



The New Zealand Merino Company Limited
Annual Report — 2025



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Front cover: Autumn muster
Omarama Station



Kate Mitchell
Chair



Angus Street
Chief Executive Officer

Chair and CEO letter

The 2025 financial year marked a turning point for The New Zealand Merino Company (NZM). After a period of significant challenge, we are proud to report a return to profitability and a renewed sense of momentum. This was a year of stabilisation – of laying strong foundations, right-sizing the business, and reaffirming our commitment to wool.

Despite global headwinds, industry challenges including reduced clip sizes, environmental pressures, and economic uncertainty, NZM remained focused on championing the value of wool and delivering meaningful outcomes for growers, supply chain partners, and brand customers. This work is grounded in our purpose: to make a healthier world for people and planet through advancing nature’s brilliance.

We are deeply grateful to our stakeholders for their continued engagement and support through this rebuilding phase.

Delivering on our strategy

One year into our three-year EpicFibre strategy, we’ve made tangible progress. The strategy is designed to build resilience, drive efficiency, and refocus the business on its core strength: wool. We’ve reached an important early milestone in our journey. This year, we restored profitability and strengthened our financial position.

NZM recorded an EBIT of \$1.23 million, up \$3.87 million on the prior year, and a net profit after tax

of \$0.16 million. Net operating cashflow rose to \$15.75 million, enabling us to fully repay our trade finance facility and end the year with zero debt and \$3.88 million in cash reserves. These results reflect disciplined working capital and cost management, improved supply-chain pull-through, and a continued focus on managing commercial risk.

Wool volumes decreased to 85,000 bales, down from 115,000, reflecting grower responses to market conditions and evolving farm priorities. Despite the reduction, 69.2% of wool was sold into contract, signalling sustained demand for ethically certified fibre. In line with our strategy to build scalable, resilient operations, we invested \$1.75 million in upgrading legacy software – delivered on time and under budget – to reduce risk and improve efficiency.

Shaping our future, defining our values

This year, we reshaped the NZM team ensuring the structures and capabilities are in place to support our ambitions.

We also formalised the values that define how we operate. Our ‘threads’ – raise the bar, be bold by nature, make every move matter – are woven into the fabric of NZM. These values reflect who we are and what we stand for, and they’re already influencing how we work together and make decisions.

We’re fostering a workplace culture built on clarity, confidence and shared purpose. This shift is already delivering results, and will continue to shape our transformation.

Leading with integrity

The ZQ programme continues to be a cornerstone of our integrity systems. This year, NZM was the subject of a reputational challenge from a long-standing animal rights group targeting animal welfare standards. While the group sought to undermine the credibility of ZQ, the standard stood strong.

We engaged constructively with that challenge, reviewed our systems, and reaffirmed our commitment to transparency.

We are now building on that foundation. Enhancements are underway, including increased monitoring and traceability, to ensure ZQ continues to lead as the world’s highest ethical wool standard. This experience has reinforced our belief that integrity is not static – it must evolve. We remain committed to continuous improvement and to setting the benchmark for ethical fibre production worldwide.

Rebalancing supply and demand

Following the turbulence of the past 18 months, we are seeing encouraging signs of recovery. Brand and supply-chain partners are expanding order volumes, and consumer demand for certified wool is growing. NZM is actively seeking additional supply to meet this demand. We are well-positioned to support our partners as supply chains reopen and inventory levels normalise.

We’ve supported brands through post-COVID inventory challenges and helped them rebalance their supply chains. This has created space for new orders and renewed confidence. The shift from reactive to proactive supply-chain management is a key achievement that positions NZM as a trusted partner in a volatile global market.

Looking forward: A year of transformation

The past year was about strengthening our core. We refined our focus, built operational resilience, and aligned our team around a shared purpose. With that groundwork in place, NZM has ambition and is well placed to scale operations, build on existing innovation and expand our global footprint.

We are investing in the systems, brand, and partnerships that will shape what comes next. Our digital traceability programmes will improve

transparency and help differentiate our fibre in a competitive market. Enhancements to the ZQ programme will reinforce its position as the world’s leading ethical wool standard. These changes will ensure it continues to meet the expectations of our partners and maintains trust with conscious consumers and advocacy groups.

A refreshed brand identity is also underway. It will build global awareness and bring deeper meaning to our branded fibre, helping people connect with the values behind ZQ. We are shifting our mindset to act like a branded fibre company. Our ambition is bold: to make ZQ the most recognised wool brand in the world within the next decade.

We are also expanding our supply chain programme. This will help partners sell our branded fibre more effectively and extend our reach into new markets and regions. At the same time, we remain cost-conscious and focused on investing where it matters most.

Our vision to be the world’s leading wool company continues to guide every decision we make. With a clear strategy, a strong team, and the support of our growers and partners, we are confident in our ability to deliver on this ambition.

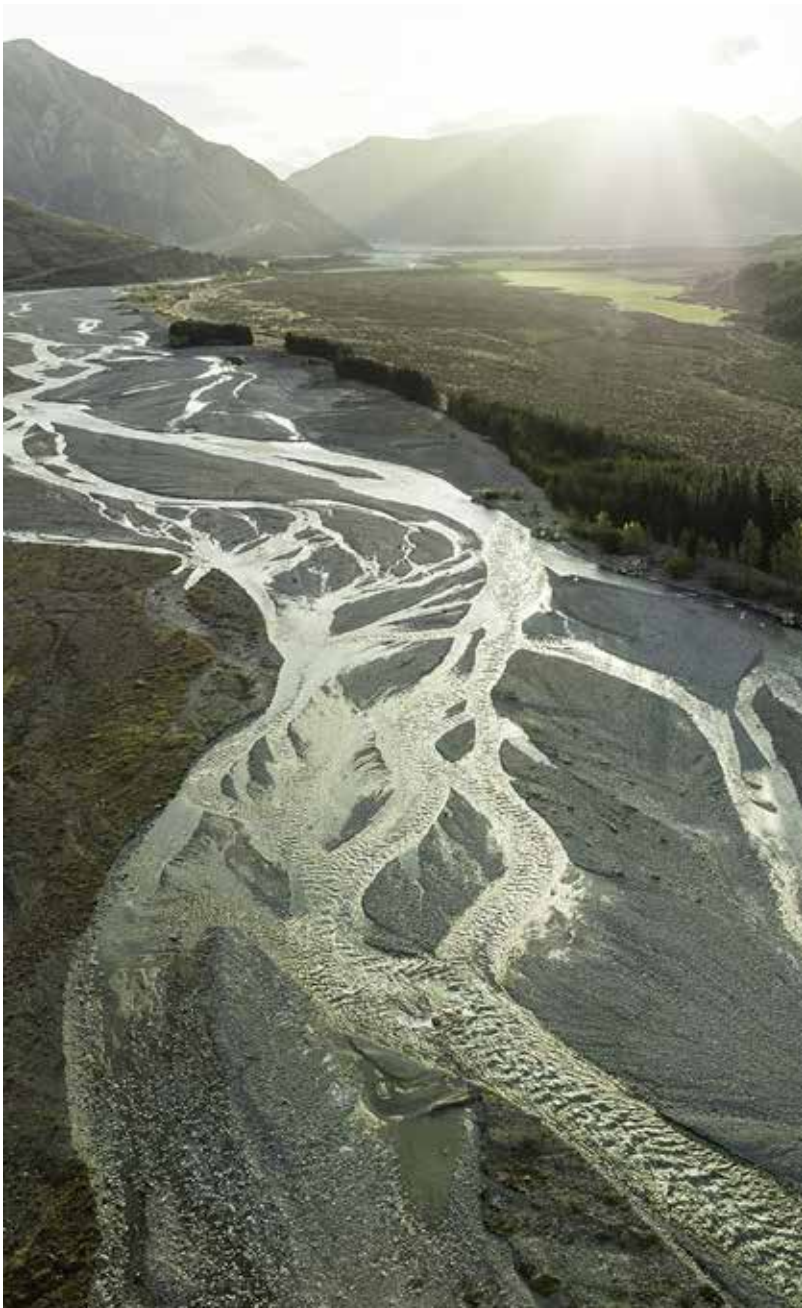
Thank you for your continued trust and support as we work together to shape a more resilient, ethical and globally recognised wool industry.



Kate Mitchell
Chair



Angus Street
Chief Executive Officer



John Penno
Incoming Chair

Governance for the Future

A message from incoming Chair, John Penno.

This year marked a period of renewal and transition at the Board level. We welcomed Rosanna Iacono and Richard Subtil as Independent and Grower-Appointed Directors respectively, bringing fresh perspectives and deep sector knowledge to the table.

At the upcoming Annual Meeting on 7 November 2025, Kate Mitchell will step down as Chair. I’m honoured to have been unanimously appointed by the Board to take on the role.

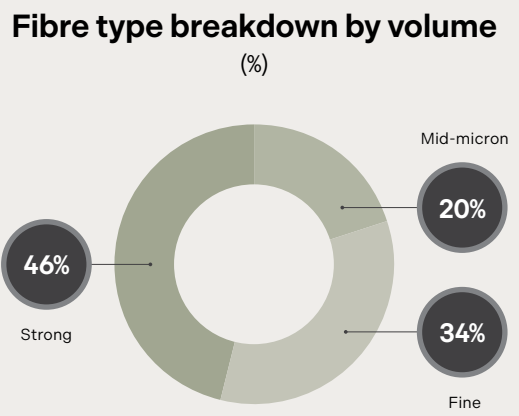
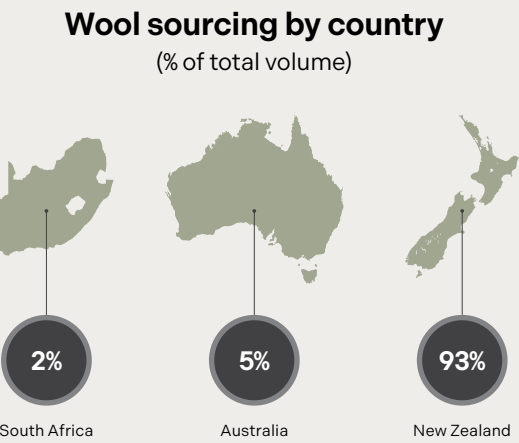
On behalf of the Board and the wider NZM team, I want to acknowledge Kate’s outstanding leadership during a transformative period for the company. Her strategic insight and steady governance have helped

guide NZM through change and position it for future growth. We are deeply grateful for her continued contribution.

Looking ahead, NZM is well-positioned to lead with purpose. Our focus remains on innovation, sustainability, and strengthening relationships across the wool sector. I look forward to working closely with the Board and leadership team to support NZM’s bold ambitions and ensure we continue to deliver value for growers, partners, and customers.



John Penno
Incoming Chair



Securing global supply

Supporting supply resilience

With order volumes recovering, our supply services team is focused on retaining and supporting our existing grower base to maintain wool supply and meet future demand. A key initiative was NZM’s first full fees and charges review in 28 years, aimed at improving transparency and strengthening supplier relationships. The review has been positively received, supporting efforts to encourage continued grower participation in the wool industry.

In Australia, we have successfully onboarded six new brokers to include ZQ and ZQRX in their product offerings, gaining us access to approximately 90 percent of all wool growers in the country. We have also developed a new onboarding process for South African growers to ensure we meet our procurement targets for the season to come.

A focus on efficiency, improving logistics and working capital management has helped to reduce our storage fees by 40% across Aotearoa.

Barriers to growth and pathways forward

While FY25 brought welcome relief after a challenging period, it was not without its challenges. Production was significantly impacted by severe drought conditions in both New Zealand and Australia. This, combined with rising on-farm costs, led to a cautious approach from farmers regarding the perceived costs of compliance.

Our commercial proposition in Australia and South Africa struggled to gain traction as most types traded in a low percentile range. This environment led to a reticence from growers to embrace long-term contracts. However, the strong production and market share of the Responsible Wool Standard in South

Africa demonstrates a willingness among growers to embrace ethical standards, highlighting a clear opportunity for growth in the region.

Regrettably, for the first time in a decade, Australia has seen a reversal in the cessation of mulesing, with a number of sheep farmers returning to the practice. This shift challenges progress on animal welfare and directly limits our ability to grow supply in the region, as wool from mulesed sheep does not meet the standards required for our ZQ and ZQRX programmes. In response, we have reinforced our engagement with growers, providing support, education and clear communication around the market advantages of non-mulesed wool, and reaffirmed our commitment to high animal welfare standards.

Looking forward: Maintaining supply

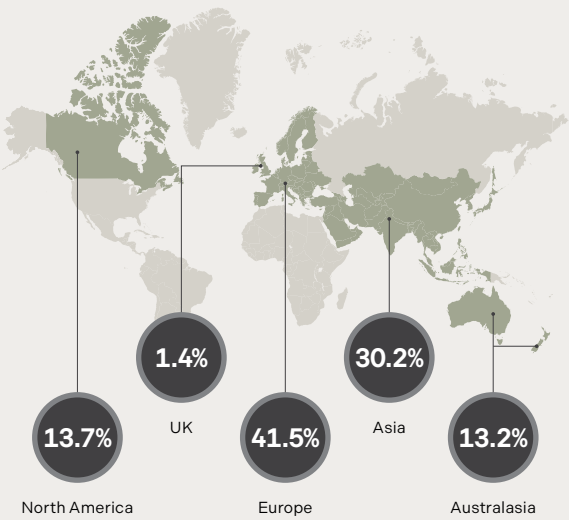
Our key focus for FY26 remains on grower retention and increasing supply volumes. In Australia and New Zealand, we will be implementing our new commercial model and working to strengthen the alignment and relationships we have with our growers. Through targeted recruitment and upskilling, we aim to enable more efficient conversion of new aligned grower suppliers.

We will also continue to derive value from our expanded reach in South Africa. We are also exploring opportunities to extend our direct supply activities into additional regions and geographies to further strengthen supply.





Wool demand by country
(% of volume)



Direct wool sales by market segment
(% of volume)



Driving market demand

Driving growth through systems and relationships

This year, our focus has been on enabling growth for our customers and partners by strengthening the systems that support our relationships. From a modernised CRM that ensures timely, tailored service, to a formalised sales pipeline that improves transparency and follow-through, every tool we’ve introduced is designed to make working with NZM easier and faster, without losing the deep relationships and personal touches that have been the hallmarks of our success.

A major milestone was the co-development of our Customer Journey Map, a visual framework that now guides how we engage with brand customers and supply chain partners. It’s more than a map; it’s a daily reference that ensures we stay true to our principles and deliver consistent, high-quality experiences.

Throughout the year, NZM representatives have spoken at key industry events and conferences. Highlights included the International Wool Textile Organisation’s Congress in Lille, France; the ISPO trade fair in Munich, Germany; and the Good for Business Sustainable Fashion Summit in Sydney, Australia. Growing our presence at events like these is crucial to demonstrating our leadership in the sector and attracting new customers.

On the marketing and engagement front, we hosted 34 customer visits in New Zealand and Australia, ranging from exploratory visits from prospective new business partners to photo shoots and media visits with long-term customers. These visits are unique experiences that can be pivotal tools for converting new business or increasing volume from existing partners.

Resilience in a changing global landscape

With recent years marred by the persistent oversupply created by the COVID period, it has been pleasing to see demand returning. However, global uncertainty due to geopolitical dynamics, US tariffs, and continued conflicts is having a significant impact, with our customers’ supply chains facing substantial disruption and rising production costs. NZM’s global network of supply chain partners is becoming a key selling point as we leverage our contacts to offer solutions and certainty to our customers.

As expected, legislation and market access standards are continuing to evolve and become more stringent. Brands are under immense pressure to disclose product-specific data regarding the origin and supply chain of their raw materials. Failure to meet these conditions will result in exclusion from key markets. ZQ is well-positioned to provide both traceability and environmental impact data to support brand claims

and reporting. The launch of a new digital traceability platform in FY26 will further streamline brands’ alignment and conformance to incoming legislation.

Looking forward: Scaling demand

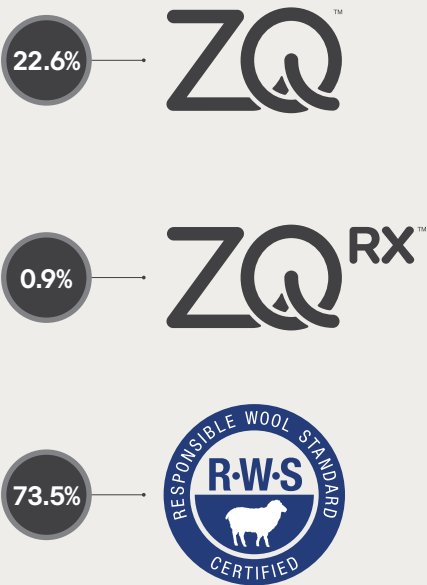
Armed with our refined sales and marketing framework, our Sales and Success team is focused on scaling demand. This three-pronged approach combines tactics for new business acquisition, retaining and growing existing partnerships, and building our supply chain partnerships to further assure our customers’ stability through uncertain times.

We intend to bring new life to the NZM value proposition with a refresh of our marketing and brand systems, positioning us to scale our model into new businesses, markets, and geographies. This includes the introduction of a streamlined Digital Asset Management tool, the formalisation of our brand and supply chain licensing agreements and reinvigorated ZQ and ZQRX marketing materials.





Sales by certification (%)



Our programmes:
Strengthening
certification and trust

Protecting trust and elevating standards

This year, our world-leading ZQ Standard came under close scrutiny following a coordinated, international attack campaign by animal rights group PETA. Using covertly filmed footage, the majority of which did not come from ZQ properties, PETA was able to create a media and social media firestorm, while mobilising its members to directly target our customers.

Despite some senior brand executives receiving upwards of 500 emails per day, our robust certification systems allowed us to respond quickly and transparently to assuage our stakeholders’ concerns. What could have been a crisis became an opportunity to show leadership, tighten our standards and show the world the integrity behind our ethical claims.

As has been the case throughout recent years, the legislative landscape for sustainable apparel continued to evolve in FY25. While uncertainty remains high, NZM has built a deep understanding of the direction of these changes and brand requirements. This has allowed us to continue to differentiate our offering and support our brands to compete in a more regulated market.

The competitive landscape for wool programmes did not materially change over the financial year; however, we understand some are struggling to find relevance and commercial viability. Our ZQ and ZQRX programmes continue to be well-regarded by brands and the wider apparel and textiles industries.

Strengthening trust with verified
digital origins

In FY25, NZM made the decision to digitally trace 100% of our ZQ and ZQRX branded fibre, following extensive trials over recent years. This investment in the ZQ and ZQRX programmes will protect our wool brands from misrepresentation. Digital traceability will enhance the value of our offering by providing brand partners with a valuable tool to connect their products right back to farm. We have entered into a three-year agreement with a leading provider that will commence in FY26.

Elevating animal welfare standards

Protecting and enhancing the welfare of animals has been a core tenet of the ZQ Standard since its inception. We remain steadfast in our commitment to animal welfare, recognising it as essential to the credibility of any integrity scheme.

This test of our systems highlighted opportunities to improve our practices to provide even greater oversight and assurance. We have committed to introducing a number of enhancements to ZQ, including unannounced spot inspections. Growers will also have the option to introduce either video recording or trained animal welfare officers during shearing, along with access to new education and support resources.

Supporting ethical claims in
a regulated world

The need for trusted data to substantiate consumer-facing claims is becoming increasingly clear as legislation evolves, particularly in the European Union. While the Green Claims Directive appears unlikely to proceed in its current form, there is clear momentum in this space.

Ongoing developments have validated our strategy and investment in ZQRX, as this fibre enables brands to make meaningful claims about the ethical and sustainable production of their wool.

Looking forward: Scaling impact
through assurance and traceability

Our customers have been reassured by our response to PETA’s allegations, and we are seeing increasing enquiries from brands wishing to delve into the claims and data that sit behind ZQRX. Core workstreams for the Integrity Systems team in FY26 include delivering on our ZQ enhancements, embedding the digital traceability and working towards ISEAL membership to further legitimise our wool programmes.





Rosanna Iacono



Richard Subtil

Strategic stewardship: Building culture and capability

Governance and leadership

This year marked a pivotal shift in NZM’s governance as we farewelled directors Bill Sutherland and Matanuku Mahuika after many years of service. With significant strategic shifts in the business, we were pleased to welcome two new directors, Rosanna Iacono and Richard Subtil, to bring fresh perspectives and expertise to the NZM Board.

- Rosanna Iacono is a seasoned leader in the international apparel sector, having held global roles at Nike and Levi’s, and executive positions at fashion and lifestyle brands including Sheridan, Sass & Bide, and Jurlique. She is Co-Founder of The Growth Activists, a consultancy focused on responsible business and sustainability. Rosanna’s governance experience spans ESG-forward organisations, and she brings a strategic lens to NZM’s brand positioning and sustainability commitments.
- Richard Subtil, of Omarama Station, has been part of NZM’s journey since its inception. A foundational supplier for the first icebreaker contract, Richard combines deep industry knowledge with international business experience from his time in Dubai and Malaysia. He has served on the Otago Merino Association Board, judged the Zanda McDonald Awards, and contributed to environmental governance through the Environment Canterbury Zone Committee. His commitment to succession, sustainability, and storytelling aligns strongly with NZM’s purpose. Richard was appointed as a Grower-Appointed Director.

We also celebrated the completion of Emily Jones’ 18-month term as an Intern Director. She participated in the NZM Board Intern Director Programme, which offers emerging leaders from our grower community the opportunity to gain vital governance experience.

As the Board transitioned – with two directors retiring and two new appointments – our leadership remained cohesive and forward-focused. In close partnership, the Board and Senior Leadership Team ensured continuity, momentum, and strategic clarity. This alignment was essential as we embedded the foundations of our EpicFibre strategy and progressed our ambition to become the world’s leading wool company.

The fabric of NZM – threads that unite us

In FY25, we refined and formalised the values that guide how we work and lead. Through staff workshops, we explored NZM’s purpose and culture to form three clear guiding principles, which we call our Threads:

- Raise the bar
- Be bold by nature
- Make every move matter

These threads reflect who we are and what we stand for; they honour the trailblazers who came together in the beginning and ensure we carry their spirit forward. They’re woven into the fabric of our organisation, influencing decisions, behaviours, and relationships. By actively living these Threads every day, we know we will unlock creativity, challenge convention, and strengthen our impact to deliver on our purpose:

‘Making a healthier world for
people and planet through
advancing nature’s brilliance.’

Investing in our future

At NZM, we’re committed to growing the future of the wool industry, and that starts with people.

We have continued to support a range of initiatives that nurture the next generation of industry leaders:

- ZQ Shearing and Wool Handling Course: With the support of brand partners like VF, IKEA and other partners, we significantly expanded the programme, tripling the intake from 10 in 2024 to 32 in 2025.
- REDA Sheep to Shop Internship: A unique opportunity for graduates to experience the full wool supply chain, from New Zealand farms to revered Italian textile mills.
- Smartwool / Icebreaker (SWIB) Cadetship: Now in its second year, this programme immerses brand staff from long-term partners Smartwool and icebreaker into the world of ZQ wool and strengthens their connection to growers.
- Future Grower Group: With 21 active members, this peer-led group fosters learning, connection, and leadership among emerging growers.
- Girls Who Grow: We proudly sponsored a scholarship for a Year 10 student, supporting young women to engage in climate-positive food and fibre industries.

We’re also investing in our own people. While formal training played a role, our focus this year was on creating opportunities for staff to grow through hands-on experience, expanded responsibilities, and cross-functional collaboration. Whether contributing to strategic projects, deepening industry knowledge, or stepping into new challenges, our team continued to develop in ways that support both personal growth and NZM’s purpose.



Market outlook

Global and regional wool market dynamics

The global wool market is entering a phase of cautious optimism. Valued at USD 43.9 billion in 2025, the market is projected to grow steadily at a 3.7% CAGR through 2030, driven by rising demand for biodegradable textiles, regulatory shifts favouring natural fibres, and expanding certified supply chains. Asia-Pacific remains the dominant region, with China and India showing strong consumption growth.

Sustainability and traceability, once niche differentiators, are now baseline requirements for market access. Certifications such as ZQ and RWS are increasingly demanded by brands, with traceability down to the bale level becoming standard. Wool’s compatibility with circular economy principles positions it as a compelling alternative to synthetic fibres, particularly in Europe where regulations are increasingly targeting harmful substances and driving demand for low-impact, natural materials.

However, the industry faces headwinds. Declining sheep populations in traditional producing countries, including New Zealand and Australia, are constraining supply. Biosecurity risks, climate variability, and land-use shifts toward currently more profitable alternatives like meat, cropping, and forestry continue to challenge wool production.

Supply outlook

In New Zealand, wool supply volumes remain under pressure. Structural challenges persist, including land use changes, elevated production costs, and competition from other farming systems.

Australian volumes continue to fall, reinforcing the importance of NZM’s strategic expansion into South Africa and exploratory activity in other geographies. These efforts are essential to shore up global supply resilience and meet growing brand demand.

NZM is also focused on building deeper grower connectedness through immersion tours, summits, and events, ensuring that our value proposition is not only delivered but deeply understood.

Demand outlook

On the demand side, the market is stabilising. Inventory backlogs across the supply chain have largely cleared, allowing brands to return to more traditional purchasing cycles. However, risk aversion remains high, influenced by global trade tensions, tariffs, and subdued consumer sentiment.

China continues to emerge as a key growth market, with both domestic brands like Outopia and Western entrants finding success with wool-specific ranges. This dual-track growth reinforces China’s strategic importance in NZM’s brand portfolio.

NZM’s strategic focus for FY26

In response to these evolving dynamics, NZM’s focus for FY26 is on maintaining supply, deepening brand partnerships, and strengthening grower engagement. We are committed to maintaining bale volumes across fine, mid-micron, and strong wool categories, while expanding our footprint in Australia and South Africa to ensure supply continuity.

On the demand side, our efforts will centre on expanding our customer base and strengthening retention, with targeted growth from existing partners and new entrants across key markets. We will continue to invest in brand storytelling, market intelligence, and immersive experiences to elevate our share of voice and reinforce the value of ZQ and ZQRX wool.

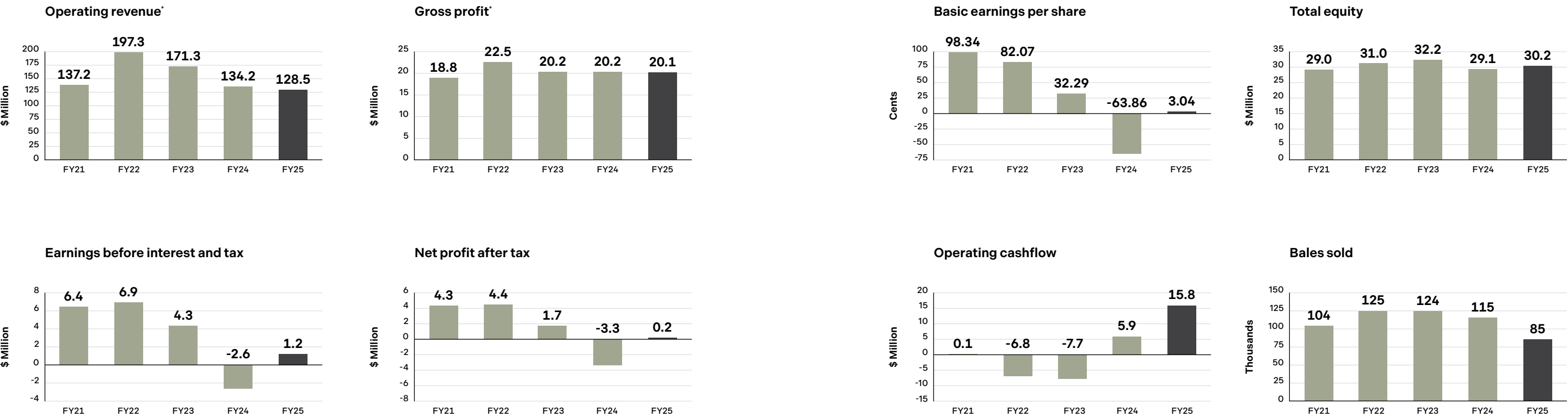
These priorities reflect our ambition to be the world’s leading wool company, delivering premium natural fibre solutions that are traceable, ethical, and regenerative. Guided by our purpose – to create a better future for wool, our growers, our people, and the planet – we remain committed to connecting brands with high integrity wool that reflects the brilliance of nature and the values of our growers.







Key financial information – 5 year trends



*In FY25 marketing contributions have been reclassified from other income to revenue, and the comparative period (FY24) restated. The impact of this change is that operating revenue and gross profit are higher than would have previously been presented. See representation of comparatives (page 29) for more detail.



Group directory

As at 30 June 2025

Nature of Business	Wool Marketing and Sales
Registered Office	Level 2, 123 Victoria Street, Christchurch
Directors	Kathryn Mitchell (Chair) Ben Todhunter (Deputy Chair) Richard Subtil Paul Ensor Rosanna Iacono John Penno John Maher
Auditors	Ernst & Young, Christchurch
Bankers	ASB Bank, Christchurch
Solicitors	Chapman Tripp, Christchurch Minter Ellison Rudd Watts, Auckland
Share Registrar	MUFG Pension & Market Services, Ashburton
Business Location	Level 2, 123 Victoria Street, Christchurch

Directors’ statement

The Directors are responsible for preparing the financial statements and ensuring that they comply with New Zealand Generally Accepted Accounting Practice and fairly represent the financial position of The New Zealand Merino Company Limited as at 30 June 2025 and the results of the operations and cash flows of the Company for the year ended on that date.

The Directors consider that the financial statements of the Company have been prepared using appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position and financial performance of the Company and facilitate compliance of the financial statements with the Financial Markets Conduct Act 2013.

The Directors consider that they have taken adequate steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

The Directors are pleased to present the financial statements for The New Zealand Merino Company Limited for the year ended 30 June 2025.

For and on behalf of the Board of Directors:

Kate Mitchell
Chair
22 August 2025

Paul Ensor
Chair, Audit & Risk Committee
22 August 2025



Statement of Comprehensive Income

For the year ended 30 June 2025

	Note	2024 \$000	2025 \$000
Revenue	1	134,240	128,543
Cost of sales		(114,046)	(108,444)
Gross profit		20,194	20,099
Other income	2	931	1,176
Finance income	3	4	13
Share of profit/(loss) of investments in other entities	11	(33)	-
Gain from investments in other entities	11	163	-
Other income		1,065	1,189
Procurement and selling expenses	4	(5,499)	(4,069)
Marketing expenses	4	(7,906)	(7,437)
Innovation expenses	4	(3,309)	(1,321)
Administrative expenses	4	(6,553)	(6,605)
Share-based arrangements		49	-
Other expenses	4	(670)	(610)
Finance expenses	3	(1,974)	(854)
Expenses		(25,862)	(20,896)
Profit / (loss) before income tax		(4,603)	392
Income tax (expense) / income	5	1,310	(235)
Profit / (loss) after tax		(3,293)	157
Other comprehensive income / (loss)			
Items that may be reclassified subsequently to profit or loss:			
Gains / (losses) from cash flow hedges		642	1,321
Income tax relating to other comprehensive income	10	(394)	(372)
		248	949
Total comprehensive income / (loss)		(3,045)	1,106
Earnings per share (cents)			
Basic earnings per share	16	(63.86)	3.04
Diluted earnings per share	16	(63.86)	3.04

Statement of Financial Position

As at 30 June 2025

	Note	2024 \$000	2025 \$000
ASSETS			
Current assets			
Cash and cash equivalents	6	857	3,876
Trade and other receivables	7	16,331	9,434
Inventories	8	15,972	10,322
Current tax asset	10	802	4
Derivative financial instruments	15	207	805
Total current assets		34,169	24,441
Non-current assets			
Property, plant and equipment	9	1,447	1,258
Investments in joint ventures	11	59	-
Investments in other entities	11	44	44
Deferred tax assets	10	1,826	1,298
Intangible assets and goodwill	12	6,673	8,197
Derivative financial instruments	15	342	346
Right-of-use assets	21	4,656	4,106
Total non-current assets		15,047	15,249
Total assets		49,216	39,690
LIABILITIES			
Current liabilities			
Trade finance facility	14	10,000	-
Trade and other payables	13	3,518	4,154
Income tax payable		14	43
Derivative financial instruments	15	730	111
Lease liabilities	21	792	819
Total current liabilities		15,054	5,127



Statement of Financial Position (cont'd)

As at 30 June 2025

	Note	2024	2025
		\$000	\$000
Non-current liabilities			
Derivative financial instruments	15	148	40
Lease liabilities	21	4,954	4,357
Total non-current liabilities		5,102	4,397
Total liabilities		20,156	9,524
Net assets		29,060	30,166
EQUITY			
Share capital	17	8,458	8,458
Share-based arrangements reserve	18	-	-
Retained earnings	19	20,839	20,996
Cash flow hedge reserve	19	(237)	712
Total equity		29,060	30,166

For and on behalf of the Board of Directors, who authorised the issue of the financial report on 22 August 2025.

Kate Mitchell
Chair

22 August 2025

Paul Ensor
Chair, Audit & Risk Committee

22 August 2025

Statement of Changes in Equity

For the year ended 30 June 2025

	Note	Share capital	Retained earnings	Cash flow hedge reserve	Share-based arrangements reserve	Total equity
		\$000	\$000	\$000	\$000	\$000
Balance at 1 July 2023		8,458	24,500	(699)	(104)	32,155
Profit for the year		-	(3,293)	-	-	(3,293)
Other comprehensive income	17	-	-	462	-	462
Total comprehensive income		-	(3,293)	462	-	(2,831)
Share-based arrangements		-	-	-	(264)	(264)
Share-based arrangement transfer to retained earnings		-	(368)	-	368	-
Balance at 30 June 2024		8,458	20,839	(237)	-	29,060
Balance at 1 July 2024		8,458	20,839	(237)	-	29,060
Profit for the year		-	157	-	-	157
Other comprehensive income	17	-	-	949	-	949
Total comprehensive income		-	157	949	-	1,106
Share-based arrangements	18	-	-	-	-	-
Balance at 30 June 2025		8,458	20,996	712	-	30,166



Statement of Cash Flows

For the year ended 30 June 2025

	Note	2024 \$000	2025 \$000
Net operating cash flows			
Cash provided from:			
Receipts from customers		144,362	136,684
Other external funding	2	40	-
Taxes refunded		-	711
Interest income received	3	4	13
		144,406	137,408
Cash applied to:			
Payments to suppliers and employees		(135,996)	(120,771)
Short-term lease payments	21	(97)	(104)
Income tax (payments) / refunds		(429)	75
Interest paid	3	(1,681)	(572)
Interest paid on leases	3	(293)	(282)
		(138,496)	(121,654)
Net cash from / (used in) operating activities	18	5,910	15,754
Net investing cash flows			
Cash provided from:			
Proceeds from the sale of investments		150	58
		150	58
Cash applied to:			
Acquisition of intangibles	12	(462)	(1,964)
Purchase of property, plant and equipment	9	(25)	(98)
		(487)	(2,062)
Net cash from / (used in) investing activities		(337)	(2,004)
Net financing cash flows			
Cash provided from:			
Trade finance facility	14	30,300	89,500
		30,300	89,500
Cash applied to:			
Trade finance facility	14	(34,800)	(99,500)
Payments for leases	21	(693)	(785)
		(35,493)	(100,285)
Net cash from / (used in) financing activities		(5,193)	(10,785)
Net increase / (decrease) in cash balances		380	2,966
Net foreign exchange difference		(83)	53
Opening cash and cash equivalents		560	857
Closing cash and cash equivalents		857	3,876

Statement of Accounting Policies

For the year ended 30 June 2025

Reporting entity

The financial statements presented are those of The New Zealand Merino Company Limited (the “Company”).

The prior year financial statements (2024) were consolidated financial statements, including The New Zealand Merino Company Limited and Made For Good RX Limited (100% owned subsidiary). The New Zealand Merino Company Limited and Made For Good RX Limited were amalgamated on 31 May 2025 and as such the current year financial statements represent The New Zealand Merino Company Limited financial statements only. The Amalgamation was undertaken using the pooling of interests method as Made For Good RX Limited was under common control.

The New Zealand Merino Company Limited is a company domiciled in New Zealand and is registered under the Companies Act 1993, and listed on the Unlisted Securities Exchange.

The New Zealand Merino Company Limited is a FMC reporting entity under the Financial Market Conducts Act 2013.

The nature of the operations of the business is wool marketing and sales.

Basis of preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards as appropriate to profit-oriented entities. The financial statements also comply with International Financial Reporting Standards (IFRS).

Representation of comparatives

Where applicable, certain comparatives have been restated to comply with the accounting presentation adopted in the current year to ensure consistency with the current year classification. Areas of restatement include:

- The Statement of Comprehensive Income – marketing contributions have been reclassified from other income to revenue due to the arrangements with supply chain partners being formalised into contractual arrangements. This confirmed that the marketing contributions are revenues from contracts with customers. Marketing contributions are detailed as a separate revenue stream within total revenue. Refer to note 1 for amounts re-presented.

Basis of consolidation

The financial statements of The New Zealand Merino Company Limited are the results of the Company and the results of its associates which are accounted for using the equity method. At 30 June 2025 the Company has no subsidiaries.

Subsidiaries are entities over which the Company has control. Control is achieved when the Company:

- Has power over the entity;
- Is exposed to, or has right to, variable returns from its involvement with the entity; and
- Can use its power to affect returns.

Measurement base

The financial statements are prepared on a historical cost basis, except for derivative financial instruments, which have been measured at fair value, and inventory which has been measured at the lower of cost and net realisable value.

The financial statements are prepared on a going concern basis.



Statement of Accounting Policies (cont’d)

For the year ended 30 June 2025

Presentation Currency

These financial statements are presented in New Zealand dollars, which is the Company’s functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand, except when otherwise indicated.

Critical judgements in applying accounting policies

In the process of applying the Company’s accounting policies management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from direct sources. The estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the following accounting policies and notes:

- Goodwill impairment assessment. Refer to policy (f) and Note 12.

Accounting policies

Changes in accounting policies

New standards and interpretations not yet adopted

There are no new standards or amendments to existing standards that are effective for the year ended 30 June 2025 that have a material effect on the financial statements of the Company. There were also no standards, except for NZ IFRS 18 Presentation and Disclosure in Financial Statements (“NZ IFRS 18”) which were issued but not yet effective that could have a material effect on the Company.

NZ IFRS 18

NZ IFRS 18 was issued in May 2024 as a replacement for NZ IAS 1 Presentation of Financial Statements (“NZ IAS 1”) and applies to annual reporting periods beginning on or after 1 January 2027. An initial impact assessment has been performed which indicates there would be no material changes to the amounts in the statement of comprehensive income and new sub-totals introduced. NZ IFRS 18 primarily introduces the following:

- A defined structure for the statement of comprehensive income by classifying items into one of the five categories: operating, investing, financing, income taxes, and discontinued operations. Entities will also present expenses in the operating category by nature, function, or a mix of both, based on facts and circumstances, and
- Disclosure of management-defined performance measures in a single note together with reconciliation requirements, and
- Additional guidance on aggregation and disaggregation principles (applied to all primary financial statements and notes).

Material accounting policies

The following specific accounting policies, which materially affect the measurement of the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows, have been applied in these financial statements:

a. Property, plant and equipment

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses. Work in progress is measured at cost, net of accumulated impairment losses.

Where an item of property, plant or equipment is disposed of, the gain or loss recognised in the Statement of Comprehensive Income is calculated as the difference between the net sale price and the carrying amount of the asset.

Statement of Accounting Policies (cont’d)

For the year ended 30 June 2025

Subsequent costs

Subsequent costs are added to the carrying amount of an item of property, plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognised in the Statement of Comprehensive Income as an expense when incurred.

Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line basis to allocate the cost of an asset, less any residual value, over its useful life. Depreciation is charged to the Statement of Comprehensive Income.

The estimated useful lives of property, plant and equipment are as follows:

Office equipment	2 – 14 years
Leasehold improvements	5 – 14 years
Information technology assets	2 – 5 years
Plant and equipment	2 – 14 years

The residual value of assets is reassessed annually. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Capital expenditure that has been incurred for property, plant and equipment and is not yet available for use is classified as work in progress. Work in progress is not depreciated. The total cost of this work is transferred to the relevant asset category on the completion of the project and then depreciated.

b. Goodwill

Goodwill arising on acquisition represents the excess of the purchase consideration over the fair value of the identifiable net assets acquired.

For the purpose of impairment testing, goodwill is allocated to the cash-generating units (CGU) that are expected to benefit from the acquisition in which goodwill arose. Where

the recoverable value of the CGU is less than the carrying amount of the CGU an impairment loss is recognised in the profit and loss and it is not subsequently reversed.

Goodwill is tested for impairment annually and is carried at cost less accumulated impairment losses, if any.

c. Intangible assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

An intangible asset is derecognised upon disposal (at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss.

Software is stated at cost and amortised to profit or loss on a straight line basis over the useful life applicable to the software.

The residual value of intangible assets is reassessed annually. Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Capital expenditure that has been incurred for intangible assets and is not yet available for use is classified as work in progress. Work in progress is not amortised but is tested annually for impairment. The total cost of this work is transferred to the relevant asset category on the completion of the project and then amortised.

d. Trade and other receivables

Trade and other receivables are measured at amortised cost less any impairment losses. The Company uses the expected credit loss model for trade receivable assets not held at fair value through profit or loss. For trade receivables, the Company applies the simplified approach in calculating life time expected credit



Statement of Accounting Policies (cont’d)

For the year ended 30 June 2025

losses with adjustments based on historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Collectability of trade and other receivables is reviewed on an ongoing basis.

Individual debts that are known to be uncollectable are written off when identified. Refer to Note (g) for the impairment policy.

e. Inventories

All inventories of wool are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price less costs to sell in the ordinary course of business.

Cost is based on actual cost for all wool purchased and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location.

f. Impairment

Intangible assets and items of property, plant and equipment are tested for impairment by comparing the estimated recoverable amount with the carrying amount.

Recoverable amount is the higher of an asset’s fair value less costs to sell, and value-in-use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in profit or loss.

g. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per share

Basic and diluted earnings per shares (EPS) are presented for ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to shareholders by the weighted average number of shares outstanding during the period. Diluted EPS is determined by adjusting

the profit or loss attributable to shareholders and the number of shares outstanding to include the effects of all potential dilutive shares.

h. Employee entitlements

Employee entitlements related to salaries and wages and annual leave are recognised when they accrue to employees. In determining the estimated liability for employee entitlements, any entitlements due at balance date are recorded as a current liability.

i. Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market rates and, where appropriate, the risks specific to the liability.

j. Trade and other payables

Trade and other payables are stated at amortised cost.

k. Revenue

The Company recognises revenue from the following major sources:

- Contract and Auction Sales
- Wool Fees and Charges
- Marketing Contributions

Revenue is measured based on the transaction price allocated to the performance condition within the contract. The Company recognises revenue in the following way:

Contract and auction sales

Revenue is recognised in profit or loss when control has been transferred to the buyer. This represents the point in time at which the Company satisfies its performance obligation to release the wool and the right to consideration becomes unconditional. There are no rights of return or

Statement of Accounting Policies (cont’d)

For the year ended 30 June 2025

warranties in regards to the sale of wool. The Company is a principal in regards to all sale of wool transactions due to the level of control during the transaction. The Company determines the best sales mechanism for the wool. Sale via contract or offers to the supply chain is the preferred mechanism, with surplus wool being sold via auction where the wool does not meet contract specifications. Only select wool sales incur insurance and freight, the Company is an agent in regards to insurance and freight.

Wool fees and charges

Wool fees and charges revenue is recognised in profit or loss at the same time as the purchase of wool from suppliers or sale of wool to customers. This represents the point in time at which the Company satisfies its performance obligation to transact the wool and the right to consideration becomes unconditional.

Marketing contributions

For certain agreements marketing contributions are recognised in profit or loss at the point in time that the performance obligations have been met and there is no constraint on the variable contribution. For other agreements, the ability to estimate the variable consideration is constrained due to the Company not having sufficient knowledge of the tops price and, in some instances, the volume of wool. Due to this constraint the revenue is only recognised once it is considered highly probable that a significant reversal to the recognised consideration will not occur.

l. Other income

External funding

External funding through government grants and other external parties is recognised when there is reasonable assurance that the entity will comply with the conditions attached and the funding will be received. Other external funding which compensates the Company for expenses incurred is recognised in profit or loss as other income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When

external funding relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Management fees are recognised in profit or loss at the point in time that the services for management have been provided.

m. Leases

The Company assesses whether a contract is, or contains, a lease at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Company’s incremental borrowing rate when the rate implicit in the lease is not easily determinable.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments. The lease liability is remeasured whenever there is a change in the lease term or a change in the lease payment.

Right-of-use lease assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.



Statement of Accounting Policies (cont’d)

For the year ended 30 June 2025

Lease periods for leased assets are based on the lease terms and an assessment of renewal options:

Buildings	3 – 14 years
Motor vehicles	3 years
Office equipment	3 – 4 years

n. Finance expenses and income

Finance income comprises interest income which is recognised as it accrues using the effective interest method. Finance expenses comprise interest expense on borrowings and lease interest. All borrowing costs are recognised in profit or loss using the effective interest method.

o. Foreign currency transactions

Transactions denominated in foreign currency are translated into New Zealand currency at the spot exchange rate. Amounts receivable and payable in a foreign currency at balance date are translated at the exchange rate at that date. Foreign exchange differences arising on their translation are recognised in profit or loss.

p. Derivative financial instruments

The Company uses foreign exchange contracts to hedge its exposure to foreign exchange risks arising from future sales or purchases of goods in foreign currencies. The Company uses wool futures contracts to hedge its exposure to price risks arising from future sales or purchases of wool.

In accordance with the treasury policy, the Company does not hold or issue derivative financial instruments for trading purposes, however derivatives that do not qualify for hedge accounting are accounted for as trading instruments with their fair value recognised through profit or loss.

Cash flow hedges

The Company designates certain derivatives as cash flow hedging instruments in respect of foreign currency risk and wool price risk.

At the inception of the hedge relationship the Company’s documents the relationship between the hedging instrument and the hedged item, along with the risk

management objectives and strategy for undertaking various hedge transactions. On an on-going basis the Company documents whether the hedging instrument is effective in offsetting the changes in fair value of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk is not greater than the value changes that result from the economic relationship; and
- The hedge ratio of the hedging relationship is the same as the hedge ratio resulting from the actual quantity of the hedged item and the actual quantity of the hedging instrument.

Sources of hedge ineffectiveness include; credit value adjustments to the hedge instrument, shortfalls in the amount of the expected exposure, and changes in the transaction timing.

The Company designates the full change in the fair value of forward contracts and futures contracts as the hedging instrument for all its hedging relationships involving forward contracts and futures contracts.

Foreign exchange contracts and wool futures contracts are recognised in the Statement of Financial Position at their fair value. Transaction costs are expensed immediately. Where the foreign exchange contracts or wool futures contracts are designated as a hedge, the effective portion of the changes in the fair value of the instrument are initially recognised in the Cash Flow Hedge Reserve, and subsequently transferred to the Statement of Comprehensive Income at the point at which the sale and associated debtor are recorded. As soon as the contract is known to be ineffective, the ineffective portion of the foreign exchange contracts or wool futures contracts is recognised immediately in profit or loss.

Statement of Accounting Policies (cont’d)

For the year ended 30 June 2025

If the Company discontinues hedge accounting for a cash flow hedge the amount accumulated in the cash flow hedge reserve is accounted for as follows:

The amount remains in other comprehensive income if the future cash flows are still expected to occur, or

- The amount is immediately reclassified to profit or loss as a reclassification adjustment if the future cash flows are no longer expected to occur.

q. Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes, and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted, or substantively enacted, by the reporting date.

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

r. Goods and services tax

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

s. Treasury stock

Treasury Stock is the portion of shares that the Company keeps in its own treasury. Treasury Stock arises from a buy-back from shareholders. These shares do not receive dividends, have no voting rights and are not included in shares outstanding calculations.

t. Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash on hand and short term deposits with an original maturity of three months or less. These are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value. Cash and cash equivalents is net of outstanding bank overdrafts as these are considered an integral part of the Company’s cash management.

u. Research and development

All research expenditure is recognised in profit or loss as incurred.

Development expenditure which is directly attributable to the design, testing, and implementation of identifiable and unique intangible products controlled by the Company and which meet the recognition criteria are recognised as intangible assets. Where development expenditure has been recognised as an intangible asset it is stated at cost and amortised on a straight-line basis over the period of expected benefits. Amortisation begins at the date of recognition of the intangible asset, excluding capital work-in-progress. All other development expenditure is recognised in profit or loss as incurred.

v. Share-based arrangements

Equity-settled share-based arrangements with employees of the Company and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at grant date of the equity-settled share based arrangements is expensed over the vesting period, based on the Company’s estimate



Statement of Accounting Policies (cont’d)

For the year ended 30 June 2025

of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity.

For cash-settled share-based arrangements, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. The fair value determined at grant date of the cash-settled share based arrangement is expensed over the vesting period. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year. The Company recognises any reduction in the fair value of cash-settled share based arrangements through profit or loss.

w. Statement of cash flows

The Statement of Cash Flows is prepared exclusive of Goods and Services Tax (GST). Operating activities represent all transactions and other events that are not investing or financing activities. Investing activities are those activities relating to the acquisition and disposal of investments and any other property, plant and equipment. Financing activities are those activities relating to changes in the equity and debt capital structure of the Company and those activities relating to the cost of servicing the Company's equity capital.

x. Subsidiaries

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of the acquisition is measured at fair value, which is calculated as the sum of the assets given, liabilities incurred or assumed, and equity instruments issued by the Company, at acquisition date, in exchange for control of the acquiree.

Acquisition related costs are recognised in profit or loss as incurred. The results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date of acquisition or up to the date of disposal as appropriate.

y. Investments in joint ventures

A joint venture is an arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Company accounts for investments in joint ventures using the equity method of accounting. All investments in joint ventures are initially recognised in the Statement of Financial Position at cost and subsequently increased or decreased to recognise the Company’s share of profit or loss.

The investments in joint ventures share of profit or loss is recognised in profit or loss.

z. Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses. A segment’s operating results are regularly reviewed by management to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Company currently operates as one reportable segment and discrete financial information is not provided on a geographical or product basis. The operating results are reviewed at a Company level.

Notes to the Financial Statements

For the year ended 30 June 2025

1. Revenue

The Group derives revenue as a principal in the following major product lines.

	2024 \$000	2025 \$000
Contract revenue		
Fine wool	60,409	61,685
Strong wool	19,561	18,311
	79,970	79,996
Auction revenue		
Fine wool	32,188	33,735
Strong wool	2,926	148
	35,114	33,883
Wool fees and charges revenue	15,429	13,246
Marketing contributions	3,727	1,418
Total revenue	134,240	128,543

Two customers (2024: three customers) individually contribute more than 10% to total revenue. Marketing contributions were previously disclosed as other income.

2. Other income

	2024 \$000	2025 \$000
Other external funding	40	-
Exchange gains	-	75
Management fees	481	254
Other income	410	847
	931	1,176



Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

3. Finance expenses / income

	2024	2025
	\$000	\$000
Finance expenses		
Interest expense	1,681	572
Interest expense on leases	293	282
	1,974	854
Finance income		
Interest income	4	13
	4	13

4. Expenses

	2024	2025
	\$000	\$000
<i>The following items of expenditure are included in procurement and selling expenses</i>		
Wool-related expenses (logistics, insurance)	4,132	3,015
Travel	447	241
Communications and grower engagement	680	552
Premises expenses and motor vehicles	240	261
	5,499	4,069
<i>The following items of expenditure are included in marketing expenses</i>		
Employee benefit expense	6,033	5,619
Marketing activities	939	961
Travel	538	269
Grower auditing	396	588
	7,906	7,437
<i>The following items of expenditure are included in innovation expenses</i>		
Employee benefit expense	2,232	1,053
Science and innovation projects	988	233
Travel	89	35
	3,309	1,321

Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

4. Expenses (cont'd)

	2024	2025
	\$000	\$000
<i>The following items of expenditure are included in administration expenses</i>		
Employee benefit expense	2,216	2,269
Office and operational expenses	1,237	1,538
Premises expenses	688	736
Professional services	587	524
Information technology	653	542
Directors' fees	397	390
Directors' expenses	101	198
Insurance	436	391
Provision for doubtful debts	203	-
Travel	35	17
	6,553	6,605
<i>The following items of expenditure are included in other expenses</i>		
Depreciation	323	286
Amortisation of other intangible assets	217	124
Loss on sale of fixed assets / intangible assets	-	195
Exchange losses	110	-
Donations	20	5
	670	610
Personnel expenses (salaries & employer contribution to Kiwisaver included in marketing expenses, innovation expenses and administrative expenses)		
Salaries	10,125	8,601
Kiwisaver and superannuation employer contributions	356	340
	10,481	8,941



Notes to the Financial Statements (cont’d)

For the year ended 30 June 2025

5. Income tax

	2024	2025
	\$000	\$000
Income tax expense		
Current income tax – New Zealand	-	-
Current income tax – Australia	(16)	(56)
Relating to origination and reversal of temporary differences and tax losses	1,313	(153)
Adjustments in respect of New Zealand current income tax of previous years	7	-
Adjustments in respect of Australian current income tax of previous years	6	(26)
Income tax expense reported in the Statement of Comprehensive Income	1,310	(235)
Numerical reconciliation between aggregate tax expense recognised in the Statement of Comprehensive Income and tax expense calculated per the statutory income tax rate		
Accounting profit / (loss) before tax from continuing operations	(4,603)	392
Plus after tax (profit) / loss of joint venture	33	-
	(4,570)	392
At the statutory income tax rate of 28%	1,280	(110)
Adjustments in respect of New Zealand current income tax of previous years	7	-
Adjustments in respect of Australian current income tax of previous years	6	(26)
Current income tax charge – Australia	(16)	(56)
Deferred tax adjustment	4	-
Permanent differences	29	(43)
Aggregate income tax (expense) / income	1,310	(235)
Imputation credit balance		
Balance at the beginning of the year	6,266	6,820
Income tax paid for prior year	554	2
Income tax refunded	-	(819)
Balance at the end of the year	6,820	6,003

6. Cash and cash equivalents

	2024	2025
	\$000	\$000
Cash	857	3,876
	857	3,876

Notes to the Financial Statements (cont’d)

For the year ended 30 June 2025

6. Cash and cash equivalents (cont’d)

Working capital facility

During the year the Company maintained an overdraft facility of up to (\$000) \$3,000 (2024: \$3,000). At balance date the Company is not utilising the overdraft facility (2024: nil) and has (\$000) \$3,000 of undrawn overdraft facility available (2024: \$3,000). The Company also holds cash surpluses in foreign currency accounts. The Company has a Business Visa limit of (\$000) \$500 (2024: \$500).

The facilities were secured by a General Security Agreement over the assets and undertakings of The New Zealand Merino Company Limited.

7. Trade and other receivables

	2024	2025
	\$000	\$000
Trade receivables	15,153	8,444
Prepayments	1,178	990
	16,331	9,434

The company’s trade receivables are amounts due from customers for goods and service performed in the ordinary course of business. Normal terms of trade for Auction receivables are 11 days after date of the Auction, and for Contract revenue a number of forward dates are in place to align with customers supply chain requirements. All trade receivables other than Auction and Contract revenue are due 20th of the following month of the invoice. The value of foreign currency denominated trade and other receivables is as follows (\$000) AUD \$1,532 (NZD \$1,662), USD \$106 (NZD \$175) (2024: AUD: \$1,727 (NZD \$1,878), USD \$454 (NZD: \$689).

The Company uses the expected credit loss model to determine impairment of trade receivables. The model is based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general conditions, and an assessment of both the current as well as the forecast conditions at the reporting date. As at 30 June 2025 there is no impairment within trade receivables (\$000) Nil (2024: \$203). The provision provided in 2024 was partially released during 2025. The amount released was (\$000) \$160, with the remainder of the provisioned debt written off.

Included in trade receivables are debtors which are past due at balance date, as payment has not been received, and for which no provision has been made as there has not been a significant change in credit quality and the amounts are considered to be fully recoverable.



Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

8. Inventories

	2024 \$000	2025 \$000
Stock of wool	15,972	10,322

The cost of inventories recognised as an expense during the year in respect of continuing operations was (\$000) \$108,444 (2024: \$114,046).

The cost of inventories recognised as an expense includes (\$000) \$614 (2024: \$623) in respect of write-downs of inventory to net realisable value.

Stock on hand as at 30 June 2025 with an age of greater than one year is (\$000) \$1,336 (2024: \$833).

9. Property, plant and equipment

	Office equipment	Leasehold improvements	Information technology assets	Plant and equipment	Work in progress	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Cost and valuation						
Balance at 1 July 2023	532	2,142	782	23	1	3,480
Additions	13	-	12	-	-	25
Disposals	-	-	-	-	(1)	(1)
Balance at 30 June 2024	545	2,142	794	23	-	3,504
Balance at 1 July 2024	545	2,142	794	23	-	3,504
Additions	72	3	23	-	-	98
Work in progress	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 30 June 2025	617	2,145	817	23	-	3,602

Accumulated depreciation						
Balance at 1 July 2023	(314)	(746)	(656)	(18)	-	(1,734)
Depreciation for the year	(44)	(199)	(79)	(1)	-	(323)
Disposals	-	-	-	-	-	-
Balance at 30 June 2024	(358)	(945)	(735)	(19)	-	(2,057)
Balance at 1 July 2024	(358)	(945)	(735)	(19)	-	(2,057)
Depreciation for the year	(58)	(187)	(40)	(1)	-	(286)
Disposals	-	-	-	-	-	-
Balance at 30 June 2025	(416)	(1,132)	(775)	(20)	-	(2,343)

Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

9. Property, plant and equipment (cont'd)

	Office equipment	Leasehold improvements	Information technology assets	Plant and equipment	Work in progress	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Carrying amounts						
At 1 July 2023	218	1,396	126	5	-	1,745
At 30 June 2024	187	1,197	59	4	-	1,447
At 30 June 2025	201	1,013	42	3	-	1,258

10. Deferred tax

Movements in deferred tax:

2025 \$000	Opening balance	Charged to income	Charged to other comprehensive income	Closing balance
Gross deferred tax asset / (liability)				
Employee entitlements	212	158	-	370
Other accrual	1	(1)	-	-
Capital contribution to tenant fitout	14	7	-	21
Net lease liabilities	218	5	-	223
Property, plant & equipment	-	(6)	-	(6)
Tax effect of losses recognised	1,233	(263)	-	970
Derivative financial instruments	92	-	(372)	(280)
Share based arrangements	-	-	-	-
Provision for doubtful debts	56	(56)	-	-
Total deferred tax asset	1,826	(156)	(372)	1,298

2024 \$000	Opening balance	Charged to income	Charged to other comprehensive income	Closing balance
Gross deferred tax asset / (liability)				
Employee entitlements	194	18	-	212
Other accrual	1	-	-	1
Capital contribution to tenant fitout	6	8	-	14
Net lease liabilities	208	10	-	218
Tax effect of losses recognised	-	1,233	-	1,233
Derivative financial instruments	272	-	(180)	92
Share based arrangements	228	(14)	(214)	-
Provision for doubtful debts	-	56	-	56
Total deferred tax asset	909	1,311	(394)	1,826



Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

11. Investments in other entities

(i) Joint ventures

A joint venture is an arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

Alpine Origin Merino Limited (AOML)

AOML is jointly owned by The New Zealand Merino Company Limited (50%), and Alliance Group Limited (50%) and is incorporated in New Zealand. AOML is focused on the marketing of fine wool sheep meat. AOML's place of business is in New Zealand.

The Company's share of profits in AOML has been previously equity accounted for. AOML has undertaken no direct transactions during the year, with all transactions undertaken by Alliance Group Limited. There are no unrecognised accumulated losses within AOML as at 30 June 2025 (2024: nil). The Company ceased equity accounting in 2018. The carrying amount of AOML was reduced to zero due to share of losses in prior years and no direct activity in the period. There is no share of profit or losses for the year ended 30 June 2025 (2024: nil).

Glerups New Zealand Limited (GNZL)

On 2 December 2024 the Company sold its shares in GNZL to Aktieselskabet Glerups.dk ApS at book value.

(ii) Other interests

	Principal activity	Principal place of business	Date of incorporation	% of ownership 2024	% of ownership 2025
Sheep Included Limited	Production and retail	United Kingdom	27/02/2018	0.2%	0.2%

Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

12. Intangible assets and goodwill

\$000	Goodwill	Trademarks	Computer software	Work in progress	Total
Cost					
Balance at 1 July 2023	5,631	660	846	235	7,372
Additions	-	74	60	-	134
Work in progress	-	-	-	327	327
Disposals	-	-	-	(98)	(98)
Balance at 30 June 2024	5,631	734	906	464	7,735
Balance at 1 July 2024	5,631	734	906	464	7,735
Additions	-	211	1,754	-	1,965
Work in progress	-	-	464	(464)	-
Disposals	-	(211)	-	-	(211)
Balance at 30 June 2025	5,631	734	3,124	-	9,489
Amortisation					
Balance at 1 July 2023	-	(335)	(511)	-	(846)
Amortisation for the year	-	(41)	(176)	-	(217)
Disposals	-	-	-	-	-
Balance at 30 June 2024	-	(376)	(687)	-	(1,063)
Balance at 1 July 20234	-	(376)	(687)	-	(1,063)
Amortisation for the year	-	(21)	(103)	-	(124)
Disposals	-	(104)	-	-	(104)
Balance at 30 June 2025	-	(502)	(790)	-	(1,292)
Carrying amounts					
At 1 July 2023	5,631	325	335	235	6,526
At 30 June 2024	5,631	358	219	464	6,673
At 30 June 2025	5,631	232	2,334	-	8,197



Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

12. Intangible assets and goodwill (cont'd)

Goodwill arises due to the acquisition of the assets and business of NZM Disestablishment Limited.

Goodwill has been assessed for impairment by discounting the cash flows expected to occur over five years (including terminal value) in the cash generating unit to which the goodwill is allocated (being the Company) at a pre-tax WACC of 13.1% (2024: 12.3%) and a terminal growth rate of 3% (2024: 3%). The analysis is sensitive to the revenue growth rate, terminal growth rate, and discount rate. A reduction of 0.5% in the terminal growth rate and 0.5% change in the discount rate do not result in an impairment.

Trademarks are amortised over the life applicable to each trademark. The life of all current trademarks is 10 years.

Computer software is amortised over the useful life of the applicable software. The assessed useful life of computer software ranges from 2 to 10 years (2024: 2-5 years). All additions to computer software have been separately acquired from external providers.

13. Trade and other payables

	2024	2025
	\$000	\$000
Trade payables	2,170	2,428
Employee entitlements	1,348	1,726
	3,518	4,154

Related party payables are detailed in Note 19.

Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

14. Trade finance facility

	2024	2025
	\$000	\$000
Movement in trade finance facility		
Opening balance	14,500	10,000
Proceeds from trade finance facility	30,300	89,500
Repayments to trade finance facility	(34,800)	(99,500)
Closing balance	10,000	-

The Company has entered into a trade finance agreement with ASB Bank Limited to meet operational cash flow requirements throughout the year. As at 30 June 2025 the Company had available (\$000) \$2,500 of trade finance facility, and had drawn \$0, resulting in undrawn trade finance facility of \$2,500 (2024: \$12,000 of facility, with \$10,000 drawn, \$2,000 of undrawn facility). The trade finance facility is renegotiated each year and monthly trade finance facility limits are set, the next renegotiation of the trade finance facility is before 30 June 2026.

Interest is payable on the trade finance facility. The floating interest rate at 30 June 2025 is 5.41% (2024: 7.16%).

The trade finance facility is secured under the terms of the Combined Trade Finance Facility Agreement dated 2 October 2020.

The Company is subject to capital requirements imposed by ASB Bank Limited through covenants agreed as part of the trade finance facility agreement. The Company met all capital requirements for the year ended 30 June 2025. During the year ended 30 June 2024 the Company obtained a waiver for the interest cover ratio.

The following summarises the key covenants:

- Shareholders funds, total tangible assets less total liabilities, of the Company must not be less than (\$000) \$8,000 on any date, tested annually on the last day of the financial year,
- Interest cover ratio, EBITDA (after adding back non-recurring items) to total interest costs, is not less than 2.5 times, tested annually on the last day of the financial year; and
- Stock and debtor cover ratio, total stock and debtors (excluding any stock and inventory held in the bonded warehouse in China) to working capital debt and creditors, is not less than 1.2 times, tested monthly.



Notes to the Financial Statements (cont’d)

For the year ended 30 June 2025

15. Financial instruments

Fair value estimation

The table below analyses financial instruments carried at fair value, by the level of fair value hierarchy. The different levels have been defined as follows:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- (ii) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- (iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3). Refer to Note 11 (ii) Other interests.

The following table presents the Company’s assets and liabilities that are measured at fair value.

2025 \$000	Level 1	Level 2	Level 3	Total balance
Assets				
Investments in other entities	-	-	44	44
Derivative financial instruments	-	1,151	-	1,151
Total assets	-	1,151	44	1,195
Liabilities				
Derivative financial instruments	-	151	-	151
Total liabilities	-	151	-	151

2024 \$000	Level 1	Level 2	Level 3	Total balance
Assets				
Investments in other entities	-	-	44	44
Derivative financial instruments	-	549	-	549
Total assets	-	549	44	593
Liabilities				
Derivative financial instruments	-	878	-	878
Total liabilities	-	878	-	878

Notes to the Financial Statements (cont’d)

For the year ended 30 June 2025

15. Financial instruments (cont’d)

The net nominal value of forward currency contracts (cash flow hedges) outstanding at balance date was (\$000) \$50,940 (2024: \$43,060). The net nominal value of wool futures (cash flow hedges) outstanding at balance date was (\$000) \$1,038 (2024: \$1,904).

Future cash flows of forward currency contracts are based on bank derived mark to market valuations. Future cash flows of wool futures contracts are based on the exchange quoted forward prices which are not an active market and classified under Level 2 as defined in the fair value hierarchy.

Financial risk and capital management

The Company’s capital includes share capital, reserves, and retained earnings.

When managing capital, the Company’s objective is to ensure the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

The Company reviews its capital structure on a regular basis. As the market changes the Company may change the amount of dividends to be paid to shareholders, return capital to shareholders, or issue new shares.

The New Zealand Merino Company Limited’s shares are listed on the Unlisted Securities Exchange. During the year the Company did not complete any share issues or share buy-backs.

The Company did not pay a dividend during the year ended 30 June 2025 (\$000) (2024: \$0.00).

At 30 June 2025 the Company could utilise an overdraft facility of up to (\$000) \$3,000 (2024: \$3,000) and a trade finance facility of up to (\$000) \$2,500 (2024: \$12,000) with ASB Bank Limited. At 30 June 2025 the Company is not utilising the overdraft facility and is utilising (\$000) \$0 (2024: \$10,000) of the trade finance facility. The Company also hold cash surpluses in foreign currency accounts. The Company has obtained a trade finance facility and an overdraft facility to cover its cash flow requirements for the 2026 financial year.

The Company is not subject to any externally imposed capital requirements, other than the covenants required under its borrowing agreements. During the year there were no breaches of these covenants.

The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The use of financial derivatives is governed by the Company’s policies approved by the Board of Directors, which provide written principles on the use of derivative financial instruments.

Material accounting policies

Details of the material accounting policies and methods adopted, including the criteria for recognition, and the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability, are included in the Statement of Accounting Policies.



Notes to the Financial Statements (cont’d)

For the year ended 30 June 2025

15. Financial instruments (cont’d)

(i) Wool price risk

Wool price risk is the risk of a loss to the Company from adverse movements in wool prices where the Company has open sales contract positions.

The Company has entered into wool futures contracts to reduce the impact of spot market price changes on open sales contracts positions.

The average exchange quoted forward price for wool futures at 30 June 2025 is \$17.10 per kilogram (2024: \$16.46). The total kilograms contracted at 30 June 2025 is 64,000 kilograms (2024: 115,000).

A sensitivity analysis has been conducted on the exchange quoted forward wool price. A 3% increase in the exchange quoted forward wool price would increase the fair value, and total comprehensive income by (\$000) \$33 (2024: \$55) with no effect on profit / (loss) after tax. A 3% decrease in the exchange quoted forward wool price would decrease the fair value, and total comprehensive income by (\$000) \$30 (2024: \$58) with no effect on profit / (loss) after tax.

The following table details the notional principal amounts, fair value and remaining terms of wool futures contracts outstanding as at 30 June 2025:

	2024	2024	2025	2025
	\$000	\$000	\$000	\$000
	Notional principal amount	Fair value	Notional principal amount	Fair value
Not later than 1 month	165	(8)	79	5
30-90 days	828	(31)	389	(2)
91-365 days	647	32	570	22
1 year to 5 years	264	(7)	-	(0)
	1,904	(14)	1,038	25

The fair value of wool futures contracts has been included in the Statement of Financial Position as current and non current assets and current and non current liabilities, based on the time to maturity and position the wool futures contract is in as at 30 June 2025. The cashflows for settlement of wool futures are based on the fair value amount.

Notes to the Financial Statements (cont’d)

For the year ended 30 June 2025

15. Financial instruments (cont’d)

(ii) Currency risk

Currency risk is the risk of a loss to the Company arising from adverse fluctuations in exchange rates.

The Company has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising from normal trading activities. Where exposures are certain, it is the Company’s policy to hedge these amounts as they arise.

The Company is exposed to the currency of Australia (AUD), the United States of America (USD), China (CNY), Europe (EUR) and Japan (JPY). A 1% increase in the contract close out rates would increase the fair value, and total comprehensive income by (\$000) \$504 (2024: \$426) with no effect on profit / (loss) after tax. A 1% decrease in the contract close out rates would decrease the fair value, and total comprehensive income by (\$000) \$515 (2024: \$435) with no effect on profit / (loss) after tax.

At 30 June 2025 the average market rate for AUD foreign exchange contracts is 0.9190 (2024: 0.9144), the average market rate for USD foreign exchange contracts is 0.6008 (2024: 0.6166), the average market rate for EUR foreign exchange contracts is 0.5207 (2024: 0.5540), the average rate for JPY foreign exchange contracts is 0 (2024: 89.19) and the average rate for CNY foreign exchange contracts is 4.242 (2024: 4.283).

The following table details the notional principal amounts, fair values and remaining terms of any forward currency contracts outstanding as at the reporting date:

	2024	2024	2025	2025
	\$000	\$000	\$000	\$000
	Notional principal amount	Fair value	Notional principal amount	Fair value
AUD Sell				
Not later than 1 month	2,297	(24)	481	4
30-90 days	1,615	(34)	2,715	39
91-365 days	8,189	(30)	11,691	231
1 year to 5 years	10,125	(27)	6,148	80
	22,226	(115)	21,035	354
AUD Buy				
Not later than 1 month	(1,495)	(24)	(302)	-
30-90 days	(705)	15	(1,146)	5
91-365 days	(5,663)	76	(4,601)	44
1 year to 5 years	-	-	(1,741)	(1)
	(7,863)	67	(7,790)	48



Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

15. Financial instruments (cont'd)

(ii) Currency risk (cont'd)

	2024	2024	2025	2025
	\$000	\$000	\$000	\$000
	Notional principal amount	Fair value	Notional principal amount	Fair value
USD Sell				
Not later than 1 month	299	(1)	14	-
30-90 days	472	(58)	712	13
91-365 days	7,592	(459)	17,399	240
1 year to 5 years	16,100	200	13,107	148
	24,463	(318)	31,232	401
USD Buy				
Not later than 1 month	(65)	-	-	-
30-90 days	-	-	-	-
91-365 days	-	-	-	-
1 year to 5 years	-	-	-	-
	(65)	-	-	-
CNY Sell				
Not later than 1 month	67	1	763	3
30-90 days	-	-	-	-
91-365 days	2,083	29	3,044	107
1 year to 5 years	2,470	28	2,707	59
	4,620	58	6,514	169

Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

15. Financial instruments (cont'd)

(ii) Currency risk (cont'd)

	2024	2024	2025	2025
	\$000	\$000	\$000	\$000
	Notional principal amount	Fair value	Notional principal amount	Fair value
EUR Sell				
Not later than 1 month	20	-	-	-
30-90 days	-	-	-	-
91-365 days	-	-	-	-
1 year to 5 years	-	-	-	-
	20	-	-	-
EUR Buy				
Not later than 1 month	-	-	(19)	-
30-90 days	-	-	(11)	-
91-365 days	(334)	(6)	(21)	2
1 year to 5 years	-	-	-	-
	(334)	(6)	(51)	2
JPY Buy				
Not later than 1 month	(7)	(1)	-	-
30-90 days	-	-	-	-
91-365 days	-	-	-	-
1 year to 5 years	-	-	-	-
	(7)	(1)	-	-
	43,060	(315)	50,940	974

The fair value of foreign currency contracts has been included in the Statement of Financial Position as current and non current assets and current and non current liabilities, based on the time to maturity and position the foreign currency contract is in as at 30 June 2025.



Notes to the Financial Statements (cont’d)

For the year ended 30 June 2025

15. Financial instruments (cont’d)

(iii) Credit risk

Credit risk is the risk that a counterparty will default on its obligations, resulting in a financial loss to the Company. Financial assets, which potentially subject the Company to concentration of credit risk, consist principally of cash, bank balances, and trade receivables. The Company’s cash equivalents are placed with high credit quality financial institutions.

The Company has adopted a policy of only dealing with creditworthy counterparties and, in the case of trade receivables, for the most part only releasing wool for delivery once it has been paid for as a means of mitigating the risk of financial loss from defaults. The Company’s exposures are continuously monitored. The Company measures credit risk based on the expected credit loss model.

Trade receivables consist of a small number of customers. Approximately 74% of trade receivables are due from three customers (2024: Approximately 65% due from three customers).

The credit risk on forward currency contracts with ASB Bank Limited as at 30 June 2025 is \$974 (2024: nil). The credit risk on wool future contracts with the various counterparties as at 30 June 2025 is \$25 (2024: nil). All counterparties for forward currency contracts are considered to be of a high quality based on credit ratings. All counterparties for wool futures contracts are assessed based on credit reports and considered to be of a good quality.

Total credit risk was comprised as follows:

	2024	2025
	\$000	\$000
Cash	857	3,876
Trade receivables	15,153	8,444
Derivative financial assets	-	1,000
Total credit risk	16,010	13,320

Collateral and other credit enhancements obtained

The Group does not hold any collateral as security over trade receivables.

Trade receivables that are either past due or impaired

The table on the following page sets out information regarding the ageing of trade receivables. Debts owing in excess of 30 days past their due date are considered past due. Based on an assessment using the simplified expected credit loss model, no impairment of trade receivables has been recognised.

Notes to the Financial Statements (cont’d)

For the year ended 30 June 2025

15. Financial instruments (cont’d)

(iii) Credit risk (cont’d)

	2024	2025
	\$000	\$000
Current	11,535	8,030
31-60 days	26	-
61-90 days	545	-
Over 90 days	3,047	418
	15,153	8,444

(iv) Interest rate risk

Interest rate risk is the risk that the Company may be affected by changes in the general level of interest rates. The Company is exposed to interest rate risk as it borrows funds at floating interest rates. No interest rate swaps have been entered into during the year.

At 30 June 2025 the interest rate on the trade finance facility is 5.41% (2024: 7.15%). The Company has entered into a trade finance facility for 12 months and drawdowns and repays the trade finance facility as required.

At 30 June 2025 the interest rate on the overdraft facility is 6.43% (2024: 8.68%).

At the reporting date the Company had the following interest-bearing financial instruments which are subject to variable floating interest rates:

	2024	2024	2025	2025
	\$000	\$000	\$000	\$000
	Principal amount	Fair value	Principal amount	Fair value
Trade finance facility	10,000	10,000	-	-
	10,000	10,000	-	-



Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

15. Financial instruments (cont'd)

(v) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group monitors its liquidity daily, weekly and monthly and maintains appropriate liquid assets and bank funding facilities to meet all obligations in a timely and cost effective manner. Management of liquidity is designed to ensure that the Group has the ability to meet financial obligations as they fall due.

The following contractual maturities tables detail the Group's exposure to liquidity risk:

2025 \$000	Less than 1 year	1-2 years	2-6 Years	Total
Financial assets				
Bank	3,876	-	-	3,876
Trade receivables	8,444	-	-	8,444
Investments in other entities	44	-	-	44
Derivative financial instruments	6,222	853	887	7,962
	18,586	853	887	20,326
Financial liabilities				
Trade finance facilities	-	-	-	-
Trade payables	2,428	-	-	2,428
Derivative financial instruments	35,875	12,561	9,464	57,900
	38,303	12,561	9,464	60,328

2024 \$000	Less than 1 year	1-2 years	2-6 Years	Total
Financial assets				
Bank	857	-	-	857
Trade receivables	15,153	-	-	15,153
Investments in other entities	44	-	-	44
Derivative financial instruments	8,363	5	-	8,368
	24,417	5	-	24,422
Financial liabilities				
Trade finance facilities	10,000	-	-	10,000
Trade payables	2,170	-	-	2,170
Derivative financial instruments	23,158	25,386	3,216	51,760
	35,328	25,386	3,216	63,930

Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

15. Financial instruments (cont'd)

(vi) Categories of financial instruments

2025 \$000	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at amortised cost	Total
Assets			
Bank	-	3,876	3,876
Trade receivables	-	8,444	8,444
Investments in other entities	44	-	44
Derivative financial instruments	1,151	-	1,151
	1,195	12,320	13,515
Liabilities			
Trade finance facility	-	-	-
Trade and other payables	-	2,428	2,428
Derivative financial instruments	151	-	151
Lease liabilities	-	5,176	5,176
	151	7,604	7,755

2024 \$000	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at amortised cost	Total
Assets			
Bank	-	857	857
Trade receivables	-	15,153	15,153
Investments in other entities	44	-	44
Derivative financial instruments	549	-	549
	593	16,010	16,603
Liabilities			
Trade finance facility	-	10,000	10,000
Trade and other payables	-	2,170	2,170
Derivative financial instruments	878	-	878
Lease liabilities	-	5,746	5,746
	878	17,916	18,794



Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

16. Share capital

	2024	2025
	\$000	\$000
Opening balance	8,458	8,458
Closing balance	8,458	8,458
Number of ordinary shares:		
Opening balance	5,304,249	5,156,616
Cancelled shares	(147,633)	-
Closing balance	5,156,616	5,156,616

Treasury stock

	2024	2025
	\$000	\$000
Number of treasury stock shares		
Opening balance	147,633	-
Cancelled shares	(147,633)	-
Closing balance	-	-

Earnings per share

	2024	2025
	\$000	\$000
Profit/(loss) attributable to the ordinary shareholders of the Company (basic)	(3,293)	157
Weighted average number of ordinary shares (basic)	5,156,616	5,156,616
Weighted average number of ordinary shares (diluted)	5,156,616	5,156,616
Earnings per share (cents)		
Basic earnings per share	(63.86)	3.04
Diluted earnings per share	(63.86)	3.04

The diluted earnings per share are basic earnings per share adjusted for contingently issuable shares under the share based long term incentive schemes.

Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

17. Reserves

	2024	2025
	\$000	\$000
Cash flow hedge reserve		
Opening balance	(699)	(237)
Foreign exchange contracts	(107)	921
Wool futures contracts	569	28
	(237)	712

18. Reconciliation of profit before tax to net cash flows from operations

	2024	2025
	\$000	\$000
Profit/(loss) before tax	(4,603)	392
Adjustments for:		
Income tax (payments) / refund	(429)	786
Share of associates retained (surplus) / loss	33	-
Loss / (gain) on investments in other entities	(163)	-
Depreciation	323	286
Amortisation of intangible assets	217	124
Depreciation on right-of-use lease assets	698	766
Loss / (gain) on sale of fixed assets / intangible assets	-	195
Share based arrangements expense	-	-
Loss on disposal of subsidiary net of cash	-	-
Unrealised foreign exchange (gain)/loss	-	53
Working capital:		
(Increase) / decrease in inventory	1,443	5,619
(Increase) / decrease in accounts receivable / prepayments	9,513	6,897
Increase / (decrease) in accounts payable	(1,122)	636
Increase / (decrease) in income in advance	-	-
Net cash from / (used in) operating activities	5,910	15,754



Notes to the Financial Statements (cont’d)

For the year ended 30 June 2025

19. Related party disclosures

Alpine Origin Merino Limited (AOML)

As at 30 June 2025 the Group owns a 50% share in Alpine Origin Merino Limited (AOML) with the other 50% being owned by Alliance Group Limited. During the year the Company did not pay any expenses or receive any income from AOML due to AOML not directly engaging in any operating activities as these were done through Alliance Group Limited (2024: nil). There are no receivable balances with AOML as at 30 June 2025 (2024: nil).

During the year ended 30 June 2025 the Company has recorded expenses of (\$000) \$7 (2024: \$5) and income of (\$000) \$173 (2024: \$60) with Alliance Group Limited. As at 30 June 2025 the receivable from Alliance Group Limited is (\$000) \$2 (2024: 60).

Glerups New Zealand Limited (GNZL)

On 2 December 2024 the Company sold its 50% share in Glerups New Zealand Limited (GNZL). During the year the Company paid expenses of (\$000) \$31 (2024: \$6) to GNZL and received revenue of (\$000) \$177 (2024: \$287) which was a claim for management resources that the Company employed into GNZL. As at 30 June 2025 the receivable from GNZL is (\$000) \$0 (2024: \$312). As at 30 June 2025 the investment in GNZL is (\$000) \$0 (2024: \$59).

Directors

The Company previously entered into transactions for the sale and purchase of wool with associated entities who had significant influence over the Company through their appointment of a director to the Company’s board. The Company’s only related party through associated entities was AWN Rural Pty Limited which became a related party on 1 March 2023 in relation to the Company’s director, John Maher. John Maher became a director on this date and was also a director of AWN Food and Fibre Pty Limited, the parent company of AWN Rural Pty Limited. The appointment of John Maher to the Company’s board was independent of his directorship of AWN Food and Fibre Pty Limited. From May 2024 John Maher ceased to be a director of AWN Food and Fibre Pty. Figures in the below table are only representative of the governing period.

The Company entered into transactions for the sale and purchase of wool during the course of the year with associated entities of other directors of the Company, which are not deemed related parties.

The Company has not entered into any transactions other than the payment of directors fees directly with any director.

Notes to the Financial Statements (cont’d)

For the year ended 30 June 2025

19. Related party disclosures (cont’d)

2025 \$000	Sales	Purchases	Payables	Receivables
Associated entities	-	-	-	-
2024 \$000	Sales	Purchases	Payables	Receivables
Associated entities	1,734	18,941	53	438

Key management personnel

The Company has not entered into any transactions with key management personnel of the business outside of the employment relationship.

Total remuneration provided to key management personnel in 2025 was (\$000) \$3,151 (2024: \$3,505). Key management personnel refers to the Chief Executive Officer and seven (2024: seven) employees who directly reported to the Chief Executive during the year ended 30 June 2025.

In addition to the amount above, a short-term incentive payment of (\$000) \$473 has been accrued at 30 June 2025 (2024: \$172).

Total remuneration provided to directors in 2025 was (\$000) \$390 (2024: \$397).

20. Commitments

Capital commitments

The Company has one capital commitment as at 30 June 2025 of (\$000) \$59 (2024: \$193). This capital commitment is with a third-party supplier in relation to the development and build of new computer software.

In respect of its interest in the Alpine Origin Merino Limited joint venture (refer Note 11), the joint venture had no capital commitments as at 30 June 2025 (2024: nil).



Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

21. Leases

The Group leases buildings, motor vehicles and office equipment.

The related lease expense for short-term leases is recognised in profit or loss is (\$000) \$104 (2024: \$97).

Information for leases of which the Group is a lessee is presented below:

\$000	Buildings	Motor vehicles	Office equipment	Total
Right-of-use asset				
Opening right-of-use asset at 1 July 2023	4,556	218	14	4,788
Depreciation charge for the year	(520)	(166)	(12)	(698)
Additions to right-of-use assets	-	277	66	343
Remeasurement of right-of-use assets	235	-	-	235
Remeasurement of right-of-use assets	-	-	(12)	(12)
Closing right-of-use asset at 30 June 2024	4,271	329	56	4,656
Opening right-of-use asset at 1 July 2024	4,271	329	56	4,656
Depreciation charge for the year	(545)	(201)	(20)	(766)
Additions to right-of-use assets	-	88	-	88
Remeasurement of right-of-use assets	126	-	2	128
Derecognition of right-of-use assets	-	-	-	-
Closing right-of-use asset at 30 June 2025	3,852	216	38	4,106

The right-of-use asset depreciation charge for the year of (\$000) \$522 (2024: \$495) has been recognised in administrative expenses and (\$000) \$244 (2024: \$203) has been recognised in procurement and selling expenses in profit and loss.

Lease remeasurement

During the year ended 30 June 2025 the Company remeasured their lease over the premises at 123 Victoria Street, (Christchurch), Saleyard Road (Cromwell) and Pakington Street (Geelong). The lease remeasurement of (\$000) \$126 (2024: \$235) has increased the lease asset and lease liability and reflects the variable lease payment adjustment arising from rent reviews.

Notes to the Financial Statements (cont'd)

For the year ended 30 June 2025

21. Leases (cont'd)

\$000	Buildings	Motor vehicles	Office equipment	Total
Lease liability				
Opening lease liability at 1 July 2023	5,637	224	15	5,876
Decrease in lease liability	(519)	(155)	(9)	(694)
Additions to lease liabilities	-	277	66	343
Remeasurement of lease liabilities	234	-	-	234
Derecognition of lease liabilities	-	-	(13)	(13)
Closing lease liability at 30 June 2024	5,352	337	57	5,746
Opening lease liability at 1 July 2024	5,352	337	57	5,746
Decrease in lease liability	(566)	(200)	(19)	(785)
Additions to lease liabilities	-	88	-	88
Remeasurement of lease liabilities	126	-	2	128
Derecognition of lease liabilities	-	-	-	-
Closing lease liability at 30 June 2025	4,912	225	40	5,176

The decrease in lease liability of (\$000) \$785 (2024: \$693) is comprised of cash payments of (\$000) \$1,067 (2024: \$987) less the associated interest expense on the lease liabilities of (\$000) \$282 (2024: \$293).

The current portion of the lease liability is (\$000) \$819 (2024: \$792). The non-current portion of the lease liability is (\$000) \$4,357 (2024: \$4,954).

	2024	2025
	\$000	\$000
Leases maturity analysis		
Not later than one year	1,073	1,016
Later than one year but not later than two years	992	958
Later than two years but not later than five years	2,434	2,276
Later than five years	2,617	1,927
	7,116	6,177

Notes to the Financial Statements (cont’d)

For the year ended 30 June 2025

22. Events after balance date

There are no significant events post balance date.

23. Auditor’s remuneration

The auditor of the Group is Ernst & Young Limited.

Amounts paid or payable to Ernst & Young Limited during the year were:

	2024	2025
	\$000	\$000
Audit of the financial statements	99	101
Other services		
People advisory services	32	7
Taxation services		
Tax compliance and advisory services	20	-
	151	108

The Company’s policy is that to ensure independence the Company auditor should not undertake certain other advisory services to the Company. In 2024 fees were paid to Ernst & Young in relation to taxation services and remuneration advisory services, the taxation services have now been transitioned to another provider.

24. Contingencies

The Company has no contingent liabilities as at 30 June 2025 (2024: nil). The Company has no contingent assets as at 30 June 2025 (2024: nil).

In respect of its interest in the Alpine Origin Merino Limited joint venture (refer Note 11), the joint venture had no contingent assets or liabilities as at 30 June 2025 (2024: nil).

25. Dividend

The Company did not pay a dividend during the year ended 30 June 2025 (\$000) (2024: \$0).



Independent Auditor’s Report to the shareholders of The New Zealand Merino Company Limited

Opinion

We have audited the financial statements of The New Zealand Merino Company Limited (the “Company”) on pages 24 to 64, which comprise the statement of financial position of the Company as at 30 June 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended of the Company, and the notes to the financial statements including a summary of material accounting policy information.

In our opinion, the financial statements on pages 24 to 64 present fairly, in all material respects, the financial position of the Company as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

This report is made solely to the Company’s shareholders, as a body. Our audit has been undertaken so that we might state to the Company’s shareholders those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company’s shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Ernst & Young provides remuneration advisory services to the Company. Partners and employees of our firm may deal with the Company on normal terms within the ordinary course of trading activities of the business of the Company. We have no other relationship with, or interest in, the Company.

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. The matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on this matter. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor’s responsibilities for the audit of the financial statements* section of the audit report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.



Contract and Auction Revenue

Why significant	How our audit addressed the key audit matter
The Company has reported contract revenue of \$80.0m and auction revenue of \$33.8m in the year ended 30 June 2025. Contract revenue is recognised when the wool is released to the customer, and so the right to consideration becomes unconditional, which can depend on shipment terms. Auction revenue is recognised when the auction is completed. The timing and terms of shipment, the release of wool to customers and auction dates each impact the appropriate timing of revenue recognition. Substantial revenue transactions occur close to year end which could result in revenue being recognised in the incorrect year. Disclosures relating to revenue are included in note 1 to the financial statements and the policies related to revenue recognition are included in note (k) of the statement of accounting policies.	Our procedures in relation to contract and auction revenues included: ▶ Obtaining an understanding of the processes and key controls in relation to recognising revenue. ▶ Considering the revenue recognition policy applied by the Company and assessing its compliance with NZ IFRS 15 <i>Revenue from Contracts with Customers</i>. ▶ Analysing the correlation between the Company’s recorded revenue, accounts receivable and cash using data analysis techniques. ▶ Testing a sample of revenue transactions recorded close to balance date to documentation supporting either the wool delivery terms and timing or when the auction was completed, to assess whether revenue had been recorded in the appropriate period. ▶ Assessing credit memos issued post balance date to consider whether related revenue was correctly recorded. We also assessed the appropriateness and sufficiency of the disclosures relating to contract and auction revenue.

Information other than the financial statements and auditor’s report

The directors of the Company are responsible for the other information. The other information comprises the annual report, but does not include the financial statements and our auditor’s report thereon. The other information is expected to be made available to us after the date of this auditor’s report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and, if uncorrected, to take appropriate action to bring the matter to the attention of users for whom our auditor’s report was prepared.

Directors’ responsibilities for the financial statements

The directors are responsible, on behalf of the entity, for the preparation and fair presentation of the financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, the directors are responsible for assessing on behalf of the entity the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (New Zealand) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor’s responsibilities for the audit of the financial statements is located at the External Reporting Board’s website: <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-2/>. This description forms part of our auditor’s report.

The engagement partner on the audit resulting in this independent auditor’s report is Brendan Summerfield.

Ernst & Young

Chartered Accountants
Christchurch
22 August 2025



Statutory Information

For the year ended 30 June 2025

Employee remuneration

The cash remuneration package of the Chief Executive contains four components:

- (a) Base salary + allowance
- (b) Short-term incentive
- (c) Kiwisaver

During the year gross remuneration payments to the Chief Executive in the above categories were:

	2025
	\$000
Base salary + allowance	637
Sign-on fee	149
Bonus	153
Kiwisaver	29

Statutory Information (cont'd)

For the year ended 30 June 2025

Employee remuneration (cont'd)

During the year the following number of employees of the Group received total remuneration and other benefits including incentive payments of at least one hundred thousand dollars.

Band (\$000)	Number
\$100 - \$110	3
\$110 - \$120	4
\$120 - \$130	7
\$130 - \$140	1
\$150 - \$160	2
\$160 - \$170	2
\$170 - \$180	1
\$190 - \$200	2
\$200 - \$210	4
\$240 - \$250	1
\$270 - \$280	1
\$310 - \$320	1
\$400 - \$410	1
\$480 - \$490	1
\$520 - \$530	1
\$970 - \$980	1



Statutory Information (cont’d)

For the year ended 30 June 2025

Directors’ disclosures

Directors holding office during the year

The following directors held office during the year ended 30 June 2025:

The New Zealand Merino Company Limited	Originally Appointed
Kathryn Mitchell	04/10/17
Ben Todhunter	17/10/14
Bill Sutherland (retired 1 November 2024)	12/11/15
Paul Ensor	07/11/19
Matanuku Mahuika (retired 1 November 2024)	17/06/14
John Penno	15/10/20
John Maher	01/03/23
Rosanna Iacono	01/11/24
Richard Subtil	01/11/24

From May 2024 John Maher is no longer a director of AWN Food and Fibre Pty Limited. From this date the board has determined that John Maher is an independent director and his previous relationship with AWN Food and Fibre Pty Limited will not compromise his independence.

Directors’ remuneration

Remuneration paid to directors of The New Zealand Merino Company Limited during the year ended 30 June 2025:

	2024	2025
	\$000	\$000
Kathryn Mitchell	90	90
Ben Todhunter	63	63
Bill Sutherland (retired 1 November 2024)	45	15
Paul Ensor	54	54
Matanuku Mahuika (retired 1 November 2024)	54	18
John Penno	45	45
John Maher	46	45
Rosanna Iacono	-	30
Richard Subtil	-	30
	397	390

Under the constitution directors’ remuneration is set by the board. This is based on independent advice and is reviewed two-yearly. There are no other benefits available for directors.

Statutory Information (cont’d)

For the year ended 30 June 2025

Directors’ disclosures (cont’d)

Directors’ holdings

The following Directors held interests, either directly or indirectly, in securities issued by The New Zealand Merino Company Limited as at 30 June 2025:

	Ordinary shares
Bill Sutherland - (retired 1 November 2024)	90,000
Ben Todhunter	30,000
Paul Ensor	26,500
Kathryn Mitchell	26,316
John Penno	26,315
Matanuku Mahuika - (retired 1 November 2024)	20,000
Richard Subtil	35,559

Directors are not required to hold securities in The New Zealand Merino Company Limited.

Directors’ indemnity and insurance

The Company has given indemnities to, and has effected insurance for, directors and executives of the Company, which indemnify directors and executives against liabilities to other parties that may arise from their position as directors or executives. The indemnity and insurance does not cover liabilities arising from criminal actions.

Entries in the Company’s Interests Register

Pursuant to Section 140 (2) of the Companies Act 1993, directors of The New Zealand Merino Company Limited have disclosed interests in the following entities during the year:

Kathryn Mitchell	
Director	Morrison Horgan Limited
Director	Chambers @ 151 Limited
Director	Christchurch International Airport Limited
Director	Firsttrax Approvals Limited
Director	Heartland Bank Limited
Director	Heartland Group Holdings
Director	The A2 Milk Company Limited
Chairman	Link Engine Management Limited
Trustee	The Gut Foundation



Statutory Information (cont’d)

For the year ended 30 June 2025

Entries in the Company’s Interests Register (cont’d)

Ben Todhunter	
Director	Cleardale Station Limited
Director	Southern Cross Sheep Limited
Director	The Angus Society of Australia Limited
Director	Cleardale Generation Limited
Director	High Bare Peak Limited
Partner	B J Todhunter and D M Field Partnership
Paul Ensor	
Director	Glenaan Station Limited
Director	Hemprino Limited
Richard Subtil	
Director	Omarama Station Limited
Shareholder	Sheep Included Limited
Director	Omarama Airfield Limited (resigned during the year)
Rosanna Iacono	
Director	Seamless (Clothing Stewardship Australia)
Director	The Growth Activists
John Penno	
Director	Okuora Farms Limited
Director	Okuora Holdings Limited
Chairman	Wangapeka River Hops Limited
Director	Leafit Foods Limited
Director	Stem and Stalk Limited
Trustee	John Penno Trust
John Maher	
Senior Advisor	BGH Capital Pty Limited
Director	GO.FARM Australia Pty Limited
Chairman	The North Australian Pastoral Company Pty Limited
Director	Muir Group Advisory Board
Director	GrainCorp Limited
Director	NSW Biodiversity Conservation Trust
Director	Regional Livestock Exchange Pty Limited (resigned during the year)

Statutory Information (cont’d)

For the year ended 30 June 2025

Shareholder information

Top 10 shareholders as at 30 June 2025

	Number of ordinary shares	Percentage of holding
Shareholder		
AWN Rural Pty Limited	538,352	10.4%
Jeremy Trevor Blake & Rachel Michele Blake & Brett Robin Gamble	330,000	6.4%
FNZ Custodians Limited (holding 1)	243,867	4.7%
FNZ Custodians Limited (holding 2)	138,578	2.7%
The Muller Station Limited	103,844	2.0%
Robert William Butson & Linda Kathleen Butson	99,627	1.9%
Michael Hargadon	95,036	1.8%
Peter Floris	91,545	1.8%
Andrew James Sutherland & William Henry Sutherland	90,000	1.7%
Jonathan Forbes McHardy	81,991	1.6%
	1,812,840	35.0%

Distribution of ordinary shares as at 30 June 2025

	Number of shareholders	Percentage of holding	Number of ordinary shares	Size of holding percentage
Size of holding				
1 - 5,000	350	62.3%	622,338	12.1%
5,001 - 10,000	105	18.7%	774,227	15.0%
10,001 - 25,000	76	13.5%	1,092,962	21.2%
25,001 - 50,000	16	2.8%	546,910	10.6%
50,001 - 100,000	10	1.8%	765,538	14.8%
Over 100,000	5	0.9%	1,354,641	26.3%
	562	100.0%	5,156,616	100.0%





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