

30 January 2025

ASX Announcements Office

Farm Pride Foods Limited (ASX:FRM)

QUARTERLY ACTIVITIES REPORT AND APPENDIX 4C

Farm Pride Foods Limited ("**Farm Pride**", "**Company**") is pleased to provide the following update to shareholders for the quarter ended 31 December 2024 ("**Quarter**").

The Company completed the recovery of its Avian Influenza (AI) impacted farms in the Lethbridge, Victoria area and birds were placed at two of these farms. Birds were placed at the third of these farms in January 2025.

Proceeds from the previous quarter's Rights Issue together with operating cash flows were used to repay \$2.599m of finance facilities (\$300k to Oakmeadow, being an interest associated with Director Mr Malcolm Ward and \$299k to Scolexia which facilities have been repaid and \$2m to the facility with AMAL Trustees which remains available for re-draw). Following these payments, the Company held \$3.82m in available cash at the end of the Quarter.

Operating cash inflows were \$0.531m for the Quarter and \$2.185m for the 6 months to the end of December 2024. During this 6 month period, payments to trade creditors were accelerated with Accounts Payable turnover falling from 49 to 32 days.

The Company continued to enhance its farming, production and grading operations by investing in the infrastructure with an additional focus on biosecurity. \$377k of the cash outflows from investing activities detailed in Section 2.1 of Appendix 4C relate to the enhancement of the farming and biosecurity facilities and the balance \$375k relates to production and grading facilities. The Company also paid \$977k for repairs and maintenance during the Quarter.

The Company continues to face a challenging environment with cost pressures including the significant and ongoing spending on biosecurity protection.

During the Quarter, the Company had net operating cash inflows of \$0.531m, including net receipts from customers of \$23.463m. Receipts were 12% higher than in the previous quarter. The Company received the final compensation of \$1.1m from the Emergency Animal Disease Compensation Scheme for the removal of hens, eggs and manure, the cleaning of farms and other costs during the quarter.

Cash on hand at the end of the Quarter of \$4.837m includes a cash backed rental guarantee of \$1.017m. Unused financing facilities available at Quarter end were \$2.025m.

Payments included in Section 6.1 of the accompanying Appendix 4C relate to the Director's fees, the Managing Director's salary and other items as disclosed in Section 6 of the accompanying Appendix 4C.

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This announcement has been authorised by the Board of Farm Pride Foods Ltd.



About Farm Pride (FRM)

Farm Pride is a leading ASX listed vertically integrated egg company that farms, processes and markets a range of egg and egg related products. FRM continues to develop its farming business to meet the markets evolving requirement for cage free eggs. FRM maintains strong relationships in the supermarket channel and with industrial food manufacturers. FRM is also committed to maintaining the highest level of environmental, social and corporate governance responsibility and is the only egg company in Australia to manufacture its own egg cartons using recycled newsprint and cardboard. For more information, visit FRM's website.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Farm Pride Foods Limited

ABN

42 080 590 030

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	23,463	44,407
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(15,041)	(31,314)
(c) advertising and marketing	-	-
(d) leased assets	(1,761)	(3,402)
(e) staff costs	(6,440)	(11,967)
(f) administration and corporate costs	(1,385)	(2,603)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	37	37
1.5 Interest and other costs of finance paid	(449)	(962)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (<i>GST refund and compensation from Agriculture Victoria for Avian Influenza</i>)	2,107	7,989
1.9 Net cash from / (used in) operating activities	531	2,185
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(752)	(912)
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(752)	(912)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	6,165
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities	-	(449)
3.5	Proceeds from borrowings	-	300
3.6	Repayment of borrowings	(599)	(4,137)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(599)	1,879

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,657	1,685
4.2	Net cash from / (used in) operating activities (item 1.9 above)	531	2,185
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(752)	(912)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(599)	1,879
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,837	4,837

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,820	4,640
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	1,017	1,017
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,837	5,657
Other – this is a cash backed rental guarantee for the Keysborough production facility. These funds are not available for operating purposes.			

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	437
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p>Payments to related parties and their associates included at 6.1 include:</p> <ul style="list-style-type: none"> - Payments to Managing and Non-executive directors \$321k. - Egg and egg product purchases \$87k. - Interest on financing facility \$29k. <p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	15,470	13,445
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	15,470	13,445
7.5	Unused financing facilities available at quarter end		2,025
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>The Company has facilities with three different parties.</p> <p>The first is held with MC FP Pty Ltd (Merricks Capital). The interest rate is currently 12.99% with a maturity date of 31 December 2025. The facility limit is \$12.555m and is secured by a fixed charge over company assets.</p> <p>The second facility is held with AMAL Trustees Pty Ltd (TP24). The interest rate is currently 10.96% with a maturity date of 31 August 2025. The facility limit is \$2.000m and is secured over receivables.</p> <p>The third facility is held with Ackenberg Holdings Pty Ltd. The interest rate is currently 10.35% with a maturity date of 31 March 2025. The facility limit is \$0.915m and it's an unsecured facility.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	531
8.2	Cash and cash equivalents at quarter end (item 4.6)	4,837
8.3	Unused finance facilities available at quarter end (item 7.5)	2,025
8.4	Total available funding (item 8.2 + item 8.3)	6,862
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:30 January 2025.....

Authorised by:The Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.