

## **Appendix 4C Quarterly Cash Flow and Market Update**

Australian Dairy Nutritionals Limited (**AHF** or the **Group**) today lodged its Appendix 4C and provided a review of the Group's progress for the quarter ended 30 June 2025 (**Q4 FY25**).

### **Quarterly Activity Report (QAR)**

#### Financial Update

The Group is pleased to announce quarterly revenue in total of \$2.8m and of nutritional powders of \$1.9m for Q4 FY25. Record nutritional powder sales represent an 801% increase on pcp (Q4 FY24) and a 163% increase on prior quarter, with the result reflecting further pipeline and replenishment orders for increased distribution following the launch of the Future brand in China in addition to contract pack sales to key customers.

Total revenue in Q4 FY25 of \$2.8m is a 119% increase compared with Q4 FY24 and a 73% increase on prior quarter.

Plant utilisation in the Camperdown facility is increasing in line with sales demand, with a record 24 tonnes produced in May, and 40,000 tins canned in June. This compares to 35,000 tins canned for the full year of FY24.

The Board is very pleased with another quarter of strong growth and our progression towards fundamentally changing the trajectory and shape of the of the business towards a meaningful infant formula export business. Sales and production momentum are anticipated to continue in Q1 FY26.

Net cash outflows from operations were in line with expectations at \$328k for Q4 FY25 (Q3 FY25 \$1.15m). The Group ended Q4 FY25 with cash holdings of \$2.7m (Q3 FY25: \$3.1m). In addition, the Group has access to a funding facility of \$1.22m should it be required.

Directors, being related parties of the Group, were paid remuneration in the amount of \$79k during the June quarter which is consistent with the previous quarter.

#### Sales update

The business continues to invest in building distribution and consumer trial of the Future brand in the o2o channel in China via the M2C global shopping app. Distribution has been expanded to three provinces in China and it is planned that further distribution and province penetration expansion will continue throughout FY26.

The first production and subsequent sales of Sprout Organics occurred in June 2025 in-line with forecast. Sprout Organic is expected to be a complimentary sales opportunity that will further support plant utilisation.

The release of this announcement was authorised by the Board of AHF.

**Ends**

## **Further Details**

### **Australian Dairy Nutritionals Limited**

Phone: +61 3 8692 7284

Email: [shareholders@adnl.com.au](mailto:shareholders@adnl.com.au)

### **About Australian Dairy Nutritionals Group**

*Australian Dairy Nutritionals Group (AHF) is a vertically integrated Australian dairy group which owns high quality organic and organic A2 protein dairy farms, and a processing facility located in Southwestern Victoria, the 'Golden Triangle' of Australia's dairy industry. The Group produces the Ocean Road Dairies Organic A2 protein infant formula range, Australia's first Organic A2 protein infant formula made with farm fresh Australian milk from our organic dairy farms and manufactured at our infant formula factory in Camperdown, Victoria.*

### **Disclaimer – Forward Looking Statements**

*This announcement may include "forward looking statements" within the meaning of securities laws of applicable jurisdictions. These forward-looking statements are not historical facts but are based on AHF's current expectation, estimates and projections about the industry, in which it operates, and beliefs and assumptions. Readers are cautioned not to place undue reliance on forward looking statements. All figures are unaudited.*

## Appendix 4C

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

**Name of entity**

Australian Dairy Nutritionals Limited

**ABN**

36 057 046 607

**Quarter ended ("current quarter")**

30 June 2025

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	2,646	6,810
1.2 Payments for		
research and development	-	-
product manufacturing and operating costs	(1,946)	(6,561)
advertising and marketing	(180)	(346)
leased assets	-	-
staff costs	(536)	(1,886)
administration and corporate costs	(330)	(1,537)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	16	54
1.5 Interest and other costs of finance paid	(4)	189
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(328)</b>	<b>(3,277)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(i) entities	-	-
businesses	-	-
property, plant and equipment	74	(47)
investments	-	-
intellectual property	-	-
other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(i) entities	-	-
	businesses	-	-
	property, plant and equipment	-	-
	investments	-	-
	intellectual property	-	-
	other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>74</b>	<b>(47)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,133
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 or convertible debt securities	-	(11)
3.5	Proceeds from borrowings	-	312
3.6	Repayment of borrowings	(97)	(2,127)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – lease liabilities	(52)	(401)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(149)</b>	<b>(94)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,091	6,106
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(328)	(3,277)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	74	(47)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(149)	(94)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>2,688</b>	<b>2,688</b>

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	1,688	3,091
5.2	Term deposits	1,000	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,688</b>	<b>3,091</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1.
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
\$A'000**

79

-

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

6.1 The \$79K is comprised of directors' fees (including superannuation).

**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.*

*Add notes as necessary for an understanding of the sources of finance available to the entity.*

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	1,220	-
7.2 Credit standby arrangements	-	-
7.3 Other (Short-term credit facility - insurance)	-	-
7.4 <b>Total financing facilities</b>	<b>1,220</b>	<b>-</b>

7.5 **Unused financing facilities available at quarter end** 1,220

7.6 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.

7.1 Gippsreal Limited – Secured 24-month loan facility – Variable interest rate: Reserve Bank of Australia rate plus 5.4%.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(328)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	2,688
8.3 Unused finance facilities available at quarter end (Item 7.5)	1,220
8.4 Total available funding (Item 8.2 + Item 8.3)	3,908
8.5 <b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	<b>11.91</b>

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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?

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?

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

## 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: 25 July 2025

Authorised by: the Board of Directors  
(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.