Inspiring healthier happier *futures for all*

nuchev®

2025 ANNUAL REPORT

Our vision is

to lead globally as a House of Brands *transforming wellness, longevity and quality of life* through therapeutic, future-focused solutions.

Acknowledgement of Country

Since 2013, Nuchev has operated on the traditional lands of the Wurundjeri Woi Wurrung peoples. We acknowledge the traditional custodians of the land on which our office is located, the Wurundjeri People of the Kulin nation, and pay our respects to the Elders, past, present and emerging.

Contents

About Nuchev

Nuchev is an Australian-based nutritional and wellness business. We're dedicated to delivering trusted, science-backed brands that support health, vitality and quality of life across generations.

Our journey began in 2013 with a single product and a simple philosophy: gentle nutrition for growing bodies. That founding focus on goat milk and infant wellbeing laid the groundwork for everything we've built since – and continues to guide us as we grow into new categories, new markets and new ways of helping people feel good, inside and out.

Today, our portfolio spans infant formula and adult nutrition, practitioner-only therapeutics and retail pharmacy.

Nuchev's products include those branded under Oli6®, Bio Practica and Medicine Tree and a number of globally recognised European brands sold under exclusive licence in Australia and New Zealand (ANZ) by bWellness.

We operate across Australia, New Zealand, China and Vietnam, partnering with world-class manufacturers, trusted distributors and forward-thinking retailers to ensure the highest standards of safety, quality and care.

Nuchev has a highly skilled and experienced management team led by its CEO Nathan Cheong. Their combined skills cut across the key elements of the Nuchev business, from farming and manufacturing to logistics, distribution and sales.

Nuchev is committed to sourcing premium ingredients and working with industry-leading Australian manufacturing facilities to deliver products families and practitioners can rely on – every day, at every stage.

Living *our* purpose

As Nuchev evolves into a House of Brands, we've refreshed our purpose, vision, mission and values to reflect who we've become and where we're heading.

Together, these guiding pillars will shape our next chapter of growth as we continue to support wellness, longevity and quality of life at every stage.

Vision

To lead globally as a House of Brands transforming wellness, longevity, and quality of life through therapeutic, future-focused solutions.

Purpose

Inspiring healthier, happier futures for all

Mission

We turn consumer insight into demand-led products, creative strategies into retail/practitioner growth, and every brand touchpoint into an unfair advantage for Nuchev.

We partner with retailers and practitioners to stay ahead of the curve, delivering market-relevant innovation, consumer-first storytelling, and breakthrough brand activity that drives mutual growth.

Values

Consumer First, Always
We stay obsessively close to real needs, real lives, and real behaviour to shape what we launch and how we show up.

Products with Purpose
We don't do noise. We deliver meaningful products that solve, stand out, and sell.

Impact Through Partnership
We grow by growing others, collaborating with retail and practitioner partners to deliver commercial results, not just shelf presence.

Fast, Focused, Fearless
We move with culture, act boldly with intent, and ground every creative instinct in data.

Integrity in Every Action
We do what we say, and say what we mean, with transparency, trust, and accountability baked in.

Chair *and* CEO message

Building scale as a House of Brands

FY25 marked a pivotal year for Nuchev's successful transformation into a diversified House of Brands.

We delivered 110% revenue growth, underpinned by strong performance across our Oli6® nutritional and practitioner portfolios, the strategic acquisition of bWellness and continued expansion into high-growth markets.

This was our first full year operating as a broader wellness business, with a portfolio spanning infant nutrition, practitioner-led therapeutics and retail pharmacy. Our strategic focus on brand strength, channel partnerships and disciplined execution has enabled us to deliver meaningful value across life stages and consumer segments.

Expanding our reach internationally

International expansion was a key driver of growth in FY25. The launch of Oli6® in Vietnam—our first major offshore market entry beyond China since IPO—generated $1.6 million in revenue and established a strong pipeline for FY26 and beyond.

In partnership with H&S Group and local distributor Chau Dai Duong, the launch included Oli6® Infant Formula (Stages 1–4) and Oli6® Immunity+, responding to rising demand for premium Australian nutritional products.

Oli6® also delivered robust growth across ANZ and China Cross-Border E-Commerce (CBEC), with total sales rising 31% to $14.3 million. The brand retained its position as Australia's #1 Toddler Drink on Product Review for the fifth consecutive year (2021–2025), reflecting strong consumer trust and loyalty.

Strengthening strategic partnerships

In May, we entered into an exclusive sales agency agreement with Brauer and H&S Brands[1]. Under this agreement, Nuchev will represent Brauer, Skin Physics and Rapid Loss products across Australian pharmacies, grocery and health food stores. This partnership complements our existing portfolio and aligns with growing consumer demand for natural, family-oriented wellness solutions.

Domestically, our partnerships with Coles, Woolworths, Chemist Warehouse and leading pharmacy banner groups continued to drive performance. Oli6® retail sales in ANZ reached $6.3 million, up 24% year-on-year, reflecting deeper market penetration and enhanced shelf presence.

Internationally, our strategic distribution agreement with H&S Group continued to unlock growth, with CBEC sales of Oli6® reaching $6.4 million, up 4% year-on-year (YOY). Following the achievement of performance hurdles in June 2025, H&S Group exercised Tranche 2 of their performance options, resulting in a $1.9 million capital injection into the Group.

Our commitment to product safety and quality remains unwavering, supported by partnerships with world-class manufacturers – an enduring cornerstone of our strategy and brand philosophy.

Unlocking growth through innovation

Innovation remains central to our strategy. The acquisition and integration of bWellness delivered scale and diversification into the ANZ Practitioner channel, generating $8.5 million in revenue.

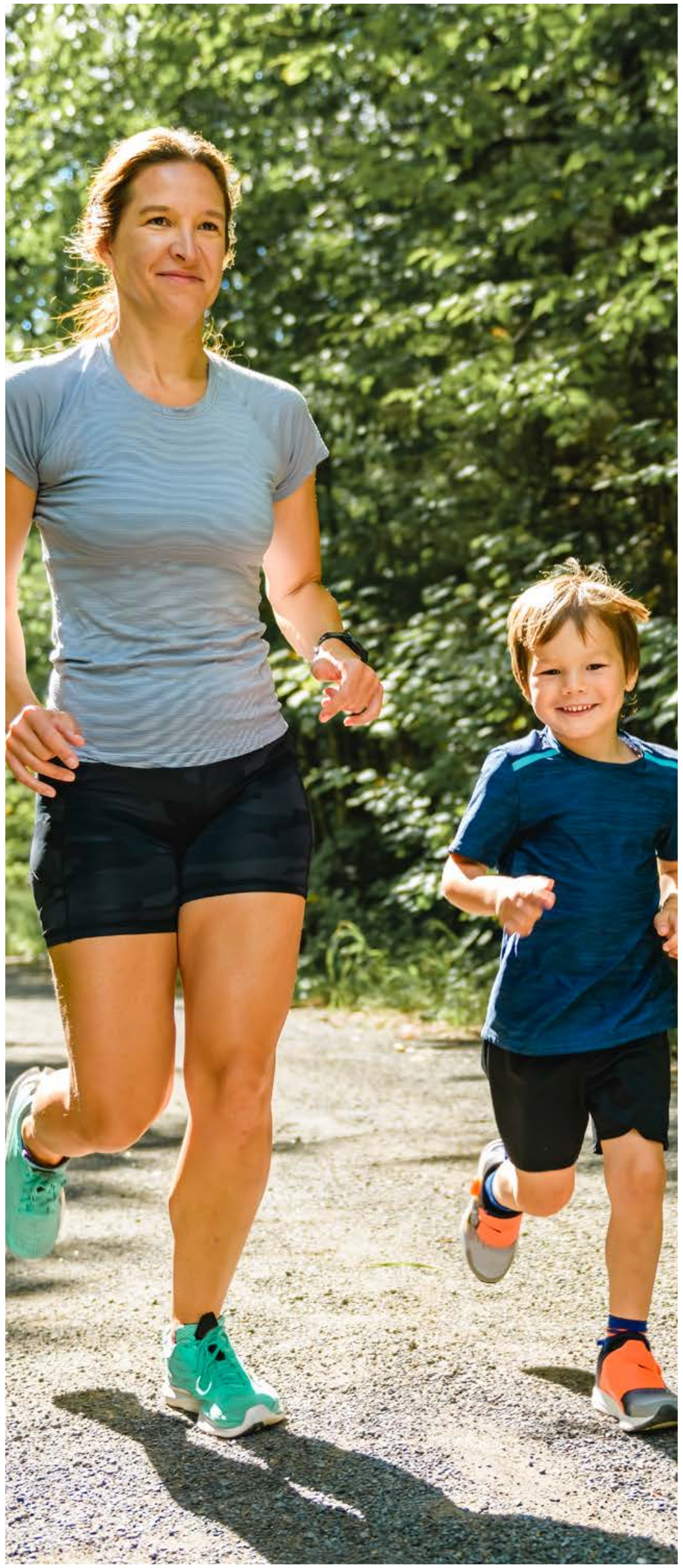
We continue to invest in new product development (NPD)[2] to drive organic growth and expand into adjacent segments.

In October, we launched OliGrow+, developed in time for China's Double 11 retail event – the largest sales moment in the CBEC calendar. This launch demonstrates our ability to respond rapidly to consumer insights and market opportunities, supported by our strategic distribution partners.

Our NPD pipeline remains a critical lever for driving sales, enhancing margin mix and deepening consumer engagement across life stages.

FY25 financial highlights

- Group revenue of $22.9 million[3], up $12 million or 110% pcp[4]
- Practitioner channel sales of $8.5 million
- Oli6® Nutritional revenue of $14.3 million, up $3.4 million or 31% pcp
- Net contribution margin[5] of 26%, up 2,176 bps[6], delivering a $5.5 million uplift
- Adjusted EBITDA[7] loss of $3.0 million, improved by $2.9 million or 49% pcp
- Operating loss after tax reduced by $3.5 million or 48%
- ANZ retail sales of Oli6® reached $6.3 million[8], up $1.5 million or 24% pcp
- Oli6® scan sales increased 26.6% MAT[9], outperforming the Infant Milk Formula (IMF) category average of 3.5%



1 Brauer Natural Medicines Pty Ltd ACN 008 016 242 and H & S Brand Corporation Pty Ltd ACN 600 895 332 (H&S Brands) are associates of H&S Investments Pty Ltd ACN 643 475 601, as trustee for the H&S Investment Unit Trust ABN 62 122 826 764 (H&S Investments), and H&S International (Aust) Pty Ltd ACN 621 762 285 (H&S International) (collectively H&S Group)

2 NPD refers to New Product Development that adds to the existing product range

3 Sales revenue from Nutritional and VDS products includes Oli6®, Bio Practica and Medicine Tree branded products and several global health product brands sold by bWellness under exclusive licence in Australia and New Zealand, and excluding sales of raw material ingredients

4 Previous corresponding period ("pcp")

5 Net contribution margin represents revenue from the sale of Oli6® Nutritional and Practitioner products less cost of goods sold, warehousing, distribution and logistics, selling and marketing costs and excludes sales of raw ingredients, adjustments for recognition of H&S contract incentives

6 bps refers to basis points

7 Adjusted EBITDA is earnings before finance costs and income, depreciation, amortisation and tax and excludes sales of raw ingredients, recognition of the fair value of H&S contract incentives, business combination costs, product obsolescence and impairment of assets, and excludes earnout payments to former owners or derecognition of liabilities linked to business combination

8 Sales of Oli6 Nutritionals excludes sales of raw material ingredients

9 Source Iqvia Scan Data measured on a Moving Annual Total ("MAT") basis for 52 weeks ended 28 June 2025

Operational efficiencies also contributed to improved performance. Distribution, warehousing and logistics costs improved by 71 bps. Selling and marketing return on investment (ROI) improved by 890 bps, and G&A[10] cost ratio improved by 1,033 bps, driven by reductions in discretionary expenditure and tight overhead controls.

Effective working capital management ensured a positive year-end position of $7.0 million, with net assets of $11.2 million, including $3.6 million in cash and no external debt.

Vision, strategy and leadership

In FY25, we renewed our vision, mission and values to reflect our evolution into a progressive House of Brands. Our purpose guides every partnership, product and decision:

Inspiring healthier, happier futures for all

Our strategic focus remains on scaling the business to profitability through five core priorities:

1. Global expansion and market relevance
2. Innovation-led product development
3. Unified brand leadership
4. Sales and marketing acceleration and digital enablement
5. Financial strength and sustainable growth

To deliver on this vision we strengthened our leadership team. In February, Nathan Cheong was appointed Chief Executive Officer and Mick Myers transitioned into the combined COO and CFO role, ensuring continuity and focus. These changes equip Nuchev with the leadership for its next phase of growth.

Positioning for growth

The Group continues to make positive progress in competitive market conditions across ANZ, China and Vietnam, with targeted investment in sales and marketing to drive scale across multiple channels.

Despite macroeconomic headwinds, our focus remains on disciplined execution and innovation-led growth. Our strategic initiatives are delivering tangible results, and we are confident in our trajectory toward breakeven and long-term value creation.

With a clear three-year strategy and talented team, we are excited by the opportunities ahead and alive to the challenges. We remain committed to delivering long term growth for our shareholders.

We thank our shareholders, customers and suppliers for their continued trust and support.

Chair

Ben Dingle

Chief Executive Officer

Nathan Cheong

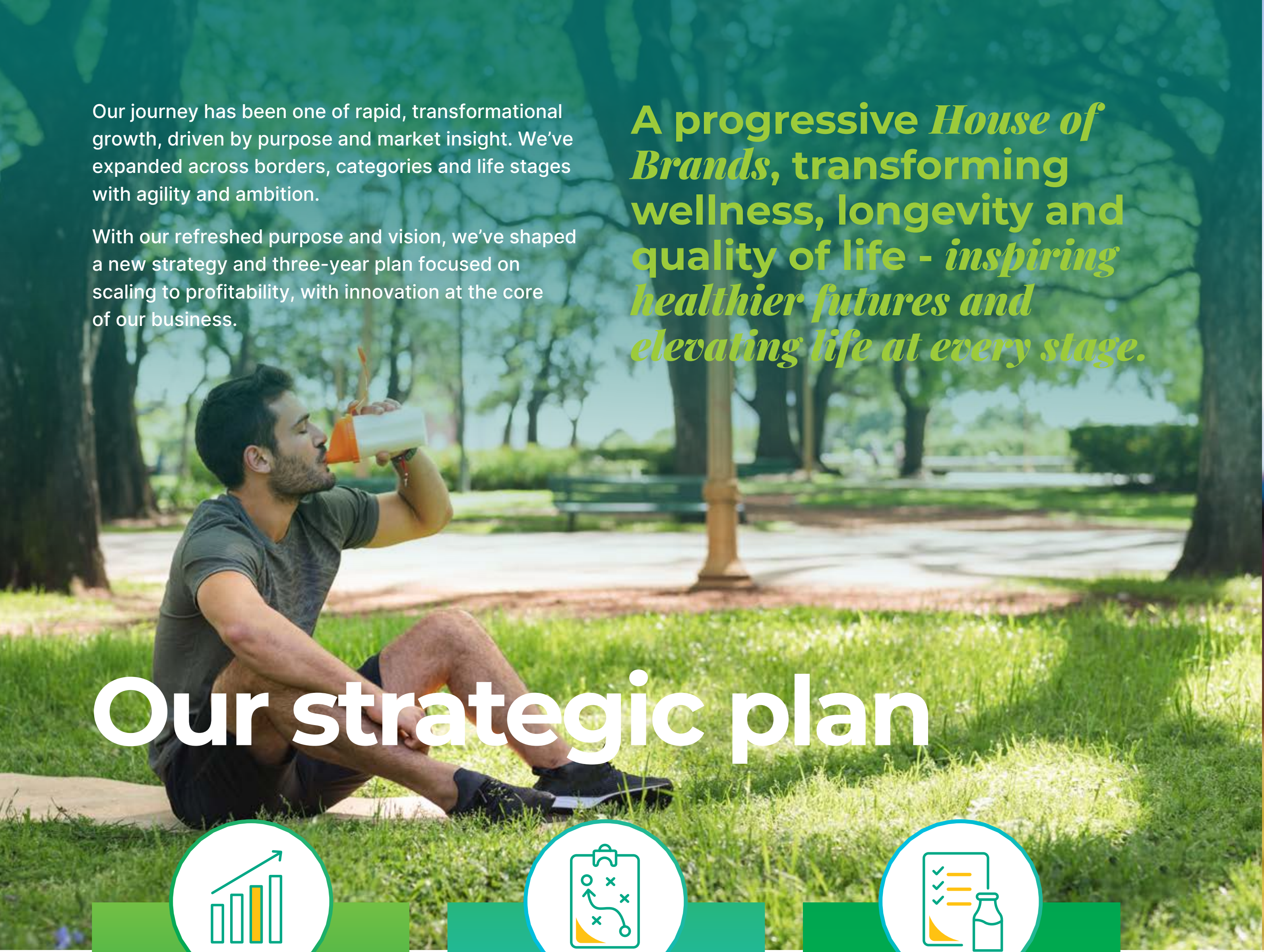
10 General and administration cost ratio is measured as a percentage of sales revenue from Nutritional and VDS products

$22.9M
REVENUE
+110% pcp

$6M
NET CONTRIBUTION MARGIN
+1,105% pcp

($3.0M)
ADJUSTED EBITDA
+49% pcp improvement

$11.2M
Net assets



Our journey has been one of rapid, transformational growth, driven by purpose and market insight. We've expanded across borders, categories and life stages with agility and ambition.

With our refreshed purpose and vision, we've shaped a new strategy and three-year plan focused on scaling to profitability, with innovation at the core of our business.

A progressive *House of Brands*, transforming wellness, longevity and quality of life - *inspiring healthier futures and elevating life at every stage.*

Our strategic plan

GROWTH STRATEGY

- Grow Oli6® into a full life-stage brand; strengthen positioning to drive preference
- Expand innovation into adjacent categories
- Scale Oli6® internationally
- Expand impact in the Practitioner channel with a robust innovation pipeline + eCommerce

STRATEGIC PRIORITIES

- Global expansion and market relevance
- Innovation-led product development
- Unified brand leadership ('One Nuchev')
- Sales and marketing acceleration and digital enablement
- Financial strength and sustainable growth

UNIQUE COMPETENCIES

- Expertise in infant nutrition, supplements and wellness
- Brand marketing and retailer partnership specialists
- Consumer-driven NPD capability
- Agile execution with global market experience

Year *in* review

Overview
Year in review
Risk and governance
Directors' report
Remuneration report
Financial statements
Additional information

Financial *and* operating highlights

Building scale as a House of Brands

The Group delivered improved operating results in FY25, marked by significant sales growth, stronger margins and disciplined cost control.

Core operations delivered revenue growth of 110%, reaching $22.9 million from the sale of Nutritional and VDS (Vitamin and Dietary Supplements) products. Adjusted EBITDA loss improved by $2.9 million or 49% pcp to $(3.0) million. Net contribution margin increased by $5.5 million to $6.0 million and operating loss after tax reduced by $3.5 million (48%).

Results reflect our strategic focus on profitability and efficiency, the bWellness acquisition, a significant increase in net contribution margin up $5.5 million on the previous financial year, and the improvement in G&A cost ratio.

Performance drivers

The FY25 result was bolstered by:

- Acquisition of the Practitioner channel, delivering higher-margin product sales
- Oli6® Nutritional's sales growth and favourable product mix increasing customer receipts
- Improved ROI from selling and marketing expenditure
- Disciplined cost control measures across G&A and operational functions
- Optimised supply chain and inventory management
- Embedded working capital management discipline across in the business.

These improvements position the Group for continued margin expansion and operational leverage in FY26.

FY25 key metrics for revenue, earnings and net cashflows

	FY25	FY24	% change
Gross Revenue ($m)	22.9	11.3	+102%
Net Contribution Margin ($m)	6.0	0.5	+1,105%
Adjusted EBITDA ($m)	(3.0)	(5.9)	+49%
Operating Loss after Tax ($m)	(3.8)	(7.3)	+48%
Adjusted Cash Used in Operations ($m)	(2.3)	(3.1)	+27%

Strategic milestones

- Performance options conversion: Following the achievement of sales performance hurdles for a second consecutive year, H&S Group exercised Tranche 2 of their performance options in July 2025. This delivered $1.9 million in proceeds to the Group, reinforcing investor confidence and commercial momentum.
- Channel expansion and market reach: The Group continued to scale across competitive markets in ANZ, China and Vietnam, supported by targeted investment in selling and marketing. Multi-channel growth remains a strategic priority.
- Exclusive sales agency agreements: Our agreements with Brauer and H&S Brands position Nuchev as a key player in the complementary medicines category across Australian pharmacies, grocery and health food stores.
- Commitment to quality and safety: The Group's uncompromising focus on safety and quality is enabled by partnerships with world-class manufacturers. This remains a cornerstone of our brand philosophy and supply chain strategy.

Our people and culture

Our people remain central to our success. In FY25 we revitalised our leadership team and launched a bold new vision and purpose. Employee engagement remained strong, supported by a culture that values wellbeing, inclusion and growth.

Our workforce reflects the diversity of our customers and communities. We continue to invest in learning and development, run regular engagement reviews and offer employee assistance programs to support a resilient and inclusive workplace.

Quality and sustainability

This year, we advanced our Australian Packaging Covenant Organisation (APCO) Action Plan to reduce environmental impact and improve packaging sustainability. These efforts are part of our long-term commitment to reliable and responsible growth, waste reduction and ethical sourcing.

We continued to strengthen our globally-competitive supply chain through trusted partnerships across Australia, New Zealand and Europe. We conducted regular site visits and compliance checks across our supply chain. Operational efficiencies in distribution, warehousing and logistics drove performance improvements. Our commitment to product safety and quality is reinforced through rigorous testing and close collaboration with our world-class manufacturing partners.

70%
FEMALE EMPLOYEES

44% ***Non-English***
SPEAKING BACKGROUNDS

84%
2025 EMPLOYEE ENGAGEMENT SCORE

40%
female representation
ACROSS EXECUTIVE MANAGEMENT TEAM

$14.3M
OLI6® NUTRITIONAL SALES REVENUE
↑ 31% pcp

$6.3M
ANZ RETAIL SALES
↑ 24% pcp
ACROSS GROCERY AND PHARMACY

26.6%
SCAN SALES GROWTH (MAT INCREASE) OUTPERFORMING CATEGORY BENCHMARKS

5-TIME WINNER SINCE 2021
#1 TODDLER DRINK PRODUCT REVIEW.COM.AU

Oli6® Nutritionals highlights

Oli6® continues to earn the trust of families across Australasia, delivering premium nutrition with care, innovation and global reach.

This year, we doubled sales from Oli6® Nutritionals, strengthened our domestic footprint, expanded into Vietnam and launched new products to support every life stage.

Vietnam launch

Our first major offshore entry beyond China delivered $1.6 million in revenue.

In partnership with H&S Group and Chau Dai Duong, Oli6® Infant Formula (Stages 1–4) and Immunity+ are now available in Mother and Baby stores, retail outlets and online platforms.

China CBEC performance

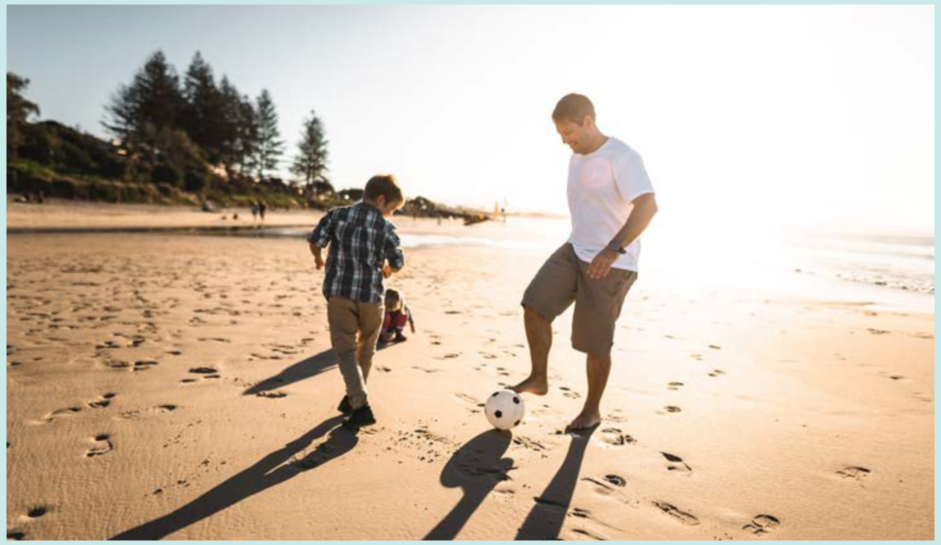
Sales reached $6.4 million, up 4% YoY, reinforcing the strength of our strategic distribution agreement and the enduring appeal of Australian-made nutrition.

Domestic growth

Retail partnerships with Coles, Woolworths, Chemist Warehouse and pharmacy banner groups drove deeper shelf presence and consumer engagement.

Innovation pipeline

The launch of Oli6Grow+ at China's Double 11 retail event evidences our continued focus on a broader portfolio expansion. Our NPD pipeline remains strong, with new products planned to meet evolving customer needs.



Growing *well*, together

From the first feed to ageing well, Oli6® supports the six stages of life with nutrition that begins in the gut and shows up in every part of daily living.

Proudly Australian-made and trusted by families worldwide, our range is designed for infants, toddlers, kids, teens, adults, and seniors. Each stage reflects our promise of gentle digestion, calmer nights, and everyday vitality—helping families live fuller, rest deeper, and feel better together.

OliGrow+

Created for children aged 3–10, OliGrow+ provides extra nutritional support during the busy primary school years—helping to fuel healthy growth and strengthen immunity when they need it most.

Oli6® combines the natural gentleness of goat milk with science-backed formulation to support calm digestion, a stronger immune system, and calmer nights.

Full Cream Goat Milk Powder

Gentle, natural, and nourishing, our Full Cream Goat Milk Powder is made for the whole family. With around six times more natural oligos* than cow's milk, it helps support gut comfort, healthy digestion, and the growth of beneficial bacteria—so every scoop feels good from the inside out.

Goat Infant Formula Range

Proudly Australian-made and trusted by families worldwide, our Goat Infant Formula combines the natural gentleness of goat milk with our SynbiOli™ digestive blend. This unique mix of prebiotics, probiotics, and DHA is designed to support gentle digestion, immunity, and healthy development—giving families confidence in every feed.

*oligosaccharides

Transforming *wellness, longevity and quality of life* through therapeutic, future-focused solutions.

Practitioner channel highlights

Nuchev's acquisition of the bWellness business, completed on 30 June 2024, marked a pivotal step in our transition to a diversified nutritional and wellness business.

FY25 was our first full year operating under this model, with practitioner-led therapeutics emerging as a key growth engine. Through targeted education and strategic partnerships, we expanded our reach and revenue across the practitioner channel.

We achieved strong sales, grew our team, launched IT transformation and brand refresh initiatives and embedded new processes – building momentum for the year ahead.

We've launched five new websites for consumers and practitioners including PracConnect, a dedicated portal with exclusive content tools and support for practitioner members.

Channel strengths

Diversification: Practitioner-led therapeutics delivered reach into a new channel and diversification. They complement our infant nutrition and retail pharmacy segments, reinforcing our House of Brands strategy.

Allied health engagement: We deepened relationships with naturopaths, nutritionists and integrative GPs through sampling programs, clinical education and targeted outreach, building trust and driving recommendation pathways.

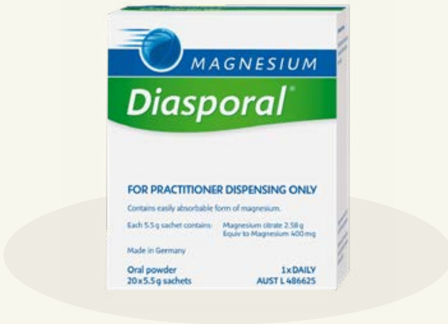
Evidence-based formulations: Our Practitioner range is grounded in clinical evidence and scientific rigour, reinforcing our commitment to quality and efficacy across all channels.

$8.5M
PRACTITIONER CHANNEL REVENUE

Magnesium Diasporal

Your magnesium for life on the move

A clinically trialled, high-strength magnesium supplement designed for rapid absorption into cells. It uses magnesium citrate, known for its superior bioavailability, making it ideal for fast replenishment of magnesium levels. Visit magnesiumdiasporal.com.au



Basica

Bringing the body into balance

Basica Active is a supplement rich in alkalising minerals and citrates, to support acid-base balance and maintain healthy pH levels in your body. Visit basica.com.au

BioPractica RejuvaSLEEP Forte N

Herbal sleep formula for a more restful night

RejuvaSLEEP FORTE N is a specialised herbal formulation to support healthy sleeping patterns, calm the mind, relieve nervous tension and improve sleep quantity and quality. Visit biopractica.com.au/products/rejuvasleep-forte-n

As a member of Complementary Medicines Australia, the peak industry body, Nuchev is committed to advancing practitioner-led wellness through evidence-based innovation and industry collaboration.

With a strong foundation in practitioner trust and functional science, Nuchev's practitioner-led channel is poised for continued growth, supported by new formulations, expanded education programs and deeper integration with allied health networks across ANZ.

Risk management

Effective risk management is central to Nuchev's approach to driving sustainable and profitable growth.

Governance of risk

The Board is responsible for the overall system of internal control and has delegated responsibility for ensuring effective risk management and internal control systems and processes to the Audit and Risk Committee.

Management is responsible for designing and implementing risk management and internal control systems, with the objective of identifying warnings of risk before they escalate. Regular monitoring and evaluation of the risk management plan is in place, with management continually promoting and monitoring the culture of risk management and ensuring compliance with identified internal controls. Regular status reports are provided to the Audit and Risk Committee and the Board.

Approach to risk management

Key risks have been identified and assessed through workshops conducted by senior management and facilitated by external risk advisors. Mitigation strategies are in place to limit the likelihood of key risks occurring. Regular status reports are provided to the Group's Audit and Risk Committee, and Board. With a continually evolving approach, management seeks to identify, assess, mitigate and monitor both financial and non-financial risks that could affect the Group.

The risk management framework encompasses all areas of Nuchev's operations and includes financial, economic, environmental and reputational risks. Actions to mitigate these risks have been developed to ensure that Nuchev is able to respond swiftly to potential risks and issues. The risk management framework is regularly updated to reflect the current risk environment.

Supporting *wellness, longevity and quality of life,* at every stage.

Source of risk	Risk overview	Mitigation strategies
Strategic execution	Nuchev may fail to implement its strategy successfully. This includes a risk that Nuchev is unsuccessful in managing its key sales channels.	• The Group has developed a comprehensive three-year business strategy with key strategic initiatives determined. • The annual budget setting process is aligned with the three-year business strategy, with key milestones identified and monitored by management and the board. • Monthly business performance reviews are undertaken and forecasts prepared to monitor progress and enable the business to adapt as needed. • Joint business plans are agreed with major customers, enabling ongoing monitoring and review of sales performance. Sales targets by customers are reviewed on a monthly, quarterly and annual basis. • Ongoing focus on building brand reputation and product quality to grow brand exposure, awareness and customer loyalty. • Ongoing investment in consumer feedback, research and analysis. • Maintain a scalable and robust supply chain, including identification of alternative sourcing options to provide flexibility and optionality.
Supply chain disruption	Disruptions may impact access to raw ingredients, production and/or logistics, potentially increasing associated costs.	• Maintain a scalable and robust supply chain to provide flexibility and optionality, with forward procurement of key ingredients to stabilise pricing and availability. • Ongoing monitoring of materials, production, logistics and third-party warehousing suppliers to ensure flexibility in supply and cost optimisation. • Buffer stocks are held to mitigate unplanned delays in supply. • IMF supply agreement established with Bega/Tatura Milk Industries has strengthened the Group's ability to source high-quality ingredients, secure production capacity and access R&D capability.
Channel partnerships	Loss of key channel partner or channel partner support.	• Maintain strategic channel partnerships in Australia and internationally to optimise sales channels and market reach. • Joint business plans with key channel partners ensure a strong and united focus on actions to drive brand equity and product sales. • Key Account Managers ensure strong relationships with key channel partners, with category plans aligned and agreed activities to drive product sales that are supported by sales and brand tracking using independently sourced data to monitor performance. • Regular top-to-top meetings are conducted with key retail customer accounts and distributors to maintain strong relations and alignment.
External, environmental events	Climate, environmental and biosecurity events impacting Nuchev's supply chain.	• Maintain a scalable outsourced supply chain, providing flexibility and optionality, including identification of alternate sources for key ingredients. • Buffer stocks held to mitigate unplanned delays in supply caused by unforeseen events.

Source of risk	Risk overview	Mitigation strategies
Operational	Insufficient inventories being held or inventories being held in excess of forecast sales.	• Regular monitoring of stock holdings and forecast demand requirements for future sales, with reference to internal and external datapoints.
Food safety and quality	Failure to comply with food safety and quality standards. As with all food products, the raw ingredients used in Nuchev's products may be susceptible to deterioration, contamination, tampering, adulteration or may otherwise be unsafe or unfit for sale or consumption throughout all stages of the supply chain (including storage).	• Stringent testing procedures conducted for all batches of Full Cream Milk Powder (FCMP) and Whey Protein Concentrate (WPC) received from suppliers prior to these ingredients being distributed to Australia. • Partnering with suppliers and co-manufacturers to ensure quality checks for manufactured products and compliance with regulatory requirements. • Product recall procedures in place and tested through 'mock' scenario exercises to ensure readiness amongst team members and partners. • Maintain appropriate food safety certifications including Vulnerability Assessment and Critical Control Points (VACCP).
Market competition and NPD	Inability to deliver revenue growth due to increased market competition or insufficient NPD.	• Progress market diversification, innovation and new product development (NPD) initiatives to deliver suitable sales growth, including review with key channel partners. • Active pursuit of NPD to expand into adjacent categories with higher profit margins to fast-track the path to breakeven, with an NPD pipeline to launch new products in FY26. • Maintain investment in external sales data and consumer research to support and develop the brand strategy.
Regulatory change	Domestic or foreign regulatory changes impacting Nuchev's operations. Nuchev must comply with a range of laws and regulations in Australia and in foreign jurisdictions in which Nuchev sources its ingredients or sells its products.	• Active membership of the Infant Nutrition Council (INC) and Complementary Medicines Australia (CMA) enables the group to maintain awareness of current and upcoming regulatory changes that may impact our product range. • Ongoing monitoring of regulatory changes, including the Therapeutic Goods Administration (TGA) for regulation of Listed Medicines in Australia, Medsafe NZ for regulation of Listed Medicines in New Zealand, and Food Standards Australia New Zealand (FSANZ) on the regulation of food products, as well as other regulatory standards for marketing and advertising of products in ANZ.
Brand reputation	Damage to brand or reputation. Several factors could affect Nuchev's reputation including product quality issues, failure or delay in supplying products or a regulatory breach.	• Focus on product quality and safety across the entire supply chain. • Monitor social media channels to ensure prompt responses to consumer comments, with clear escalation protocols in place. • Focus on regulatory requirements and ensure third party suppliers maintain legal compliance with relevant regulation. • Maintain contingency options for alternative supply, manufacturing and logistics partners. • Uphold ethical and equitable treatment of employees and partners through policies including the Code of Conduct, Diversity Policy and Speak Up Policy.
Cyber security	Cyber-related risks including network and data security loss, theft and corruption risks. Nuchev may face risks associated with network and/or system security including unauthorised access to data.	• Maintain cyber security systems and practices, including multi-factor authentication, restriction of access to sensitive data, testing of recovery systems, and Endpoint Detection & Response (EDR) systems. • Ongoing monitoring of cyber security threats using cyber tracking and monitoring tools is performed with assistance from the Group's third-party services provider.

Our Management Team

Nathan Cheong

Chief Executive Officer

Nathan Cheong was appointed CEO of Nuchev in May 2025 following his tenure as a Non-Executive Director from September 2024 to February 2025.

With more than two decades in complementary medicine, Nathan brings deep leadership experience across CEO, Managing Director and Board roles. He was CEO of Melrose Group and Life-Space Group, and Managing Director at Designs for Health, Global Therapeutics and BioCeuticals, Blackmores' practitioner-only brand. He also served as General Manager and Director at Herbs of Gold.

Nathan holds a Bachelor of Science (Psychology & Biochemistry), a Bachelor of Social Work (Sociology), an Advanced Diploma of Naturopathic Medicine and a Bachelor of Health Science (Naturopathy).

He is a member of the Australian Institute of Company Directors and the Australian Traditional Medicine Society, and has held a non-Executive Director position with Complementary Medicines Australia.

Mick Myers

Chief Operating Officer and Chief Financial Officer

Mick Myers joined Nuchev as interim CFO in March 2022 and was appointed CFO in May 2022. He accepted the dual role of Interim CEO and CFO in December 2023, was appointed CEO in May 2024, and transitioned to his current role as COO and CFO in May 2025.

An experienced executive with more than 35 years' experience, Mick is recognised for his leadership and commercial acumen across a range of businesses, from SMEs to ASX-listed entities. Prior to joining Nuchev, he was Group CFO of Simonds Group Limited (2016–2022) and has held previous CFO and senior finance roles with Toll Group, MMG Limited, Oz Minerals Limited and Zinifex Limited.

Earlier in his career, Mick spent 18 years with Deloitte in audit, forensic and enterprise risk services.

He holds a Bachelor of Business Studies, a Graduate Diploma of Accounting and is a graduate of the Financial Executives International (FEI) program. Mick is a member of Chartered Accountants ANZ and a member of the Australian Institute of Company Directors (AICD).

David Curie

General Manager, Commercial

David Curie joined Nuchev in February 2025 and is a highly accomplished executive with 20+ years' experience in FMCG, spanning the food, agriculture, health and wellness sectors. He has held senior leadership roles across global and Australian companies, consistently driving commercial growth and market success.

Prior to joining Nuchev, David was Commercial Director and Head of Sales at Life-Space Group, where he led the expansion of the probiotics segment and strengthened key customer relationships. He previously served as General Manager at CherryHill Orchards, overseeing operations and expanding the company's food and beverage footprint. He has held senior commercial positions with Heritage Brands, Symington's and Coles, where he built strong expertise in brand development, category management and international market expansion.

At Procter & Gamble, David was Head of Global ROI and Regional Head of Category for Gillette Asia Pacific, leading strategic initiatives including Gillette's Global Promotions Improvement program across Singapore, India, China and South Korea. David holds a Bachelor of Mathematics and Statistics.

Roberta Barbiellini

General Manager, Practitioner

Roberta Barbiellini is a qualified naturopath with deep expertise across clinical practice, education, product development, research and innovation. She has built a distinguished career in the supplement sector, holding senior roles at Blackmores Group, Integria Healthcare and Metagenics ANZ (formerly Health World Ltd).

Roberta has operated her own clinical practice and held multiple leadership roles in the corporate sector. She is a strong communicator and people leader, known for building high-performing teams through coaching and mentoring.

She holds a Master of Education from Charles Sturt University, a Bachelor of Health Sciences (Honours) from Griffith University, and an Advanced Diploma of Naturopathy from the Academy of Natural Therapies. Roberta is a member of the Naturopath & Herbalists Association of Australia (NHAA) and serves as an Adjunct Professional Fellow at the National Centre for Naturopathic Medicine (NCNM), Southern Cross University. She is also the Australian Chair for Women in Nutraceuticals (WIN).

Helen Hovenga

Head of People and Culture

Helen Hovenga is an accomplished HR Executive with a strong background in defining multi-year strategies for scale and transformation in corporate and start-up contexts.

Helen has held senior leadership roles including Global Chief People Officer at Telix Pharmaceuticals and Executive Director of People and Culture at Peter MacCallum Cancer Centre, where she led cultural transformation, governance and team development. Her previous roles include driving enterprise-wide change and transformation, creating outstanding employee experiences, consolidations and restructures for global organisations such as Mars, SABMiller, Toyota, Newcrest Mining and Cleanaway.

Helen holds a Masters in Human Resources, and is passionate about strategic agility, organisational change, people leadership, and delivering improved commercial outcomes through high-performing teams. Helen also specialises in executive coaching, strategy and executive team development.

Board *of* Directors

Ben Dingle

Non-Executive Director

Ben Dingle is the founder of Nuchev and served as CEO from listing until October 2022. He remained an Executive Director before transitioning to a Non-Executive Director in November 2022. Ben was appointed Chair in October 2023.

Ben brings deep commercial expertise in the dairy nutritional sector as co-founder of New Zealand's Synlait Group, established in 1999. He played a pivotal role in Synlait Milk's successful IPO in 2013 and led the development of large-scale dairy operations on the Canterbury Plains, totalling approximately 15,000 cows and pioneering innovative irrigation schemes and best practice farming systems. Prior to Synlait, Ben owned and managed dairy operations in the Waikato region.

He holds an MBA and Master of Marketing from The University of Melbourne and a Bachelor of Agriculture from Massey University. He is a graduate of the New Zealand Institute of Company Directors and is a member of the AICD.

Jeff Martin

Independent Non-Executive Director

Jeff Martin has been a non-executive director of Nuchev since September 2016. He chairs the Group's People & Culture Committee and is a member of the Group's Audit & Risk Committee.

Jeff is the principal of Martin & Co Legal, a boutique Melbourne-based practice specialising in commercial, corporate, dispute resolution and commercial litigation, employment, family and estate law. Prior to his legal career, Jeff held senior leadership roles across the food and dairy sector, including 15 years with Nestlé, five years as General Manager of SPC, and five years as Managing Director of Tatura Milk Industries.

He has served on a range of commercial boards and government advisory bodies, including the Australian Dairy Industry Council and the La Trobe University Regional Advisory Board. Jeff is also Chair of Kyvalley Dairy Group Pty Ltd, The Remarkable Milk Company Pty Ltd and The Pastoral Pork Company Pty Ltd (Otway Pork).

Jeff holds a Bachelor of Economics and an MBA from Deakin University, a Juris Doctor from The University of Melbourne, and a Graduate Diploma of Legal Practice from the Australian National University.

Liz Smith

Independent Non-Executive Director

Liz Smith is an experienced Non-Executive Director, Chair of the Group's Audit and Risk Committee and a member of the Group's People & Culture Committee. Her executive career includes Corporate Finance Partner roles at William Buck and Grant Thornton, as well as audit experience at Ernst & Young.

Liz also serves on the Board of the Australian Red Cross, DGL Group (ASX:DGL) and Pureprofile (ASX:PPL). She holds a Bachelor of Commerce from the University of Melbourne and a Master of Business Administration from La Trobe University. Liz is a Fellow of Chartered Accountants Australia and New Zealand, a Fellow of the Financial Services Institute of Australasia, a Fellow of the Governance Institute and a graduate of the AICD.

She brings strong capability in finance and accounting, strategy, M&A, risk and governance, with extensive experience advising businesses with strong growth aspirations.

Liz has worked across a range of industries including food and fast-moving consumer goods, and with businesses ranging from small privately owned companies to large ASX-listed entities.

Craig Silbery

Non-Executive Director

Craig Silbery has been an Independent Non-Executive Director of Nuchev since October 2023.

A respected entrepreneur, Craig founded and led Life-Space Group from start-up to successful exit via its sale to Guangzhou-based By-Health in 2018. Life-Space was built on a core foundation of innovative probiotic formulas for infants and pregnant women, underpinned by Human Microbiome science.

Craig is currently the founder and CEO of ilume™, a wearable pet health venture, and serves as Managing Director of Specialty Probiotics Australia Pty Ltd.

He studied at the University of Otago and the Macquarie Graduate School of Management.

Leo (Meng) Zhang

Non-Executive Director

Leo Zhang is an accomplished business leader and entrepreneur with over a decade of cross-border experience in brand management, international trade and corporate governance.

Leo joined H&S Group as a Partner in 2020 and currently serves as a Director and CEO of the H&S Global Brand Center (GBC), overseeing a portfolio of owned and strategic partner brands. He played a key role in the market success of BTNATURE, BRAUER and NUTRITION29 across China's cross-border e-commerce (CBEC) sector and Southeast Asia.

He began his entrepreneurial journey in 2014 with the founding of TOP Warehouse, which became one of the largest distributors of Australian and New Zealand brands to the daigou sector. The business served over 600 retail partners and reached a network of more than 100,000 daigous before its integration into H&S Group.

Previously, Leo worked in Ernst & Young China's audit division, contributing to IPO and audit projects across the US, Hong Kong and mainland China. He holds a Bachelor of Finance from Xiamen University.

Tamara Barr

Company Secretary

Tamara Barr brings over 20 years' experience practising as a Company Secretary and Corporate Governance Advisor across a variety of corporate sectors and industries. She has worked predominantly in Australia, as well as in the UK and Europe, providing services to ASX listed, Public and NFP companies. Tamara is a Fellow Company Secretary with Governance Institute of Australia (GIA).

As a Company Secretary and Corporate Governance Advisor, Tamara works closely with the Board and C-Suite to provide relevant advice and support. She is passionate about sound Corporate Governance procedures.

Tamara lives and breathes Corporate Governance and the development of seamless process development; she has an unstoppable commitment to excellence. She leads the Corporate Governance Team in providing the highest level of Secretarial services.

Financial Report

DIRECTORS' REPORT

The Directors present their report on Nuchev Limited and its controlled entities (collectively, the "consolidated group" or the "Group") for the financial year ended 30 June 2025.

In order to comply with the provisions of the *Corporations Act 2001*, the Directors Report as follows:

Directors

The names of the Group's Directors in office during the financial year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Current Directors

Name	Date Appointed	Current Position
Ben Dingle	09/04/2013	Non-Executive Director, Chair
Jeffrey Martin	05/09/2016	Independent Non-Executive Director
Craig Silbery	16/10/2023	Non-Executive Director
Elizabeth Smith	29/07/2024	Independent Non-Executive Director
Meng Zhang	26/05/2025	Non-Executive Director

Former Directors

Name	Date Appointed	Date Resigned	Position
Michelle Terry	19/12/2016	29/07/2024	Independent Non-Executive Director
Nathan Cheong	11/09/2024	12/02/2025	Independent Non-Executive Director

The particulars of the Directors at the date of this report are as follows:

Name	Experience and Directorships
Ben Dingle	• Ben is the founder and held the position of Chief Executive Officer (CEO) from listing the Company until 14 October 2022. Ben remained an Executive Director until 30 November 2022, following which he became a Non-Executive Director. • Ben was appointed Chair on 16 October 2023. • Ben brings significant commercial experience from the wider dairy nutritional sector as co-founder of New Zealand's Synlait Group, which was established 1999. Ben was jointly instrumental in guiding the successful IPO of Synlait Milk in 2013. Ben was also responsible for the construction and management of a portfolio of large-scale dairy operations on the Canterbury Plains that totalled approximately 15,000 cows. His role included establishment and implementation of innovative irrigation schemes, and adoption of world best farming practices. Prior to co-founding Synlait Milk, he owned and managed a portfolio of dairy operations in the Waikato region. • Ben is a highly connected, large-scale dairy innovator and leader. • Ben holds an MBA and Master of Marketing from The University of Melbourne and a Bachelor of Agriculture from Massey University. He is a graduate of the New Zealand Institute of Company Directors and is a member of the Australian Institute of Company Directors.

Name	Experience and Directorships
Jeffrey (Jeff) Martin	• Jeff has been a non-executive director of Nuchev since September 2016. • Jeff is the principal of Martin & Co Legal, a boutique Melbourne based legal practice specialising in commercial, corporate, dispute resolution and commercial litigation, employment, family and estate law. Before his career in law, Jeff had a 25 year career in food and dairy senior management positions, including 15 years within Nestle, five years as General Manager of SPC and five years as Managing Director of Tatura Milk Industries. • Jeff has also held roles on commercial boards and government advisory bodies including the Australian Dairy Industry Council and the Latrobe University Regional Advisory Board. • Jeff holds a Bachelor of Economics and a Master of Business Administration (MBA) from Deakin University, a Juris Doctor from The University of Melbourne and a Graduate Diploma of Legal Practice from the Australian National University. • Jeff is also a director and Chair of Kyvalley Dairy Group Pty Ltd and The Remarkable Milk Company Pty Ltd, and a director and Chair of The Pastoral Pork Company Pty Ltd (Otway Pork). • Jeff is Chair of the Group's People & Culture Committee and also a member of the Group's Audit & Risk Committee.
Craig Silbery	• Craig has been a Non-Executive Director of Nuchev since October 2023. • Craig is a respected entrepreneur who established and led Life-Space Group from start-up to a successful exit with the sale to Guangzhou based By-Health in 2018. He built Life-Space around a core foundation of innovative probiotic formulas for infants and pregnant women based on Human Microbiome science. Craig is also currently the founder and CEO of ilume™, a wearable pet health venture. • Craig is the Managing Director of Specialty Probiotics Australia Pty Ltd. • Craig studied at the of University of Otago and the Macquarie Graduate School of Business Management.
Elizabeth (Liz) Smith	• Elizabeth (Liz) Smith is an experienced Non-Executive Director and Chair of Audit & Risk. Liz's executive career includes Corporate Finance Partner roles at William Buck and Grant Thornton, as well as audit experience at Ernst & Young. • Liz is also on the Board of the Australian Red Cross, DGL Group (ASX:DGL) and Pureprofile (ASX:PPL). • Liz holds a Bachelor of Commerce from the University of Melbourne and a Master of Business Administration from La Trobe University. Liz is a Fellow of Chartered Accountants Australia & New Zealand, a Fellow of the Financial Services Institute of Australasia, a Fellow of the Governance Institute and is a graduate of the Australian Institute of Company Directors. • Liz has strong skills in finance and accounting, strategy, M&A, risk and governance and extensive experience advising businesses with strong growth aspirations. Liz has worked across a range of industries (including food and fast-moving consumer goods) and for businesses ranging from small privately owned companies to large ASX listed entities. • Liz is Chair of the Group's Audit & Risk Committee and also a member of the Group's People & Culture Committee.

Name	Experience and Directorships
Meng (Leo) Zhang	• Meng (Leo) Zhang is an accomplished business leader and entrepreneur with over 10 years of cross-border experience spanning brand management, international trade, and corporate governance. Leo joined H&S Group as a Partner in 2020 and currently serves as a Director of the Group as well as CEO of the H&S Global Brand Center (GBC), overseeing a portfolio of owned and strategic partner brands. • Under Leo's leadership, H&S GBC has built a high-performing international team of over 200 staff across Australia, China, and Vietnam. He has played a pivotal role in driving the market success of brands such as BTNature®, Brauer, and Nutrition29 by Brauer in China's cross-border e-commerce (CBEC) sector and the broader Southeast Asian market. • Leo began his entrepreneurial journey in 2014 with the founding of TOP Warehouse, which rapidly became one of the largest distributors of Australian and New Zealand brands to the Daigou sector. With operations in Sydney, Melbourne, Brisbane, and Auckland, the business served over 600 retail partners and reached a network of more than 100,000 Daigou's before its integration into H&S Group in 2020. • Earlier in his career, Leo worked in the audit division of Ernst & Young, China, from 2008 to 2010, participating in U.S., Hong Kong, and mainland China IPO and audit projects across industries including agriculture, renewable energy, real estate, and manufacturing. This experience laid a strong foundation in financial management, business structure, and risk analysis. • Leo holds a Bachelor of Finance from Xiamen University, China, with electives in Accounting and Marketing. He brings to the Board deep knowledge of the Asia-Pacific consumer goods market, strong financial acumen, and strategic insight into high-growth brand development.

Directors' Shareholding

The following table sets out each of the Directors' relevant interest in Fully Paid Ordinary Shares ("shares") and rights or options on shares of the Company or related body corporate as at the date of this report:

Directors	Fully Paid Ordinary shares (Number)	Share options/rights (Number)
Ben Dingle	37,853,680	479,102
Jeff Martin	89,144	Nil
Craig Silbery	7,356,931	474,746
Liz Smith	Nil	278,750
Meng Zhang	Nil	Nil

Remuneration of key management personnel

Information about the remuneration of key management personnel is set out in the remuneration report section of this Directors' Report. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group.

Company Secretary

Tamara Barr has acted as Company Secretary of Nuchev Group Limited since 28 February 2022. Tamara brings over 20 years' experience as a Company Secretary and Corporate Governance Advisor to ASX listed, public and private companies and NFPs, providing Company Secretarial services to ASX listed companies across a variety of sectors. She has practised Corporate Governance throughout Australia, the UK and Europe.

Principal activities

Nuchev is an Australian based Nutritional and Wellness business. Nuchev's products include those branded under the Oli6®, Bio Practica and Medicine Tree and a number of globally recognised European brands sold under exclusive licence in Australia and New Zealand by bWellness primarily to practitioners as prescription only products.

Oli6® is sold in the key Australian Pharmacy and Grocery channels, online in China through China's Cross Border e-Commerce ("CBEC") and general trade retail channels, and recently launched in Vietnam, where it is sold offline through Mother & Baby stores, other retail outlets and online stores. The Group is pursuing expansion into other overseas markets, including in particular, South-East Asia.

Nuchev is committed to sourcing world-class ingredients and manufacturing through industry leading Australian manufacturing facilities that ensure the best possible products for our consumers.

Operating and financial review

The loss of the consolidated group for the financial year ended 30 June 2025 ("FY25") after providing for income tax was $3,823,202 (2024: loss of $7,316,304). The Group's net cash position for the financial year ended 30 June 2025 was $3,607,321 (2024: $7,610,495).

The reduced operating loss reflects the strategic focus of the Board and management on improving operating performance and moving towards profitability and reflects the benefit of the positive contribution from the acquisition of bWellness in June 2024.

Group revenue from the sale of Nutritional and Vitamins and Dietary Supplement ("VDS") products of $22,939,642 (FY24: $11,344,716) increased 102%, driven by the acquisition of bWellness' Practitioner business, growth in our Australian Pharmacy and Grocery business, sales in China CBEC and the Group's expansion into Vietnam in the second half of the financial year.

The Group's net contribution margin[1] of $5,980,917 or 26% improved 2,176 basis points, an uplift of $5,480,960 for the year, reflecting the benefit of changes in product mix towards higher margin products, and the impact of acquiring the Practitioner business. This demonstrates the strength of the Group's brands, strong pricing discipline across all channels and our ability to source and manage our supply chain more efficiently. It also evidences our strategic approach to diversifying our exposure across multiple channels and categories.

Balance sheet

The net assets of the Group decreased from $14,752,556 at 30 June 2024 to a net asset position of $11,228,949 at 30 June 2025. At 30 June 2025 the Group had a net working capital surplus of $7,002,053 (2024: $10,282,353), with current assets significantly exceeding current liabilities.

Operating cash flows

The Group's net cash flows used in operating activities of $3,741,500 (2024: $3,733,356), included one-off payments of $1,455,563[2], giving adjusted net cash flows used in operating activities of $2,285,937 (2024: $3,147,869), an improvement of $861,932 that reflects the benefit of higher revenue at stronger margins and cost control discipline.

The closing cash position at 30 June 2025 was $3,607,321 (2024: $7,610,495).

1 Net contribution margin represents revenue from the sale of Oli6® Nutritionals (excluding revenue from sale of raw materials or and adjustments for recognition of H&S contract incentives) and sale of Practitioner products by bWellness less cost of production, warehousing, distribution & logistics, selling & marketing costs

2 One-off payments in FY25 comprise $614,749 (2024: $585,487) business transaction costs relating to the acquisition of bWellness on 30th June 2024, $490,814 of pre-acquisition costs and earnout payments of $350,000 made to the former owners of bWellness

Significant events after the balance date

Other than the events disclosed in the report, the Group is not aware of any matter or circumstance that has occurred since the end of the reporting period that has significantly affected or may significantly affect the Group's operations.

On 26 June 2025 the Group announced that H&S Group[3] had successful achieved their sales performance hurdle enabling H&S to convert Tranche 2 of the Performance Options to shares, resulting in the Group receiving $1,926,397 from the issue of shares to H&S International on 24 July 2025.

Corporate Governance Statement

The Group and the Board is committed to implementing and demonstrating the best practice of Corporate Governance. The Group has reviewed its Corporate Governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council. The Corporate Governance Statement is dated as at 30 June 2025 and was approved by the Board on 25 August 2025. The Group's Corporate Governance practices are set out and can be viewed at http://investor.nuchev.com.au/policies/

Environmental regulation

The Group is not subject to any significant environmental regulations under Australian Commonwealth or State law. During the financial year no material environmental regulation breaches were reported.

Dividends paid or recommended

No dividends were paid, declared, or recommended.

Share Options/Rights

As at the date of this report, there were 20,924,895 unquoted ordinary shares under options/rights. Refer to the Remuneration Report for further details of the options outstanding for Key Management Personnel ("KMP").

On 24 July 2025, 6,421,322 shares were issued to H&S Group, following the satisfaction of the Year Two performance targets as part of the Distribution Agreement. Under a Distribution Agreement between the Company and H&S Group, there remain 7,407,700 unquoted options in place in relation to the Year Three performance targets.

Option/rights holders do not have any right, by virtue of the security, to participate in any share issue of the Group or any related body corporate.

Restricted Securities

As at the date of this report, there were 53,789,778 ordinary shares held under voluntary restriction.

Indemnification and insurance of officers

The Group indemnifies, to the extent permitted by law, each Officer of the Group against a liability incurred. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. No indemnity payment has been made during or since the end of the financial year.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, RSM Australia Partners, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify RSM Australia Partners during or since the financial year.

[3] H&S Group is comprised of H&S International (Aust) Pty Ltd ACN 621 762 285 (H&S International) and H&S Investments Australia Pty Ltd ACN 643 475 601 as trustee for the H&S Investment Unit Trust ABN 62 122 826 764 (H&S Investments) (collectively H&S Group)

Proceedings on behalf of consolidated group

No person has applied for leave of court to bring proceedings on behalf of the consolidated group or intervene in any proceedings to which the consolidated is a party for the purpose of taking responsibility on behalf of the consolidated group for all or any part of those proceedings. The consolidated group was not a party to any such proceedings during the year.

Likely developments and expected results of operations

The Group will continue to pursue its strategic goals to increase in scale and market share of its major business sectors during the next financial year, driving towards achieving break even. This will require further development of new products, as well as expansion within existing domestic and international markets.

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

Directors' meetings

The number of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director were as follows:

	Board meetings	Audit & Risk	People & Culture
# of meetings held	15	8	5
Number of meetings attended:			
Directors:			
Ben Dingle	15	7	5
Jeffrey Martin	15	8	5
Craig Silbery	11	N/A	N/A
Michelle Terry^	1	1	1
Elizabeth Smith*	15	7	4
Nathan Cheong†	5	N/A	N/A
Meng Zhang#	2	N/A	N/A

† Nathan Cheong was appointed as a Director on 11 September 2024 and resigned on 12 February 2025.

^ Michelle Terry resigned as a director on 29 July 2024.

Meng Zhang was appointed as a Director on 26 May 2025.

* Elizabeth Smith was appointed as a Director on 29 July 2024.

Committee membership

As at the date of this report, the Group had an Audit & Risk Committee and a People & Culture Committee. Members acting on the Committees of the Board during the year were:

Audit & Risk Committee	People & Culture Committee
L Smith (Chair)†	J Martin (Chair)#
J Martin	L Smith
B Dingle	B Dingle

† L Smith was appointed Chair of the Audit & Risk Committee on 29 July 2024

J Martin was appointed Chair of the People & Culture Committee on 29 July 2024

Non-audit services

There have been no non-audit services provided during the financial year by the entity's auditor, RSM Australia Partners (2024: none for Ernst & Young).

Auditors' independence declaration

The auditors' independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2025 has been received and can be found on page 54.

Signed in accordance with a resolution of the Directors made pursuant to s298(2) of the *Corporations Act 2001*.

On behalf of the Directors

Ben Dingle

Chair

Melbourne

Dated: 28 August 2025

REMUNERATION REPORT (AUDITED)

Contents

1. Remuneration Report Overview

The Directors of Nuchev Limited present the Remuneration Report (the "Report") for the Group and its controlled entities for the year ended 30 June 2025. This Report forms part of the Directors' Report and has been audited in accordance with section 300A of the *Corporations Act 2001*. The Report details the remuneration arrangements for Nuchev's key management personnel ("KMP"):

- Non-Executive Directors ("NEDs")
- Senior Executives (collectively "the Executives").

KMP are those persons who, directly or indirectly, have authority and responsibility for planning, directing, and controlling the activities of the Group.

The table below outlines the KMP of the Group and their movements during FY25:

Name	Position	Term as KMP
Non-Executive Directors		
Ben Dingle	Non-Executive Director, Chair	Full financial year
Jeff Martin	Non-Executive Director	Full financial year
Craig Silbery	Non-Executive Director	Full financial year
Elizabeth Smith	Non-Executive Director	From 29 July 2024
Michelle Terry	Non-Executive Director	Period to 29 July 2024
Nathan Cheong[1]	Non-Executive Director	Period of 6 September 2024 to 12 February 2025
Meng Zhang	Non-Executive Director	Period from 26 May 2025
Senior Executives		
Mick Myers[2]	Chief Executive Officer (CEO) Chief Operating Officer (COO) & Chief Financial Officer (CFO)	Period to 11 May 2025 Period from 12 May 2025
Nathan Cheong[1]	Chief Executive Officer (CEO)	Period from 12 May 2025
Eddie MacDonald	Chief Financial Officer (CFO)	Period to 11 May 2025

1. Nathan Cheong appointed as CEO on 12 February 2025, with this appointment commencing 12 May 2025. Nathan had previously joined the Board as a Non-Executive Director on 6 September 2024 and resigned as a director on 12 February 2025.

2. Mick Myers appointed as Interim Chief Executive Officer (CEO) from 15 December 2023. In the period to 4 June 2024, he also held the position of Chief Financial Officer (CFO). On 20 May 2024 the Company announced Mick Myers' full time appointment as CEO, effective 1 July 2024. On 12 February 2025 the Company announced he would transition from CEO to COO/CFO upon commencement of Nathan Cheong as CEO on 12 May 2025.

2. Overview of executive remuneration

2.1 Principles used in determining remuneration

The guiding principles for the Nuchev remuneration framework are:

a) Fit for purpose – Simple to understand, implement and communicate
b) Maximise returns to shareholders – Encourage executives to behave like owners to drive long term value
c) Balance short term and long-term needs – 'Going faster safely' to deliver on business plans
d) Encourage teamwork and collaboration – Foster a spirit of accountability
e) Keep the right people – retain and recruit the right people for the role
f) Support behaviours – Aligning with the interests of shareholders

2.2 Our Policies and Structure

The Group's remuneration policies and principles are guided by the People & Culture Committee (the "PCC"). The PCC is made up of a majority of independent non-executive directors, with a minimum of three members. The PCC reviews and determines the Group's Remuneration Policy and structure annually to ensure that it remains aligned to business needs and meets the Group's remuneration principles.

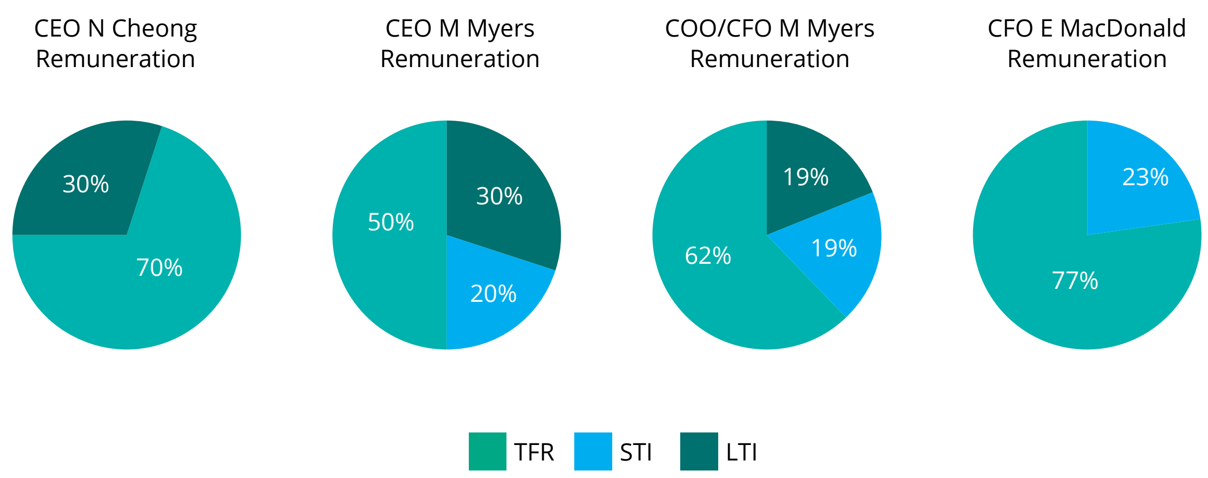
The PCC aims to ensure that Nuchev's remuneration policies:

i. Are aggregated towards short and long term incentivisation
ii. Encourages and sustains a culture aligned with the Group's values
iii. Supports the Group's strategic objectives and long-term financial soundness; and
iv. Are aligned with the Group's risk management framework and risk appetite

The Nuchev Remuneration Policy also seeks to attract and retain high quality KMP, whilst ensuring that this is aligned and value accretive for shareholders. The PCC charter is reviewed annually to ensure that it remains adequate for the needs of Nuchev.

2.3 Remuneration Mix

Remuneration mix refers to the proportion of total remuneration, as described in section 3 below, that is made up of each remuneration component. The following diagrams set out the remuneration mix for each Executive KMP at the maximum remuneration level. Remuneration mix is presented based on contractual remuneration packages rather than actual remuneration received during the year.



The amounts reflected in the above illustration are based on Mick Myers' remuneration firstly, as CEO for the period 1 July 2024 to 12 May 2025, and secondly, as COO/CFO from 12 May 2025 to 30 June 2025.

3. Elements of remuneration

3.1 Total fixed remuneration ("TFR")

KMP may receive their TFR as cash, superannuation and other allowances. TFR is reviewed annually, or on promotion and is benchmarked against market data for comparable roles in companies in a similar industry and with similar scale and complexity. The PCC aims to position executives at or near the median, with flexibility to take into account capability, experience, value to the organisation and performance of the individual.

3.2 Short-term incentives ("STI")

Executive KMP receive performance-based remuneration which rewards high performance over the financial year. STI objectives are approved by the Board and are calculated as a fixed percentage of TFR. Details of the STI incentives offered to the CEO and CFO are detailed in section 5.4 below.

The Board retains full discretion to adjust STI remuneration outcomes to prevent any inappropriate reward outcomes, including reducing (down to zero, if appropriate) any STI award.

The STI performance measures chosen to reflect the core drivers of short-term performance and also provide a framework for delivering sustainable value to the Group, its shareholders and customers.

Nuchev measures key performance indicators ("KPIs") covering financial and non-financial measures of performance. For each KPI, an initial threshold, actual target and stretch objective is set. Maximum STI is achieved if the executive achieves all of their KPIs. In the case of objectives not being achieved, executives may be entitled to a pro-rata STI, subject to board approval for financial and non-financial measures achieved. Each objective can be assessed from 50% to 200% of target with the overall maximum STI outcome capped at 100% of Target. Both financial and personal objectives have a 50% weighting.

Financial metrics for FY25 were measured by comparing the actual result achieved to the threshold, target and stretch targets set for revenue and earnings before interest, tax, depreciation and amortisation ("EBITDA").

A summary of the measures and weightings are set out in the table below:

Executive KMP	Financial Measure (50% weighting)	Personal Measures (50% weighting)	Maximum
Nathan Cheong	No STI applicable for year ended 30th June 2025		
Mick Myers CEO & COO/CFO	EBITDA target -50%	Strategic Milestones – 45% Operational Objectives – 5%	• 40% of TFR is target (30% from 12 May 2025) • up to maximum of 40% of TFR (30% from 12 May 2025)
Eddie MacDonald	No STI applicable as Eddie MacDonald resigned and left prior to the end of the financial year		

The STI award is determined after the end of the financial year following a review of performance over the year against the STI performance measures by the CEO (and in the case of the CEO, by the Board). The Board approves the final STI award based on this assessment of performance. The bonus payment is settled in cash and paid on the basis of the audited financial statements.

If an executive is terminated for cause before the end of the financial year, no STI is awarded for that year. If an executive ceases employment through resignation, no pro-rated STI element is paid for the period of employment for that year. If an executive ceases employment during the performance period by reason of redundancy, ill health, death, or other circumstances approved by the Board, the executive may be entitled to their STI in full or as a pro-rata cash payment based on assessment of performance up to the date of ceasing employment for that year subject to the absolute discretion of the Board.

3.3 Equity Rights

(i) Long Term Incentives ("LTI")

The Group's LTI Plan ensures that a proportion of remuneration is linked to Group performance over the long term and measured annually in line with the financial year. Executives can only realise their LTI at-risk component if challenging pre-determined objectives are achieved.

This aligns executive interests with shareholder interests and focuses executive performance on sustainable shareholder wealth. LTI consists of the granting of Performance Rights and/or options that vest after a defined period, subject to Group and individual financial and non-financial performance hurdles. Vesting conditions may be waived at the absolute discretion of the Board.

The LTI is satisfied by the issue of shares at the Board's discretion as part of the annual remuneration review after finalisation of the Group's audited results.

Long term incentives ("LTI's") in the form of performance awards were made to Mick Myers, then CEO, and Eddie MacDonald, then CFO on 16 October 2024. The awards were in the form of Rights issued under the Company's Equity Incentive Plan ("EIP"). These awards comprised Rights to the value of $385,811, vesting over a three year period, subject to EBITDA targets set for each financial year by the Board and positive net operating cashflows at the end of the performance period, and the Board being satisfied with the performance of his duties and responsibilities from the grant date to the vesting dates and the key terms of the award being met, which includes the employee remains employed at the vesting date. The award to Eddie MacDonald lapsed on his termination of employment.

(ii) Other Rights

The Nuchev Equity Incentive Plan ("the Plan") aims to foster an ownership culture within the Company. Share Rights were issued under the Plan to Participating Directors to replace the obligation of the Company to pay Director fees for certain periods. It was agreed that in lieu of receiving salary, the Participating Directors would have the option to be able to receive up to 100% of their salary in the form of NUC Share Rights.

As a result, Rights were awarded to directors Nathan Cheong, Ben Dingle, Craig Silbery, and Elizabeth Smith on 13 December 2024 under the EIP as a replacement of the cash payment of some or all of the Director's Fees payable for the financial year. These awards comprised Rights to the value of $172,249, vesting over a twelve month period, subject to the individual remaining as a director for the entirety of the vesting period. In the event that a Director resigns or retires prior to the end of the vesting period, they will remain eligible to receive a pro-rata entitlement the Rights allocated according to period of service. Rights issues to Nathan Cheong valued at $30,131 during this award lapsed following his resignation as a director on 12 February 2025.

Rights were awarded to Nathan Cheong, as Retention Rights in relation to his employment as CEO, on 30 June 2025. The awards were in the form of Rights issued under the Company's Equity Incentive Plan ("EIP"). These awards comprised 1,666,532 Rights to the value of $254,146, vesting over an eighteen month period to 04 January 2027, subject to the Board being satisfied with the performance of his duties and responsibilities from the grant date to the vesting date and the key terms of the award being met, which includes the employee remains employed at the vesting date.

4. Performance and executive remuneration outcomes in FY25

4.1 Performance against STI measures

As per 3.2 above, E MacDonald forfeited any payment in relation to the FY25 Performance STI on resignation. No STI was applicable to N Cheong for the 2025 Financial Year.

Taking into account the Company's performance and delivery of objectives, for FY25 the Board's assessment of the performance of the M Myers against his STI objectives was as follows:

(i) CEO & COO/CFO: Mick Myers

Performance area		Total award available	% Award achieved (after weighting)	Achievements during the year
Financial Measures	EBITDA	50%	50%	Financial outcome met
Personal Measures	Strategic Objectives	45%	10%	1 strategic objective met, 1 strategic objective not met
	Operational Objectives	5%	5%	Operational objective met
Total		100%	65%	

4.2 Performance against Long Term Incentive (LTI) measures

Award	Vesting condition	Expected vesting outcome
FY24 LTI (applicable for M Myers only)	Revenue and EBITDA targets at the end each of the 3 years in the performance period (3 years ending 30 June 2026)	Second year target partially met
FY25 LTI (applicable for M Myers only)	EBITDA targets at the end each of the 3 years in the performance period (3 years ending 30 June 2027) and positive operating cashflows at the end of the performance period	First year target met

4.3 Overview of Group performance

The table below sets out information about the Group's key financial performance measurements over the past five years up to and including the current financial year.

	2025	2024	2023	2022	2021
Profit/(Loss) for the year attributable to owners of the Group	(3,823,202)	(7,316,304)	(8,806,694)	(11,108,449)	(13,268,540)
Revenue[1]	22,939,652	11,344,716	8,791,601	9,723,809	10,899,342
Revenue growth[2]	102%	29%	(10%)	(11%)	(39%)
Adjusted EBITDA[3]	(3,028,413)	(5,929,767)	(7,364,434)	(10,248,795)	(10,771,846)
Share price	$0.160	$0.130	$0.185	$0.19	$0.51
Dividends	N/A	N/A	N/A	N/A	N/A

1. Total Revenue growth from the sale of Oli6®, Bio Practica and Medicine Tree branded products and several global health product brands sold by bWellness under exclusive licence in Australia and New Zealand, agency fees from Brauer & H&S Brands, and excluding sales of raw material ingredients, of $22,855,031 in FY25 and $10,865,302 for FY24 (excluding sale of raw ingredients and recognition of fair value for H&S contract incentives).

2. Revenue growth from the sale of Oli6®, Bio Practica and Medicine Tree branded products and several global health product brands sold by bWellness under exclusive licence in Australia and New Zealand (and excluding sales of raw material ingredients and recognition of fair value for H&S contract incentives (2024)) was 110% in FY25.

3. Adjusted EBITDA is earnings before finance costs, finance income, depreciation, amortisation and tax and excludes sale of raw ingredients, recognition of the fair value of H&S contract incentives, business combination costs, product obsolescence, and impairment of assets.

5. How remuneration is governed

The following diagram represents the Group's remuneration decision making framework:

BOARD
- Review and approval

PEOPLE AND CULTURE COMMITTEE
- Company-wide remuneration framework and policy
- CEO, CEO direct reports and NED remuneration outcomes
- Appointment of remuneration consultants

CEO
- Recommendations on remuneration and outcomes for executive team

MANAGEMENT
- Implementing remuneration policies

REMUNERATION ADVISORS
- External and independent remuneration advice and information

5.1 Use of remuneration advisors

The People & Culture Committee ("PCC") engages and considers advice from independent remuneration consultants where appropriate in relation to remuneration matters including the setting and establishment of the STI, LTI and Equity plans and the remuneration mix and quantum for KMP and all employees. Any advice from external consultants is used as a guide and is not a substitute for thorough consideration of all the issues by the Committee.

During the financial year third-party consultants were engaged by the Group to provide remuneration advice and information on remuneration strategy and structure including market practice that includes KMP. The PCC was satisfied the advice received was free from undue influence from the KMP to whom the remuneration recommendations apply.

No remuneration recommendations as defined by section 9B of the *Corporations Act 2001* were provided.

5.2 Clawback of remuneration

In the event of serious misconduct or a material misstatement in the Group's financial statements, the Board has the discretion to reduce, cancel or clawback any unvested STI or LTI from the Executives.

5.3 Securities trading policy

The Group has implemented the Securities Dealing Policy which applies to all employees and nominated contractors, Directors and Officers (together "Employees"). The policy prohibits Employees from dealing in Nuchev Limited securities while in possession of material non-public information relevant to the Group. This also includes designated "black-out" periods during which Employees cannot trade in the Group's securities.

Employees are prohibited from entering into any hedging arrangements over unvested options under the Group's options plan. The Group considers any breaches of this policy as gross misconduct, which may lead to disciplinary action and potentially dismissal.

5.4 Contractual arrangements with Executives

Details of the key terms within the contracts for the KMP Executives are outlined as below.

Component	Nathan Cheong – CEO (from 12 May 2025)
Total fixed remuneration	$684,000
Contract duration	Ongoing
Notice by the individual/Group	6 months'
Termination of employment (without cause)	• Entitlement to STI at the discretion of the Board • Retention rights are not vested and will lapse if terminated with cause prior to the vesting date • Unvested LTI will be cancelled on termination • The Board has discretion to award a greater or lower amount
Termination of employment (with cause) or by resignation of the individual	• STI is not awarded, and all unvested LTI will lapse • Retention rights are not vested and will lapse if terminated with cause prior to the vesting date • Vested and unexercised LTI can be exercised in accordance with the Securities Dealing Policy

Overview
Year in review
Risk and governance
Directors' report
Remuneration report
Financial statements
Additional information

Component	Mick Myers – CEO (to 12 May 2025)[1]
Total fixed remuneration	$468,300
Contract duration	Ongoing
Notice by the individual/Group	6 months'
Termination of employment (without cause)	• Entitlement to STI at the discretion of the Board • Unvested LTI will remain on foot subject to achievement of the performance hurdles set at the original date of testing • The Board has discretion to award a greater or lower amount
Termination of employment (with cause) or by resignation of the individual	• STI is not awarded, and all unvested LTI will lapse • Vested and unexercised LTI can be exercised in accordance with the Securities Dealing Policy

Component	Mick Myers –COO/CFO (from 12 May 2025)
Total fixed remuneration	$423,700
Contract duration	Ongoing
Notice by the individual/Group	3 months'
Termination of employment (without cause)	• Entitlement to STI at the discretion of the Board • Unvested LTI will remain on foot subject to achievement of the performance hurdles set at the original date of testing • The Board has discretion to award a greater or lower amount
Termination of employment (with cause) or by resignation of the individual	• STI is not awarded, and all unvested LTI will lapse • Vested and unexercised LTI can be exercised in accordance with the Securities Dealing Policy

Component	Eddie MacDonald – CFO
Total fixed remuneration	$300,000
Contract duration	Ongoing - Resigned effective 12 May 2025
Notice by the individual/Group	3 months'
Termination of employment (without cause)	• Entitlement to STI at the discretion of the board • Unvested LTI will be cancelled on termination • The Board has discretion to award a greater or lower amount
Termination of employment (with cause) or by resignation of the individual	• STI is not awarded, and all unvested LTI will lapse • Vested and unexercised LTI can be exercised in accordance with the Securities Dealing Policy

5.5 Overview of non-executive director remuneration

Non-Executive Directors receive a Board fee and fees for chairing or participating on Board Committees as per the table below. They do not receive performance-based pay or retirement allowances. The fees are inclusive of superannuation. The Chair does not receive additional fees for participating in or chairing Committees.

Fees are reviewed annually by the Board taking into account comparable roles and market data provided by the Board's independent remuneration adviser. The current base fees were reviewed and remain unchanged. In addition, a Director may be paid fees or other amounts, (e.g. subject to any necessary Shareholder approval, non-cash performance incentives such as Options). With regards to FY25, Share Rights were issued to Directors in lieu of director fees under the Company's EIP Rules. Shareholder approval was granted in order to issue the Share Rights at the Company's AGM held on 28 November 2024.

Under the Constitution, the Board may decide the total amount paid to each Director as remuneration for his or her services as a Director to the Group. However, under the ASX Listing Rules, the total amount paid to all Non-Executive Directors for their services as Directors must not exceed in aggregate in any financial year the amount fixed by the Group in general meeting. This amount has been fixed by the Group at $600,000 per annum.

The table below summarises Board and Committee Chair fees payable to NEDs for FY25 (inclusive of superannuation):

Board Fees (including Superannuation)	
Chair	$122,650
NED[1]	$60,768
Committee Fees (including Superannuation)	
Audit & Risk Committee Chair	$10,593
People & Culture Committee Chair	$10,593

[1] All Non-Executive Directors enter into a service agreement with the Group in the form of a letter of appointment, that summarises the Board policies and terms, including remuneration, relevant to the office of Director.

6. Statutory and share-based reporting

The following table shows details of the remuneration expense recognised for the Group's executive key management personnel for the current financial year measured in accordance with the requirements of the Australian Accounting Standards.

		Fixed Remuneration			Post Employment Benefits	Variable Remuneration		Total Remuneration	% Performance related
KMP		Salary & Fees	Leave Benefits	Non-Monetary[1]	Super	STI Bonus	Share-based payments		
J Breheny[3]	2025	-	-	-	-	-	-	-	0%
	2024	29,300	-	-	3,349	-	-	32,649	0%
B Dingle[2]	2025	77,867	-	818	8,955	-	27,622	115,262	0%
	2024	110,000	(418)	1,478	12,192	-	-	123,252	0%
J Martin	2025	63,838	-	-	7,341	-	-	71, 179	0%
	2024	61,272	-	-	6,808	-	-	68,080	0%
S Lightfoot[3]	2025	-	-	-	-	-	-	-	0%
	2024	18,645	-	-	2,131	-	-	20,776	0%
M Terry[4]	2025	-	-	-	-	-	-	-	0%
	2024	63,927	-	-	7,112	-	-	71,039	0%
C Silbery[5]	2025	22,610	-	-	2,600	-	27,371	52,581	0%
	2024	38,687	-	-	4,256	-	-	42,943	0%
G Kerr[6]	2025	-	-	-	-	-	-	-	0%
	2024	244,342	(8,783)	-	11,416	-	(72,581)	174,394	-42%
M Myers[7, 8]	2025	431,069	(7,808)	-	33,839	116,031	172,066	745,197	39%
	2024	405,945	32,025	-	27,399	161,826	52,338	679,533	32%
E MacDonald[9]	2025	238,997	-	-	25,992	-	-	264,989	0%
	2024	21,720	-	-	2,383	-	-	24,103	0%
E Smith[10]	2025	40,435	-	-	4,650	-	16,071	61,156	0%
	2024	-	-	-	-	-	-	-	0%
N Cheong[11]	2025	129,094	8,687	-	7,483	-	-	145,264	0%
	2024	-	-	-	-	-	-	-	0%
M Zhang	2025	5,375	-	-	618	-	-	5,993	0%
	2024	-	-	-	-	-	-	-	0%
Total	2025	1,009,285	879	818	91,478	116,031	243,130	1,461,621	20%
	2024	993,838	22,824	1,478	77,046	161,826	(20,243)	1,236,769	11%

Notes 1 Non-monetary benefits include mobile phone allowances.

2 B Dingle was Founder, CEO & Executive Director from listing until 14th October 2022 (Executive Director: 30th November 2022), and Founder & Non-Executive Director from 1st December 2022.

3 J Breheny & S Lightfoot resigned 16 October 2023.

4 M Terry resigned 29 July 2022.

5 C Silsbery joined 16 October 2023.

6 G Kerr remuneration as CEO is from the period 1 July 2023 to 15 December 2023.

7 M Myers remuneration as CEO is from the period 1 July 2023 to 11 May 2025, and as COO from 12 May 2025.

8 M Myers remuneration as CFO is from the period 1 July 2023 to 15 December 2023, and as Interim CEO/CFO from 15 December 2023.

9 E MacDonald joined as Interim CFO 4 June 2024, was appointed CFO on 05 August 2024, and left on 12 May 2025.

10 E Smith was appointed as a director on 29 July 2024.

11 N Cheong was appointed as a director between 06 September 2024 and 12 February 2025, and commenced as CEO on 12 May 2025.

Statutory and share based reporting (cont.)

The following table outlines the proportion of maximum STI earned in relation to the FY25 financial year.

Executive	STI bonus		
	Total Opportunity	Awarded%	Forfeited %
Nathan Cheong	$0	0%	0%
Mick Myers	$178,509	65%	35%
Eddie MacDonald	$90,000	0%	100%

6.1 Rights and/or options awarded, vested and lapsed during the year

The table below discloses the number of share options granted, vested or lapsed during the year. Share options do not carry any voting or dividend rights and can only be exercised once the vesting conditions have been met.

KMP	Scheme	Award date	Vesting date	Expiry date	Fair value per Rights at award date $	Exercise price per rights $	No. Rights award during the year	No. vested during year	No. lapsed/ forfeited during year	Value of rights granted during this year	Value of rights forfeited during this year	Value of rights exercised during the year
M Myers	FY2025 Rights	16/10/2024	30/06/2027	16/10/2029	$0.1304/$0.1356	-	2,195,156	-	-	$291,962	-	-
E MacDonald	FY2025 Rights#	16/10/2024	30/06/2027	16/10/2029	$0.1304/$0.1356	-	705,586	-	(705,586)	$93,849	($93,849)	-
N Cheong	Retention Rights	30/06/2025	04/01/2027	28/02/2027	$0.1525	-	1,666,532	-	-	$254,146	-	-
N Cheong	Directors Rights^	13/12/2024	13/12/2025	13/12/2039	$0.1153	-	261,328	-	(261,328)	$30,131	($30,131)	-
B Dingle	Directors Rights	13/12/2024	13/12/2025	13/12/2039	$0.1153	-	479,102	-	-	$55,240	-	-
C Silbery	Directors Rights	13/12/2024	13/12/2025	13/12/2039	$0.1153	-	474,746	-	-	$54,738	-	-
E Smith	Directors Rights	13/12/2024	13/12/2025	13/12/2039	$0.1153	-	278,750	-	-	$32,140	-	-

E MacDonald rights were forfeited by E MacDonald upon resignation and departure on 12 May 2025

^ N Cheong rights granted as a director in lieu of cash were forfeited by N Cheong on resignation as a director on 12 February 2025

EIP Rights awarded to M Myers as outlined in section 3.3 above.
EIP Rights were awarded to N Cheong as outlined in section 3.3 above.

There were no alterations to the terms and conditions of Rights or Options awarded as remuneration since their award date.

6.2 Option and rights holdings of KMP

The number of Options and Rights over ordinary shares in the Group provided as remuneration to key management personnel is shown below. The Options and Rights carry no dividend or voting rights. Refer to section 3 above for the conditions that must be satisfied for the Options and Rights to vest.

KMP	Rights/Options	Balance as at 1 July 2024	Granted as Remuneration	Options Exercised	Options Lapsed	Balance unvested as at 30 June 2025	Vested and exercisable	Vested by not exercisable
M Myers	Rights	1,118,402	2,195,156	-	-	2,980,225	333,333	-
E MacDonald	Rights	-	705,586	-	(705,586)	-	-	-
B Dingle	Rights	-	479,102	-	-	479,102	-	-
C Silbery	Rights	-	474,746	-	-	474,746	-	-
E Smith	Rights	-	278,750	-	-	278,750	-	-
N Cheong	Rights	-	1,927,860	-	(261,328)	1,666,532	-	-
		1,118,402	6,061,200		(966,914)	5,879,355	-	-

6.3 Shareholdings of KMP*

Movement in shares of Nuchev Limited held directly, indirectly or beneficially, by each KMP, including their related parties:

KMP	Balance as at 1 July 2024	Received during year from share based payment	Purchase of shares	Sale of shares	Removed from KMP List	Balance as at 30 June 2025
B Dingle	37,853,680	-	-	-	-	37,853,680
J Martin	89,144	-	-	-	-	89,144
M Terry^	44,572	-	-	-	(44,572)	-
C Silbery	7,306,931	-	50,000	-	-	7,356,931
E Smith	-	-	-	-	-	-
N Cheong	-	-	-	-	-	-
M Myers	-	-	-	-	-	-
	45,294,327	-	50,000	-	(44,572)	45,299,755

^ Michelle Terry resigned as a director on 29 July 2024.

*All equity transactions with KMP other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length. Balances recorded above includes shares and options held directly, indirectly, and beneficially by KMP.

6.4 Other transactions and balances with KMP and their related parties

(i) Loans to KMP and their related parties

There have been no loans provided to directors during FY25 and there are no outstanding balances, whether assets or liabilities as at the 30 June 2025.

(ii) Details and terms and conditions of other transactions with KMP and their related parties

All Non-Executive Directors are paid quarterly in arrears. As a result, an amount of $48,085 relating to Board, Committee and Chair fees and superannuation costs was outstanding as at 30 June 2025 and is included in Trade and other payables.

There have been no other transactions with KMP or directors during FY25, and there are no additional outstanding balances, whether assets or liabilities as at 30 June 2025. Expenses incurred during the course of business of $1,153 are payable to N Cheong at 30 June 2025.

REMUNERATION REPORT (END)

Signed in accordance with a resolution of the directors made pursuant to s298(2) of the *Corporation Act 2001*.

On behalf of the Directors.

Jeff Martin

Chair of the People & Culture Committee

Melbourne

Dated: 28 August 2025

Overview
Year in review
Risk and governance
Directors' report
Remuneration report
Financial statements
Additional information

AUDITOR'S INDEPENDENCE DECLARATION

RSM

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Nuchev Limited and its controlled entities for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PARTNERS

B Y CHAN
Partner

Dated: 28 August 2025
Melbourne, Victoria

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2025

	Notes	2025 $	2024 $
Revenue from contracts with customers	5	22,939,652	11,344,716
Cost of sales	8.1	(12,078,301)	(7,716,781)
Gross profit		10,861,351	3,627,935
Expenses:			
Distribution, warehouse and logistics expenses		(779,026)	(447,559)
Sales and marketing expenses		(4,199,053)	(2,962,818)
Employment expenses	8.2	(6,116,842)	(3,857,834)
General and administration expenses	8.3	(3,368,270)	(3,668,769)
Impairment of assets	8.4	(36,244)	(114,279)
Total expenses		(14,499,435)	(11,051,259)
Other income	9	412,061	149,485
(Loss) before financing items, depreciation and amortisation		(3,226,023)	(7,273,839)
Depreciation and amortisation	18, 19	(733,657)	(106,778)
(Loss) before financing items and tax		(3,959,680)	(7,380,617)
Financing items:			
Finance income		174,346	89,997
Finance costs		(37,868)	(25,684)
Net financing income		136,478	64,313
(Loss) before tax for the year		(3,823,202)	(7,316,304)
Income tax benefit	10	-	-
(Loss) after tax for the year		(3,823,202)	(7,316,304)
Other comprehensive income, net of tax		-	-
Total comprehensive (loss) for the year		(3,823,202)	(7,316,304)
Loss per share			
Basic (loss) per share	11	(0.03)	(0.09)
Diluted (loss) per share	11	(0.03)	(0.09)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2025

	Notes	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	14	3,607,321	7,610,495
Trade and other receivables	15	3,000,597	2,133,102
Prepayments	16	384,505	481,424
Inventories	17	5,380,938	4,983,076
Other assets		23,578	11,863
		12,396,939	15,219,960
Non-current assets			
Plant and equipment	18	192,475	73,465
Intangible assets	19	4,217,312	4,223,313
Right-of-use assets	23	352,882	291,736
Other financial assets	20	150,000	204,956
Other assets		79,898	79,527
		4,992,567	4,872,997
Total assets		17,389,506	20,092,957
Liabilities			
Current liabilities			
Trade and other payables	21	4,882,666	4,181,284
Provisions	22	345,713	300,592
Lease liabilities	23	122,344	85,548
Other liabilities		44,164	370,183
		5,394,887	4,937,607
Non-current liabilities			
Provisions	22	25,854	165,488
Lease liabilities	23	270,287	237,306
Deferred tax liabilities	10	469,529	-
		765,670	402,794
Total liabilities		6,160,557	5,340,401
Net assets		11,228,949	14,752,556
Equity			
Issued capital	24	111,041,006	111,056,539
Other capital reserves	25	2,258,593	1,943,465
Accumulated (losses)		(102,070,650)	(98,247,448)
Total equity		11,228,949	14,752,556

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2025

	Note	Issued capital $	Other capital reserves $	Accumulated losses $	Total $
As at 1 July 2023		101,863,550	1,885,804	(90,931,144)	12,818,210
(Loss) after income tax benefit for the year		-	-	(7,316,304)	(7,316,304)
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive income for the year		-	-	(7,316,304)	(7,316,304)
Transactions with owners in their capacity as owners:					
Issue of share capital	24	9,606,311	-	-	9,606,311
Transaction costs on issue of share capital	24	(413,322)	-	-	(413,322)
Share based payments	25	-	57,661	-	57,661
As at 30 June 2024		111,056,539	1,943,465	(98,247,448)	14,752,556
As at 1 July 2024		111,056,539	1,943,465	(98,247,448)	14,752,556
(Loss) after income tax benefit for the year		-	-	(3,823,202)	(3,823,202)
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive income for the year		-	-	(3,823,202)	(3,823,202)
Transactions with owners in their capacity as owners:					
Issue of share capital	24	-	-	-	-
Transaction costs on issue of share capital	24	(15,533)	-	-	(15,533)
Share based payments	25	-	315,128	-	315,128
As at 30 June 2025		111,041,006	2,258,593	(102,070,650)	11,228,949

Overview
Year in review
Risk and governance
Directors' report
Remuneration report
Financial statements
Additional information

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 June 2025

	Notes	2025 $	2024 $
Operating activities			
Receipts from customers		22,335,037	10,601,433
Payments to suppliers and employees		(26,254,757)	(14,436,614)
Interest received		174,559	89,997
Interest paid		(20,600)	(24,772)
Government grants received		36,600	36,600
Taxation paid		(12,339)	-
Net cash flows (used in) operating activities	14	(3,741,500)	(3,733,356)
Investing activities			
Proceeds from sale of property, plant and equipment		80	1,185
Purchase of property, plant and equipment		(184,278)	(9,741)
Purchase of intangible assets		(32,594)	-
Proceeds/Payment to acquire subsidiary, net of cash acquired		78,636	(2,177,657)
Net cash flows (used in)/from investing activities		(138,156)	(2,186,213)
Financing activities			
Proceeds on issue of shares		-	6,511,967
Transaction costs paid on issue of shares		(15,533)	(293,700)
Transaction costs on loan facilities from related parties		-	(68,994)
Repayment of lease liabilities		(99,997)	(92,767)
Net cash flows (used in)/from financing activities		(115,530)	6,056,506
Net increase/(decrease) in cash and cash equivalents		(3,995,186)	136,937
Cash and cash equivalents at 1 July		7,610,495	7,478,612
Net foreign exchange difference		(7,988)	(5,054)
Cash and cash equivalents at 30 June	14	3,607,321	7,610,495

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2025

1. Corporate information

The consolidated financial statements of Nuchev Limited and its controlled entities (collectively, the "consolidated group" or "Group") for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the Directors. Nuchev Limited is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

The principal activities of the consolidated group during the financial year were the development, marketing and selling of premium Australian made Nutritional and Vitamin and Dietary Supplement ("VDS") products. The Group's registered office and principal place of business is Level 12, 636 St Kilda Road, Melbourne Vic 3004.

Further information on the nature of the operations and principal activities of the Group is provided in the Directors' Report. Information on the Group's structure is provided in **Note 4.** Information on other related party relationships of the Group is provided in **Note 26.**

2. Material accounting policy information

The consolidated financial statements and notes represent those of Nuchev Limited and its controlled entities.

2.1 Basis of preparation

The consolidated financial statements of the Group are general purpose financial statements prepared in accordance with Australian Accounting Standards and interpretations as issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements have been prepared on a going concern basis, using an accrual basis and historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The amounts presented in the financial statements have been rounded to the nearest dollar and are presented in Australian dollars.

2.2 Going concern

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

As disclosed in the financial statements, the Group incurred a loss of $3,823,202 (2024: loss of $7,316,304) and had net cash outflows from operating activities of $3,741,500 (2024: $3,733,356) for the year ended 30 June 2025.

Material accounting policy information (cont.)

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- As at 30 June 2025 the Group had net current assets of $7,002,052 including $3,607,321 of cash and cash equivalents;
- On 26 June 2025 the Group announced that H&S Group had successful achieved their sales performance hurdle enabling H&S to convert Tranche 2 of the Performance Options to shares, resulting in the Group receiving $1,926,397 in cash from the issue of shares to H&S International on 24 July 2025; and
- The Group has prepared cash flow forecasts that supports the ability of the Group to continue as going concern. The forecasts indicate the Group will retain a positive cash balance for a period in-excess of 12 months from the date of this report.

As a result of the matters above, the Directors are of the view that there are no indicators, events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. Directors are confident that there are currently no significant indicators of disruption to ongoing operations that may impact the Group's ability to settle its liabilities as and when they fall due such that the going concern basis of preparation is appropriate.

In concluding this, management and Directors have considered the Group's liquidity, any risks to the cash flows and funding, and the Group's outlook.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent and its subsidiaries as at 30 June 2025. 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. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. 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 the Group gains control until the date the Group ceases to control the subsidiary. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, and other components of equity, while any resultant gain or loss is recognised in profit or loss.

Any investment retained is recognised at fair value.

2.4 Summary of material accounting policy information

a) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current / non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or 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 current when:

- It is expected to be settled in the 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
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

b) Fair value measurement

Fair value is 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. The fair value measurement is based on the presumption 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 for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interests.

A fair value measurement of a non-financial asset takes into account 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 that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Summary of material accounting policy information (cont.)

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

c) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit and loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include trade receivables.

Financial assets at fair value through profit or loss

Initial recognition

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the statement of profit or loss.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire, or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flow.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group also assesses the impact of macro-economic indicators and their impact on the fair value of the Group's financial assets. These involve but are not limited to:

- GDP
- Interest rates
- Currency rates
- Employment
- Confidence

These are assessed from both domestic and international levels, given the various markets which the Group operate in.

Summary of material accounting policy information (cont.)

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings.

Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by AASB 9.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

d) Revenue from contracts with customers

Under AASB 15 Revenue from Contracts with Customers, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting requirements for the incremental costs directly related to fulfilling a contract with a customer. The Group recognises revenue from contracts with customers when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

The Group has identified two revenue streams by product type, (i) formula and nutritional products and (ii) raw material ingredients.

Sale of products

For all revenue streams, the Group's contracts with customers include one performance obligation. The Group has concluded that revenue from the sale of products should be recognised at the point in time when the products are transferred to the customer, generally on delivery of the products or when they are picked up from the Group's warehouse. The Group recognises the revenue from sale of goods measured at the fair value of the consideration received or receivable, net of returns and rebates.

Variable consideration

Under AASB 15 Revenue from Contracts with Customers, to estimate the variable consideration to which it is entitled, the Group applies the 'most likely amount method' for contracts with variable consideration. If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue adjustment will no longer occur. The volume rebates and rights of return give rise to variable consideration.

Customer incentives satisfied via Performance Options are treated as a reduction in revenues. An amount equal to the proportion of the fair value of the current Option window is recognised if it more likely than not that the Performance target will be met.

Volume rebates

Certain contracts provide customers with a volume rebate once the quantity of products purchased during a period exceeds a threshold specified in the contract. Rebates provided to customers are recognised as a reduction of revenue and are offset against amounts payable by the customer or provided in the form of inventory as a cost of sale. To estimate the variable consideration for the expected future rebates, the Group applies the most likely method for the contracts with a single volume threshold and expected value method for contracts with more than one volume threshold. The Group then recognises a refund liability for the future expected rebates.

Rights of return

Certain contracts provide customers with a right of return. The Group uses the expected value method to estimate goods that will be returned to determine the variable consideration to which the Group is entitled to. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability (refund liability – right of return). A refund asset - right of return (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from the customer.

Summary of material accounting policy information (cont.)

Assets and liabilities arising from Right of return

Right of return assets

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Group updates the measurement of the asset for any revisions to the expected level of returns and any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is recognised for the obligation to refund some, or all of the consideration received (or receivable) from a customer. The Group's refund liabilities arise from customers' right of return and volume rebates. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Costs to obtain a contract

The Group capitalised any costs that are directly related to obtaining a contract such as bonuses, share issues and legal costs. The Group applies the optional practical expedient to immediately expense costs to obtain a contract if the amortisation period of the asset that would have been recognised is one year or less. Otherwise, these costs are amortised in accordance with the length of the contract obtained and included within general and administrative expenses.

e) Taxes

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 used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided 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:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled 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 any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises 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 the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss.

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

Research and development (R&D) tax incentives

R&D tax incentives received, or receivable are accounted for under AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance* as other income.

Goods and services tax ("GST")

Revenues expenses, assets and liabilities are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable,
- When receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

f) Foreign currencies

The Group's consolidated financial statements are presented in Australian dollars, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Overview
Year in review
Risk and governance
Directors' report
Remuneration report
Financial statements
Additional information

Summary of material accounting policy information (cont.)

g) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

h) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw material ingredients: purchase cost on an average cost basis
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

i) Plant and equipment

Property, plant and equipment are measured on the cost basis and are carried at cost less accumulated depreciation and any impairment losses. In the event the carrying amount is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses recognised in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, 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 measured reliably. Repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding land, is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Plant & equipment — 3 to 10 years
- Leasehold improvements — 3 to 5 years

j) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Other borrowing costs are expensed in the period in which they are incurred and reported in 'finance costs'. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

k) Intangibles

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred. At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of the acquisition of the business less accumulated impairment losses, if any.

Goodwill is tested for impairment annually, or more frequently when there is an indication of impairment. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

Overview
Year in review
Risk and governance
Directors' report
Remuneration report
Financial statements
Additional information

Intellectual property

The cost of intellectual property acquired through business combinations are capitalised and amortised in accordance with their useful lives which are assessed as up to three years.

Other intangible assets

Other intangible assets such as contractual relationships and brands acquired by the Group are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to the Consolidated Income Statement on a straight-line basis over the estimated useful lives of the intangible assets, which for contractual relationships is 5 years. The Group has acquired brand assets that have indefinite useful lives, and no amortisation charge is recognised.

Research and development costs

Research costs are expensed as incurred.

Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- Technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses.

Development costs relating to product formulation are considered to have an indefinite life, which requires an annual assessment for any impairment or changes to the indefinite life classification.

Software

The cost of software acquired externally are capitalised and amortised in accordance with their useful lives which are assessed as up to three years.

Trademarks

The costs of acquiring trademarks are capitalised initially and may be renewed at little or no cost to the Group. As a result, those trademarks are assessed as having an indefinite useful life. We assess the carrying value of trademarks annually for any impairment or changes to the indefinite life classification.

Impairment testing of intangible assets with indefinite lives

The Group annually tests for impairment, and when circumstances indicate that the carrying value of intangible assets with indefinite lives may be impaired. These impairment tests are based on value-in-use calculations.

The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. This impairment assessment includes the entire operations of the company.

l) Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- Intangible assets (Note 2.4 (k))
- Right-of-use-assets (Note 2.4 (m))

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations. These budgets and forecast calculations generally cover a period of three to five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

The Group also assesses the impact of macro-economic indicators and their impact on the fair value of the Group's financial assets. These involve but are not limited to:

- GDP
- Interest rates
- Currency rates
- Employment
- Confidence
- Market

These have been assessed at domestic and international levels, in the markets the Group operates within.

m) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortisation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are amortised on a straight-line basis over the shorter of the lease term, or the estimated useful lives of the assets up to a maximum of 5 years.

Summary of material accounting policy information (cont.)

Right-of-use assets are also subject to annual impairment assessments. Refer to the accounting policies in section Note 2.4 (l) Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

n) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of 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 can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade, other payables and provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

o) Share-based payments

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in Note 26.

The cost of share-based payments relating to employees is recognised in employee benefits expense (Note 8.2), together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

p) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to new share issues are shown in equity as a deduction from the proceeds.

2.5 New and amended standards and interpretations

Several amendments and interpretations apply for the first time for the financial year, but do not have an impact on the consolidated financial statements of the Group.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties include:

- Capital management (Note 7)
- Financial instruments risk management (Note 12)
- Sensitivity analyses disclosures (Note 12)

Significant accounting judgements, estimates and assumptions (cont.)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Inventory Provisioning

Estimation of net realisable value includes the assessment of expected future turnover of inventory held for sale and the expected future selling price of such inventory. Changes in trading and economic conditions, distribution channels and changes in country specific regulations, may impact these estimations in the future.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset.

Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the infant nutrition sector, the historical default rates are adjusted.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The Group has also considered the forwarded looking impacts the effect of COVID-19 within the calculation and estimate of ECLs.

The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 15.

Provision for expected credit losses of other financial assets

Other financial assets are reviewed on an annual basis for expected credit losses, which are identified when the estimated recoverable amount is lower than the carrying value. Management determines credit losses based on forward-looking estimates. The amount of ECLs is subject to the same changes in circumstances and sensitivities as the ECLs of trade receivables.

The information about the ECLs on the Groups other financial assets is disclosed in Note 20.

Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions at the grant date, the Group uses the Black-Scholes-Merton Model. This model is also used to value the AASB 15 Revenue from Contracts with Customers impact of Performance Options issued to H&S Group as part of the Distribution agreement.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 26.

Revenue recognition - Estimating variable consideration for returns, volume rebates, and Performance Obligations

The Group estimates variable considerations to be included in the transaction price for the sale of nutritional formula and powders with rights of return and volume rebates.

The Group's expected volume rebates are analysed on a per customer basis for contracts that are subject to a single volume threshold. Determining whether a customer will be likely entitled to rebate will depend on the customer's historical rebates entitlement and accumulated purchases to date. To estimate the variable consideration for the expected future rebates, the Group applies the most likely method for the contracts with a single volume threshold and expected value method for contracts with more than one volume threshold. The Group exercised significant judgement in determining what is part of consideration from customers was impacted in applying the requirements of AASB 15 *Revenue from Contracts with Customers*.

The Group updates its assessment of expected returns and volume rebates quarterly and the refund liabilities are adjusted accordingly.

Customer incentives settled via Performance Obligation options are recorded if it is deemed likely that the Performance criteria will be met based on future sale projections and past performance. If this criteria is met, an estimate of the impact is calculated by recording an amount equal to the fair value of the options, pro-rated to reflect the stage of completion of the Performance Obligation window.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available.

The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Business Combinations

Judgements are made with respect to identifying and valuing intangible assets on acquisition of new businesses and the allocation of goodwill to the cash-generating unit.

The Group assesses whether goodwill and intangibles with indefinite useful lives are impaired at least annually.

These calculations involve judgements to estimate the recoverable amount of the cash-generating unit to which the goodwill and intangibles with indefinite useful lives are allocated.

4. Group information

Information about subsidiaries

The consolidated financial statements of the Group include:

Name	Principal activities	Country of incorporation	% equity interest 2025	% equity interest 2024
Nuchev Food Pty Ltd	Production and sale of formula & nutritional products	Australia	100%	100%
Nanny Grove Pty Ltd	Nil activity	Australia	0%	100%
Nuchev Property Pty Ltd	Nil activity	Australia	0%	100%
Nuchev (Hong Kong) Ltd	Nil activity	Hong Kong	100%	100%
Nuchev (Shanghai) Trading Co. Ltd	Administration hub for China	People's Republic of China	100%	100%
bWellness Pty Ltd	bWellness parent company	Australia	100%	100%
Bio-Practica Pty Ltd	Nil activity	Australia	100%	100%
Brauer Professional Pty Ltd	Production and sale of Nutritional and VDS products	Australia	100%	100%

The subsidiaries listed above have share capital consisting solely of ordinary shares, which are held directly by the parent entity. The assets, liabilities, income and expenses of the subsidiaries have been consolidated on a line-by-line basis in the consolidated financial statements of the Group. Nanny Grove Pty Ltd, Nuchev Property Pty Ltd, and bWellscript Pty Limited were deregistered during the financial year.

Subsidiary financial information used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

Significant restrictions

There are no significant restrictions over the Group's ability to access or use assets, and settle liabilities, of the Group.

5. Revenue from contracts with customers

5.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	2025 $	2024 $
Type of goods		
Sale of Nutritional and VDS products	22,735,031	10,865,302
Sale of raw materials	84,621	479,414
Agency income	120,000	-
Total revenue from contracts with customers	22,939,652	11,344,716
Geographical markets		
Australia	14,088,671	5,214,926
China	6,398,420	6,129,790
Vietnam	1,643,499	-
New Zealand	809,062	-
Total revenue from contracts with customers	22,939,652	11,344,716
Timing of revenue recognition		
Goods transferred at a point in time	22,939,652	11,344,716

The disclosure above is consistent with revenue from contracts with customers that is presented in segment information (Note 6).

6. Operating segments

Operating segments are identified on the basis of internal reports, about components of the Group that are regularly reviewed by the chief operating decision maker (the Board) in order to allocate resources to the segment and assess performance.

In 2025 and 2024 the Group had one operating segment being Nutritional and VDS products. Accordingly, the financial information presented in the consolidated statement of profit or loss and other comprehensive income is the same as presented to the chief operating decision maker.

The consolidated statement of financial position includes information from Nuchev and the acquired bWellness subsidiary, which are maintained separately. Details of the bWellness statement of financial position can be found at Note 31.

Segment performance is monitored at the Adjusted EBITDA level with Adjusted EBITDA reconciled as follows:

	2025 $	2024 $
Loss before interest, tax, amortisation and depreciation & impairment (Adjusted EBITDA)	3,342,617	5,929,767
Depreciation and amortisation	733,657	106,778
Impairment of other financial assets	72,041	108,580
Derecognition of deferred consideration for business combination	(350,000)	-
Product obsolescence and provision	44,245	286,454
Margin on raw material sales	97,583	(4,814)
Business combination costs incurred on acquisition	19,537	953,852
Finance costs	37,868	25,684
Finance income	(174,346)	(89,997)
Loss before tax	3,823,202	7,316,304

Geographical Information

Revenue	2025 $	2024 $
Australia	14,088,671	5,214,926
China	6,398,420	6,129,790
Vietnam	1,643,499	-
New Zealand	809,062	-
	22,939,652	11,344,716

The chief operating decision maker also monitors the location of customer sales. Revenue information in the table above is allocated based on the location of the Group's customers.

During the period the Group had two customers who each generated more than 10% of the Group's revenues (2024: four customers generated more than 10% of the Group's revenue). For the year ended 30 June 2025, the revenue for these customers amounted to $11,196,682 (2024: $9,723,233).

7. Capital Management

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves. The primary objective of the Group's capital management is to maximise shareholder value, and to manage liquidity.

The Group manages its capital structure and makes adjustments in light of changes in the economic conditions and the availability of capital sources. To maintain or adjust the capital structure, the Group may issue new shares and / or increase debt.

	2025 $	2024 $
Lease liabilities	392,631	322,854
Less: Cash and short-term deposits	(3,607,321)	(7,610,495)
Net debt	(3,214,690)	(7,287,641)
Equity	11,228,949	14,752,556
Capital and net debt	8,014,259	7,464,915
Gearing ratio	-40%	-98%

No changes were made in the objectives, policies or processes for managing capital during the period.

8. Expenses for the year

8.1 Cost of sales:

	2025 $	2024 $
Costs of inventories recognised as an expense	12,034,056	7,430,327
Inventory obsolescence & provision	44,245	286,454
Total cost of sales	12,078,301	7,716,781

8.2 Employment expenses:

	2025 $	2024 $
Wages and salaries	5,039,447	3,517,068
Payment to former owners of contingent consideration	350,000	-
Post-employment benefits other than pensions	477,344	283,105
Share option payment expense	250,051	57,661
Total employment expenses	6,116,842	3,857,834

8.3 General and administration expenses:

	2025 $	2024 $
Corporate and administrative expenses	3,245,330	2,678,944
Net foreign exchange losses	79,783	5,053
(Gain)/Loss on disposal of property, plant and equipment	(1,580)	2,908
Research and development costs (manufacturing)	25,200	28,012
Business combination costs expensed on acquisition	19,537	953,852
Total general and administrative expenses	3,368,270	3,668,769

8.4 Impairment expenses:

	2025 $	2024 $
Impairment of other financial assets	72,041	108,580
Impairment of receivables	(35,797)	5,699
Total impairment (reversal)/expense	36,244	114,279

9. Other income

Derecognition of deferred consideration for business combination	Note 28	350,000	-
Other revenue		62,061	149,485
Total other income		412,061	149,485

Research and development costs that are not eligible for capitalisation have been expensed in the period incurred and they are recognised in General and Administration expenses.

10. Income tax expense

The major components of income tax expense for the years ended 30 June 2025 and 2024 are:

Consolidated statement of profit or loss	2025 $	2024 $
Current income tax:		
Current income tax	-	-
Adjustments in respect of current income tax of previous year	-	-
	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Income tax (benefit) reported in the statement of profit or loss	-	-

Reconciliation of tax expense and the accounting profit for 2025 and 2024:

	2025 $	2024 $
Accounting (loss) before income tax	(3,823,202)	(7,316,304)
At Australia's statutory income tax rate of 30% (2024: 30%)	(1,146,961)	(2,194,891)
Non-taxable/deductible income/expenses for tax purposes:		
Non-deductible income	(115,127)	-
Non-deductible expenses	119,175	353,235
Capital raising costs	-	(123,997)
Other deductible expenses	-	-
Current year movement in deferred tax not recognised	(363,867)	(71,226)
Current income tax losses not recognised at 30% (2024: 30%)	1,506,780	2,036,879
Income tax expense / (benefit) reported in the statement of profit or loss at the effective income tax rate of 0%	-	-

Deferred tax balances

	2025 $	2024 $
Amounts recognised in business combination		
Deferred tax liabilities	469,529	-
Amounts recognised in profit or loss		
Deferred tax assets	138,892	-
Deferred tax liabilities	(138,892)	-
Net deferred tax liability	-	-

Income tax expense (cont.)

Movement in the deferred tax liability balance (no movement in 2024):

2025	Opening Balance	Recognised in Goodwill	Recognised in Profit or Loss	Closing Balance
Supplier relationships	-	461,100	(115,934)	**345,166**
Intellectual property	-	8,429	(22,958)	**(14,529)**
DTA on losses	-	-	138,892	**138,892**
	-	469,529	-	469,529

The Group has unrecognised carried forward tax losses which are subject to meeting the carry forward tax loss rules in the year of utilisation.

The Group has unconfirmed carried forward tax effected losses of $27,445,178 (2024: $25,820,588) at the tax rate of 30% (2024: 30%).

The deferred tax asset in respect of these losses has not been recognised until it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised, and the carry forward tax loss rules have been met.

11. Loss per share ("LPS")

Basic LPS is calculated by dividing the loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted LPS is calculated by dividing the loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. The Group has not included granted options and rights that could potentially dilute basic earnings per share in the future because they are anti-dilutive for the period presented.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	2025 $	2024 $
Loss used to calculate basic and diluted LPS	(3,823,202)	(7,316,304)
Weighted average number of ordinary shares for basic and diluted LPS	146,339,303	85,590,940
Basic LPS (dollars)	(0.03)	(0.09)
Diluted LPS (dollars)	(0.03)	(0.09)

12. Financial assets and financial liabilities

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	2025 $	2024 $
Debt instruments at amortised cost		
Cash and cash equivalents **(Note 14)**	3,607,321	7,610,495
Trade and other receivables **(Note 15)**	3,000,597	2,133,102
Other assets	79,898	79,527
Other financial assets **(Note 20)**	150,000	204,956
Total financial assets	6,837,816	10,028,080
Comprising:		
Total current	6,607,918	9,743,597
Total non-current	229,898	284,483
	6,837,816	10,028,080

Financial liabilities		
Trade and other payables **(Note 21)**	4,882,666	3,901,641
Total financial liabilities	4,882,666	3,901,641
Comprising:		
Total current	4,882,666	3,901,641
Total non-current	-	-
	4,882,666	3,901,641

13. Financial instruments risk management objectives and policies

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, and cash and short-term deposits that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's Executive Leadership Team ("ELT") oversees the management of these risks. The Group's ELT is supported by the Audit & Risk Committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The Group's financial risk activities are governed by appropriate policies and procedures, and financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Counterparty risk

Counterparty risk is the risk of financial loss if a counterpart to a financial instrument fails to meet its contractual obligations and arises principally from the Group's bank accounts **(Note 14)**. As at the balance date the Group's bank accounts were held with the Australian New Zealand Bank, Commonwealth Bank; both being a top tier Australian bank, Ping An Bank and China Merchants Bank; both Chinese banks.

Financial instruments risk management objectives and policies (cont.)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and liquidity risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has minimal exposure to the risk of changes in market interest rates given the Group has no debt obligations at 30 June 2025.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). The table below indicates material exposure and sensitivity movements in exchange rates on the profit and loss of the Group based on the closing exchange rates as 30 June, applied to the Group's financial assets and liabilities at 30 June:

Foreign currency sensitivity

Assets/Liabilities at 30 June 2025	Currency	Exposure	AUD	+/-5% mvmt pre-tax P&L impact $
Cash and short-term deposits	RMB	185,916	39,623	(1,887)/2,086
Cash and short-term deposits	USD	336	513	(24)/27
Cash and short-term deposits	EUR	17,186	30,766	(1,465)/1,619
Trade and other receivables	RMB	94,539	20,149	(959)/1,060
Other Assets	RMB	302,600	64,491	(3,071)/3,394
Other financial assets	RMB	703,815	150,000	(7,143)/7,895
Trade and other payables	RMB	(103,043)	(21,961)	1,046/(1,156)
Trade and other payables	USD	(3,000)	(4,580)	218/(241)
Trade and other payables	EUR	(221,045)	(395,713)	18,843/(20,827)
Trade and other payables	NZD	(2,395)	(2,194)	76/(146)
Assets/Liabilities at 30 June 2024	**Currency**	**Exposure**	**AUD**	**+/-5% mvmt pre-tax P&L impact $**
Cash and short-term deposits	RMB	308,359	64,050	(3,050)/3,371
Cash and short-term deposits	USD	334	505	(24)/27
Cash and short-term deposits	EUR	17,186	27,737	(1,321)/1,460
Trade and other receivables	RMB	120,538	25,038	(1,192)/1,318
Trade and other receivables	EUR	35,700	57,316	(2,729)/3,017
Other Assets	RMB	302,600	64,120	(4,259)/2,043
Other financial assets	RMB	938,753	204,956	(19,249)/299
Trade and other payables	RMB	(48,919)	(10,161)	484/(535)
Trade and other payables	USD	(13,250)	(20,003)	953/(1,053)
Trade and other payables	EUR	(387,285)	(622,110)	26,818/(35,844)
Trade and other payables	NZD	(4,594)	(4,194)	200/(221)

Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of loans, bank facilities and capital. The Group's expected liquidity at each reporting period is as follows:

	On demand $	< 3 months $	3 – 12 months $	1 – 5 years $	> 5 years $	Total $
At 30 June 2025						
Trade and other payables	-	4,882,666	-	-	-	4,882,666
Lease liabilities	-	37,109	111,327	294,480	-	442,916
	-	4,919,775	111,327	294,480	-	5,325,582

	On demand $	< 3 months $	3 – 12 months $	1 – 5 years $	> 5 years $	Total $
At 30 June 2024						
Trade and other payables	-	3,901,640	-	-	-	3,901,640
Lease liabilities	-	24,297	72,892	264,134	-	361,323
	-	3,925,937	72,892	264,134	-	4,262,963

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed through policies, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on past history and the customer onboarding process. Outstanding customer receivables and contract assets are regularly monitored for the risk of non-repayment.

An impairment analysis is performed at each reporting date using a provision matrix to measure potential and expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating).

The calculation reflects the probability-weighted outcome, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year outstanding. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 13.

Financial instruments risk management objectives and policies (cont.)

Other Financial Assets

Credit risk associated with other financial assets is managed through policies, procedures and controls relating to counterparty credit risk management. The credit quality of a counterparty is assessed based on past history and an evaluation of the counterparty's credit worthiness. Outstanding contract assets are regularly monitored for the risk of non-repayment.

An impairment analysis is performed at each reporting date using a provision matrix to measure potential and expected credit losses. A provision rate is based on a calculation of the probability-weighted outcome, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 14.

30 June 2025	Current	One month	Two months	Three months +	Total $
Expected credit loss rate	0.68%	1.35%	0.00%	100%	1.23%
Estimated total gross carrying amount at default	2,347,099	629,181	(20,590)	12,088	2,967,778
Expected credit loss	15,808	8,471	-	12,088	36,367

30 June 2024	Current	One month	Two months	Three months+	Total $
Expected credit loss rate	0.32%	2.00%	5.00%	100%	3.28%
Estimated total gross carrying amount at default	1,129,283	996,753	32,140	47,090	2,205,266
Expected credit loss	3,531	19,935	1,607	47,090	72,163

14. Cash and cash equivalents

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earns interest at the respective short-term deposit rates.

The Group has pledged a part of its short-term deposits to fulfil collateral requirements. Collateral requirements are as follows:

- Bank guarantees $550,000 (2024: $550,000)

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at 30 June:

	2025 $	2024 $
Cash at bank and on hand	3,057,321	7,060,495
Short-term deposits	550,000	550,000
	3,607,321	7,610,495

Cash flow reconciliation

	2025 $	2024 $
Reconciliation of net (loss) after tax to net cash flows from operations:		
(Loss) before tax	(3,823,202)	(7,316,304)
Adjustments to reconcile (loss) before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment	63,412	23,430
Depreciation of right of use asset	106,536	83,353
Amortisation of intangible assets	563,714	-
Derecognition of deferred consideration for business combination	(350,000)	-
Impairment of other financial assets	72,041	108,580
(Gain) / Loss on disposal of property, plant and equipment	(1,580)	2,908
Share based payment expense	315,128	57,661
Finance costs	37,868	25,684
Net foreign exchange differences	79,783	5,053
Provision for expected credit losses	(35,797)	5,699
Working capital adjustments:		
(Increase)/decrease in trade receivables and other assets	(770,575)	(261,757)
Decrease/(increase) in inventories	(397,862)	2,319,537
Increase/(decrease) in trade and other payables	493,548	1,201,127
Movements in provisions	(94,514)	11,673
Net cash flows used in operating activities	(3,741,500)	(3,733,356)

15. Trade and other receivables

		2025 $	2024 $
Trade receivables		2,126,536	1,322,985
Less: Allowance for expected credit losses		(36,367)	(72,163)
		2,090,169	1,250,822
Amounts receivable from related parties	Note 27	841,242	882,280
GST Receivable		69,186	-
		3,000,597	2,133,102

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables:

	2025 $	2024 $
At 1 July	(72,163)	(66,464)
Provision for expected credit losses	35,796	(5,699)
Utilised	-	-
At 30 June	(36,367)	(72,163)

Information about the credit exposures are disclosed in **Note 13.**

16. Prepayments

	2025 $	2024 $
Inventory prepayments	158,628	196,527
Other	225,877	284,897
	384,505	481,424

17. Inventories

	2025 $	2024 $
Raw material ingredients	2,338,992	282,280
Work in progress	17,321	1,797,889
Finished goods	3,364,555	3,674,967
Less: Provision	(339,930)	(772,060)
	5,380,938	4,983,076

Provision has been recognised for aged and/or expired raw materials and work in progress on hand and for finished goods which has less than one half of its shelf life remaining, or where stock holdings exceed forecast demand. For stock that can still be sold, a provision is recognised for the difference between the cost and net realisable value.

18. Plant and equipment

	2025 $	2024 $
Leasehold improvements:		
At cost	-	1,720
Accumulated depreciation	-	-
	-	1,720
Plant and equipment:		
At cost	565,502	393,749
Accumulated depreciation and impairment	(373,027)	(322,004)
	192,475	71,745
Total property, plant and equipment	192,475	73,465

	Leasehold improvement $	Plant and equipment $	Total $
At 1 July 2024	1,720	71,745	73,465
Additions	-	184,142	184,142
Disposals	(1,720)	-	(1,720)
Depreciation	-	(63,412)	(63,412)
At 30 June 2025	-	192,475	192,475

	Leasehold improvement $	Plant and equipment $	Total $
At 1 July 2023	-	62,729	62,729
Additions	1,720	8,021	9,741
Acquisitions from Business Combination	-	28,519	28,519
Disposals	-	(4,094)	(4,094)
Depreciation	-	(23,430)	(23,430)
At 30 June 2024	1,720	71,745	73,465

19. Intangible assets

	2025 $	**2024 $**
Intangible assets:		
At cost	4,781,026	4,223,313
Accumulated amortisation	(563,714)	-
	4,217,312	4,223,313

Movements in carrying amounts of intangible assets:

	Goodwill from acquisitions $	Brand names $	Contractual relationships $	Software $	Intellectual Property $	Total $
Carrying value						
At 1 July 2024	4,223,313	-	-	-	-	4,223,313
Transfers	(2,862,689)	793,889	1,537,000	-	531,800	-
Additions	-	-	-	44,934	-	44,934
Disposals	-	-	-	-	-	-
Adjustments	43,250	-	-	-	-	43,250
Deferred taxation	469,529	-	-	-	-	469,529
Amortisation	-	-	(386,448)	-	(177,266)	(563,714)
At 30 June 2025	1,873,403	793,889	1,150,552	44,934	354,534	4,217,312

	Goodwill from acquisitions $	Brand names $	Contractual relationships $	Software $	Intellectual Property $	Total $
Carrying value						
At 1 July 2023	-	-	-	-	-	-
Additions	4,223,313	-	-	-	-	4,223,313
Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
At 30 June 2024	4,223,313	-	-	-	-	4,223,313

Goodwill from acquisitions

Goodwill acquired through business combinations will be reviewed for impairment on an annual basis using the impairment assessment criteria below. Goodwill will be assigned to the bWellness CGU in future assessments.

Brand assets

Brand assets acquired through business combinations will be reviewed for impairment on an annual basis using the impairment assessment criteria below. Goodwill will be assigned to the bWellness CGU in future assessments.

Contractual relationships

Contractual relationships acquired through business combinations are amortised on a straight-line basis over their useful life of 5 years and tested for impairment where there is indication that they may be impaired. The amortisation period and method are reviewed annually.

Intellectual Property

Intellectual property, including online platforms and materials, are amortised on a straight-line basis over their useful life of 3 years and tested for impairment where there is indication that they may be impaired. The amortisation period and method are reviewed annually.

Software

Software assets, including related assets, are amortised on a straight-line basis over their useful life of 3 years and tested for impairment where there is indication that they may be impaired. The amortisation period and method are reviewed annually.

Impairment Assessment

The Group performs its annual impairment test in June and when circumstances indicate that the carrying value may be impaired. The Group's impairment test for intangible assets with indefinite lives is based on value-in-use calculations.

The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment.

Key assumptions used in value in use calculations and sensitivity to changes in assumptions

The recoverable amount of bWellness CGU assets has been determined based on a value in use calculation using a discounted cash flow projection for a five-year period.

The calculation of value in use is most sensitive to the following assumptions:

- 10% growth rate of revenue forecasts year on year
- Consistent gross margins across future periods
- 3-5% per annum increase in operating costs and central overheads allocated to the CGU
- 20% pre-tax discount rate
- 2.5% terminal growth rate

Pre-tax discount rate of 20% represent the current market assessment of the risks specific to the CGU taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and is derived from its weighted average cost of capital ("WACC") which is derived from the expected return on investment by the Group's investors. Adjustments to the discount rate are made to factor in the specific amount and timing of future tax flows in order to reflect a post-tax discount rate.

Terminal value growth rate estimate of 2.5% used in calculations is based on industry research with consideration given to the maturity of the business.

Management has considered a number of factors in estimating the revenue growth rate over a 5 year period. These include the opportunities presented by organic growth within existing markets, new product development, overseas expansion, an increased focus on ecommerce sales including through direct-to-customer channels, and the increased demand for nutritional foods, vitamins and dietary supplements, and wellness products worldwide.

In considering the expenditure growth rate, management have taken into account a number of factors, including future inflation forecasts, distribution and manufacturing agreements currently in place, introduction of new product initiatives and a continued focus on cost savings across the board.

Management have made judgements and estimates in respect of impairment testing of goodwill and have undertaken sensitivity analysis on revenue and costs (+/- 10%) in the impairment testing model. If there are any negative changes in the key assumptions on which the recoverable amount of goodwill is based, the recoverable amount of assets would still exceed their carrying amounts and there would not be an impairment of goodwill.

As at 30 June 2025 the Group's recoverable amount of assets exceeds their carrying amounts.

20. Other financial assets

	2025 $	2024 $
Deposits held with third parties	1,065,621	1,048,536
Provision for impairment	(915,621)	(843,580)
	150,000	204,956

Other financial assets relate to deposits held with third parties for business development. The deposit is repayable at the end of the agreement which is in a period greater than 12 months. Management has assessed their recoverability and recognised a provision for impairment for potential credit exposure.

Information about the Group's credit exposures are disclosed in Note 13.

21. Trade and other payables

	2025 $	2024 $
Trade payables	1,108,835	1,604,320
Amounts payable to related parties	687,266	350,653
Other payables and accrued expenses	1,204,323	1,946,668
Contract liabilities	1,882,242	-
GST and PAYG tax payable	-	279,643
	4,882,666	4,181,284

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-day terms
- Other payables are non-interest payable and have an average term of three months

22. Provisions

	2025 $	2024 $
Current:		
Annual leave	223,640	300,592
Long service leave	122,073	-
Total	345,713	300,592
Non-Current		
Long service leave	25,854	165,488
Total	25,854	165,488

Provision for employee benefits

The current portion for this provision includes the total amount accrued for annual leave entitlements. Based on past experience, the Group does not expect the full amount of the annual leave balance classified as current liabilities to be settled within the next 12 months. However, these amounts are classified as current liabilities as the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

23. Leases

Group as a lessee

The Group has lease contracts for the rental of office spaces for its operations, which has a term of 4.5 years from commencement. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

A new lease in relation to office equipment was entered into in the year under review, which has a term of 5 years from commencement. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of office equipment which are less than 12 months and considered to be of low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Office spaces and equipment	
	2025 $	2024 $
As at 1 July	291,736	284,145
Additions and modifications	167,682	90,944
Depreciation expense	(106,536)	(83,353)
As at 30 June	352,882	291,736

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2025 $	2024 $
As at 1 July	322,854	284,145
Additions and modifications	165,207	106,704
Interest	30,731	24,772
Payments	(126,161)	(92,767)
As at 30 June	392,631	322,854
Current	122,344	85,548
Non-current	270,287	237,306
	392,631	322,854

The following are the amounts recognised in consolidated statement of profit or loss and other comprehensive income:

	2025 $	2024 $
Amortisation of right-of-use assets	106,536	83,353
Interest expense on lease liabilities	30,731	24,772
Expense relating to short-term leases	11,659	8,867
Total amount recognised in profit or loss	148,926	116,992

The Group had total cash outflows for leases of $126,161 in 2025 (2024: $92,767). The lease contracts for office spaces contain fixed rental increases and no variable payments, termination options or extensions. Total weighted average lease term is 3.375 years (2024: 3.5 years). Details of the future lease payments are detailed in **Note 13.**

24. Issued capital

	2025 $	2024 $
Fully paid ordinary shares	111,041,006	111,056,539

Ordinary shares participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote.

Movement in issued share capital:

	Number of shares	$
Ordinary shares issued and fully paid		
At 30 June 2023	**84,407,280**	**101,863,550**
Shares issued	61,932,023	9,606,310
Equity related transaction costs	-	(413,321)
At 30 June 2024	**146,339,303**	**111,056,539**
Shares issued	-	-
Equity related transaction costs	-	(15,533)
At 30 June 2025	146,339,303	111,041,006

In May 2024, 5,619,659 options were converted to new shares and issued to H&S under Tranche A of the 2023 Distribution Agreement, as detailed in Note 29, for $1,404,915 in proceeds.

In June 2024, the Company completed a capital raise by way of a share placement at $0.156 per new share. The purpose of the capital raise was to acquire bWellness, and to fund working capital.

- 32,737,515 new shares were issued as part of the Entitlement Offer (including Shortfall Shares under the Top Up Facility) at $0.156 per share for $5,107,052 in proceeds
- 22,435,898 new shares were issued as scrip funding to Brauer Natural Medicine (an entity 100% owned by entities or parties associated with the H&S Group), fair valued at $0.130 per share for $2,916,667 in relation to the acquisition of bWellness
- 1,138,951 new shares were issued at $0.156 per share for $177,676 in proceeds in lieu of consideration for 3rd party corporate advisory services related to the bWellness acquisition and associated equity raise
- $1,367,174 of transaction costs were incurred through acquisition, including due diligence of bWellness, and the capital raise to provide funds to acquire bWellness, of which $953,852 has been expensed in the profit and loss and the remaining amount of $413,322 recognised against the share capital raised. Of the total transaction costs of $1,367,174 the costs payable in cash amounted to $1,189,498 and the cost of share-based payments amounted to $177,676.

25. Other capital reserves

	2025 $	2024 $
Balance at the beginning of the period	1,943,465	1,885,804
Share based payments	315,128	57,661
Balance at the end of the period	2,258,593	1,943,465

Share-based payments

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, Directors and strategic partners. These plans are detailed in Note 26.

26. Share-based payments

FY25 CEO Retention Rights

In June 2025, 1,666,532 Retention Rights were provided to Nathan Cheong, on his commencement as CEO. The Rights convert to an equal number of shares on vesting which occurs on 31 December 2026. The vesting conditions require the meeting of continuous service conditions. The Rights lapse on cessation of employment, subject to Board discretion. The fair value of the rights at grant date has been estimated to be $0.1525, refer to the table for inputs used.

FY25 Director Rights

In January 2025, 1,493,926 rights were provided to Directors. The share rights convert to an equal number of shares on vesting which occurs with continuous employment one year from the date of issue. The vesting conditions require the meeting of continuous service conditions. The rights lapse on cessation of employment, subject to Board discretion. The fair value of the rights at grant date has been estimated to be $0.1153, refer to the table for inputs used.

FY25 Employee Rights

In October 2024, 5,108,965 rights were provided to senior executives for no cost as part of the Equity Incentive Plan (EIP), in two tranches. The share rights convert to an equal number of shares on vesting which occurs with continuous employment, and subject to the meeting of continuous service conditions and performance targets. The rights lapse on cessation of employment, subject to Board discretion. The fair value of the rights at grant date has been estimated to be in the range of $0.1304-$0.1356, refer to the table for inputs used.

FY24 Employee Rights

In November 2023, 1,144,892 rights were provided to senior executives (including 785,069 to the Interim CEO), and in April 2024 294,401 rights were provided for no cost as part of the Equity Incentive Plan (EIP) to senior management. The share rights convert to an equal number of shares on vesting which occurs with continuous employment three years from the date of issue. The vesting conditions require the meeting of continuous service conditions and meeting revenue, EBITDA, and personal performance targets. The rights lapse on cessation of employment, subject to Board discretion. The fair value of the rights at grant date has been estimated to be $0.20 and $0.155, refer to the table for inputs used.

FY23 Employee Rights

In June 2022, 333,333 rights were provided to M Myers, in September 2022, 164,532 were provided to other employees and in October 2022, 806,452 rights were provided to G Kerr for no cost as part of the Equity Incentive Plan (EIP). The share rights convert to an equal number of shares on vesting which occurs with continuous employment three and two years from the date of issue. The vesting conditions require the employee meeting continuous service conditions. The rights lapse on cessation of employment, subject to Board discretion. The fair value of the rights at grant date has been estimated to be $0.22, $0.26 and $0.24, respectively, refer to 26.1 below for inputs used.

Assumption	FY23 Rights	FY24 Employee Rights 1	FY24 Employee Rights 2	FY25 Employee Rights	FY25 Director Rights	FY25 CEO Retention Rights
Exercise price	See 26.1 below	N/A	N/A	N/A	N/A	N/A
Rights Issued	See 26.1 below	1,144,892	294,401	5,108,965	1,493,926	1,666,532
Grant date	See 26.1 below	22/11/2023	15/04/2024	26/10/2024	13/12/2024	30/06/2025
Term of option/right (expiry)	See 26.1 below	3 years	3 years	2/3 years	15 years	1.67 years
Fair value at grant date	See 26.1 below	$0.20	$0.155	$0.1304/ $0.1356	$0.1153	$0.1525
Expected dividend yield	See 26.1 below	0%	0%	0%	0%	0%
Expected volatility	See 26.1 below	87.14%	91.05%	116.62%/ 107.78%	139.41%	140.59%
Risk-free rate	See 26.1 below	4.089%	3.844%	3.808%/3.757%	4.108%	3.212%

26.1 FY23 Rights

FY23 Rights	CFO	Other Employees
Rights Issued	333,333	164,532
Grant date	17/06/2022	31/08/2022
Exercise price	$Nil	$Nil
Term of option/right (expiry)	3 Years	3 Years
Fair value at grant date	$0.22	$0.26
Expected dividend yield	0%	0%
Expected volatility	69.92%	74.94%
Risk-free rate	3.732%	3.295%

26.2 Non-employee share-based payments

Performance Options

In June 2023 the Group entered into a Distribution Agreement with H&S Group as the exclusive distributor in China CBEC and Vietnam. In addition, a share placement was made to H&S Group, which when combined with new shares subscribed to by H&S under the Entitlement Offer, enabled H&S Group to acquire up to 19.9% of the shares on issue.

In order to incentivise H&S Group under the Distribution Agreement, Performance Options were granted to H&S Group to subscribe for ordinary Shares in three tranches (one per year), subject to the satisfaction of annual sales performance targets for the three years ending 30 June 2026.

19,448,681 Performance Options were issued to H&S Group on 28 June 2023 in three tranches:

TRANCHE	No. of Options	Exercise Price
Tranche 1 (FY 2024)	5,619,659	$0.25
Tranche 2 (FY 2025)	6,421,322	$0.30
Tranche 3 (FY 2026)	7,407,700	$0.36

In the event that the performance conditions are met, the value of the options at that time will be recognised as an offset against revenue in accordance with AASB 15 Revenue from Contracts with Customers as described in the Group's significant accounting policies – refer Note 2.4 (d)

In May 2024, the performance targets associated with Tranche 1 were met, the options became exercisable, and H&S elected to convert these to shares. At the time of issue, the options were valued at $Nil over the Exercise Price.

In June 2025, the performance targets associated with Tranche B were met, and the options under this Tranche became exercisable by H&S. At the time of issue, the options were valued at $Nil over the Exercise Price.

26.3 Reconciliation of employee share options/rights

Plan	Exercise price per option $	1 July 2024	Granted	Lapsed	Vested	Unvested at 30 June 2025	Vested
FY23 Rights	0.00	497,865	-	-	-	-	497,865
FY24 Rights	0.00	1,439,293	-	(654,224)	-	785,069	-
FY25 Rights	0.00	-	5,108,965	(2,195,156)	-	2,913,809	-
FY25 Director Rights	0.00	-	1,493,926	(261,328)	-	1,232,598	-
FY25 CEO Retention Rights	0.00	-	1,666,532	-	-	1,666,532	-
Total		1,937,158	8,269,423	(3,110,708)	-	6,598,008	497,865

Share-based payments (cont.)

Plan	Exercise price per option $	1 July 2024	Granted	Lapsed	Vested	Unvested at 30 June 2025	Vested
FY20 LTI	2.600	866,259	-	-	-	-	866,259
FY22 LTI	0.522	2,355,967	-	(2,355,967)	-	-	-
FY23 Rights		1,304,317	-	(806,452)	-	497,865	-
FY24 Rights		-	1,439,293	-	-	1,439,293	-
Total		4,526,543	1,439,293	(3,162,419)	-	1,937,158	866,259

26.4 Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the financial year as part of Employee benefits expense were $250,051 (2024: ($57,661)).

27. Related party disclosures

Note 4 provides information about the Group's structure, including details of the subsidiaries and the holding company.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

		Sales to related parties $	Purchases from related parties $	Amounts owed by related parties $	Amounts owed (to) related parties $
Significant shareholders of the Group					
H&S Group and related companies	2025	7,636,085	2,486,117	841,242	(687,266)
	2024	5,465,765	1,716,100	882,280	(350,653)

Transactions with significant shareholders
The above transactions were considered to be at arm's length.

During the year to 30 June 2024, Tranche A Performance Options of 5,619,659 linked to the Distribution Agreement were exercised and issued to H&S Group.

In June 2024, 22,435,898 shares were issued to Brauer Natural Medicine (an entity 100% owned by entities related or parties associated with H&S Group) as part of the Equity Raise in relation to the purchase of bWellness (see Note 24). At the time of purchase, Brauer Natural Medicine owned 50% of bWellness.

On 1 May 2025 the Group entered into an exclusive Agency Agreement with Brauer Natural Medicines Pty Ltd (Brauer) and H&S Brand Corporation Pty Ltd (H&S)[1] for the sale in Australia of certain products produced by Brauer and H&S, including the Brauer, Skin Physics and Rapid Loss range. Terms for this agreement were on an arm's length basis.

Transactions with key management personnel

No such transactions with key management personnel took place in the current or comparative year.

Compensation of key management personnel of the Group

	2025 $	2024 $
Short-term employee benefits	1,127,012	1,179,966
Post-employment benefits	91,479	77,046
Share-based payments	243,130	(20,243)
	1,461,621	1,236,769

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

28. Business combinations

On 28 June 2024, the Group acquired 100% of the shares in bWellness Pty Ltd, and its subsidiary entities (see below). The Group acquired bWellness Pty Ltd to build scale and increase diversification by gaining access to the health and wellness sector.

Subsidiary	Principal Activity
bWellness Pty Ltd	bWellness parent company
Bio-Practica Pty Ltd	Nil activity
Brauer Professional Pty Ltd	Manufacture and sale of wellness products
bWellScript Pty Ltd	Administration hub for New Zealand

Total consideration transferred for the acquisition was:	Consideration fair value $
Cash	2,800,000
Share capital	2,916,667
Deferred consideration (see below)	350,000
Total consideration	6,066,667

The following assets and liabilities (at fair value) were acquired at the date of acquisition:

Analysis of cash flows on acquisition:	$
Cash paid on acquisition (included in cash flows from investing activities)	(2,800,000)
Cash acquired with the subsidiary (included in cash flows from investing activities)	600,508
Total cash included in cash flows from investing activities	*(2,199,492)*
Transaction costs of the acquisition (included in cash flows from operating activities)	(585,487)
Total Net cash flows on acquisition	(2,784,979)

Brauer Natural Medicines Pty Ltd ACN 008 016 242 and H & S Brand Corporation Pty Ltd ACN 600 895 332 are owned ınd controlled by H&S International Pty Ltd ACN 643 475 601 as trustee for the H&S Investment Unit Trust ABN 62 122 326 764 (H&S Investments)

Business combinations (cont.)

	$
Cash	600,508
Trade receivables	524,252
Prepayments and other current assets	76,534
Inventories	2,005,550
Plant & equipment	30,410
Intangible assets	2,862,689
Total assets	6,099,943
Trade payables and provisions	1,437,150
Deferred tax liabilities	469,529
Total liabilities	1,906,679
Net identifiable assets acquired	4,193,264
Total consideration paid	6,066,667
Goodwill	1,873,403

The acquisition date fair value of trade receivables amounts to $524,252. The gross amount of trade receivables was $524,252 and the full contractual amounts were collected.

From the date of acquisition, bWellness Pty Ltd contributed $NIL of revenue and $NIL to the loss before tax from continuing operations of the Group for year ended 30 June 2024. If the combination had taken place at the beginning of the 2024 financial year, revenue from continuing operations would have been $21,077,141 and loss before tax from continuing operations would have been $7,211,118.

As part of the Share Sale Agreement with the previous owners of bWellness Pty Ltd, $350,000 in consideration payable was deferred and would be payable contingent upon earnings before interest, tax, depreciation and amortisation ("EBITDA") from bWellness in the 12-month period after the acquisition date exceeding $1,700,000. As this target was not met and the contingent consideration was not payable, a gain on derecognition of this deferred consideration of $350,000 has been recognised in the Consolidated statement of profit or loss and other comprehensive income.

In addition, a further post-acquisition payment of $350,000 was payable to the former owners in the 12-month period after the acquisition date subject to certain performance hurdles being met including a smooth transition of ownership, and subject to the Board's discretion. As these performance hurdles were met, this amount was paid in full during the financial year to 30 June 2025.

As at the acquisition date, the fair value of the deferred consideration was estimated to be $350,000. This was the only liability measured at fair value and was valued using the Significant Unobservable Inputs Hierarchy (Level 3) methodology as per IFRS13 *"Fair Value Measurements"*.

As detailed in Note 24, 22,435,898 shares were issued as scrip funding to Brauer Natural Medicine Pty Ltd in relation to the acquisition in 2024. These were fair valued at $2,916,667.

29. Standards issued but not yet effective

In June 2024, AASB issued AASB 18 "*Presentation and Disclosure in Financial Statements*". AASB 18 significantly updates the requirements for presentation and disclosures in the financial statements, with a particular focus on improving the reporting of financial performance, as it requires classification of income and expenses into particular categories. AASB 18 is effective from 1 July 2027, with early adoption permitted, and requires a restatement of the comparative reporting period. The Group is yet to assess the expected impact from AASB 18 on our financial statements.

In May 2024, IASB issued amendments to IFRS 9 "*Financial Instruments*" and IFRS 7 "*Financial Instruments: Disclosures*" regarding the classification and measurement of financial instruments. The amendments are effective for Nuchev from 1 July 2026, with early adoption permitted, and do not require a restatement of the comparative reporting period. The Group is yet to assess the expected impact from the amendments on the financial reporting.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective and, with the exception of AASB 18 described above, does not expect any of them to have a material impact on our financial results upon adoption.

30. Information relating to Nuchev Ltd (the parent)

	2025 $	2024 $
Current assets	941,665	6,373,806
Total assets	53,024,925	58,927,444
Current liabilities	792,589	2,191,484
Total liabilities	1,088,730	2,244,278
Issued capital	111,041,006	111,056,539
Accumulated losses	(61,363,404)	(56,316,838)
Other capital reserves	2,258,593	1,943,465
(Loss) of the Parent entity	(4,935,080)	(6,017,045)
Total comprehensive (loss) of the Parent entity	(4,935,080)	(6,017,045)

Refer to Note 4 for information on the Parent's subsidiaries.

Contingent assets and contingent liabilities

There are no known contingent assets or contingent liabilities for the Parent.

31. Auditor's remuneration

During the financial year the following fees were paid or payable for services provided by the auditor of the Group:

	2025 $	2024 $
Audit fees – RSM Australia Partners (2024: Ernst & Young)	90,000	243,370
Non-Audit fees – RSM Australia Partners (2024: Ernst & Young)	-	-
	90,000	243,370

32. Events after the reporting period

H&S Group exercised Tranche 2 of their Performance Options on 26 July 2025, at the exercise price of $0.30, resulting in Nuchev issuing 8,749,000 Fully Paid Ordinary Shares to H&S Investments. Nuchev received $1,926,397 in cash as a result of the exercise.

The Directors of the Group are not aware of any other matter or circumstance not provided for in the financial report that significantly affected or may significantly affect the operations of the Group, the results of those operations of the state of affairs in the year ended 30 June 2025.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 30 June 2025

Name	Entity type	Body corporate country of incorporation	Body corporate % of share capital held	Country of tax residence
Nuchev Foods Pty Ltd	Body corporate	Australia	100%	Australia
Nuchev (Hong Kong) Ltd	Body corporate	Hong Kong	100%	Hong Kong
Nuchev (Shanghai) Trading Co. Ltd	Body corporate	People's Republic of China	100%	People's Republic of China
bWellness Pty Ltd	Body corporate	Australia	100%	Australia
Bio-Practica Pty Ltd	Body corporate	Australia	100%	Australia
Brauer Professional Pty Ltd	Body corporate	Australia	100%	Australia

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Nuchev Limited, I state that:

1. In the opinion of the Directors:

   a. the financial statements and notes of Nuchev Limited for the financial year ended 30 June 2025 are in accordance with the *Corporations Act 2001*, including:

      i. giving 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

      ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*;

   b. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

   c. the consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act 2001* is true and correct.

2. A statement of compliance with International Financial Reporting Standards is included in the Basis of Preparation and Accounting Policies in the Notes to the consolidated financial statements

3. This declaration has been made after receiving the declarations required to be made to the Directors by the Chief Executive Officer and Chief Financial Officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2025.

Signed in accordance with a resolution of the Directors.

Ben Dingle
Chair

Date: 28 August 2025

Overview
Year in review
Risk and governance
Directors' report
Remuneration report
Financial statements
Additional information

INDEPENDENT AUDITOR'S REPORT

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
To the Members of Nuchev Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Nuchev Limited ("the Company") and its controlled entities ("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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the 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:

i. giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and

ii. 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including independence standards*) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT (CONT.)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed this matter
Recognition of Revenue Refer to Note 5 in the financial statements	
Revenue for the year ended 30 June 2025 was $22,939,652. Revenue recognition was considered a key audit matter because of its significance to the Group's reported financial performance. Furthermore, there is a fraud risk as management have an incentive or is under pressure to engage in fraudulent financial reporting to meet board and shareholder expectations.	Our audit procedures in relation to the recognition of revenue included: • Assessing whether the Group's revenue recognition policies were in compliance with AASB 15 *Revenue from Contracts with Customers*; • Performing tests of detail on a sample basis to test the validity and accuracy of revenue transactions, including the inspection of sales invoices and delivery documentation; • Performing substantive analytical procedures on the revenue balance; • Review of sales transactions before and after year-end to ensure that revenue is recognised in the correct period; and • Assessing the adequacy and completeness of disclosures in the financial report.
Inventory Valuation Refer to Note 17 in the financial statements	
The Group has inventory on hand of $5,380,938, including a provision for obsolescence of $339,930, as at 30 June 2025. Inventory is valued at the lower of cost and net realisable value (NRV). Judgements are involved in the estimation of the provision for obsolescence in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.	Our audit procedures in relation to valuation of inventory included: • Reviewing management's inventory provisioning policy to understand the methodology of providing for obsolescence for the different types of inventory; • Reviewing the management's calculation of the provision for obsolescence; • Obtaining and reviewing the product list to identify slow moving inventory and consider the adequacy of any provision made; and • Assessing the net realisable value of inventory by comparing recent sales price to recorded cost and considering expected costs to sell.

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed this matter
Impairment of goodwill and other intangible assets Refer to Note 19 in the financial statements	
The Group has goodwill and other intangible assets of $4,217,312 as at 30 June 2025. Management is required to assess the intangible assets for impairment in accordance with AASB 136 *Impairment of Assets*, with a value in use cashflow model needing to be prepared for each identified cash-generating-unit (CGU). There is an inherent risk that the future cash flows of each CGU do not support the carrying value of intangible assets. Managements' assessment of the 'value in use' of the CGU involves judgements about the future underlying cash flows of the CGU and the discount rates applied to them. For the year ended 30 June 2025 management have performed impairment assessments over the goodwill and other intangible assets by: • Identifying the CGU to which the goodwill and other intangible assets belong; • Calculating the value in use for the CGU using a discounted cash flow model. These models used cash flows (revenues, expenses and capital expenditure) for the CGU for 5 years; • The model includes a terminal growth rate applied to the 5th year; • These cash flows were then discounted to net present value using CGU specific weighted average cost of capital ("WACC"); and • Comparing the resulting value in use of the CGU to the respective book values and processing impairments where appropriate.	Our audit procedures in relation to impairment of goodwill and other intangible assets included: • Assessing management's determination of the CGU applied to the goodwill and other intangible assets based on the nature of the Group's business and the manner in which results are monitored and reported; • Assessing the overall valuation methodology used to determine the value in use; • Checking the mathematical accuracy of the discounted cash flow models and reconcile input data to supporting evidence; • Considering and challenging the reasonableness of key assumptions, including the cash flow projections, budgets, revenue growth rated, discount rates and sensitivities used; and • Reviewing the accuracy of disclosures of critical estimates and assumptions in the financial statements in relation to the valuation methodologies.

Other Information

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 the auditor's report thereon.

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 (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; 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 (other than the consolidated entity disclosure statement) 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 ability of the Group 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/bwvjcgre/ar1_2024.pdf This description forms part of our auditor's report.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Nuchev Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM AUSTRALIA PARTNERS

B Y CHAN
Partner

Dated: 28 August 2025
Melbourne, Victoria

Shareholder information

In accordance with ASX Listing Rule 4.10, the Company provides the following information to shareholders not elsewhere disclosed in this Annual Report. The information provided is current as at 23 September 2025 (Reporting Date). The Company is listed on the Australian Securities Exchange.

Distribution of Equity Securities

Analysis of number of listed equitable security holders by size of holding:

Fully Paid Ordinary Shares (ASX:NUC)

Range	Shares	Total Holders	% of Shares
1 - 1,000	144,028	291	0.09
1,001 - 5,000	703,328	261	0.45
5,001 - 10,000	753,490	98	0.48
10,001 - 100,000	4,641,362	135	2.98
100,001 Over	149,343,960	52	95.99
Total	**155,586,168**	**837**	**100.00**

Unlisted Options Over Ordinary Shares

Range	Options	Total Holders	% of Shares
1 - 1,000	-	-	-
1,001 - 5,000	-	-	-
5,001 - 10,000	-	-	-
10,001 - 100,000	-	-	-
100,001 Over	7,407,700	1	100.00
Total	**7,407,700**	**1**	**100.00**

Unlisted Performance Rights Over Ordinary Shares

Range	Performance Rights	Total Holders	% of Shares
1 - 1,000	-	-	-
1,001 - 5,000	-	-	-
5,001 - 10,000	-	-	-
10,001 - 100,000	-	-	-
100,001 Over	6,598,007	6	100.00
Total	**6,598,007**	**6**	**100.00**

Unmarketable Parcels

	Parcel Size	Holders	Units
$500 parcel at $0.12 per unit	4,166 (or less)	509	643,479

Shareholder information (cont.)

Equity Security Holders

The names of the twenty largest security holders of quoted equity security holders are listed below:

Fully Paid Ordinary Shares (ASX:NUC)

Holder	Number Held	% of Issued Capital
H&S Investments Australia Pty Ltd <H&S Investment Unit A/C>	53,131,133	34.15%
402339 Pty Ltd <The Whiti A/C>	37,853,680	24.33%
Brauer Natural Medicine Pty Ltd	22,435,898	14.42%
Hsbc Custody Nominees (Australia) Limited	13,074,321	8.40%
Mr Craig Silbery	5,035,370	3.24%
Mr Craig Silbery <Silbery Super Fund A/C>	2,271,561	1.46%
Gigo Investment Pty Ltd <Gigo A/C>	1,374,949	0.88%
Cw Investment Holdings Pty Ltd <Cw Investment Holdings A/C>	1,030,000	0.66%
Kirwood Capital Direct Investments 1 Pty Ltd <Kirwood Cap Direct Invest 1>	1,000,000	0.64%
Finclear Services Pty Ltd <Superhero Securities A/C>	958,360	0.62%
Powers Pty Ltd	900,000	0.58%
Top End Enterprises Pty Ltd <Atkins Family A/C>	892,644	0.57%
Ataturk Investments Pty Ltd	831,765	0.53%
Mf & Sa Super Pty Ltd <Mf & Sa Super A/C>	600,000	0.39%
Bk Custodian Pty Ltd <Earle/Blackwell Family A/C>	589,714	0.38%
Daho Pty Ltd <The Dhb S/F A/C>	450,000	0.29%
Justin Breheny	370,684	0.24%
Just Beaut Pty Ltd <Myers Family Super Fund A/C>	333,333	0.21%
C&L Chen Pty Ltd <C&L Chen Li Sf A/C>	322,159	0.21%
Breheny Enterprises Pty Ltd <Breheny Investments A/C>	308,904	0.20%
	143,764,475	**92.40%**

Substantial Shareholders

Fully Paid Ordinary Shares

As at 23 September 2025, the Substantial Holders of the Group and number of equity securities in which those substantial holders and their associates have a relevant interest are as follows:

Ordinary Shares	Number Held	% of Ordinary Shares
H&S Investments Australia Pty Ltd <H&S Investment Unit Trust>*	75,567,031	48.57%
Ben Dingle	37,853,680	24.33%
Mithaq Capital SPC	12,564,873	8.59%
Craig Silbery	7,326,931	5.01%
Nuchev Ltd	*36,804,557*	*23.66%*
	133,312,515ˆ	**86.49%**

*5,619,659 Shares held in voluntary escrow to 22/05/2026, 22,435,898 to 28/06/2026 and 8,749,000 to 30/07/2027.

ˆ36,804,557 Shares held in voluntary escrow by Nuchev Ltd on behalf of H&S (including Brauer). The total of 133,312,515 (86.49%)of securities held by Substantial Holders includes the aforementioned 36,804,557 Shares held by NUC.

Unquoted Equity Securities

The following persons hold 20% or more of unquoted equity securities:

Holder	Class	Number Held
H&S Investments Australia Pty Ltd <H&S Investment Unit Trust>	NUCAP	7,407,700

Voting Rights

The voting rights attached to each class of equity securities are set out below:

Ordinary Shares	On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.
Options	No voting rights.

On Market Buy Back

There was no on market buy back in operation.

Unquoted Equity Securities

Unquoted Options and Performance Rights issued over Ordinary Shares:

Class	Number on Issue	Number of Holders
NUCAP	7,407,700	1

Unquoted Options and Performance Rights issued under the Company's Equity Incentive Plan ("EIP") over Ordinary Shares):

Class	Number on Issue	Number of Holders
NUCAH	6,598,007	6

Corporate Directory

Company | Nuchev Limited
ABN 54 163 225 090

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Melbourne VIC 3004 Australia

Corporate website | www.nuchev.com.au

Registered office

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Australian Stock Exchange (ASX) code | NUC

Australian Share Registry | XCEND

Level 2, 477 Pitt Street
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Telephone 1300 288 664 (within Australia)
+61 (0)2 9698 5414 (International)

Auditor | RSM Australia Partners
Level 27, 120 Collins Street
Melbourne VIC 3000 Australia

Company Directors

Ben Dingle | Founder I Non-Executive Director | Board Chair

Jeffrey Martin | Independent Non-Executive Director | PCC Chair

Craig Silbery | Non-Executive Director

Elizabeth Smith | Independent Non-Executive Director | ARC Chair

Meng Zhang (Leo) | Non-Executive Director

Executive Management

Nathan Cheong | Chief Executive Officer

Mick Myers | Chief Operating Officer and Chief Financial Officer

Tamara Barr | Company Secretary

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