Speirs GROUP

Annual Report

FOR THE YEAR ENDED 30 JUNE 2024

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Speirs Group Limited

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REPORTING BY DIRECTORS

This directors' report covers the result for the year ended 30 June 2024.

The Group recorded a loss after tax attributable to ordinary shareholders of $704,000 compared to the previous year loss after tax of $230,000. Our investment in Equipment Leasing and Finance Limited was sold during the 2024 year. The contribution of Speirs Foods LP has deteriorated on the previous year for reasons explained below. As a result of the reduced profitability in the Group, the Future Income Tax Benefit was reduced by $50,000 to a level which can be sustained by the current levels of taxable profits in the Group. The contributions to the overall loss are summarised below:

	2024 $'000	*2023 $'000*
Speirs Foods (2018) LP trading profit/(loss) before interest	**(298)**	294
Fair Value Gain Through Profit and Loss Financial Assets Equipment, Leasing and Finance Holdings Limited	-	178
Corporate governance costs	**(257)**	(269)
Net financing costs	**(221)**	(239)
Depreciation Expense of Speirs Group Limited in relation to acting as landlord for Speirs Foods (2018) LP	**(76)**	(70)
Total Profit/(Loss) Before Tax	**(852)**	(106)
Tax Expense	**(50)**	(126)
Total Profit/(Loss) After Tax	**(902)**	(232)
(Profit)/Loss attributable to non-controlling Interest	**198**	2
Overall Profit/(Loss) Attributable to Ordinary Shareholders of Speirs Group Limited	**(704)**	(230)

The information appearing in the above table contains non-GAAP (Generally Accepted Accounting Practice) financial information for the Group. Non-GAAP financial information does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities. The financial information in the reconciliation table above is extracted from the consolidated audited financial statements. The directors believe that this non-GAAP financial information is useful for readers of the consolidated financial statements as it provides a clear and concise comparative summary of the performance of each of our core activities and investments. Management use similar measures to monitor the Group's financial performance.

Details from each of our core activities and investments are outlined below.

Speirs Foods

Speirs Foods (2018) LP ("Speirs Foods") continues to manufacture and supply innovative products throughout New Zealand, principally to the two major supermarket chains.

Revenue fell to $16.109 m million compared to $18.452 million in the previous period. The trading profit for the year before interest was a loss of $298,000 compared to a profit of $294,000 for the previous period.

Speirs Foods has had another difficult year of trading. The key drivers of this performance are discussed in more detail below.

The business continues to be impacted by a number of factors including:

- Declining revenue due to reduced consumer demand resulting from the sluggish New Zealand economy;
- A continuing shift in customer demand from bulk products (those sold from "under the glass" in supermarket delicatessens) to pre-packaged products which are more labour intensive in their production and often require the use of higher cost raw materials;
- Higher material costs as suppliers increase their prices to us due to inflation. Also, a lack of availability of some key production components has resulted in a need to source higher cost alternative supplies due to increased shipping and freight costs and supply chain constraints;
- Speirs Group Limited made an announcement on Unlisted on 11 June 2024 in relation to a one-off issue noting that Speirs Foods had recently identified an error in the wages paid to some waged employees dating back to 2018. This issue resulted in a number of employees being paid less than they were contractually entitled to. The principal cause of the issue was due to a misinterpretation of the terms of the employees' individual employment agreements. The bulk of the underpayment relates to the last 24-month period and the total underpayment was $395,172.
- Continuing pressure on labour availability and costs due to general market shortages and the flow on effects of the increase in the minimum wage driving labour costs up across the general labour force.

The business has taken a number of steps to address these issues and improve profitability including:

- Investment in Information Technology and system improvements to provide management with key business data to allow nimble decision making;
- Continual work on improving product flow efficiency through the plant and increase productivity through new or replacement plant to improve labour efficiency;

- A review of product margins to ensure products provide an acceptable return on the costs to produce;
- Continuous development of innovative and fresh new products.
- Streamlining the fixed costs in the business to better match the reduced revenue received by the business.

While benefits of the measures undertaken are starting to show returns, cost pressures remain and the business will need to keep innovating, investing and improving processes to maintain a reasonable return on the assets employed in the business.

Supplier price increases remain a concern as they continue to erode Speirs Foods' trading margins because, in the current economic environment it is not always possible to pass these price increase onto Speirs Foods' customers.

Equipment Leasing and Finance Holdings Limited (EL&F)

On 31 May 2024 the Equipment, Leasing & Finance Holdings Limited business was sold to an overseas investor. The ordinary shares held by Speirs Investments LP formed part of that sale process.

The Sale and Purchase Agreement for the Equipment, Leasing & Finance Holdings Limited Ordinary Shares specified that payment for the EL&F ordinary shares will be made in three tranches.:

- $2,400,411 was received on 31 May 2024;
- The second payment will be made after a final set of "Completion Accounts" for Equipment, Leasing & Finance Holdings Limited has been prepared as at 31 May 2024 and all necessary adjustments made to the payment mechanism in the Sale and Purchase Agreement are agreed by the purchaser and vendors. The negotiations to finalise the second payment have just been completed with payment expected in late October/early November 2024. At 30 June 2024 the receivable was carried at $489,000. The amount we expect to receive for this tranche is $530,000 – the small gain of $41,000 will be recognised in financial results for the year ending 30 June 2025.; and
- $227,867 on 31 May 2025 as part of a deferred payment mechanism. No interest is payable on the deferred settlement amount and there are no conditions that the vendors have to meet in order to receive this deferred settlement.

Corporate

Corporate costs continue to be kept as low as possible.

Financing

As noted above, Speirs received $2.4m from the initial payment for the sale of the ordinary shares it held in EL&F. In June 2024 the business utilised $1.65m of the funds received to repay 75% of the 2025 Redeemable Preference Shares on issue by the Company.

Dividend

Last year the group's two key trading investments, Speirs Foods and Equipment Leasing and finance distributed cash to the Speirs Group parent in excess of the parent's cash operating costs. Accordingly, the directors declared and paid a 5 cents per ordinary share cash dividend to shareholders. The distribution from Speirs Foods has not been repeated, with the result that no final dividend will be declared and paid by the Company this year.

Outlook

Continued inflationary pressures, supply chain disruptions, and labour shortages continue to provide challenging trading conditions for Speirs Foods. The board of Speirs Foods remain vigilant to these risks and will respond as required.

We note that recent trading of Speirs Group shares, albeit at very low volumes, continues at a large discount to the net tangible asset backing of the ordinary shares (i.e.: net of the Perpetual Preference Shares) which was $1.81 per share at 30 June 2024.

Governance

At 30 June 2024, the Board of Directors of the Company comprised an Executive Chairman and two non-executive directors:

Lee Simpson, BBS, CA, FCG, FGNZ, Executive Chairman
Nelson Speirs, FCA.
David Speirs

Nelson Speirs retires by rotation as a director of Speirs Group Limited at the company's Annual Meeting of shareholders scheduled for 18 November 2024 and being eligible, has offered himself for reappointment.

The Board of Speirs Foods General Partner Limited at 30 June 2024 comprised:

Robert Speirs, Chairman
Craig Tucker
Ross Kane

Nelson Speirs retired as a director of Equipment Leasing and Finance Holdings Limited on 31 May 2024 upon the sale of that business.

I thank all the directors for their continued efforts and support.

Our People

Jerem Wylie was appointed as the Chief Executive Officer of Speirs Foods in November 2023 consequent upon the retirement of Ross Kane as Speirs Foods' Managing Director.

Speirs Group has continued to benefit, as it has for many years, from strong supportive relationships with all its stakeholders. We wish to again thank our investors, customers, suppliers and staff for the strong support they have provided during this past twelve-month period.

I would especially like to acknowledge again the extra efforts that the staff and directors continue to make in responding to the challenging economic environment. In a rapidly changing market and operating environment everybody continues to stand up and provide considerable additional effort to enable the business to continue operating safely and effectively and respond to the needs of our customers.

Lee Simpson
Executive Chairman

Nelson Speirs
Director

25 October 2024

Speirs Group Limited

Purpose, Goals and Strategy

Purpose

Speirs Group Limited is an active investment company focused on the food and finance sectors and aims to maximise returns to its investors and enhance the well-being of all its stakeholders.

Goals

- Investment returns over the medium term will exceed the average NZX50 return as measured by capital growth and dividends to shareholders.
- A range of investments will be held to ensure the Group is able to diversify risk.
- The Group Board will have appropriate governance input to investments commensurate with the size and percentage of the investment holding.
- Full or partial divestment of investments may be undertaken when the value that can be realised is greater than assessed value of retaining the investment or to lower the risk profile of the portfolio.
- The ratio of debt to debt plus equity increase to at least 50% in the next 3-5 years and then be maintained at no less than 50%.
- Corporate office costs will be kept to a minimum.

Summary of the Group's Present Investments

Investment	Holding	Type	Description
Speirs Foods (2018) LP	67%	Food – Active	Fresh food production and distribution

Investment Criteria

Criteria to be considered for any investment are:

1. The investment is aligned with the core competencies of the Group - food manufacture, marketing and distribution, or finance.
2. The investment has synergy with an existing investment that provides potential to increase sales, reduce costs and improve the profitability of the new and existing businesses.
3. Acceptable shareholder agreements are in place to ensure that the Group has appropriate governance input to investments commensurate with the size and percentage of the investment holding.
4. The investment will within the short to medium term provide sufficient free cash for the Group to cover annual investment costs.
5. The amount of capital required is affordable for the Group and would not materially increase the financial risk to the business.

Summary of Strategy for Each Investment

Investment	Investment Strategy
Speirs Foods (2018) LP	The present intention is to hold the majority partnership interest in this investment to provide profitability and cash flow to the wider group. Speirs Foods (2018) LP's strategy is to: • Maintain the strong national position the LP has in the fresh salads market; • Grow sales by developing and marketing new products that are aligned with the business's core competencies;

	• Improve the efficiency of production and distribution with targeted capital investment and continual improvement of processes and practices; • Maintain the highest levels of food safety and employee health and safety. A further partial or full divestment of this investment would be considered if a proposal provided a better outcome for shareholders.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2024

	Notes	*June 2024 $'000*	*June 2023 $'000*
Assets			
Current Assets			
Cash and Cash Equivalents	**12**	**74**	83
Investments and Receivables	**15**	**1,697**	510
Trade and Other Receivables	**13**	**1,527**	1,854
Prepayments		**3**	21
Inventories	**14**	**565**	734
Total Current Assets		**3,866**	3,202
Non-Current Assets			
Investments and Receivables	**15**	**-**	3,117
Deferred Income Tax Asset	**16**	**100**	150
Property, Plant & Equipment	**17**	**2,720**	2,421
Intangible Assets		**-**	39
Total Non-Current Assets		**2,820**	5,727
Total Assets		**6,686**	8,929
Liabilities			
Current Liabilities			
Trade and Other Payables	**18**	**1,667**	1,701
Leases	**29**	**41**	36
Borrowings	**19**	**456**	456
Total Current Liabilities		**2,164**	2,193
Non-Current Liabilities			
Leases	**29**	**47**	10
Borrowings	**19**	**889**	2,684
Total Non-Current Liabilities		**936**	2,694
Total Liabilities		**3,100**	4,887
Equity			
Capital	**20**	**12,925**	12,925
Land Revaluation Reserve		**519**	-
Accumulated Deficits		**(10,198)**	(9,421)
Equity Attributable to Owners of the Parent		**3,246**	3,504
Non-Controlling Interest	**26**	**340**	538
Total Equity		**3,586**	4,042
Total Equity and Liabilities		**6,686**	8,929

The Board of Directors of Speirs Group Limited authorised these consolidated financial statements for issue on 25 October 2024.

Signed on behalf of the Board of Directors

Lee Simpson
Executive Chairman

Nelson Speirs
Director

25 October 2024

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the year ended 30 June 2024

	Notes	***June 2024 $'000***	*June 2023 $'000*
Revenue	**30**	***16,109***	*18,452*
Purchases of Raw Materials		***(7,051)***	*(8,654)*
Employee Benefits Expense	**6**	***(4,972)***	*(4,913)*
Freight, Packaging & Other		***(3,196)***	*(3,435)*
Net Trading Income		**890**	1,450
Other Income	**7**	**195**	203
Total Net Income earned from Operating Activities		**1,085**	1,653
Gain on Fair Value Through Profit and Loss Financial Asset	**15**	**-**	178
Other Expenses	**8**	**(1,264)**	(1,299)
Earnings/(Loss) Before Interest, Depreciation and Amortisation		**(179)**	532
Interest Income		***25***	*21*
Interest Expense		***(246)***	*(260)*
Net Interest Expense	**9**	**(221)**	(239)
Depreciation, Amortisation and Impairment		**(452)**	(399)
Profit/(Loss) Before Income Tax		**(852)**	(106)
Income Tax (Expense)/ Benefit	**10**	**(50)**	(126)
Profit/(Loss) Attributed to Equity Holders of the Company		**(902)**	**(232)**
Total Profit/(Loss) for the Period Attributable to:			
Owners of Speirs Group Limited		**(704)**	(230)
Non-Controlling Interest		**(198)**	(2)
		(902)	(232)

Total Profit/(Loss) per Share Attributed to Equity Holders of the Company Based Upon Ordinary Shares on Issue at Year End:	Note	***2024 Cents***	*2023 Cents*
Basic Profit/(Loss) per Share	**11**	**(68.52)**	(25.66)
Diluted Profit/(Loss) per Share	**11**	**(68.52)**	(25.66)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2024

	Notes	***June 2024 $'000***	*June 2023 $'000*
Profit/(Loss) for the Year		**(902)**	(232)
Other Comprehensive Income			
Items That Will Not Be Reclassified Subsequently to Profit or Loss			
Revaluation of Land	17	**519**	-
Other Comprehensive Income for the Year (net of tax)		**519**	-
Total Comprehensive Income/(Loss) for the Year		**(383)**	**(232)**
Total Comprehensive Income/(Loss) for the Year Attributable to:			
Owners of Speirs Group Limited		**(185)**	(230)
Non-Controlling Interest		**(198)**	(2)
		(383)	(232)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2024

	Note	Contributed Capital $'000	Accumulated Deficits $'000	Land Revaluation Reserve $'000	Total Attributable to Owners of the Parent $'000	Non – Controlling Interest $'000	Total Equity $'000
Balance at 30 June 2022		12,925	(9,073)	-	3,852	540	4,392
Comprehensive Income							
Profit/(Loss) for the Year		-	(230)	-	(230)	(2)	(232)
Other Comprehensive Income		-	-	-	-	-	-
Total Comprehensive Income		-	(230)	-	(230)	(2)	(232)
Transactions with Owners in Their Capacity as Owners							
Dividends Paid On Ordinary Shares		-	(57)	-	(57)	-	(57)
Dividends Paid On Perpetual Preference Shares	**20**	-	(61)	-	(61)	-	(61)
Total Transactions with Owners		-	(118)	-	(118)	-	(118)
Balance at 30 June 2023		12,925	(9,421)	-	3,504	538	4,042
Comprehensive Income							
Profit/(Loss) for the Year		**-**	**(704)**	**-**	**(704)**	**(198)**	**(902)**
Other Comprehensive Income		**-**	**-**	**519**	**519**	**-**	**519**
Total Comprehensive Income/(Loss)		**-**	**(704)**	**519**	**(185)**	**(198)**	**(383)**
Transactions with Owners in Their Capacity as Owners							
Dividends Paid On Perpetual Preference Shares	**20**	**-**	**(73)**	**-**	**(73)**	**-**	**(73)**
Total Transactions with Owners		**-**	**(73)**	**-**	**(73)**	**-**	**(73)**
Balance at 30 June 2024		**12,925**	**(10,198)**	**519**	**3,246**	**340**	**3,586**

The accompanying notes are an integral part of these consolidated financial statements.

Speirs GROUP

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2024

	Notes	***2024*** ***$'000***	*2023* *$'000*
Cash Flows from Operating Activities			
Interest Received		**25**	21
Cash Receipts from Customers		**16,454**	18,923
Other Income		**177**	195
Dividends Paid on Redeemable Preference Shares		**(161)**	(165)
Interest Expense		**(85)**	(95)
Cash Paid to Suppliers and Employees		**(16,361)**	(18,635)
Net Cash from Operating Activities	**21**	**49**	244
Cash Flows from Investing Activities			
Proceeds from Sale of Property, Plant and Equipment		**-**	18
Proceeds from/(Investment in) Maturing Short-Term Deposits		**(470)**	340
Proceeds from Sale of Ordinary Shares in Equipment, Leasing and Finance Holdings Limited	15	**2,400**	-
Acquisition of Property, Plant & Equipment		**(120)**	(211)
Net Cash Flows from Investing Activities		**1,810**	147
Cash Flows from Financing Activities			
Repayments of Borrowings – Net	**28**	**(1,795)**	(252)
Dividends Paid on Ordinary Shares		**-**	(57)
Dividends Paid on Perpetual Preference Shares		**(73)**	(61)
Net Cash Flows from Financing Activities		**(1,868)**	(370)
Net Increase / (Decrease) in Cash and Cash Equivalents		**(9)**	21
Cash and Cash Equivalents at Beginning of Year		**83**	62
Cash and Cash Equivalents at Year End	**12**	**74**	83

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION

Speirs Group Limited operates as a holding company. At 30 June 2024 its principal investments were:

- Speirs Foods (2018) LP is a 67% majority owned subsidiary of Speirs Group Limited and is involved in the production and distribution of fresh food products.
- Speirs Investments LP is a wholly owned subsidiary of Speirs Group Limited which holds a receivable owing from the sale on 31 May 2024 of the 2.27% investment in Equipment, Leasing & Finance Holdings Limited.

Speirs Group Limited is a limited liability company incorporated and domiciled in New Zealand. The postal address of the head office of Speirs Group Limited is PO Box 318, Palmerston North, New Zealand.

From 1 August 2016, Speirs Group Limited has its ordinary shares trading on the Unlisted Securities Exchange.

These consolidated financial statements have been approved for issue by the Board of Directors on 25 October 2024.

2 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practices in New Zealand and on the basis that the Group continues to operate as a going concern. They comply with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities issued by the New Zealand Accounting Standards Board. These financial statements also comply with International Financial Reporting Standards.

The consolidated financial statements are presented in New Zealand dollars, the Group's functional currency, and are rounded to the nearest thousand. They are prepared using the historical cost basis except where accounting policies detail otherwise.

Entities Reporting

The consolidated financial statements of the 'Group' are for the economic entity comprising Speirs Group Limited, its wholly owned subsidiary Speirs Investments LP, and its majority owned subsidiary Speirs Foods (2018) LP. All entities within the Group are registered in New Zealand.

The Group is designated as a profit-oriented entity for financial reporting purposes.

Statutory Base

Speirs Group Limited is a company registered under the Companies Act 1993. Being an entity regulated under the Financial Markets Conduct (FMC) Act 2013, Speirs Group Limited is an FMC entity for reporting purposes and reports under Tier 1 requirements approved by the New Zealand Accounting Standards Board.

The financial statements have been prepared in accordance with the requirements of Part 7 of the Financial Markets Conduct Act 2013 and the Companies Act 1993.

Critical Accounting Estimates

The preparation of consolidated financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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 only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of NZ IFRS that have a significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 3.

2.2 Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of Speirs Group Limited, its wholly owned subsidiary Speirs Investments LP, and its majority owned subsidiary Speirs Foods (2018) LP as at 30 June 2023. Speirs Group Limited and its subsidiaries are referred to in these financial statements as the Group or the consolidated entity.

Subsidiaries are those entities over which the company has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.3 Financial Instruments

Recognition and Derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and Initial Measurement of Financial Assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with NZ IFRS 15 Revenue from Contracts with Customers, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). Regular purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- Amortised Cost
- Fair Value Through Profit or Loss (FVTPL)
- Fair Value Through Other Comprehensive Income (FVOCI)

In the periods presented the Group does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

Subsequent Measurement of Financial Assets

i. Financial Assets at Amortised Cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows.
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

ii. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised as FVTPL assets. Further, irrespective of the business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for as FVTPL assets.

This category also contains an equity instrument. The Group accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in Equipment, Leasing and Finance Holdings Limited at Fair Value Through Other Comprehensive Income (FVOCI).

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of Financial Assets

. Instruments within the scope of NZ IFRS 9 Financial Instruments include loans and other debt-type financial assets measured at amortised cost and trade receivables.

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead, the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated in credit quality since initial recognition or that have low credit risk ('Stage 1") and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

It is presumed that the credit risk of a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Any impairment in relation to trade receivables is based upon lifetime expected credit losses using the simplified approach.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and Measurement of Financial Liabilities
The Group's financial liabilities include Borrowings and Trade and Other Payables.

Financial liabilities are initially measured at fair value, and where applicable, adjusted for transaction costs.

Subsequently, unless otherwise indicated, all financial liabilities are measured at amortised cost using the effective interest method.

2.4 Property, Plant and Equipment

Land owned is stated at revalued amounts. In 2023, land was carried at cost. Revalued amounts are fair values based on appraisals prepared by external professional valuers. Any revaluation surplus is recognised in other comprehensive income and credited to the revaluation reserve in equity. Downward revaluations of land are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings. ..

Buildings, plant and equipment, computer equipment and vehicles are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the construction or acquisition of the items. Buildings, plant and equipment also include leasehold property held under a finance lease (See Note 2.21).

Subsequent costs are included in the asset's carrying value or recognised as a separate asset, as appropriate, and only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. All other expenses are charged to the statement of comprehensive income during the financial period in which they are incurred.

Land is not depreciated as no finite useful life for land can be determined. Depreciation on other assets is calculated using the straight-line method to allocate assets' costs less their residual values to their estimated lives, as follows:

• Buildings	2.50 – 3.00%
• Computer Equipment	12.50 – 40.00%
• Vehicles	20.00%
• Other plant and equipment	7.00 – 67.00%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

In the case of right-of-use assets, expected useful lives are determined by reference to comparable owned assets or the lease term, if shorter.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures is directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors. Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. All assets are subsequently reassessed for indications an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

2.5 Intangible Assets

Acquired computer software and other identifiable intangible assets are capitalised on the basis of the costs incurred to acquire them and bring them to use.

Computer software costs and other intangible assets are considered to have a finite life and are amortised over the best estimate of their useful lives (4 years).

2.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes any borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.7 Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequent to initial recognition are measured at amortised cost, less a valuation allowance for impairment. Creating a provision for impairment of trade receivables is no longer dependent on the Group first identifying a credit loss event. Instead the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the receivables.

2.8 Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within liabilities on the consolidated statement of financial position.

2.9 Share Capital

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

2.10 Trade and Other Payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost with any difference between the proceeds (net of transaction costs) and the redemption value being recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method. Interest expense is recognised using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period to which it relates.

2.12 Employee Benefits

Bonus Obligations

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the expected level of payment.

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. All short-term employee benefit obligations are presented as other payables.

2.13 Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.14 Income Tax

Income tax on the profit or loss for the reporting period comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in the other comprehensive component in the statement of comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, the deferred income tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred tax is realised or settled.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities.

To determine whether to recognise revenue the Group follows a 5-step process:

i. Identifying the contract with a customer
ii. Identifying the performance obligations
iii. Determining the transaction price
iv. Allocating the transaction price to the performance obligations
v. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised at a point in time when the Group satisfies performance obligations by transferring the promised goods or services to its customers.

Revenue is shown net of goods and services tax, and is recognised as follows:

Sales of Goods

Revenue from the sale of goods is recognised in the statement of comprehensive income when Group transfers the control of the goods to the customer. Control transfers to the customer at the point the customer takes undisputed delivery of the goods.

Provision of Services

Revenue from the provision of services is recognised in profit or loss within the consolidated statement of comprehensive income when the service has been performed.

Interest Income

Interest income and expense are recognised in the consolidated statement of comprehensive income for all interest-bearing financial instruments, including loans and advances, using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or liability and systematically allocating the interest income or interest expense. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

2.16 Other Income

Dividend Income

Dividend income is recognised when the right to receive payment is established.

2.17 Dividend Distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved, if unpaid at year end, or in the consolidated statement of movements in equity if paid within the period.

2.18 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

2.19 Goods and Services Tax (GST)

The consolidated statement of comprehensive income has been prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST, with the exception of trade receivables and trade payables, which include GST invoiced.

2.20 Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss component of the consolidated statements of comprehensive income, except when deferred in equity as qualifying cash flow hedges, in which case, they are recognised in other comprehensive income.2.21 Leased Assets

The Group as a lessee

For any new contracts entered into the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use.

The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment. Leases are shown as a separate line item on the face of the financial statements.

2.22 Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.
Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2.23 Financial Reporting Standards

a) **New and Amended Standards adopted by the Group:**

Some accounting pronouncements which became effective from 1 July 2023 and have therefore been adopted do not have a significant impact on the Group's consolidated financial results or position.

b) **Standards issued but not early adopted by the Group:**

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the International Accounting Standards Board. None of these Standards or amendments to existing Standards have been adopted early by the Group.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

2.24 Change in Accounting Policy - Land Revaluation

Background: During the financial year, the Group changed its accounting policy for the measurement of land from the historical cost model to the revaluation model. This change was made to provide more relevant information to the users of the financial statements.

Nature of Change: Previously, land was measured at historical cost. Under the new policy, land is measured at fair value, with changes in fair value recognised in other comprehensive income and accumulated in equity under the revaluation reserve.

Reason for Change: The change in policy was made to recognise the increase in land values that has occurred since the land was acquired. Buildings were not revalued given that they are of a specialist nature.

Financial Impact: The effect of the change in accounting policy on the financial statements is as follows:

- Increase in Land Value: The revaluation resulted in an increase in the carrying amount of land by $518,667.
- Revaluation Reserve: The increase in land value has been credited to the revaluation surplus in equity.
- Depreciation: There is no depreciation on land; hence, the change does not affect the depreciation expense.

Disclosure: The revaluation of land was performed by an independent valuer with recent experience in the location and category of the land being valued.

3 ESTIMATES AND JUDGMENTS

The Group makes assumptions and estimates that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgement has been exercised in:

Partial Recognition of a Future Income Tax Benefit
The Group has partially recognised the portion of accumulated tax losses to the extent it is probable that a taxable profit will be available against which to utilise the tax losses. The remaining benefit of tax losses and temporary differences continue to be treated as an unrecognised asset.

Estimation of the Receivable from the Sale of Equipment, Leasing and Finance Holdings Limited Ordinary Shares
The negotiations to finalise the payment for the sale of the ordinary shares are continuing at the time of writing – these are expected to be concluded by the end of the 2024 calendar year. Speirs' directors have assessed the carrying value of the receivable based on a conservative assessment of the amount that they estimate will be received for the sale of the business.

There are no other significant accounting estimates and assumptions deemed critical to the Group's financial performance and financial position.

4 SEGMENT REPORTING

For the purposes of this note, the chief operating decision-maker has been identified as the Board of Directors of Speirs Group Limited. The Board reviews the Group's internal reporting pack on a monthly basis to assess performance and to allocate resources. Within the pack, operating segments have primarily been determined with reference to differences in products and services. The Board of Directors assesses the performance of the operating segments based on a measure of net profit after tax. This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs, legal expenses and goodwill impairments when the impairment is the result of an isolated, non-recurring event.

A summarised description of each business unit is shown below:

Speirs Foods	The supply of salad and fresh cut vegetables to retailers and caterers.
Corporate	The Group has some central operations and corporate costs which are not allocated to business segments. This includes the operations of Speirs Investments LP

The Group operates wholly within New Zealand.

12 months June 2024	Speirs Foods	Corporate	Consolidation Adjustments	Consolidated
	$'000	$'000	$'000	$'000
External Revenue				
Dividends Received	-	-	-	-
Interest Income	-	25	-	25
Revenue	16,109	-	-	16,109
Other Income	195	246	(246)	195
Intersegment Revenue / (Eliminations)	-	(246)	246	-
Total Segment Revenue	16,304	25	-	16,329
Interest Expense	(96)	(161)	11	(246)
Overall Segment Result/(Loss)	(739)	1,983	(2,096)	(852)
Income Tax Benefit/(Expense)				(50)
Profit/(Loss) for the Year				(902)
Segment Assets	3,904	5,235	(2,453)	6,686
Segment Liabilities	2,530	625	(55)	3,100
Depreciation and Amortisation	597	69	(266)	400
Capital Expenditure	120	-	-	120

Two customers account for 99% of the total Segment Revenue

12 months June 2023	Speirs Foods	Corporate	Consolidation Adjustments	Consolidated
	$'000	$'000	$'000	$'000
External Revenue				
Dividends Received	-	-	-	-
Interest Income	-	21	-	21
Revenue	18, 452	-	-	18,452
Other Income	203	241	(241)	203
Intersegment Revenue / (Eliminations)	-	(241)	241	-
Total Segment Revenue	18,655	21	-	18,676
Interest Expense	(118)	(165)	23	(260)
Overall Segment Result/(Loss)	(173)	(124)	191	(106)
Income Tax Benefit/(Expense)				(126)
Profit/(Loss)for the Year				(232)
Segment Assets	4,923	6,746	(2,740)	8,929
Segment Liabilities	2,811	2,285	(209)	4,887
Depreciation and Amortisation	637	96	(334)	399
Capital Expenditure	232	17	-	249

Two customers account for 99% of the total Segment Revenue

5 FINANCIAL ASSETS AND LIABILITIES

Accounting Classifications and Fair Values

The table below sets out the Group's classification of each class of consolidated financial assets and liabilities, and their fair values (excluding accrued interest).

Group 30 June 2024	**Fair Value Through Profit and Loss**	**Financial Assets at Amortised Cost**	**Financial Liabilities at Amortised Cost**	**Total Carrying Value**
	$'000	**$'000**	**$'000**	**$'000**
Trade and Other Receivables	**-**	**1,527**	**-**	**1,527**
Investments and Receivables	**-**	**1,697**	**-**	**1,697**
Cash and Cash Equivalents	**-**	**74**	**-**	**74**
	-	**3,298**	**-**	**3,298**
Trade and Other Payables	**-**	**-**	**1,488**	**1,488**
Borrowings	**-**	**-**	**1,345**	**1,345**
	-	**-**	**2,833**	**2,833**

Group 30 June 2023	Fair Value Through Profit and Loss	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Total Carrying Value
	$'000	$'000	$'000	$'000
Trade and Other Receivables	-	1,854	-	1.854
Investments and Receivables	3,117	510	-	3,627
Cash and Cash Equivalents	-	83	-	83
	3,117	2,447	-	5,564
Trade and Other Payables	-	-	1,613	1,613
Borrowings	-	-	3,140	3,140
	-	-	4,753	4,753

Determination of Fair Values

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:

- Level1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

All Group financial assets at fair value through profit or loss are Level 3 financial assets.

6 EMPLOYEE BENEFITS EXPENSE

	2024 $'000	*2023 $'000*
Employee Benefits Expense		
Wages and Salaries	**4,512**	4,859
Wage Error Adjustment	**395**	-
Other Personnel Expenses	**65**	54
Total Employee Benefits Expense	**4,972**	4,913

7 OTHER INCOME

	2024 $'000	2023 $'000
Dividends Received	**-**	-
Bad Debts Recovered	**18**	6
Gain on Disposal of Property, Plant and Equipment	**-**	2
Government Grants	**32**	15
Other Income	**145**	180
Total Other Income	**195**	203

8 OTHER EXPENSES

	2024 $'000	2023 $'000
Other Expenses		
Fees Paid to Auditors		
Statutory Audit of Financial Statements	**77**	78
Other Services	**-**	-
Directors Fees – Parent	**42**	64
Consulting Fees Paid to Executive Chairman	**84**	42
Directors Fees – Subsidiaries	**50**	35
Building Maintenance	**14**	25
Loss on Disposal of Property, Plant and Equipment	**3**	-
Cloud Software Expenses	**3**	8
Insurance	**286**	254
Write off of Obsolete Inventory	**16**	10
Other Expenses	**689**	783
Total Other Expenses	**1,264**	1,299

9 NET INTEREST INCOME/ (EXPENSE)

	2024 $'000	2023 $'000
Interest Income		
Cash and Bank Term Deposits	**25**	21
Total Interest Income	**25**	21
Interest Expense		
Leases	**8**	5
Borrowings		
2025 Redeemable Preference Shares Dividends	**161**	165
Debtor Financing	**64**	74
Term Loan Facility	**13**	16
Total Interest Expense	**(246)**	(260)
Net Interest Income/(Expense)	**(221)**	(239)

10 INCOME TAX EXPENSE

	2024 $'000	2023 $'000
Tax Expense/(Benefit)		
Current Tax Expense/(Benefit)		
Current Period	**-**	-
Total Current Tax Expense/(Benefit)	**-**	-
Deferred Tax Expense/(Benefit)		
Derecognition of Previously Recognised Tax Losses	**5**	104
Derecognition of Previously Recognised Deductible Temporary Differences	**45**	22
Total Deferred Tax Expense/(Benefit)	**50**	126
Total Income Tax Expense/(Benefit)	**50**	126

	2024 $'000	2023 $'000
Reconciliation of Effective Tax Rate		
Profit/(Loss) Before Income Tax	**(852)**	(106)
Income Tax at 28%	**(239)**	(30)
Deferred Tax in Respect of Current Year	**(32)**	(22)
Gain on Fair Value Through Profit and Loss Financial Asset	**-**	(50)
Non-deductible Expenses	**46**	47
Non-assessable Income	**(9)**	(39)
Derecognition/(Recognition) of Previously Recognised Tax Losses	**234**	94
Prior Year Adjustment	**-**	-
	-	-

	2024 $'000	2023 $'000
Imputation Credits		
Imputation Credits at Beginning of Year	**2,782**	2,892
Imputation Credits Attached to Ordinary Share, Redeemable Preference Share and Perpetual Preference Share Dividends Paid	**(91)**	(110)
Imputation Credits at End of Year	**2,691**	2,782

The imputation credits are available to shareholders of Speirs Group Limited through their shareholdings in Speirs Group Limited.

11 EARNINGS/(LOSS) PER SHARE

Basic and Diluted Profit/(Loss) per Share

	2024 $'000	2023 $'000
Profit/(Loss) Attributable to Shareholders		
Profit/(Loss) for the Year	**(704)**	(230)
Dividends Paid on Perpetual Preference Shares	**(73)**	(61)
Profit/(Loss) for the Year Attributable to Shareholders	**(777)**	(291)

	Note	2024 '000	2023 '000
Weighted Average Number of Ordinary Shares – Basic and Diluted			
Issued Ordinary Shares at Beginning of the Year	**20**	**1,134**	1,134
Issued Ordinary Shares at End of the Year	**20**	**1,134**	1,134
Weighted Average Number of Ordinary Shares at Period End – Basic and Diluted		**1,134**	1,134

Total Profit/(Loss) per Share Attributed to Equity Holders of the Company Based Upon Ordinary Shares on Issue at Year End:	2024 Cents per Share	2023 Cents per Share
Basic Profit/(Loss) per Share	**(68.52)**	(25.66)
Diluted Profit/(Loss) per Share	**(68.52)**	(25.66)

12 CASH AND CASH EQUIVALENTS

	30 June 2024 $'000	30 June 2023 $'000
Cash and Cash Equivalents		
Cash at Bank	**44**	77
Short Term Deposits – Call Accounts	**30**	6
Total Cash & Cash Equivalents	**74**	83

All cash and cash equivalents are held in registered banks in New Zealand.

At 30 June 2024 and 30 June 2023 no Group entities had overdraft facilities.

13 TRADE AND OTHER RECEIVABLES

	30 June 2024			30 June 2023		
	Gross Amount $'000	Allowance for Expected Credit Losses $'000	Carrying Amount $'000	Gross Amount $'000	Allowance for Expected Credit Losses $'000	Carrying Amount $'000
Trade and Other Receivables						
Trade Receivables	**1,527**	**-**	**1,527**	1,854	-	1,854
Total Trade and Other Receivables	**1,527**	**-**	**1,527**	1,854	-	1,854

14 INVENTORIES

	30 June 2024 $'000	30 June 2023 $'000
Inventories		
Raw Materials and Consumables	**477**	650
Finished Goods	**88**	84
Total	**565**	734

No inventory is subject to retention of title clauses.

15 INVESTMENTS AND RECEIVABLES

	30 June 2024 $'000	30 June 2023 $'000
Short Term Deposits – BNZ	**980**	510
Receivable Due from Sale of Equipment, Leasing & Finance Holdings Limited Ordinary Shares	**717**	-
Investment in Equipment, Leasing & Finance Holdings Limited Ordinary Shares	**-**	3,117
	1,697	3,627
Impairment Allowance	**-**	-
	1,697	3,627
Current	**1,697**	510
Non-Current	**-**	3,117
	1,697	3,627

Receivable Due from Sale of Equipment, Leasing & Finance Holdings Limited Ordinary Shares

As noted below, until 31 May 2024 Speirs Investments LP, a wholly owned subsidiary of Speirs Group Limited, held 1,781,230 ordinary shares in Equipment, Leasing & Finance Holdings Limited ("EL&F"). On 31 May 2024 the Equipment, Leasing & Finance Holdings Limited business was sold to an overseas investor. The shares held by Speirs Investments LP formed part of that sale process.

The Sale and Purchase Agreement for the Equipment, Leasing & Finance Holdings Limited Ordinary Shares specified that payment for the EL&F ordinary shares will be made in three tranches.:

- $2,400,411 was received on 31 May 2024;
- The second payment will be made after a final set of "Completion Accounts" for Equipment, Leasing & Finance Holdings Limited has been prepared as at 31 May 2024 and all necessary adjustments made to the payment mechanism in the Sale and Purchase Agreement are agreed by the purchaser and vendors. The negotiations to finalise the second payment are continuing at balance date– these are expected to be concluded by the end of the 2024 calendar year. Speirs' Directors have assessed the carrying value of the receivable based on a conservative assessment of the amount that they estimate will be received for the sale of the business; and
- $227,867 on 31 May 2025 as part of a deferred payment mechanism. No interest is payable on the deferred settlement amount and there are no conditions that the vendors have to meet in order to receive this deferred settlement.

Reconciliation - Receivable Due from Sale of Equipment, Leasing & Finance Holdings Limited Ordinary Shares

	Receivable Due from Sale of Equipment, Leasing & Finance Holdings Limited Ordinary Shares
	$'000
Receivable Due from Sale of Equipment, Leasing & Finance Holdings Limited Ordinary Shares at 30 June 2023	**-**
Sale of Equipment, Leasing and Finance Holdings Limited Ordinary Shares – May 2024	**3,117**
Payment Received in Relation to Sale of Equipment, Leasing and Finance Holdings Limited Ordinary Shares – May 2024	**(2,400)**
Receivable Due from Sale of Equipment, Leasing & Finance Holdings Limited Ordinary Shares at 30 June 2024	**717**

Investment in Equipment, Leasing & Finance Holdings Limited Ordinary Shares

Until 31 May 2024 Speirs Investments LP, a wholly owned subsidiary of Speirs Group Limited, held 1,781,230 (30 June 2023: 1,781,230) ordinary shares in Equipment, Leasing & Finance Holdings Limited ("EL&F"). On 31 May 2024 the Equipment, Leasing & Finance Holdings Limited business was sold to an overseas investor. The shares held by Speirs Investments LP formed part of that sale process.

For the year ended 30 June 2023:

- the directors' assessment of the value for this investment is determined based on information in relation to:
    - normalised historic earnings performance;
    - normalised forecast future earnings; and
    - an assessment of appropriate earnings multiples for similar unlisted equity securities based on market information for similar types of companies.
- The directors considered this valuation approach best represented the fair value of Speirs' shareholding in EL&F. The total number of shares on issue in EL&F were 78,169,666. At 30 June 2023 the ordinary shares were valued at $1.75 per share.

Reconciliation - Investment in Equipment, Leasing & Finance Holdings Ordinary Shares

	Ordinary Shares
	$'000
Investment in Equipment, Leasing & Finance Holdings Limited at 30 June 2022	**2,939**
Fair Value Gains on Through Profit or Loss Financial Asset – Year Ended 30 June 2023	**178**
Investment in Equipment, Leasing & Finance Holdings Limited at 30 June 2023	**3,117**
Fair Value Gains on Through Profit or Loss Financial Asset – Year Ended 30 June 2024	
Sale of Equipment, Leasing and Finance Holdings Limited Ordinary Shares – May 2024	**(3,117)**
Investment in Equipment, Leasing & Finance Holdings Limited at 30 June 2024	**-**

16 DEFERRED TAX ASSET

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which the asset can be utilised.

Recognised Deferred Tax Assets

As at 30 June 2024 the Group has recognised a deferred tax asset of $100,000 (30 June 2023: $150,000).

	Deferred Tax Asset 30 June 2022	Recognised in Profit or Loss 2023	Deferred Tax Asset 30 June 2023	Recognised in Profit or Loss 2024	Deferred Tax Asset 30 June 2024
	$'000	$'000	$'000	$'000	$'000
Property, Plant and Equipment	45	38	83	(27)	56
Intangibles	1	-	1	(1)	-
Employee Entitlements	66	(22)	44	(17)	27
Provisions	12	5	17	-	17
Tax Losses	152	(147)	5	(5)	-
Total Deferred Tax	276	(126)	150	(50)	100

Unrecognised Deferred Tax Assets

Deferred tax assets have not been recognised for the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

	Group	
	30 June 2024 $'000	*30 June 2023 $'000*
Temporary Differences Relating To:		
- Property Plant and Equipment	**44**	-
- Employee Entitlements	**22**	-
- Provisions and Other	**12**	-
Tax Losses	**7,411**	7,238
Total	**7,489**	7,238

17 PROPERTY, PLANT AND EQUIPMENT

	Land $'000	Buildings $'000	Computer Equipment $'000	Vehicles $'000	Other Plant & Equipment $'000	Capital Work in Progress $'000	Total $'000
Cost							
Balance at 30 June 2022	61	2,639	717	100	3,620	41	7,178
Additions	-	66	18	-	165	-	249
Disposals	-	-	(162)	(25)	(66)	-	(253)
Transfer into WIP	-	-	-	-	-	211	211
Transfer from WIP	-	-	-	-	-	(249)	(249)
Balance at 30 June 2023	**61**	**2,705**	**573**	**75**	**3,719**	**3**	**7,136**
Additions	**-**	**-**	**23**	**44**	**136**	**-**	**203**
Revaluation	**519**	**-**	**-**	**-**	**-**	**-**	**519**
Disposals	**-**	**(410)**	**(119)**	**(26)**	**(358)**	**-**	**(913)**
Transfer into WIP	**-**	**-**	**-**	**-**	**-**	**118**	**118**
Transfer from WIP	**-**	**-**	**-**	**-**	**-**	**(108)**	**(108)**
Balance at 30 June 2024	**580**	**2,295**	**477**	**93**	**3,497**	**13**	**6,955**
Depreciation							
Balance at 30 June 2022	-	1,682	614	44	2,190	-	4,530
Depreciation for the Year	-	90	33	20	243	-	386
Disposals	-	-	(126)	(25)	(50)	-	(201)
Balance at 30 June 2023	**-**	**1,772**	**521**	**39**	**2,383**	**-**	**4,715**
Depreciation for the Year	**-**	**97**	**29**	**22**	**232**	**-**	**380**
Disposals	**-**	**(410)**	**(118)**	**(26)**	**(356)**	**-**	**(910)**
Impairment	**-**	**-**	**-**	**-**	**50**	**-**	**50**
Balance at 30 June 2024	**-**	**1,459**	**432**	**35**	**2,309**	**-**	**4,235**
Carrying Amounts							
At 30 June 2023	61	933	52	36	1,336	3	2,421
At 30 June 2024	**580**	**836**	**45**	**58**	**1,188**	**13**	**2,720**

All assets are used for food processing purposes.

On 16 May 2024 the directors received an independent commercial valuation report on the land and buildings which assessed their "as occupied" market value at that date as being $2.02 million. This was allocated: Land $0.58m, Buildings $1.44m.

Included in the net carrying amount of property, plant and equipment are right of use assets as follows:

	Carrying Amounts 30 June 2024 $'000	*Carrying Amounts 30 June 2023 $'000*
Computer Equipment	**42**	11
Vehicles	**42**	20
Other Plant & Equipment	**4**	14
Total	**88**	45

18 TRADE AND OTHER PAYABLES

	30 June 2024 $'000	*30 June 2023 $'000*
Trade and Other Payables		
Trade Payables	**896**	1,076
Other Payables and Accrued Expenses	**771**	625
Total	**1,667**	1,701

19 BORROWINGS

	30 June 2024 $'000	*30 June 2023 $'000*
Debtor Financing Facility	**311**	314
Term Loan Facility	**484**	626
2025 Redeemable Preference Shares	**550**	2,200
	1,345	3,140
Current	**456**	456
Non-Current	**889**	2,684
	1,345	3,140

The year-end effective interest rates with respect to borrowings are set out in the table below:

	30 June 2024 %	*30 June 2023 %*
Debtor Financing Facility	**10.97%**	10.92%
Term Loan Facility	**2.30%**	2.30%
2025 Redeemable Preference Shares	**7.50%**	7.50%

Debtor Financing

The Group has a debtor financing arrangement with a Registered Bank.

This facility is secured by a first ranking charge over the assets and undertakings of Speirs Foods (2018) LP and a guarantee from Speirs Foods General Partner Limited. The facility's interest rate is calculated on a floating rate basis.

2025 Redeemable Preference Shares

At 30 June 2024 there are 550,000 (30 June 2023: 2,200,000) fully paid 2025 Redeemable Preference Shares on issue at $1 each. The 2025 Redeemable Preference Shares have a scheduled redemption date of 30 September 2025, although Speirs Group Limited has the right to redeem at any time before the scheduled redemption date. On 21 June 2024 Speirs Group redeemed 75% of the 2025 Redeemable Preference Shares on issue at that date – this amounted to 1,650,000 2025 Redeemable Preference Shares at $1.00 per share ($1,650,000). As per their terms of issue the 2025 Redeemable Preference Shares redeemed on 21 June 2024 were repaid proportionately across all holders on a pro rata basis. The 2025 Redeemable Preference Shares rank behind all other liabilities of Speirs Group Limited, but ahead of ordinary and perpetual preference shareholders. The fixed dividend rate on the 2025 Redeemable Preference Shares is 7.50% per annum.

Term Loan Facility

On 22 September 2020 Speirs Foods (2018) LP resolved to enter into a term loan facility with a bank registered in New Zealand ("The Bank"). The key terms of the facility are:

Amount	$1 million
Main Purpose of the Facility	To fund capital expenditure
Term	5 years
Interest Rate	2.30% (fixed for 5 years until September 2025)
Repayment Terms	60 monthly payments of $12,900.18 The repayment amounts are based on a repayment period of 7 years. If this repayment period extends past the 5-year maturity date,

	Speirs Foods (2018) LP must repay the loan on the maturity date in full unless The Bank agrees to extend it. Based on the scheduled repayments a principal balance of $302,308 will require refinancing or repayment on 29 September 2025.
Security	A first ranking charge over the assets of Speirs Foods (2018) LP and a guarantee from Speirs Foods General Partner Limited
Covenants	The facility has no covenants.

20 CAPITAL

Group	***30 June 2024 $'000***	*30 June 2023 $'000*
Balance at 1 July	**12,925**	12,925
Balance at Year End	**12,925**	12,925

Capital is comprised of:	***30 June 2024 $'000***	*30 June 2023 $'000*
Ordinary Shares	**12,217**	12,217
Perpetual Preference Shares	**708**	708
Total Capital	**12,925**	12,925

Group	Ordinary Shares	
	30 June 2024 '000	*30 June 2023 '000*
Number of Shares on issue at 1 July	**1,134**	1,134
Number of Shares on issue at Period End	**1,134**	1,134

The total authorised number of ordinary shares is 1,133,596 (30 June 2023: 1,133,596). All issued shares were fully paid and entitled to one vote. There are no preferences or restrictions attached to this class of share. Ordinary shares have no par value.

Perpetual Preference Shares

Group	Perpetual Preference Shares	
	30 June 2024 '000	*30 June 2023 '000*
Number of Shares authorised and on issue at 1 July	**679**	679
Number of Shares authorised and on issue at Period End	**679**	679

During the year ended 30 June 2012, in accordance with shareholder resolutions passed at a special shareholder meeting, 679,000 perpetual preference shares ("PPS") were issued at $1 each.

The table below sets out some of the key terms of the PPS.

Issue price	$1.00 each.
Dividends payable by Speirs Group Limited	Dividends are discretionary and only payable if authorised by the Board. If authorised, dividends are payable at the higher of: (a) 9% per annum; and (b) the average bid and offered swap rate for a one-year swap as quoted on the Reuters Screen Page "FISSWAP" plus 5% at 30 June each year. No dividends may be authorised by the Board in respect of ordinary shares in Speirs Group Limited unless dividends are authorised in respect of the Perpetual Preference Shares and all dividends on the PPS, including authorised but unpaid dividends, have been paid. Where a dividend is not authorised in a given period in accordance with the principles set out above, rights to those dividends do not accrue.
Ranking in respect of dividends	Behind the dividends payable on the RPS, equally with all other dividends payable on the PPS, and ahead of dividends payable on ordinary shares in Speirs Group Limited and any other shares in Speirs Group Limited that are expressed to rank behind the PPS.
When redeemable	May, at the sole option of Speirs Group Limited, be redeemed by Speirs Group Limited at any time after 10 years from the issue date (i.e. from 25 May 2022).
Redemption amount payable by Speirs Group Limited	$1.00 plus any authorised but unpaid dividends.
When convertible	The PPS were convertible at the election of the holder between 5 and 10 years from the date of issue (i.e. between 24 May 2017 and 24 May 2022). On 24 May 2022 this conversion option lapsed, and the PPS holders can no longer convert their PPS into ordinary shares.
Ranking in liquidation	Behind the creditors of Speirs Group Limited, behind the RPS holders, but ahead of ordinary shareholders and any other holders of shares that are expressed to rank behind the RPS.

Dividends

The following dividends were declared and paid by Speirs Group Limited:

	30 June 2024 '000	*30 June 2023 '000*
0.0c per Qualifying Ordinary Share (30 June 2023: 5.0c)	**-**	57
10.80c per Qualifying Perpetual Preference Share (30 June 2023: 9.00c)	**73**	61

On 30 June 2024 the dividend rate on the Perpetual Preference Shares decreased from 10.80% to 10.40% for the period 1 July 2024 to 30 June 2025. The increase in the dividend rate is a result of applying the reset mechanism described in the table above.

On 30 June 2023 the dividend rate on the Perpetual Preference Shares increased from 9.00% to 10.80% for the period 1 July 2023 to 30 June 2024. The increase in the dividend rate is a result of applying the reset mechanism described in the table above.

21 RECONCILIATION OF PROFIT/(LOSS) AFTER TAX FOR THE YEAR TO NET CASH FROM OPERATING ACTIVITIES

	30 June 2024 $'000	*30 June 2023 $'000*
Reconciliation of Profit/(Loss) After Tax for the Year to Net Cash from Operating Activities		
Profit/(Loss) for the Year	**(704)**	(230)
Adjustments for Non-Cash Items:		
Depreciation of Property, Plant and Equipment	**361**	371
Amortisation of Intangible Assets	**39**	28
Impairment of Property, Plant and Equipment	**50**	-
Bad Debts Written-off/(Recovered)	**(18)**	(6)
Lease Payments on Right of Use Assets	**(32)**	(47)
Profit/(Loss) Share Attributable to Non-Controlling Interest	**(198)**	(2)
Movement in Future Income Tax Benefit	**50**	126
Impairment/(Gain) of Fair Value Through Profit or Loss Financial Asset	**-**	(178)
Loss/(Gain) on Disposal of Property, Plant and Equipment	**3**	(2)
	(449)	60
Movement in Other Working Capital Items:		
Change in Inventories	**169**	153
Change in Trade and Other Receivables and Prepayments	**363**	489
Change in Trade and Other Payables	**(34)**	(458)
Net Cash From Operating Activities	**49**	244

22 RELATED PARTIES

Transactions with Key Management Personnel

Key management personnel are considered to be the Directors of the Group and executives with the greatest authority for the strategic direction and management of the Group.

Key management personnel compensation comprised:

	30 June 2024 $'000	*30 June 2023 $'000*
Directors' Fees	**92**	99
Consulting Fees Paid to the Executive Chairman	**84**	42
Consulting Fees and Salaries Paid to Key Management Personnel	**252**	275
	428	416

At 30 June 2024 the amount of unpaid consulting fees and salaries payable to key management personnel was $Nil (30 June 2023: $23,000).

Dividends paid on **Perpetual Preference Shares** to related parties and Perpetual Preference Shares held at year end were:

	PPS Dividends Paid Year Ended 30 June 2024 $'000	*PPS Dividends Paid Year Ended 30 June 2023 $'000*	**PPS Shares Held 30 June 2024 $'000**	*PPS Shares Held 30 June 2023 $'000*
Nelson Speirs – Director	**42**	35	**389**	389
David Speirs – Director	**31**	26	**290**	290
	73	61	**679**	679

Dividends paid on **2025 Redeemable Preference Shares** to related parties and 2025 Redeemable Preference Shares held at year end were:

	RPS Dividends Paid Year Ended 30 June 2024 $'000	*RPS Dividends Paid Year Ended 30 June 2023 $'000*	**RPS Shares Held 30 June 2024 $'000**	*RPS Shares Held 30 June 2023 $'000*
Lee Simpson – Executive Chair	**10**	10	**35**	138
	10	10	**35**	138

The shareholding for Lee Simpson includes the shares held in his own name (30 June 2024: 28,375 2025 Redeemable Preference Shares; 30 June 2023: 113,500 2025 Redeemable Preference Shares) and also those shares held in the name of Lee Simpson Advisory Limited (30 June 2024: 6,125 2025 Redeemable Preference Shares; 30 June 2023: 24,500 2025 Redeemable Preference Shares). On 21 June 2024 Speirs Group Limited redeemed 75% of the 2025 Redeemable Preference Shares on issue resulting in a repayment to Lee Simpson and Lee Simpson Advisory Limited of 103,500 2025 Redeemable Preference Shares at $1.00 per share ($103,500)

Other Transactions with Key Management Personnel

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

A number of these entities transacted with the Group in the reporting period.

Entities with which Speirs Group Limited is deemed to be related are:

- Speirs Foods (2018) LP (a Limited Partnership in which Speirs Group has a 67% interest and is therefore a majority owned subsidiary);
- Speirs Foods General Partner Limited (a company in which Speirs Group has a 67% interest and is therefore a majority owned subsidiary);
- Speirs Investments LP (a wholly owned subsidiary); and
- Kane Investments Limited (a company which holds a 33% partnership interest in Speirs Foods (2018) LP).

- **Speirs Foods (2018) LP**
  - Speirs Group Limited received distributions as follows:
    30 June 2024 $Nil
    30 June 2023 $Nil
  - Speirs Group Limited charged rent on land and buildings leased by Speirs Foods (2018) LP of $180,000 (30 June 2023: $175,000).
  - Speirs Group Limited paid rates and water rates and recharged these to Speirs Foods (2018) LP of $66,053 (30 June 2023: $86,848).
  - Speirs Group Limited charged Speirs Foods (2018) LP $66,000 (30 June 2023: $66,000) in respect of corporate services provided by Speirs Group Limited.
  - At 30 June 2024 Speirs Foods (2018) LP owed $Nil (30 June 2023: $Nil) to Speirs Group Limited.
  - Reimbursed Speirs Foods General Partner Limited $55,256 (30 June 2023: $39,230) in relation to costs incurred by Speirs Foods General Partner Limited in the execution of its duties as General Partner for the Limited Partnership.

- **Speirs Investments LP**
  - Until 31 May 2024 Speirs Group Limited provided an interest free loan to Speirs Investments LP in the amount of $171,846. On 31 May 2024 Speirs Investments LP repaid the loan in full. At 30 June 2024 the balance owed by Speirs Investments LP to Speirs Group Limited was $Nil (30 June 2023: $171,846.)
  - Speirs Investments LP made a distribution of $2,228,565 (30 June 2023: $Nil) to Speirs Group Limited.
- **Kane Investments Limited**
  - Kane Investments Limited received distributions as follows from Speirs Foods (2018) LP:
    30 June 2024 $Nil
    30 June 2023 $Nil
  - At 30 June 2024 Speirs Foods (2018) LP owed $Nil (30 June 2023: $Nil) to Kane Investments Limited.

23 COMMITMENTS AND CONTINGENCIES

Commitments

The Group was committed to the following at period end:

	Capital Expenditure	**Total**
30 June 2024	**$'000**	**$'000**
Less than One Year	**6**	**6**
Between One and Five Years	**-**	**-**
More than Five Years	**-**	**-**
	6	**6**

	Capital Expenditure	Total
30 June 2023	$'000	$'000
Less than One Year	5	5
Between One and Five Years	-	-
More than Five Years	-	-
	5	5

Contingent Liabilities and Contingent Assets

At 30 June 2024 the Group had no contingent liabilities or contingent assets (30 June 2023: Nil)

24 EVENTS AFTER THE REPORTING PERIOD

Subsequent to year end the negotiations to finalise the second payment for the sale of the Equipment, Leasing and Finance Holdings Limited shares were completed with payment expected in late October/early November 2024. At 30 June 2024 the receivable was carried at $489,000. The amount expected to be received for this tranche is $530,000 – the small gain of $41,000 will be recognised in financial results for the year ending 30 June 2025.

No other adjusting or significant non-adjusting events have occurred between the 30 June 2024 reporting date and the date of authorisation.

25 FINANCIAL RISK MANAGEMENT

Introduction and Overview

The Group had exposure to the following risks arising from its use of financial instruments:

- Credit risks
- Liquidity risks
- Market risks

The Group manages raw material price risks through negotiated supply contracts. However, these contracts are for the purpose of receipt in accordance with the Group's expected usage requirements only and, accordingly, are not accounted for as financial instruments.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of its Capital.

Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

Risk management is carried out and monitored by the senior management team under policies approved by the Board of Directors. Management identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's loans and advances and investment securities. For risk management reporting purposes, the Group considers and consolidates all elements of credit risk exposure.

Management of Credit Risk

The Board of Directors are responsible for the approval of credit risk policy. Senior management is responsible for the management and oversight of the credit risk policy established by the Board of Directors.

All reporting entities within the Group are required to implement Group credit policies and procedures, with credit approval delegated from senior Management. Each business unit has a Senior Executive who reports on all credit related matters to the Board of Directors. Each business unit is responsible for the quality and performance of its credit portfolio and for the monitoring and controlling of all credit risks in its portfolios.

Assets subject to credit risk are monitored by Directors and management on a monthly basis as part of the monthly reporting cycle.

- The ageing of accounts receivable is monitored to ensure that receivables are being collected in a timely manner. Should any issues be identified management will be asked to actively engage with the customer to either collect the debt or impair the receivable should this become necessary. The Board of Directors must approve any significant bad debt write-offs. On a six-monthly basis management and the Board of Directors review actual bad debts written off and reviews the current ageing profile of the accounts receivable to determine future estimated credit losses.
- The credit rating of the Registered Bank where cash and short-term deposits are held is regularly reviewed.
- The receivable in relation to the sale of the Equipment, Leasing and Finance Holdings Limited ordinary shares is regularly reviewed by the directors.

Exposure to Credit Risk

The maximum credit risk is the amount represented on the consolidated statement of financial position. Financial Assets which subject the Group to credit risks consist of:

	Group	
	30 June 2024 $'000	*30 June 2023 $'000*
Cash and Cash Equivalents	**74**	83
Trade and Other Receivables	**1,527**	1,854
Investments and Receivables	**1,697**	510

The following categories are not impaired, contain no past due balances, nor contain any impairment allowances: cash and cash equivalents and BNZ Short Term Deposits. A summary of impaired assets, past due assets, and allowances for impairment with respect to trade and other receivables is set out below:

Group	Investments and Receivables		Trade and Other Receivables	
	30 June 2024	*30 June 2023*	***30 June 2024***	*30 June 2023*
	$'000	*$'000*	***$'000***	*$'000*
Total Carrying Amount – Trade and Other Receivables	**-**	-	**1,527**	1,854
Total Carrying Amount – EL&F Sale Receivable	**717**	-	**-**	-
Past Due by 90 days but not Impaired	**-**	-	**-**	40
Neither Past Due nor Impaired	**717**	-	**1,527**	1,814
Impairment Allowance	**-**	-	**-**	-
Total Carrying Amount – Trade and Other Receivables	**717**	-	**1,527**	1,854

Trade and other receivables totalling $Nil (2023: $40,028) are greater than 90 days overdue. The Group has assessed the expected credit losses that should be recognised on the loans and advances as required by NZ IFRS 9 Financial Instruments. The loans and advances did not deteriorate in credit quality and the amount of the probability-weighed expected credit losses is immaterial and therefore not disclosed separately.

Concentrations of Credit Risk

Concentration of credit risks arises where monetary assets are invested with a particular individual customer or in a particular industrial or geographic sector.

The Group has a concentration of credit risk in relation to trade receivables as 99% (2023: 99%) of total sales are made to two customers.

The Group manages concentration of credit risk by placing restrictions on the maximum amounts which may be deposited with a Registered Bank and ensuring that payments received from trade customers are made within prearranged payment parameters.

At 30 June 2024 the Group has a receivable of $716,742 owing in relation to the sale of the ordinary shares in Equipment, Leasing and Finance Holdings Limited. The directors have assessed the counterparty involved and have determined that this balance will be collected in full.

The Parent Company (Speirs Group Limited) has an approved Registered Bank maximum credit exposure limit of $2,000,000 (30 June 2023: $1,500,000) at any of BNZ, Westpac, ANZ, ASB, Rabobank and Kiwibank. At 30 June 2024 and 2023 the Group only had surplus funds deposited with the BNZ.

- At 30 June 2024 the amount held with BNZ by the Parent Company (Speirs Group Limited) was $1,014,400 (30 June 2023: $522,490).
- At 30 June 2024 the amount held with BNZ by the Group was $1,053,664 (30 June 2023: $592,735).

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations from its financial liabilities.

Management of Liquidity Risk

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group mitigates its liquidity risk through the holding of liquid cash reserves and by having supporting credit lines.

The Group has a debtor financing facility. See Note 21. At 30 June 2024 the undrawn facility on the debtor financing facility was $809,046 (30 June 2023: $1,086,506). The maximum credit limit of the debtor financing facility at 30 June 2024 was $2,000,000 (30 June 2023: $1,500,000).

The Group also has potential access to additional funds from mortgaging land and buildings owned by the Group. The land and buildings owned by Speirs Group Limited and leased to Speirs Foods (2018) LP are unencumbered and mortgage finance could be sought. In May 2024 an independent valuation placed a market value on the land and buildings of $2,020,000 on an "as occupied" basis.

Exposure to Liquidity Risk

The following tables set out the contractual cash flows for all financial assets and liabilities and derivatives that are settled on a gross cash flow basis:

30 June 2024	Carrying Amount	Gross Nominal Cash Flow	On Demand	Less than 3 Months	3-6 Months	6-12 Months	1-2 Years	2-5 Years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-Derivative Assets								
Cash and Cash Equivalents	**74**	**74**	**74**	**-**	**-**	**-**	**-**	**-**
Investments and Receivables	**1,697**	**1,704**	**-**	**987**	**489**	**228**	**-**	**-**
Trade and Other Receivables	**1,527**	**1,527**	**-**	**1,527**	**-**	**-**	**-**	**-**
Total	**3,298**	**3,305**	**74**	**2,514**	**489**	**228**	**-**	**-**

30 June 2024	Carrying Amount	Gross Nominal Cash Flow	On Demand	Less than 3 Months	3-6 Months	6-12 Months	1-2 Years	2-5 Years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-Derivative Liabilities								
Trade and Other Payables	**1,667**	**1,667**	**-**	**1,667**	**-**	**-**	**-**	**-**
Borrowings	**1,345**	**1,442**	**-**	**58**	**58**	**425**	**901**	**-**
Total	**3,012**	**3,109**	**-**	**1,725**	**58**	**425**	**901**	**-**

30 June 2023	Carrying Amount	Gross Nominal Cash Flow	On Demand	Less than 3 Months	3-6 Months	6-12 Months	1-2 Years	2-5 Years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-Derivative Assets								
Cash and Cash Equivalents	**83**	**83**	**83**	**-**	**-**	**-**	**-**	**-**
Investments	**510**	**517**	**-**	**145**	**372**	**-**	**-**	**-**
Trade and Other Receivables	**1,854**	**1,854**	**-**	**1,854**	**-**	**-**	**-**	**-**
Total	**2,447**	**2,454**	**83**	**1,999**	**372**	**-**	**-**	**-**

30 June 2023	Carrying Amount	Gross Nominal Cash Flow	On Demand	Less than 3 Months	3-6 Months	6-12 Months	1-2 Years	2-5 Years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-Derivative Liabilities								
Trade and Other Payables	**1,701**	**1,701**	**-**	**1,701**	**-**	**-**	**-**	**-**
Borrowings	**3,140**	**3,570**	**-**	**88**	**88**	**492**	**320**	**2,582**
Total	**4,841**	**5,271**	**-**	**1,789**	**88**	**492**	**320**	**2,582**

The Group had no contractual cash flows with respect to financial liabilities going out beyond 5 years at both reporting dates.

The above tables show the undiscounted cash flows of the Group's financial liabilities on the basis of their earliest possible contractual maturity.

Market Risk

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor / issuer's credit standing) will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return on risk.

Management of Market Risk

Equity price risk and credit spread risk (not relating to the obligor / issuer's credit standing) are not monitored by management in relation to all investments as they are not currently significant in relation to the overall results and the consolidated financial position of the Group. Prior to 31 May 2024, with regard to equity price risk for Equipment Leasing and Finance Holdings Limited, this is monitored via the review of regular management reporting information received from Equipment Leasing and Finance Holdings Limited.

Equity Price Risk Sensitivity

At 30 June 2023 the Group was exposed to changes in the value of its investment in Equipment Leasing and Finance Holdings Limited.

The following table illustrates the sensitivity of profit and equity to a reasonable possible change in the share price of Equipment Leasing and Finance Holdings Limited of +/- 20 cents per share (The carrying value at 30 June 2023 was $1.75 per share). These changes were considered to be reasonably possible based on observation of historic market conditions. The calculations are based on a change in the share price for each period, and the shares held at each reporting date that are sensitive to changes in the share price. All other variables are held constant.

	Profit for the Year		Equity	
	+20 cents per share	*-20 cents per share*	***+20 cents per share***	*-20 cents per share*
30 June 2023 ($'000)	**356**	**(356)**	**356**	**(356)**

Interest Rate Sensitivity

At 30 June 2024 and 2023 the Group is exposed to changes in market interest rates through debtor financing at variable interest rates. Other borrowings are at fixed interest rates. The Group's investments in Bank Deposits all pay fixed interest rates. The exposure to interest rates for the Group's short-term deposits is considered immaterial.
The following table illustrates the sensitivity of profit and equity to a reasonable possible change in interest rates of +/- 1% (2023: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Profit for the Year		Equity	
	+1%	*-1%*	***+1%***	*-1%*
30 June 2024 ($'000)	**1**	**(1)**	**1**	**(1)**
30 June 2023 ($'000)	(5)	5	(5)	5

Exposure to Interest Rate Risk

Interest rate margin risk arises as a result of mismatches between the repricing dates of advances and debt securities.

The interest rate gap position is calculated based on the earlier of the underlying instruments' maturity date or repricing date. A summary of the interest rate gap positions is as follows:

30 June 2024	**Carrying Amount**	**Non-Interest Bearing**	**Less than 3 Months**	**3-6 Months**	**6-12 Months**	**1-2 Years**	**2-5 Years**
	$'000	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Cash and Cash Equivalents	**74**	**44**	**30**	**-**	**-**	**-**	**-**
Investments	**1,697**	**717**	**980**	**-**	**-**	**-**	**-**
	1,771	**761**	**1,010**	**-**	**-**	**-**	**-**
Borrowings	**1,345**	**-**	**-**	**-**	**311**	**1,034**	**-**
	1,345	**-**	**-**	**-**	**311**	**1,034**	**-**
	426	**761**	**1,010**	**-**	**(311)**	**(1,034)**	**-**

30 June 2023	**Carrying Amount**	**Non-Interest Bearing**	**Less than 3 Months**	**3-6 Months**	**6-12 Months**	**1-2 Years**	**2-5 Years**
	$'000	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Cash and Cash Equivalents	83	77	6	-	-	-	-
Investments	510	-	140	370	-	-	-
	593	77	146	370	-	-	-
Borrowings	3,141	-	-	-	314	-	2,827
	3,141	-	-	-	314	-	2,827
	(2,548)	77	146	370	(314)	-	(2,827)

Capital Management

The Group's capital includes share capital, land revaluation reserve, accumulated deficits and a non-controlling interest.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. To achieve this the Directors and management monitor such matters as profitability and capital held on a monthly basis.

The Group's equity at the reporting dates comprises:

	30 June 2024 $'000	*30 June 2023 $'000*
Capital	**12,925**	12,925
Land Revaluation Reserve	**519**	-
Accumulated Deficits	**(10,198)**	(9,421)
Equity Available to Ordinary Shareholders	**3,246**	3,504
Non-Controlling Interest	**340**	538
Total Equity Balance at Period End	**3,586**	4,042

With the exception of the recognition of a land revaluation reserve in the year ended 30 June 2024, there have been no material changes in the Group's management of capital during the period. There are no externally imposed capital requirements.

26 INVESTMENT IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with accounting policy 2.2.

All subsidiaries are incorporated in New Zealand.

Name of Entity	**Principal Activity**	**Equity Holding**	
		30 June 2024	**30 June 2023**
Speirs Securitisation Management Limited	General Partner for Speirs Investments LP	100%	100%
Speirs Investments LP	Limited Partnership holding a Holding a receivable from the purchaser of Equipment, Leasing and Finance Holdings Limited.	100%	100%
Speirs Foods (2018) LP	Food processing entity	67%	67%
Speirs Foods General Partner Limited	General Partner for Speirs Foods (2018) LP	67%	67%

Subsidiary with Material Non-Controlling Interests

The Group includes one subsidiary, Speirs Foods (2018) LP with material non-controlling interests (NCI). The table below and the associated table showing the comparative prior year information is derived after any intragroup eliminations have been accounted for

30 June 2024

Name	**Proportion of Ownership Interests and Voting Rights held by the NCI**	**Total Comprehensive Income/(Loss) Allocated to the NCI**	**Accumulated NCI**
	%	**$'000**	**$'000**
Speirs Foods (2018) LP	**33**	**(198)**	**340**

30 June 2023

Name	**Proportion of Ownership Interests and Voting Rights held by the NCI**	**Total Comprehensive Income Allocated to the NCI**	**Accumulated NCI**
	%	**$'000**	**$'000**
Speirs Foods (2018) LP	33	(2)	538

Distributions were declared to the NCI during the years ended 30 June 2024 and 30 June 2023 of $Nil.

Summarised financial information for Speirs Foods (2018) LP, before intragroup eliminations, is set out below:

	30 June 2024 $'000	*30 June 2023 $'000*
Non-Current Assets	**1,773**	2,251
Current Assets	**2,131**	2,673
Total Assets	**3,904**	4,924
Non-Current Liabilities	**384**	548
Current Liabilities	**2,147**	2,264
Total Liabilities	**2,531**	2,812
Equity Attributable to Owners of the Parent	**920**	1,415
Non-Controlling Interests	**453**	697
	30 June 2024 $'000	*30 June 2023 $'000*
Revenue	**16,301**	18,655
Profit/(Loss) for the Year Attributable to Owners of the Parent	**(495)**	(116)
Profit/(Loss) for the Year Attributable to NCI	**(244)**	(57)
Profit/(Loss) for the Year	**(739)**	(173)
Other Comprehensive Income/(Loss) for the Year		
Total Comprehensive Income/(Loss) for the Year Attributable to Owners of the Parent	**(402)**	(5)
Total Comprehensive Income/(Loss) for the Year Attributable to NCI	**(198)**	(2)
Total Comprehensive Income/(Loss)	**(600)**	(7)
Net Cash From Operating Activities	**236**	450
Net Cash From/(to) Investing Activities	**(122)**	(174)
Net Cash From/(to) Financing Activities	**(145)**	(252)
Net Cash Inflow/(Outflow)	**(31)**	24

27 NET TANGIBLE ASSETS PER SECURITY

	30 June 2024	***30 June 2023***
Net Tangible Assets Per Security - $ per s\ordinary share based on the year end number of ordinary shares on issue	**2.26**	2.46

28 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows:

	Long Term Borrowings $'000	Short Term Borrowings $'000	Total $'000
Balance at 1 July 2023	2,684	456	3,140
Cash Flows			
- Repayments – Net	**(1,795)**	**-**	**(1,795)**
- Proceeds – Net	-	-	-
Balance at 30 June 2024	**889**	**456**	**1,345**

	Long Term Borrowings $'000	Short Term Borrowings $'000	Total $'000
Balance at 1 July 2022	2,826	566	3,392
Cash Flows			
- Repayments – Net	(142)	(110)	(252)
- Proceeds – Net	-	-	-
Balance at 30 June 2023	2,684	456	3,140

29 LEASES

NZ IFRS 16 Leases

The Group has leases for motor vehicles, forklifts and some IT equipment. The lease liabilities are secured over the related underlying assets. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the Statement of Financial Position as a component of Property, Plant and Equipment (see Note 17) and a lease liability.
Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. The Group must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

Lease liabilities are presented in the Consolidated Statement of Financial Position as follows:

	30 June 2024 $'000	***30 June 2023 $'000***
Lease Liabilities (current)	**42**	36
Lease Liabilities (non-current)	**47**	10
	89	46

Future minimum lease payments are as follows:

Minimum Lease Payments Due

30 June 2024	**Within 1 Year $'000**	**1 to 5 Years $'000**	**After 5 Years $'000**	**Total $'000**
Lease Payments	**49**	**51**	**-**	**100**
Finance Charges	**(7)**	**(4)**	**-**	**(11)**
Net Present Values	**42**	**47**	**-**	**89**

30 June 2023	**Within 1 Year $'000**	**1 to 5 Years $'000**	**After 5 Years $'000**	**Total $'000**
Lease Payments	38	10	-	48
Finance Charges	(2)	(-)	-	(2)
Net Present Values	36	10	-	46

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on the Consolidated Statement of Financial Position:

30 June 2024

Right-of-Use Asset	Number of Right-of-Use Assets Leased	Range of Remaining Terms	Weighted Average Remaining Lease Term	Number of Leases with Extension Options	Number of Leases with Options to Purchase	Number of Leases with Variable Payments Linked to an Index	Number of Leases with Termination Options
Computer Equipment	1	6 months	6 months	0	0	0	0
Vehicles	2	7 to 30 months	27 months	0	0	0	0
Other Plant and Equipment	3	3 to 29 months	27 months	0	0	0	0

30 June 2023

Right-of-Use Asset	Number of Right-of-Use Assets Leased	Range of Remaining Terms	Weighted Average Remaining Lease Term	Number of Leases with Extension Options	Number of Leases with Options to Purchase	Number of Leases with Variable Payments Linked to an Index	Number of Leases with Termination Options
Computer Equipment	1	18 months	18 months	0	0	0	0
Vehicles	2	8 to 19 months	16 months	0	0	0	0
Other Plant and Equipment	3	1 to 15 months	13 months	0	0	0	0

Lease Payments Not Recognised as a Liability

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

Additional information on the right-of-use assets by class of assets is as follows:

30 June 2024

	Carrying Amount (Note 17) $'000	Depreciation Expense $'000	Impairment $'000
Computer Equipment	**4**	**8**	**-**
Vehicles	**42**	**22**	**-**
Other Plant and Equipment	**42**	**22**	**-**
Total Right-of-Use Assets	**88**	**52**	**-**

30 June 2023

	Carrying Amount (Note 17) $'000	Depreciation Expense $'000	Impairment $'000
Computer Equipment	11	10	-
Vehicles	20	20	-
Other Plant and Equipment	14	28	-
Total Right-of-Use Assets	45	58	-

30 REVENUE

The following table summarises some key characteristics of the Group's revenue streams.

	2024	2023
Geographical Region	New Zealand - 100% of Revenue	New Zealand - 100% of Revenue
Type of Goods	Salads and fresh cut vegetables	Salads and fresh cut vegetables
Customers/Sales Channels	Supermarket Chains – 99% of Revenue	Supermarket Chains – 99% of Revenue
Timing of Transfer of Goods	Revenue from goods or services transferred to customers at a point in time – 100% of Revenue	Revenue from goods or services transferred to customers at a point in time – 100% of Revenue
Transaction Pricing	Each good sent to customers is individually priced on the associated invoice. Any payment discounts available to customers is netted off revenue in the month in which the sale took place.	Each good sent to customers is individually priced on the associated invoice. Any payment discounts available to customers is netted off revenue in the month in which the sale took place.
Timing of Revenue Recognition	When the customer takes undisputed control of the goods. This occurs when the goods are delivered to the customer.	When the customer takes undisputed control of the goods. This occurs when the goods are delivered to the customer.
Payment Terms	Generally 30 days after the goods have been supplied. There are no subsequent performance obligations.	Generally 30 days after the goods have been supplied. There are no subsequent performance obligations.
Key Assumptions and Judgements in Relation to Revenue Recognition	None	None
Credit Risk Associated with Revenue	Minimal	Minimal
Obligation to Provide a Credit Note for Returned Goods	Only in relation to goods which arrive in a damaged condition. These equate to approximately 5.9% of all sales made. At balance date the obligations to provide a credit note for returned goods was immaterial.	Only in relation to goods which arrive in a damaged condition. These equate to approximately 5.9% of all sales made. At balance date the obligations to provide a credit note for returned goods was immaterial.

Independent auditor's report

To the shareholders of Speirs Group Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Speirs Group Limited (the "Company") and its consolidated entities (the "Group") on pages 8 to 43 which comprise the consolidated statement of financial position as at 30 June 2024, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") and International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)") issued by the New Zealand Audit and Assurance Standards Board. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* 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.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. We summarise below a matter, and our key audit procedures, to address that matter in order that the Company's shareholders, as a body, may better understand the process by which we arrived at our audit opinion. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Why the matter is significant	How our audit addressed the key audit matter
Impairment assessments Speirs Foods has incurred losses for the last two consecutive financial years. This is an indicator of possible impairment which triggers the requirement to undertake impairment testing in accordance with NZ IAS 36 – *Impairment of Assets* (NZ IAS 36). When undertaking impairment testing, NZ IAS 36 requires an assessment to be undertaken of the recoverable value of assets using the higher of value in use or fair value less costs to sell. Management have undertaken an assessment of recoverable value using fair value less cost to sell to evaluate whether an impairment is present. Valuation assessments are an area of judgement, and accordingly this was assessed to be a key audit matter.	Our work focused on evaluating managements impairment assessment and included the following: • Evaluated managements determination of cash generating units ("CGU"), and the allocation of assets to the individual CGU's; • Reviewed management's assessment of the fair value less cost to sell of assets included within the CGU; • In respect to plant and equipment, obtained from management a copy of their independent experts third party valuation; • Assessed the qualifications and experience of managements expert; and • In respect to plant and equipment we engaged our own independent expert to review the valuation prepared by managements independent expert; No impairment was noted as a result of management, and our, assessment.

Information Other than the Financial Statements and Auditor's Report thereon

The Directors are responsible for the other information. The other information comprises the Reporting by Directors, Purpose, Goals and Strategy, Statutory Information and the Directory but does not include the consolidated financial statements on pages 8 to 43 and our auditor's report thereon.

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

In connection with our audit of the consolidated 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Directors' responsibilities for the Consolidated Financial Statements

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and IFRS, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 ISAs (NZ) 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 consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located on the External Reporting Board's website at: https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1/

Restriction on use of our report

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state to the Company's shareholders, as a body those matters which 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 Group, and the Company's shareholders, as a body, for our audit work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited

Grant Thornton

B R Smith
Wellington
25 October 2024

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STATUTORY INFORMATION

Principal activities

Speirs Group Limited (the Company) operates as a holding company. At 30 June 2024 its principal interests are in:

Entity	Interest	Principal Activity
Speirs Foods (2018) LP	Majority (67%) owned subsidiary	Fresh food production and distribution
Speirs Investments LP	Speirs Group Limited is the sole Limited Partner	Holding a receivable from the purchaser of Equipment, Leasing and Finance Holdings Limited.

Directors' shareholdings – ordinary shares

The number of shares held by Directors of Speirs Group Limited at 30 June 2024:	Beneficial Holdings	Non-Beneficial Holdings
Nelson Speirs	104,768	140,965
Lee Simpson	17,500	-
David Speirs	-	27,139
David Speirs (as Co-Trustee)	-	132,128

A Beneficial Holding records that the Director holds the shares in his own name. A Non-Beneficial Holding records that the Director(s) hold the shares in their capacity as a Trustee.

Directors' shareholdings – perpetual preference shares

The number of shares held by Directors of Speirs Group Limited at 30 June 2024:	Beneficial Holdings	Non-Beneficial Holdings
Nelson Speirs	389,000	-
David Speirs	290.000	-

A Beneficial Holding records that the Director holds the shares in his own name. A Non-Beneficial Holding records that the Director(s) hold the shares in their capacity as a Trustee.

Directors' shareholdings – 2025 redeemable preference shares

The number of shares held by Directors of Speirs Group Limited at 30 June 2024:	Beneficial Holdings	Non-Beneficial Holdings
Lee Simpson and Lee Simpson Advisory Limited	34,500	-

A Beneficial Holding records that the Director holds the shares in his own name. A Non-Beneficial Holding records that the Director(s) hold the shares in their capacity as a Trustee.

Disclosure of interests by directors

The following entries were made in the Interests Register during the year ended 30 June 2024:

- On 20 May 2024 Lee Simpson, Nelson Speirs and David Speirs resolved that the directors' fees from 1 July 2024 will be:

Name	Position	2024 Fees	2025 Fees
Lee Simpson	Executive Chair	15,000	18,000
Nelson Speirs	Director and Chair Audit Committee	12,000	15,000
David Speirs	Director	10,000	12,000
Total		**37,000**	**45,000**

- On 31 May 2024 Nelson Speirs declared his resignation as a director of Equipment, Leasing and Finance Holdings Limited (and associated companies) upon the sale of this business.

- On 21 June 2024 Lee Simpson declared the repayment of 103,500 at $1 per share ($103,500) of the 2025 Redeemable Preference Shares held by himself and Lee Simpson Advisory Limited as part of the partial early repayment of the 2025 Redeemable Preference Shares.

- On 21 June 2024 David Speirs declared that he is a director and sole shareholder of Speirs Consulting Limited.

Governance positions held by directors at 30 June 2024

Director	Entity	Relationship
Lee Simpson	Speirs Securitisation Management Limited	Director
	Lee Simpson Advisory Limited	Director
	Country Choice Limited	Director
	Pacific Gourmet Limited	Director
	The Whole Mix Co Limited	Director
	Cloud Business Solutions Limited	Director
Nelson Speirs	Speirs Securitisation Management Limited	Director
David Speirs	Speirs Consulting Limited	Director

Transfers of interests in Speirs Group Limited ordinary shares by directors during the year

- Nil

Directors' remuneration

Directors' remuneration received, or due and receivable during the year ended 30 June 2024, is as follows:

Name	Executive Chair Consulting Fees	Parent Company Directors Fees	Subsidiary Company Directors Fees	Total Remuneration	
Lee Simpson	$ 84,000	$15,000	$Nil	$99,000	Non - Independent Director and Executive Chair
Nelson Speirs	$ Nil	$12,000	$Nil	$12,000	Non-Independent Director
David Speirs	$ Nil	$10,000	$ Nil	$10,000	Non-Independent Director
Fred Hutchings – from 1 July 2023 until his retirement on 30 September 2023	$ Nil	$5,250	$3,750	$10,000	Former Independent Director

Directors do not receive any performance or equity-based remuneration, superannuation or retirement benefits. Directors are reimbursed for travel and accommodation expenses and any other costs properly incurred by them in connection with the business of Speirs Group Limited.

Use of Company information by directors

There were no recorded notices from directors requesting to use Company information received in their capacity as directors that would not otherwise have been available to them.

Directors' Loans

During the years ended 30 June 2024 and 30 June 2023, there were no loans to directors.

Indemnification and insurance of directors and officers

The Company has arranged policies of directors' and officers' liability insurance which together with an indemnity provided under the Company's constitution ensures that generally directors will incur no monetary loss as a result of actions taken by them as directors. Certain actions, such as penalties and fines which may be imposed in respect of breaches of the law, are excluded.

Employee Remuneration

Remuneration and other benefits exceeding $100,000 paid to employees during the years ended 30 June 2024 and 2023 were:

- **30 June 2024**
  - $110,001 to $120,000 2 employees
  - $120,001 to $130,000 1 employee
  - $170,001 to $180,000 1 employee

- **30 June 2023**
  - $110,001 to $120,000 1 employee

Executive Chair Remuneration

The role of Speirs Group Limited's Chief Executive is fulfilled by Lee Simpson. For the period 1 July 2022 to 21 November 2022 Lee was engaged as Speirs Group Limited's Company Secretary. From 21 November 2022 (when Lee was appointed as a director and Executive Chair) Lee was engaged as Speirs Group Limited's Executive Chair. In respect to the Company Secretary and Executive Chair roles Lee is engaged on a fixed hourly rate on a part time and as required basis. No incentive payments, share options, superannuation and retirement benefits are available to Lee.

In addition to the consulting fees Lee also received monthly director's fees of $1,250 from the date of his appointment to the Board. This is to recognise the risk associated with the role as a director of the company.

Payments made to Lee for the 2024 and 2023 years are summarised in the table below:

	2024 $'000	*2023 $'000*
Director's Fees	**15**	9
Consulting Fees Paid to Executive Chairman	**84**	42
Consulting Fees Paid to Company Secretary	**-**	35
Total	**99**	86

Political Donations

Speirs Group Limited does not make political donations.

Auditors

The Audit Committee liaises with Speirs Group Limited's external auditor Grant Thornton on the appointment and re-appointment of the external auditors, to ensure the independence of the external auditor is maintained, and to approve the performance of any non-audit services. Speirs Group Limited requires the external auditor to rotate its lead audit partner at least every seven years, with suitable succession planning to ensure consistency. Grant Thornton and the current lead partner were first appointed as Speirs Group Limited's external auditor in relation to the audit for the year ended 30 June 2018, so the 30 June 2024 audit will be the final engagement by the current lead partner. A transition to a new lead partner for the audit for the year ending 30 June 2025 has commenced. On a regular basis the Audit Committee meets with the external auditor to discuss any matters that either party believes should be discussed confidentially. The Chair of the Audit Committee will call a meeting of that Committee if so requested by the external auditor. The Executive Chair cannot be a voting member of the Audit Committee. Management may only attend Audit Committee meetings at the invitation of the Committee and the Committee routinely has time with the external auditors without management present.

The Audit Committee oversees the quality and integrity of external financial reporting, including the accuracy, completeness, balance and timeliness of financial statements. It reviews Speirs Group Limited's full and half-year financial statements and makes recommendations to the board concerning accounting policies, areas of judgement, compliance with accounting standards and legal requirements, and the results of the external audit.

Protected Disclosures Policy

Speirs Group Limited and Speirs Foods (2018) LP have a Protected Disclosures Policy ("Whistleblowing") in place.

Disclosures in Relation to Shareholders

Twenty largest shareholders at 30 June 2024

	Fully Paid Ordinary Shares	*Percentage of Issued Voting Capital*
Nelson Speirs	**104,768**	**9.24%**
Jennifer Speirs	**92,956**	**8.20%**
B H Wallace	**83,169**	**7.34%**
Nelson Speirs, Robert Speirs, Susan Le Moigne and Glendinnings Trustee Company Limited	**70,549**	**6.22%**
Ann Nicholas, Sandra Baldwin, David Speirs and Markhams Wanganui Trustees Limited	**64,228**	**5.67%**
Nelson Speirs, Robert Speirs, Susan Le Moigne and Glendinnings Trustee Company Limited	**52,123**	**4.60%**
Keith Taylor	**50,000**	**4.41%**
Ann Nicholas, Sandra Baldwin, David Speirs and Markhams Wanganui Trustees Limited	**42,179**	**3.72%**
David Speirs, Rebecca Speirs	**27,139**	**2.39%**
Ann Nicholas, Sandra Baldwin, David Speirs and Markhams Wanganui Trustees Limited	**25,721**	**2.27%**
P B McCormack	**24,390**	**2.15%**
K Mody	**23,500**	**2.07%**
A Lanser	**20,565**	**1.81%**
Lee Simpson	**17,500**	**1.54%**
J S Ryersson	**14,170**	**1.25%**
Custodial Services Limited – Account 4	**13,544**	**1.19%**
P O Belk, B J Belk	**13,240**	**1.17%**
T A Morgan, S Morgan	**12,489**	**1.10%**
M Le Moigne	**10,939**	**0.96%**
Forsyth Barr Custodians Limited – 1 Custody	**10,374**	**0.92%**
	773,543	**68.24%**

Shareholder Statistics at 30 June 2024

Ordinary Shares	*Holders*	*%*	*Shares*	*%*
1 to 99	24	6.22	1,296	0.11
100 to 499	177	45.85	40,639	3.58
500 to 999	55	14.25	39,879	3.52
1,000 to 9,999	107	27.72	247,939	21.87
10,000 and over	23	5.96	803,843	70.92
Total	386	100.00	1,133,596	100.00

DIRECTORY

Directors

At 30 June 2024 the Board of Directors of Speirs Group Limited is comprised of an Executive Chairman and two Non-Executive Directors. All Directors have served for the whole year apart from Fred Hutchings who retired on 30 September 2023.

Executive Chair

Lee Simpson BBS, CA, FCGNZ-FCG

Email: lees@speirs.co.nz

Non-Executive Directors

Nelson Speirs, FCA

David Speirs

Former Director

Fred Hutchings BBS, FCA – retired 30 September 2023

Registered Office

19 Lower High Street, Marton
P O Box 318, Palmerston North
Telephone: 06 350 6004

Securities Registrar

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142

Telephone:	09 488 8700
Facsimile:	09 488 8787
Investor Enquiries:	09 488 8777
Website:	www.computershare.co.nz
Email:	enquiry@computershare.co.nz

Production Facility Offices

Speirs Foods (2018) LP		
Hair Street		
Marton		
P O Box 108, Marton		
Telephone: 0800 366 324		
Facsimile: 06 327 5717		
Email: sales@speirs.co.nz Website: www.speirsfoods.co.nz		

Advisors/Service Suppliers

Independent Auditor	**Solicitors**
Grant Thornton	Chapman Tripp
Bankers	Fitzherbert Rowe
Bank of New Zealand	