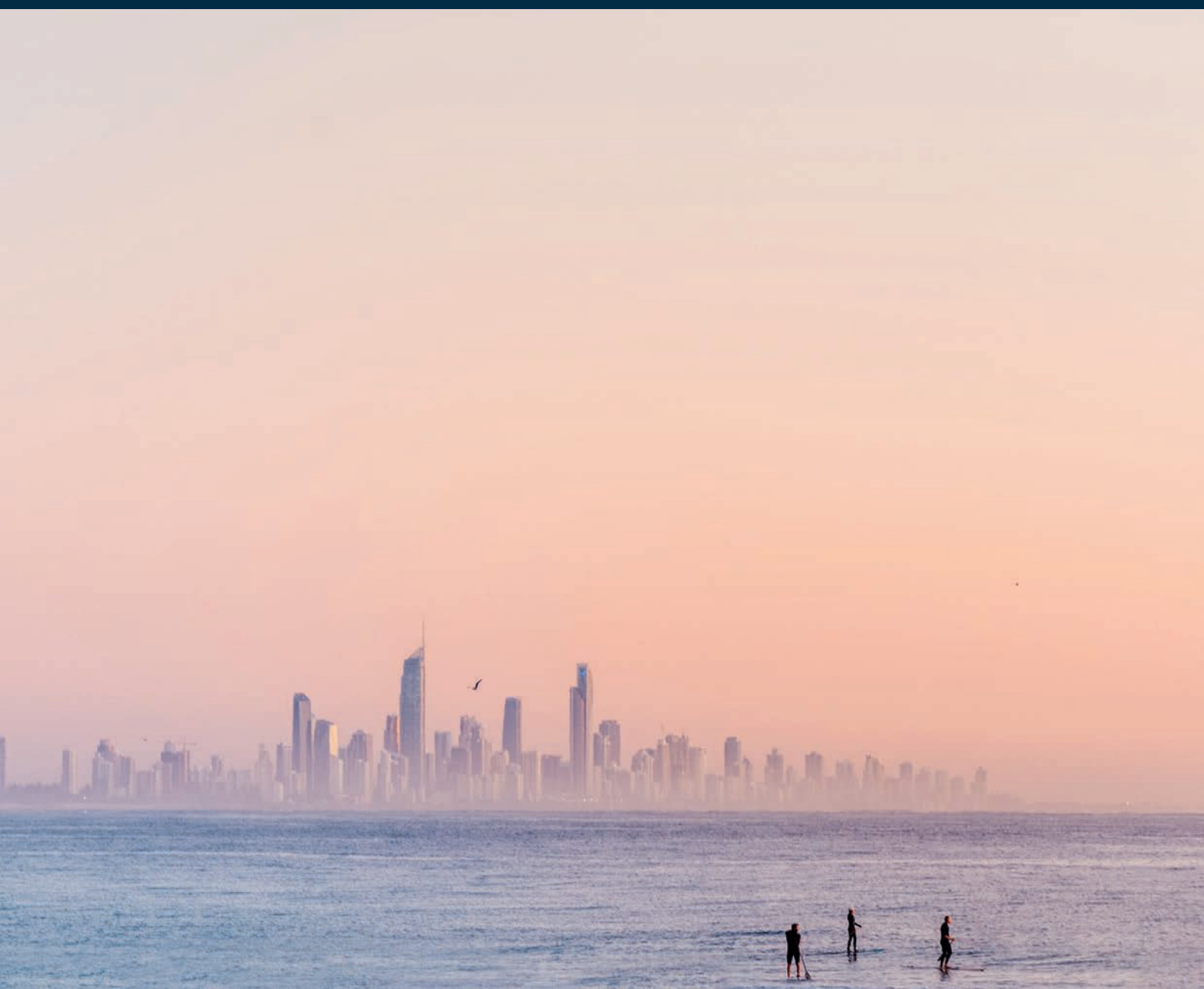


Preserving Confidence. Producing Results.

Annual Report
2025



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Welcome

FINANCIAL CALENDAR

Financial year end

30 June 2025

Final dividend

5.25 cents per share

Shares traded ex dividend

13 August 2025

Dividend books closed

14 August 2025

Dividend payment

28 August 2025

ANNUAL GENERAL MEETING

The Annual General Meeting of Flagship Investments Limited:

Will be held at:

The office of
McCullough Robertson Lawyers
Level 11, Central Plaza Two
66 Eagle Street
BRISBANE QLD 4000

Time:

12:00pm (QLD Time)

Date:

Thursday 6 November 2025

INVESTING IN FLAGSHIP INVESTMENTS LIMITED

Investors can purchase shares in Flagship Investments Limited through the Australian Securities Exchange.

ASX code: FSI

Flagship Investments Limited
ABN 99 080 135 913
Registered in Queensland
23 September 1997



FLAGSHIP INVESTMENTS LIMITED DIRECTORS

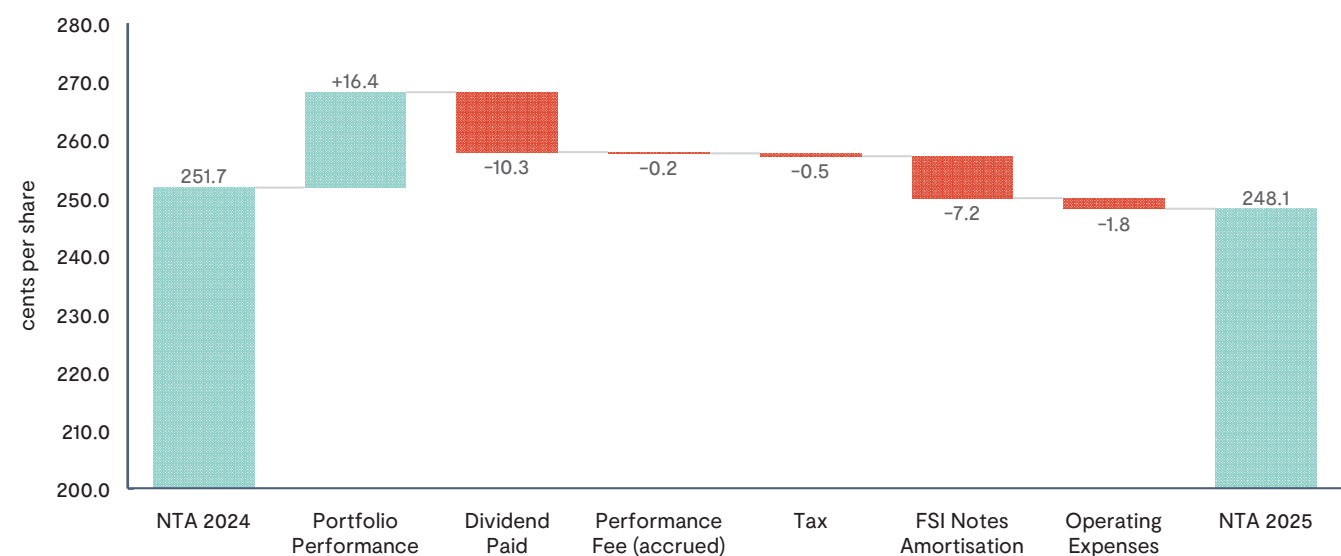
From left to right:
Dominic McGann (Chairman),
Angela Obree (Non-Executive Director) and
Dr Emmanuel (Manny) Pohl AM (Managing Director)

Highlights for 2025

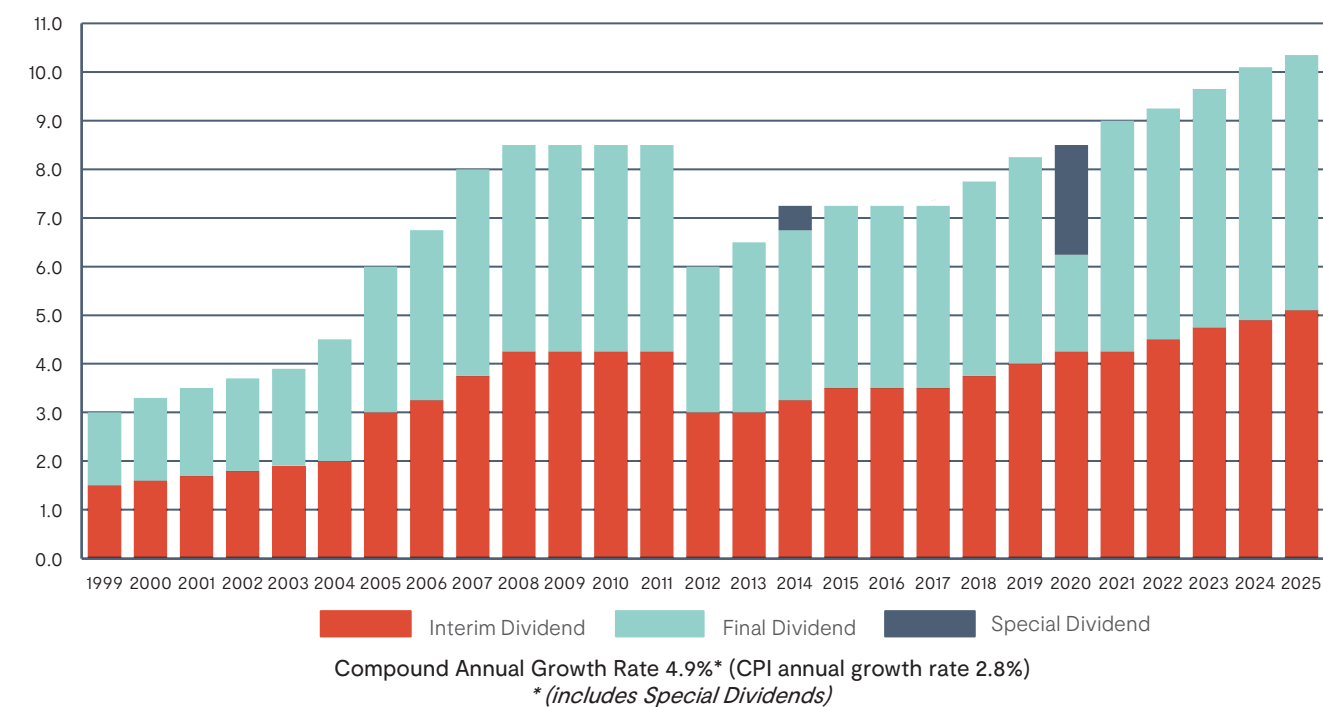
Highlights for the year ending June 2025

- Long-term performance remains exceptionally positive. Portfolio performance since inception (27 years) has averaged 12.2% per annum, outperforming the ASX All Ordinaries Index by 7.9 percentage points which averaged 4.3% over the same period.
- Dividends paid during the year total 10.3 cents per share, a 5.1% increase on the prior year. Dividend yield (excluding franking credits) is 5.5% based on the closing share price at 30 June 2025.
- FSI Shareholders continue to support the company with the share price increasing from \$1.935 at 30 June 2024 to \$1.95 at 30 June 2025.

Contribution to Net Tangible Assets 'NTA' (before tax on unrealised gains)



Dividends per share as declared



Highlights for 2025

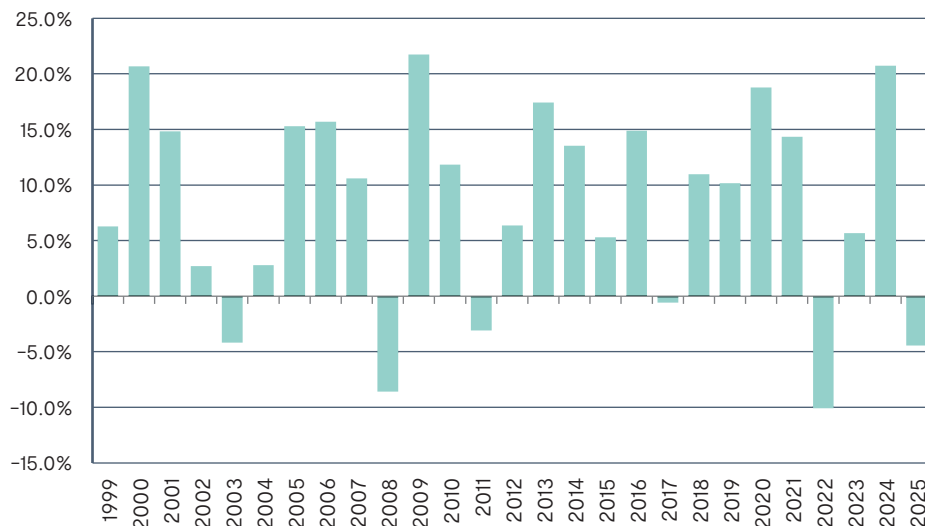
Portfolio Performance

	1 year	3 years p.a.	5 years p.a.	10 years p.a.	Since Inception (1 May 1998) p.a.
Portfolio^	5.0%	16.1%	11.7%	12.3%	12.2%
Bank Bill Index	4.0%	3.8%	2.3%	2.0%	3.9%
ASX All Ordinaries Index	9.5%	9.2%	7.9%	4.9%	4.3%
ASX All Ord Accumulation Index	13.2%	13.5%	12.0%	9.1%	8.6%

^ Source: EC Pohl & Co Pty Ltd

Relative Performance History

PORTFOLIO OUTPERFORMANCE vs ALL ORDINARIES INDEX



Top 10 Investments June 2025

	June 25	June 24
HUB24 Limited	9.6%	6.9%
Block	6.6%	6.0%
ResMed Inc	6.6%	5.6%
GQG Partners Inc	5.9%	9.6%
Lovisa Holdings Ltd	5.2%	3.7%
Guzman Y Gomez Ltd	5.1%	1.0%
Xero Ltd	4.6%	4.7%
James Hardie Industries PLC	4.4%	4.7%
Seek Limited	4.3%	3.6%
Cochlear Limited	4.3%	2.3%
TOTAL	56.6%	48.1%

Overview

Company profile

Flagship Investments Limited (the “Company”) commenced operations in April 1998 and is a Listed Investment Company (LIC) providing investors with access to an expertly crafted quality portfolio of Australian growth companies.

The portfolio is managed by EC Pohl & Co Pty Ltd which has a strong funds management investment team renowned for its stability, track record and sound investment process.

The Manager’s investment strategy centres on the view that the economics of a business drives long-term investment returns and investing in high quality business franchises that have the ability to generate predictable, above-average economic returns will produce superior investment performance.

Mission

Creating Shareholder wealth through active management of a portfolio of ASX listed quality growth companies.

Objectives

The investment objectives of Flagship Investments Limited are:

- To achieve medium to long-term capital growth and income through investing in a diversified portfolio of Australian companies;
- To preserve and enhance the NTA backing per share; and
- To provide Company Shareholders with a fully franked dividend, which over time, will grow at a rate in excess of the rate of inflation.

Investor benefits

The benefits for investors in Flagship Investments Limited are:

- Reduced share investment risk through a diversified investment portfolio;
- Professional and disciplined management of an investment portfolio;
- Fully franked dividend income;
- Access to tax advantages of Listed Investment Company Capital Gains when available;
- Access to a Dividend Reinvestment Plan;
- Easy access to information via the Company’s website www.flagshipinvestments.com.au.

Investment manager

The management of the Company’s investment portfolio is undertaken by EC Pohl & Co Pty Ltd. EC Pohl & Co is a specialist equities fund manager with over twenty years managing the Flagship Investments’ portfolio. Together with its subsidiary ECP Asset Management Pty Ltd, the group manages equity portfolios on behalf of sophisticated investors, listed and unlisted funds and institutional clients. As at 30 June 2025 the group had \$2.6 billion in funds under management.

The Company’s portfolio of investments comprises companies with a sustainable competitive advantage whose operations cover a wide spectrum of business activities. The portfolio is constructed from the perspective of a business owner, by investing in well managed companies and not simply by tracking the index weighting of various component stocks.

Dr Manny Pohl AM is the Managing Director and major Shareholder of EC Pohl & Co Pty Ltd.

Information on the Investment Manager is available from: www.ecpohl.com & www.ecpam.com

Overview

Environmental, social & governance

The Company is committed to responsible investment and has been recognised by RIAA in this regard. FSI believes that Environmental, Social and Governance (ESG) factors have a material impact on long-term investment outcomes and to hold a portfolio of businesses with a sustainable competitive advantage it is important to incorporate ESG analysis into the investment process.

The Manager achieves this by applying its proprietary 'Pillars of a Quality Franchise' framework. Through the application of this six-pillar framework, ESG and sustainability risks are mitigated by placing a material emphasis on the Sustainability and Management pillars:

- The sustainability pillar focuses on areas of a business where there may be risk to the predictability of business operations through time. This assists mitigation of default risk and uncertainty of business expansion.
- The management pillar focuses on the trustworthiness of management. This assists mitigation of uncertainty by reducing the risk of managerial conduct or failure of business strategy execution.

The other pillars are the Industry, the Business, the Competition and the Financials. The framework puts the investment research through a systematic approach applying logic and measurement. Breaking down the analysis into its components is useful in examining the information and critically analysing areas of importance, which include the long-term sustainability of investments.

By separating out the identified characteristics and focusing on issues specifically (ie Sustainability), the framework provides the Manager with the opportunity to make an unbiased assessment of key business-specific issues that may impact the investment delivering on expectations—leading to predictable investment outcomes.

A key principle of the framework is that each of the pillars are interdependent and interrelated. By applying this lens, the Manager has the ability to assess how the pillars interact with each other which provides for a better understanding of the overall quality of the business.

It is also important to note that even before under-going the Quality Franchise assessment the Manager immediately excludes businesses in a number of industries including weapons, tobacco, gambling, thermal coal, petroleum, old-forest logging, palm oil, and pesticides – a list that is reviewed annually.



Chairman's Report

Chairman's Report

Dear Fellow Shareholders,

I am pleased to present the Annual Chairman's Report of Flagship Investments Limited for the 2024-25 Financial Year.

Portfolio Performance

Overall, the portfolio return for the year was 5.0% compared to the ASX All Ordinaries Index which increased by 9.5% over the same period. The underperformance in the current year does little to impact the long-term track record of positive 12.2% per annum since inception versus the ASX All Ordinaries Index returns of 4.3% over the same time period. When looking at the year-on-year total comprehensive income result, comprehensive income has declined by \$9,624,000 to \$1,345,000 due primarily to a decline in market value for two of our investments. Mark to market fluctuations is just a feature of being a long-term investor and participating in an environment that is just as easily influenced by radical sentiment as it is by calculated analysis.

While all participants have been subject to the turbulence of the market (discussed further below), the FSI portfolio has been impacted very specifically by negative movements in IEL.ASX and DMP.ASX. This is described as an idiosyncratic risk and it is a key feature of an active manager who is conducting fundamental bottom-up analysis and making investment decisions without being swayed by macro-themes or benchmark tracking. Idiosyncratic returns are driven by specific characteristics or events specific to the investee company (for example, company news, management strategy or unique industry developments rather than broad market movements or general economic conditions (systemic risks)).

For an active manager, it is the idiosyncratic returns that drive out-performance and can equally deliver under-performance. The important aspect for the active manager to consider is whether there is a break in the investment thesis or is there an opportunity to buy an under-appreciated company.

Market Overview

Over the last few years there have been certain macro themes that have been prominent in the news cycle, with extrapolations that have impacted local economies and markets due to the accumulated uncertainty.

FY2025 has been no different, with the 'Trump Factor' adding significant weight on the market movements throughout the year. This was first seen in the market spike following the election of President Trump. Since then, President Trump has taken a combative stance toward both the trade imbalances and the university sector and has frequently criticized higher education institutions for what he viewed as liberal bias and inflated costs, and his administration has imposed restrictions on international student visas, particularly from China, impacting university revenues and global collaboration.

On trade, President Trump sought to correct what he described as longstanding unfair trade practices, especially with China, by imposing tariffs on hundreds of billions of dollars in imports, aiming to reduce the U.S. trade deficit and bring manufacturing jobs back to the country. These actions and those of other government officials significantly reshaped the landscape of international trade and challenged the global flow of goods and academic exchange and in the case of tertiary education, decimated a major sector of the global economy. In the Australian market sentiment was bolstered in February by the Reserve Bank of Australia announcing the first rate cut since the rate hiking cycle that began in 2022. It was widely expected that the rate cuts would continue through the year and yet the RBA has tempered such moves. In its recent meeting, in July 2025, the RBA held the cash rate, suggesting that inflationary concerns are not yet over and validating a view that there is more uncertainty in the year ahead.

Another key theme that has continued through the year is the progress and adoption of AI. The models are seemingly becoming more useful and the applications are broadening, with AI agents able to complete ever-more complex tasks. We are standing on the cusp of an explosion in life-changing technology and it is challenging to witness this development in a general context. However, at an investment level, it appears some companies are chasing AI because they feel they must, while others are quietly embedding it into workflows in ways that genuinely improves internal productivity and/or customer experience. In this instance it is important to look through the hype and really understand the competitive advantages being developed within the business.

Chairman's report

Focus on Fundamentals

The investment philosophy of the Manager is based on the belief that the economics of a business drives long-term investment returns (as evidenced through the investment process which delivers a portfolio of high-quality businesses in the growth stage of their life cycle).

As noted above, markets are prone to extrapolating recent momentum, both positive and negative. For years now there has been a consistent pattern: companies that modestly disappoint on execution are being punished heavily, while those riding current enthusiasm are trading at stretched valuations that leave little room for error.

We think the next six months will favour companies that combine real operating leverage with misunderstood strategic progress. Our portfolio remains tilted toward companies where near-term scepticism is misaligned with mid-term fundamentals.

Dividend

The Board was very proud of the dividends paid during the FY2025 year which were a 5.1% increase on the prior year. At 10.3 cents per share this represents excellent investment value at 5.5% yield on the 30 June 2025 share price and honours our commitment to provide a fully franked dividend that will grow at a rate in excess of inflation. As mentioned above there is considerable latent value in the portfolio and in undervalued investment ideas and, for this reason, the Board will reinvest maximum capital in the Company and has considered a small increase in the final dividend for FY2025.

For Shareholders who are not aware, FSI offers a Dividend Reinvestment Plan (DRP), to allow dividends to be automatically invested in shares of FSI. When new shares are issued under the DRP, they are done so without brokerage or other transaction costs. And, generally speaking, a DRP can be a sensible way to compound an investment for maximum benefit over the long term. I encourage interested investors to find out more by contacting the Company at contact@flagshipinvestments.com.au.

Conclusion

By focusing on finding great businesses: those with high returns on capital, strong moats, that themselves invest with a long-term mindset, and allocating capital to the cheapest amongst these high conviction ideas, we can maximise the likelihood of outperformance. Looking at our portfolio, the recent improvement in the P/E ratings of the companies from recent lows and the strong short-term financial metrics for the companies in the portfolio, including organic sales growth, earnings and dividend growth, gives us confidence in the outlook and should provide the impetus for a handsome improvement in future valuations and dividend payments. Finally, I wish to acknowledge the faith and patience of our long-term FSI Shareholders who continue to support us. The Board is confident that the investment process of our Manager, EC Pohl & Co, will continue to deliver out-performance over the long term and we are optimistic in the outlook for FSI.

I also wish to record my appreciation for my fellow Board members for their support and input throughout the past year.

Yours sincerely



Dominic McGann
Chair



Directors' Report

Your Directors present their report on Flagship Investments Limited for the financial year ended 30 June 2025.

1. Directors

The following persons were Directors of Flagship Investments Limited for the entire financial year, unless otherwise stated:

D McGann, Dr E Pohl AM and A Obree.

2. Information on Directors



Dominic McGann

Solicitor of the Supreme Court of Queensland, LLB (QIT), LLM (Sydney University), LLM (Bond University)

Non-Executive Chair

Member of Audit and Risk Committee

Experience and expertise

Appointed Non-Executive Director on 8 October 2009.

Appointed Chairman on 4 November 2016.

Extensive experience as a Partner with McCullough Robertson Lawyers and a Solicitor with the Supreme Court of Queensland.

Listed company directorships:

Nil

Other directorships:

- Director of TRI Foundation Limited
- Director of Frazer Family Foundation Pty Ltd
- Chair of Climate-KIC Australia Ltd
- Co-Chair of Carumba Institute
- Member of QUT Council

Former listed company directorships in last 3 years

None

Interests in the Company

447,562 ordinary shares

18,518 convertible notes

Directors' Report



Dr Emmanuel Pohl AM

B.Sc (Eng), MBA, DBA, FAICD, MSAFAA, F Fin

Managing Director

Experience and expertise

Managing Director since the inception of the Company in 1997. Extensive experience in the funds management industry.

Listed company directorships

- Managing Director of Athelney Trust Plc

Other directorships

- Chairman of EC Pohl & Co Pty Ltd
- Chairman of ECP Asset Management Pty Ltd
- Chairman of EC Pohl & Co RE Ltd
- Director of Huysamer International Holdings (Pty) Ltd
- Director of ECP UCITS ICAV
- Director of Astuce Group Ltd
- Director of ECP Asset Management UK Limited

Former listed company directorships in last 3 years

Director of Global Masters Fund Limited (June 2023)

Interests in the Company

10,360,550 ordinary shares

1,863,946 convertible notes

Has a relevant interest in shares in the Company and he holds a Power of Attorney arrangement with a number of Shareholders.

Directors' Report



Angela Obree

B.Compt, MBA, MAICD

Non-Executive Director

Chair of Audit and Risk Committee

Experience and expertise

Appointed Non-Executive Director on 29 September 2021. Angela has almost 25 years' experience in management consulting in the UK, South Africa, Ireland, and Germany. She is a highly experienced commercial mediator, negotiation expert, and corporate crisis leader.

Listed company directorships

- Director of Global Masters Fund Limited

Other directorships

- Director of Congrua Limited
- Director of ECP Asset Management Pty Ltd

Former listed company directorships in last 3 years

None

Interests in the Company

5,000 ordinary shares

9,691 convertible notes

Directors' Report



Scott Barrett

B.Com, CA

Company Secretary

Alternate Director

Chief Financial Officer

Experience and expertise

Appointed Alternate Director since 3 November 2017 for Dominic McGann and November 2022 for Angela Obree.

Scott has 20 years' experience in business management and accounting, leading businesses across Australia and New Zealand. He is the CFO for EC Pohl & Co Pty Ltd and two other ASX Listed Investment Companies.

Listed company directorships

— Alternate Director ECP Emerging Growth Limited

Other directorships

Nil

Former listed company directorships in last 3 years

None

Interests in the Company

28,165 ordinary shares

37,036 convertible notes

Directors' Report

3. Principal activities

The principal activity of the Company is investing in securities listed on the Australian Securities Exchange. There have been no significant changes in the nature of this activity during the year.

4. Review of operations

Portfolio performance during the financial year of 5.0% was below the ASX All Ordinaries Index which increased by 9.5%. It has been two years since the last sub-benchmark performance, while the last time the portfolio experienced two close-together years of under-performance was in 2008 & 2011. Notably the long-term performance record (3, 5 & 10 years) still remains well above the ASX All Ordinaries Index. In FY2025 the sub-optimal performance has been driven by under-performance from a couple of key stocks, IEL, DMP and PWH who contributed -6.0%, -2.4% and -1.1% respectively. On the positive side HUB and RMD respectively contributed 4.8% and 2.0% to portfolio performance. Each of these businesses remain quality businesses with potential above their current valuations, however the market has stopped supporting them due to a number of global risks and political themes at play.

After an exceptionally good year in FY2024 where the portfolio performance was positive 29.0% and Total Comprehensive Income was \$10.9 million, the FY2025 Comprehensive Income looks less impressive at \$1,345,000. With the reduced performance in the portfolio the Manager's performance fee payable has reduced from \$2,656,000 to \$45,000. Additionally, tax payable has reduced from \$1,750,000 last year and is only \$90,000 for FY2025. The reduction in these two liabilities means that the increased cash holdings as at 30 June 2025, \$3,199,000 compared to \$1,684,000 last year, are available to deploy at the managers discretion. Overall, the reality is that large variances in year-on-year performance are not unusual for FSI as the market in which we invest has systemic influences that are inherently volatile.

The Company's investment focus remains unchanged: selecting quality companies that have the ability to grow their earnings and dividends over three to five years. The portfolio remains well positioned to deliver solid returns in the future with the forecast long-term IIR sitting at 17% as at 30 June 2025.

5. Earnings per share

Based on profit after income tax

	2025 Cents	2024 Cents
Basic earnings per share	(2.2)	(8.8)
Diluted earnings per share	3.0	(2.2)
Comprehensive earnings per share	5.2	42.4

See Note 18 of the Financial Report.

6. Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company during the financial year.

7. Matters subsequent to the end of the financial year

Apart from the dividend declared as per item 10, no other matter or circumstance not otherwise dealt with in the Directors' Report or Financial Report, has arisen since the end of the year that has significantly affected, or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

8. Options

No Options have been issued during or since the financial year (30 June 2024 – Nil).

9. Likely developments and expected results of operations

There are no planned changes to principal activities. Any general decline in equity markets may have an adverse effect on results in future years.

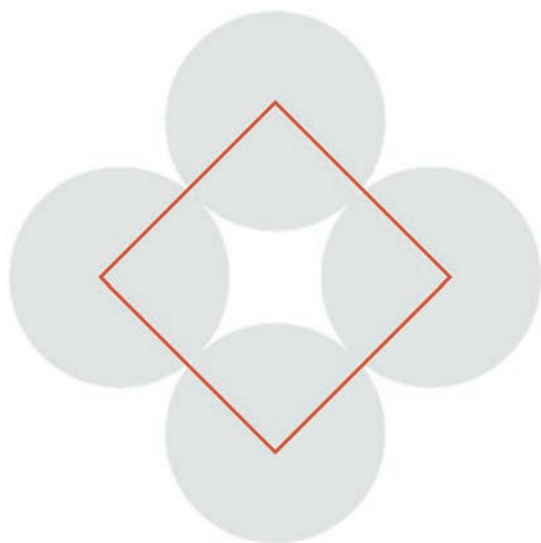
Directors' Report

10. Dividends paid

Type	Cents Per Share	Total Amount \$'000's	Date of Payment
The dividends paid to Shareholders during the financial year were as follows			
Final	5.20	1,344	August 2024
Interim	5.10	1,319	February 2025
	10.3	2,663	
Dividends paid by the Company during the preceding year were:			
Final	4.9	1,267	August 2023
Interim	4.9	1,267	February 2024
	9.8	2,534	

The final dividend paid on 29 August 2024 and the interim dividend paid on 27 February 2025, were fully franked and fully attributable to LIC capital gains.

In addition to the above dividends, since the end of the financial year the Directors have recommended the payment of a fully franked final dividend of 5.25 cents per share, totalling \$1,357,506 to be paid on 28 August 2025. This dividend is fully attributable to LIC capital gains.



11. Company secretary

Scott Barrett B.Com, CA

Scott is a Chartered Accountant and commenced as Alternate Director and Company Secretary on 3 November 2017. He is the Chief Financial Officer for EC Pohl & Co. He is also the Company Secretary for two other Listed Investment Companies. Scott has extensive business management and accounting experience working in subsidiaries of multinational groups from the hospitality and property industries.

12. Meetings of directors

The number of Directors' meetings attended by each of the Directors of the Company during the financial year were:

Board		
Director	Eligible To Attend	Attended
Mr D McGann	4	4
Dr E Pohl AM	4	4
Mrs A Obree	4	4
Audit and Risk Committee		
Director	Eligible To Attend	Attended
Mr D McGann	3	3
Dr E Pohl AM	-	-
Mrs A Obree	3	3

13. Environmental issues

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Directors' Report

14. Remuneration report (Audited)

The remuneration report is set out under the following main headings:

- (A) Principles used to determine the nature and amount of remuneration
- (B) Details of remuneration
- (C) Service agreements
- (D) Share-based compensation
- (E) Related Party Transactions
- (F) Equity Instrument Disclosure relating to Key Management Personnel

(A) Principles used to determine the nature and amount of remuneration

Fees and payments to Directors reflect the demands which are made on, and the responsibilities of, the Directors. The Board reviews the remuneration of Directors annually.

No remuneration consultants were engaged during the year.

The per annum remuneration (exclusive of non-claimable GST) of the Directors from June 2025.

- Chairman \$50,000
- Other Directors \$45,000

Remuneration of Directors is determined by the Board within the maximum amount of \$200,000 previously approved by the Shareholders.

There is no performance based remuneration for Directors.

(B) Details of remuneration

Details of the remuneration of each Director of Flagship Investments Limited and the executives of the Company are set out in the following table.

(C) Service agreements

As the Company does not employ any staff, there are no employment service agreements entered into by the Company. The Managing Director and Company Secretary are employed by the Investment Manager – EC Pohl & Co Pty Ltd.

(D) Share-based compensation

No share-based compensation exists.

Details of remuneration

Director	Year	Short-Term Benefits		Post-Employment Super	Equity		Total
		Fees	Non-Monetary Benefits		Shares	Options	
		\$	\$	\$	\$	\$	\$
Dominic McGann * Non-executive Chairman	2025	51,250	-	-	-	-	51,250
	2024	46,125	-	-	-	-	46,125
Dr Emmanuel Pohl AM * Managing Director	2025	46,125	-	-	-	-	46,125
	2024	41,000	-	-	-	-	41,000
Angela Obree Non-executive Director	2025	45,000	-	-	-	-	45,000
	2024	40,000	-	-	-	-	40,000
Total Directors Remuneration	2025	142,375	-	-	-	-	142,375
	2024	127,125	-	-	-	-	127,125

* Inclusive of non-claimable GST amount

Directors' Report

(E) Related party transactions

The following transactions occurred with other related parties:	2025 \$'000	2024 \$'000
Expenses paid or payable by the Company to:		
– EC Pohl & Co Pty Ltd for Performance Fee	45	2,656
– EC Pohl & Co Pty Ltd for Administration Fee	73	47
The Performance Fee and Administration fee is payable in accordance with the Management Services Agreement as detailed in Note 24.		
Dr E C Pohl AM has an interest in the transactions as during the year Dr E C Pohl AM was a Director, employee and Shareholder of EC Pohl & Co Pty Ltd.		
– McCullough Robertson Lawyers for the provision of legal services.	–	15
D M McGann is a partner of McCullough Robertson Lawyers.		
– Allegiant IRS for insurance advice for D & O Policy.	–	2
The company is an associate of McCullough Robertson Lawyers, of which D M McGann is a partner.		
All related party transactions are made on an arm's length basis using the standard terms and conditions.		

(F) Equity instrument disclosure relating to key management personnel

The number of shares and convertible notes in the Company held during the financial year by each Director of Flagship Investments Limited, including their related parties and powers of attorney is set out below. There were no shares granted during the year as compensation.

Ordinary Shares	Balance At The Start Of The Year	Number Acquired	Number Disposed	Other Changes During The Year	Balance At The End Of The Year
D M McGann	447,562	–	–	–	447,562
Dr E C Pohl AM	10,314,956	45,594	–	–	10,360,550
A Obree	–	9,500	–	–	9,500
Convertible Notes					
D M McGann	18,518	–	–	–	18,518
Dr E C Pohl AM	1,851,851	12,095	–	–	1,863,946
A Obree	9,691	–	–	–	9,691

End of remuneration report

15. General transactions

Other than the Director's remuneration, the Company does not directly contract with any of the Directors.

16. Loans

There are no loans issued to any of the Directors during or since the financial year (30 June 2024 – Nil).

Directors' Report

17. Insurance of officers and/or auditors

During the financial year, the Company insured the Directors and Officers against certain liabilities as permitted by the *Corporations Act 2001*. The insurance policy prohibits disclosure of the nature of the cover, the amount of the premium, the limit of liability and other terms.

The Company has entered into an agreement for the purpose of indemnifying Directors and Officers, to the extent permitted by law, against any liability (including the costs and expenses of defending actions for an actual or alleged liability) incurred in their capacity as a Director and Officer of the Company.

The Company has not during or since the financial year indemnified or paid any insurance premiums to indemnify the auditors.

18. Proceedings on behalf of the company

No person has applied to the Court under Section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceeding to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under Section 237 of the *Corporations Act 2001*.

19. Rounding of amounts

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191 (rounding in Financials/ Directors' Report). Accordingly, amounts in the Financial Statements and Directors' Report have been rounded to the nearest \$1,000.

20. Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important.

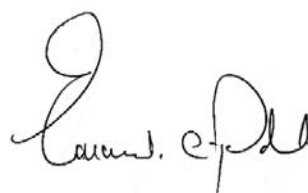
There have been no amounts paid or payable to the auditors for non-audit services provided during the year.

The Directors have considered the position and are satisfied that the provision of any non-audit services (if necessary in future) is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Audit and Risk Committee is satisfied that the provision of any non-audit services by the auditor, would not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services would be reviewed by the Audit and Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

A copy of the Auditors' Independence Declaration as required under section 307C of the *Corporation Act 2001* is set out on page 22.

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



Dr Emmanuel (Manny) C Pohl AM
Managing Director

7 August 2025

Country	Percentage of population aged 65 and over in 2019
Japan	25.0
Italy	22.5
Spain	21.5
France	21.0
Germany	20.5
Sweden	20.0
United Kingdom	19.5
Canada	19.0
United States	18.5
Poland	18.0
China	17.5
India	17.0
Brazil	16.5
South Africa	16.0

Auditor's Independence Declaration



FLAGSHIP INVESTMENTS LIMITED
ABN 99 080 135 913

**AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF FLAGSHIP INVESTMENTS LIMITED**

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

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Augmented Audit Co Pty Ltd
Authorised Audit Company No. 541764

A handwritten signature in black ink, appearing to read 'Jessica Juhl'.

Jessica Juhl
Director
7 August 2025

21 Crombie Avenue Bundall, QLD 4217, Australia
PO Box 2498, Southport BC, QLD 4215, Australia

Augmented Audit Co Pty Ltd is an ASIC Authorised Audit company and General Partner of the AAC Limited Partnership Liability
Liability limited by a scheme approved under Professional Standards Legislation

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info@augmentedaudit.com.au

www.augmentedaudit.com.au

Corporate Governance Statement

For the year ended 30 June 2025

The Directors of Flagship Investments Ltd are committed to excellence in corporate governance. By adopting the ASX Corporate Governance Council's Corporate Governance Principles and incorporating industry best practice, the Company has built a framework that supports our business performance and enhances transparency and accountability which ultimately protects the interests of Shareholders.

Below is a list of the Company's Corporate Governance Framework documents set out against the relevant ASX Governance Principles and Recommendations (4th Edition), the details of which are available on the Company's Website.

The full Corporate Governance Statement for the year ending 30 June 2025 is also available on the website, at www.flagshipinvestments.com.au/corporate-governance/.

ASX governance principles	Relevant document / information
Principle 1 Lay solid foundations for management and oversight	Board Charter Diversity Policy
Principle 2 Structure the Board to be effective and add value	Board Charter Diversity Policy
Principle 3 Instil a culture of acting lawfully, ethically and responsibly	Statement of Values Code of Conduct Whistleblower Policy
Principle 4 Safeguard the integrity of corporate reports	Audit and Risk Committee Charter Code of Conduct
Principle 5 Make timely and balanced disclosure	Disclosure Policy Communications Policy
Principle 6 Respect the rights of security-holders	Communications Policy Privacy Policy
Principle 7 Recognise and manage risk	Audit and Risk Committee Charter Risk Management Policy
Principle 8 Remunerate fairly and responsibly	Board Charter

The Corporate Governance Statement explains the extent to which the Company complies with the ASX Corporate Governance Principles and Recommendations including how the policies above support Corporate Governance in the Company. Under the “if not, why not” approach the Board provides explanations as to why a particular recommendation is not appropriate to its circumstances. For clarity, the Board would like to highlight below the recommendations that have not been adopted and the reasons behind the decision:

ASX governance principles

Compliance statement

<p>Principle 1</p> <p>Lay solid foundations for management and oversight</p>	<p>Compliant</p>
<p>Principle 2</p> <p>Structure the Board to be effective and add value</p> <p>Recommendation 2.1: Establish a Nomination Committee</p>	<p>Compliant except for 2.1:</p> <p>Non-Compliant</p> <p>The Company does not have a Nomination Committee given the size of the Board. The full Board maintains responsibility for nomination of Directors and succession planning.</p>
<p>Principle 3</p> <p>Instil a culture of acting lawfully, ethically and responsibly</p>	<p>Compliant</p>
<p>Principle 4</p> <p>Safeguard the integrity of corporate reports</p>	<p>Compliant</p>
<p>Principle 5</p> <p>Make timely and balanced disclosure</p>	<p>Compliant</p>
<p>Principle 6</p> <p>Respect the rights of security-holders</p>	<p>Compliant</p>
<p>Principle 7</p> <p>Recognise and manage risk</p> <p>Recommendation 7.3: Internal audit function</p>	<p>Compliant except for 7.3:</p> <p>Non-Compliant</p> <p>The Company does not have an internal audit function given the nature of the Company. Instead, the Board, through the Audit and Risk Committee, liaises closely with the Company's external auditor to identify potential improvements to the Financial risk management and internal control process. The Audit and Risk Committee also interrogate the internal compliance and external audit of the Manager.</p>
<p>Principle 8</p> <p>Remunerate fairly and responsibly</p> <p>Recommendation 8.1 Remuneration Committee</p> <p>Recommendation 8.3: Equity-based remuneration</p>	<p>Compliant except for 8.1 and 8.3</p> <p>Non-Compliant</p> <p>The Company does not have a Remuneration Committee. Instead the full Board develops the remuneration policy balancing the need to attract high quality Directors, establishing appropriate incentives and commercial control of expenses.</p> <p>Not Applicable</p> <p>The Company does not have an equity-based remuneration scheme and does not intend to establish one. Recommendation 8.3 is not applicable.</p>

Country	Percentage of population aged 65 and over in 2019
Japan	28%
Italy	23%
Germany	22%
France	21%
United Kingdom	18%

Financial Report

Financial Report

- 28 — Statement of Profit or Loss and Other Comprehensive Income
- 29 — Statement of Financial Position
- 30 — Statement of Changes in Equity
- 31 — Statement of Cash Flows
- 32 — Notes to the Financial Statements
- 53 — Consolidation Statement
- 53 — Directors' Declaration
- 54 — Independent Auditor's Report

This Financial Report covers Flagship Investments Limited as an individual entity. There are no controlled entities.

Flagship Investments Limited is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

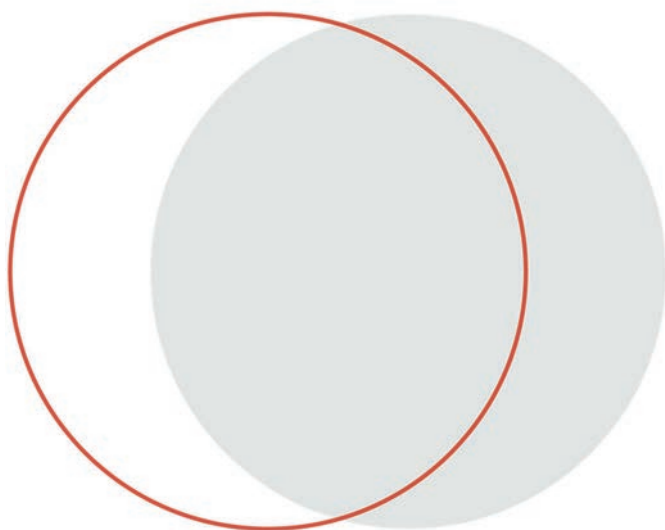
Flagship Investments Limited
Level 12, Corporate Centre One
2 Corporate Court
BUNDALL QLD 4217

The Financial Report was authorised for issue by the Directors on 7 August 2025.

A description of the nature of the Company's operations and its principal activities is included in the Operating and Financial Review.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the Company. All media releases, Financial Reports and other information are available from the Company at the above address or from our website:

www.flagshipinvestments.com.au



Financial Report

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
Profit/(Loss) for the year			
Other Income	5	1,516	1,645
Other Expenses	6	(470)	(495)
Operating Profit		1,046	1,150
Finance Expense	14	(1,868)	(1,806)
Performance Fee	24	(45)	(2,656)
Profit/(Loss) before income tax		(867)	(3,312)
Income Tax Credit	7(a)	308	1,036
Profit/(Loss) for the year		(559)	(2,276)
Other Comprehensive Income net of income tax			
Items that will not be reclassified subsequently to profit & loss			
Changes in fair value of Financial Assets at fair value through Other Comprehensive Income		2,720	18,921
Income Tax (Expense)/Benefit relating to components of Other Comprehensive Income	7(c)	(816)	(5,676)
Other Comprehensive Income for the year, net of tax		1,904	13,245
Total Comprehensive Income for the year		1,345	10,969
Earnings per share:		Cents	Cents
Basic earnings per share	18(b)	(2.2)	(8.8)
Diluted earnings per share	18(b)	3.0	(2.2)
Comprehensive earnings per share	18(b)	5.2	42.4

The accompanying Notes form part of these Financial Statements.

Financial Report

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
Assets			
Cash and Cash Equivalents	8	3,199	1,684
Trade Receivables and Other Assets	9	83	110
Intangible Assets	10	5	5
Financial Assets at Fair Value through Other Comprehensive Income	11	80,332	86,385
Total assets		83,619	88,184
Liabilities			
Trade and Other Payables	12	80	2,696
Tax Payable	13	90	1,750
Deferred Tax Liability	13	4,547	4,131
Convertible Notes	14	19,348	18,735
Total liabilities		24,065	27,312
Net assets		59,554	60,872
Equity			
Issued Capital	15	36,488	36,488
Other Reserves	16	23,357	24,116
Option Premium on Convertible Notes		507	507
Retained Earnings		(798)	(239)
Total equity		59,554	60,872

The accompanying Notes form part of these Financial Statements.

Financial Report

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

2024	Note	Ordinary Shares \$'000	Retained Earnings \$'000	Asset Revaluation Reserve \$'000	Asset Realisation Reserve \$'000	Option Premium on Convertible Notes \$'000	Total \$'000
Balance at 30 June 2023		36,488	2,037	3,119	10,286	507	52,437
Profit or loss attributable to members		-	(2,276)	-	-	-	(2,276)
Other Comprehensive Income		-	-	13,245	-	-	13,245
Transfer to Asset Realisation Reserve		-	-	(6,557)	6,557	-	-
Dividends paid or provided for	17(a)	-	-	-	(2,534)	-	(2,534)
Balance at 30 June 2024		36,488	(239)	9,807	14,309	507	60,872

2025	Note	Ordinary Shares \$'000	Retained Earnings \$'000	Asset Revaluation Reserve \$'000	Asset Realisation Reserve \$'000	Option Premium on Convertible Notes \$'000	Total \$'000
Balance at 30 June 2024		36,488	(239)	9,807	14,309	507	60,872
Profit or loss attributable to members		-	(559)	-	-	-	(559)
Other Comprehensive Income		-	-	1,904	-	-	1,904
Transfer to Asset Realisation Reserve		-	-	(1,012)	1,012	-	-
Dividends paid or provided for	17(a)	-	-	-	(2,663)	-	(2,663)
Balance at 30 June 2025		36,488	(798)	10,699	12,658	507	59,554

The accompanying Notes form part of these Financial Statements.

Financial Report

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Dividends received		1,406	1,555
Interest received		118	130
Payments to suppliers and employees		(3,111)	(1,540)
Interest paid on convertible notes		(1,256)	(1,096)
Net cash used in operating activities	26	(2,843)	(951)
Cash flows from investing activities			
Proceeds from sale of investments		49,271	32,905
Income tax paid on gains on sale of investments		(1,752)	(876)
Payments for investments		(40,498)	(28,599)
Net cash provided by investing activities		7,021	3,430
Cash flows from financing activities			
Dividends paid	17(a)	(2,663)	(2,534)
Net cash used in financing activities		(2,663)	(2,534)
Net increase/(decrease) in cash and cash equivalents		1,515	(55)
Cash and cash equivalents at the beginning of the year		1,684	1,739
Cash and cash equivalents at end of year	8	3,199	1,684

The accompanying Notes form part of these Financial Statements.

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

The functional and presentation currency of Flagship Investments Limited is Australian dollars.

The Company is an entity to which ASIC Corporations Instrument 2016/191 (rounding in Financials / Directors' Report) applies and accordingly, amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars.

1. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

These financial statements and associated notes comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policies adopted in the preparation of these financial statements are presented below. Policies are consistent with prior reporting periods unless otherwise stated.

2. Summary of material accounting policies

(a) Balance Sheet Format

The Statement of Financial Position is in a liquidity format. The adoption of a liquidity format results in the removal of the terms "current asset" and "non-current asset" from the Statement of Financial Position, in favour of the general term "assets".

(b) Income Tax

The income tax expense recognised in the Statement of Profit or Loss and Other Comprehensive Income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in Other Comprehensive Income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

(c) Financial Instruments

Financial Assets At Fair Value Through Profit Or Loss

Financial assets at fair value through Profit or Loss are Financial Instruments convertible into Equity Instruments. A financial asset is classified in this category if it is so designated by Management and within the requirement of AASB 9 Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the profit or loss in the period in which they arise.

Financial Assets At Fair Value Through Other Comprehensive Income

The Company is a long-term investor in equity instruments. Under AASB 9, these investments are classified as fair value through Other Comprehensive Income. After initial recognition at fair value (being cost), the Company has elected to present in Other Comprehensive Income changes in fair value of equity instruments investments.

Unrealised gains and losses on investments are recognised in the Asset Revaluation Reserve until the investment is sold or otherwise disposed of, at which time the cumulative gain or loss is transferred to the Asset Realisation Reserve.

The Company derecognises an investment when it is sold or it transfers the investment and the transfer qualifies for derecognition in accordance with AASB 9. Upon derecognition, unrealised gains/losses net of tax relating to the investment are transferred from the revaluation reserve to the realisation reserve.

Fair Value Estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and securities) is based on quoted market prices at the Statement of Financial Position date. The quoted market price used for financial assets held by the Company is the closing quoted price.

Convertible Notes

On the 1st of October 2021, the Company issued 7,407,407 Convertible Notes. These compound financial instruments are able to be converted to ordinary shares at the option of the noteholder in accordance with the Note Terms. The liability component is initially recognised as the difference between the compound financial instrument as a whole and the component associated with the conversion feature. Initially the conversion option was considered a derivative liability measured at fair value using observable inputs. The attributable transaction costs are allocated to the liability and derivative components in proportion to their carrying amounts, the derivative portion immediately recognised in the statement of profit or loss.

On 17 June 2022 there was an amendment to the conversion price features of the Note Terms and the conversion option was re-classified as equity. Prior to reclassification the conversion option was remeasured to fair value with the change recognised in the statement of profit or loss.

After initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method until extinguished on conversion or maturity of the notes. The carrying amount of the equity component is not remeasured in subsequent periods.

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

(d) New Accounting Standards and Interpretations

The IASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The following table highlights the forthcoming standards which have not been early adopted and are not expected to have a significant impact on the Company's financial statements:

1 Jan 2025	Lack of Exchangeability – Amendments to IAS 21
1 Jan 2025	Sale of Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28
1 Jan 2026	Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7.
1 Jan 2027	IFRS 18 Presentation and Disclosure in Financial Statements

3. Critical accounting estimates and judgements

(a) Key Estimates

In October 2021 the option feature of the convertible notes was valued using the Black Scholes Method. Key inputs into the calculation include observable data such as dividend yield, share price and exercise price as well as assumptions of stock price volatility (27.5% based on the annualised standard deviation of daily market movement averaged between a three and five year period) and risk free rate of return (based off the five year bond rate at the date of measurement).

There are no other key assumptions or sources of estimation uncertainty that have a risk of causing material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period, as investments are carried at their market value.

(b) Key Judgements

The preparation of Financial Reports in conformity with Australian Account Standards require the use of certain critical accounting estimates. This requires the Board to exercise their judgement in the process of applying the Company's accounting policies.

The carrying amount of certain assets and liabilities are often determined based on estimates and assumptions of future events. In accordance with AASB 112 Income Taxes, deferred tax liabilities and deferred tax assets have been recognised for Capital Gains Tax (CGT) on the unrealised gains/losses in the investment portfolio at current tax rates.

As the Directors do not intend to dispose of the portfolio, the tax liability/benefit may not be crystallised at the amount disclosed in Note: 13.

In addition, the tax liability/benefit that arises on the disposal of these securities may be impacted by changes in tax legislation relating to treatment of capital gains and the rate of taxation applicable to such gains/losses at the time of disposal.

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

(b) Key Judgements (Continued)

The Company has an investment process which is anticipated will deliver medium to long-term capital growth.

The Company does not recognise a deferred tax asset when there are net unrealised losses in the portfolio from short term market fluctuations. The Company holds investments with a three to five-year horizon and therefore the short term tax loss is unlikely to be realised.

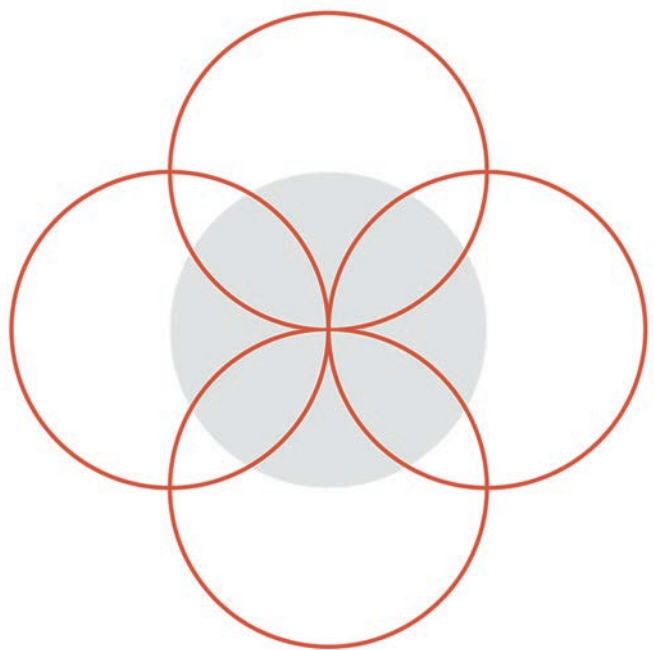
The Company does not hold any securities for short term trading purposes. Therefore, the investment portfolio is classified as Financial Assets at fair value through Other Comprehensive Income.

4. Operating segments

Segment Information

The Company operates in the Investment Industry. Its core business focuses on investing in Australian equities to achieve medium to long-term capital growth and income.

Operating segments have been determined on the basis of reports reviewed by the Managing Director. The Managing Director is considered to be the chief operating decision maker of the Company. The Managing Director considers the business from both a product and geographic perspective and assesses performance and allocates resources on this basis. The Managing Director considers the business to consist of just one reportable segment.



Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
5. Revenue and other income			
Dividends received		1,400	1,517
Interest received		116	128
Total revenue and other income		1,516	1,645
6. Other expenses			
Administration fee		73	47
ASX listing and other fees		50	47
Audit fees		30	29
Directors' fees		142	127
Insurance		38	41
Marketing		35	75
Share registry		20	28
Convertible note trustee		51	51
Other		31	50
Total other expenses		470	495
7. Income tax expense			
(a) Reconciliation of Income Tax to Accounting Profit:			
Profit/(Loss) before income tax		(867)	(3,312)
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2024 - 30%)		(260)	(993)
Add tax effect of:			
Fully franked dividends received and timing differences		101	112
Amortised convertible note expense		184	213
Less tax effect of:			
Adjustment to prior year return		(2)	2
Rebateable fully franked dividends		212	279
Other foreign tax credit		123	87
Income tax credit		(308)	(1,036)

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
7. Income tax expense <i>(continued)</i>			
(b) The Major Components of Tax Credit Comprise:			
Current tax credit		344	1,060
Prior year tax adjustment		(2)	2
Deferred income tax expense:			
Decrease in deferred tax assets	13(a)	(35)	(33)
Decrease in deferred tax liabilities	13(b)	1	7
Income tax credit for continuing operations		308	1,036
(c) The Major Components of Tax Expense Relating to Other Comprehensive Income:			
Current tax expense		(434)	(2,810)
Deferred income tax expense:			
(Decrease)/increase in deferred tax assets	13(a)	-	-
Increase in deferred tax liabilities	13(b)	(382)	(2,866)
Income tax expense for Other Comprehensive Income		(816)	(5,676)
8. Cash and cash equivalents			
Cash at bank		3,199	1,684
Cash and cash equivalents		3,199	1,684
Reconciliation of cash			
Cash and Cash Equivalents reported in the Statement of Cash Flows are reconciled to the equivalent items in the Statement of Financial Position as follows:			
Cash at bank		3,199	1,684
Balance as per Statement of Cash Flows		3,199	1,684
9. Trade receivables and other assets			
Current			
Receivables		51	57
Prepayments		28	45
GST receivable		4	8
Total current trade and other assets		83	110

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
10. Intangible assets			
Trademarks		5	5
Total intangible assets		5	5
11. Financial assets at fair value through Other Comprehensive Income			
Australian listed equity securities			
At beginning of year		86,385	71,770
Additions (at cost)		40,498	28,599
Revaluation		2,720	18,921
Disposals (at sale value)		(49,271)	(32,905)
Australian listed equity securities		80,332	86,385
For listed equity securities, fair value is determined by reference to closing bid prices on the Australian Securities Exchange.			
12. Trade and other payables			
Current			
Accounts payable and accrued expenses		80	2,696
Total trade and other payables		80	2,696
Contractual cash flows from trade and other payables approximate their carrying amount. Trade and other payables are all contractually due within six months of reporting date			

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
13. Tax			
Current year tax credit in profit or loss		(344)	(1,060)
Current year tax payable in Other Comprehensive Income		434	2,810
Total tax payable		90	1,750
Deferred tax assets	13(a)	(49)	(84)
Deferred tax liabilities	13(b)	4,596	4,215
Net deferred tax liabilities adjusted for deferred tax assets		4,547	4,131
(a) Reconciliations – Deferred Tax Assets			
Gross Movements:			
The overall movement in deferred tax asset accounts is as follows:			
Opening balance		84	117
Charged to profit or loss		(35)	(33)
(Charged)/credited to Other Comprehensive Income		-	-
Closing balance		49	84
The movement in deferred tax assets for each temporary difference during the year is as follows:			
(i) Accruals			
Opening balance		6	5
Credited to profit or loss		-	1
Closing balance		6	6
(ii) Capital raising costs			
Opening balance		78	112
Charged to profit or loss		(35)	(34)
Closing balance		43	78

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
13. Tax (continued)			
(b) Reconciliations – Deferred Tax Liabilities			
Gross Movements:			
The overall movement in the deferred tax liability account is as follows:			
Opening balance		4,214	1,355
Credited to profit or loss		(1)	(7)
Charged to Other Comprehensive Income		383	2,866
Closing balance		4,596	4,214
The movement in deferred tax liability for each temporary difference during the year is as follows:			
(i) Unrealised gain on Financial Assets at fair value			
Opening balance		4,203	1,337
Charged to Other Comprehensive Income		383	2,866
Closing balance		4,586	4,203
(ii) Unfranked dividend receivable			
Opening balance		11	18
Credited to Profit or Loss		(1)	(7)
Closing balance		10	11

Financial Report

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025	2024
		\$'000	\$'000

14. Convertible notes

On the 1st of October 2021, the Company issued 7,407,407 listed, unsecured, redeemable, convertible notes (ASX: FSIGA) at \$2.70 per note, raising a total of \$20.0 million. The convertible notes carry a fixed interest entitlement of 6.5% per annum paid quarterly since exceeding the 2-year bank bill hurdle on 30 September 2024. At any time after the second anniversary of the issue date and before 10 days before maturity, the notes can be converted to ordinary shares on a one for one basis – alternatively the note capital will be repaid on the maturity date – 1 October 2026.

Opening balance		18,735	18,025
Finance expense		1,868	1,806
Interest paid to note holders		(1,255)	(1,096)
Total convertible note liability		19,348	18,735

15. Issued capital

(a) Share Capital

Ordinary shares fully paid 25,857,263 (2024: 25,857,263)	36,488	36,488
--	--------	--------

(b) Ordinary Shares

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

At the Shareholders meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each Shareholder has one vote on a show of hands.

(c) Movements in Ordinary Share Capital

Date	Details	Number of Shares	Price \$'s	Share Capital \$'000
30 June 2023	Balance	25,857,263		36,488
	Nil Movement *	-	-	-
30 June 2024	Balance	25,857,263		36,488
	Nil Movement *	-	-	-
30 June 2025	Balance	25,857,263		36,488

* The Dividend Reinvestment Plan was facilitated through on-market purchase of shares.

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
16. Reserves			
(a) Asset Revaluation Reserve		10,699	9,807
The Asset Revaluation Reserve records fair value movements of long-term investments after provision for deferred tax. When an investment has been sold or de-recognised, the realised gains and losses (after tax) are transferred from the Asset Revaluation Reserve to the Asset Realisation Reserve.			
(b) Asset Realisation Reserve		12,658	14,309
The Asset Realisation Reserve records realised gains and losses from the sale of investments after tax which are transferred from the Asset Revaluation Reserve, net of dividends paid from reserves			
17. Dividends			
(a) Dividends Paid			
The following dividends were declared and paid:			
Final fully franked ordinary dividend of 5.2 cents (2024 – 4.9 cents) per share paid on 29 August 2024 (2024 – 30 August 2023)		1,344	1,267
Interim fully franked ordinary dividend of 5.1 cents (2024 – 4.9 cents) per share paid on 27 February 2025 (2024 – 22 February 2024)		1,319	1,267
Total dividends paid		2,663	2,534
Dividends paid in cash or satisfied by the issue of shares under the dividend reinvestment plan during the years ended 30 June 2025 and 2024 were as follows:			
Paid in cash		2,374	2,197
Satisfied by issue of shares		–	–
Purchase of shares on market on behalf of Shareholders per DRP rules		289	337
Total dividends paid		2,663	2,534
(b) Proposed Dividends			
Proposed final 2025 fully franked ordinary dividend of 5.25 cents per share to be paid (2024: 5.2 cents)		1,358	1,345
Total proposed dividend		1,358	1,345
The proposed final dividend for FY2025 was declared after the end of the reporting period and therefore has not been provided for in the financial statements. There are no income tax consequences arising from this dividend at 30 June 2025.			

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
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17. Dividends (continued)

(c) Franked Dividends

The franking credits available for subsequent financial years at a tax rate of 30%		4,872	4,050
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The dividend franking account is calculated on a cash basis. It does not take into account:

- Franking credits that will arise from the payment of the current tax liabilities;
- Franking credits that will arise from the receipt of dividends recognised as receivables at the end of the year.

The impact on the franking credit of the dividends proposed after the end of the reporting period is to reduce it by \$581,788 (2024: \$576,248).

The ability to use the franking credits is dependent upon the Company's future ability to declare dividends

(d) Listed Investment Company Capital Gain Account

Balance of the Listed Investment Company (LIC) capital gain account		1,401	3,855
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LIC Capital Gains are generated from tax paid on the realised gains of assets that have been held for 12 months. LIC Capital Gains are attached or attributed to dividends and enable some Shareholders to claim a deduction in their tax return

The deductions are generally as follows:

(please consult your tax advisor for details)

1. For an individual – 50% of the attributable amount
2. If the beneficiary of a trust or partner of a partnership is an individual – 50% of the attributable amount
3. For a complying superannuation entity (eg SMSF) – 33 1/3% of the attributable amount
4. If you are a company or a company is the beneficiary of a trust or partnership – 0%

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
18. Earnings per share			
(a) Earnings Used in the Calculation of Basic and Diluted Earnings Per Share			
(i) Profit/(loss) from continuing operations attributable to the owners of the Company		(559)	(2,276)
Adjustment: items in profit or loss relating to convertible notes		1,543	1,528
(ii) Diluted profit/(loss) from continuing operations attributable to the owners of the Company		984	(747)
(iii) Total Comprehensive Income		1,345	10,969
(b) Basic and Diluted Earnings Per Share			
		Cents	Cents
(i) Profit/(loss) from continuing operations attributable to the owners of the Company		(2.2)	(8.8)
(ii) Diluted profit/(loss) from continuing operations attributable to the owners of the Company		3.0	(2.2)
(iii) Total Comprehensive Income		5.2	42.4
Total Comprehensive Income is a more appropriate base for determining earnings per share as it includes profit after income tax and changes in fair value of financial assets.			
(c) Weighted Average Number of Ordinary Shares			
		#Shares	#Shares
(i) Weighted average number of ordinary shares used in the calculation of earnings per share		25,857,263	25,857,263
Effect of dilution from convertible notes		7,407,407	7,407,407
(ii) Weighted average number of ordinary shares used in the calculation of diluted earnings per share		33,264,670	33,264,670
19. Auditor's remuneration			
Remuneration of the auditor of the Company for:			
Audit or reviewing the financial statements		30	29
Total remuneration of auditors		30	29

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

20. Financial risk management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management program focuses on the volatility of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company does not speculate in financial assets. Risk governance is managed through the Board which provides direct oversight on the Company's risk management framework and overall risk management performance.

The Board provides written principles for risk management covering investment portfolio composition as outlined in the Investment Mandate. Risk is managed by the professional, disciplined management of the investment portfolio by EC Pohl & Co Pty Ltd (the Manager).

The Company held the following financial instruments:

	2025	2024
	\$'000	\$'000
Financial Assets		
Cash and cash equivalents	3,199	1,684
Receivables	83	65
Financial Assets at fair value through Other Comprehensive Income	80,332	86,385
Total Financial Assets	83,614	88,134
Financial Liabilities		
Trade and Other Payables	80	2,696
Total Financial Liabilities	80	2,696

(a) Market Risk

Foreign exchange risk

The Company operates entirely within Australia and is not exposed to material foreign exchange risk.

Equity market risk

The Company is exposed to risk of market price movement through its investments in Australian listed equity securities. Equity investments held by the Company are classified on the Statement of Financial Position as Financial Assets at fair value through Other Comprehensive Income and any movement in the listed equity securities is reflected in Other Comprehensive Income.

The risk to Shareholders is that adverse equity securities market movements have the potential to cause losses in Company earnings or the value of its holdings of financial instruments. The Manager's investment strategy centres on the view that investing in proven high-quality businesses with growth opportunities arising from their sustainable competitive advantage will outperform over the longer-term. Consistent with this approach, the Manager has an established risk management framework that includes procedures, policies and functions to ensure constant monitoring of the quality of the investee companies. The objective of the risk management framework is to manage and control risk exposures within acceptable parameters while optimising returns.

Equity market risk is measured as a percentage change in the value of equity instruments held in the portfolio, as compared to the total market index for the same period.

	2025	2024
Portfolio five-year return	11.7%	12.4%
All Ordinaries Index five-year return	7.9%	3.6%

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

(b) Sensitivity Analysis

Increases/decreases in an equity security's prices, affect the Company's asset revaluation reserve and Other Comprehensive Income for the year. The analysis is based on the assumption that the Financial Assets at fair value through Other Comprehensive Income had increased/decreased by 5% (2024 - 5%) with all other variables held constant.

Impact on Equity and Other Comprehensive Income for the year:

2025 +/- \$4,016,000

2024 +/- \$4,319,000

Impact on profit or loss is nil.

(c) Cash Flow Interest Rate Risk

The convertible notes issued by the Company started with a fixed interest rate coupon of 5.5% per annum with a single step up to 6.5% per annum at 30 September 2024 if the 2-year bank bill swap rate is above 1.2832%. At 30 September 2024 the 2-year bank bill swap rate was above the hurdle and consequently the step up occurred, this was announced to the ASX on 1 October 2024.

The Company is exposed to cash flow interest rate risk from holding cash and cash equivalents at variable rates. Revenue from interest forms a very minor portion of the Company's income and therefore exposure to interest rate risk is not significant.

As at the reporting date, the Company had the following cash and cash equivalents:

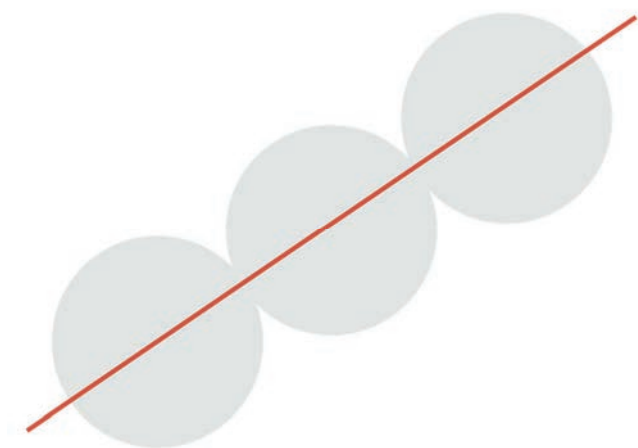
30 June 2025: Balance \$3,199,000
Weighted average interest rate 4.8%

30 June 2024: Balance \$1,684,000
Weighted average interest rate 7.5%

(d) Relative Performance Risk

The Manager aims to outperform the risk-free cash rate over the long-term. However, as the portfolio consists of equity investments these will tend to be more volatile than cash, so there will likely be periods of relative under and over performance compared to the benchmark risk free rate.

Over the long-term the Manager is confident that the portfolio can achieve outperformance through an investment selection process that invests in companies that have a sound business model, display a sustainable competitive advantage and have proven quality management.



Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

(e) Credit Risk

Credit risk is the risk of a counterparty defaulting on their financial obligations resulting in a loss to the Company. The objective of the Company is to minimise credit risk exposure. Credit risk arises from cash and cash equivalents and Financial Assets at fair value through Other Comprehensive Income. Credit risk is managed by the Manager.

Credit risk arising from cash and cash equivalents is managed by only transacting with counterparties independently rated with a minimum rating of A. The providers of financial services to the Company are rated as AA by Standard and Poor's. Credit risk on cash and cash equivalents is deemed to be low.

Credit risk arising from Financial Assets at fair value through Other Comprehensive Income relates to the risk of counterparties on the ASX defaulting on their financial obligations on transactions for Australian listed equity securities. The credit risk for these transactions is deemed to be low.

The maximum credit risk exposure of the Company at year end is the carrying value of the assets in the Statement of Financial Position.

There is no concentration of credit risk with respect to financial assets in the Statement of Financial Position.

(f) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The objective of the Company is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and distressed conditions.

Prudent liquidity risk management implies maintaining sufficient cash and marketable Australian listed equity securities.

The Manager controls liquidity risk by continuously monitoring the balance between equity securities and cash or cash equivalents and the maturity profiles of assets and liabilities to ensure this risk is minimal.

21. Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The capital structure of the Company consists of equity attributable to members of the Company. The Board monitors the return on capital, which is defined as net operating income divided by total Shareholders' Equity. The Board also monitors the level of dividends to Shareholders.

The capital of the Company is invested by the Investment Manager in accordance with the investment policy established by the Board. The Company has no borrowings beyond the convertible notes issued in October 2021. It is not subject to any externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the year.

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

22. Fair value measurements

The Company measures the following assets and liabilities at fair value on a recurring basis:

- Financial Assets at fair value through Other Comprehensive Income (FVOCI).
- Financial Assets At fair value through Profit or Loss (FVTPL).

Fair value hierarchy

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2: Inputs other than quoted prices included with level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Company.

Recurring fair value measurements:

30 June 2025	Financial Assets FVOCI – Listed Equity Securities
Level 1	80,332
Level 2	-
Level 3	-
Total	80,332

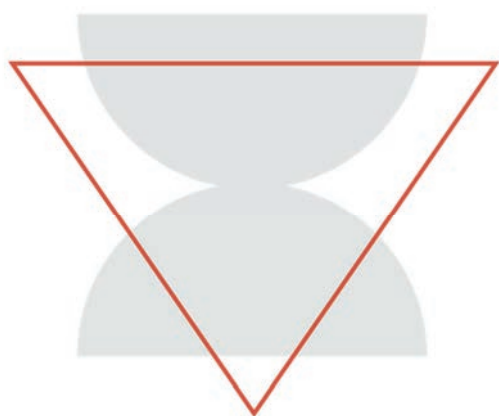
30 June 2024	Financial Assets FVOCI – Listed Equity Securities
Level 1	86,385
Level 2	-
Level 3	-
Total	86,385

Transfers between levels of hierarchy

There were no transfers between levels of the fair value hierarchy.

Highest and best use

The current use of each asset measured at fair value is considered to be its highest and best use.



Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
23. Related party transactions			
All transactions between related parties are on standard commercial terms and conditions on an arms-length basis.			
The following transactions occurred with related parties:			
EC Pohl & Co Pty Ltd – fees in accordance with the Management Services Agreement as detailed in Note 24.			
— Performance fee		45	2,656
— Secondary services administration fee		73	47
Dr E C Pohl AM has an interest in the transaction as during the year Dr E C Pohl AM was a Director, employee and Shareholder of EC Pohl & Co Pty Ltd.			
McCullough Robertson Lawyers for the provision of legal services. D M McGann is a partner of McCullough Robertson Lawyers.		-	15
Allegiant IRS for insurance advice for D & O Policy. The company is an associate of McCullough Robertson Lawyers, of which D M McGann is a partner.		-	2

24. Management services agreement

In accordance with a Management Services Agreement as amended on 10 November 2023 and approved by the Shareholders at the AGM, the Company has agreed to engage the Manager to provide primary and secondary management services.

Primary Services

1. managing the investment of the Company's portfolio, including keeping it under review;
2. ensuring investments by the Company are only made in authorised investments;
3. complying with the investment policy of the Company;
4. identifying, evaluating and implementing the acquisition and disposal of authorised investments;
5. provide the Company with monthly investment performance reporting;
6. manage the Company's public and regulatory announcements and notices;
7. promoting investment in the Company by the general investment community; and
8. providing investor relationship services

Secondary Services

1. accounting support;
2. internal audit support;
3. office services;
4. human resources support;
5. corporate support;
6. company secretarial;
7. asset custody services; and
8. information technology services support.

Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

24. Management services agreement (Continued)

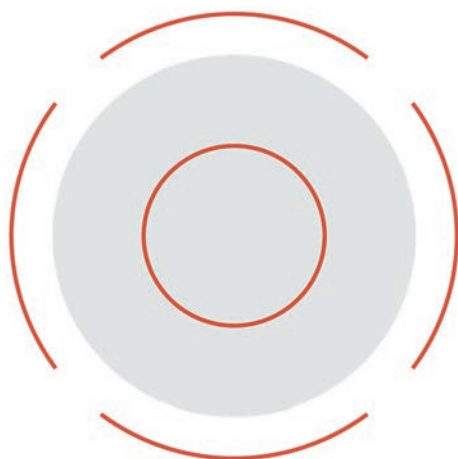
The agreement may be terminated if:

- (a) either party ceases to carry on business, or
- (b) either party enters into liquidation voluntarily or otherwise, or
- (c) either party passes any resolution for voluntary winding-up, or
- (d) a receiver of the property of either party, or any part thereof, is appointed, or
- (e) the Shareholders of the Company at an abnormal meeting called in for that purpose, resolve by binding resolution to terminate the operations, or
- (f) if the Company provides written notice to the Manager in the event of any material and substantial breach of the agreement by the Manager or if the Manager fails to remedy a breach of this agreement within 14 days following written notice of the breach.
- (g) if the Manager provides written notice to the Company in the event of any material and substantial breach of the agreement by the Company or if the Company fails to remedy a breach of this agreement within 14 days following written notice of the breach.
- (h) In recognition of the roles and personal expertise of senior executives retained by the Manager for the purpose of providing the primary services described in clause 3 of the Agreement, the parties agree that the agreement may be terminated, at the option of the Company, if there are major changes to senior executives (or their roles) providing the primary services. The Company shall be entitled to give the Manager a written termination notice upon or after the occurrence of a major change of the kind mentioned and such notice, if given, shall be effective at the end of the next calendar month following the giving of such notice unless the Company and the Manager mutually agree upon another date at which this agreement will terminate.

Under the agreement the Manager will receive a secondary service fee equal to 8 basis points per annum of the Portfolio Value calculated and payable monthly in arrears based on the month-end portfolio value, and a performance fee, payable annually in arrears, equal to 15% of the amount by which the Company's portfolio performance before tax (but after payment of the secondary services fee) exceeds the interest rate payable on bank bills as represented by the Bloomberg Bank Bill Index for that year. If the Company's net performance in the year is less than the interest rate payable on bank bills as represented by the Bloomberg Bank Bill Index for that year, then no performance fee will be payable.

Under the terms of this agreement fees paid or payable were:

\$'s	2025	2024
Performance fee	\$45,037	\$2,655,566
Secondary service fee	\$73,102	\$46,672



Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
25. Key management personnel disclosures			
As per the Management Services Agreement, the Company's Secretary and Chief Financial Officer, Mr Scott Barrett is engaged and remunerated by the Manager, EC Pohl & Co Pty Ltd. These roles do not receive any form of direct remuneration from the Company.			
The Company has no other staff and therefore has no Key Management Personnel other than the Directors.			
No member of Key Management Personnel held options over shares in the Company during the year.			
There have been no other transactions with Key Management Personnel or their related entities other than those disclosed in Note 23.			
Detailed remuneration disclosures are provided in sections (A) – (F) of the Remuneration Report on pages 18 and 19.			
The totals of remuneration paid to the key management personnel of Flagship Investments Limited during the year are as follows:			
Short-term Employment benefits paid to the Directors		142	127

26. Cash flow information

Reconciliation of net income result for the year to net cash from operating activities:

Profit for the year	559	(2,276)
Cash flows attributed to profit excluded from operating activities		
– Interest expense on convertible notes	613	710
– tax credits	(342)	(1,062)
Changes in assets and liabilities		
– decrease in trade and other receivables	27	40
– increase/(decrease) in net deferred tax liabilities	34	26
– increase/(decrease) in trade and other payables	(2,616)	1,611
Cash flow from operations	(2,843)	(951)

27. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2025 (30 June 2024: None).

28. Events occurring after the reporting date

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

Subsequent to year-end on 7 August 2025, the Directors declared a final 2025 fully franked ordinary share dividend of 5.25 cents per share.

Consolidated Entity Disclosure Statement

Flagship Investments Limited is not required by Australian Accounting Standards (AAS) to prepare consolidated financial statements as it does not have any subsidiaries and as a result subsection 295(3A)(a) of the Corporations Act 2001 to prepare a Consolidated Entity Disclosure Statement does not apply to the Company.

Directors' Declaration

The Directors of the Company declare that:

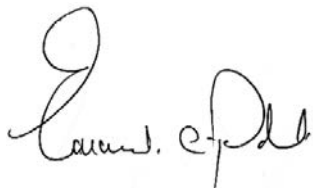
- (a) the Financial Statements and Notes set out on pages 26 to 51 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards, which, as stated in Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
 - (ii) give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date; and

in the Directors' opinion,

- (b) the consolidated entity disclosure statement is true and correct;
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (d) the remuneration disclosures set out on pages 18 and 19 of the Directors' Report (as part of the audited remuneration report) for the year ended 30 June 2025 comply with section 300A of the Corporations Act 2001.

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

This declaration is made in accordance with a resolution of the Directors and is signed for and on behalf of the Directors by:



Dr Emmanuel (Manny) C Pohl AM
Managing Director

7 August 2025

Independent Auditor's Report



FLAGSHIP INVESTMENTS LIMITED
ABN 99 080 135 913

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLAGSHIP INVESTMENTS LIMITED
(Page 1 of 5)

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Flagship Investments Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of material accounting policies and other explanatory information, and the Directors' declaration.

In our opinion, the accompanying financial report of Flagship Investments Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

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

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the year ended 30 June 2025. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Independent Auditor's Report



FLAGSHIP INVESTMENTS LIMITED
ABN 99 080 135 913

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLAGSHIP INVESTMENTS LIMITED
(Page 2 of 5)

KEY AUDIT MATTER	HOW THE KEY AUDIT MATTER WAS ADDRESSED IN OUR AUDIT
<p>Performance fee Refer to Notes 23 and 24 to the financial statements</p> <p>For the year ended 30 June 2025 the Company's statement of profit or loss and other comprehensive income includes the performance fee of \$45,037.</p> <p>In accordance with a management service agreement the Company pays a performance fee to a related party to engage a manager to provide primary and secondary management services.</p> <p>This matter is considered a key audit matter due to the risk that if related party transactions are not conducted at arms length, it can significantly impact shareholders in the following ways:</p> <ul style="list-style-type: none"> Reduced Profits: Unfair pricing can reduce the company's profitability, impacting dividends and stock prices Distorted Financial Statements: Misleading financial statements can affect investment decisions and market perceptions. 	<p>Our procedures included, inter alia:</p> <ul style="list-style-type: none"> Review of the management service agreement. Review of the calculation of the current year management fee for accuracy. Review of the appropriateness of the Company's disclosures in the financial report in accordance with AASB 124. Verification that the fees are at arms length by performing a comparative analysis of industry standards.
<p>Convertible Note-Host Debt Subsequent Valuation Refer to Notes 2(c) and 14 to the financial statements</p> <p>For the year ended 30 June 2025 the Company's statement of financial position includes the following in relation to convertible notes:</p> <ul style="list-style-type: none"> Non-current liabilities: Convertible Note of \$19,348,000 Equity: option premium on convertible notes of \$507,000 <p>On the 1/10/2021 the Company issued 7,407,407 Convertible Notes. These compound financial instruments are able to be converted to share capital at the option of the noteholder in accordance with the Note Terms. After initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method.</p> <p>This matter is considered a key audit matter for the following reasons:</p> <ul style="list-style-type: none"> Complex Valuation: Valuing convertible notes requires significant judgment and estimation, particularly in determining the fair value of the liability and equity components. Financial Impact: Convertible notes can have a substantial impact on the financial position and performance of the company, influencing both liabilities and equity. Accounting Treatment: The accounting treatment of convertible notes involves complex considerations, including the allocation between debt and equity, which can affect the financial statements significantly. 	<p>Our procedures included, inter alia:</p> <ul style="list-style-type: none"> Review the terms and conditions of the convertible notes to understand the conversion features, interest rates, maturity dates, and any other relevant terms. Ensure all calculations, classifications, and measurements comply with AASB 9 requirements. Review any changes in accounting policies or practices to ensure they are consistent with AASB 9. Evaluate the effectiveness of internal controls over the recognition, measurement, and disclosure of the liability component.

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Independent Auditor's Report



FLAGSHIP INVESTMENTS LIMITED
ABN 99 080 135 913

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLAGSHIP INVESTMENTS LIMITED
(Page 3 of 5)

Information Other Than the Financial Report and Auditor's Report Thereon

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

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Flagship Investments Limited for the year ended 30 June 2025, intended to be included on the Company's or other websites. The Company's Directors are responsible for the integrity of the Company's or other websites. We have not been engaged to report on the integrity of the Company's website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on websites.

Responsibility of the Directors for the Financial Report

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

In preparing the financial report, the Directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

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Independent Auditor's Report



FLAGSHIP INVESTMENTS LIMITED
ABN 99 080 135 913

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLAGSHIP INVESTMENTS LIMITED
(Page 4 of 5)

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors and management.
- Conclude on the appropriateness of Directors and management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transaction and events in a manner that achieves fair presentation.

21 Crombie Avenue Bundall, QLD 4217, Australia
PO Box 2498, Southport BC, QLD 4215, Australia

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Independent Auditor's Report



FLAGSHIP INVESTMENTS LIMITED
ABN 99 080 135 913

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLAGSHIP INVESTMENTS LIMITED
(Page 5 of 5)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We are also required to provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report
Opinion on the Remuneration Report

We have audited the remuneration report for the year ended 30 June 2025.

In our opinion the remuneration report of Flagship Investments Limited for the year ended 30 June 2025 complies with s300A of the Corporations Act 2001.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

AUGMENTED AUDIT CO PTY LTD
Authorised Audit Company No. 541764

A handwritten signature in black ink, appearing to read 'J. Johl'.

JESSICA JOHL RCA
DIRECTOR
7 August 2025

21 Crombie Avenue Bundall, QLD 4217, Australia
PO Box 2498, Southport BC, QLD 4215, Australia

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Group	U.S. should take action	U.S. should not take action
Total	78%	21%
U.S.-born	78%	21%
Foreign-born	78%	21%
U.S.-born, Foreign-born	78%	21%

Shareholder Information

Flagship Investments has only one class of equity security, being Fully Paid Ordinary Shares.

The Shareholder information set out below was applicable as at 29 July 2025.

(1) Twenty largest shareholders

Shareholders	Ordinary Shares	%
Citicorp Nominees Pty Limited	8,998,636	34.80%
Global Masters Fund Limited	1,010,000	3.91%
Mr Gregory John Burton & Mrs Catherine Beatrice Burton <GJ Burton Personal Super A/C>	830,467	3.21%
Mrs Sylvia Maria Valmadre	717,062	2.77%
Noonbah Pty Ltd <Noonbah A/C>	530,000	2.05%
Mr Dominic Martin McGann	447,562	1.73%
Bond Street Custodians Limited <SM5 - D90205 A/C>	445,748	1.72%
Cidel Bank & Trust Inc <CBT The Fragrance A/C>	436,083	1.69%
Dr Susanna Elizabeth Swanepoel	416,667	1.61%
Quantum Electronics Pty Ltd <Quantum Elec PI S/Fund A/C>	378,872	1.47%
Burton Holdings (Qld) Pty Ltd <The CB A/C>	374,526	1.45%
Burton Holdings (Qld) Pty Ltd <Burton Family A/C>	312,416	1.21%
Mrs Erika Haberfield	307,520	1.19%
Pohl Foundation Pty Ltd <The Pohl Foundation A/C>	287,587	1.11%
Primary Community Aged Care Pty Ltd <Ardmillan A/C>	284,781	1.10%
Bond Street Custodians Limited <Hef - Q01843 A/C>	260,000	1.01%
Burton Investment Pty Limited	247,671	0.96%
Rennin Pty Ltd <Reynard Super Fund A/C>	240,918	0.93%
EVJ Holdings Pty Ltd <Edwina A/C>	210,148	0.81%
Mr Edwin Henry Buckland & Mrs Enid Olive Buckland <Buckland Super Fund A/C>	200,000	0.77%
Total	16,936,664	65.50%

Shareholder Information (continued)

(2) Distribution of securities

Fully Paid Ordinary Shares

Distributions	Number of Shareholders	% of shares held
1 to 1,000	113	0.2%
1,001 to 5,000	161	1.8%
5,001 to 10,000	114	3.4%
10,001 to 100,000	194	20.3%
100,001 and over	36	74.3%
Total	618	100.0%
Holdings of less than a marketable parcel	41	0.01%

(3) Substantial shareholdings

The names of the Shareholders who have notified the Company of a substantial holding in accordance with section 671B of the *Corporations Act 2001* are:

Substantial Shareholder	Number of Shares	% of total
Dr E C Pohl AM *	10,356,050	40.1%
Mr G J Burton	1,600,000	6.18%

* Has the power to control voting and/or the disposal of securities in accordance with a Power Of Attorney in relation to 1,362,044 shares.

(4) Voting rights

On a show of hands every Shareholder present in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(5) On-market buy back

There is no current on-market buy back.

Group	U.S. should take action	U.S. should not take action
Total	78%	21%
Men	78%	21%
Women	78%	21%
18-29	78%	21%

Investments

(1) Holdings of securities as at 30 June 2025

Individual investments at 30 June 2025 are listed below. The list should not, however, be used to evaluate portfolio performance or to determine the net asset backing per share at other dates. Individual holdings in the portfolio may change during the course of the year.

Code	Company	Shares	Market Value \$'000	%
Ordinary shares				
ARB	ARB Corporation Limited	44,000	1,438.8	1.72
C79	Chrysos Corporation Limited	300,000	1,410.0	1.69
CAR	CAR Group Limited	75,000	2,806.5	3.36
COH	Cochlear Limited	11,874	3,567.2	4.27
CTD	Corporate Travel Management Limited	185,000	2,562.3	3.07
DMP	Domino's Pizza Enterprises Limited	162,233	3,126.2	3.74
FCL	Fineos Corporation Holdings PLC	873,204	2,034.6	2.43
GQG	GQG Partners Inc.	2,200,000	4,972.0	5.95
GYG	Guzman Y Gomez Limited	150,000	4,243.5	5.08
HUB	HUB24 Limited	90,000	8,025.3	9.60
IEL	Idp Education Limited	282,116	1,035.4	1.24
JDO	Judo Capital Holdings Limited	1,654,094	2,588.7	3.10
JHX	James Hardie Industries PLC	88,796	3,702.8	4.43
LOV	Lovisa Holdings Limited	136,392	4,320.9	5.17
MP1	Megaport Limited	60,000	866.4	1.04
MQG	Macquarie Group Limited	7,000	1,601.1	1.92
NAN	Nanosonics Limited	319,442	1,293.7	1.55
NOL	Nobleoak Life Limited	1,811,549	2,753.6	3.30
NWL	Netwealth Group Limited	25,000	839.75	1.00
NXL	Nuix Limited	200,000	438.0	0.52
PWH	Pwr Holdings Limited	150,000	1,039.5	1.24
REA	REA Group Ltd	5,200	1,250.6	1.50
RIO	Rio Tinto Limited	20,000	2,142.6	2.56
RMD	ResMed Inc.	140,000	5,509.0	6.59
SEK	Seek Limited	150,000	3,607.5	4.32
TPW	Temple & Webster Group Ltd	90,000	1,918.8	2.30
WTC	Wisetech Global Limited	17,000	1,853.5	2.22
XRO	Xero Limited	21,360	3,840.5	4.60
XYZ	Block, Inc.	54,000	5,543.1	6.63
			80,331.7	96.13
Cash				
	Cash (including dividends receivable)		3,232.1	3.87
	Grand total		83,563.8	100.0

(2) Transactions and brokerage

There were 148 (2024: 110) transactions in securities during the year on which brokerage of \$259,064 (2024: \$187,930) was paid.

Investment Performance

Annual percentage change

Year to	Portfolio Return Pre Fees	Portfolio Return After Fees [^]	Net Tangible Assets (NTA)*	All Ordinaries Index	All Ordinaries Accumulation Index
June-99	16.4%	14.4%	14.6%	10.1%	14.1%
June-00	33.6%	30.4%	25.3%	12.9%	16.8%
June-01	20.0%	15.2%	8.8%	5.1%	8.8%
June-02	-5.0%	-6.3%	-9.3%	-7.6%	-4.5%
June-03	-9.4%	-10.2%	-14.6%	-5.2%	-1.1%
June-04	20.5%	19.0%	14.4%	17.7%	22.4%
June-05	35.1%	31.0%	24.1%	19.8%	24.7%
June-06	34.7%	31.6%	19.8%	19.0%	24.2%
June-07	35.9%	32.8%	21.6%	25.4%	30.3%
June-08	-24.1%	-25.8%	-31.3%	-15.5%	-12.1%
June-09	-4.2%	-4.2%	-8.0%	-26.0%	-22.1%
June-10	21.4%	19.6%	6.7%	9.5%	13.8%
June-11	4.6%	4.6%	-1.7%	7.7%	12.2%
June-12	-4.9%	-4.9%	-8.2%	-11.3%	-7.0%
June-13	32.9%	29.5%	15.7%	15.5%	20.7%
June 14	26.2%	23.5%	15.8%	12.7%	17.6%
June-15	6.6%	6.2%	-1.4%	1.3%	5.7%
June-16	12.3%	10.9%	5.7%	-2.6%	2.0%
June-17	8.0%	7.1%	0.6%	8.5%	13.1%
June-18	20.1%	17.8%	8.5%	9.1%	13.7%
June-19	16.7%	14.8%	6.4%	6.5%	11.0%
June-20	8.4%	7.4%	0.9%	-10.4%	-7.2%
June-21	40.7%	36.2%	29.3%	26.4%	30.2%
June-22	-21.1%	-21.1%	-29.9%	-11.1%	-7.4%
June-23	15.4%	13.9%	7.8%	9.7%	14.8%
June-24	29.0%	26.0%	21.0%	8.3%	12.5%
June-25	5.0%	5.0%	-1.4%	9.5%	13.2%

Note:

[^] Fees include Performance fees and Underwriting fees.

* NTA (Net Tangible Assets) is after tax on realised gains and all operating expenses and payment of dividends to Shareholders. It excludes tax provision on unrealised gains.

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Total	78%	21%
U.S.-born	78%	21%
Foreign-born	78%	21%
U.S.-born, Foreign-born	78%	21%

Corporate Directory

Flagship Investments Limited

ABN 99 080 135 913
Registered in Queensland on
23 September 1997

Board Of Directors

Dominic M McGann
Non-Executive Chairman

Dr Emmanuel (Manny) C Pohl AM
Managing Director

Angela Obree
Non-Executive Director

Company Secretary

Scott W Barrett

Registered Office

Level 12
Corporate Centre On
2 Corporate Court
Bundall Qld 4217

Tel: +61 (0) 7 5644 4405
Fax: +61 (0) 7 5574 1457

Toll Free: 1800 Flagship
1800 352 474

Email: contact@flagshipinvestments.com.au

Postal Address

PO Box 7536
Gold Coast Mail Centre
Bundall Qld 9726

Auditors

Augmented Audit Co Pty Ltd
21 Crombie Avenue
Bundall Qld 4217

Email: info@augmentedaudit.com.au

Investment Manager

EC Pohl & Co Pty Ltd
ACN 154 399 916

Level 12, Corporate Centre One
2 Corporate Court
Bundall Qld 4217

Tel: +61 (0) 7 5644 4400
Fax: +61 (0) 7 5574 1457

Share Registry

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

Toll Free: 1300 737 760
International: +61 (0) 2 9290 9600
Fax: +61 (0) 2 9279 0664

Email: enquiries@boardroomlimited.com.au

Solicitors

McCullough Robertson Lawyers
Level 11
Central Plaza Two
66 Eagle Street
Brisbane Qld 4000

Tel: +61 (0) 7 3233 8888
Fax: +61 (0) 7 3229 9949

Website Address

www.flagshipinvestments.com.au

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