



Pure Foods Tasmania Ltd
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Pure Foods Tasmania Limited

Appendix 4D

Half Year Report

1. Company details

Name of entity	Pure Foods Tasmania Limited
Reporting period	31 December 2025
Previous reporting period	31 December 2024

2. Results for announcement to the market

2.1 Revenue from ordinary activities for the half year ended 31 December 2025 was \$2,613,876, representing a decrease of \$588,128 or 18% compared to the prior corresponding period.

2.2 Loss from ordinary activities after tax attributable to members for the half year ended 31 December 2025 was \$6,849,587, representing an increase in loss of \$5,519,722 or 415% compared to the prior corresponding period.

2.3 Net loss for the period attributable to members for the half year ended 31 December 2025 was \$6,849,587, representing an increase in loss of \$5,519,722 or 415% compared to the prior corresponding period.

2.4 No dividends were paid or declared during the half year ended 31 December 2025.

2.5 Not applicable.

2.6 See the 'Operating and financial review' component within the Directors' Report.

3. Net tangible assets per security

	31 December 2025	31 December 2024
Net tangible assets per ordinary security	0.53	4.29

4. Details of entities which control has been gained during the period

Pure Foods Tasmania Limited did not gain or lose control of any entities during the half year ended 31 December 2025.

5. Dividends or distributions

There were no dividends paid or declared during the half year ended 31 December 2025.

6. Dividends or distribution reinvestment plans

Pure Foods Tasmania Limited did not operate a dividend reinvestment plan during the half year ended 31 December 2025.

7. Associates and joint venture entities

Pure Foods Tasmania Limited did not have any associates or joint venture entities during the half year ended 31 December 2025.

8. Foreign entities

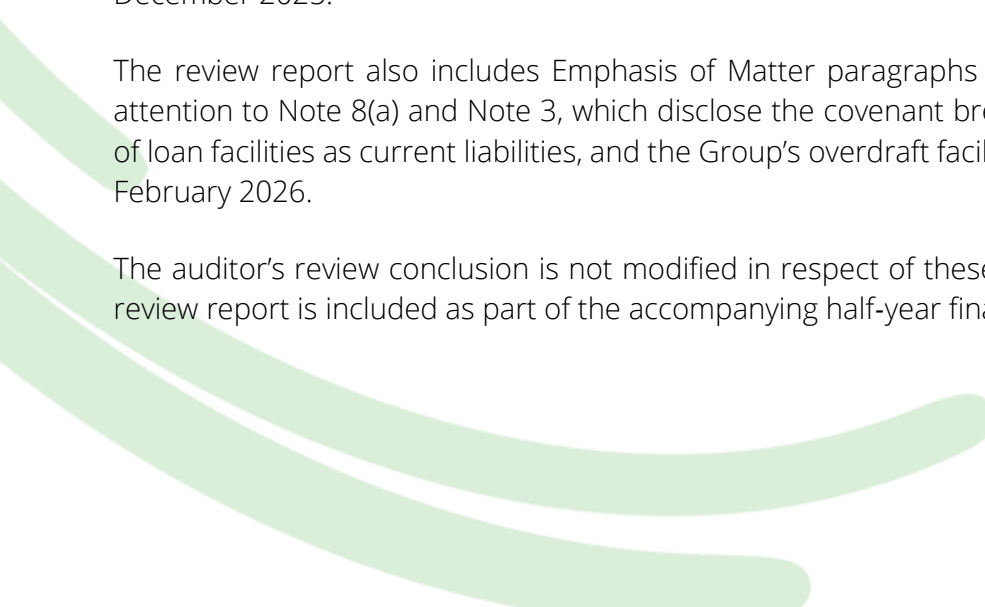
Pure Foods Tasmania Limited does not have any foreign entities, and the financial statements have been prepared in accordance with Australian Accounting Standards only.

9. Independent audit report or review

The independent auditor's review report includes a Material Uncertainty Related to Going Concern paragraph, drawing attention to Note 1(d) of the financial report, which discloses recurring losses, negative operating cash flows, a net current liability position, and the breach of a loan covenant as at 31 December 2025.

The review report also includes Emphasis of Matter paragraphs relating to lending facilities, drawing attention to Note 8(a) and Note 3, which disclose the covenant breach, the classification of \$1.6 million of loan facilities as current liabilities, and the Group's overdraft facility of \$0.5 million due to expire on 28 February 2026.

The auditor's review conclusion is not modified in respect of these matters. The independent auditor's review report is included as part of the accompanying half-year financial report.

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Pure Foods Tasmania Limited

Half Year Financial Statements

31 December 2025

Director’s Report.....	2
Auditor’s Independence Declaration	4
Financial Statements.....	5
Consolidated Statement of Profit or Loss and Other Comprehensive Income.....	5
Consolidated Statement of Financial Position.....	7
Consolidated Statement of Changes in Equity.....	8
Consolidated Statement of Cash Flows	9
Notes to and Forming Part of the Financial Statements.....	10
Directors’ Declaration	19
Independent Auditor’s Review Report.....	20
Corporate Directory.....	22

Pure Foods Tasmania Limited

Directors' Report

The Directors of Pure Foods Tasmania Limited (the Company) present the financial report on the Company and its controlled entities (the Group) for the half-year ended 31 December 2025.

Directors

Details of the Directors of the Company in office at any time during or since the end of the period and at the date of this report are:

Malcolm McAully	Executive Chairman
Robert Knight	Non-executive Director
Ken Fleming	Non-executive Director

Company Secretary

Justin Hill

Principal Activities

The principal activities of the Group are the processing, manufacture, and sales of premium Tasmanian food products.

Operating and Financial Review

The Group commenced the 2026 financial year (FY) with a clear and disciplined focus on restoring financial performance and strengthening the Group's operational foundations.

Following losses recorded in prior periods and the Board's decision to pivot away from the previously growth-driven strategy executed since listing, the Group's priority has been to stabilise the business, strengthen the balance sheet and reshape the operating model to support scalable and profitable growth.

The Group has implemented significant structural reforms, with a number of major initiatives being actioned in the financial year, including:

- Reduced debt by \$2.5m.
- Raised approximately \$1.76m in capital.
- Eliminated a level within executive management.
- Enhanced Board oversight, ensuring closer integration with operational processes, cost management, and sales execution.
- Locations have been streamlined, resulting in one-off costs during the half year, with anticipated cost savings in future periods.

The Board believes these actions have materially reshaped the business into a leaner, more flexible manufacturing and distribution platform where incremental revenue can more directly contribute to improved profitability.

The financial results for the first half of FY26 reflect the early benefits of this operational reset. Statutory outcomes for the period include a number of accounting adjustments undertaken in consultation with the Group's auditor, primarily relating to the treatment of historical tax benefits. The tax losses associated with the write-back of the deferred tax asset, are available for future use as profitability increases. There have been non-cash adjustments impacting the first half's performance, consisting of the write-back of deferred tax assets (\$4,570,855), write-back of intangible assets (\$253,933), loss on disposal of assets (\$245,125), and depreciation and amortisation (\$296,581).

The Board determined it was prudent to address these matters in the current reporting period. Notwithstanding these adjustments, the Group experienced an improvement in underlying operational performance and cash flow compared to prior periods.

While the first half of the FY26 represented a stabilisation phase, the Group has entered the second half of the year with strengthening sales momentum and improved commercial traction. During and subsequent to the reporting period, the Group secured expanded national distribution across major retail channels, including new ranging with Costco Australia and a relaunch of the Tasmanian Pâté range into Drakes Supermarkets. Distribution was also expanded nationally through Coles supermarkets, significantly increasing brand reach.

Additional progress was made through the securing of a contract packing agreement with a premium Sydney-based seafood providore, improving factory utilisation, and the completion of the acquisition of the premium ice cream brand Elato. The acquisition formally established the Group's Ice Cream Division, bringing together Elato and the Cashew Creamery range under a unified growth strategy focused on premium, better-for-you and plant-based products.

With the operational reset largely complete, the Board's focus for FY26 is disciplined top-line growth. The Board believes the actions taken over the past 12 months have stabilised the Group's position and created a platform for margin expansion as sales volumes increase. The Group is now focused on driving organic growth, expanding national distribution, increasing factory utilisation and pursuing selective value-accretive opportunities to deliver improved financial outcomes.



Auditor's Independence

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Pure Foods Tasmania Limited. As the lead audit partner for the review of the financial report of Pure Foods Tasmania Limited for the half year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i. the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.

This declaration is in respect of Pure Foods Tasmania Limited and the entities it controlled during the period.

Wise Lord & Ferguson

Wise Lord & Ferguson

Rebecca Meredith

Rebecca Meredith

Partner

Wise Lord & Ferguson

Dated: 27 February 2026

Signed in accordance with a resolution of the Director's made pursuant to section 306(3) of the *Corporations Act 2001*.

On behalf of the Directors,

Malcolm McAully

Malcolm McAully

Executive Director

Dated: 27 February 2026

Pure Foods Tasmania Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Half Year Ended 31 December 2025

	Note	31 December 2025 \$	31 December 2024 \$
Revenue			
Revenue from operations		2,509,473	3,056,699
Other income		104,403	145,305
Total revenue		2,613,876	3,202,004
Expenses			
Cost of goods sold		2,126,184	2,421,765
Employment expenses		604,688	1,083,807
Occupancy, electricity, and telephone costs		78,425	97,462
Bad debts		-	11
Impairment losses		253,933	-
Depreciation and amortisation		296,581	462,013
ASX listing fees and expenses		12,673	12,986
Finance costs		320,996	319,660
Insurance costs		64,176	80,664
Legal and professional fees		154,602	99,176
Loss on disposal of assets		245,125	-
Marketing expenses		24,918	15,302
Motor vehicles expenses		3,752	15,243
Rent expenses		237,370	-
Repairs and maintenance		72,500	82,575
Research, development and quality costs		33,479	28,765
Other expenses		176,984	164,340
Total expenses		4,706,386	4,883,769
Loss before income tax		(2,090,510)	(1,681,765)
Income tax expense/(benefit)	1(c)	4,757,077	(351,900)
Net loss after income tax		(6,849,587)	(1,329,865)

The above statement should be read in conjunction with the accompanying notes.

Pure Foods Tasmania Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Half Year Ended 31 December 2025

	31 December 2025 \$	31 December 2024 \$
Other comprehensive income		
<i>Items that may be reclassified to profit or loss in the future:</i>		
Other comprehensive income net of tax	-	-
Total comprehensive income	(6,849,587)	(1,329,865)
Net loss for the period attributable to:		
Owners of Pure Foods Tasmania Limited	(6,849,587)	(1,329,865)
	(6,849,587)	(1,329,865)
Total comprehensive income for the half year is attributable to:		
Owners of Pure Foods Tasmania Limited	(6,849,587)	(1,329,865)
	(6,849,587)	(1,329,865)
Basic earnings/(loss) per share (cents per share)	(0.03)	(0.01)
Diluted earnings/(loss) per share (cents per share)	(0.03)	(0.01)

The above statement should be read in conjunction with the accompanying notes.

Pure Foods Tasmania Limited
Consolidated Statement of Financial Position
For the Half Year Ended 31 December 2025

	Note	31 December 2025 \$	30 June 2025 \$
Current assets			
Cash and cash equivalents	3	(242,695)	1,091,530
Trade and other receivables		752,296	355,945
Inventory		1,199,737	1,026,810
Other assets		66,905	186,924
Total current assets		1,776,243	2,661,209
Non-current assets			
Property, plant and equipment	4	5,086,512	5,609,248
Right-of-use assets	5	-	18,747
Intangible assets	6	1,038,116	1,286,900
Deferred tax assets	1(c)	148,469	4,982,029
Total non-current assets		6,273,097	11,896,924
Total assets		8,049,340	14,558,133
Current liabilities			
Trade and other payables		1,200,919	1,470,857
Lease liabilities	5	-	20,259
Employee provisions	7	96,410	94,340
Borrowings	8	2,202,545	5,100,298
Total current liabilities		3,499,874	6,685,754
Non-current liabilities			
Lease liabilities	5	-	-
Employee provisions	7	50,496	43,619
Borrowings	8	1,083,146	703,708
Deferred tax liabilities		774,856	868,574
Total non-current liabilities		1,908,498	1,615,901
Total liabilities		5,408,372	8,301,655
Net assets		2,640,968	6,256,478
Equity			
Contributed equity	9	22,959,318	19,725,241
Accumulated losses		(20,318,350)	(13,468,763)
Total equity		2,640,968	6,256,478

The above statement should be read in conjunction with the accompanying notes.

Pure Foods Tasmania Limited
Consolidated Statement of Changes in Equity
For the Half Year Ended 31 December 2025

	Contributed Equity \$	Accumulated Losses \$	Total \$
Balance at 1 July 2024	19,191,163	(10,658,662)	8,532,501
Loss for the half year	-	(1,329,865)	(1,329,865)
Other comprehensive income	-	-	-
Total comprehensive income for the half year	-	(1,329,865)	(1,329,865)
Issue of shares	400,000	-	400,000
Convertible notes redemption	-	-	-
Share issue (costs)/ benefit	15,110	-	15,110
Balance at 31 December 2024	19,606,273	(11,988,527)	7,617,746
Balance at 1 July 2025	19,725,241	(13,468,763)	6,256,478
Loss for the half year	-	(6,849,587)	(6,849,587)
Other comprehensive income	-	-	-
Total comprehensive income for the half year	-	(6,849,587)	(6,849,587)
Issue of shares	3,236,312	-	3,236,312
Convertible notes redemption	-	-	-
Share issue (costs)/ benefit	(2,235)	-	(2,235)
Balance at 31 December 2025	22,959,318	(20,318,350)	2,640,968

The above statement should be read in conjunction with the accompanying notes.

Pure Foods Tasmania Limited
Consolidated Statement of Cash Flows
For the Half Year Ended 31 December 2025

	31 December 2025 \$	31 December 2024 \$
Cash flows from operating activities		
Receipts from customers	2,217,525	3,534,185
Payments to suppliers and employees	(4,229,795)	(4,736,798)
Net cash (used in)/provided by operating activities	(2,012,270)	(1,202,613)
Cash flows from investing activities		
Payments for property, plant and equipment	(223)	-
Net cash (used in)/provided by investing activities	(223)	-
Cash flow from financing activities		
Proceeds from issue of shares	2,026,842	400,000
Net proceeds from/(repayment of) borrowings	(1,328,315)	1,046,744
Principal elements of lease repayments	(20,259)	(182,243)
Net cash (used in)/provided by financing activities	678,268	1,264,501
Net (decrease)/increase in cash held	(1,334,225)	61,888
Cash and cash equivalents at the beginning of the half year	1,091,530	1,078,661
Cash and cash equivalents at the end of the half year	(242,695)	1,140,549

The above statement should be read in conjunction with the accompanying notes.

Pure Foods Tasmania Limited
Notes to and Forming Part of the Financial Statements
For the Half Year Ended 31 December 2025

This consolidated interim financial report and notes represent those of Pure Foods Tasmania Limited and controlled entities (the Group). Pure Foods Tasmania Limited is a company limited by shares, incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange (ASX).

1. Basis of preparation

This consolidated interim financial report for the half-year reporting period ended 31 December 2025 has been prepared in accordance with Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim report does not include all the notes and the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

a) New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

b) Critical accounting estimates, judgements and errors

The preparation of the interim financial statements of the Group requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgements made by management in applying the Groups accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2025.

c) Deferred tax asset

The accounting policy in relation to deferred tax assets is unchanged from 30 June 2025. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the underlying tax losses or temporary differences can be utilised. Deferred tax assets previously recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recognised. Likewise, deferred tax assets that were not previously recognised are brought to account when it becomes probable that there are future taxable profits available to recover the asset.

In assessing the recoverability of deferred tax assets, the Group prepares detailed financial forecasts that incorporate approved strategic initiatives and other factors relevant to future profitability. Because evidence supporting taxable profits in the near term is generally more persuasive than evidence relating to later periods, the Group has refined its approach to the weighting and timing of

forecast profitability used in this assessment. This refinement does not represent a change in accounting policy, but rather an enhancement to the Group's methodology within the existing policy.

As a result of updated forecasts and the application of this refined methodology, the Group determined that the deferred tax asset in relation to previously recognised tax losses should be written-back during the period. The write-back that has been recognised in the income tax expense in relation to this is \$4,570,855. These tax losses are available for use as the profitability of the Group increases.

d) Going concern

These financial statements have been prepared on the basis the Group is a going concern.

For the half year ended 31 December 2025, the Group incurred a loss before tax of \$2.1m (1H 2025FY: \$1.7m loss) and recorded net cash outflows from operating activities of \$2.0m (1H 2025FY: \$1.2m outflow). As of 31 December 2025, the Group held cash and cash equivalents in overdraft of \$0.2m (June 2025: \$1.1m debit balance), and the Group's current liabilities exceeded current assets by \$1.7m (June 2025: \$4.0m deficit).

At 31 December 2025, the Group had breached the financial covenant associated with its lending facility with the Commonwealth Bank of Australia (CBA) for two consecutive quarters. This breach gives CBA the contractual right to issue a 90-day notice to withdraw its support and request repayment of the associated facilities. At the date of signing the half-year financial report, CBA reserves its right to issue this notice. The breach has resulted in the reclassification of the \$1.6m loan identified in note 8(a) as a current liability at 31 December 2025.

In addition, the Group's \$250k overdraft facility disclosed in note 8(b) is scheduled to expire on 28 February 2026. This overdraft facility is undrawn at 31 December 2025 with a balance of \$250k available. The Group is actively engaged with the bank in relation to extension of this facility.

Over the past twelve months the Directors have overseen a substantial operational and financial reset of the Group, with a clear focus on restoring margins, reducing structural costs and strengthening the balance sheet.

The results of this strategic reset are evident in the Group's gross profit performance. Gross profit margin improved materially from 10.31% in December 2023, prior to the implementation of the current operating strategy, to 29.5% in December 2025. This reflects disciplined pricing, product rationalisation, improved procurement, tighter cost control and a deliberate shift toward higher quality revenue.

The Directors consider this sustained margin improvement to be a key indicator that the underlying economics of the business have fundamentally strengthened.

In parallel, the Group has materially reduced its corporate overhead expenditure through executive rationalisation and structural cost control measures implemented during FY25. These reductions have lowered the fixed cost base and improved operating leverage across all business units.

Importantly, the Group has delivered several EBITDA positive months during the half. The Directors view this as a significant milestone and an encouraging sign that the business is capable of generating positive operating earnings under the revised cost structure.

During the period the Group also:

- Raised additional equity capital to strengthen the balance sheet;
- Reduced total borrowings from \$5.8 million at 30 June 2025 to \$3.3 million at 31 December 2025;
- Expanded ranging with major supermarket partners;
- Commenced supply with new retail groups;
- Acquired the premium ice cream brand Elato; and
- Executed a new contract packing agreement, improving factory utilisation.

These actions have strengthened the Group's financial position and created a more scalable and focused operating platform.

The Group's commercial pipeline has expanded materially and includes additional ranging discussions, contract manufacturing opportunities and growth initiatives within the newly established Ice Cream Division. While the timing of conversion of these opportunities remains subject to normal commercial processes, the Directors are encouraged by the depth and quality of discussions underway.

The Board is also engaged in constructive discussions with the CBA regarding refinancing and alignment of facilities with the Group's revised operating strategy and forward forecasts.

The Directors have prepared detailed cash flow forecasts covering at least 12 months from the date of this report. These forecasts incorporate confirmed customer programs, improved gross margins, structural overhead reductions, EBITDA performance trends and prudent assumptions regarding pipeline conversion.

Based on the sustained improvement in gross profit margin, the reduction in corporate overhead expenditure, the achievement of EBITDA positive months, the reduction in debt, the strengthening of the capital base and ongoing refinancing discussions, the Directors believe there are reasonable grounds to expect that the Group will be able to meet its obligations as and when they fall due.

Notwithstanding these initiatives, there is uncertainty associated with the timing, achievement and financial impact of profitability improvements, cost reductions and potential refinancing. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. If the Group is unable to achieve the planned improvements or obtain additional funding, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe that the strategic actions already implemented, together with those planned, will stabilise the Group's financial position and support its future growth. Accordingly, the Directors consider that the going concern basis of preparation remains appropriate.

Pure Foods Tasmania Limited
Notes to and Forming Part of the Financial Statements
For the Half Year Ended 31 December 2025

2. Segment information

The operating segments are based upon the units identified in the operating reports reviewed by the Board and executive management, and that are used to make strategic decisions, in conjunction with the quantitative thresholds established by AASB 8 *Operating Segments*. Management measures the performance of the segments identified at the 'profit/(loss) before tax' level.

As such, there are two identifiable and reportable segments, each of which are outlined below:

	Food \$	Corporate \$	Total \$
Half year ended 31 December 2025			
Total sales	2,509,473	-	2,509,473
Other income	104,403	-	104,403
Loss before income tax	(2,092,510)	-	(2,092,510)
Income tax (expense)/benefit	-	(4,757,077)	(4,757,077)
Loss after income tax	(2,092,510)	(4,757,077)	(6,849,587)
Assets			
Assets	7,900,871	148,469	8,049,340
Total assets	7,900,871	148,469	8,049,340
Liabilities			
Liabilities	4,633,516	774,856	5,408,372
Total liabilities	4,633,516	774,856	5,408,372
Half year ended 31 December 2024			
Total sales	3,056,699	-	3,056,699
Other income	145,305	-	145,305
Loss before income tax	(1,681,765)	-	(1,681,765)
Income tax benefit	-	351,900	351,900
Loss after income tax	(1,681,765)	351,900	(1,329,865)
Assets			
Assets	10,750,841	4,579,492	15,330,333
Total assets	10,750,841	4,579,492	15,330,333
Liabilities			
Liabilities	6,725,272	987,315	7,712,587
Total liabilities	6,725,272	987,315	7,712,587

Pure Foods Tasmania Limited
Notes to and Forming Part of the Financial Statements
For the Half Year Ended 31 December 2025

3. Cash and cash equivalents

	31 December 2025 \$	30 June 2025 \$
Cash and cash equivalents ⁽¹⁾	(242,695)	1,091,530
Total cash and cash equivalents	(242,695)	1,091,530

¹ The Group has a business transaction facility of \$500,000 with the Commonwealth Bank of Australia (CBA), which is included within cash and cash equivalents. At the reporting date, the facility had been partially utilised with an undrawn balance of \$197,534. The overdraft forms part of the Group's day-to-day cash management arrangements.

4. Property, plant and equipment

	Buildings at cost \$	Plant and equipment \$	Total \$
Balance at 30 June 2025			
Cost	1,855,905	6,554,789	8,410,694
Accumulated depreciation	(251,795)	(2,549,651)	(2,801,446)
Net carrying amount	1,604,110	4,005,138	5,609,248
Net carrying amount at the beginning of the half year	1,604,110	4,005,138	5,609,248
Additions	-	223	223
Disposals	(245,125)	-	(245,125)
Depreciation expense	(22,777)	(255,057)	(277,834)
Net carrying amount at the end of the half year	1,336,208	3,750,304	5,086,512
Balance at 31 December 2025			
Cost	1,575,865	6,555,012	8,130,877
Accumulated depreciation	(239,657)	(2,804,708)	(3,044,365)
Net carrying amount	1,336,208	3,750,304	5,086,512

Pure Foods Tasmania Limited
Notes to and Forming Part of the Financial Statements
For the Half Year Ended 31 December 2025

5. Right-of-use assets and lease liabilities

Right-of-use assets

	Buildings \$	Total \$
Balance at 30 June 2025		
Cost	295,329	295,329
Accumulated amortisation	(276,582)	(276,582)
Net carrying amount	18,747	18,747
Net carrying amount at the beginning of the half year	18,747	18,747
Amortisation expense	(18,747)	(18,747)
Net carrying amount at the end of the half year	-	-
Balance at 31 December 2025		
Cost	-	-
Accumulated amortisation	-	-
Net carrying amount	-	-

Lease liabilities

	31 December 2025 \$	30 June 2025 \$
Current	-	20,259
Non-current	-	-
Total lease liabilities	-	20,259

6. Intangible assets

	Intangibles \$	Total \$
Balance at 30 June 2025		
Cost	1,354,623	1,354,623
Accumulated amortisation	(67,723)	(67,723)
Net carrying amount	1,286,900	1,286,900

6. Intangible assets (continued)

	Intangibles \$	Total \$
Net carrying amount at the beginning of the half year	1,286,900	1,286,900
Disposals/impairment expense	(234,772)	(234,772)
Amortisation	(14,012)	(14,012)
Net carrying amount at the end of the half year	1,038,116	1,038,116

Goodwill is carried at cost less accumulated impairment losses.

The Group has two cash generating units (CGUs) for which impairment testing is completed in accordance with AASB136 *Impairment of Assets*. Goodwill is not amortised but is tested annually for impairment more frequently if events or changes in circumstances indicate that it might be impaired. The CGUs of the Group include Foods which consists of Tasmanian Pate, Woodbridge Smokehouse, Daly Potato Co., The Cashew Creamery, and Corporate. The recoverable amount of the Food CGU has been determined on a value in use calculation which uses cashflow projections based on market information, financial budgets and forecasts approved by management covering a five-year period. Forecasts are updated monthly based on actual results.

Key assumptions used in the value at use calculations include:

	Sales growth rate (5-year average)	Production costs growth rate (5-year average)	Indirect costs growth rate (5-year average)	Long-term growth rate	Pre-tax discount rate
Pure Foods Tasmania products	15.2%	8.5%	4.4%	5.0%	18.3%

7. Employee provisions

	31 December 2025 \$	30 June 2025 \$
<i>Current</i>		
Employee benefits	96,410	94,340
Total current employee provisions	96,410	94,340
<i>Non-current</i>		
Employee benefits	50,496	43,619
Total non-current employee provisions	50,496	43,619
Total employee provisions	146,906	137,959

8. Borrowings

	31 December 2025 \$	30 June 2025 \$
<i>Current</i>		
Borrowings	2,202,545	5,100,298
Total current borrowings	2,202,545	5,100,298
<i>Non-current</i>		
Borrowings	1,083,146	703,708
Total non-current borrowings	1,083,146	703,708
Total borrowings	3,285,691	5,804,006

Secured liabilities, assets pledged as security and covenants

The Group maintains finance facilities with the Commonwealth Bank of Australia (CBA) comprising the following:

a) \$1.60m loan facility

In September 2025, the Group refinanced a loan facility of \$1.60m with an initial term of 1 year and 5 months. This facility, together with the overdraft facility described in note 8(b), is subject to a financial covenant requiring that any negative EBITDA variance against budget not exceed 10%, measured quarterly.

Under the terms of the covenant, a breach for two consecutive measurement periods entitles the bank to issue a 90-day notice of withdrawal of support and requirement to repay all outstanding amounts under the relevant facilities.

At the 31 December 2025, the Group had breached the covenant for two consecutive quarters. This breach provides CBA with the contractual right to issue the 90-day notice. At the date of signing, the bank reserves its right to issue this notice, and the Group is actively engaged with the bank in relation to refinancing options.

b) \$250k overdraft facility

The overdraft is undrawn 31 December 2025 with a balance of \$250k available. This facility expires on 28 February 2026, and the Group is working with its banker to extend the facility. Refer also to note 8(a) for details around the loan covenant in relation to this facility.

c) \$1.29m asset finance facilities

The Group has asset finance facilities with CBA totalling \$1.29m. These facilities are secured over specific assets with maturity dates ranging from January 2027 to June 2030.

d) Cancellation of \$1.50m market rate loan

During the half-year, the Group cancelled its \$1.50m market rate loan previously secured against a \$1.50m deposit facility with CBA, as part of its broader refinancing activities.

9. Contributed equity

	Number of shares		Share capital	
	31 December 2025 No.	30 June 2025 No.	31 December 2025 \$	30 June 2025 \$
Ordinary shares – fully paid (post-consolidation)	302,241,226	140,425,621	22,959,318	19,725,241
Total contributed equity	302,241,226	140,425,621	22,959,318	19,725,241

Transaction costs arising on the issue of ordinary shares are recognised directly in equity at the time the expense is incurred.

Movement in contributed equity

Date	Details	Ordinary shares No.	Amount \$
1 July 2025	Balance at beginning of period	140,425,621	19,725,241
	Shares issued	161,815,605	3,236,312
	Convertible note redemption	-	-
	Shares issue costs	-	(2,235)
31 December 2025	Balance at end of period	302,241,226	22,959,318

10. Dividends

	31 December 2025 \$	30 June 2025 \$
Dividends paid or provided for during the half year	-	-
	-	-

11. Events occurring after reporting date

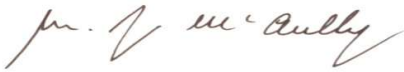
The Board is not aware of any matter or circumstance not otherwise dealt within these financial statements that has significantly or may significantly affect the operation of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

In the Directors' opinion:

- a) The financial statements and notes set out on pages 5 to 18 are in accordance with the *Corporations Act 2001*, including:
 - i. Complying with Accounting Standards, the *Corporations Regulations 2001* and other professional mandatory reporting requirements; and
 - ii. Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half year ended on that date; and
- b) There are reasonable grounds to believe that Pure Foods Tasmania Limited will be able to pay its debts as and when they become due and payable.

The Directors have been given the declaration required by section 295A of the *Corporations Act 2001*.

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



Malcolm McAully

Executive Director

Date: 27 February 2026

Independent Auditor's Review Report to the members of Pure Foods Tasmania Limited



Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Pure Foods Tasmania Limited, which comprises the Consolidated Statement of Financial Position as at 31 December 2025, 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 material accounting policies and other explanatory information, and the Directors' Declaration of the consolidated entity comprising the company and the entities it controlled ("the Group") at the half-year end or from time to time during the half-year.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(d) of the financial report, which indicates that the Group incurred a net loss before tax of \$2.1m and a net cash outflow from operations of \$2.0m for the half year ended 31 December 2025. As at that date, the Group's current liabilities exceeded its current assets by \$1.7m. Note 1(d) also discloses that the Group breached a loan covenant as at 31 December 2025. These conditions, along with other matters set forth in Note 1(d), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Emphasis of Matter – Lending Facilities

We draw attention to note 8(a) of the financial report, which sets out the status of the Group's loan facilities and breach of a financial covenant. The breach gives the lender the contractual right to issue a 90-day notice withdrawing its support and requiring repayment of the facilities. The lender reserves its right to issue this notice as at the date of this report. As detailed in note 8(a), the breach has resulted in the relevant facilities of \$1.6m being classified as a current liability, contributing to the material uncertainty relating to going concern referenced above. Our conclusion is not modified in respect of this matter.

Additionally, we draw attention to note 8(b) of the financial report, which discloses the Group's overdraft facility of \$250k which is scheduled to expire on 28 February 2026. This facility is undrawn at 31 December 2025 with a balance of \$250k available. The Group is actively engaging with the lender in relation to extension of this facility. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The Directors of the Group are responsible for 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* and for such internal controls as the directors determine are 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

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the 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 2025 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the Directors of the Group a written Auditor's Independence Declaration.

Conclusion

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 2025 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.



Wise Lord & Ferguson



Rebecca Meredith

Partner

Wise Lord & Ferguson

Date: 27 February 2026

Board of Directors

Malcolm McAully	Non-executive Chairman
Robert Knight	Non-executive Director
Ken Fleming	Non-executive Director

Company Secretary

Justin Hill

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Auditor

Wise Lord & Ferguson
Level 1, 160 Collins Street
Hobart, Tasmania, 7000, Australia

Solicitors

Page Seager
Level 2, 179 Murray Street
Hobart, Tasmania, 7000, Australia

Bankers

Commonwealth Bank of Australia

Stock Exchange Listing

Pure Foods Tasmania Limited shares are listed on the Australian Securities Exchange, code PFT.