Brenworth

PRELIMINARY UNAUDITED FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2025

The preliminary financial information is based on financial statements which are in the process of being audited.

PRELIMINARY UNAUDITED FINANCIAL INFORMATION

CONTENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2025

	Note	Unaudited 2025 $000	Audited 2024 $000
Revenue from contracts with customers		88,891	80,294
Cost of sales		(76,509)	(60,812)
Gross profit		12,382	19,482
Other income and gains		547	531
Distribution expenses		(15,611)	(14,552)
Administration expenses		(12,822)	(12,087)
Cyclone Gabrielle related insurance claim	3	39,662	12,619
Whanganui fire related insurance claim	4	(1,272)	-
Restructuring costs	5c	(2,725)	(1,568)
Onerous contract	6a	(1,753)	-
		18,408	4,425
Finance costs		(860)	(825)
Finance income		1,032	1,344
Profit before income tax		18,580	4,944
Income tax expense		(333)	(301)
Profit after tax for the year		$18,247	$4,643
Basic earnings per share (cents)	5b	25.82	6.63
Diluted earnings per share (cents)	5b	25.46	6.53

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Unaudited 2025 $000	Audited 2024 $000
Profit after tax for the year	**18,247**	4,643
Other comprehensive income that may be reclassified subsequently to profit or loss		
Effective portion of changes in fair value of cash flow hedges (net of income tax)	(372)	(1,167)
Net change in fair value of cash flow hedges transferred to profit or loss (net of income tax)	343	607
Total other comprehensive (loss)/income	**(29)**	(560)
Total comprehensive income for the year	**$18,218**	$4,083

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	Share Capital $000	Cash Flow Hedging Reserve $000	Foreign Currency Translation Reserve $000	Share-based Payment Reserve $000	Retained Earnings $000	Total Equity $000
			Unaudited			
Total equity at 1 July 2024	22,054	378	(1,420)	732	32,679	54,423
Total comprehensive income for the year						
Profit after tax	-	-	-	-	18,247	18,247
Other comprehensive income that may be reclassified subsequently to profit or loss						
Changes in fair value of cash flow hedges (net of income tax)	-	(29)	-	-	-	(29)
Total comprehensive income for the year	-	(29)	-	-	18,247	18,218
Transaction with owners in their capacity as owners						
Buyback and cancellation of shares	(325)	-	-	-	-	(325)
Share-based payments - value of employee services	-	-	-	122	-	122
Total transaction with owners for the year	(325)	-	-	122	-	(203)
Total equity at 30 June 2025	$21,729	$349	$(1,420)	$854	$50,926	$72,438

	Share Capital $000	Cash Flow Hedging Reserve $000	Foreign Currency Translation Reserve $000	Share-based Payment Reserve $000	Retained Earnings $000	Total Equity $000
			Audited			
Total equity at 1 July 2023	22,054	938	(1,420)	615	28,036	50,223
Total comprehensive income for the year						
Profit after tax	-	-	-	-	4,643	4,643
Other comprehensive income that may be reclassified subsequently to profit or loss						
Changes in fair value of cash flow hedges (net of income tax)	-	(560)	-	-	-	(560)
Total comprehensive income for the year	-	(560)	-	-	4,643	4,083
Transaction with owners in their capacity as owners						
Share-based payments - value of employee services	-	-	-	117	-	117
Total transaction with owners for the year	-	-	-	117	-	117
Total equity at 30 June 2024	$22,054	$378	$(1,420)	$732	$32,679	$54,423

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	Unaudited 2025 $000	Audited 2024 $000
ASSETS			
Property, plant and equipment - owned		16,599	13,241
Property, plant and equipment - right-of-use		7,915	8,804
Intangible assets		36	61
Deferred tax asset		488	402
Total non-current assets		25,038	22,508
Cash and bank		42,245	31,645
Trade receivables, other receivables and prepayments		11,666	10,661
Inventories		28,117	29,348
Advances to employees		-	181
Derivative financial instruments		516	508
Income tax receivable		-	67
Total current assets		82,544	72,410
Total assets		$107,582	$94,918
EQUITY			
Share capital		21,729	22,054
Cash flow hedging reserve		349	378
Foreign currency translation reserve		(1,420)	(1,420)
Share-based payment reserve		854	732
Retained earnings		50,926	32,679
Total equity		72,438	54,423
LIABILITIES			
Lease liabilities		15,168	16,508
Employee benefits		371	488
Provisions	6a	2,178	812
Total non-current liabilities		17,717	17,808
Trade payables and accruals		10,665	16,350
Customer deposits		151	139
Employee benefits		74	46
Employee entitlements		3,387	3,726
Lease liabilities		1,540	1,417
Provisions	6a	1,373	694
Derivative financial instruments		54	17
Deferred income		48	298
Income tax payable		135	-
Total current liabilities		17,427	22,687
Total liabilities		35,144	40,495
Total equity and liabilities		$107,582	$94,918

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Note	Unaudited 2025 $000	Audited 2024 $000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		86,737	80,797
Cash paid to suppliers and employees		(108,635)	(91,623)
		(21,898)	(10,826)
Government grants received		176	326
Other receipts		10	8
GST (paid)/refunded		(2,097)	822
Interest paid - loans and borrowings		(35)	(3)
Interest component of lease payments		(825)	(822)
Interest received		1,113	1,264
Income tax paid		(217)	(69)
Cyclone Gabrielle related insurance income	3	42,230	-
Cyclone Gabrielle related expenses		(2,721)	(17,985)
Net cash flow from operating activities		15,736	(27,285)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment		70	-
Acquisition of plant and equipment		(5,541)	(4,040)
Maturities of short term deposits		5,000	19,500
Investments in short term deposits		(27,000)	(17,000)
Advances to employees pursuant to the Bremworth Equity Plan		181	(11)
Cyclone Gabrielle related insurance income		1,485	25,015
Whanganui fire related insurance income	4d	477	-
Net cash flow from investing activities		(25,328)	23,464
CASH FLOWS FROM FINANCING ACTIVITIES			
Buyback and cancellation of shares		(325)	-
Principal component of lease payments		(1,457)	(1,358)
Net cash flow from financing activities		(1,782)	(1,358)
Net decrease in cash and cash equivalents		(11,374)	(5,179)
Cash and cash equivalents at beginning of the year		26,645	31,819
Effect of exchange rate changes on cash		(26)	5
Cash and cash equivalents at end of the year		$15,245	$26,645

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025 (continued)

	Note	Unaudited 2025 $000	Audited 2024 $000
Profit after tax for the year		18,247	4,643
Add/(Deduct) non-cash items:			
Depreciation - owned assets		1,166	858
Depreciation - right-of-use assets		1,129	1,057
Amortisation - intangible assets		25	25
Impairment of buildings and plant and equipment	4, 3	960	297
Reversal of impairment of fixed assets and inventory		-	(208)
Share-based payments - value of employee services		122	117
Deferred tax		(86)	174
Net gain on sale of plant and equipment		(13)	-
Net loss/(gain) on foreign currency balance		26	(5)
Deduct insurance related cash items:			
Cyclone Gabrielle related insurance income	3	-	(25,015)
Whanganui fire related insurance income	4d	(477)	-
Changes in working capital items:			
Trade receivables, other receivables and prepayments		(2,490)	(704)
Inventories		1,231	(8,226)
Income tax receivable/payable		202	58
Trade payables and accruals		(5,685)	1,402
Customer deposits		12	(53)
Employee benefits and entitlements		(428)	(1,321)
Provisions		2,045	(129)
Deferred income		(250)	(205)
Derivative financial instruments		-	(50)
Net cash flow from operating activities		$15,736	$(27,285)

1 COMPANY INFORMATION

Bremworth Limited ("Bremworth" or "the Company") is a limited liability company that is domiciled and incorporated in New Zealand.

The preliminary financial information presented is for Bremworth and its subsidiaries ("the Group") as at, and for the year ended, 30 June 2025.

The Company is registered under the Companies Act 1993 and is an FMC reporting entity for the purposes of the Financial Reporting Act 2013 and the Financial Markets Conduct Act 2013. The preliminary financial information has been prepared in accordance with these Acts.

The principal activities of the Group comprise wool acquisition, and carpet and rug manufacturing and sales.

All Group subsidiaries are wholly-owned.

2 GENERAL INFORMATION RELATING TO PREPARATION OF PRELIMINARY FINANCIAL INFORMATION

2a BASIS OF PREPARATION

The preliminary financial information has been prepared on the historical cost basis, except for derivative financial instruments which are measured at fair value.

The preliminary financial information is presented in New Zealand dollars, which is Bremworth Limited's functional and presentation currency. Unless otherwise indicated, all financial information presented in New Zealand dollars has been rounded to the nearest thousand.

The Consolidated Statements of Profit or Loss, Comprehensive Income, Changes in Equity and Cash Flows are stated exclusive of GST. All items in the Consolidated Statement of Financial Position are stated exclusive of GST, except for trade receivables and trade payables, which include GST invoiced.

2 GENERAL INFORMATION RELATING TO PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2b GOING CONCERN

The Group prepares its consolidated financial statements on a going concern basis and expects to be able to realise its assets and meet its financial obligations in the normal course of business.

Cash and cash equivalents and short term deposits at balance date of $42.2 million (2024: $31.6 million) is at a level significantly higher than forecasted as a result of final settlement of Cyclone Gabrille insurance claims and receipt of final payments.

Net working capital (being current assets (excluding cash and bank) less current liabilities) employed by the Group as at balance date of $24.1 million (2024: $18.1 million) is well up on the previous year, with the Group continuing to focus on working capital utilisation and efficiency.

The Board is committed to the future of the existing carpet business, with a number of decisions taken in the latter part of the financial year to strengthen the Company's financial performance, position and cash flows. These decisions include the following:

- the re-entry into the synthetic carpet markets in New Zealand and Australia to provide the carpet business with additional volume while also meeting ongoing requests for synthetic carpet from its channel partners;
- the reinstatement of key items of plant and equipment at the Napier yarn plant, with further discussions in Note 2h (Cyclone Gabrielle) to the consolidated financial statements;
- the review of its cost base, with the assistance of external consultants and industry experts; and
- the simplification of the business structure and the way of doing business going forward.

The Group has prepared forecasts of its financial performance, while also assessing cash flows and financial position as part of the Board-led strategic review of its ownership structure that the Board commenced in February 2025, with these forecasts extending through to 30 June 2030 and encapsulating the decisions that have been taken by the Board.

In preparing these forecasts, management considered and, where required made assumptions, in relation to:

- the additional costs, and time it could take, to re-introduce synthetic carpet into its pre-existing woollen carpet offerings;
- the capital expenditure that will be required to continue to reinstate key yarn spinning equipment in the Napier plant;
- the cost savings that have been achieved from the review of its cost base and the simplification of its business structure; and
- the further cost savings and reduction in working capital requirements that have been identified.

The Board considers that although there are uncertainties relating to these forecasts, these uncertainties are not significant enough to lead to a material uncertainty relating to going concern.

The Board expects that sufficient funds are available to fund the Group’s operations while also providing the Board with optionality around the potential return of any surplus to shareholders.

The Board's decision to undertake the strategic review into the Company's ownership structure in February 2025 followed the finalisation of Cyclone Gabrielle insurance settlement and approaches from parties expressing an interest in Bremworth.

The Board is continuing to engage with interested parties but there have been no developments which affect the going concern assumption, nor have any decisions been made which affect the assumption around going concern.

While good progress is being made with the strategic review, there is no certainty that the discussions with interested parties are going to result in any transaction.

2 GENERAL INFORMATION RELATING TO PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2c BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at 30 June 2025 and the results of all subsidiaries for the year then ended. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the underlying intra-group transaction provides evidence that the asset transferred is impaired.

2d CHANGES IN ACCOUNTING POLICIES

There were no changes in accounting policies during the year ended 30 June 2025.

2e RECLASSIFICATION OF PRIOR YEAR BALANCES

The Consolidated Statement of Profit or Loss for the year ended 30 June 2024 included $439,000 and $1,129,000 in distribution and in administration expenses respectively that have been reclassified to restructuring costs to align with the current year presentation.

2f CYCLONE GABRIELLE

Progress since the issue of the consolidated financial statements for the year ended 30 June 2024

Settlement of insurance claims
The Group settled its Cyclone Gabrielle insurance claims on 4 February 2025, with the total amount agreed at $104.2 million.

After recognising progress payments received from the insurers prior to that date of $62.0 million, the Group received a final payment totalling $42.2 million on or about 12 February 2025, with this $42.2 million recognised as income in the Consolidated Statement of Profit or Loss for the year ended 30 June 2025.

Reinstatement of property, plant and equipment
The Group has continued to reinstate key items of plant and equipment at the Napier plant following the damage caused by Cyclone Gabrielle, with the completion of selected yarn twisting and finishing equipment during the year.

The decision was taken during the year to invest a further $6.0 million towards the staged reinstatement of the Napier plant, with the focus this time on key yarn making equipment across the entire yarn manufacturing process from carding through to spinning and twisting to leverage the investments that have already been made in yarn twisting and finishing.

This latest move will boost yarn making capacity within the carpet business and allow the Group to produce most, if not all, of its yarn requirements at its Napier and Whanganui yarn spinning plants again - allowing, in the process, the business to:

- reduce the current long yarn supply lead times associated with the hybrid yarn supply system that was put in place following Cyclone Gabrielle;
- reduce yarn input costs;
- address yarn quality issues associated with externally sourced yarns;
- reduce the quantities of yarn inventory that are required to be held to support the business; and
- focus on meeting its exacting quality standards from yarns through to finished carpet.

The ability to bring back key items of plant and equipment progressively will provide the business with significant optionality to scale up capacity as demand for carpet grows - allowing the Company to commit to capital expenditure only as and when required.

2 GENERAL INFORMATION RELATING TO PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2g FIRE AT THE WHANGANUI YARN SPINNING PLANT

Fire at Whanganui yarn spinning plant
On 4 May 2025, a fire broke out at the Whanganui yarn spinning plant.

Following a comprehensive review, the Group identified the following (from a material damage perspective):

- significant damage to the timber structure of the roof void of approximately 30 square metres within the building where the fire started and areas in proximity to that;
- heat and smoke damage to the roof cladding and metal purling in the adjoining building;
- minor damage to mechanical and electrical services (including electrical control rooms and switchboards) in the section of the building directly affected;
- damage to, and loss of, inventory in various stages of production.

There was also loss of approximately two weeks of production while clean up and assessment of damage to buildings and plant and equipment were undertaken. This did not result in loss of sales and/or carpet production – with the volume of both carpet and yarn inventories held within the business.

The losses are substantially covered by insurance and have been accounted for as set out in note 4 (Impact of fire at the Whanganui yarn spinning plant) to the consolidated financial statements.

3 IMPACT OF CYCLONE GABRIELLE

Dealing with impact of Cyclone Gabrielle in the consolidated financial statements

The following table summarises the impact of Cyclone Gabrielle on the Consolidated Statement of Profit or Loss:

Impact of Cyclone Gabrielle	Unaudited 2025 $000	Audited 2024 $000
Insurance proceeds secured and recognised as income	42,230	26,500
Site clean-up, asset stabilisation and waste disposal costs incurred recognised as expenses	-	(1,002)
Ongoing payroll costs recognised as expenses	(240)	(4,410)
Ongoing costs as a result of the cyclone as well as professional fees (including claims preparation costs) incurred that have been recognised as expenses	(151)	(4,372)
Other additional costs incurred to avoid loss of revenue that have also been recognised as expenses	(2,177)	(3,457)
Cost of voluntary redundancies incurred	-	(1,425)
Damaged or destroyed buildings and plant and equipment derecognised to the extent appropriate	-	(297)
Plant and equipment previously derecognised and subsequently reinstated	-	208
Inventory previously written off and subsequently reinstated	-	874
	$39,662	$12,619

The $42.2 million of Cyclone Gabrielle related insurance income recognised during the year ended 30 June 2025 represents the final amount that was received following the settlement of the Company's insurance claims during the year, with that amount representing the $104.2 million full and final settlement that was agreed with the insurers less progress payments received to that date of $62.0 million (2024: two progress payments totalling $26.5 million).

All progress payments received in previous years were stated as non-specific and there was confidence that substantially all costs related to the reinstatement of property, plant and equipment will be covered. Therefore, they were treated as cash from investing activities in the Statement of Cash Flows. With the settlement amount having now been clearly assigned between loss and/or damage of property, plant and equipment, loss of inventory and business interruption, it is evident that the $42.2 million final settlement amount is attributable to business interruption costs that are operating, and this is treated as cash from operating activities in the Statement of Cash Flows.

Accounting policies

Insurance proceeds are recognised as income and as a receivable when receipt is virtually certain and to the extent that the amount can be reliably estimated.

In the event that insurance proceeds cannot be recognised as income and as a receivable because receipt is not virtually certain and/or the amount cannot be reliably estimated, they are disclosed as contingent assets.

4 IMPACT OF FIRE AT THE WHANGANUI YARN SPINNING PLANT

Dealing with impact of the fire at the Whanganui yarn spinning plant in the consolidated financial statements

The following table summarises the impact of the fire at the Whanganui yarn spinning plant on the Consolidated Statement of Profit or Loss:

Impact of fire	Note	Unaudited 2025 $000	Audited 2024 $000
Insurance proceeds secured and recognised as income	4a	527	-
Further insurance proceeds recognised as income and as a receivable where receipts is virtually certain and amount is able to be reliably estimated	4b	-	-
Damaged buildings and plant and equipment derecognised to the extent appropriate	4c	(960)	-
Damaged or destroyed inventory written off to the extent appropriate	4c	(839)	-
		$(1,272)	-

Estimates, judgements and assumptions
As a result of the Whanganui fire event, a number of material estimates and judgements have been necessary to determine the accounting treatment in these consolidated financial statements.

These estimates and judgements include the following:
- estimation of further insurance proceeds as income and contingent assets (note 4b)
- assessment of impairment of buildings, plant and equipment and inventory (note 4c)

Details of the estimates and judgements made are further discussed below where relevant.

4a WHANGANUI YARN SPINNING PLANT FIRE RELATED INSURANCE INCOME

	Unaudited 2025 $000	Audited 2024 $000
Insurance recovery - Whanganui fire	$527	-

The $527,000 of Whanganui fire related insurance income recognised during the year ended 30 June 2025 represents the first progress payment that was approved by the insurers prior to balance date.

4 IMPACT OF FIRE AT THE WHANGANUI YARN SPINNING PLANT (continued)

4b WHANGANUI YARN SPINNING PLANT FIRE RELATED CONTINGENT ASSET

The Group expects that it will ultimately receive the full amount of the loss or damage caused by the fire at the Whanganui yarn spinning plant - except for the $223,000 deductible and amounts that may fall outside the scope of its material damage insurance policy.

The insurance claim was not sufficiently advanced at balance date to conclude that there was virtual certainty that would allow the Group to recognise as insurance income any amount in excess of the $527,000 that has already been approved by the insurer at balance date, with a number of issues yet to be worked through.

	Unaudited 2025 $000	Audited 2024 $000
Insurance contingent asset disclosure - Whanganui fire	**$849**	-

However, the Group has disclosed a contingent asset - being the further amounts that it is expecting to receive under its insurance claims for damage and/or loss arising from the fire at the Whanganui yarn spinning plant - for the following reasons:

- the progress it has made towards the resolution of its insurance claims, with the amount disclosed as a contingent asset able to be reliably estimated based on discussions with, and the advices received from, the insurer's loss adjusters to date;
- the amount disclosed as a contingent asset is well within the sum insured under the Group's material damage insurance policy.

4c WHANGANUI YARN SPINNING PLANT FIRE RELATED WRITE OFFS AND EXPENSES

	Unaudited 2025 $000	Audited 2024 $000
Impairment of buildings	(960)	-
Write off of inventory	(839)	-
	$(1,799)	-

Whanganui fire related asset write offs and expenses consist of:

Impairment of buildings and plant and equipment
Following detailed assessment of damage to buildings after the fire (with plant and equipment not affected), the Group determined that an impairment loss of $960,000 - being the cost required for site clean up and to reinstate these assets to pre-fire condition - was required. This assessment involved suitably qualified contractors, with the loss adjusters also present on-site.

Write off of inventory
Accounting standards require inventory to be measured at the lower of cost and net realisable value.

Where the cost of inventory may not be recoverable because the inventory is damaged as a consequence of the fire, the Group is required to estimate its recoverable amount and recognise an impairment if this estimate is less than the carrying amount.

Based on the analysis and estimates prepared by management, the Group has determined that the carrying value of affected inventory at the Whanganui plant at the time of the fire of $839,000 was required to be written off because they have been damaged or destroyed as a consequence of having been exposed to smoke and could not therefore be used for further processing into finished carpet.

4d PROGRESS PAYMENTS RECEIVED

	Unaudited 2025 $000	Audited 2024 $000
Whanganui fire related insurance income recognised	527	-
Less payments received prior to balance date	(477)	-
Insurance recovery progress payments expected after balance date	**$50**	-

5 FINANCIAL PERFORMANCE

5a SEGMENT PERFORMANCE

Reportable segments

The Group's reportable and operating segments are:

- Carpet, with this segment involved in the manufacturing and sales of carpet and rugs in New Zealand, Australia and rest of the world; and
- Wool, with this segment involved in the acquisition of wool for the carpet segment and for sales to external customers in New Zealand.

An operating segment is a component of the Group:

- that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components;
- whose operating results are regularly reviewed by the Group's chief operating decision maker - in this case, the Chief Executive Officer - to make decisions about the resources to be allocated to the segment and to assess its performance; and
- for which discrete financial information is available.

The Chief Executive Officer uses total revenue, segment result before depreciation, insurances, restructuring and onerous contract and segment result after depreciation but before insurances, restructuring and onerous contract to assess the performance of the operating segments. Total assets and total liabilities are also reviewed for the operating segments.

Inter-segment transactions

Inter-segmental sales during the year and intercompany profits on stocks at balance date are eliminated on consolidation.

Geographical areas

In presenting information on the basis of geographical areas, revenue is based on the geographical location of customers and non-current assets are based on the geographical location of those assets.

	Unaudited 2025 $000	Audited 2024 $000
Revenue		
New Zealand	57,296	51,274
Australia	29,910	27,314
Canada	903	883
USA	661	753
Rest of the world	119	70
	$88,889	$80,294

	Unaudited As at 30 June 2025 $000	Audited As at 30 June 2024 $000
Non-current assets		
New Zealand	24,077	21,547
Australia	961	961
	$25,038	$22,508

5 FINANCIAL PERFORMANCE (continued)

5a SEGMENT PERFORMANCE (continued)

Major customers

None of the Group's external customers contributed revenues in excess of 10% of the Group's total revenues.

	Carpet and rugs sales and manufacturing		Wool acquisition		Total	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	2025	2024	**2025**	2024	**2025**	2024
	$000	$000	**$000**	$000	**$000**	$000
External revenue	**59,971**	57,081	**28,920**	23,213	**88,891**	80,294
Inter-segment revenue	**-**	-	**2,441**	2,336	**2,441**	2,336
Total revenue	**59,971**	57,081	**31,361**	25,549	**91,332**	82,630
Elimination of inter-segment revenue					**(2,441)**	(2,336)
Consolidated revenue					**$88,891**	$80,294
Segment result before depreciation, insurances, restructuring and onerous contract	**(13,463)**	(4,524)	**1,301**	1,386	**(12,162)**	(3,138)
Depreciation - owned assets	**(1,000)**	(698)	**(166)**	(160)	**(1,166)**	(858)
Depreciation - right-of-use assets	**(956)**	(911)	**(173)**	(146)	**(1,129)**	(1,057)
Amortisation - intangibles	**(25)**	(25)	**-**	-	**(25)**	(25)
Segment result before insurances, restructuring and onerous contract	**(15,444)**	(6,158)	**962**	1,080	**(14,482)**	(5,078)
Cyclone Gabrielle related insurance claim	**39,662**	12,619	**-**	-	**39,662**	12,619
Whanganui fire related insurance claim	**(1,272)**	-	**-**	-	**(1,272)**	-
Restructuring costs	**(2,725)**	(1,568)	**-**	-	**(2,725)**	(1,568)
Onerous contract	**(1,753)**	-	**-**	-	**(1,753)**	-
Segment result	**18,468**	4,893	**962**	1,080	**19,430**	5,973
Elimination of inter-segment profits					**20**	(21)
Unallocated corporate costs					**(1,042)**	(1,527)
Results from operating activities					**18,408**	4,425
Finance costs					**(860)**	(825)
Finance income					**1,032**	1,344
Profit before income tax					**18,580**	4,944
Income tax expense					**(333)**	(301)
Profit after tax for the year					**$18,247**	$4,643

5 FINANCIAL PERFORMANCE (continued)

5a SEGMENT PERFORMANCE (continued)

	Carpet and rugs sales and manufacturing		Wool acquisition		Total	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	2025	2024	2025	2024	2025	2024
	$000	$000	$000	$000	$000	$000
Reportable segment assets	57,010	57,590	8,327	5,683	65,337	63,273
Unallocated assets - Cash and bank					42,245	31,645
Total assets					$107,582	$94,918
Capital expenditure	5,119	3,969	428	178	$5,547	$4,147
Reportable segment liabilities	16,266	20,607	2,170	1,963	18,436	22,570
Unallocated liabilities - Lease liabilities					16,708	17,925
Total liabilities					$35,144	$40,495

5b EARNINGS PER SHARE

Basic earnings per share (Basic EPS)

	Unaudited	Audited
	2025	2024
Profit after tax attributable to shareholders of the Company ($000)	18,247	4,643
Weighted average number of ordinary shares outstanding	70,657,464	70,069,426
Basic EPS (cents)	25.82	6.63

Diluted earnings per share (Diluted EPS)

	Unaudited	Audited
	2025	2024
Profit after tax attributable to shareholders of the Company ($000)	18,247	4,643
Weighted average number of ordinary shares outstanding and potential ordinary shares	71,657,464	71,069,426
Diluted EPS (cents)	25.46	6.53

In calculating the diluted earnings per share, the Company has taken into account the maximum number of shares that the holders could be issued with under the Bremworth Share Option Scheme.

5c RESTRUCTURING COSTS

	Unaudited	Audited
	2025	2024
	$000	$000
Termination payments	1,986	1,073
Board-led strategic review	444	495
Costs associated with review of cost base	295	-
Total restructuring costs	$2,725	$1,568

6 OTHERS

6a PROVISIONS

	Onerous contracts $000	Other $000	Total $000
Unaudited			
Balance at 1 July 2024	-	1,506	1,506
Provided during the year	1,753	1,123	2,876
Utilised during the year	-	(831)	(831)
Released to profit or loss during the year	-	-	-
Balance at 30 June 2025	$1,753	$1,798	$3,551
Non-current	1,159	1,019	2,178
Current	594	779	1,373
Balance at 30 June 2025	$1,753	$1,798	$3,551
Audited			
Balance at 1 July 2023	-	1,635	1,635
Provided during the year	-	598	598
Utilised during the year	-	(658)	(658)
Released to profit or loss during the year	-	(69)	(69)
Balance at 30 June 2024	-	$1,506	$1,506
Non-current	-	812	812
Current	-	694	694
Balance at 30 June 2024	-	$1,506	$1,506

Onerous contract

The provision for onerous contract relates to a contract for the supply of product that was entered into during the year ended 30 June 2025.

Management has concluded, following an in-depth review of the pricing structure and the other terms of the contract, that the contract is onerous, as the unavoidable costs to fulfil it are greater than the expected economic benefits to be received.

In arriving at the provision, the Group assessed the shortfall between the contracted price and the cost of manufacturing and supplying these products (that is, inclusive of the other costs necessarily incurred as part of the Company's obligations under the contract, including distribution). This is then applied to the estimated volume (which may change) that is expected to be supplied over the three year term of the contract.

6 OTHERS (continued)

6a PROVISIONS (Continued)

The provision has been recognised at the present value of the future net cash outflows relating to the contract, with a corresponding expense to the Consolidated Statement of Profit or Loss.

Accounting policies
A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Estimates, judgements and assumptions
Provision for onerous contract requires judgement to be applied by considering a range of factors including the quantity of product that is expected to be supplied over the duration of the contract and the cost of manufacturing and supplying these products.

6b NET TANGIBLE ASSETS PER SHARE

	Unaudited 2025	Unaudited 2024
Net tangible assets of the Group ($000)	63,999	45,156
Number of ordinary shares outstanding	70,561,519	70,069,426
Net tangible assets per share ($)	0.91	0.64

6c EVENTS AFTER BALANCE DATE

The Group has continued to progress discussions with its insurers in relation to its claims for damage and/or loss as a consequence of the fire at its Whanganui yarn spinning plant. More information is disclosed at note 4 (Impact of fire at the