



**FARM PRIDE FOODS LIMITED
ABN 42 080 590 030
AND CONTROLLED ENTITIES**

**HALF-YEAR INFORMATION
FOR THE SIX MONTHS ENDED 31 DECEMBER 2024
PROVIDED TO THE ASX UNDER LISTING RULE 4.2A.3**

**This half-year financial report is to be read in conjunction with the financial report for the
year ended 30 June 2024.**

Appendix 4D**Half Year Report for the six months to 31 December 2024**

Name of entity: FARM PRIDE FOODS LIMITED

ABN or equivalent company reference: 42 080 590 030

1. Reporting period

Report for the half year ended: 31 December 2024

Previous corresponding periods: Financial year ended 30 June 2024
 Half- year ended 31 December 2024

2. Results for announcement to the market

			Dec 24 \$000s	Dec 23 \$000s
Revenues from ordinary activities (<i>item 2.1</i>)	Down	6.33% to	45,138	48,188
Profit/(Loss) from ordinary activities after tax attributable to members (<i>item 2.2</i>)	Up	276.68% to	1,629	(922)
Net Profit/(Loss) for the period attributable to members (<i>item 2.3</i>)	Up	276.68% to	1,629	(922)
Dividends (<i>item 2.4</i>)	Amount per security		Franked amount per security	
Interim dividend		- ¢		- ¢
Final dividend		- ¢		- ¢
Previous corresponding period		- ¢		- ¢
Record date for determining entitlements to the dividend (<i>item 2.5</i>)	N/A			
	Brief explanation of any of the figures reported above necessary to enable the figures to be understood (<i>item 2.6</i>):			
	Refer to Director's report.			

3. Net tangible assets per security (*item 3*)

	31 Dec 2024	30 Jun 2024
Net tangible asset backing per ordinary security	12.35¢	1.96¢

4. Details of entities over which control has been gained or lost during the period: (item 4)

Control gained over entities

Name of entities (item 4.1)	N/A	
Date(s) of gain of control (item 4.2)	N/A	
Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities since the date(s) in the current period on which control was acquired (item 4.3)		\$ -
Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 4.3)		\$ -

Loss of control of entities

Name of entities (item 4.1)	N/A	
Date(s) of loss of control (item 4.2)	N/A	
Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was lost (item 4.3).		\$ -
Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 4.3)		\$ -

5. Dividends (item 5)

	Date of payment	Total amount of dividend
Interim dividend year ended 30 June 2025	N/A	\$ -
Final dividend year ended 30 June 2024	N/A	\$ -

Amount per security

	Amount per security	Franked amount per security at % tax	Amount per security of foreign sourced dividend
Total dividend: Current year	- ¢	- ¢	- ¢
Previous year	- ¢	- ¢	- ¢

6. The financial information provided in the Appendix 4D is based on the reviewed half-year condensed consolidated financial report (attached).

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
ABN 42 080 590 030

FARM PRIDE FOODS LIMITED
ABN 42 080 590 030
AND CONTROLLED ENTITIES

FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2024

This half-year financial report is to be read in conjunction with
the financial report for the year ended 30 June 2024.

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
ABN 42 080 590 030

Corporate Information

ABN 42 080 590 030

Directors

George Palatianos (Non-Executive Chairman)
Malcolm Ward (Non-Executive Director)
Darren Lurie (Managing Director)

Management

Darren Lurie (Managing Director)
Tony Enache (Chief Financial Officer)

Company Secretary

Justin Mouchacca

Registered Office and principal place of business

551 Chandler Road
Keysborough, Victoria 3173
+61 3 9798 7077

Solicitors

QR Lawyers
Level 6
400 Collins Street
Melbourne, Victoria 3000

Financiers

MC FP Pty Ltd
Level 18, 90 Collins Street
Melbourne, Victoria 3000

Tradeplus 24 Australia Pty Ltd
Level 2, 696 Bourke Street
Melbourne, Victoria 3000

Share Register

Computershare Registry Services Pty. Ltd.
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria 3067

ASX: FRM

Auditors

Hall Chadwick
Level 14, 440 Collins Street
Melbourne, Victoria 3000

Internet Address

www.farmpride.com.au

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
ABN 42 080 590 030

FINANCIAL REPORT FOR THE HALF-YEAR ENDED
31 DECEMBER 2024

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FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
ABN 42 080 590 030

DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

The Directors present their report together with the financial report of the consolidated entity consisting of Farm Pride Foods Limited ('the Company') and the entities it controlled (or the 'Group'), for the half-year ended 31 December 2024 and auditor's report thereon.

Directors

The names of Directors in office at any time during or since the end of the half year are:

George Palatianos	Non-Executive Director, Chair
Darren Lurie	Managing Director
Malcolm Ward	Non-Executive Director

The Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Review of operation

Statutory consolidated net profit after tax attributable to the members of Farm Pride Foods Ltd ("Statutory Profit") for the half year ended 31 December 2024 was a profit of \$1.629million (2023: loss \$0.922million). Earnings before interest, tax, depreciation, and amortization (EBITDA) was \$7.053million (2023: \$3.669million).

The following table reconciles the statutory profit to EBITDA for the half year ended 31 December 2024:

	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
Statutory Profit/(loss)	1,629	(922)
Add back:		
- Interest (finance costs)	1,606	1,494
- Depreciation and amortisation	3,818	3,097
EBITDA	7,053	3,669

During the first half of the 2025 financial year (H1FY25), the Company was focused on the recovery of its 3 farms in the Lethbridge, Victoria area which were closed and de-populated due to hens on each farm contracting the H7N3 strain of Avian Influenza (AI).

The Company undertook multiple steps during H1FY25 to reduce the impact of AI and improve both the profitability and balance sheet position of Farm Pride. These steps included the:

- planning and implementation of upgrades in biosecurity arrangements and processes at multiple farms and grading facilities;
- identification and implementation of overhead reductions and improved efficiencies;
- completion of a 3:7 non-renounceable fully underwritten pro rata share entitlement offer raising \$6.165m before costs;
- conversion of \$1.035m of Directors loans to equity;
- repayment of \$4.137m of borrowings with \$2.000m available to redraw.
- extension of \$2.000m of finance facilities provided by AMAL Trustees Pty Ltd until 31 August 2025 and the \$12.55m facility provided by MC FP Pty Ltd until 31 December 2025;
- appointment of an independent valuer to determine the fair value of the Company's plant and equipment resulting in a \$15.652m increase in the value of the company's assets as detailed in the financial statements.

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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The Company's farms, compliance and logistics teams undertook multiple tasks and activities to be able to restock hens at each of the previously AI affected farms within one month of the end of 2024 calendar year.

Notwithstanding the impact of AI, the financial and operational turnaround of the Group continued in the H1FY25. During this period, while the Group's net revenue from customers decreased 10.3% to \$43.178 million (Dec 2023: \$48.162 million), earnings before interest, tax, depreciation and amortisation (EBITDA) was \$7.053 million (Dec 2023: \$3.669 million), an improvement of \$3.384 million on the previous corresponding period.

The profit after-tax of \$1.629 million represented a \$2.551 million improvement on the previous corresponding period. It is the first half yearly profit since half year FY18.

While national egg shortages have resulted in improved pricing of eggs, the Company has not yet returned to full production on all farms and continues to face a challenging environment with cost and labour availability pressures and the requirement for continued further investments in biosecurity protection and efficiency enhancements.

The Board thanks all our customers and suppliers for their continued support and our employees who are working hard to ensure the successful recovery from AI and the implementation of the many improvement initiatives being undertaken.

Significant changes in the state of affairs

There have been no significant changes in the Group's state of affairs during the half year other than as detailed above.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* in relation to the review for the half-year ended 31 December 2024 is provided with this report.

Rounding of amounts to nearest thousand dollars

The amounts contained in the report and in the half year financial report have been rounded to the nearest thousand dollars (where rounding is applicable) under the option available to the Group under ASIC Corporations Instrument 2016/191. The Company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the Directors.



George Palatianos
Director
25 February 2025

FARM PRIDE FOODS LIMITED
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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF FARM PRIDE FOODS LIMITED**

As lead auditor for the review of Farm Pride Foods Limited and Controlled Entities for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.



Anh (Steven) Nguyen
Director

Date: 25th February 2025

Hall Chadwick Melbourne
Level 14 440 Collins Street
Melbourne VIC 3000

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
ABN 42 080 590 030

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

		Half-year	
	Notes	31 Dec 2024	31 Dec 2023
		\$'000	\$'000
Revenue and other income			
Revenue from contracts with customers	2	43,178	48,162
Interest revenue and other income	2	1,960	26
		<u>45,138</u>	<u>48,188</u>
Less: Expenses			
Changes in inventories of finished goods and work in progress		326	1,215
Raw materials and consumables		(25,418)	(33,037)
Employee benefits expense		(10,999)	(10,960)
Depreciation		(3,818)	(3,097)
Finance costs		(1,606)	(1,494)
Other expenses		<u>(1,994)</u>	<u>(1,737)</u>
Profit/(Loss) before income tax expense		1,629	(922)
Income tax (expense) / benefit		-	-
Profit/(Loss) after tax		<u>1,629</u>	<u>(922)</u>
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Revaluation of property, plant and equipment	3	15,652	-
Total comprehensive Income/(loss) for the half-year		<u>17,281</u>	<u>(922)</u>
Earnings per share for profit attributable to the equity holders of the parent entity:			
Basic earnings/(loss) per share (cents per share)		0.84	(0.64)
Diluted earnings/(loss) per share (cents per share)		0.82	(0.64)

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	31 Dec 2024 \$'000	30 June 2024 \$'000
Current Assets			
Cash and short-term deposits		4,838	1,686
Trade and other receivables		7,980	12,005
Inventories		6,226	5,900
Biological assets		7,674	5,301
Other current assets		1,233	677
Total current assets		<u>27,951</u>	<u>25,569</u>
Non-current Assets			
Biological assets		833	433
Property, plant and equipment	3	34,922	20,549
Leased Assets		14,707	14,260
Total non-current assets		<u>50,462</u>	<u>35,242</u>
TOTAL ASSETS		<u>78,413</u>	<u>60,811</u>
Current Liabilities			
Trade and other payables		8,976	12,333
Lease liabilities		3,917	3,635
Borrowings	4	13,445	4,455
Provisions		2,459	2,290
Total current liabilities		<u>28,797</u>	<u>22,713</u>
Non-current liabilities			
Borrowings	4	-	12,659
Lease liabilities		22,672	22,519
Provisions		93	98
Total non-current liabilities		<u>22,765</u>	<u>35,276</u>
TOTAL LIABILITIES		<u>51,562</u>	<u>57,989</u>
NET ASSETS		<u>26,851</u>	<u>2,822</u>
EQUITY			
Contributed equity	5	41,027	34,307
Revaluation Reserve		15,652	-
Share option reserve		215	187
Retained losses		(30,043)	(31,672)
TOTAL EQUITY		<u>26,851</u>	<u>2,822</u>

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Notes	Contributed equity	Revaluation Reserve	Share option reserve	Retained losses	Total equity
		\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2024		34,307	-	187	(31,672)	2,822
Profit/(Loss) for the half-year		-	-	-	1,629	1,629
<i>Other comprehensive income:</i>						
Revaluation of property, plant and equipment	3	-	15,652	-	-	15,652
Total comprehensive income		-	15,652	-	1,629	17,281
<i>Transactions with owners in their capacity as owners:</i>						
Issue of ordinary shares		7,200	-	-	-	7,200
Shares issue costs		(480)	-	-	-	(480)
Share based payments	6	-	-	28	-	28
Balance as at 31 December 2024		41,027	15,652	215	(30,043)	26,851

	Notes	Contributed equity	Revaluation Reserve	Share option reserve	Retained losses	Total equity
		\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2023		34,307	-	71	(29,327)	5,051
Profit/(Loss) for the half-year		-	-	-	(922)	(922)
Total comprehensive income		-	-	-	(922)	(922)
<i>Transactions with owners in their capacity as owners:</i>						
Share based payments	6		-	72	-	72
Balance as at 31 December 2023		34,307	-	143	(30,249)	4,201

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Half-year	
Notes	31 Dec 2024	31 Dec 2023
Cash flow from operating activities	\$'000	\$'000
Receipts from customers	51,283	51,408
Payments to suppliers and employees	(45,572)	(47,961)
Finance costs paid	(1,514)	(1,440)
Net cash provided by operating activities	4,197	2,007
Cash flow from investing activities		
Payment for property, plant and equipment	(836)	(941)
Net cash used in investing activities	(836)	(941)
Cash flow from financing activities		
Proceeds from issue of new shares net of transaction costs	5,685	-
Repayment of borrowings	(4,137)	(1,648)
Proceeds from borrowings	300	2,900
Repayment of lease liability	(2,057)	(2,099)
Net cash used in financing activities	(209)	(847)
Net increase/(decrease) in cash and cash equivalents	3,152	219
Cash and cash equivalents at beginning of the half-year	1,686	1,987
Cash and cash equivalents at end of the half-year	4,838	2,206

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS 31 DECEMBER 2024

Note 1: Basis of Preparation of the Half Year Financial Report:

The half-year financial report is intended to provide users with an update on the latest annual financial statements of Farm Pride Foods Limited (the Company) and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2024, together with any public announcements made by the Group during the following half-year.

The half-year financial report covers the Company and its controlled entities as a consolidated entity. Farm Pride Foods Limited is a company limited by shares, incorporated and domiciled in Australia. The address of the Company's registered office and principal place of business is 551 Chandler Road, Keysborough, Victoria. The Company is a for-profit entity for the purpose of preparing the financial statements. The half-year financial report was authorised for issue by the Directors as at the date of the Director's Report.

(a) Basis of preparation

The half-year financial report has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, as appropriate for for-profit entities, and the *Corporations Act 2001*. Compliance with AASB 134, as appropriate for for-profit entities, ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The half-year financial report has been prepared under the historical cost convention, as modified by revaluation to fair value of property, plant and equipment assets as described in note 3.

The accounting policies applied in this half-year financial report are consistent with those of the annual financial report for the year ended 30 June 2024 except as described in note 3.

(b) Summary of the significant accounting policies

The condensed consolidated half-year financial report complies with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(c) Going concern

The financial report has been prepared on the basis that the Group is a going concern, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

As outlined in the Director's report, significant improvements have been made across the business since the previous corresponding period resulting in improvements of \$2.190 million in operating cash flows, \$3.384 million in EBITDA and \$2.551 million in net profit for the half-year ended 31 December 2024 (half-year).

During the half-year the Group made a net profit after tax of \$1.629 million (2023: loss \$0.922 million). Net cash flow from operating activities was an inflow of \$4.197 million (2023: cash inflow \$2.007 million). As at 31 December 2024 current assets of \$27.951 million were exceeded by current liabilities of \$28.797 million by \$0.846 million (June 2024: current assets of \$25.569 million exceeded current liabilities of \$22.713 million by \$2.856 million).

As described in Note 4 the Group has three debt facilities at 31 December 2024 providing funding of up to \$15.470 million. These facilities were drawn to \$13.445 million as at 31 December 2024. The largest facility expires on 31 December 2025. The directors are confident that these facilities will be re-financed before their expiry dates.

In determining the basis for preparation of the financial report, the directors have assessed the financial performance, future operating plans, financial forecasts, existing financial position and recent equity raising by the Group. The directors believe there are reasonable grounds to expect the Group to be able to continue as a going concern for at least 12 months from the date of issue of the financial report, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. As a result of the above, the directors have concluded that the going concern basis is appropriate.

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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(d) Segment reporting

Management has determined the operating segments based on the reports reviewed by the Board of Directors (the chief operating decision maker as defined under AASB 8) that are used to make strategic and operating decisions. The Board of Directors considers the business primarily from a geographic perspective. On this basis the Group has identified one reportable segment, Australia. The Group does not operate in any other geographic segment.

Note 2: Revenue and other income:

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Revenue from contracts with customers		
Shell egg	23,104	26,088
Product egg	18,053	20,020
Packaging	2,021	2,054
Total revenue from contracts with customers	43,178	48,162
Compensation due to Avian Influenza event	1,522	-
Other income	438	26
Total other income	1,960	26
Total revenue and other income	45,138	48,188

Note 3: Revaluation of Property, Plant and Equipment Assets:

As per AASB 116, after initial recognition of property, plant and equipment assets, an entity can choose either the cost model or the revaluation model as its accounting policy for subsequent measurement. The selected policy is to be applied to the entire class of property, plant and equipment assets (the assets).

Under the cost model, after initial recognition, the assets are carried at their cost less any accumulated depreciation and any accumulated impairment losses. Under the revaluation model, after initial recognition, the assets are carried at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Until the last financial year, the company had carried its property, plant and equipment assets under the cost model. The Directors were of the opinion that since a vast majority of these assets were acquired more than five years ago the carrying amount of these assets is likely to be substantially lower than the fair value. Therefore, in order to ensure better representation of the value of the assets in the financial statements, the Company engaged an independent valuer during the half year ending December 2024 to determine the fair value of the assets. The effective date of the valuation was 31st December 2024. The resulting fair value of the assets was \$15.652 million in excess of the carrying amount. Consequently, as at 31st December 2024:

- The book value of the assets was increased by \$15.652 million.
- \$15.652 million of revaluation surplus was recognized in other comprehensive income and accumulated in equity under the heading of revaluation reserve.
- \$0.112 million was recognized as an expense under "Other expenses" for the assets whose fair value was less than the carrying amount.

The carrying amount of Property, Plant and Equipment would have been \$19.382m as at 31st December 2024 had the assets been carried under the cost model.

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Note 4: Borrowings:

	Consolidated	
	31 Dec 2024 \$'000	30 June 2024 \$'000
Current		
Long term loan (secured) ¹	12,530	-
Short term loan (unsecured) ²	915	2,250
Working Capital Loan ³	-	2,000
Long term loan (unsecured) ⁴	-	205
	<u>13,445</u>	<u>4,455</u>
Non-current		
Long term loan (secured) ¹	-	12,515
Long term loan (unsecured) ⁴	-	144
	<u>-</u>	<u>12,659</u>

¹ The facility is secured by a fixed charge over selected property and company assets. The maturity date of the facility is 31 December 2025.

² Short term loan is provided by an interest associated with the Group's Chair. The facility is unsecured. Subsequent to the reporting date, shareholders have approved the conversion of this facility to equity. (Refer Note 7).

³ The facility is secured over the Group's receivables and has a redraw capacity. The maturity date of the facility is 31 August 2025.

⁴ The facility was repaid during the half year ending 31 December 2024.

At the reporting date, the Group's financing are as follows:

	Consolidated	
	31 Dec 2024 \$'000	30 June 2024 \$'000
(i) Long Term Loan (secured)		
Facilities available	12,555	12,555
Facilities used	12,530	12,515
Facilities unused	<u>25</u>	<u>40</u>
(ii) Short Term Loans (unsecured)		
Facilities available	915	2,250
Facilities used	915	2,250
Facilities unused	<u>-</u>	<u>-</u>
(iii) Working Capital Loan		
Facilities available	2,000	2,000
Facilities used	-	2,000
Facilities unused	<u>2,000</u>	<u>-</u>
(iv) Long Term Loan (unsecured)		
Facilities available	-	349
Facilities used	-	349
Facilities unused	<u>-</u>	<u>-</u>

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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Note 5: Contributed Equity:

	Consolidated	
	31 Dec 2024 \$'000	30 June 2024 \$'000
Issued and paid-up capital		
217,496,256 (June 2024: 143,857,856) Ordinary shares fully paid	41,027	34,307
Each share is entitled to 1 vote per share.	<u>41,027</u>	<u>34,307</u>

Reconciliation:

Reconciliation of the number of ordinary shares outstanding at the beginning and end of the year:

	Number of ordinary shares	Share capital \$'000
Balance at 1 July 2023	143,857,856	34,307
Ordinary shares issued during the year	-	-
Balance at 30 June 2024	<u>143,857,856</u>	<u>34,307</u>
Ordinary shares issued during the year	73,638,400	7,200
Share issue costs (net of tax)	-	(480)
Balance at 31 December 2024	<u>217,496,256</u>	<u>41,027</u>

Rights Issue: During the half year, the company raised \$6.165m of additional capital (before transaction costs) through a non-renounceable pro-rata entitlement offer of new shares to eligible shareholders. The Rights Issue was underwritten by Willow Heights Pty Ltd, an entity associated with the Group's Chair. Funds raised under the Rights Issue were used to support the Group's operations as it recovered from the adverse impacts of Avian Influenza (AI) and to further enhance and expand the Group's farming, grading and production operations.

Conversion of Directors Loans to Equity: During the half year, part or all of the following loans (as indicated) that were provided to the Group by interests associated with the Group's board of directors were converted to equity.

- \$835,000 of the \$1,750,000 loan provided by Ackenberg Holdings Pty Ltd (an interest associated with Mr. George Palatianos) was converted to equity. 8,350,000 fully paid ordinary shares were issued to Ackenberg Holdings Pty Ltd at a deemed issue price of \$0.10 per share.
- The \$200,000 loan provided by LDL Custodians Pty Ltd (an interest associated with Mr. Darren Lurie) was converted to equity. 2,000,000 fully paid ordinary shares were issued to LDL Custodians Pty Ltd at a deemed issue price of \$0.10 per share.

Issue of shares to LDL Custodians Pty Ltd (an interest associated with Mr. Darren Lurie): During the half year, 1,090,000, fully paid ordinary shares, 1,090,000 Performance Rights and 3,600,000 options were issued for nil consideration to LDL Custodians Pty Ltd. 545,000 of these Performance Rights were vested and exercised during the half year.

Prior to the issue of new shares described above, the Group's largest shareholder was West Coast Eggs Pty Ltd, holding 43,519,979 or 30.25% of the shares. Subsequent to the issue of the new shares, Bait of Brets Pty Ltd is the Group's largest shareholder, holding 50,720,389 or 23.32% of the shares in the Group.

Dividends: No dividends were paid or proposed during the half-year (2023: nil).

Note 6: Share-Based Payments:

The remuneration of Mr. Darren Lurie (Managing Director) includes the award of share options and performance rights that vest upon the satisfaction of specified performance conditions as detailed in the following tables:

Tranche	Share options (i)	Grant Date	Fair value per option (at grant date) (ii)	Total value of options (ii)	Vesting Condition	Exercise price per option	Expiry Date	Number of options vested	Number of options lapsed
1	1,200,000	23 rd February 2023	\$0.070	\$84,000	Achieving EBITDA of \$4m during any financial year before 30 June 2025	\$0.055	3 years from vesting	1,200,000	-
2	1,200,000	23 rd February 2023	\$0.075	\$90,000	Achieving EBITDA of \$6m during any financial year before 30 June 2026	\$0.055	3 years from vesting	1,200,000	-
3	1,200,000	23 rd February 2023	\$0.079	\$94,800	Achieving EBITDA of \$8m during any financial year before 30 June 2027	\$0.055	3 years from vesting	-	-
Total	3,600,000			\$268,800				2,400,000	

Tranche	Performance rights (i)	Grant Date	Fair value per right (at grant date) (ii)	Total value of rights granted (ii)	Vesting Condition	Exercise Price per right	Number of rights vested	Number of rights exercised	Number of rights lapsed	Expiry Date	Vesting Date
1	545,000	23 rd February 2023	\$0.11	\$59,950	Remaining employed at the group	-	545,000	545,000	-	-	23 rd August 2024
2	545,000	23 rd February 2023	\$0.11	\$59,950	Remaining employed at the group	-	-		-	-	23 rd February 2025
Total	1,090,000			\$119,900			545,000	545,000			

(i) Options and rights are granted over ordinary shares of the Group. Vested options and rights are exercisable on a one-for-one basis.

(ii) The fair value of options and rights granted was determined at grant date, using the Black-Scholes model. This amount is included in remuneration of Executive Directors and other key management personnel over the vesting period (i.e., a portion is allocated to each financial year and half-year within the vesting period).

The expense recognised in relation to these share-based payment transactions was recognised within other expenses within profit or loss were as follows:

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Total expense recognised	28	72

Note 7: Subsequent events:

At the General Meeting held on 14 February 2025 approval was given for the conversion to equity of the \$915,000 loan that was provided by Ackenberg Holdings Pty Ltd (an interest associated with Mr. George Palatianos). The shareholders approved to issue 9,150,000 fully paid ordinary shares to Mr. George Palatianos (or his nominee) at a deemed issue price of \$0.10 per share.

DIRECTORS DECLARATION

The Directors declare that the financial statements and notes set out on pages 11 to 16 in accordance with the *Corporations Act 2001*:

- (a) Comply with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements; and
- (b) Give a true and fair view of the financial position of the Group as at 31 December 2024 and of its performance for the half-year ended on that date.

In the Directors' opinion there are reasonable grounds to believe that Farm Pride Foods Limited and its controlled entities will be able to pay its debts as and when they become due and payable.

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



Director
25 February 2025
Melbourne

FARM PRIDE FOODS LIMITED
ABN 42 080 590 030

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE DIRECTORS OF FARM PRIDE FOODS LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Farm Pride Foods Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and the Directors' declaration.

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

- a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities section of our report.

We are independent of the Group in accordance with the auditor independence requirement of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Directors for the Financial Report

The Directors of the Group are responsible for:

- a) the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*
- b) such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended as at that date; and complying with *Accounting Standard AASB 134: Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

**Hall Chadwick Melbourne Audit
Chartered Accountants
Level 14, 440 Collins Street
MELBOURNE VIC 3000**



Director: Anh (Steven) Nguyen

Date: 25th February 2025