



PERTH MARKETS GROUP LIMITED

ABN 25 633 346 184

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

Directors' Report

The directors present their report on the consolidated entity, comprising Perth Markets Group Limited (PMGL) and its controlled entities, for the full year ended 30 June 2025. Throughout this report, the consolidated entity is referred to as the 'Group'.

Information about the Directors and Officers

The individuals listed below served as directors or officers of Perth Markets Group Limited during the year and up to the date of this report:

Directors:

Giovanni (John) Groppoli

Richard Thomas

Miroslav Lendich

Frank Romano

Andrew Young

Claudia Cunningham – Appointed 26 November 2024

James Ryan – Appointed 26 November 2024

Patricia Skinner – Resigned 26 November 2024

Paul Neale – Resigned 26 November 2024

Company Secretaries:

Henko Vos – Appointed 13 September 2024

George Friend – Appointed 22 November 2023, resigned 13 September 2024

Principal Activities

The 51-hectare Perth Markets site was acquired from the State Government by Perth Markets Group Limited on 31 March 2016 and remains Western Australia's principal trading hub for fresh fruit and vegetables. It accommodates a diverse mix of businesses, including wholesale traders, food retailers, business service providers, and weekend community markets.

The Group generates revenue through property ownership, tenant services and activities, as well as income from hosting weekend community markets at the Perth Market site.

Throughout the financial year, the consolidated entity maintained its strategic focus on the management and development of the Perth Markets site, while continuing to serve as a primary marketing and distribution hub for fresh produce across Western Australia.

There were no changes to the principal activities of the Group during this period.

Operating Results

The net operating profit of the consolidated entity after income tax for the full year ended 30 June 2025 was \$21.0M including property revaluation (30 June 2024: \$15.4M including property revaluation).

	2025	2024	
	\$'000	\$'000	% change
Underlying Net Operating Profit	8,166	7,202	13.39%
Fair value gain on revaluation of investment properties	22,352	15,515	44.07%
Fair value loss on revaluation of financial assets	(37)	(409)	(90.95%)
Acquisition related costs	(364)	(350)	4.00%
Net Profit before income tax	30,117	21,958	37.16%
Income tax expense	(9,078)	(6,589)	37.78%
Net Profit after income tax expense	21,039	15,369	36.89%

Underlying Net Operating Profit includes Depreciation and Finance Expenses.

The net profit after income tax includes the following:

- A gain on the revaluation of Investment Properties of \$22.3M following an independent valuation dated 30 June 2025 (2024: \$15.5M).
- A loss on the revaluation of Financial Assets (Investment in Brisbane Markets Ltd shares) of (\$37k) (2024: \$409k).

Operating Review

The Group continued its focus of managing and developing the Perth Markets site; based on its strategic pillars of:

- Optimising current operations,
- Developing for sustainable growth, and
- Seeking growth through new opportunities.

In December 2024, PMGL completed construction of the 3,500 sqm S2 warehouse in the site's south-eastern corner.

As at 30 June 2025, the rooftop solar energy project was partially complete, with all photovoltaic panels installed. Commencing in March 2024, the project is expected to be operational by the end of Q1 2026, having experienced delays in the delivery of high-voltage electrical infrastructure. Once operational, it is expected to improve electricity margins, lower tenant costs, and support PMGL's environmental sustainability objectives.

An independent valuation by CBRE increased the value of Group investment properties from \$273.0 million at 30 June 2024 to \$308.5 million at 30 June 2025, comprising an \$18.9 million valuation uplift and \$16.6 million in new development projects, including capitalised upgrades to existing buildings and infrastructure.

The site vacancy rate remained extremely low at 0.37% (2024: 0.44%).

Environmental Regulation

Perth Markets Group Limited

The Group remains committed to full compliance with all applicable environmental regulations. The Board confirms that, to its knowledge, no significant or material breaches of environmental requirements occurred during the reporting period.

Proceedings on Behalf of the Company

No legal proceedings have been initiated or intervened in on behalf of the Company with the Court's permission under Section 237 of the Corporations Act 2001.

Dividends

Dividends paid to shareholders during the year were as follows:

Final Dividend for FY 2023/2024 3.5 cents per share fully franked @ 30.0% paid October 2024	\$2,059,405
Interim Dividend for FY 2024/2025 3.3 cents per share fully franked @ 30.0% paid March 2025	\$1,941,724
Total dividends paid during the 2024/25 year	\$4,001,129
Total dividends paid during the 2023/24 year	\$3,824,609
Total dividends paid during the 2022/23 year	\$3,824,609

Significant Changes in the State of Affairs

During the financial year, there were no material changes in the state of affairs of the Group that are expected to have a significant impact on its financial position or ongoing operations.

Events Since the End of the Financial Year

No events have occurred between the reporting date and the date of authorisation of these financial statements that are considered material under AASB 110 Events after the Reporting Period or AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

Information on Directors and Company Secretary

Giovanni (John) Groppoli – Independent Non-Executive Chair (27 June 2023)

Non-Executive Director (24 May 2023)

- Experience and Expertise
- Principal of GlenForest Corporate, a boutique legal strategy, board, and commercial governance advisory firm based in Perth.
 - Chairman of Hunt Architects, and MAD 3 Consulting Engineers, Non-executive director of ASX-listed Stealth Global Holdings Ltd, serving as Chairman of the Remuneration and Nomination Committee.
 - Former Non-Executive Director of Automotive Holdings Group Ltd (ASX: AHG), including as Chairman of the Remuneration and Nomination Committee.
 - Former Partner at the national law firm Deacons (now Norton Rose Fulbright). Served as Managing Partner of Deacons' Perth office from 1998 to 2002.
 - Qualifications and memberships: B Juris, LLB, and Fellowship of the Australian Institute of Company Directors (FAICD).
 - Chairman Corporate Transactions Sub-Committee, Member of PMGL Audit, Finance and Risk Committee, Nominations & Remuneration Committee, Member Master Planning Committee.

Frank Romano – Non-Executive Director

- Experience and Expertise
- 40-year history of establishing, owning and managing food franchise companies including Chicken Treat, Red Rooster and Oporto.
 - Significant corporate transactional, property and investment experience nationally.
 - Owner of Olympic Fine Foods Pty Ltd, which specialises in snacks, nuts, cereal and confectionary.
 - Director Perth Children's Hospital Foundation Ltd for over 10 years.
 - PMGL Director since 2016.
 - Chair of PMGL Master Planning Committee, Member Nominations & Remuneration Committee, Member Corporate Transactions Sub-Committee.

Miro Lendich – Non-Executive Director

- Experience and Expertise
- Chairman United Crates Co-Operative Ltd, WA's largest supplier of plastic crates and bins to the Fruit & Vegetable industry.
 - Second generation viticulturist with an Advanced Diploma of Horticulture.
 - Over 20 years, experience in the building of multi-unit residential developments
 - PMGL Director since 2016.
 - Member of PMGL Master Planning Committee.

Andrew Young – Non-Executive Director

- Experience and Expertise
- Managing Director and CEO of Brisbane Markets Limited (BML) with extensive experience at a senior management level in policy and strategy formulation, service development and industry representation.
 - Chief Executive Officer of Brismark member organisation
 - Executive Director Fresh Markets Australia and Chair of National Retail Program Steering Committee.
 - Qualifications/Memberships: B/Com, B/Ag (Hons), FCPA, Member of the Australian Institute of Company Directors.
 - PMGL Director since 2015.
 - Member of PMGL Audit, Finance and Risk Committee, Nominations & Remuneration Committee, Member Master Planning Committee.

Richard Thomas – Non-Executive Director

- Experience and Expertise
- Former Partner at Deloitte, leading the Perth Risk Advisory practice until retirement, with extensive audit, risk, regulatory, and financial expertise.
 - Career spanning external and internal audit, corporate regulation, management consulting, forensic accounting, investigation, and risk management across public and private sectors.
 - Deputy Chair, Non-Executive Director, and Chair of the Audit & Risk Committee at Brightwater Care Group, Chair of the Audit & Risk Committee at the Public Trustee of WA, member Audit & Risk Committee at NOPSEMA, adviser to The Whadjuk Foundation Inc. and ASX-listed Identitii Ltd.
 - Qualifications/Memberships: BA (Hons), ACA, CAANZ, IIA, and retired member of ICAEW.
 - PMGL Director since 2018.
 - Chair of PMGL Audit, Finance & Risk Committee and Corporate Transactions Sub-Committee, member Nominations & Remuneration Committee.

Claudia Cunningham - Director (Appointed 26 November 2024)

- Experience and Expertise
- Chief Administrative Officer of Etherington, a 4th generation WA central trading wholesaler. Responsible for design and implementation of bespoke software and strategic planning oversight.
 - President and Non-Executive Director of Market West – Appointed Nov 2024.
 - Non-Executive Director Fresh Markets Australia - Appointed Nov 2024.
 - Qualifications/Memberships: BSc, Dip SRM, MCom, GAICD
 - Member of PMGL Audit, Finance Risk Committee

James Ryan – Director (Appointed 26 November 2024)

- Experience and Expertise
- Extensive experience in the Fresh Produce Industry having worked in both Sydney and Perth Central Markets for 25 Years.
 - General Manager WA for Perfection Fresh Australia P/L since 2010 with prior placements as Export and Supply Manager WA.
 - Vice-President of Market West Management Committee and Director of the FPAA Credit Service since 2011
 - Qualifications/Memberships: Ass. Dip Civil Engineering, Produce Exec Program 2009, AICD member 2020-23
 - PMGL Director 2019-2022, re-appointed Nov 2024
 - Former member of the PMGL Master Planning committee and current member of the Site Safety Advisory Committee.

Henko Vos – Company Secretary (Appointed 13 September 2024)

- Experience and Expertise
- Director Nexia Perth – Corporate Advisory and Managed Financial Services
 - More than 25 years' experience working within public practice, specifically within the area of corporate and accounting services both in Australia and South Africa.
 - Provides Non-Executive Director and Company Secretariat services to various ASX listed companies and unlisted entities in the industrial and resources sector.
 - Qualifications and Memberships: Member of the Governance Institute of Australia, Member Australian Institute of Company Directors and member Chartered Accountants Australia and New Zealand.

Patricia Skinner – Non-Executive Chair & Non-Executive Director (Resigned 26 November 2024)

- Experience and Expertise
- President of Market West (formerly The Chamber of Fruit and Vegetable Industries in Western Australia) since 2011.
 - Member of the Market West Management Committee and Director of FPAA Credit Service Pty Ltd since 2002.
 - Director Fresh Markets Australia since 2001.
 - PMGL Director 2015-Nov 2024
 - Former Chair of PMGL Nominations & Remuneration Committee, Member Audit Finance Risk Committee, Member Master Planning Committee, Member Corporate Transactions Sub-Committee.

Paul Neale – Non-Executive Director (Resigned 26 November 2024)

- Experience and Expertise
- Executive Director of Mercer Mooney, one of Western Australia’s largest fresh produce distributors, since 2010.
 - Formerly State Trading Manager (WA) fresh produce with Coles Supermarkets and National Sales and Marketing Manager (Mushrooms) for Chiquita Brands.
 - Vice-President of Market West Management Committee and Director of the FPAA Credit Service since 2011
 - PMGL Director 2022- Nov 24
 - Member PMGL Audit Finance Risk Committee, Member Master Planning Committee, Member Site Safety Committee.

George Friend – CFO/Company Secretary (Resigned 13 September 2024)

- Experience and Expertise
- Experience across multiple areas of the Finance profession including external/internal audit, compliance, corporate governance, financial reporting, financial analysis, systems implementations, large scale projects and strategic planning.
 - Qualifications and Memberships: B/Com, Member of the Institute of Chartered Accountants Australia & New Zealand.

Meetings of Directors

The number of meetings of the Company’s Board of Directors and each Board Committee held during the year ended 30 June 2025, along with the number of meetings attended by each director, were as follows:

	Board	AFRC	MPC	NRC	CTSC
Number of meetings	10	5	3	1	0
G Groppoli ⁽¹⁾	10	5	2	1	
M Lendich	10		3		
F Romano ⁽²⁾	10		3	1	
P Skinner ⁽⁴⁾	4	2			
R Thomas ⁽³⁾	10	5		1	
A Young	10	4	2	1	
P Neale	5		1		
C Cunningham	4	3			
J Ryan	4				

AFRC – Audit, Finance and Risk Committee, MPC – Master Planning Committee, NRC – Nominations and Remuneration Committee

CTSC – Corporate Transaction Sub-Committee

⁽¹⁾ Chair Board and Chair NRC, ⁽²⁾ Chair MPC ⁽³⁾ Chair AFRC and Chair CTSC, ⁽⁴⁾ Resigned 26 November 2024

Shares under Option

(a) Unissued shares

There are no unissued shares under option in Perth Markets Group Limited at the date of this report.

(b) Shares issued on the exercise of options

There were no shares in Perth Markets Group Limited issued on the exercise of options during the year ended 30 June 2025.

Environmental Regulation

The Group is subject to various environmental regulations in connection with operating the Market City business. The Board is not aware of any significant or material breaches of environmental requirements during the reporting period.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against any liability incurred by the auditor.

During the financial year, the company has not paid any premium for a contract insuring the auditor of the Company or any related entity.

Insurance of Officers and Indemnities

During the financial year, the Group paid a premium under a contract insuring all Directors and Officers against liabilities incurred in their capacity. Disclosure of the nature of the liabilities insured and the premium amount is restricted by a confidentiality clause within the insurance contract.

Proceedings on Behalf of the Company

No proceedings have been initiated or intervened in on behalf of the Company with the Court's permission under section 237 of the Corporations Act 2001.

Auditor's independence declaration

A copy of the auditor's independence declaration, as required under section 307C of the Corporations Act 2001 is provided on the following page.

Rounding of Amounts

The amounts in the financial report have been rounded to the nearest \$1,000 (where applicable), as indicated by (\$000). This rounding is made in accordance with the option available to the Company under ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191. The Company qualifies as an entity to which this legislative instrument applies.

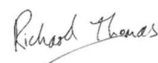
This report is made pursuant to a resolution of the Directors.



Chairman of the Board

Giovanni Groppoli

26th August 2025



Non-Executive Director

Richard Thomas

26th August 2025

Auditor's independence declaration



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Auditor's Independence Declaration

To the Directors of Perth Markets Group Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Perth Markets Group Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads "L A Stella".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in black ink that reads "L A Stella".

L A Stella
Partner – Audit & Assurance

Perth, 26 August 2025

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Perth Markets Group Limited

Year ended 30 June 2025

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Revenue	4a	31,601	28,543
Other income	4b	997	694
Total Revenue		32,598	29,237
Operating expenses			
Weekend markets expenses		(678)	(584)
Operational expenses	5	(4,674)	(4,442)
Commercial site management expenses	6	(13,510)	(11,825)
Depreciation and amortisation expenses	10	(511)	(497)
Operating profit		13,225	11,889
Gain on revaluation of investment properties	11	22,352	15,515
Loss on revaluation of other assets		(37)	(409)
Finance expenses		(5,059)	(4,687)
Acquisition related costs		(364)	(350)
Profit before income tax		30,117	21,958
Income tax expense	7	(9,078)	(6,589)
Profit after income tax for the year		21,039	15,369
Other comprehensive income			
<i>Items not reclassified subsequently to profit or loss:</i>			
Changes in the fair value of cash flow hedges (net of tax)	18b	(997)	(30)
Total other comprehensive Income for the year		(997)	(30)
Total comprehensive profit for the year		20,042	15,339

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2025

	Note	30 Jun 2025 \$'000	30 Jun 2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	20a	2,243	2,568
Receivables	8	604	598
Other Financial Assets	9a	2,000	2,000
Other assets	9b	706	687
Total current assets		5,553	5,853
Non-current assets			
Property, plant and equipment	10	12,970	7,157
Investment property	11, 12	308,500	273,000
Deferred tax asset	7	779	672
Financial assets at fair value	9a, 12	4,741	4,778
Other assets	9b	953	1,207
Total non-current assets		327,943	286,814
Total assets		333,496	292,667
Liabilities			
Current liabilities			
Borrowings	14	98,695	-
Payables	13	3,664	2,798
Employee benefit obligations	15	190	160
Other current liabilities	16	9,894	151
Total current liabilities		112,443	3,109
Non-current liabilities			
Borrowings	14	-	83,564
Employee benefit obligations	15	44	38
Deferred tax liability	7	48,935	41,775
Other non-current liabilities	16	4,207	12,355
Total non-current liabilities		53,186	137,732
Total liabilities		165,629	140,841
Net assets		167,867	151,826
Equity			
Contributed equity	18a	54,718	54,718
Reserves	18b	(1,005)	(8)
Retained earnings	18b	114,154	97,116
Total equity		167,867	151,826

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

	Note	Contributed equity \$'000	Cash flow hedge reserve \$'000	Retained earnings \$'000	Total equity \$'000
Consolidated					
Balance at 30 June 2023		54,718	22	85,572	140,312
Profit for the year		-	-	15,369	15,369
Other comprehensive income	18b	-	(30)	-	(30)
Total comprehensive Income for the year		-	(30)	15,369	15,339
Dividends paid		-	-	(3,825)	(3,825)
Balance at 30 June 2024		54,718	(8)	97,116	151,826

	Note	Contributed equity \$'000	Cash flow hedge reserve \$'000	Retained earnings \$'000	Total equity \$'000
Consolidated					
Balance at 30 June 2024		54,718	(8)	97,116	151,826
Profit for the year		-	-	21,039	21,039
Other comprehensive income	18b	-	(997)	-	(997)
Total comprehensive Income for the year		-	(997)	21,039	20,042
Dividends paid		-	-	(4,001)	(4,001)
Balance at 30 June 2025		54,718	(1,005)	114,154	167,867

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2025

	Note	2025 \$000	2024 \$000
Cash flows from operating activities			
Receipts and Payments			
Receipts from customers		31,892	28,551
Payments to suppliers and employees		(17,830)	(17,835)
Interest Income		104	270
Interest payments		(5,055)	(4,689)
Income tax		(2,205)	(2,240)
Net cash flows from operating activities	20(b)	6,906	4,057
Cash flow from investing activities			
Payment for property, plant, equipment and assets under construction		(18,543)	(4,991)
Dividends received		183	179
Net cash flows from investing activities		(18,360)	(4,812)
Cash flow from financing activities			
Proceeds from borrowings		15,130	-
Dividend paid		(4,001)	(3,825)
Net cash flow from financing activities		11,129	(3,825)
Net decrease in cash and cash equivalents		(325)	(4,580)
Cash and cash equivalents at the beginning of the year		2,568	7,148
Cash and cash equivalents at the end of the year	20(a)	2,243	2,568

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

1. Corporate information

The consolidated financial statements of Perth Markets Group Limited (PMGL) and its subsidiaries (the Group) for the year ended 30 June 2025 were authorised for issue by a resolution of the Directors on 26th of August 2025.

PMGL is an unlisted public company, limited by shares, and incorporated and domiciled in Australia.

Further details on the Group's operations and principal activities can be found in the Directors' Report.

2. Material accounting policies

2.1 Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). The financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

This financial report has been prepared on a historical cost basis, except for certain assets and liabilities that are measured at fair value. These include investment properties, derivative financial instruments, debt and equity financial assets, and contingent consideration. In addition, the carrying amounts of recognised assets and liabilities designated as hedged items in fair value hedge relationships are adjusted to reflect changes in fair value attributable to the hedged risks, where the hedges are effective.

The financial report is presented in Australian dollars, with all amounts rounded to the nearest thousand dollars (\$000), unless otherwise stated, in accordance with the rounding option permitted under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

2.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its wholly owned subsidiaries as at 30 June 2025.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with an investee with the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, all the following conditions are met:

- **Power over the investee** – the ability, through existing rights, to direct the relevant activities of the investee.
- **Exposure, or rights, to variable returns** from involvement with the investee.
- **The ability to use power over the investee** to affect the amount of those returns.

In general, control is presumed to exist when the Group holds a majority of the voting rights of an investee.

The Group reassesses whether it controls an investee whenever facts and circumstances indicate that there may be changes to one or more of the three elements of control. Consolidation of a subsidiary commences when the Group obtains control and ceases when control is lost. The assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date control is obtained to the date control ceases.

All intra-group balances, transactions, equity, income, expenses, and cash flows arising from transactions within the Group are fully eliminated on consolidation.

2.3 Summary of Material Accounting Policies

(a) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position using a current/non-current classification. An asset is classified as current when it meets the following criteria:

- It is expected to be realised, sold, or consumed in the Group's normal operating cycle.
- It is held primarily for the purpose of trading.
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or a cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it meets any of the following criteria:

- It is expected to be settled in the Group's normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period; or
- The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and deferred tax liabilities are classified as non-current.

(b) Fair value measurement

The Group measures certain financial instruments, such as derivatives, and non-financial assets, such as investment properties, at fair value at each balance sheet date. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market to which the Group has access at the measurement date.

The principal or most advantageous market must be accessible to the Group. Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest.

For non-financial assets, fair value measurement considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant who would use the asset in that manner.

The Group applies valuation techniques that are appropriate to the circumstances and for which sufficient data are available to measure fair value. Where necessary, the Group engages independent and qualified valuers. The valuation approach prioritises the use of relevant observable inputs while minimising reliance on unobservable inputs.

For the purpose of fair value disclosures, the Group classifies assets and liabilities based on their nature, characteristics, risks and their classification within the fair value hierarchy, as outlined above.

(c) Income Tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws applied in these calculations are those enacted or substantively enacted at the reporting date in the jurisdictions where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is also recognised in equity and not in the statement of profit or loss. Management regularly reviews positions taken in tax returns, especially in areas where tax regulations are open to interpretation and establishes provisions when deemed necessary.

Deferred tax

Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except in the following cases:

- Deferred tax liabilities are not recognised when they arise from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.
- Deferred tax liabilities are also not recognised for taxable temporary differences associated with investments in subsidiaries, associates, and joint arrangements when the Group controls the timing of the reversal and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits, and unused tax losses. They are recognised only to the extent that it is probable taxable profits will be available to utilise these deductible temporary differences, tax credits, and tax losses.

Deferred tax assets and liabilities are measured using the tax rates expected to apply in the year the asset is realised, or the liability is settled, based on tax rates and laws that have been enacted or substantively enacted by the reporting date.

The Group offsets deferred tax assets and deferred tax liabilities only when it has a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity, or on different taxable entities that intend either to settle current tax balances on a net basis or to realise the assets and settle the liabilities simultaneously in each future period when significant deferred tax amounts are expected to be settled or recovered.

(d) Property, plant and equipment

Construction in progress is stated at cost, less any accumulated impairment losses. Plant and equipment are stated at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes the cost of replacing parts of plant and equipment, as well as borrowing costs for long-term construction projects when the recognition criteria are met.

When significant components of plant and equipment require replacement at intervals, the Group depreciates these components separately based on their specific useful lives. Similarly, the cost of major inspections is capitalised as part of the carrying amount of the plant and equipment if the recognition criteria are satisfied. All other repair and maintenance expenses are recognised in profit or loss as incurred.

Investment properties—assets held to generate lease income—are initially measured at cost, including transaction costs. After initial recognition, they are carried at fair value, reflecting market conditions at the reporting date. Gains or losses from changes in fair value are recognised in profit or loss in the period they occur, including any related tax effects. Fair values are determined annually by an accredited external independent valuer using a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised upon disposal (i.e., when control transfers to the buyer) or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. The resulting gain or loss—calculated as the difference between the net disposal proceeds and the carrying amount of the asset—is recognised in profit or loss in the period of derecognition. In determining the consideration for derecognition, the Group takes into account factors such as variable consideration, the existence of a significant financing component, non-cash consideration, and any consideration payable to the buyer, where applicable.

Transfers into or out of investment property are made only when there is a clear change in use. When an investment property is reclassified as owner-occupied property, its deemed cost for subsequent accounting is its fair value at the date of the change in use. Conversely, when an owner-occupied property is reclassified as an investment property, the Group applies the accounting policy for property, plant and equipment up to the date of the change in use.

(e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset—one that necessarily takes a substantial period of time to be made ready for its intended use or sale—are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(f) Derivative financial instruments and hedge accounting

Initial Recognition and Subsequent Measurement

The Group uses derivative financial instruments, such as interest rate swaps, to hedge its exposure to interest rate risks. Derivatives are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured at fair value. They are classified as financial assets when their fair value is positive and as financial liabilities when their fair value is negative.

For the purpose of hedge accounting, the Group classifies hedges as one of the following:

- **Fair value hedges** are used to hedge exposure to changes in the fair value of a recognised asset or liability, or an unrecognised firm commitment, that are attributable to a specific risk and could affect profit or loss.
- **Cash flow hedges** are used to hedge exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability, a highly probable forecast transaction, or the foreign currency risk of an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge, including the Group's risk management objective and strategy for undertaking the hedge, the hedged item, the hedging instrument, and the nature of the risk being hedged. This documentation is a prerequisite for applying hedge accounting.

Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit or loss as other comprehensive income. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit or loss as other expense.

For fair value hedges of items carried at amortised cost, any adjustment to the carrying amount is amortised through profit or loss over the remaining term of the hedge using the Effective Interest Rate (EIR) method. The EIR amortisation begins as soon as the adjustment arises and no later than when the hedged item stops being adjusted for changes in fair value attributable to the hedged risk.

If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the cumulative subsequent change in its fair value attributable to the hedged risk is recognised as an asset or liability, with a corresponding gain or loss recognised in profit or loss.

(g) Provisions

Provisions are liabilities of uncertain timing or amount that are recognised when the Group has a present legal or constructive obligation arising from a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

(h) Going Concern

These financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities, and the realisation of assets and the discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group's current liabilities exceed current assets by \$107.26 million due to the Group re-negotiating their banking facilities with Commonwealth Bank. The conditions attached to the facility include:

- The existing Group facilities expire 1st October 2025.
- At the recent annual review in late March 2025, Commonwealth Bank approved continuation of facilities for up to a further 2 years from expiry.
- indicative pricing for the proposed facility extension has been provided to the Group as at 26th May 2025; and
- it is intended to have the facility extension documentation prepared and executed closer to facility expiry.

The Board of Directors confirms these conditions indicate no material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements involves management making judgements, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, and related disclosures, including contingent liabilities. Uncertainty in these judgements and estimates may lead to outcomes that require material adjustments to the carrying amounts of affected assets or liabilities in future periods.

Judgements

In applying the Group's accounting policies, management has made the following judgements, which have the most significant impact on the amounts recognised in the consolidated financial statements:

Property lease classification – Group as lessor

The Group has entered into commercial property leases within its investment property portfolio. Based on an evaluation of the terms and conditions—such as the lease term not representing a major part of the economic life of the property and the present value of minimum lease payments not amounting to substantially all of the fair value of the property—the Group has determined that it retains substantially all significant risks and rewards incidental to ownership. Consequently, these leases are accounted for as operating leases.

Estimates and assumptions

The key assumptions about the future, along with other sources of estimation uncertainty at the reporting date, that pose a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. These assumptions and estimates are based on parameters available to the Group at the time the consolidated financial statements were prepared. However, actual outcomes may differ due to changes in market conditions or other circumstances beyond the Group's control. Such changes are reflected in the assumptions as they occur.

Revaluation of investment properties and share investment

The Group measures its investment properties and shares investments at fair value, with changes in fair value recognised in the statement of profit or loss. For investment properties, a valuation methodology incorporating multiple approaches, including the Market Capitalisation Rate method, was applied. An independent valuation specialist was engaged to assess the fair value of the investment properties as at 30 June 2025. Further details on share investments are provided in Note 9(a).

4(a) Revenue

	2025	2024
	\$'000	\$'000
Rental revenue	16,116	15,026
Provision of services revenue	14,249	12,483
Weekend markets revenue	1,236	1,034
Total revenue	31,601	28,543

Revenue from the Group's major business activities is recognised using the methods outlined below:

Rental revenue

The Group enters into contractual rental agreements with tenants for its investment properties. These agreements specify the lease term, rental amounts (typically payable monthly), and any lease incentives. Rental revenue from investment properties is recognised on a straight-line basis over the lease term in accordance with the contractual arrangements.

Rental revenue not received by the reporting date is recognised as a receivable, while amounts received in advance are recorded as rent in advance (unearned income) in the statement of financial position. Lease incentives granted to tenants are treated as an integral part of the total rental revenue and are recognised as a reduction in rental income on a straight-line basis over the lease term. Contingent rentals are recognised as income in the periods in which they are earned.

Provision of services revenue and Weekend markets revenue

Revenue from services is recognised over time as the services are rendered. These services primarily include variable outgoings, electricity supply, and waste transfer. Invoices for such services are issued monthly.

In accordance with AASB 15, the total consideration in service contracts is allocated to each distinct service based on its relative stand-alone selling price. The stand-alone selling price is determined with reference to the price at which the Group sells each service in separate transactions.

Revenue from weekend markets is recognised at the point in time when the public pays a fee to access the market during the weekend.

4(b) Other income

	2025	2024
	\$'000	\$'000
Interest revenue	104	270
Other revenue	893	424
Total other income	997	694

Other revenue

Other revenue includes dividend income from share investments, access card fees, and infrastructure cost recovery from tenants, including a recovery from recalculated outgoings from a prior period for tenant on exit. Such revenue is recognised when received or when the right to receive payment is established. Gains or losses on the disposal of assets are determined as the difference between the asset's carrying amount at the date of disposal and the net disposal proceeds. These are recognised in profit or loss in the period of disposal. For property sales, gains or losses are recognised when control is transferred to the buyer, which typically occurs upon legal title transfer.

5. Operational expenses

	2025	2024
	\$'000	\$'000
Information technology and telecommunications	424	360
Professional fees	539	346
Salaries and board fees (excl. contractors)	2,264	2,008
Contract Staff	49	-
Land Tax	467	457
Legal Fees	87	49
Proportional Takeover Bid Defence (BML Standstill in 2023)	-	70
Sponsorship	181	247
Other	663	905
Total operational expenses	4,674	4,442

6. Commercial site management expense

	2025	2024
	\$'000	\$'000
Rates and water consumption	3,018	3,140
Cleaning and waste removal	1,346	1,062
Electricity	4,810	3,480
Repairs and maintenance	649	750
Insurance	721	608
Staff costs	1,506	1,580
Lessor's Outgoings	617	626
Other	843	579
Total commercial site management expenses	13,510	11,825

7. Income tax expense/(benefit)

	2025	2024
	\$'000	\$'000
Current tax expense		
Current tax expense	1,545	1,725
Deferred tax expense/(benefit)	7,472	4,825
Under/(over) provision	61	39
Total income tax expense/(benefit)	9,078	6,589
Profit before income tax expense	30,135	21,958
Income tax at the Australian tax rate of 30%	9,038	6,587
Unrecognised tax losses and other deferred tax assets	(63)	-
Tax effect amounts which are not deductible/(taxable)	42	(37)
Timing differences not previously recognised	-	-
Under/(over) provision	61	39
Total income tax expense/(benefit)	9,078	6,589
Amounts recognised directly in other comprehensive income		
Deferred tax expense/(benefit) relating to change in the fair value of cash flow hedges	162	34

Deferred tax assets and liabilities comprise temporary differences attributable to:

Investment properties	(48,491)	(41,158)
Deferred settlement consideration	(85)	(194)
Plant and equipment	-	-
Interest rate swap	-	(34)
Other	(359)	(389)
Total deferred tax liabilities	(48,935)	(41,775)
Interest rate swap	394	-
Plant and equipment	249	316
Other	136	356
Total deferred tax assets	779	672
Total deferred tax liabilities	(48,935)	(41,775)
Total deferred tax assets	779	672
Net deferred tax (liabilities)/assets	(48,156)	(41,103)
Franking credits available for use in subsequent financial years	3,800	2,954

8. Receivables

	2025	2024
	\$'000	\$'000
Receivables	604	598
Total Receivables	604	598

Classification and measurement of receivables

Receivables are recognised initially at the original invoice amount, less any allowance for expected credit losses. The collectability of receivables is assessed on an ongoing basis, and receivables identified as uncollectible are written off against the allowance account. Given that receivables are generally due for settlement within 30 days, their carrying amounts approximate fair value and are classified as current assets.

In most cases, the Group holds collateral or other credit enhancements as security for lease rental receivables.

These typically consist of bank guarantees or cash security deposits held in trust.

9(a) Other financial assets

	2025	2024
	\$'000	\$'000
Current		
Short-term investment deposits ^(a)	2,000	2,000
Total current	2,000	2,000
Non-current		
Share investment, fair value through profit or loss ^(b)	4,741	4,778
Total non-current	4,741	4,778

^(a) The Group holds \$2.0 million of Security Deposits in respect of tenancy security deposits in an interest-bearing term deposit with the Commonwealth Bank.

^(b) The Group holds 1,089,922 shares in Brisbane Markets Limited (BML). The carrying value of these shares are assessed at fair value (30 June 2025: \$4.35 per share; 30 June 2024: \$4.38 per share). The valuation decrease of (\$37k) for the year ended 30 June 2025 has been recognised as a Loss on revaluation of other assets (2024: loss \$409k).

Receipts from customer security deposits

Receipts from customer security deposits are held as cash in a separate bank account and a separate term deposit (refer Note 9a). These funds are restricted in use and are solely maintained for the purpose of holding or refunding security deposits. Accordingly, the related amounts are recorded as a liability (refer to Note 16). As these funds are restricted and not expected to be used to settle liabilities within twelve months after the reporting date, they are classified as non-current.

9(b) Other assets

	2025	2024
	\$'000	\$'000
Current		
Prepayments	695	671
Inventories	11	16
Total current	706	687
Non-current		
Receipts from customer security deposits	894	1,113
Software capitalisation	59	94
Total non-current	953	1,207

10. Property, plant and equipment

	2025	2024
	\$'000	\$'000
Plant and equipment comprise:		
Fixed assets under construction	9,584	3,390
Property, plant and equipment at cost	7,412	7,356
Less: Accumulated depreciation	(4,026)	(3,589)
	12,970	7,157

Reconciliation:

Carrying amount at start of year	7,157	6,254
Additions	41,824	5,485
Disposals/transfer to Investment Property	(35,500)	(4,085)
Depreciation	(511)	(497)
Carrying amount at end of year	12,970	7,157

Measurement and recognition of property, plant and equipment

Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost approximates fair value at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition as an asset, items of property, plant and equipment are measured at historical cost less accumulated depreciation and accumulated impairment losses.

De-recognition

Upon disposal or derecognition of an item of property, plant and equipment, any resulting gain or loss is recognised in the consolidated statement of profit or loss.

Depreciation

All non-current assets with limited useful lives are systematically depreciated over their estimated useful lives, reflecting the pattern in which their future economic benefits are consumed.

Depreciation is calculated using the straight-line method, with rates reviewed annually. The estimated useful lives for each class of depreciable assets are as follows:

Plant and equipment	3 to 20 years
Office equipment	5 to 10 years

Construction in progress

Property under construction intended for future use as investment property is measured at fair value, except when the fair value cannot be reliably determined.

If fair value cannot yet be reliably determined, the property is carried at cost until either fair value becomes reliably measurable, or construction is completed.

11. Investment Properties

	Investment Property	Undeveloped Land	Total
	\$'000	\$'000	\$'000
Balance at 30 June 2023	234,000	18,000	252,000
Revaluation	7,265	8,250	15,515
Additions/Land development	5,485	-	5,485
Balance at 30 June 2024	246,750	26,250	273,000
Revaluation	18,602	3,750	22,352
Additions/Land development	13,148	-	13,148
Balance at 30 June 2025	278,500	30,000	308,500

Investment properties are those held to earn rental income, for capital appreciation, or both, and are not occupied by the consolidated entity.

Investment properties are initially measured at cost, including transaction costs, and subsequently remeasured at fair value annually.

Changes in the fair value of investment properties are recognised directly in profit or loss.

As part of the fair value determination process, an external independent valuer with recognised professional qualifications and recent experience in the relevant property location and category conducts an annual valuation of the Group's properties.

An independent valuation of the investment properties was conducted by CBRE Valuations Pty Limited (CBRE) as at 30 June 2025 and 30 June 2024.

12. Fair value measurements

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
2024 Consolidated				
Assets				
Derivative financial instruments	-	113	-	113
Share investment	-	4,778	-	4,778
Investment properties	-	273,000	-	273,000
	-	277,891	-	277,891
Liabilities				
Derivative financial instruments	-	-	-	-
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
2025 Consolidated				
Assets				
Derivative financial instruments	-	-	-	-
Share investment	-	4,741	-	4,741
Investment properties	-	308,500	-	308,500
	-	313,241	-	313,241
Liabilities				
Derivative financial instruments	-	(1,313)	-	(1,313)
	-	(1,313)	-	(1,313)

- **Level 1:** The fair value of financial instruments traded in active markets, such as publicly traded equity securities, is determined based on quoted market prices at the end of the reporting period. For financial assets held by the Group, the quoted market price used is the current bid price. These instruments are classified as Level 1 in the fair value hierarchy.
- **Level 2:** The fair value of financial instruments not traded in active markets is determined using valuation techniques that maximise the use of observable market data and minimise reliance on entity-specific estimates. Instruments for which all significant inputs to the fair value measurement are observable are classified as Level 2.
- **Level 3:** If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

No transfers occurred between Levels 1, 2, or 3 during the current or prior periods.

Valuation techniques to derive Level 2 fair values

Level 2 fair values are determined using an income-based approach to approximate a market value. This involves discounting the asset's expected cash flows using a discount rate that reflects the cost of capital, associated risks, and required return. The valuation also incorporates the impact of the Cap Hedge arrangement.

Fair value measurements are based on observable market inputs, such as rental yields and interest rate forward curves. An independent valuation of the investment properties was completed as at 30 June 2025 by CBRE Valuations Pty Limited (CBRE), a qualified valuer with appropriate expertise in the relevant property types.

The share investment relates to an unlisted public company with limited trading activity. Given the infrequency of share trades, the direct method of valuation has been adopted as the most appropriate approach. While trade prices are published, the lack of regular market activity precludes classification as Level 1. Accordingly, the investment is disclosed as Level 2.

13. Payables

	2025	2024
Current	\$'000	\$'000
Accounts payable	2,607	1,500
Sundry creditors	1,280	1,531
Employee salaries payable	15	19
Corporate credit card	12	-
Interest payable	114	2
Net GST payable	87	87
Income tax payable / (refundable)	(451)	(341)
Total current payable	3,664	2,798

Trade and other payables

Trade and other payables are recognised at the amounts payable when the Group becomes obliged to make future payments in respect of the purchase of assets or services. As these liabilities are typically settled within 30 days, their carrying amounts approximate fair value. All trade and other payables are unsecured.

14. Borrowings (Secured)

	2025	2024
Current	\$'000	\$'000
Term loan (net of associated costs)	98,695	-
Total current	98,695	-

	2025	2024
Non-Current	\$'000	\$'000
Term loan (net of associated costs)	-	83,564
Total Non-Current	-	83,564

Terms and conditions relating to the secured loan

- (a) The facility comprises a \$105 million cash advance and construction facility which are interest bearing at a floating rate of interest linked to BBSY. It also includes a \$1 million overdraft facility, a \$0.5 million asset finance facility, and a \$0.1 million Corporate Card facility.

The facility term end date was extended to 1 October 2025 in June 2022. Interest rate risks are managed through interest rate swaps arrangements (as disclosed in Note 23).

As at 30 June 2025, \$98.7 million had been drawn down on the facility, with \$6.4 million remaining undrawn.

Loans are secured by a first registered mortgage over all current and future real property at the Perth Markets site, along with a general security interest over the company's assets and undertakings. The carrying amount of the investment property as at 30 June 2025 is \$308.5 million (2024: \$273 million).

- (b) The financial covenants under the loan facility with CBA include:
- The loan-to-value ratio (total debt to property value) must not exceed 55% on each calculation date (30 June).
 - The interest cover ratio (EBITDA to interest expenses) must be no less than 1.75 times on each calculation date as at 30 June.

All borrowings are initially recognised at cost, which represents the fair value of the net proceeds received. Subsequently, they are measured at amortised cost using the effective interest rate (EIR) method.

As at the balance date, the Group had the following undrawn facilities with CBA:

- Overdraft facility with a limit of \$1 million
- Asset Finance Leasing facility with a limit of \$500k
- Corporate Card facility with a limit of \$100k
- Solar Project facility limit set at \$12 million, with \$5.1 million remaining

These facilities form part of the finance facilities with CBA.

Reconciliation of borrowings from financing activities

	2024	Cash flows	Addition	Fair value changes	2024
	\$'000	\$'000	\$'000	\$'000	\$'000
Term loan (net of associated costs)	83,538	-	26	-	83,564
Total non-current	83,538	-	26	-	83,564

	2025	Cash flows	Addition	Fair value changes	2025
	\$'000	\$'000	\$'000	\$'000	\$'000
Term loan (net of associated costs)	83,564	-	15,131	-	98,695
Total current	83,564	-	15,131	-	98,695

15. Employee benefit obligations

	2025	2024
	\$'000	\$'000
Current		
Annual leave	190	160
Total current	190	160
Non-current		
Long service leave	44	38
Total non-current	44	38

Employee benefit obligations

Annual leave and long service leave

The liability for annual and long service leave expected to be settled within 12 months after the reporting period is recognised and measured at the undiscounted amounts expected to be paid upon settlement.

Any annual leave that is not expected to be settled wholly within 12 months after the end of the reporting period is classified as 'other long-term employee benefits'. Annual and long service leave expected to be settled more than 12 months after the reporting period is measured at the present value of amounts expected to be paid upon settlement. These leave liabilities relate to services rendered by employees up to the end of the reporting period.

When assessing expected future payments, consideration is given to expectations of future wage and salary levels including non-salary components such as employer superannuation contributions. Additionally, the long service leave liability considers employee turnover patterns and periods of service. Expected future payments are discounted using market yields on national government bonds at the end of the reporting period, with maturities that closely align with the estimated timing of the future cash outflows. Annual leave and unconditional long service leave provisions are classified as current liabilities when the Group does not have an unconditional right to defer settlement of the obligation for at least 12 months after the reporting period.

16. Other Liabilities

	2025	2024
	\$'000	\$'000
Current		
Deposit – magnetic access cards	77	77
Income in advance	99	74
Deferred settlement consideration	9,718	-
Total current	9,894	151
Non-current		
Security deposits (Tenant leases)	2,894	3,114
Derivative financial liabilities – Cash flow hedges	1,313	(113)
Deferred settlement consideration	-	9,354
Total non-current	4,207	12,355

Deferred settlement consideration

The deferred settlement consideration relates to a \$10 million payable to the Western Australian Government for the acquisition of Market City on 31 March 2016. The liability was initially recognised at fair value and is subsequently measured at amortised cost using the net present value. As the Group has an unconditional right to defer settlement only until 31 March 2026, the amount is classified as current at the reporting date.

Derivatives

The Group's accounting policy for cash flow hedges is detailed in Note 2.3 (g).

17. Related Party Disclosure

Parent Entity

Perth Markets Group Limited

Subsidiaries

Interests in subsidiaries are set out below:

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

	Principal place of business / Country of incorporation	2025 %	2024 %
Market City Operator Co Pty Ltd	Perth, Australia	100%	100%
Market City Asset Manager Co Pty Ltd	Perth, Australia	100%	100%

Key management personnel compensation

Key management personnel include the non-executive members of the Board. The aggregate compensation paid to Directors and other key management personnel of the Group is disclosed in Note 24.

As at the reporting date, Directors and Director-related entities held the following number of shares in the Group, either directly, indirectly, or beneficially.

Shares Unit Holding ('000)

	2025	% of Company	2024	% of Company
Brisbane Markets Limited	28,832	49.00%	28,832	49.00%
United Crate Co-operative Ltd	10,628	18.06%	10,628	18.06%
Market West (The Chamber of Fruit & Vegetable Industries WA (Inc))	2,120	3.60%	2,120	3.60%
Oresusa Pty Ltd	773	1.31%	1,205	2.05%
Miroslav Lendich	500	0.85%	500	0.85%
Maria Ann Lendich	500	0.85%	500	0.85%
Total	43,353	73.67%	43,785	74.41%

Transactions with related parties

The Group engaged in transactions with several Directors and their related entities in their capacity as customers and suppliers. These transactions related to leased premises, market services, and the reimbursement of Director-related costs. All amounts charged were based on normal market rates (excluding GST) and totalled as follows:

	2025		2024	
	\$'000	\$'000	\$'000	\$'000
	Charged by	Received from	Charged by	Received from
Brisbane Markets Limited ^(a)	11		11	-
Market West ^(b, c)	131	97	175	87
Evered Nominees		909	-	845
Etherington (Brimcove Pty Ltd) ^(e)		1,034		1,054
Perfection Fresh Australia ^(d)		290		305
Total	142	2,330	186	2,291

Director	Related entities
A. Young	Brisbane Markets Limited
J. Ryan	Perfection Fresh Australia
C. Cunningham	Etherington (Brimcove Pty Ltd)
M. Lendich	Miro Lendich family entities and United Crate Co-operative Ltd

These amounts exclude any director fees, which are disclosed in Note 24 – *Remuneration of key Management personnel*. The amounts presented represent the total value of any receivables or payables to or from the related parties and relate to the following:

- (a) Brisbane Markets Limited - Reimbursement for travel expenses for Board representation at Board meetings (2025: \$11k, 2024: \$11k).
- (b) Market West - Market price reporting (2025: \$66k, 2024: \$54k), Better Choice contribution (2025: \$20k, 2024: \$40k), contribution to the Perth Markets Ball (2025: \$21k, 2024: \$27k), Acquisition of gas for forklift operations for the Waste Transfer Station (2025: 12k, 2024: \$13k), Produce Executive Program (2025: \$3k, 2024: \$9k) and other (2025: \$10k, 2024: \$8k).
- (c) Market West - Rent and tenant outgoings (2025: \$82k, 2024: \$69k), Utilities, Waste disposal and other costs (2025: \$13k, 2024: \$10k) and LPG (2025: \$12k, 2024: \$8k).
- (d) Perfection Fresh Australia – Rent and tenant outgoings (2025: \$237k, 2024: \$226k), Utilities, Waste disposal and other costs (2025: \$53k, 2024: \$51k).
- (e) Etherington (Brimcove Pty Ltd) - Rent and tenant outgoings (2025: \$833k, 2024 \$776k), Utilities, Waste disposal and other costs (2025: \$201k, 2024: \$187k).

18. Contributed Equity

(a) Issued Capital

	PMGL	Consolidated
Issued Shares	\$'000	\$'000
Balance at 30 June 2025 (Total shares: 58,840,131)	54,718	54,718
Balance at 30 June 2024 (Total shares: 58,840,131)	54,718	54,718

Ordinary Shares

Ordinary shares carry the right to receive dividends as declared and, in the event of the company's winding up, to participate in the distribution of surplus assets in proportion to the number of shares held and the amount paid up on those shares. Holders of ordinary shares are entitled to one vote per share, either in person or by proxy, at shareholders' meetings.

Capital Management

The consolidated entity manages its capital to ensure ongoing viability as a going concern while maximising returns to stakeholders through an optimal balance of debt and equity.

The Group's capital structure comprises debt, including borrowings as detailed in Note 14, cash and cash equivalents, and equity attributable to the parent's equity holders, which includes issued capital, reserves, and retained earnings as disclosed in Note 18.

Management actively oversees the capital structure by evaluating financial risks and adjusting debt levels, shareholder distributions, and share issuances in response to changing market conditions and risk profiles.

(b) Reserves

	Retained earnings	Cash flow hedge reserve
	\$'000	\$'000
Balance at 30 June 2023	85,572	22
Result for the year after tax	15,369	-
Movements in fair value of cash flow hedges	-	(30)
Distribution provided for the year	(3,825)	-
Balance at 30 June 2024	97,116	(8)
Result for the year after tax	21,039	-
Movements in fair value of cash flow hedges	-	(997)
Distribution provided for the year	(4,001)	-
Balance at 30 June 2025	114,154	(1,005)

19. Distributions / Dividends Paid

	\$'000
Jun 2023 Final Dividend for 2022/23 at 3.5 cents per security paid Oct 2023	2,060
Dec 2023 Interim Dividend for 2023/24 at 3.0 cents per security paid Mar 2024	<u>1,765</u>
Total Dividend paid during the financial year 2024	3,825
Jun 2024 Final Dividend for 2023/24 at 3.5 cents per security paid Oct 2024	2,059
Dec 2024 Interim dividend for 2024/25 at 3.3 cents per security paid Mar 2025	<u>1,942</u>
Total Dividend paid during the financial year 2025	<u>4,001</u>

Dividends paid during the financial year are fully franked at the tax rate of 30.0 cents per share. The franking account balance of PMGL is disclosed at Note 7.

CASH DIVIDEND

The Company recognises a liability to pay a dividend once the dividend is authorised and is no longer at the discretion of the Company. Under Australian corporate law, a dividend is considered authorised when approved by the Directors. A corresponding amount is recognised directly in equity

20. Notes to the Statement of Cash Flows

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2025	2024
	\$'000	\$'000
Operating (*)	2,241	2,566
Cash Management	<u>2</u>	<u>2</u>
	<u>2,243</u>	<u>2,568</u>

(*) This includes a working capital overdraft facility. In 2025 the account had a balance of \$nil (2024: \$nil).

(b) Reconciliation of profit after income tax equivalent to net cash flows provided by operating activities

	2025	2024
	\$'000	\$'000
Profit after income tax for the period	21,039	15,369
<u>Non-operating or non-cash items:</u>		
Depreciation and amortisation expense	511	497
Revaluation of investment property / unexpected income	(22,801)	(15,106)
Unwind of discounting in interest expense	364	350
<u>(Increase)/decrease in assets:</u>		
Receivables	(2)	(282)
Other assets	(653)	223
Deferred tax asset	9,078	6,589
<u>Increase/(decrease) in liabilities:</u>		
Payables	(595)	(3,522)
Provisions	(35)	(61)
Net cash provided by operating activities	6,906	4,057

Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents—including restricted cash and cash equivalents—comprise cash on hand, net of bank overdrafts. Cash and cash equivalents include cash on hand and demand deposits with financial institutions that carry an insignificant risk of changes in value. Bank overdrafts are classified as borrowings within current liabilities in the Statement of Financial Position.

Term deposits are classified as cash equivalents if they mature within three months or less from the date of acquisition.

21. Commitments

Capital project commitments

	2025	2024
	\$'000	\$'000
Payable not later than 1 year	-	-
	-	-

22. Contingent Liabilities

Apart from the liabilities recognised in the financial statements, there are no contingent liabilities requiring disclosure.

23. Financial Instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

	2025	2024
	\$'000	\$'000
<u>Financial Assets</u>		
Cash and cash equivalents	2,243	2,568
Security deposits	2,894	3,114
Receivables	604	598
Derivative financial instruments	(1,313)	113
Share investment	4,741	4,778
Total financial assets	9,169	11,171
<u>Financial Liabilities</u>		
Trade payables	3,664	2,798
Borrowings	98,695	83,564
Deferred consideration	9,718	9,354
Security deposits	2,894	3,114
Total financial liabilities	114,971	98,830

Financial risk management objectives and policies

The Group's financial instruments include cash and cash equivalents, restricted cash and cash equivalents, borrowings, receivables, and payables. The Group has limited exposure to financial risks, with its overall risk management program focused on identifying and managing the key risks outlined below.

Credit risk

Credit risk arises from the Group's receivables and cash balances held with banking institutions. The maximum exposure to credit risk at the end of the reporting period for each class of recognised financial assets is the gross carrying amount of those assets, inclusive of any impairment provisions.

The Group conducts business exclusively with recognised, creditworthy third parties. Cash balances are held with Australian banks that maintain investment-grade credit ratings. The Group has established policies to ensure leases are granted only to tenants with satisfactory credit histories. Additionally, receivable balances are continuously monitored, resulting in minimal exposure to bad debts. At the reporting date, there were no significant concentrations of credit risk.

All tenants with outstanding balances exceeding 7 days are notified of their overdue amounts. If payment is not received within 14 days, a follow-up letter is sent advising a payment due date. Should the tenant fail to meet this due date, a default notice is issued. Additionally, the Group reserves the right to charge interest on outstanding balances in accordance with the lease provisions.

The allowance for impairment of financial assets is determined based on objective evidence, including past experience and current and expected observable data indicating changes in client credit ratings. As at the reporting date, no impairment of financial assets was required, and no amounts were overdue.

Liquidity risk

Liquidity risk arises when the Group is unable to meet its financial obligations as they become due. The Group is exposed to liquidity risk through its capital management practices and routine trading activities.

The Group's objective is to maintain a balance between continuity of funding and flexibility using loans and finance leases. It manages cash flows by monitoring forecasted inflows and outflows to ensure sufficient funds are available to meet commitments. Short-term liquidity requirements are managed through rigorous cash management and access to a \$1 million overdraft facility, of which no amount was utilised at the reporting date (2025: \$nil).

2024	Carrying	Up to 3months	3-12 months	1-2 years	2-5 years	More than 5 years	Total contractual cash flow
<u>Non-derivatives</u>							
Payables	2,798	2,798	-	-	-	-	2,798
Term borrowings	83,564	1,172	3,552	86,791	-	-	91,515
Deferred consideration ⁽¹⁾	9,354	-	-	10,000	-	-	10,000
<u>Gross-settled Derivatives ⁽²⁾</u>							
Interest rate swaps – inflow	(113)	(702)	(2,026)	(2,226)	(3,351)	(471)	(8,776)
Interest rate swaps - outflow	-	642	1,823	2,149	3,460	449	8,523
Total financial liabilities	95,603	3,910	3,349	96,714	109	(22)	104,060

2025	Carrying	Up to 3months	3-12 months	1-2 years	2-5 years	More than 5 years	Total contractual cash flow
<u>Non-derivatives</u>							
Payables	3,664	3,664	-	-	-	-	3,664
Term borrowings	98,695	-	98,695	-	-	-	98,695
Deferred consideration ⁽¹⁾	9,718	-	10,000	-	-	-	10,000
<u>Gross-settled Derivatives ⁽²⁾</u>							
Interest rate swaps – inflow	-	(542)	(1,523)	(884)	(2,177)	-	(5,126)
Interest rate swaps - outflow	1,313	623	2,039	1,189	2,588	-	7,752
Total financial liabilities	113,390	3,745	109,211	305	411	-	114,985

Deferred consideration of \$10 million is payable to the Western Australian Government for the acquisition of Market City on 31 March 2016. The liability was initially recognised at fair value and is subsequently measured at amortised cost using the effective interest method. It is classified as current at the reporting date, as the Group has an unconditional right to defer settlement only until 31 March 2026.

Gross-settled derivatives include combined instruments comprising a fixed hedge with a notional value of A\$60 million (2025: A\$40 million) and a Cap hedge with a notional value of A\$20 million (2025: A\$20 million).

Market risk

Market risk refers to the risk that changes in market prices, such as interest rates, will impact the Group's income or the value of its financial instrument holdings. The Group has no exposure to foreign currency or other price risks. Its primary market risk exposure relates to interest rate fluctuations on long-term debt obligations, which carry a floating interest rate referenced to BBSY.

The Group uses derivative financial instruments, primarily interest rate swaps, to mitigate exposure to market risks arising from interest rate fluctuations. The Group does not engage in derivative contracts for trading purposes. Hedging decisions are based on the Group's overall interest rate risk position. For the purposes of this policy, hedging refers to transactions that reduce the calculated interest rate risk on the portfolio of interest-bearing assets and liabilities, assessed using measures such as value at risk, sensitivity analysis, or accrued simulation.

24. Remuneration of Key Management Personnel

	2025	2024
	\$	\$
Base remuneration and superannuation	1,362,587	1,233,944
Annual leave and long service leave accruals	65,734	47,199
Other benefits	-	-
The total remuneration of key management personnel	1,428,321	1,281,143

25. Remuneration of auditor

Auditors of the Group 2025: Grant Thornton Audit Pty Ltd (2024: BDO Audit Pty Ltd and its related entities)

	2025	2024
	\$	\$
Audit and review of financial statements	67,768	91,896
Other assurance service (variable outgoings audit)	9,406	20,350
Other non-audit services		
BDO Independent Expert Report	14,965	-
Taxation compliance	47,655	52,602
Total Other non-audit services	62,620	52,602
Total remuneration of auditor	139,794	164,848

The Company may engage the auditor for assignments beyond their statutory audit duties when the auditor's expertise and experience with the Company and/or Group are valuable. The Board of Directors, based on the Audit Finance & Risk Committee's (AFRC) advice, is satisfied that providing such non-audit services complies with the auditor independence standards set out in the Corporations Act 2001.

The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the Corporations Act 2001, for the following reasons: APES110(290)

- (a) All non-audit services have been reviewed by the Audit Finance & Risk Committee (AFRC) to ensure they do not affect the auditor's impartiality and objectivity; and
- (b) None of the services undermine the general principles of auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

26. Parent Entity Note

The individual financial statements for the parent entity show the following aggregate amounts:

	2025	2024
	\$'000	\$'000
Current assets	378	338
Total assets	63,274	60,819
Current liabilities	569	759
Total liabilities	118,047	94,157
Net assets	(54,773)	(33,338)
<i>Shareholders' equity</i>		
Contributed equity	54,718	54,718
Reserves	(1,005)	(7)
Retained earnings	(108,846)	(88,049)
Total equity	(54,773)	(33,338)
Profit and total comprehensive income for the year	(16,435)	(10,236)

Contingent liabilities of the parent entity

As at 30 June 2025, the parent entity had no contingent liabilities (2024: nil).

Contractual commitments of the parent entity

As at 30 June 2025, the parent entity had no contractual commitments (2024: nil).

Determining the parent entity information

The financial information for the parent entity has been prepared using the same accounting policies as those applied in the consolidated financial statements.

27. Events Since the End of the Financial Year

Following the end of the financial year, no material events have taken place.

Consolidated Entity Disclosure Statement

Year Ended 30 June 2025

Name of Entity	Type of Entity	Trustee, Partner or Participant in JV	% of Share Capital	Place of Business / Country of Incorporation	Australian Resident or Foreign Resident	Foreign Jurisdiction(s) of Foreign Residents
Perth Markets Group Limited	Parent Entity	-	100%	Australia	Australian	N/A
Market City Asset Manager Co Pty Ltd	Body Corporate	-	100%	Australia	Australian	N/A
Market City Operator Co Pty Ltd	Body Corporate	-	100%	Australia	Australian	N/A

Directors' Declaration

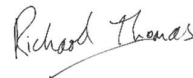
In the Directors' opinion:

- (a) The financial statements and notes comply with the Corporations Act 2001, including:
 - (i) compliance with Accounting Standards, the Corporations Regulations 2001, and other mandatory professional reporting requirements; and
 - (ii) presenting a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- (b) The consolidated entity's disclosure statement is true and correct, and
- (c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.



Chairman of the Board
Giovanni Groppoli
26th August 2025



Non-Executive Director
Richard Thomas
26th August 2025

Independent Auditor's Report

To the Members of Perth Markets Group Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Perth Markets Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report 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.

Responsibilities of the Directors' for the financial report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 (other than the consolidated entity disclosure statement); and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible 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 financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/apzlw0y/ar3_2024.pdf. This description forms part of our auditor's report.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

L A Stella
Partner – Audit & Assurance
Perth, 26 August 2025

Grant Thornton Audit Pty Ltd