruha, O Carruthers
Redshaw Livestock Limited	Livestock Trading	D Freeman, B. Lee, M MacDonald, W Sweeney

Shareholder Information:

The ordinary shares of Allied Farmers Limited are listed on the NZX. The NZX share code is 'ALF'.

Twenty Largest Registered Shareholders:

The shareholder information in the following disclosures has been taken from the Company's share register at 4 August 2025.

Rank	Investor Name	Total Units	% Issued Capital
1	Waf Limited	5758406	19.99
2	Rem Trustee Limited	3585000	12.45
3	Custodial Services Limited	1335649	4.64
4	Wairahi Investments Limited	1300000	4.51
5	FNZ Custodians Limited	1165668	4.05
6	Donald Clifton Jacobs	831050	2.88
7	Graeme Stuart Lord & Lisa Anne Lord	805415	2.8
8	New Zealand Depository Nominee	586126	2.03
9	Dfs Investment Partners Llc	522185	1.81
10	Rpmilsom Investments Limited	512000	1.78
11	Deborah Lee Seerup	500001	1.74
12	Glenn Leslie Ballinger Stephen James Hurley & Bridget	457334	1.59
13	Eileen Wall	440000	1.53
14	FNZ Custodians Limited	408074	1.42
15	Frank Simon Pearson	399397	1.39
16	Fortune Capital Group Limited	337239	1.17
17	Jade NZ Limited	300000	1.04
18	NZ Asset Invest Limited	217203	0.75
19	Ross Phillip Drew	198107	0.69
20	Milsom Holdings Limited	190000	0.66

Analysis of Shareholding:

Range	Holders %	Issued Capital	Issued Capital %
1-1000	61.99	415508	1.44
1001-5000	19.41	847575	2.94
5001-10000	6.62	863978	3
10001-50000	8.73	3445974	11.96
50001-100000	1.37	1752993	6.09
Greater than 100000	1.88	21480406	74.57

Diversity and Gender:

In June 2020, Allied Farmers adopted a Diversity and Inclusion Policy. More information on the Policy is set out in the Corporate Governance Report and a copy is available on the Allied Farmers' website. The Board has evaluated Allied Farmers' performance against its Diversity Policy objectives to operate the business in a way that:

- does not tolerate discrimination of any kind;
- is objective, open-minded and free from discrimination;
- empowers management to cultivate a culture of inclusion in which the strengths of every individual are recognised and valued;
- seeks to ensure that all staff receive equal and fair treatment under our policies and practices, so that success is unhindered by individual differences;
- recognises and values individual diversity, different skills, ability and experiences; and,
- complies with the New Zealand Human Rights Act 1993, New Zealand Bill of Rights Act 1990, and all other relevant Human Rights laws.

The Board considers that these objectives have been met.

As at 30 June 2025, females represented 33% (FY24: 33%) of Directors and 20% (FY24: 17%) of Officers of Allied Farmers. Officers are defined as being the Managing Director of Allied Farmers Limited and specific executives having key influence.

	Current Year		Previous Year	
	Male	Female	Male	Female
Number of Directors	2	1	2	1
Percentage of Directors	67%	33%	67%	33%
Number of Officers	4	1	5	1
Percentage of Officers	80%	20%	83%	17%

Shareholder Enquiries:

Shareholders should send changes of address, dividend queries, and instructions and shareholding information requests to MUFG, which acts as the Company's share registrar.

Annual Meeting of Shareholders:

Allied Farmers Limited's Annual Meeting of shareholders is typically held in November each year. A Notice of Annual Meeting and Proxy Form will be circulated to shareholders prior to the meeting.

Dividends Paid:

No dividend was paid to shareholders in FY25 (FY24: Nil).

Donations:

The Allied Farmers Board has determined that it will not make political donations. No political donations were made during FY25.

Waiver and Approval:

On 7 June 2024 NZ RegCo granted Allied Farmers the following, in relation to proposed amendments to its constitution to minimize the risk to Allied Farmers' shareholder continuity being lost inadvertently:

- A waiver from Listing Rule 8.1.5 to the extent that this Rule would otherwise prevent Allied Farmers from suspending the voting rights attaching to securities that, in accordance with the Constitutional Amendments, are Affected Shares; and
- Approval under Rule 8.1.6 to allow Allied Farmers to include provisions in its Constitution that:
 - restrict the transfer of Allied Farmers' securities to any person if the Board knows or believes that the transfer will or is likely to result in that person having a relevant interest in breach of the Ownership Threshold;
 - restrict Allied Farmers from issuing, acquiring or redeeming shares where Allied Farmers has actual knowledge that the issue, acquisition or redemption would result in a breach of the Ownership Threshold; and
 - allow the Board to require documentation and/or information in relation to a proposed transfer or transferee of Allied Farmers' shares, in the circumstances permitted under the Constitutional Amendments.

Full details of the waiver and approval, including the definition of the capitalized terms referred to above, can be found on the NZX website: <https://www.nzx.com/announcements/432440>

SECTION 5 CONSOLIDATED FINANCIAL STATEMENTS

Allied Farmers Limited
Consolidated Statement of Profit and Loss
For the year ended 30 June 2025

	Note	Group	
		June	June
		2025	2024
		\$000	\$000
Commission and fee income	A1	18,997	16,497
Sale of goods	A1	10,006	10,381
Interest income	A1, B8	917	328
Other Income	A1	714	422
		30,634	27,628
Changes in inventories	A1	(8,308)	(7,703)
Personnel expenses	A1	(10,659)	(9,428)
Depreciation and amortisation	A1	(1,219)	(1,165)
Other expenses	A1	(5,779)	(5,681)
		(25,965)	(23,977)
Finance Costs	A1, B8	(703)	(565)
Operating Profit before tax		3,966	3,086
Gain on Sale of Properties	A1	96	4,229
Loss on Financial Liability at Fair Value	B5	(928)	-
Gain on Investment Property at Fair Value	C3	932	-
Profit before tax		4,066	7,315
Income tax (expense) / benefit	A2	(225)	(396)
Profit after tax		3,841	6,919
Profit attributable to:			
Shareholders of Allied Farmers Limited ('Allied')		2,871	5,206
Non-controlling shareholders of NZ Farmers Livestock Limited ('NZFL')		970	1,713
Allied Earnings per share (cents) - Basic	A3	9.97	18.07
Weighted average number of shares - Basic (000's)		28,806	28,806
Allied Earnings per share (cents) - Diluted	A3	9.84	17.98
Weighted average number of shares - Diluted (000's)		29,189	28,950

Allied Farmers Limited
Consolidated Statement of Other Comprehensive Income
For the year ended 30 June 2025

	Group	
	June 2025	June 2024
	\$000	\$000
Profit after tax	3,841	6,919
Amounts Not Reclassified Through Profit and Loss		
Change in value of investment in equity securities, net of tax	C2 (215)	(371)
Total comprehensive income	3,626	6,548
Total comprehensive income attributable to:		
Shareholders of Allied	2,656	4,835
Non-controlling shareholders of NZFL	970	1,713
Total comprehensive income	3,626	6,548

Allied Farmers Limited
Consolidated Statement of Cash Flows
For the year ended 30 June 2025

		Group	
		June 2025	June 2024
	Note	\$000	\$000
Cash flows from/(to) operating activities			
Cash receipts from customers		28,068	26,819
Interest received		917	328
Cash paid to suppliers and employees		(21,410)	(23,862)
Interest paid		(704)	(565)
Income tax paid		(72)	(621)
Net cash flow from operating activities	E4	6,799	2,099
Cash flows from/(to) investing activities			
Capital contribution to Associated Auctioneers		(18)	-
Decrease (Increase) in finance receivables NZ Farmers Livestock Finance Ltd		(16)	67
Loan Advance		(3,000)	-
Investment in New Zealand Rural Land Management Partnership		-	(2)
Other investments		7	-
Disposal of intangibles, property, plant and equipment		418	486
Acquisition of intangibles, property, plant and equipment		(35)	(128)
Proceeds on Sale of Saleyards		156	5,910
Net cash flow (used in)/from investing activities		(2,487)	6,333
Cash flows from/(to) financing activities			
Repayment of Heartland borrowings		(640)	(951)
Dividends paid to Non-Controlling Shareholders in Subsidiaries		(724)	(678)
Repayment of principal on lease liabilities		(856)	(1,062)
Share Capital Reduction in NZ Farmers Livestock Limited	B3	(1,955)	-
Net cash flow used in financing activities		(4,176)	(2,691)
Net movement in cash and cash equivalents		136	5,741
Opening cash and cash equivalents		9,524	3,783
Closing cash and cash equivalents	B4	9,660	9,524

Allied Farmers Limited
Consolidated Balance Sheet
As at 30 June 2025

	Note	Group	
		June 2025	June 2024
		\$000	\$000
Equity			
Share capital	B2	158,204	158,204
Accumulated Losses		(132,203)	(135,070)
Accumulated Reserves		(1,364)	(1,229)
Equity attributable to owners of the Parent		24,637	21,905
Non-controlling interests		979	2,688
Total equity		25,616	24,593
Liabilities			
Trade and other payables	B7	11,249	8,392
Employee benefits		1,632	1,226
Income tax payable		20	-
Bank borrowings	B5	731	867
Lease liabilities	B6	830	804
Total current liabilities		14,462	11,289
Bank borrowings	B5	1,338	1,842
Term Loans	B5	10,496	-
Lease Liabilities	B6	1,269	1,431
Total non-current liabilities		13,103	3,273
Total liabilities		27,565	14,562
Total liabilities and equity		53,181	39,155
Assets			
Cash and cash equivalents	B4	9,660	9,524
Trade Receivables	C1	10,216	9,471
Inventories		156	240
Income tax receivable		-	6
Finance receivables	C1	1,454	1,438
Loan Advance	C4	500	-
Other receivables and prepayments		199	22
Total current assets		22,185	20,702
Deferred tax assets	A2	1,311	1,464
Goodwill	D2	742	742
Intangible assets	C6	9,358	9,942
Investment - New Zealand Rural Land Company Limited	C2	3,579	2,997
Investments - Other	C2	1	8
Investment - Property	C3	10,500	-
Loan Advance	C4	2,500	-
Property - owned	C5	1,051	1,492
Property - right of use assets	C5	1,954	1,808
Total non-current assets		30,996	18,453
Total assets		53,181	39,155
Net Tangible Assets per Share - Consolidated (\$ per share)		0.54	0.48
Net Tangible Assets per Share - attributable to Allied (\$ per share)		0.51	0.40
Note: net tangible assets is a non-GAAP disclosure and 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 September 2025.



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Allied Farmers Limited

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 year ended 30 June 2025

Group	Share Capital	Accumulated losses	Revaluation Reserve (Note C2)	Share-based Payment Reserve	Allied Shareholders Interests	Non-Controlling Shareholders Interests	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 July 2023	158,204	(140,276)	(858)	-	17,070	1,653	18,723
Profit for the year	-	5,206	-	-	5,206	1,713	6,919
Change in value of investments Equity Securities	-	-	(371)	-	(371)	-	(371)
Total comprehensive income for the year	-	5,206	(371)	-	4,835	1,713	6,548
Transactions with owners in their capacity as shareholders:							
Dividends paid to Non-Controlling Interests	-	-	-	-	-	(678)	(678)
Total transactions with owners	-	-	-	-	-	(678)	(678)
Balance at 30 June 2024	158,204	(135,070)	(1,229)	-	21,905	2,688	24,593
Balance at 1 July 2024	158,204	(135,070)	(1,229)	-	21,905	2,688	24,593
Profit for the year	-	2,871	-	-	2,871	970	3,841
Change in value of investments in Equity Securities	-	-	(215)	-	(215)	-	(215)
Total comprehensive income for the year	-	2,871	(215)	-	2,656	970	3,626
Transactions with owners in their capacity as shareholders:							
Share capital cancellation	-	(4)	-	-	(4)	(1,955)	(1,959)
Dividends paid to Non-Controlling Interests	-	-	-	-	-	(724)	(724)
Vesting of performance share rights (Note A3)	-	-	-	80	80	-	80
Total transactions with owners	-	(4)	-	80	76	(2,679)	(2,603)
Balance at 30 June 2025	158,204	(132,203)	(1,444)	80	24,637	979	25,616

Allied Farmers Limited

Notes to the consolidated financial statements

For the year ended 30 June 2025

Reporting entity

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 consolidated 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" or "the Group") and Allied's interests in associates for the year ended 30 June 2025.

These Consolidated Financial Statements ("Financial Statements") have been approved for issue by the Board of Directors on 29 September 2025.

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 IFRS Accounting 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;
- 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 (except for investment properties, certain financial assets and financial liabilities measured at fair value); and
- in New Zealand dollars (functional currency of the entity and presentation currency of the Group), with all values rounded to the nearest thousand dollars

Basis of consolidation

In preparing the 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 following notes to the financial statements:

The preparation of financial statements requires management to exercise its judgement in applying Allied's accounting policies. Significant estimates and critical judgements are reviewed by management on an on-going basis, with revisions recognised in the period in which the estimate is revised and in any future periods affected. Areas of estimate or judgement that have most significant impact on the amounts recognised in the financial statements are disclosed in the following notes:

- Note A1 Revenue recognition
- Note A2 Deferred tax asset recognition
- Note B5 Debt Funding
- Note C1 Credit loss allowance
- Note C3 Investment Property
- Note C6 Intangibles recognition and measurement (including impairment testing)
- Note D2 Goodwill impairment assessment

New standards, interpretations and amendments not yet effective

In May 2024 the New Zealand Accounting Standards Board issued a new standard, NZ IFRS 18 *Presentation and Disclosure in Financial Statements*. The objective of the standard is to set out the overall requirements for presentation and disclosures in the financial statements. The new standard introduces new requirements on presentation within the statement of profit or loss by introducing new subcategories. It also requires disclosure of management defined performance measures and includes new requirements for aggregation and disaggregation of financial information on the face of the primary statements and in the supporting notes. The Group is currently assessing the impact of the new standard, as it will have a material impact on the presentation of the financial statements.

The Group is not aware of any other standards issued but not yet effective that would materially affect the amounts recognised or disclosed in the financial statements

Allied Farmers Limited
Notes to the consolidated financial statements
For the year ended 30 June 2025

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 (NZRLM) - the contracted asset manager of New Zealand Rural Land Company Limited (NZL), including a management agreement with RoC Partners.

Parent operations: The ultimate holding company for Allied Group's investments include an investment property and a loan advance together with the governance activity for the Group.

Segment information - all in New Zealand

	Livestock Services		Financial Services		Rural Land Management		Parent Operations		Total	
	June 2025 \$000	June 2024 \$000	June 2025 \$000	June 2024 \$000	June 2025 \$000	June 2024 \$000	June 2025 \$000	June 2024 \$000	June 2025 \$000	June 2024 \$000
Commission and fee income	16,261	13,126	2	21	2,734	3,350	-	-	18,997	16,497
Sale of goods	10,006	10,381	-	-	-	-	-	-	10,006	10,381
Interest income	364	253	128	75	-	-	425	-	917	328
Other Income *	28	78	364	344	-	-	322	-	714	422
Total Income	26,659	23,838	494	441	2,734	3,350	747	-	30,634	27,628
Changes in inventories	8,308	7,703	-	-	-	-	-	-	8,308	7,703
Personnel expenses	10,082	8,881	111	108	363	343	103	96	10,659	9,428
Depreciation and amortisation	698	645	-	-	521	520	-	-	1,219	1,165
Other expenses	3,903	3,671	37	42	313	829	1,526	1,139	5,779	5,681
Total Expenses	22,991	20,900	148	150	1,197	1,692	1,629	1,235	25,965	23,977
Finance Costs	(203)	(181)	(69)	(83)	(205)	(301)	(226)	-	(703)	(565)
Operating Profit/(loss) before tax	3,465	2,757	277	209	1,332	1,357	(1,108)	(1,235)	3,966	3,086
Gain on Sale of Properties	96	4,229	-	-	-	-	-	-	96	4,229
Gain on Investment Property at Fair Value	-	-	-	-	-	-	932	-	932	-
Loss on Financial Liability at Fair Value	-	-	-	-	-	-	(928)	-	(928)	-
Profit/(loss) before tax	3,561	6,986	277	209	1,332	1,357	(1,105)	(1,235)	4,066	7,315
Income tax (expense) / benefit	-	-	-	-	-	-	-	-	(225)	(396)
Profit/(loss) after tax	-	-	-	-	-	-	-	-	3,841	6,919
Current Assets	16,227	17,321	1,454	1,438	1,660	1,612	2,844	331	22,185	20,702
Investments in NZL (Note C2)	-	-	-	-	-	-	3,579	2,997	3,579	2,997
Other Non-Current Assets	4,997	5,517	100	100	9,320	9,839	2,500	-	16,917	15,456
Investment Property	-	-	-	-	-	-	10,500	-	10,500	-
Assets	21,224	22,838	1,554	1,538	10,980	11,451	19,423	3,328	53,181	39,155
Current Liabilities	13,064	9,848	-	-	864	1,105	534	336	14,462	11,289
Non-Current Liabilities	1,269	1,431	-	-	1,338	1,842	10,496	-	13,103	3,273
Liabilities	14,333	11,279	-	-	2,202	2,947	11,030	336	27,565	14,562
Additions of Property, Plant and Equipment, and Right of Use assets	1,000	2,043	-	-	-	-	-	-	1,000	2,043

* Other Income in the Financial Services segment includes referral fee income from Heartland Bank Limited to 30 June 2025 \$363,690 (June 2024: \$343,507). Other income in the Parent Operations segment comprises dividends received from NZL and rental income from an investment property acquired during the financial year. (Note C3)

* Gain on sale relates to the sale of an Allied Group property asset disposed of during the current financial year. A property was also disposed during the previous financial year.

* Revenue from customers >10% of the Groups' consolidated revenue - one customer generated revenue of \$8.4 million (2024: \$6.0 million)

Allied Farmers Limited

Notes to the consolidated financial statements

For the year ended 30 June 2025

Recognition

Commission income on facilitating a livestock sale, grazing or forward livestock sale is recognised when the sale has been arranged for the provision of livestock for a vendor and purchaser, net of rebates. The Group is acting as an agent as it does not control the goods before they are transferred from the vendor to the purchaser.

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.

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.

Income from referring customers to Heartland Bank Limited is recognised when the financing transaction has been arranged between Heartland Bank Limited and the borrower.

All revenue noted above, is recognised at a point in time, in accordance with NZ IFRS 15, and performance obligations are met upon delivery of goods.

Revenue by NZRLM from property management fees, performance fees and transaction fees are recognised over time 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 are determined based on the net asset value of the underlying fund and is settled in NZL shares. Half of the shares issued are subject to escrow arrangements for 5 years after the performance fee is payable. (Note C2)

A2 Taxation

	2025	2024
Current Tax	\$000	\$000
- on Profit for the year	(73)	(536)
Deferred Tax		
- Origination and Reversal of Temporary Differences	(153)	140
Total Tax Expense	(226)	(396)
	2025	2024
Reconciliation	\$000	\$000
Income tax using the company's tax rate (28%)	1,138	2,048
Expenditure not deductible for tax	13	11
Other permanent differences	107	145
Temporary differences	13	(8)
Recognition of increase (decrease) in deferred tax asset	153	(140)
Non Taxable Income	-	(1,181)
Use of Group tax losses	(1,650)	(1,271)
Income tax (expense)benefit	(226)	(396)

Measurement & Recognition

Income tax expense is the income tax assessed on taxable profit for the year. Taxable profit differs from profit before tax reported in the profit or loss as it excludes items of income and expense that are taxable or deductible in future years (i.e. deferred tax) and also excludes items that will never be taxable or deductible.

Deferred Tax

Movement in temporary differences during the year

Right of use assets
Lease liabilities
Property, plant and equipment
Financial receivable credit loss provision
Employee benefits
Tax loss carry forward

Opening balance	Recognised in income	Closing Balance
\$000	\$000	\$000
(506)	(41)	(547)
506	82	588
-	-	-
61	10	71
238	8	246
1,165	(212)	953
1,464	(153)	1,311

2025

Allied Farmers Limited
Notes to the consolidated financial statements
For the year ended 30 June 2025

2024

Right of use assets
Lease liabilities
Property, plant and equipment
Financial receivable credit loss provision
Employee benefits
Tax loss carry forward

Opening balance	Recognised in income	Closing Balance
\$000	\$000	\$000
(390)	(116)	(506)
390	116	506
-	-	-
51	10	61
249	(11)	238
1,024	141	1,165
1,324	140	1,464

Group unrecognised deferred tax assets comprise unused tax losses as at 30 June 2025 which are estimated at total \$172,428,062 (June 2024: \$178,126,791). The ability to utilise tax losses, given the age of the losses, is dependent upon continuing to meet shareholder continuity requirements of prevailing income tax legislation.

As at reporting date imputation credits available to the shareholders of only the Parent Company in subsequent periods totalled \$462 (2024: \$140,856).

A3 Earnings Per Share

Profit attributable to shareholders of Allied Farmers Limited
- Basic and diluted

Weighted number of shares

- Basic
- Diluted*

Earnings per share (cents)

- Basic
- Diluted

Group	
June	June
2025	2024
\$000	\$000
2,871	5,206
28,806	28,806
29,189	28,950
9.97	18.07
9.84	17.98

*144,032 Performance Share Rights were issued to the Managing Director under a long term incentive scheme effective from 1 July 2023 during the year ended 30 June 2024. A further 144,032 were issued in November 2024 and 95,000 were issued to employees of the company in September 2024. Apart from these there are no other changes during the year, nor are there any dilutive potential shares / warrants/ options or convertible instruments at the end of either the current or preceding year.

Allied Farmers Limited
Notes to the consolidated financial statements
For the year ended 30 June 2025

B. Funding and Related Financial Risks

In this section

This section explains how the Allied Group manages its various funding sources including capital structure and debt. It also explains the financial risks that the Group faces and how these risks are managed.

B1 Capital management

The Allied Group's capital includes share capital, accumulated losses, reserves and non controlling interests.

The Board manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may issue new shares, sell assets, seek additional debt funding, or adjust the amount of dividends paid to shareholders.

Accounting classifications and fair values

The tables below set out the Group's classification of each class of financial assets and liabilities, and their fair values

	Group		
	Fair Value Through Other Comprehensive Income	At Amortised Cost	At Fair Value through Profit & Loss
2025			
Financial Assets (\$000)			
Cash and Cash equivalents *	-	9,660	-
Trade Receivables *	-	10,216	-
Finance Receivables *	-	1,454	-
Loan Advance *	-	3,000	-
Other Investments	3,579	-	-
	3,579	24,330	-
Financial Liabilities (\$000)			
Trade and Other payables *	-	10,539	-
Bank Borrowings *	-	2,069	-
Term loans	-	-	10,496
Lease Liabilities	-	2,099	-
	-	14,706	10,496
2024			
Financial Assets (\$000)			
Cash and Cash equivalents *	-	9,524	-
Trade Receivables *	-	9,471	-
Finance Receivables *	-	1,438	-
Other Investments	3,005	-	-
	3,005	20,433	-
Financial Liabilities (\$000)			
Trade and Other payables *	-	7,990	-
Bank Borrowings *	-	2,709	-
Lease Liabilities	-	2,235	-
	-	12,934	-

* The carrying value of these assets and liabilities approximates fair value as they are either short-term in nature or carrying interest at floating rates.

B2 Share Capital

	Group	
	2025	2024
Share capital (\$000)	158,204	158,204
Number of shares issued and fully paid (000's)		
Balance at beginning of period	28,807	28,807
Balance at end of year	28,807	28,807

All ordinary shares rank equally as to voting, dividends and distribution of capital on liquidation. There is no par value.

B3 Non-controlling interests

The Allied Farmers Group's non controlling interests arise from minority interests held by other shareholders in NZ Farmers Livestock Limited (NZFL) and further non-controlling interests held by a shareholder other than NZ Farmers Livestock Limited in its controlled subsidiary, Redshaw Livestock Limited.

On 16 August 2024, 68% owned subsidiary NZ Farmers Livestock Limited undertook a share buy back and subsequent cancellation returning \$8,040,000 to Shareholders. \$6,066,000 has been paid to its shareholders in cash and there is \$1,974,000 outstanding. Of the \$6,066,000, \$1,955,000 was paid to non-controlling shareholders.

The following summary financial information of the NZFL Group is provided to assist in understanding the significance of external shareholders interests in the group's reported position and performance. This information is presented before intercompany eliminations.

Allied Farmers Limited
Notes to the consolidated financial statements
For the year ended 30 June 2025

	NZFL and Subsidiaries	
	2025	2024
Summary financial results for the year ended 30 June	\$000	\$000
Revenue	27,153	24,278
Profit and total comprehensive income	3,838	7,193
Summarised balance sheet as at 30 June		
Current assets	17,681	18,760
Non-current assets	5,097	5,617
Current liabilities	(13,064)	(9,848)
Non-current liabilities	(1,269)	(1,431)
Net assets	8,445	13,098

B4 Cash and cash equivalents

	Group	
	2025	2024
	\$000	\$000
Cash at bank	9,660	9,524
Net cash and cash equivalents	9,660	9,524
Undrawn overdraft facilities	8,500	8,500

Cash is held at banks with a credit rating of A- or higher.

The overdraft borrowing facilities of \$8.5 million which are provided by ANZ Banking Group (New Zealand) Limited include seasonal finance and are secured, by way of a first ranking General Security Agreement and gross guarantee and indemnity, against the assets of NZ Farmers Livestock Limited, NZ Farmers Livestock Finance Limited and Farmers Meat Export Limited. The financial covenants under these facilities have been fully complied with during the year. The facility is not drawn down at year end, and interest is 8.85% (FY24: 11.1%), plus interest and costs.

Redshaw Livestock has an undrawn overdraft facility of \$600,000 provided by the Bank of New Zealand. Other non-controlling shareholders of Redshaw Livestock guarantee the bank overdraft up to a total of \$312,000 (FY2024: \$312,000).

B5 Debt funding

		Group			
		Payable within 1 year	Payable after 1 year	Undrawn	Interest rate
		\$000	\$000	\$000	%
2025	Bank borrowings - Heartland Bank Limited	731	1,338	1,741	Variable at 7.32%
	Borrowings - MC Redlands Pty Ltd (Note C3)	-	10,496	-	Fixed at 2.59%
	Total debt funding	731	11,835	1,741	
2024	Bank borrowings - Heartland Bank Limited	867	1,842	1,102	Variable at 9.63%
	Total debt funding	867	1,842	1,102	

Refer to Note B7 for interest rate risk disclosures.

Measurement and recognition of borrowings

Financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, except for those liabilities that have been designated as measured at fair value through the profit or loss. For those liabilities measured at fair value through the profit or loss, transaction costs are expensed as incurred.

Bank borrowings - Heartland Bank Limited

The Heartland Bank Limited borrowings are secured by way of a first ranking General Security Agreement and cross guarantee against the assets of Allied Farmers Limited and New Zealand Rural Land Management Limited Partnership. Principal is paid monthly with final repayment in March 2028. The interest rate is calculated on the 90-day BKBM rate plus a margin of 4% (2024: unchanged). There are no covenants.

Borrowing - MC Redlands Pty Ltd

In September 2024 an Australian based private credit fund approached the Group to participate in a sales process of agricultural property assets. Properties were acquired for \$10.5m (Note C3) with a corresponding liability of the same notional value assumed.

To facilitate the transaction, a wholly owned subsidiary, Allied FLA Limited, was established to hold and ring-fence the assets and the associated liability.

The Group is entitled to a profit share if the properties are sold for more than \$11m. The amount of profit share is calculated on an individual property basis.

The transaction is legally structured as an acquisition of the properties with the consideration settled via a loan (nominal value of \$10.5m with the properties pledged as collateral) and a redeemable preference share which effectuates the profit share.

The terms of the loan are:

- the loan is repayable in three years from the drawdown date in late September 2024.
- there are no principal reductions between the date the loan was entered into and final repayment date.
- interest at a rate of 1% per annum is payable in monthly instalments, which was subsequently amended to be deferred with the lenders agreement.
- interest at a rate of 1.59% per annum which is payable at the final repayment date. This interest is capped in that it cannot exceed a total of \$500,000.

The loan is secured over 4 properties with a General Security Agreement over FLA.

Allied Farmers Limited

Notes to the consolidated financial statements

For the year ended 30 June 2025

Accounting Treatment

The Group considers that the loan and redeemable preference share are a single instrument on the basis that the agreements -

- were entered into simultaneously and in contemplation of one another with the same counterparties,
- are interdependent and collectively allocate the proceeds from the sale of the properties.

The single instrument is a financial liability that has been designated at fair value on the basis that the performance is managed and evaluated on a fair value basis.

The Group has determined that the fair value of the financial liability at initial recognition (September 2024) is \$9.568m, a difference of \$0.932m to its nominal value of \$10.5m. That difference (\$0.932m) has been applied to the cost of the properties at their initial recognition, refer to the investment property Note C3.

The fair value of the financial liability has been calculated based on the expected future cash outflows of the two legal components, the loan and the profit share component (redeemable preference share) discounted at the applicable market rates for each respective component.

The Group has determined that the fair value of the financial liability on 30 June 2025 is \$10.496m, an increase of \$0.928m. This has been calculated using the same approach but with updated assumptions. The interest component forms part of the fair value movement.

Key assumptions in fair value measurement

Financial Schedule

Initial recognition September 2024
Fair value adjustment June 2025
Closing Balance

Liability	Movement	Amount
\$000	\$000	\$000
10,500	(932)	9,568
-	928	928
10,500	(4)	10,496

Assumption

Fair value growth rate in properties
Cost of debt (used for the loan component)
Weighted average cost of capital (used for the profit share component)

September 2024	June 2025
\$000	\$000
5.00%	5.00%
6.71%	4.79%
8.80%	8.50%

Fair Value Measurement

The fair value measurement of the financial liability uses inputs that are unobservable and hence the Group has classified the financial liability as a level 3 instrument in accordance with the NZ IFRS 13 fair value hierarchy.

The Group has concluded that the credit risk impact on the fair value measurement is immaterial, and hence the full fair value movement has been reflected in the profit or loss, with no impact in the Statement of Other Comprehensive Income.

The Group has assessed possible changes in key assumptions and their impact on the fair value of the financial liability.

Sensitivity Analysis June 2025	Increase %	Decrease %
	\$000	\$000
Fair value growth rate in properties	+1%	-1%
	55	(62)
Cost of debt (used for the loan component)	0.5%	-0.5%
	(106)	100
Weighted average cost of capital (used for the profit share component)	2%	-2%
	(22)	22
	(73)	60

Carrying Amount Reconciliation

Transaction Value
Fair Value Gain on Initial Recognition
Fair Value at Initial Recognition

Fair Value Loss to 30 June 2025
Fair Value to 30 June 2025

Cumulative Fair Value Gain For Period

Carrying Value 2025	Carrying Value 2024
\$000	\$000
10,500	-
(932)	-
9,568	-
928	-
10,496	-
(4)	-

Allied Farmers Limited
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B6 Lease liabilities

Opening
Leases entered into during the period
Interest expense
Repayments

Current lease liabilities
Non-current lease liabilities

Group			
2025			
Property	Motor Vehicles	Plant & Equipment	Total
\$000	\$000	\$000	\$000
171	2,033	31	2,235
-	718	-	718
19	178	2	199
(27)	(1,009)	(17)	(1,053)
163	1,920	16	2,099
87	727	16	830
76	1,193	-	1,269

Opening
Leases entered into during the period
Interest expense
Repayments

Current lease liabilities
Non-current lease liabilities

Group			
2024			
Property	Motor Vehicles	Plant & Equipment	Total
\$000	\$000	\$000	\$000
259	1,267	44	1,570
-	1,726	-	1,726
32	127	4	163
(120)	(1,087)	(17)	(1,224)
171	2,033	31	2,235
88	701	15	804
83	1,332	16	1,431

Measurement and recognition

The above lease liabilities are in relation to leases of regional offices, motor vehicles and property.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used.

Option to purchase included in new lease arrangements are included within lease payments in which management expects to exercise at the inception of the lease.

The motor vehicle leases are typically for a 3 year term with instalments of principal and interest paid on a monthly basis. At the end of the lease the vehicle can either be returned or the Group has the ability to pay the option to purchase and take ownership of the vehicle. The Lessor holds a registered security interest over the vehicle throughout the term of the lease. All vehicle operating expenses are met by the Group. The Group's incremental borrowing rate ranges between 6.0% to 10.6% (2024: 6.0% to 10.6%) as the discount rate, with adjustments for the type and term of the lease.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases within operating expenses on a straight-line basis over their lease terms. These lease payments totaled \$107,000 for the year (2024: \$28,000)

Refer to Note B7 for the maturity analysis of lease liabilities.

B7 Payables

Trade Payables
Accruals and sundry creditors
Total payables

Group	
2025	2024
\$000	\$000
10,539	7,990
710	402
11,249	8,392

These are substantially the liability that exist to the vendor of livestock as a result of livestock sales on the vendors behalf.

Trade payables and other payables that have a contractual obligation are measured at initial recognition at fair value, and are subsequently carried at amortised cost.

Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations as they fall due.

Liquidity risk is reviewed on an ongoing basis and managed to meet requirements. Cash flow forecasting is performed in the operating entities of the Group and aggregated at Group level. The Group monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The amounts disclosed in the tables above show the contractual undiscounted cash flows (including interest) due on financial liabilities, so will not always reconcile to the amount disclosed on the balance sheet. The amounts below also reflect the contractual repricing timing on financial liabilities, if applicable.

Allied Farmers Limited
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	Balance Sheet	Contractual Cashflow	< 6 months	6 - 12 mths	1 - 5 yrs
	\$000	\$000	\$000	\$000	\$000
2025					
Trade and other payables	11,249	11,249	11,249	-	-
Bank borrowings - Heartland Bank Limited	2,069	2,288	415	416	1,456
Borrowings - MC Redlands Pty Ltd	10,496	11,087	53	53	10,981
Lease liabilities	2,099	2,225	356	372	1,498
	25,913	26,849	12,073	841	13,935
2024					
Trade and other payables	8,392	8,392	8,392	-	-
Bank borrowings - Heartland Bank Limited	2,709	3,250	433	433	2,384
Lease liabilities	2,235	2,495	534	460	1,501
	13,336	14,137	9,359	893	3,885

Interest Rate Risk

The Group is exposed to interest rate risk on movements in floating interest rates on bank borrowings. Finance receivables have fixed interest rates and generally a term of less than one year.

In managing interest rate risk, the Group aims to reduce the impact of short-term fluctuations on the group's earnings. Over the longer term, however, permanent changes in interest rates will have an impact on profit.

If market interest rates for bank borrowings were to increase or decrease by +/-1% (2024: +/-1%), the effect on net profit after tax and equity for the year as applied to year end balances would be as follows:

	Group	
	2025	2024
	\$000	\$000
Effect on net profit for the year / equity	21	27

B8 Net Interest income/(costs)

	Group	
	2025	2024
	\$000	\$000
Interest income from:		
- trade and finance receivables	479	321
- loan advance	389	-
- cash at banks	49	7
Total interest income	917	328
Interest expense on borrowings at amortised cost	(278)	(399)
Interest expense on liabilities at fair value through profit or loss	(226)	-
Lease interest	(198)	(166)
Total interest expenses	(702)	(565)
Net Interest income/(costs)	215	(237)

Allied Farmers Limited
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C. Our receivable and other assets

In this section

This section explains:

- The assets the Group is due to receive from third parties and the credit risk associated with these assets.
- The property and motor vehicles the Group owns and has a right to use under lease arrangements.

C1 Receivables

	Group	
	2025	2024
	\$000	\$000
Trade receivables	10,216	9,471
Finance receivables	1,454	1,438
Total receivables	11,670	10,909

Amounts are stated at carrying value, net of credit loss allowance provisions of

	261	220
--	------------	-----

Receivables written off during the year

	18	12
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The status of receivables at the reporting date is as follows:

Group receivables

	Not yet due	1 - 30 days overdue	31 - 60 days overdue	>60 days overdue	Total
	\$000	\$000	\$000	\$000	\$000
2025					
Receivables from livestock sales	2,426	7,138	204	199	9,967
Credit loss allowance (livestock)	(50)	(18)	(5)	(98)	(171)
Receivables from NZL	325	2	-	-	327
Other trade receivables	75	18	-	-	93
Finance receivables	1,493	-	-	51	1,544
Credit loss allowance (finance)	-	(2)	(26)	(62)	(90)
Net receivable	4,268	7,138	173	90	11,670
2024					
Receivables from livestock sales	6,946	836	395	264	8,441
Credit loss allowance (livestock)	(38)	(14)	(4)	(74)	(130)
Receivables from NZL	140	-	-	1,020	1,160
Finance receivables	1,005	81	380	62	1,528
Credit loss allowance (finance)	-	(2)	(26)	(62)	(90)
Net receivable	8,053	901	745	1,210	10,909

Security held for finance receivables

	2025	2024
	\$000	\$000
Secured via PPSR	1,544	1,527
Not secured	-	-
Total finance receivables	1,544	1,527

On origination, the finance receivables will fund the entire value of secured livestock. No credit scores are assigned to borrowers for internal risk management purposes.

Concentrations of counterparties

Receivables from livestock sales and finance receivables are exclusively held with counterparties trading in the farming sector. One customer generated revenue of \$8.4 million (2024: \$6.0 million).

The receivables from NZL includes transaction, leasing and management fees due in accordance with the management contract. This balance is not secured as at 30 June 2025.

Movement in gross finance receivables balance

	2025	2024
	\$000	\$000
Opening balance	1,527	1,596
New loans issued	7,874	6,315
Principal repaid	(8,039)	(6,477)
Interest	182	93
Total finance receivables	1,544	1,527

Allied Farmers Limited

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For the year ended 30 June 2025

Key Judgement

The loss allowances for receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

It is expected that all trade receivables will be collected within 12 months of the reporting date. All accounts past their due date have been subject to collective assessment.

Measurement and recognition

Receivables from livestock sales and finance receivables, held with a business model to collect contractual cash flows and solely payment of principal and interest, are measured on initial recognition at fair value, and are subsequently carried at amortised cost, less provision for expected credit losses.

For receivables from livestock sales, the provision for expected credit losses is based on the simplified approach, as permitted by NZ IFRS 9, and records the loss allowances as lifetime expected credit losses from recognition. These are the expected credit losses that result from all possible default events over the life of the financial instrument.

Based on the general approach which requires a loss allowance on a 12-month expected credit loss, and a lifetime expected credit loss for significant increase in credit risk, finance receivables are reviewed on an individual basis to determine whether any amounts are unrecoverable and an expected credit loss provision is recorded. The expected credit losses are based on management's assessment of amounts considered uncollectible for specific customers based on age of debt, history of payments, account activity, current and future economic factors and other relevant information. Debts known to be uncollectible are written-off as bad debts to the profit and loss when identified.

Credit Risk Management

Credit risk is the risk that a counterparty to a transaction with the Group will fail to discharge its obligations and make payment, causing the Group to incur a financial loss.

The Group manages its exposure using a credit policy that includes limits on exposures with significant counterparties that have been set and approved by the Board and are monitored on a regular basis and does not have any significant concentration of risk with any single party. The Group considers an account to be in default when a debtor fails to make a contractual payment in the absence of a written agreement to the contrary. This is when the account is past due by more than 90 days. Livestock finance receivables are secured over the livestock concerned and in the majority of cases supported by personal covenants from the borrower.

Receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a loan or receivable for write-off when a debtor fails to make contractual payments more than 180 days past due. Where loans or receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made these are recognised in profit or loss.

Loan Advance

The loan advance is held to collect contractual cash flows solely of principal and interest. Consequently, it also requires an assessment of expected credit losses. Based on the two-step approach when credit was first extended, the initial creditworthiness of the borrower and initial expectations of credit losses were considered in determining pricing and other conditions of the financial instrument. Management has then reassessed to determine whether any subsequent changes in those loss expectations had occurred. This assessment was based on history of payments, whether a change in the credit worthiness of the borrower had occurred giving rise to a change in expectations that the borrower is able to meet their commitments, current and future economic factors. Information from the borrowers, including supportable forward looking information and external sources, do not indicate a change in credit worthiness. Contractual commitments including cashflows have and continue to be met, are current and not past due.

Equity price risk

The shares the Group owns in New Zealand Rural Land Company Limited which is listed on the NZX are subject to equity price risk as they are shares which are quoted and traded in an active market.

If prices for these equity securities had changed by 16% (2024: 16%), which is the increase in price since 30 June 2025, with all other variables including tax rate being held constant. The effects on other comprehensive income would have been:

	2025	2024
	\$000	\$000
	573	480
Effect on other comprehensive income	573	480

C2 Investments Held by Group

	2025	2024
	\$000	\$000
New Zealand Rural Land Company Limited ("NZL")	3,579	2,997
Other Investments	1	8
Total Investments	3,580	3,005

Allied Farmers Limited

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New Zealand Rural Land Company Limited

At 30 June 2025 the Group holds 3,933,110 (2024: 3,367,756) shares in New Zealand Rural Land Company Limited. This holding represents a 2.71% ownership in NZL as at 30 June 2025 (2024: 2.41%). These shares are equity investments quoted in the active market which the Group, as they are not held for trading, has irrevocably at initial recognition elected to designate as a financial asset at fair value through other comprehensive income.

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 30 June 2025 is \$3,579,130 (2024: \$2,997,328).

Under the Management Agreement NZL is to pay NZRLM a performance fee (Note A1) which, subject to certain adjustments, is to be equal to 10% of the increase in net asset value of NZL in each financial year. The performance fee for the year ended 30 June 2025 was settled by 411,772 shares of NZL distributed to NZRLM. The performance fee for the year ended 30 June 2024 was settled by 564,139 shares of NZL distributed to NZRLM. Half of the shares issued in each Financial Year to satisfy the performance fee are subject to escrow arrangements, under which NZRLM or any nominee agrees not to sell, transfer, assign or otherwise dispose of, or offer or agree to sell, transfer, assign or otherwise dispose of, its right and title to, and beneficial interest in such shares for a five year period. 1,553,605 shares distributed to Allied Farmers Limited were subject to this arrangement as at 30 June 2025 (2024: 1,347,719).

Dividends from NZL recognised in profit or loss in other income was \$136,129 (2024: nil), paid in 153,582 shares of NZL.

	2025	2024
	\$000	\$000
Carrying Value Brought Forward	2,997	2,467
Dividends from NZL paid in shares	136	-
Shares Issued under NZRLM Performance Fee Arrangement	660	901
Change in Value Credited to Other Reserves	(214)	(371)
At 30 June	3,579	2,997

C3 Investment - Property

In September 2024 an Australian based private credit fund approached Allied Farmers to participate in a sales process of agricultural property assets. The properties were acquired for \$10.5m with a corresponding liability of the same notional value assumed. (Note B5)

The properties include,

- a dairy farm and support block (leased to a single tenant),
- a lifestyle property, and
- an industrial site (both currently vacant, with leasing efforts underway).

The Group, exercising judgment, has determined that the properties should be classified as investment properties on the basis that they are held to earn rentals and for some capital appreciation.

The Group has made an accounting policy choice to subsequently account for the investment properties at fair value.

Investment Property

	\$000
Cost (September 2024)	10,500
Less day 1 adjustment (refer to note B5)	(932)
Fair value adjustment 30 June 2025	932
Closing balance	10,500

Items of Income and Expense

During the year \$0.186m (2024: \$nil) was recognised in the Consolidated Statement of Profit and Loss in relation to rental income from the investment properties. Direct operating expenses, including repairs and maintenance, arising from both the properties that generated rental income and those investment properties that did not generate rental income during the year amounted to \$0.008m (2024: \$nil). Interest expense incurred totalled \$0.226m of which \$0.138m is capitalised interest (2024: \$nil). (Note B5)

Restrictions and Obligations

Refer to Note B5 for restrictions on the realisability of investment property or the remittance of income and proceeds of disposal (2024: none). There are currently no obligations to construct or develop the existing investment properties.

Fair Value Measurement

The investment properties were valued using the below valuation techniques by external independent qualified valuers with recent experience valuing investment properties in the location held by the Group, namely Summit Rural for the farming properties and Greenland Valuers for the industrial site.

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The fair value of the investment property has not been adjusted significantly for the purposes of financial reporting. The fair value of investment property is categorised as a Level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balance is provided below.

	2025	2024
	\$000	\$000
Transaction price	10,500	-
Fair Value loss at inception (Note B5)	(932)	-
	9,568	-
Gains (Loss) arising from change in Fair Value in the period	932	-
Closing balance (level 3 recurring Fair Values)	10,500	-

The valuation technique and significant unobservable inputs used in determining the fair value measurement of investment property, as well as the inter-relationship between key unobservable inputs and fair value at 30 June 2025, is detailed in the table below.

Valuation techniques and inputs used

Nature of property	Fair value	Valuation technique	Unobservable input	Rate
	\$000			
Support block	1,511	Income approach (1)	Capitalisation rate	5.25%
Dairy farm	2,655	Income approach (1)	Capitalisation rate	5.25%
Industrial site - main	5,448	Market approach with adjustment (2)	Downward adjustment to completed earthworks \$ per square metre (excluding earth works)	35% \$60
Lifestyle block	362	Market approach (3)		
Industrial site - secondary	525	Market approach (3)		
Total	10,500			

(1) These assets are subject to a long-term lease. Their fair value has been calculated by dividing the rental income by the market capitalisation rate (the market's required rate of return).

(2) The fair value has been determined by comparing the assets to similar assets (excluding completed earthworks) for which recent sales data is available. The value attributable to the earthworks has been determined based on the tendered cost of the completed works, adjusted downwards to account for:

- the potential need for remediation or general tidying, and
- the fact that the works are tailored for a specific use, meaning alternative users may not be willing to pay the full cost of these improvements.

(3) The basis of the fair value has been determined by comparing the assets to similar assets for which recent sales data is available.

Valuation and sensitivity

The Group has assessed possible changes in key assumptions and their impact on the fair value of the properties at 30 June 2025.

Sensitivity	Fair value	Rate	Sensitivity	
			+2%	-2%
	\$000	\$000	\$000	\$000
Support block	1,511	5.25%	(407)	951
Dairy farm	2,655	5.25%	(715)	1,671
			+10%	-10%
Industrial site - main	5,448	35% \$60	(338) 351	429 (249)
Lifestyle block	362			
Industrial site - secondary	525			
Total	10,500			

There were no changes to the valuation techniques of level 3 fair value measurements in the period. The fair value measurement is based on the above item's highest and best use, which does not differ from their actual use.

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Notes to the consolidated financial statements

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C4 Loan Advance

During the year Allied Farmers Limited (Allied) advanced \$3,000,000 to a substantial farming dairy farming operation in South Canterbury to fund its working capital.

The loan is secured by a second ranking (behind the Senior Finance Parties) General Security Deed provided by the borrower. As further security other companies in the same group as the borrower have also provided a second ranking security (behind the Senior Finance Parties) also secured by General Security Deed. The interest rate on the loan is 15% per annum, with interest being paid monthly. The loan is for a 3-year term from the date of refinancing with two principal reductions of \$0.5m each the first in April 2026 and the second in April 2027. These two payments have been permitted by and rank ahead of the Senior Finance Parties.

We are aware that the financial covenants of the borrower on the Initial Loan and the New Loan have been fully complied with since drawdown. This loan advance is reflected in Parent Operations in the Segment Note above.

C5 Property, Plant & Equipment Owned

Cost at beginning of year

Additions/transfer from right-of-use assets

Disposals

Cost at end of year

Accumulated depreciation at beginning of the year

Depreciation

Disposals

Accumulated depreciation at end of year

Net value 2025

2025				
Land	Buildings	Plant and equipment	Motor Vehicles	Total
\$000	\$000	\$000	\$000	\$000
626	814	635	759	2,834
-	-	8	274	282
(21)	(69)	-	(706)	(796)
605	745	643	327	2,320
-	(570)	(481)	(291)	(1,342)
-	(50)	(26)	(23)	(99)
-	29	9	132	170
-	(591)	(498)	(182)	(1,271)
605	154	145	145	1,049

Cost at beginning of year

Additions

Disposals

Cost at end of year

Accumulated depreciation at beginning of the year

Depreciation

Disposals

Accumulated depreciation at end of year

Net value 2024

2024				
Land	Buildings	Plant and equipment	Motor Vehicles	Total
\$000	\$000	\$000	\$000	\$000
2,019	1,049	650	619	4,337
-	-	15	302	317
(1,393)	(235)	(30)	(162)	(1,820)
626	814	635	759	2,834
-	(607)	(465)	(428)	(1,500)
-	(62)	(32)	(12)	(106)
-	99	16	149	264
-	(570)	(481)	(291)	(1,342)
626	244	154	468	1,492

Right of Use Assets

Opening

Additions

Less Disposal / transfer to owned assets

Less Depreciation

Total Right of use Asset

Total Cost

Total Accumulated Depreciation

Total Carrying Value

2025			
Property	Motor Vehicles	Plant & Equipment	Total
\$000	\$000	\$000	\$000
152	1,626	30	1,808
-	1,033	-	1,033
-	(382)	-	(382)
(75)	(416)	(14)	(505)
77	1,861	16	1,954
620	3,936	57	4,613
(543)	(2,075)	(41)	(2,659)
77	1,861	16	1,954

Opening

Additions

Less Disposal / transfer to owned assets

Less Depreciation

Total Right of use Asset

Total Cost

Total Accumulated Depreciation

Total Carrying Value

2024			
Property	Motor Vehicles	Plant & Equipment	Total
\$000	\$000	\$000	\$000
247	1,101	44	1,392
-	1,726	-	1,726
-	(864)	-	(864)
(95)	(337)	(14)	(446)
152	1,626	30	1,808
620	3,285	57	3,962
(468)	(1,659)	(27)	(2,154)
152	1,626	30	1,808

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Measurement and recognition

Right of use assets are initially measured at the amount of the lease liability (Note B6). All owned property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment. Land is not depreciated. All other owned property, plant and equipment is depreciated on a straight line basis at rates over their estimated useful lives, as follows:

- Buildings: 8 - 30 years
- Plant and equipment: 2.5 - 30 years
- Motor Vehicles: 1-3 years
- Right of use assets: shorter of the useful life or lease term.

C6 Intangible Assets

2025			
	NZL Management Contract	Software	Total
Opening Cost	\$000	\$000	\$000
Additions	10,474	922	11,396
Disposals	-	28	28
Cost at end of year	10,474	950	11,424
Accumulated amortisation at beginning of the year	(648)	(806)	(1,454)
Amortisation	(517)	(94)	(611)
Accumulated amortisation at end of year	(1,165)	(900)	(2,065)
Net value 2025	9,309	50	9,359

2024			
	NZL Management Contract	Software	Total
Opening Cost	\$000	\$000	\$000
Additions	10,474	809	11,283
Disposals	-	113	113
	-	-	-
Accumulated amortisation at beginning of the year	(131)	(710)	(841)
Amortisation	(517)	(96)	(613)
Accumulated amortisation at end of year	(648)	(806)	(1,454)
Net value 2024	9,826	116	9,942

In November 2020, New Zealand Rural Land Company Limited (NZL) entered into an exclusive management agreement with NZRLM to provide NZL with management investment and administrative services (Management Agreement).

NZL Management Contract was recognised as an intangible assets in March 2023 when Allied completed the purchase of the 50% of NZRLM that it did not already own.

At the reporting date, NZL Management Contract has a remaining amortisation period of 17.7 years.

Key Judgement

The assessment that there was no impairment of the NZL management contract at 30 June 2025. The recoverable amount of the management contract is based on management forecasts of future financial performance together with an assessment of the useful life of the asset, and therefore there is an inherent estimation uncertainty.

Measurement and recognition

Intangible assets carried at cost less accumulated depreciation and accumulated impairment. They are depreciated on a straight line basis at rates over their estimated useful lives, as follows:

An impairment assessment was performed on NZL Management Contract as at 30 June 2025. No impairment was required at 30 June 2025.

Management determined the recoverable amount of the intangible asset at 30 June 2025 from a value in use calculation. This included the following key assumptions and inputs:

- Asset Growth in the portfolio being managed - 2.3% per annum (2024: 2.3%)
- The level of acquisitions and divestments to the portfolio - 5% per annum (2024: 5%)
- The discount rate to ensure it reflects the specific risks relating to future financial performance - 5.4% (2024: 6.1%)

NZRLM also acts as manager for the Investor in respect of its interest in the LP. NZRLM does not receive a benefit due to its related party relationship with NZL.

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D. Group Structure

In this section

This section provides information to help readers understand the Group structure and how it affects the financial position and performance of the Group.

D1 Subsidiaries

The Group financial statements include the financial statements of Allied Farmers Limited and the operating subsidiaries listed below.

Subsidiaries are entities controlled by the group. Control is achieved when the Group is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial records of operating subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

		2025	2024
		Ownership interest	Ownership interest
Operating Subsidiaries of the Parent			
Allied Farmers (New Zealand) Limited	Investment	100%	100%
Allied Farmers Rural Limited	Investment	100%	100%
Rural Funding SolutionNZ Limited	Finance	100%	100%
New Zealand Rural Land Management GP Limited	Rural Property Management	100%	100%
Allied FLA Limited	Investment	100%	100%
ALF Nominees Limited	Non trading	100%	100%
Subsidiaries of Allied Farmers Rural Limited			
NZ Farmers Livestock Limited	Livestock Agency and Finance	68%	68%
Subsidiaries of NZ Farmers Livestock Limited			
Farmers Meat Export Limited	Meat Processing and Trading	100%	100%
NZ Farmers Livestock Finance Ltd	Livestock Finance	100%	100%
Redshaw Livestock Limited	Livestock Agency	52%	52%
Subsidiaries of Allied Farmers (New Zealand) Limited			
Allied Farmers Property Holdings Limited	Non trading	100%	100%
QWF Holdings Limited	Non trading	100%	100%
Clearwater Hotel 2004 Limited	Non trading	100%	100%
Lifestyles of New Zealand Queenstown Limited	Non trading	100%	100%
LONZ 2008 Limited	Non trading	100%	100%
LONZ 2008 Holdings Limited	Non trading	100%	100%
Subsidiaries of Allied Farmers Property Holdings Limited			
UFL Lakeview Limited	Non trading	100%	100%
5M No. 2 Limited	Non trading	100%	100%
Subsidiaries of New Zealand Rural Land Management GP Limited			
NZRLM Limited	Non trading	100%	100%

All companies within the Group are incorporated in and have their principal place of business in New Zealand, and have a reporting date of 30 June.

D2 Goodwill

Cash generating units:

Redshaw (within Livestock Services operating segment)
NZFLFL

Group	
2025	2024
\$000	\$000
642	642
100	100
742	742

Goodwill in Redshaw arose on the acquisition of a controlling interest in Redshaw Livestock Limited.

Allied Farmers Limited

Notes to the consolidated financial statements

For the year ended 30 June 2025

Key Judgement

The assessment that there was no impairment of the goodwill in the Redshaw CGU ('cash generating unit') at 30 June 2025. The valuation of the CGU is based on a discounted cashflow of management forecasts of future financial performance and therefore there is an inherent estimation uncertainty.

Impairment assessment

Redshaw CGU

On an annual basis, the recoverable amount of Goodwill is determined based on value in use calculations specific to the Redshaw CGU. These calculations use pre-tax cash flow projections based on financial budgets prepared by management covering a five year period. Cash flows beyond the five year period are extrapolated by way of a terminal value calculation using the estimated growth rates stated below. The growth rates adopted are consistent with internal forecasts and budgets. The discount rate reflects the specific risks relating to the cash flow being discounted.

	2025	2024
Revenue growth rate	2.5%	2.5%
Long term growth rate	2.5%	2.5%
Post tax discount rate (leading to a pre-tax equivalent rate of 21.5%)	15.5%	15.5%

Below is a sensitivity analysis showing the impact on value of changes to the key variables:

The estimated recoverable amount of the Redshaw CGU is estimated to have exceeded the carrying amount of the CGU at 30 June 2025 by approximately \$174,000 (2024: \$114,000).

Management has identified that a reasonably possible change in key assumption could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which these assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	2025	2024
Revenue growth rate - reduced by	2.5%	2.5%
Long term growth rate - reduced by	2.5%	2.5%
Discount rate - increased by	4.0%	1.5%

NZ Farmers Livestock Finance CGU

On an annual basis the recoverable amount of this goodwill is tested by undertaking an assessment of its value in use.

No impairment charge was required to be recognised in the financial statements. There are no foreseeable changes in assumptions which could result in a material impairment.

D3 Jointly Controlled Operation - Associated Auctioneers

Measurement & Recognition

The Group's subsidiary NZ Farmers Livestock Limited owns a proportion (25-50%) of various sale yard tangible assets and has joint arrangements in relation to the operation of these sale yards (referred to as 'Associated Auctioneers'). The Group has assessed the nature of its investment in Associated Auctioneers as joint operations. As joint operations, the Group accounts for its share of the revenue, expenses, assets and liabilities.

These joint operations are in three different locations (2024: four). These joint operations are charged with the operating activities of the sale yards including conducting sales of livestock via the auction process, maintaining the sale yards, collecting levies on livestock sales and meeting operating costs of the yards. If there is a shortfall in the income to meet the operating costs in any one year then the joint operation's parties are required to contribute to the shortfall in the proportion of their ownership of the sale yards.

The joint operation of the sale yards is strategically vital to the interests of NZ Farmers Livestock Limited as the sale yards activity provide significant income to NZ Farmers Livestock Limited via commission on the sale of livestock handled through the sale yards.

	Group's Share of Profit	Group's Share of Assets	Group's Share of Liabilities	Group's Share of Revenues	Group's Share of Expenses
	\$000	\$000	\$000	\$000	\$000
2025	32	256	(26)	424	(391)
2024	(17)	189	(29)	700	(717)

Allied Farmers Limited
Notes to the consolidated financial statements
For the year ended 30 June 2025

E. Other

In this section

This section includes information required to comply with financial reporting standards that is not covered in other sections.

E1 Related parties

Identity of related parties

The Group has a related party relationship with each of its subsidiary companies and joint operation outlined in Section D.

Related parties include key management personnel, their related parties, or directors/non-controlling shareholders of NZFL.

	Group	
	2025	2024
	\$000	\$000
Key management personnel ('KMP') compensation		
Short term employee benefits	563	576
Directors fees	155	150
Post employment benefits	19	18
Transactions with entities with common directors		
Livestock sales	1,352	1043
Livestock purchases	1,955	832
Commission revenue	63	39
Return of capital to non-controlling shareholders of NZFL	1,955	-
Dividends received as non-controlling shareholders of NZFL	724	580
Accounts payable by NZFL/AFL	141	140
Amount receivable from NZL	327	1,421

No debts with key management personnel were written off during the year (2024: nil)

Transactions with entities with common director - Heartland Bank Limited

Borrowings at reporting date	2,068	2,709
Interest Paid on borrowings	205	301
Referral Fees received	364	344
Vehicle Lease Liability at reporting date*	139	180
Interest Paid on Vehicles lease liabilities*	14	23

* Relates to NZ Farmers Livestock entering into four vehicle leases with KIA Finance provided by Heartland Bank Limited.

Managing Director

Contract for Service	375	250
Short Term Incentive	281	250
Share Based Payments	28	25

144,032 (2024: 144,032) Performance Right Shares were issued to Mr Milsom under a long term incentive scheme which commenced on 1 July 2023.

E2 Auditors' remuneration

	2025	2024
	\$000	\$000
Fees paid to the auditors		
Audit of the financial statements - BDO	155	-
Audit of the financial statements - RSM Hayes	-	125
Fees for other Services - RSM Hayes	3	3
Direct expenses associated with the audit	24	22
Total	182	150

Allied Farmers Limited
Notes to the consolidated financial statements
For the year ended 30 June 2025

E3 Personnel expenses

	2025	2024
Reflected with Personnel expenses	\$000	\$000
Short Term Employee Benefits	8,136	7,396
Amounts Paid to Contractor Agents within the Livestock Services Segment	2,328	1,849
Post employment benefits	195	183
	10,659	9,428
Reflected in Other Operating Expenses		
Directors fees	155	150
Share Based Payments	28	25
	183	175

E4 Reconciliation of Profit to Cash Surplus from Operating Activities

	2025	2024
Profit for the year	\$000	\$000
Tax expenses	3,841	6,919
	225	396
<i>Adjustments for items not involving cash flows:</i>		
Impairment reversal on receivables	58	39
Fair value gain on investment properties	(932)	-
Loss on financial liabilities at fair value	928	-
(Profit)/loss on sale of assets	77	(47)
(Profit)/loss on sale of Saleyards	(96)	(4,229)
Depreciation and amortisation	1,219	1,165
Movement in Investments	18	-
Dividend and performance shares received in shares	(796)	(901)
Other - including non cash items	(67)	-
	409	(3,973)
Movement in trade and other receivables	(979)	612
Movement in inventories	84	12
Movement in trade, other payables and employee benefits	3,264	(1,245)
Tax paid	(45)	(621)

Cash flow from operating Activities	6,799	2,099
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This note provides a reconciliation of the opening and closing balances of liabilities arising from financing activities, including both cash flow and non-cash changes during the financial year:

Reconciliation of liabilities arising from financing activities

Description	2025			
	Opening Balance	Repayments	Non-cash movements	Closing Balance
	\$000	\$000	\$000	\$000
Lease liabilities	2,235	(854)	718	2,099
Heartland borrowings	2,709	(640)	-	2,069
Loan from MC Redlands	-	-	10,496	10,496
Non-controlling interests	2,688	(2,679)	970	979
Total liabilities from financing	7,632	(4,173)	12,184	15,644
Description	2024			
	Opening Balance	Repayments	Non-cash movements	Closing Balance
	\$000	\$000	\$000	\$000
Lease liabilities	1,570	(1,061)	1,726	2,235
Heartland borrowings	3,660	(951)	-	2,709
Non-controlling interests	1,653	(678)	1,713	2,688
Total liabilities from financing	6,883	(2,690)	3,439	7,632

Allied Farmers Limited

Notes to the consolidated financial statements

For the year ended 30 June 2025

Non-Cash movement relates to motor vehicles which, when they are purchased, are under lease arrangements. (Note B6)

E5 Events Subsequent to Reporting Date

On 27 August 2025 the shareholders of NZ Farmers Livestock Limited (NZFL), 67.77% owned by Allied Farmers Limited, signed a conditional Sale and Purchase Agreement to sell NZFL to Rural Livestock Limited. The sale will be effected by the transfer of all NZFL's ordinary shares to RLL for an enterprise value of \$10.988 million, adjusted at completion to recognise RLL's assumption of net debt and employee and vehicle lease liabilities, the value of NZFL's loan book, and to recognise agreed Target Trade Net Working Capital. Allied Farmers Limited's 67.77% of the sale proceeds will be fully satisfied in cash. There are several usual conditions precedent, including that Allied Farmers Limited obtain shareholder approval (by way of ordinary resolution) as a Major Transaction pursuant to NZX Listing Rule 5.1.1 (a). This approval will be sought at Allied Farmers Limited's Annual Meeting, likely to be held in early November 2025. Completion is targeted for 1 December 2025.

There were no other subsequent events to disclose.

6 INDEPENDENT AUDITOR'S REPORT

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
ALLIED FARMERS LIMITED**

Opinion

We have audited the consolidated financial statements of Allied Farmers Limited ("the Company") and its subsidiaries (together, "the Group"), which comprise the consolidated balance sheet as at 30 June 2025 and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and IFRS[®] Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Company or any of its subsidiaries.

Key Audit Matters

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

Complex property acquisition and financial instrument issuance

Key Audit Matter

During the year, a subsidiary of the Group, acquired four properties. Concurrently, the subsidiary secured a \$10.5 million loan from MC Redlands Pty Ltd, attracting a below-market interest rate, and issued redeemable preference shares (RPS) for nil consideration to effectuate a profit share arrangement linked to future property valuations. The Group and the lender are entitled to a profit share if the properties are sold above \$11.0 million.

The transaction is inherently complex and involves significant judgement in determining the appropriate accounting treatment and valuation of the loan, profit share arrangement and property assets. The below-market interest rate introduces estimation uncertainty in relation to the appropriate market interest rate. The profit share arrangement has estimation uncertainty, particularly in forecasting future property values and discount rate applied.

Given the materiality and estimation uncertainty involved, this matter was significant to our audit and is therefore reported as a key audit matter.

Refer to notes B5 (Debt funding) and C3 (Investment - Property) of the consolidated financial statements.

How The Matter Was Addressed in Our Audit

- Obtained and reviewed the legal agreements and board minutes relating to the acquisition of the four properties, the \$10.5 million loan from MC Redlands Pty Ltd, and the issuance of redeemable preference shares (RPS) to MC Redlands Pty Ltd.
- Obtained management's assessment paper evaluating the transaction against the requirements of the relevant accounting standards. Together with our internal technical experts, we reviewed the paper, challenged management's application of the standards, and assessed the appropriateness of the conclusions reached.
- Reviewed the disclosures in the consolidated financial statements, including the description of the valuation techniques, key inputs and assumptions, and sensitivity for both the debt funding financial liability and investment properties.

Fair value of debt funding and investment properties at initial recognition

- Obtained and reviewed management's fair value calculation that determined the financial liability and investment properties at recognition date to be \$9.57 million.
- Tested the recognition date valuation model to ensure inputs and assumptions were consistent with the legal agreements and the fair value of the investment properties.
- Engaged our internal valuations specialists to assess the valuation methodology, WACC rate, discount rate, and credit risk spread used in the model.
- Performed sensitivity analysis on the growth rate in properties, cost of debt rate and WACC rate inputs to the valuation.

Fair value of debt funding at the year end

- Reviewed management's assessment of the fair value of the financial liability at 30 June 2025, including the fair value increase through profit or loss.
- Tested the year-end valuation model to ensure inputs and assumptions were consistent with the legal agreements and the fair value of the investment properties.
- Engaged our internal valuations specialists to assess the valuation methodology, WACC rate, discount rate, and credit risk spread used in the year-end model.
- Performed sensitivity analysis on the growth rate in properties, cost of debt rate and WACC rate inputs to the valuation.

Fair value of investment properties at the year end

- Assessed the competence, capabilities and objectivity of the external valuers engaged by management.
- Obtained and reviewed the investment properties' valuation reports prepared by management's expert.
- Confirmed the valuation approaches were in accordance with NZ IFRS 13 *Fair Value Measurement*, and NZ IAS 40 *Investment Property*.
- Reviewed the key inputs and assumptions to the investment properties' valuation reports, challenging management and their experts. This included testing the \$ per square metre and downwards adjustment to completed earthworks on the industrial site key inputs and assumptions used in the market approach valuation. We performed analysis against comparable recent sales data and undertook sensitivity analysis.
- Engaged our internal valuations specialists to assess the income approach valuation methodology, and capitalisation rate key assumption used.

Revenue recognition and cut off

Key Audit Matter

The Group's revenue, totalling \$30,634,000 (2024: \$27,628,000), arises from a variety of revenue streams (as detailed in Note A1) which include livestock services (livestock agency services and sale of goods), financial services, and revenues from rural land management services.

With livestock agency services the gross transactional cash flows exceed the reported levels of revenue, given the adopted treatment to recognise this revenue on a commission and fee (i.e. agency) basis.

Because of the complexity of the accounting requirements and varied nature of revenue streams across the Group we considered this to be a key audit matter.

Refer to note A1 of the consolidated financial statements.

How The Matter Was Addressed in Our Audit

- Reviewed a sample of contracts to ensure that the Group's policy for the point of recognition is in compliance with the requirements of NZ IFRS 15 *Revenue from Contracts with Customers*. As part of this testing, we considered the appropriateness of recognising livestock services on an agency basis.
- Gained an understanding of the processes and evaluating the related controls implemented by the Group over revenue recognition and cut off around the reporting date.
- Tested the operating effectiveness of controls related to the recording of revenue from livestock agency services' commission and fee revenue.
- Performed data analytic procedures to test the sale of goods revenue throughout the period to ensure that revenue was appropriately recognised.
- Performed tests of detail on a sample of financial services and rural land management revenue transactions throughout the period to ensure that revenue was appropriately recognised.
- Performed revenue cut-off procedures around year end, tracing revenue recognised to supporting documentation, and ensured that revenue has been recognised in the correct period.
- Given the reliance on outsourced service providers/processors in the generation of sale of goods revenue, we reviewed management's assessment (including sensitivity analysis) of the completeness of revenue. This was based on management's expectations of calf mortality, yield analysis and agreed pricing. We obtained the historical and current year data, corroborated to external sources (where possible), and performed substantive analytical procedures to compare estimated to actual yields and the resulting financial impact of any variation.
- Reviewed the disclosures in the consolidated financial statements, including the revenue recognition policy, to the requirements of the accounting standard.

Impairment of Intangible Asset

Key Audit Matter

The Group has intangible assets totalling \$9,359,000 (2024: \$9,942,000), including \$9,309,000 (2024: \$9,826,000) relating to the NZL Management Contract (the 'Contract'). The Contract is subject to the impairment requirements of NZ IAS 36 *Impairment of Assets*.

Management has performed their impairment test by considering the recoverable amount of the Contract using a value in calculation. This calculation includes key inputs and assumptions, such as asset growth in the portfolio, level of acquisitions and divestments to the portfolio, and discount rate. These inherently include a degree of estimation uncertainty and are prone to potential bias, therefore we considered this to be a key audit matter

Refer to note C6 of the consolidated financial statements.

How The Matter Was Addressed in Our Audit

- Gained an understanding of the processes and evaluating the related controls implemented by the Group used to determine the recoverable amount of the Contract.
- Obtained management's value in use calculation and evaluated the key inputs and assumptions.
- Performed sensitivity on the value in use calculation to reasonable changes in key inputs and assumptions.
- Engaged our internal valuation experts to assess that the methodology used is consistent with NZ IAS 36 *Impairment of Assets*, and to ensure the asset growth rate and discount rate fell within an appropriate range.
- Reviewed the disclosures in the consolidated financial statements to the requirements of the accounting standard.

Other matter

The consolidated financial statements of the Company and its subsidiaries for the year ended 30 June 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 23 August 2024.

Other Information

The directors are responsible for the Annual Report, which includes information other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements 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.

Directors' Responsibilities for the Consolidated Financial Statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS Accounting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability 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 have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 ISAs (NZ) 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 decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/>.

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no

other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Mark Nicholson.

BDO AUCKLAND.

BDO Auckland
Auckland
New Zealand
29 September 2025

Directors:

Shelley Ruha
Richard Milsom
Philip Luscombe

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