Cobram Estate Olives Limited™

ABN: 32 115 131 667

ASX: CBO

ASX Announcement – 21st February 2025

Half-Year FY2025 Report and Appendix 4D

Cobram Estate Olives Limited ("CBO" or "the Company") is pleased to present its Half-Year Report for the six months ended 31 December 2024, which includes the Company's half-year financial statements. Also enclosed is the accompanying Appendix 4D.

For the purpose of ASX listing rule 15.5, CBO confirms that these documents have been authorised for release to the market by the CBO Board of Directors.

For further information regarding this announcement and for media enquiries please contact us at investors@cobramestateolives.com.

We would like to thank our shareholders for their continued support.

Kind regards

Sam Beaton and Leandro Ravetti

Joint-CEOs and Executive Directors

On behalf of the Board of Cobram Estate Olives Limited

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About Cobram Estate Olives Limited

CBO is Australia's largest vertically integrated olive farmer and marketer of premium quality extra virgin olive oil. The Company owns a portfolio of premium olive oil brands including Cobram Estate® and Red Island®. CBO's olive farming assets include 2.6 million olive trees planted on 7,000 hectares of farmland in central and north-west Victoria and over 790,000 olive trees planted on 1,025 hectares of long-term leased and freehold properties in California, USA. The Company also owns Australia's largest olive tree nursery, three olive mills, two olive oil bottling and storage facilities, and the Modern Olives® laboratory. With operations in Australia and the USA, and export customers in 13 countries, CBO is firmly positioned as a leader in the Australian olive industry and a global leader in sustainable olive farming. For further information, please visit https://cobramestateolives.com.au.

FINANCIAL REVIEW SUSTAINABILITY LEADERS 2024 IN ASSOCIATION WITH BCG

Cobram Estate Olives Limited

Cobram Estate Olives Limited and Controlled Entities

ABN 32 115 131 667

Half-year report
For the six months ended 31 December 2024

Cobram Estate Olives Limited

Appendix 4D (Rule 4.2A)

ABN 32 115 131 667

Current Reporting Period:	1 July 2024 to 31 December 2024
Prior Corresponding Period:	1 July 2023 to 31 December 2023

Results for announcement to the market	Change	31 December 2024 A$'000	31 December 2023 A$'000
Revenue from ordinary activities	Up 9.67%	124,765	113,767
Loss from continuing ordinary activities after tax attributable to members	Down 38.19%	4,463	7,221
Net loss for the period attributable to members	Down 38.19%	4,463	7,221

Dividends	Amount per security	Franked amount per security at 30% tax	A$'000	Franked %
Final dividend – paid during the year ending 30 June 2025[1]	3.3 cents	3.3 cents	13,795	100%
Final dividend – paid during the year ended 30 June 2024	3.3 cents	2.31 cents	13,721	70%

[1] Dividend payment date was 28 November 2024.

Dividend Reinvestment Plan

At the Annual General Meeting on 1 November 2024, Cobram Estate Olives Ltd announced its offer to provide its shareholders the opportunity to participate in its Dividend Reinvestment Plan (DRP). The allocation price for shares to be issued through the DRP for the final dividend to be paid in respect of the period ended 30 June 2024 was $1.869. On 28 November 2024, 923,309 new shares were issued to participants in the DRP.

Net tangible assets per security	31 December 2024 A$	31 December 2023 A$
Net tangible asset backing per ordinary security[2]	0.74	0.62

[2] Includes Right-of-Use Assets and lease liabilities in accordance with AASB 16 Leases.

Additional information

Additional Appendix 4D disclosure requirements and further details including commentary on the results and operations are included in the attached Financial Report for the half-year ended 31 December 2024 and accompanying Investor Results Presentation.

This report is based on the consolidated financial statements and notes which have been reviewed by Deloitte Touche Tohmatsu for the half-year.

Further information regarding the company and its business activities can be obtained by visiting the company's website at www.cobramestateolives.com.au

Cobram Estate Olives Limited and Controlled Entities
ABN 32 115 131 667

Corporate Directory

31 December 2024

Directors	Rob McGavin, Non-Executive Chair and Co-Founder Craig Ball, Non-Executive Director Toni Brendish, Non-Executive Director David Wills, Non-Executive Director Dr Joanna McMillan, Non-Executive Director Sam Beaton, Joint-CEO and Executive Director Leandro Ravetti, Joint-CEO and Executive Director
Company Secretaries	Hasaka Martin – Joint Company Secretary Emily Austin – Joint Company Secretary
Group Chief Financial Officer	Anabel Godino Arevalo
Divisional USA Chief Financial Officer	Alyce Gowan
Registered office	151 Broderick Road, Lara, Victoria, 3212, Australia
Share and debenture register	MUFG Corporate Markets Level 10, Tower 4, 727 Collins Street, Melbourne, Victoria, 3000, Australia
Legal Advisors	DLA Piper Level 12, 80 Collins Street, Melbourne, Victoria, 3000, Australia
Auditor	Deloitte Touche Tohmatsu 477 Collins Street, Melbourne VIC, 3000, Australia
Stock exchange listing	Cobram Estate Olives Ltd shares are listed on the Australian Securities Exchange (ASX code: CBO)
Website	cobramestateolives.com.au

Cobram Estate Olives Limited and Controlled Entities
ABN 32 115 131 667

Half-year Financial Report
For the six months ended 31 December 2024

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Cobram Estate Olives Limited and Controlled Entities
ABN 32 115 131 667

Half-year Financial Report
For the six months ended 31 December 2024

Directors' Report

The Directors present their report on the consolidated entity (the "Group") consisting of Cobram Estate Olives Limited ("CBO" or "the Company") and Controlled Entities for the half-year ended 31 December 2024.

Directors

The names of the Directors in office at any time during the half-year or until the date of this report are:

Rob McGavin, Non-Executive Chair and Co-Founder

Craig Ball, Non-Executive Director

Toni Brendish, Non-Executive Director

David Wills, Non-Executive Director

Dr Joanna McMillan, Non-Executive Director

Sam Beaton, Joint-CEO and Executive Director

Leandro Ravetti, Joint-CEO and Executive Director

Review of operating results

The Group is pleased to announce that sales for 1HFY25 increased to $124.77 million (1HFY24: $113.77 million). This growth was driven by both the Australian and USA businesses with a substantial uplift occurring in packaged goods, which grew by $14.95 million (21%) in Australia and $3.74 million (19%) in the USA. The Company's leading brand, 'Cobram Estate'®, achieved a 40% growth in sales ($20.04 million).

The Group continues to report strong operating cash flows, with cash generated from operations increasing to $43.65 million for the half-year (1HFY24: $32.05 million), and operating cash flows after interest and tax increasing to $36.83 million (1HFY24: $22.66 million). This cash flow improvement is mainly attributed to increased profitability of the olive oil sold during the period.

The Group reported a net loss before tax of $3.76 million (1HFY24: $7.63 million loss) and an EBITDA profit of $14.45 million (1HFY24: $8.24 million). As discussed on the following page, the Group's half-year result does not include any profit relating to the FY2025 Australian crop hanging on the trees. This will be recorded at 30 June 2025 in the full year results, and is expected to have a substantial positive impact on the Group's full year results.

This result for the half-year was largely driven by an improved sales product mix and increased prices, supported by continued strong customer demand.

During the half-year, the Company expanded its debt facilities with the Commonwealth Bank of Australia, securing an additional $42.24 million[1]. This increase will primarily support land acquisitions and grove developments in the USA and ongoing strategic capital projects in both Australia and the USA.

[1] $42.24 million = increase of A$10.00m to the AUD tranche and A$32.24 million to the USD tranche (US$20.00 million facility at AUD/USD 0.6203).

Review of operating results (...continued)

As of 31 December 2024, the Group's net debt ratio was 34.4%, up from 31.5% at 30 June 2024. This increase was driven by additional net borrowings (less cash) of $34.99 million, used to support capital expenditure.

Capital expenditure

In 1HFY25, the Group spent $52.07 million on land acquisitions and capital projects (1HFY24: $32.05 million).

Of the $52.07 million, the majority was invested in capital projects that are expected to deliver long-term returns to the Group, including the following:

• $21.73 million was spent on land acquisition in the USA;

• $10.34 million on USA grove development[2];

• $5.44 million on Australian grove development[2];

• $5.25 million on increased milling capacity at the Boort olive mill;

• The balance of $9.31 million was spent on smaller capital projects including expanding bottling capacity in the USA, warehouse automation in Australia and other maintenance capital expenditure.

In the absence of further plantings or third party contracted growers, no further investment to increase capacity will be required at either of the Australian olive mills.

The Group's capital expenditure outlook remains centered on expanding its Californian groves through further land acquisitions and continued plantings to support continued growth in retail sales in the USA.

FY2025 USA Harvest

The Company's FY2025 Californian olive harvest was completed in December 2024, yielding 3.0 million litres of olive oil which is consistent with internal forecasts. While 6.4% lower than the FY2024 'on' year, it represents a 77.1% increase compared to FY2023, the previous 'off' year.

Outlook

The FY2025 Australian harvest is expected to commence in April and be completed by 30 June 2025. Subject to the uncertainties associated with agriculture, the FY2025 Australian crop is expected to be materially higher than the FY2024 harvest. It is important to note that FY2025 is a higher yielding crop year for our Australian groves.

The Group expects demand for its high quality Extra Virgin Olive Oil to remain strong into the second half of FY2025 in both Australia and the USA, with new-season Australian olive oil expected to commence selling from late April 2025.

Profit on FY2025 Australian hanging crop

CBO's annual Australian olive harvest takes place in April-June, with the harvest normally completed prior to 30 June each year. At 30 June, as required under Australian Accounting Standards, the estimated market value of the olive oil produced is calculated. This is referred to as the 'fair value'. The difference between this fair value less cost to sell and the actual cost of production is then taken to profit and loss in the year of harvest as a fair value gain/(loss).

[2] Includes costs capitalised in the first 5 years of tree development.

Once valued, the olive oil is reported in CBO's Statement of Financial Position at that fair value until it is sold, when it is then expensed as a cost of sale. This means that when sold, CBO's cost of sale is generally higher than the actual cost of production.

As at 31 December 2024, the Australian olive hanging crop has not been revalued to forecast fair value at the time of the FY2025 harvest and no fair value gain/(loss) has been recognised due to little biological transformation at reporting date. The Company expects a material fair value gain to be recognised for the FY2025 Australian olive crop in the FY2025 full year Financial Report.

Non-IFRS financial information

Earnings before interest, tax, depreciation, and amortisation (EBITDA) and Earnings before interest and tax (EBIT) are non-IFRS financial measures. Non-IFRS measures are used internally by management to assess operating performance of the Group. The non-IFRS measures have not been subject to audit or review.

Dividends paid, recommended and declared

The Group paid a dividend to Shareholders of A$0.033 per share on 28 November 2024, the dividend was 100% franked and the Company offered a Dividend Reinvestment Plan (DRP) resulting in 923,309 new shares issued at $1.869 per share.

Auditor's independence declaration

The auditor's independence declaration is included on page 6 of the half-year report.

Rounding

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Financial Report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Subsequent Events

CBO paid a deposit of $3.27 million (US$2.02 million) on 31 January 2025 for the purchase of land, with the outstanding balance of $10.69 million (US$6.63 million) payable by October 2025.

On 20 January 2025, 182,000 performance rights were issued under the Company's employee incentive scheme, expiring on 15 September 2027.

There have been no other matters or circumstances occurring subsequent to the end of the half-year ended 31 December 2024, that have significantly affected, or may significantly affect the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial periods.

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

Mr Rob McGavin (Chair)
Director

Mr David Wills (Chair of Audit and Risk Committee)
Director

Dated 21 February 2025

Deloitte.

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21 February 2025

The Board of Directors
Cobram Estate Olives Limited
151 Broderick Road
LARA VIC 3212

Dear Board Members

Auditor's Independence Declaration to Cobram Estate Olives Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Cobram Estate Olives Limited.

As lead audit partner for the review of the half year financial report of Cobram Estate Olives Limited for the half year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- Any applicable code of professional conduct in relation to the review.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

David Haynes

David Haynes
Partner
Chartered Accountants

Condensed consolidated statement of profit or loss for the half-year ended 31 December 2024

	Note	Consolidated Half-year ended 31 Dec 2024 $'000	31 Dec 2023 $'000
Total revenue and other income			
Sales revenue	5	**124,765**	113,767
Other income	5	**1,313**	1,416
Net increase in fair value of agricultural produce	5	**597**	1,103
		126,675	116,286
Expenses			
Cost of sales		**(99,334)**	(96,919)
Administrative expenses		**(10,914)**	(9,522)
Distribution expenses		**(5,313)**	(5,130)
Marketing expenses		**(5,689)**	(4,031)
Occupancy expenses		**(1,896)**	(2,189)
Finance costs		**(6,714)**	(5,581)
Other expenses		**(573)**	(547)
		(130,433)	(123,919)
Loss for the period before income tax (expense)/benefit		**(3,758)**	(7,633)
Income tax (expense)/benefit	6	**(705)**	412
Loss for the period		**(4,463)**	(7,221)
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company:			
Basic earnings per share ($)		**(0.0107)**	**(0.0174)**
Diluted earnings per share ($)		**(0.0107)**	**(0.0174)**

Notes to the condensed consolidated financial statements are included on pages 13 to 21.

Condensed consolidated statement of other comprehensive income for the half-year ended 31 December 2024

	Consolidated Half-year ended 31 Dec 2024 $'000	31 Dec 2023 $'000
Loss for the period	**(4,463)**	(7,221)
Other comprehensive income, net of income tax		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	**11,019**	(2,899)
Loss on hedging instruments through cash flow hedge reserve	**(1,069)**	(1,312)
Income tax relating to items that may be reclassified subsequently to profit or loss	**321**	394
Other comprehensive income/(loss) for the period	**10,271**	(3,817)
Total comprehensive income/(loss) for the period	**5,808**	(11,038)

Notes to the condensed consolidated financial statements are included on pages 13 to 21.

Cobram Estate Olives Limited and Controlled Entities
ABN 32 115 131 667
Half-year Financial Report
For the six months ended 31 December 2024

Condensed consolidated statement of financial position as at 31 December 2024

	Note	Consolidated 31 Dec 2024 $'000	30 Jun 2024 $'000
Current assets			
Cash and cash equivalents		**9,695**	11,347
Trade receivables		**19,376**	19,237
Inventory	7	**61,766**	102,539
Biological assets	10	**26,231**	4,086
Other financial assets		**1,012**	1,241
Other assets		**4,943**	1,688
Total current assets		**123,023**	140,138
Non-current assets			
Other receivables		**3,384**	3,257
Other financial assets		**1,757**	2,596
Intangible assets		**7,578**	6,678
Property, plant and equipment	11	**590,765**	532,394
Right-of-use assets		**7,668**	5,009
Total non-current assets		**611,152**	549,934
Total assets		**734,175**	690,072
Current liabilities			
Trade and other payables		**40,536**	31,238
Lease liabilities		**554**	611
Borrowings	9	**12,823**	10,667
Provisions		**2,344**	2,088
Current tax liabilities		**14,292**	6,749
Other liabilities		**5,931**	5,184
Total current liabilities		**76,480**	56,537
Non-current liabilities			
Borrowings	9	**245,852**	214,672
Provisions		**130**	159
Deferred tax liabilities		**83,279**	90,297
Other liabilities		**3,801**	1,599
Lease liabilities		**8,017**	5,063
Total non-current liabilities		**341,079**	311,790
Total liabilities		**417,559**	368,327
Net assets		**316,616**	321,745
Equity			
Share capital	12	**186,763**	183,933
Reserves		**107,266**	97,015
Retained earnings		**22,587**	40,797
Total equity		**316,616**	321,745

Notes to the condensed consolidated financial statements are included on pages 13 to 21.

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2024

Consolidated	Contributed equity $'000	Asset revaluation reserve $'000	Foreign currency translation reserve $'000	Share based payments reserve $'000	Cash flow hedge reserve $'000	Retained earnings $'000	Total Equity $'000
Balance at 1 July 2024	183,933	94,261	(1,037)	1,053	2,738	40,797	321,745
Loss for the period	-	-	-	-	-	(4,463)	(4,463)
Exchange differences arising on translation of foreign operations	-	-	11,019	-	-	-	11,019
Other comprehensive income for the year	-	-	-	-	(748)	-	(748)
Total comprehensive income/(loss) for the period	**-**	**-**	**11,019**	**-**	**(748)**	**(4,463)**	**5,808**
Share based payments expense	-	-	-	228	-	-	228
Transactions with owners in their capacity as owners:							
Dividends paid or reinvested	1,726	-	-	-	-	(13,795)	(12,069)
Options exercised	1,104	-	-	(200)	-	-	904
Expired/cancelled options (transfer from reserve)	-	-	-	(48)	-	48	-
Total transactions with owners in their capacity as owners	2,830	-	-	(248)	-	(13,747)	(11,165)
Balance at 31 December 2024	**186,763**	**94,261**	**9,982**	**1,033**	**1,990**	**22,587**	**316,616**

Notes to the condensed consolidated financial statements are included on pages 13 to 21.

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2023

Consolidated	**Contributed equity $'000**	**Asset revaluation reserve $'000**	**Foreign currency translation reserve $'000**	**Share based payments reserve $'000**	**Cash flow hedge reserve $'000**	**Retained earnings $'000**	**Total Equity $'000**
Balance at 1 July 2023	181,698	66,428	(492)	928	3,479	35,748	287,789
Loss for the period	-	-	-	-	-	(7,221)	(7,221)
Exchange differences arising on translation of foreign operations	-	-	(2,899)	-	-	-	(2,899)
Other comprehensive income for the year	-	-	-	-	(918)	-	(918)
Total comprehensive income/(loss) for the period	**-**	**-**	**(2,899)**	**-**	**(918)**	**(7,221)**	**(11,038)**
Share based payments expense	-	-	-	185	-	-	185
Transactions with owners in their capacity as owners:							
Dividends paid or reinvested	2,235	-	-	-	-	(13,721)	(11,486)
Expired/cancelled options (transfer from reserve)	-	-	-	(238)	-	238	-
Total transactions with owners in their capacity as owners	2,235	-	-	(238)	-	(13,483)	(11,486)
Balance at 31 December 2023	**183,933**	**66,428**	**(3,391)**	**875**	**2,561**	**15,044**	**265,450**

Notes to the condensed consolidated financial statements are included on pages 13 to 21.

Cobram Estate Olives Limited and Controlled Entities
ABN 32 115 131 667

Half-year Financial Report
For the six months ended 31 December 2024

Condensed consolidated statement of cash flows for the half-year ended 31 December 2024

	Consolidated Half-year ended 31 Dec 2024 $'000	Consolidated Half-year ended 31 Dec 2023 $'000
Cash flows from operating activities		
Receipts from customers	**126,998**	113,015
Payments to suppliers and employees	**(83,353)**	(80,965)
Cash generated from operations	**43,645**	32,050
Interest paid	**(7,027)**	(5,009)
Income tax paid	**(12)**	(4,641)
Interest received	**228**	258
Net cash provided by operating activities	**36,834**	**22,658**
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	**114**	495
Payments for property, plant and equipment	**(52,066)**	(32,046)
Payments for permanent water rights	**(900)**	-
Net cash used in investing activities	**(52,852)**	**(31,551)**
Cash flows from financing activities		
Net increase in borrowings	**25,223**	15,372
Dividends paid to Company's shareholders	**(12,069)**	(11,486)
Proceeds from issues of shares and other equity securities	**900**	-
Net cash provided in financing activities	**14,054**	**3,886**
Reconciliation of cash and cash equivalents		
Cash and cash equivalents at the beginning of the half-year	**11,347**	13,674
Effects of foreign exchange rate changes	**312**	-
Net (decrease) in cash and cash equivalents	**(1,964)**	(5,007)
Cash and cash equivalents at end of the period	**9,695**	8,667

Notes to the condensed consolidated financial statements are included on pages 13 to 21.

Notes to the condensed consolidated financial statements

1. General information

The Financial Report was authorised for issue by the directors on 21 February 2025.

The Financial Report is for Cobram Estate Olives Limited and its controlled entities (the Group). Cobram Estate Olives Limited (the Company) is an entity limited by shares, incorporated and domiciled in Australia.

The registered office of the consolidated entity is:

151 Broderick Road,
Lara, Victoria, 3212, Australia

(a) Statement of compliance

The Half-Year Financial Report is a general purpose Financial Report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The Half-Year Financial Report does not include notes of the type normally included in an annual Financial Report and shall be read in conjunction with the most recent annual Financial Report.

(b) Presentation currency and rounding

These financial statements are presented in Australian Dollars ($).

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that Corporations Instrument amounts the Financial Report are rounded off to the nearest thousand dollars, unless otherwise indicated.

2. Application of new and revised accounting standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year. The impact of the below pronouncements did not have a material impact on the amounts reported in the financial statements or disclosures made. New and revised Standards and amendments thereof and Interpretations effective for the current half-year are as follows:

Standard/Interpretation	**Effective for annual reporting periods beginning on or after**
AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback	1 July 2024
AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants	1 July 2024
AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements	1 July 2024

Notes to the condensed consolidated financial statements (continued)

3. Segment reporting

Segment products and locations

The segment reporting reflects the way information is reported internally to the joint Chief Executive Officers (CEO's) for the purpose of resource allocation and assessment of segment performance. The joint CEO's are the chief operating decision makers.

The consolidated entity has the following business segments:

• Australia - production and marketing of olive oil, and innovation and value-add products
• United States of America (USA) - production and marketing of olive oil, and innovation and value-add products

The accounting policies of the reportable segments are the same as the accounting policies described in the Notes. Segment Earnings before interest, tax, depreciation, and amortisation (EBITDA) represents the EBITDA earned by each segment.

All assets are allocated to reportable segments other than current tax and deferred tax balances. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and all liabilities are allocated to reportable segments other than borrowings, current tax and deferred tax balances. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

Earnings before interest, tax, depreciation, and amortisation (EBITDA) and Earnings before interest and tax (EBIT) are non-IFRS financial measures. Non-IFRS measures are used internally by management to assess operating performance of the Group. The Group calculates EBITDA by adding back to EBIT the depreciation for the period prior to capitalisation of depreciation to biological assets and inventory. The non-IFRS measures have not been subject to audit or review.

Total other revenue from external customers includes processing fee income, which relates to revenue generated from third-party growers for the processing of third-party growers’ olives.

Notes to the condensed consolidated financial statements (continued)

3. Segment reporting *(...continued)*

Segment results

The segment information provided to the joint CEO's is referenced in the table below. The Boundary Bend Wellness segment has been assessed as immaterial for reporting purposes, and therefore has not been disclosed separately in this half-year Financial Report. Its results are included within the Australian and US operations.

	Australian Operations		US Operations		Eliminations & Corporate		Total Operations	
	31-Dec-24 $'000	31-Dec-23 $'000	31-Dec-24 $'000	31-Dec-23 $'000	31-Dec-24 $'000	31-Dec-23 $'000	31-Dec-24 $'000	31-Dec-23 $'000
Revenue and other income								
Total oil revenue from external customers	92,334	79,211	31,211	29,645	-	-	**123,545**	108,856
Intersegment revenue	4,263	8,024	-	6	(4,263)	(8,030)	**-**	-
Total other revenue from external customers	887	805	333	4,106	-	-	**1,220**	4,911
Total segment revenue	97,484	88,040	31,544	33,757	(4,263)	(8,030)	**124,765**	113,767
Other income	1,103	1,180	654	685	(444)	(449)	**1,313**	1,416
Net change in fair value of agricultural produce	-	-	597	1,103	-	-	**597**	1,103
Total revenue and other income	98,587	89,220	32,795	35,545	(4,707)	(8,479)	**126,675**	116,286
EBITDA	11,859	6,746	2,595	1,495	-	-	**14,454**	8,241
Depreciation/ amortisation of segment assets							**(11,498)**	(10,293)
EBIT							**2,956**	(2,052)
Finance costs							**(6,714)**	(5,581)
Loss before income tax							**(3,758)**	(7,633)
	31-Dec-24 $'000	30-Jun-24 $'000	31-Dec-24 $'000	30-Jun-24 $'000	31-Dec-24 $'000	30-Jun-24 $'000	31-Dec-24 $'000	30-Jun-24 $'000
Segment assets (excl intercompany)	474,510	500,339	259,655	189,723	10	10	**734,175**	690,072
Segment liabilities (excl intercompany)	55,952	54,702	35,694	22,235	325,913	291,390	**417,559**	368,327

Notes to the condensed consolidated financial statements (continued)

4. Dividends paid and proposed

During the period, the Company paid a dividend to Shareholders of A$0.033 per share on 28 November 2024, amounting to $13,794,671. The dividend was 100% franked and the Company offered a Dividend Reinvestment Plan (DRP). Shareholders representing 12.5% of shares on issue elected to participate in the DRP, with 923,309 new shares issued at $1.869 per share.

5. Revenue and other income

	Consolidated Half-year ended	
	31 Dec 2024 $'000	**31 Dec 2023 $'000**
External revenue by product line		
Olive oil - Australian operations recognised at a point in time	**92,334**	79,211
Olive oil - USA operations recognised at a point in time	**31,211**	29,645
Other revenue recognised at a point in time	**1,220**	4,911
Total	**124,765**	113,767
Other income:		
Management/service fees	**447**	315
Rental income	**103**	122
Interest income	**274**	325
Freight income	**340**	201
Other income	**12**	165
Unrealised foreign currency losses	**43**	10
Subsidies and grants	**94**	278
	1,313	1,416
Fair value adjustments - Refer to Note		
Net increase in fair value of agricultural produce	**597**	1,103
	126,675	116,286

Notes to the condensed consolidated financial statements (continued)

6. Income tax expense

Prima facie tax payable

The prima facie tax payable on profit / (loss) is reconciled to the income tax expense as follows:

	31 Dec 2024 $'000	31 Dec 2023 $'000
Tax benefit at the Australian tax rate of 30% (2023: 30%)	**(1,127)**	(2,290)
Add tax effect of:		
- Other non-allowable items	**7**	14
- Offshore deferred tax assets not brought to account	**2,854**	2,125
- Share based payments	**66**	55
	2,927	2,194
Less tax effect of:		
- Research and development deductions	**(327)**	(274)
- Over provision in prior years	**(768)**	(42)
	(1,095)	(316)
Income tax expense/(benefit) attributable to loss	**705**	(412)

7. Inventory

	31 Dec 2024 $'000	30 Jun 2024 $'000
Value-add products	**234**	313
Raw materials/packaging	**5,465**	5,962
Olive oil	**56,694**	96,771
Provision for redundant stock	**(627)**	(507)
	61,766	102,539

8. Key management personnel

Remuneration arrangements of key management personnel are disclosed in the annual Financial Report.

Notes to the condensed consolidated financial statements (continued)

9. Borrowings

The major facilities of the Group are summarised as follows:

Facility	Loan origination	Currency	Limit $'000 (AUD)	Drawn at 31 Dec 2024 $'000 (AUD)	Term
Current					
Working Capital Debt	Australian issued loans	AUD	4,000	4,000	Rolling 12 months
Total Current Debt			**4,000**	**4,000**	
Non-Current					
Core Debt	Australian issued loans	AUD	178,000	165,500	Nov-27
Core Debt	Australian issued loans	AUD	5,000	-	Nov-27
Domestic Foreign Currency Account Facility	Australian issued loans	USD	60,455	34,661	Nov-27
USA Promissory Note	US issued loans	USD	24,181	24,181	Jan-39
Total Non-Current Debt			**267,636**	**224,342**	
Total Debt			**271,636**	**228,342**	

The Group confirms that it has complied with all borrowing requirements and met the necessary financial ratios during the year.

Australian issued loans

Australian bank loans are issued in Australia by the Commonwealth Bank of Australia (CBA). These loans are secured by a general security interest over the Australian assets of Cobram Estate Olives Limited and its Australian subsidiaries. CBA also has mortgages over the Australian real properties owned by the consolidated entity's Australian subsidiaries. The interest cost under the AUD facilities is referenced to the Bank Bill Swap Bid Rate (BBSY). For the USD facilities, the interest cost is referenced to the Secured Overnight Financing Rate (SOFR) administered by the Federal Reserve Bank of New York. Additionally, a margin and line fee are paid on top of the reference rates. Finance will continue to be provided under these facilities, provided the consolidated entity has not breached any borrowing requirements and meets the required financial ratios.

On 12 November 2024, the Company signed an amended agreement with the Commonwealth Bank of Australia, increasing its debt facilities by $42.24 million ($10.00 million to the AUD tranche and US$20.00 million to the USD tranche converted at the closing FX rate of $0.6203).

US issued loans

The Group has a US$15.0 million long-term loan (the USA Promissory Note) with the Prudential Insurance Company of America (PGIM). These loans are secured by a general security cover over the US assets of Cobram Estate Olives Limited and it's US subsidiaries. The interest cost for the USA Promissory Note is fixed at 6.71%.

Notes to the condensed consolidated financial statements (continued)

9. Borrowings *(...continued)*

	31 Dec 2024 $'000	30 Jun 2024 $'000
CURRENT		
Secured liabilities		
Asset financing	**1,853**	304
Bank loans	**4,000**	3,980
Chattel mortgage liability	**6,970**	6,383
	12,823	10,667
NON CURRENT		
Secured liabilities		
Bank loans	**224,342**	190,365
Chattel mortgage liability	**21,510**	24,307
	245,852	214,672
Total Borrowings	**258,675**	225,339

10. Biological assets

	31 Dec 2024 $'000	30 Jun 2024 $'000
At fair value less costs to sell		
Biological assets - nursery trees	**296**	245
Biological produce	**25,935**	3,841
	26,231	4,086

Biological produce
As at 31 December 2024, no fair value gain/(loss) has been recognised for the Australian olive crop due to little biological transformation at reporting date. The Group expects a fair value gain to be recognised for the FY2025 Australian olive crop in the FY2025 Financial Report. All olives in the USA have been harvested and therefore there is no hanging crop as at 31 December 2024.

	31 Dec 2024 $'000	31 Dec 2023 $'000
Reconciliation of changes in carrying amount of biological assets		
Opening balance as at 1 July	3,841	4,991
Increases due to growing costs	34,646	29,184
Decreases due to harvest	(13,149)	(9,973)
Gain recognised from changes in fair value	597	1,103
Closing balance as at 31 December	**25,935**	**25,305**

Notes to the condensed consolidated financial statements (continued)

11. Property, plant and equipment

	31 Dec 2024 $'000	30 Jun 2024 $'000
Land & buildings		
Land & buildings at fair value	**289,873**	259,071
Less accumulated depreciation	**(2,322)**	-
	287,551	259,071
Plant & equipment		
Plant & equipment at cost	**144,050**	138,639
Less accumulated depreciation	**(66,875)**	(62,055)
	77,175	76,584
Irrigation assets at cost	**47,535**	46,541
Less: accumulated depreciation	**(9,519)**	(8,692)
	38,016	37,849
Bearer plants at cost	**206,971**	196,634
Less accumulated depreciation	**(56,879)**	(52,866)
	150,092	143,768
Motor vehicles at cost	**12,519**	11,308
Less accumulated depreciation	**(5,326)**	(4,674)
	7,193	6,634
Office equipment at cost	**1,573**	1,561
Less accumulated depreciation	**(1,303)**	(1,247)
	270	314
Furniture, fixtures & fittings at cost	**599**	570
Less accumulated depreciation	**(413)**	(381)
	186	189
Total work in progress	**30,282**	7,985
Total property, plant and equipment	**590,765**	532,394

Notes to the condensed consolidated financial statements (continued)

12. Share capital

Issued capital as at 31 December 2024 amounted to $186,763,081 (June 2024: $183,932,699) represented by 418,943,611 ordinary shares (June 2024: 417,420,302).

On 13 December 2024, 923,309 new shares were issued in accordance with the Dividend Reinvestment Plan (DRP) at an issuer price of $1.869.

The Company issued 3,000,000 share options (6 months to 31 December 2023: 0) over ordinary shares under its share based payments plan during the half-year.

During the half-year, 600,000 options were exercised (6 months to 31 December 2023: 0).

During the half-year, no options expired (6 months to 31 December 2023: 780,000 unlisted options over shares expired.)

During the half-year, 1,000,000 unlisted options over shares under the Company’s share based payments plan lapsed as the conditions had not been satisfied (6 months to 31 December 2023: 0.)

The Company issued no share options to key management personnel during the half-year (6 months to 31 December 2023: 0).

The movement in share capital for the period has been summarised below.

Share Capital Movement	**$'000**
Share Capital Balance at 1 July 2024	183,933
Dividend Reinvestment Plan - new shares issued	1,726
Options exercised	1,104
Share Capital Balance at 31 December 2024	186,763

13. Subsequent events

CBO paid a deposit of $3.27 million (US$2.02 million) on 31 January 2025 for the purchase of land, with the outstanding balance of $10.69 million (US$6.63 million) payable by October 2025.

On 20 January 2025, 182,000 performance rights were issued under the Company's employee incentive scheme, expiring on 15 September 2027.

There have been no other matters or circumstances occurring subsequent to the end of the half-year ended 31 December 2024, that have significantly affected, or may significantly affect the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial periods.

Directors' Declaration

The Directors of the consolidated entity declare that:

(1) the condensed consolidated financial statements and notes set out on pages 7 to 21 are in accordance with the *Corporations Act 2001*, including:

   (a) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

   (b) as stated in Note 1, the financial statements also comply with International Financial Reporting Standards; and

   (c) give a true and fair view of the financial position as at 31 December 2024 and performance for the half-year ended on that date of the consolidated entity.

(2) In the Directors' opinion there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to s295(5) of the Corporations Act 2001.

Mr Rob McGavin (Chair)
Director

Mr David Wills (Chair of Audit and Risk Committee)
Director

Dated 21 February 2025

Deloitte.

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Independent Auditor's Review Report to the Members of Cobram Estate Olives Limited

Conclusion

We have reviewed the half-year financial report of Cobram Estate Olives Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, and the condensed consolidated profit and loss, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the directors declaration as set out on pages 7 to 22.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- Complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a *Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

David Haynes

David Haynes
Partner
Chartered Accountants

Melbourne, 21 February 2025