



ASX Announcement

Update – September Quarter FY26 (Appendix 4C Results)

Pure Foods Tasmania Limited (ASX: PFT)

31th October 2025

Pure Foods Tasmania Limited (**PFT** or the **Company**) reported an operating cash outflow of approximately \$1M for the September 2025 quarter (1Q26). The reported result reflects a series of **timing and one-off restructuring items** that, while temporarily reducing cash, better positions the business for growth and profitability in FY26.

The Company is forecast to be **cash-flow positive from October through to the end of the peak trading season**. The Company has continued to make strong headway with its turnaround strategy and the benefits are now beginning to crystalize with substantial improvements across key metrics evident in the trading results for October. We expect this momentum to continue and well supported by the sell-through of new Coles SKUs and strong seasonal demand across key product lines. With supplier prepayments already made, increased customer receipts expected over the coming months, and a lower fixed-cost base following recent structural changes, PFT anticipates generating positive operating cash flow throughout the December quarter and into early 2026.

Key factors impacting 1Q26 cash:

1. **Reduction of historical creditors**

A significant portion of aged payables were settled during the quarter to restore normal trading terms and rebuild supplier confidence. This step strengthens supplier relationships and improves supply-chain reliability going forward.

2. **Transition to cash-on-delivery (COD)**

Certain suppliers requested temporary COD terms post-recapitalisation. This increased working-capital needs in the short term but positions PFT to renegotiate favourable trading terms as credibility and volumes build.

3. **Seasonal prepayments ahead of peak production**

With the busy Christmas and summer period approaching, PFT prepaid selected suppliers for packaging and raw materials to ensure uninterrupted supply. This outflow is seasonal and expected to reverse in the December quarter.

4. **Make-good costs associated with the Sorell relocation**

One-off make-good payments were incurred as part of the Daly Potato Co relocation from Sorell to Mornington. The consolidation of sites will generate **annual savings of \$200,000–\$300,000** and improve operational efficiency.

5. **Working-capital investment to support new Coles SKUs**

The national expansion of Tasmanian Pâté products into Coles stores required additional packaging and inventory build in late September. The corresponding sales uplift and margin benefit will be reflected from 2Q26 onward.

6. **Back payment of bank funding obligations**

Several CBA loan repayments deferred during facility reviews were cleared during the quarter, resulting in a temporary outflow that will normalise going forward.

7. **Higher compliance and listing costs**

Governance and ASX-related expenses were elevated due to the Extraordinary General Meeting, held on 29 August 2025. These are non-recurring.

Outlook

The September quarter marks another important step forward for PFT. With structural changes and one-off costs now largely complete, and key prepayments made ahead of the busy trading period, the business enters the December quarter with a cleaner balance sheet, stronger trading momentum, and a clear pathway to improved cash flow. Note:

- **Coles expansion:** New SKUs now on shelf nationally with initial sell-through tracking well.
- **Cost reductions:** Wage savings of approximately \$230,000 per quarter and lease savings from the Sorell consolidation will materially improve cash flow from Q2 onward.
- **Revenue growth pipeline:** The Company has a number of active growth opportunities currently being pursued, which are expected to further increase plant utilisation and strengthen revenue diversification in FY26.
- **Operational simplification:** Consolidated operations at Mornington (following the move for Daly from Sorell) has benefited freight logistics, overhead cost and improved overall production efficiencies.

The Board remains confident that PFT is well placed to deliver stronger operating performance in FY26 as new retail ranging, cost savings, and additional growth initiatives begin to flow through.

This announcement has been authorised and approved by the Board on 31st October 2025.

Corporate

Malcolm McAully
Executive Chair
(03) 6229 4546

About Pure Foods Tasmania (PFT)

Pure Foods Tasmania Pty Ltd was formed in 2015 with the aim to enhance and promote Tasmania's premium food and beverage businesses. PFT's strategy is to develop new premium products within our existing brands and in the plant-based food market, to acquire complementary brands and businesses and to increase our market penetration and distribution for our suite of brands and products globally. PFT's suite of brands and businesses include Woodbridge Smokehouse, Tasmanian Pate, Daly Potato Co and The Cashew Creamery.
purefoodstas.com

Appendix 4C

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

Name of entity

Pure Foods Tasmania Limited

ABN

13 112 682 158

Quarter ended ("current quarter")

September 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	764	764
1.2 Payments for		
(a) research and development	0	0
(b) product manufacturing and operating costs	(1,031)	(1,031)
(c) advertising and marketing	0	(0)
(d) leased assets	(1)	(1)
(e) staff costs	(279)	(279)
(f) administration and corporate costs	(383)	(383)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	0	0
1.5 Interest and other costs of finance paid	(40)	(40)
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives	0	0
1.8 Other (provide details if material)	(25)	(25)
1.9 Net cash from / (used in) operating activities	(1,003)	(1,003)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	0	0
(b) businesses	0	0
(c) property, plant and equipment	0	0
(d) investments	0	0
(e) intellectual property	0	0
(f) other non-current assets	0	0

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	0	0
	(b) businesses	0	0
	(c) property, plant and equipment	0	0
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
2.6	Net cash from / (used in) investing activities	0	0

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	0
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	0	0
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	0
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	(10)	(10)
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other (provide details if material)	961	961
3.10	Net cash from / (used in) financing activities	951	951

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	(534)	(534)
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,003)	(1,003)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	0	0

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)	951	951
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	(586)	(586)

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	(399)	(399)
5.2	Call deposits (offset to overdraft)	0	0
5.3	Bank overdrafts	(187)	(187)
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	(586)	(586)

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 – directors fees + reimbursements	15.2
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<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>		

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 + credit card	3,988	2,683
7.2	Credit standby arrangements (Stream)	500	197
7.3	Other (please specify – credit card)	25	0
7.4	Total financing facilities	4,513	2,880
7.5	Unused financing facilities available at quarter end		1,633
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.		

Facilities @ 30/9/2025					
Lender	Interest Rate	Maturity Date	Item	Secured or Unsecured	Amount Drawn A\$'000
CBA - ABUJ001112	2.92%	Apr-25	Vacuum packer	Secured	2
CBA - AIJG000144	2.92%	Jul-25	Fish processing equipment	Secured	0
CBA - AIJG000145	2.92%	Jul-25	Crown forklift	Secured	-
CBA - ABUJ001112	3.49%	Aug-26	Various condensing units, boilers, etc	Secured	105
CBA - AIBU000407	9.91%	Jan-27	Ice cream machines	Secured	325
CBA - AIZW000147	9.21%	Nov-28	Kettles and dosing machine	Secured	217
CBA - AAU1677792	9.30%	Nov-28	Keymac packaging system	Secured	66
CBA - AIBU000408	9.91%	Jan-27	Financed balloons Jan 2025	Secured	369
CBA New facility (1694)	BBL @ 7.5%	Dec-24	Short term loan	Secured	1,600
CBA Credit card	Current market rate	Ongoing	Credit card (\$25K limit)	Secured	-
Total facilities drawn					2,683
Lender	Interest Rate	Maturity Date	Item	Secured or Unsecured	Available A\$'000
CBA Asset Purch Facility		Ongoing	Facility	Secured	1,305
Total facilities available					1,305
Grand Total					3,988

CBA Stream Facility

The CBA Stream facility is a type of invoice financing which allows access to unpaid invoices. It is designed to help smooth fluctuations in cash flow. It allows access of up to 80% of the value of unpaid invoices. It is secured against debtor only, it does not involve property. It is monitored by the CBA and has weekly randomised audit checks (in our case, proof of delivery for larger invoices).

Terms:

Credit limit - \$500,000 (Woolworths max 50% of limit)

Receivables Advance Rate – 80% (Woolworths 70%)

Margin – 4.70%

Line fee – 1.12%

The approved limit is currently set to \$500K (previously \$1.2M) and was drawn to approx. \$197K at quarter end.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,003)
8.2	Cash and cash equivalents at quarter end (item 4.6)	(586)
8.3	Unused finance facilities available at quarter end (item 7.5)	1,633
8.4	Total available funding (item 8.2 + item 8.3)	1,047
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.04
<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?	
	During the September 25 quarter, a number of planned structural changes occurred within the organisation: - - An injection of additional shareholder funds occurred (an activity that does not impact the calculation of 8.5 above but increases funds available) - These funds were used, in part, to reduce creditors by 50% (an activity that does impact 8.1 above negatively) - New lines for Coles were ordered at the end of September 2025 (the full effect will be felt in Q2 2025), - Further cost savings in terms of a lease not being renewed (but with make good provisions negatively impacting 8.1 above this quarter) - Cost savings with wages of approx. \$230,000 commencing from the start of next quarter, but included in 8.1 above for this quarter, As stated, this end of quarter culmination was expected.	
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?	
	Refer above	
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?	
	Yes	
<i>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.</i>		

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:31 October 2025.....

Authorised by: 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.