

GOWINGS 158th
ANNUAL REPORT

31 JULY 2026

Investing Together for a Secure Future

Executive Chairman and Managing Director's Review of Operations

Reviewing the results following the end of our 158th year of trading, it is clear that a range of environmental factors remain in play across the various operational and investment categories of our diversified business.

Cost of living, geopolitical uncertainty and interest rates remain continuing factors.

Shopping Centre assets continue to meet expectations with the key underlying business metrics of foot traffic and moving annual retail sales, remaining steady with people continuing to move to the regions. It should be noted that replacement costs of our shopping centres are now well in excess of adopted market valuations. This will mean less new shopping centres will be built in the medium to long term, which is positive for our existing portfolio.

Coffs Harbour and Port Macquarie councils continue with their CBD rejuvenation / development consultations and the approval of large, multi-story development applications auger very well for the future of both centres.

Our domestic investment portfolio performed well with Cobram Estate Olives a clear standout for the period.

In summary our core assets are performing to expectations and considered improvements continue to be applied to all operational areas of the business.

SAWTELL COMMONS RESIDENTIAL DEVELOPMENT

Stage 4 (26 lots) is now complete and registered for sale. Work on an emergency road in the adjacent national park has been completed enabling the development of all future stages. A section of this next stage (4) includes a range of lots adjacent to the National Park and substantive progress has been made in the background with respect to establishing a Gowings "Build to Rent" fund.

GOWINGS SHI PTY LTD

Gowings Surf Hardware International continues to navigate challenging global economic conditions. The war in the Middle East has impacted both sales in our key markets (through further impacting discretionary spending in already challenging retail conditions) and our supply chain (through both increased freight and raw material costs). This has resulted in revenue decreasing to $36m in FY26 (FY25 $37m) led by drops in Europe and Japan. Positively, a strengthening AUD has significantly improved margins in Australia and combined with US Tariff refunds, have helped ease the volatility impacts. Significant effort continues in relation to restructuring GSHI's supply chain and the removal of further operational cost inefficiencies. In FY27 we are expecting to see stronger gross margins, improved supplier terms and improvements to the bottom line.

Review of Operations (continued)

SUSTAINABILITY PROGRAM

Our sustainability program continues to be implemented across the business. We have solar systems at Port Central, Kempsey Central and Coffs Central. This significantly reduces our use of energy from the grid. We also have EV charging stations at the Port and Coffs Central carparks for customers, allowing charging while shopping.

Other key ongoing projects include our Logie Farm Carbon and Biodiversity Agricultural Stewardship Project. Thirty-five thousand trees were planted last year as shelter rows, providing habitat for endangered native species.

At Logie we are also undertaking a carbon sequestration and sustainable farming program which involves rotating livestock on paddocks more regularly so the land can recover quicker and using natural biodiversity applications rather than chemical inputs.

Future projects under investigation include upgrading the existing solar at Port Central (which is nearing end of life), and the potential for Biodiversity Stewardship Agreement on residual bushland as part of the Sawtell Commons development.

Work has begun via the Gowings Whale Trust on a partnership to create a scientific research centre at Diggers Camp (NSW). Partnering with Ocean Warriors Australia and Southern Cross University, this project is in its infancy however further updates will be provided as it progresses.

DIVIDENDS

The Group will be declaring a final 3c fully franked LIC dividend.

The Company believes in maintaining a prudent approach to dividends given the capital requirements of the Company across various developments and investment opportunities either underway or under consideration.

OUTLOOK

The domestic outlook is somewhat mixed depending on sector but consumer sentiment and spending is holding particularly on the North Coast of New South Wales. However, there is a continuing level of global geopolitical uncertainty, and we are navigating this as constructively as possible.

Thank you to all our team members and the wider Gowings community for their continuing support.

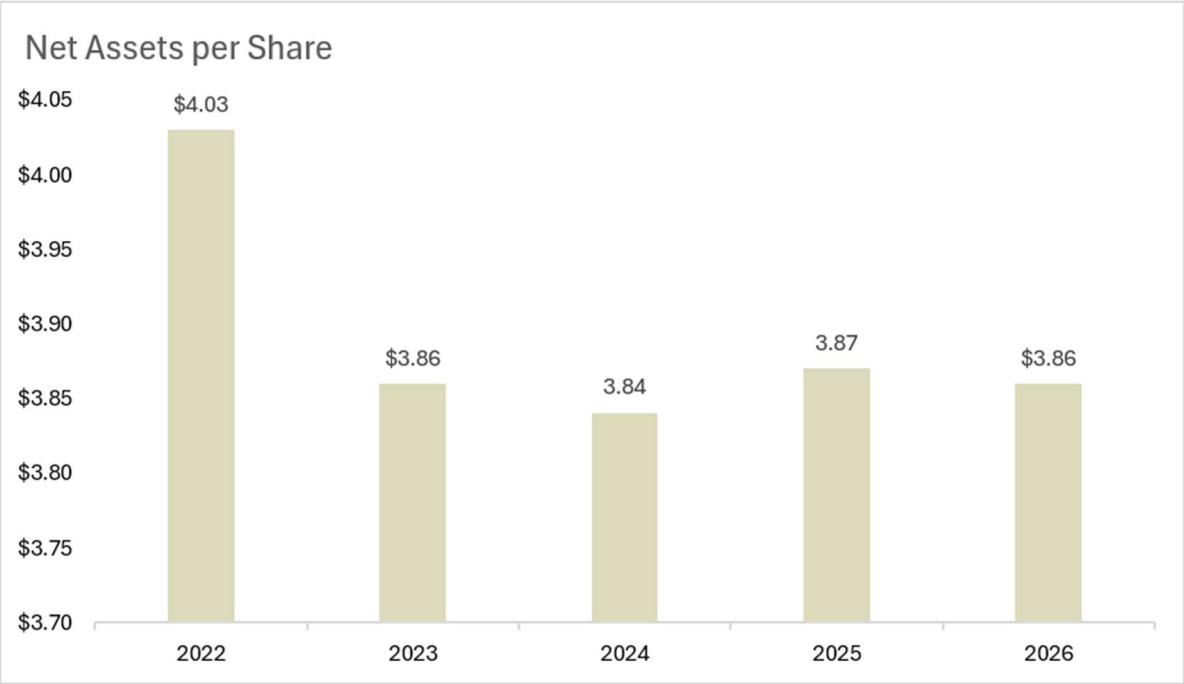


J. E. Gowing
Executive Chairman and Managing Director

Review of Operations (continued)

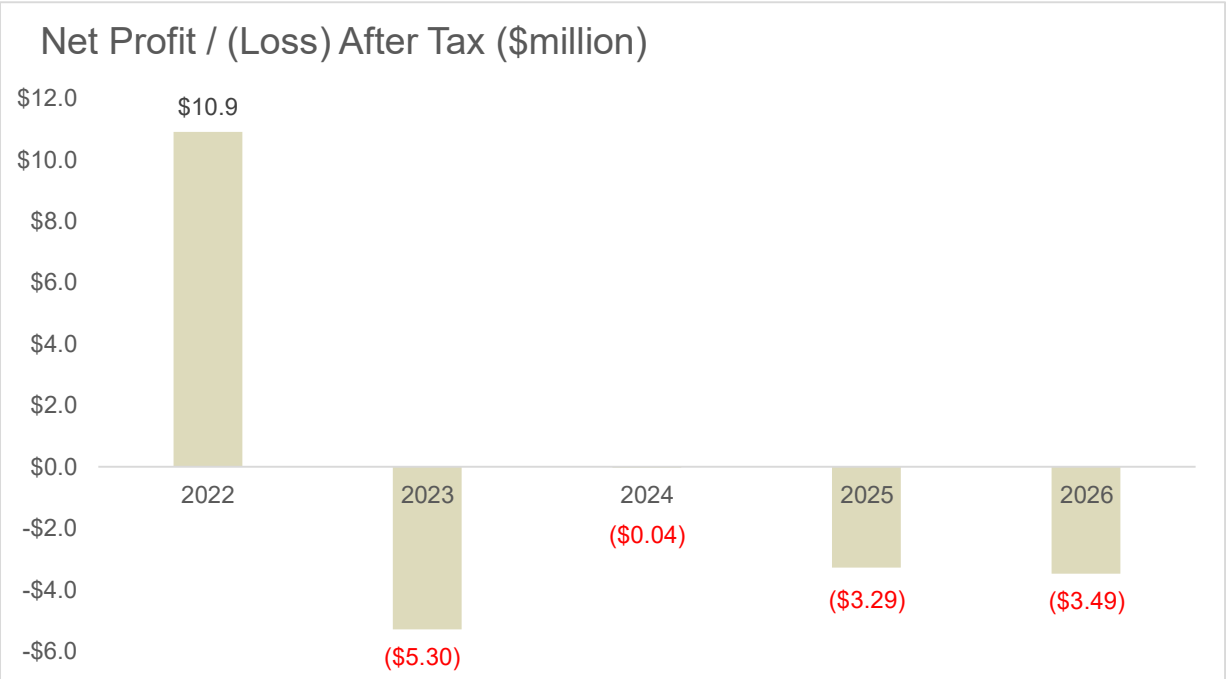
On behalf of the Board of Directors, I am pleased to comment on the results for the year ended 31 July 2026.

FINANCIAL REVIEW



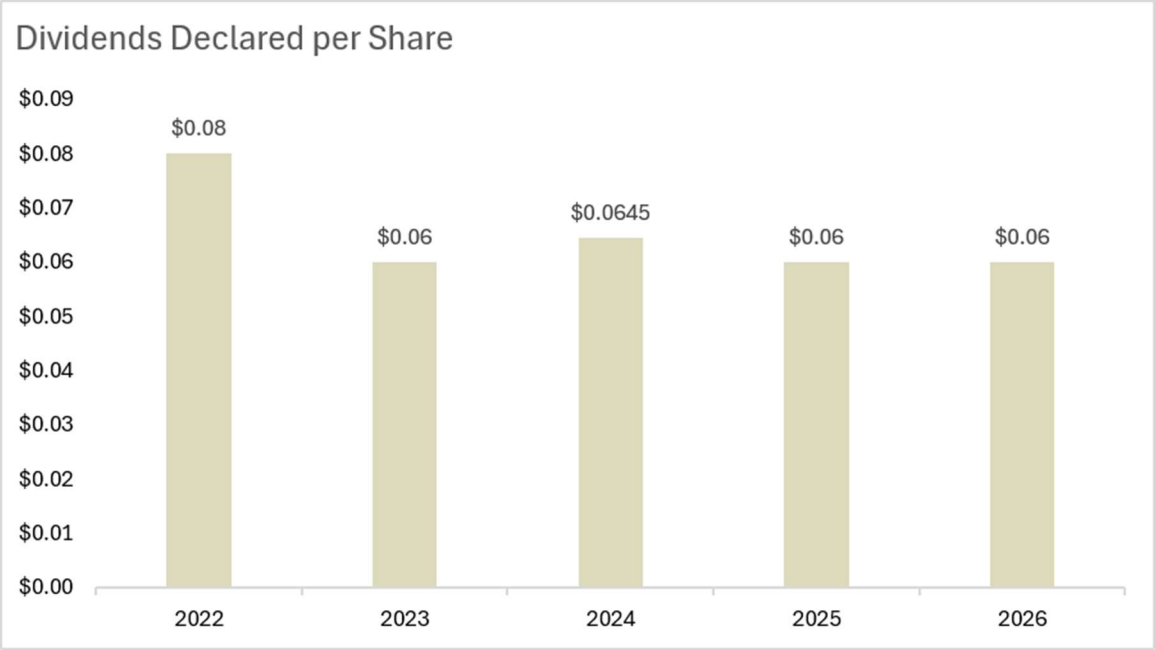
Net assets per share before tax on unrealised gains on equity, investment properties and private equities was at $3.86 as at 31 July 2026. Total shareholder return was 1.3% including the 6.00c paid to Shareholders during the year.

.



Net loss after tax for the year ended 31 July 2026 includes underlying income from ordinary activities such as rent, interest, dividends and revaluations of the investment portfolio.

Review of Operations (continued)



The Company declared a total dividend of 6.00 cents per share in fully franked dividends for the 2026 year.

KEY METRICS

	31 July 2026	31 July 2025	31 July 2024	31 July 2023	31 July 2022
Net Assets(1)	**$209.3m**	**$207.7m**	**$203.6m**	**$205.7m**	**$215.5m**
Net Assets per Share(2)	**$3.86**	**$3.87**	**$3.84**	**$3.86**	**$4.03**
Net profit (loss) after tax	**($3.49)m**	**($3.29)m**	**($0.04)m**	**($5.3)m**	**$10.9m**
Earnings (loss) per Share	**(6.48) c**	**(6.17) c**	**(0.07) c**	**(9.91) c**	**20.42c**
Dividends per Share	**6.0c**	**6.45c**	**6.0c**	**7.0c**	**8.0c**
Total Shareholder Return	**1.3%**	**2.5%**	**1.1%**	**(2.5%)**	**5.7%**

(1) Net Assets before tax on unrealised gains on equities, private equities, investment properties, and freehold properties.
(2) Net Assets per share before tax on unrealised gains on equities, private equities, investment properties, and freehold properties.

The Company meets the definition of a Listed Investment Company ("LIC") for taxation purposes. Certain shareholders of the Company, including individuals, trusts, partnerships and complying superannuation entities may benefit from the Company's LIC status by being able to claim a tax deduction for the part of the dividend that is attributable to LIC capital gains made by the Company. The amount that shareholders can claim as a tax deduction depends on their individual situation. As an example, an individual, trust (except a trust that is a complying superannuation entity) or partnership who is an Australian resident taxpayer at the date a dividend is paid would be entitled to a tax deduction equal to 50% of the amount attributable to LIC capital gains included in the dividend.

Review of Operations (continued)

PROFIT AND LOSS STATEMENT

For the year ended	31 Jul 2026 $'000	31 Jul 2025 $'000
Net Income from Ordinary Activities		
Interest Income	434	593
Investment Properties -Rent	5,736	5,401
Development Properties	655	1,454
Equities – Dividend Income	722	743
Managed Private Equities - Distribution	2	21
Surf Hardware International	(4,656)	(3,805)
Total Net Income from Ordinary Activities	**2,893**	**4,407**
Head Office Expenses		
Administration, public company and other – including listing fees	8,297	7,235
Operational loss	**(5,404)**	**(2,828)**
Gain/(loss) on sale or revaluation		
Investment properties - unrealised	(3,000)	-
Managed private equity – unrealised	221	(203)
Managed private equity – realised	632	15
Derivatives (Fixed Interest Rate Hedge) - realised	371	(576)
Other		
Other Income	(185)	265
Non-recurring expenses	(229)	(1,323)
Loss before tax	**(7,702)**	**(4,650)**
Income tax benefit	4,209	1,360
Loss after tax	**(3,493)**	**(3,290)**

Net Investment Property rental income of $5.7 million is increased on prior year. Most retailers' leases are linked to Consumer Price Index (CPI).

Net Development Property income of $0.7 million represents sales at Sawtell Commons in the current reporting period. The majority of the Stage 3 lots were sold in the prior financial years.

Surf Hardware International net loss of $4.7 million was driven predominantly by continued weak economic conditions internationally, particularly in France and Japan.

Overall Total Net Income from Ordinary Activities of $2.9 million represents a 34% decrease on the prior year primarily driven by less Sawtell Commons lots sold during the year and the underlying performance of Surf Hardware International globally.

Revaluations of the investment properties resulted in a $3.0M downwards unrealised loss.

Non-recurring expenses relate to redundancies.

Overall, the loss after tax was $3.49 million compared to the previous year which was a loss of $3.29 million.

Review of Operations (continued)

GOWINGS AT A GLANCE (At Directors' Valuation)

	Directors' Valuation	31 July 2026 $'000	31 July 2025 $'000
Strategic Investments			
Cobram Estate Olives	29,044	29,044	23,218
Surf Hardware International (at cost, including inventory)	16,000	16,000	16,000
Carlton Investments	7,012	7,012	7,620
SpaceX	2,721	2,721	934
Power Pollen Accelerated Ag Technologies	1,863	1,863	1,863
Willed Technology	1,482	1,482	396
SYMBYX	800	800	800
EFTsure	738	738	738
Power Pollen Australasia	654	654	388
Saronic Technologies	602	602	602
Wholesale Investor	550	550	550
Tasmanian Oyster Company	527	527	527
Other Investments – Australia	5,294	5,294	6,173
Other Investments – International	1,595	1,595	1,687
Total	**68,882**	**68,882**	**61,496**
Private Equity Funds			
Our Innovation Fund I	1,965	1,965	2,862
Luminary	1,584	1,584	-
Salus VC	1,212	1,212	570
Our Innovation Fund II	796	796	596
Our Innovation Fund III	727	727	454
Other Private Equity Funds	846	846	959
Total	**7,130**	**7,130**	**5,441**
Pacific Coast Shopping Centre Portfolio			
Sub-regional and Neighbourhood shopping centres	186,875	186,875	189,588
Borrowings	(95,865)	(95,865)	(95,865)
Total	**91,010**	**91,010**	**93,723**
Other Direct Properties			
Sawtell Commons - residential subdivision	30,000	15,608	12,821
Sawtell Commons - borrowings	(6,120)	(6,120)	-
Solitary 30 - Coffs Harbour development land	7,280	3,950	3,867
Other properties	22,471	15,577	15,146
Total	**53,631**	**29,015**	**31,834**

Review of Operations (continued)

GOWINGS AT A GLANCE (At Directors' Valuation) CONTINUED

	Directors' Valuation	31 July 2026 $'000	31 July 2025 $'000
Cash and Other			
Cash (AUD)	6,186	6,186	9,249
Cash (USD)	4,035	4,035	4,561
Tax liabilities	(19,258)	(19,258)	(12,406)
Surf Hardware International consolidation impact[1]	(1,697)	(1,697)	(4,024)
Other assets & liabilities	23,948	23,948	17,791
Total	**13,214**	**13,214**	**15,171**
Net assets before potential future tax on unrealised gains on equities, investment properties and private equities	**233,867**	**209,251**	**207,665**
Allowance provision for potential future capital gains tax	(20,378)	(12,993)	(11,575)
Net assets after tax on unrealised gains on equities, investment properties and private equities	**213,489**	**196,258**	**196,090**
Valuation increments not taken up in the statutory accounts	**(17,231)**		
Net assets after tax on unrealised gains on equities, investment properties and private equities	**196,258**	**196,258**	**196,090**

[1] Difference between the investment in Surf Hardware International (at cost) and net assets attributable to the group on consolidation.

Review of Operations (continued)

STRATEGIC INVESTMENTS

Gowings Surf Hardware International ($16,000,000 cost)

The outdoor industry is being negatively impacted by inflation, slow economic growth and geopolitical conflicts including the war in Iran. Diversification of our supply chain away from China or 'friendshoring' continues to be a firm strategic goal of ours. The move of Alvey manufacturing to Coffs Harbour is now complete realising our purpose-built manufacturing facility to meet our goal of local production in the Mid North Coast.

Key projects delivered during the year include completion of implementation of a new business-to-business sales platform for all regions (excluding Japan) & the cessation of our long-term antiquated supplier relationship with a Chinese agent.

The strategic focus on building and enhancing our existing direct-to-consumer (DTC) sales channel continues. Progress has been made on the key project focusing on substantially improving the consumer experience through the consolidation & simplification of our online offerings. In tandem to this project, we have made significant progress on the development of our own mobile phone application, which will support future growth in the DTC channel.

GSHI remains committed to the Gowings Whale Trust, continuing to donate 1% of total revenue.

Shareholdings

Cobram Estate Olives
Value at year end $29,044,293

Cobram Estate (CBO) commenced operations in 1998 as a family affair and has matured into a large undertaking with some 6,500 hectares of olive groves in production and over 100 staff. With olive farm and milling operations in both Australia and the USA, CBO is a leader in the Australian olive industry and an innovator in sustainable olive farming. Premium brands dedicated to high quality extra virgin olive oil under their portfolio include California Olive Ranch (US), Cobram Estate (AU & US), Lucini (US) Modern Olives (AU & US) Oliv.iQ and Red Island (AU).
www.cobramestate.com.au

Carlton Investments
Value at year end $7,011,616

Carlton Investments (CIN) was incorporated in 1928 and has a long-standing and expert interest in the hotel business and cinema industries. Founded by Sir Norman Rydge and currently Chaired by his son Alan Rydge AM, their primary business is the purchase and retention of carefully selected shares that provide attractive levels of sustainable income and the potential for long term capital growth**.** Carlton Investments carries no debt and has the objective of consistently generating fully franked dividends with a minimal risk profile.
www.carltoninvestments.com.au

Review of Operations (continued)

STRATEGIC INVESTMENTS

Shareholdings (Continued)

Power Pollen Accelerated Ag Technologies
Value at year end $1,863,020

Power Pollen is an American company based in Ames, Iowa who have developed a pollination capability that increases crop yields, specifically in corn and wheat. The process allows the producer to time their crop pollination, rather than rely on the variability of nature and to develop specific crop attributes to increase cropping yields. The technology can increase the ratio of female to male corn plants 3 fold and as the females are fruit bearing, crop yield is significantly increased. The company has received strong support from the local United States market with the Iowa Corn Growers Association an early equity investor.
www.powerpollen.com

SYMBYX
Value at year end $800,000

SYMBYX is a Sydney based medical technology company. Founded in 2019 they are developing device based light therapies (photobiomodulation) to treat and provide symptomatic relief from pain and discomfort for people living with chronic diseases such as Parkinson's, dementia, Crohn's Disease and diabetes. They work with research partners and clinicians in Australia, Portugal, Germany and the United Kingdom and clinical trials are well advanced in a number of key geographies.
www.symbyxbiome.com

EFTSure
Value at year end $737,806

EFTSure provides a bank detail verification service that minimises the risk of fraudulent invoices being paid. It matches the account details for suppliers of goods and services in a business' payment system, (generally a banking portal), by verifying the creditor's account name, BSB and account number and matching it with the Australian Business Registry data. Gowings use the system for their online payments as a safeguard against payment fraud and the automated nature of the system provides material operational efficiencies.
www.get.eftsure.com.au

Saronic Technologies
Value at year end $601,921

Saronic Technologies is a defence technology company based in Texas that specialises in developing, designing, and manufacturing waterborne military drones. They aim to modernise naval operation with maritime drones that are relatively cheap, small and autonomous. Founded in 2022 by a team that includes veterans of the United States Navy's Team 6 and Marine Corps they hope to benefit from U.S. defence investment into unmanned maritime drones.
https://www.saronic.com/

Review of Operations (continued)

STRATEGIC INVESTMENTS

Shareholdings (Continued)

Wholesale Investor
Value at year end $550,000

Wholesale Investor, based in Sydney, is a global venture investment platform. They connect emerging innovative companies seeking capital with investors. With a growing ecosystem of 30,000 high net worth investors, family offices, venture capital and private equity firms, government bodies and industry participants, their platform allows convenient and simple access to investment opportunities from a broad range of emerging business opportunities.
www.wholesaleinvestor.com.au

SPACEX
Value at year end $2,720,919

SpaceX designs, manufactures, and launches advanced rockets and spacecraft, aiming to reduce space transportation costs and enable the colonisation of Mars. It operates Starlink and Starshield. Starlink enables high speed internet around the world through satellites, requiring no cables and expensive on ground infrastructure. Starshield leverages SpaceX's Starlink technology and launch capability to support national security efforts. During the year they merged with xAI and listed on the NASDAQ.
https://www.spacex.com/

Tasmanian Oyster Company Limited
Value at year end $527,061

The Tasmanian Oyster Company was founded in 1979 and has more than 220 hectares of pristine Tasmanian waters. They are the largest vertically integrated oyster business in Australia with hatcheries, growing farms, harvest, sales and distribution. The company has a strong focus on sustainability and is certified organic by the National Association for Sustainable Agriculture Australia. Their oysters are among the highest quality produced in Australia and are sold both as spat and as mature oysters in both the domestic and international markets with strong interest from countries such as Japan, Singapore and Vietnam.
https://www.tasmanianoysterco.com.au/

Willed Pty Ltd
Value at year end $1,481,583

Willed is an Australian startup providing a digital platform that helps families manage wills, funerals and probate, the service aims to simplify end-of-life planning using modern software. The company was co-founded in 2019 by Aaron Zelman, Dave Kaplan and Tim Glasson. It enables users to create a will in less than 20 minutes, as well as nominating an executor.
https://www.willed.com.au/

Review of Operations (continued)

STRATEGIC INVESTMENTS

Private Equities

Our Innovation Fund I, II & III
Value at year end $3,487,942

Our Innovation Fund and its successors were both launched by OurCrowd with a specific focus on Australian tech start-ups. Based in Sydney they target high net worth investors only and manage a pool of capital that is carefully invested into technology focused start-ups with. In the current reporting period the portfolio realised Advanced Navigation, at an impressive return on capital.
www.oifventures.com.au

OurCrowd Australia
Value at year end $391,141

OurCrowd was founded in 2013 in Jerusalem, Israel by Jonathan Medved with the aim to build a pool of venture capital for investing in start-ups worldwide. They have offices in the United States, United Kingdom, Spain, Canada, Australia, Brazil, and Singapore and are democratising access to private equity investing via an easily accessible and user-friendly online platform. OurCrowd also invest in many of the start-ups and open the door for retail investors to invest on the same terms. In the current period write downs have impacted the value of the portfolio.
www.ourcrowd.com

Luminary ES Fund
Value at year end $1,583,603

Luminary fund is a private equity investment and primarily invests in early stage venture capital opportunities. During the period one realisation occurred and revaluations of the portfolio were captured.
www.luminarypartners.com

Review of Operations (continued)

STRATEGIC INVESTMENTS

Pacific Coast Shopping Centre Portfolio

Across our Mid North Coast Centre portfolio (Coffs Harbour, Port Macquarie and Kempsey), aggregate Specialty and Major tenant sales have remained broadly stable year-on-year. In the context of ongoing cost-of-living pressures, this is a solid result. National retail spending data shows an increased of 5.2% year on year and state household spending increased by 4%. These macro settings underpin the ongoing financial resilience of our Centres with overall Centre EBITA slightly above that of last financial year.

Coffs Central

Coffs Central delivered stable overall sales, underpinned by consistently strong performance in Fresh Food and Food Catering. We have continued with our operational focus on centre presentation, community activation and targeted marketing supported trading outcomes.
The bypass is now in its final stages and is designed to remove up to a dozen traffic light stops for through-traffic, improve safety and freight efficiency, and reduce CBD congestion—changes are expected to lift accessibility and amenity for local shoppers and visitors.

Port Central

Port Central continues to trade well with a strong, balanced retail mix and reliable visitation. The departure of IGA presents an opportunity for an intensive review and a myriad of contemporary redesign options are being canvassed.

Numerous majors have expressed an ongoing interest and our Leasing and Executive Management Teams are progressing initiatives on a range of fronts.

Kempsey Central

Kempsey Central again recorded a steady operational performance for the year. A number of key specialty operators have now renewed their leases and cinema patronage is improving. Focus is continuing to be applied to centre vacancies.

Outlook
While household budgets remain tight, the stable retail backdrop provides a supportive medium-term environment for our tenants. Across the portfolio we will continue to prioritise mix curation and operational excellence, positioning each asset against the varied structural themes at play: (CBD density and improved access in Coffs; step-change remixing potential at Port; and mix optimisation in Kempsey). We remain well placed to sustain stable sales and overall Centre performance in FY27.

Review of Operations (continued)

STRATEGIC INVESTMENTS

Other Investments Properties & Properties Under Development

Sawtell Commons

Stage 4, consisting of 26 lots is now complete, available for sale and initial enquiries are promising.

Solitary 30 (357 Harbour Dr)

Design work is underway for a stageable complex of apartment buildings. The council is in the process of finalising their Jetty Strip plans, and it seems likely the State Government's Jetty Foreshore Revitalisation plans will proceed despite vocal opposition from some locals. The stageable design will allow us to start work while remaining adaptable to future decisions from government regarding the streetscape and jetty foreshore.

Logie Farm and Pipers Brook

In March 2022, the Company purchased two properties in Tasmania with the view that agriculture in Tasmania reflects a viable long-term industry with demand for boutique and artisan Australian produce growing internationally and locally. The two properties are strategically located in the South and North of Tasmania respectively and both represent agricultural and development opportunities.

Logie farm is located half an hour from Hobart near the historic village of Richmond and is operating as a sheep farm. It is progressing well with various improvements including fencing, perennial pastures, new yards, dams, homestead renovation, irrigation equipment, and a shed being completed. This capital input is a once in 20-year event and improves the property after years of neglect. The property had a working gravel quarry that has recently become operational, we should start seeing a royalty income from this. Progress has been made on planting olives, all the preparatory work has been completed pending the arrival of the trees themselves. These were sourced from our contacts at Cobram Estate.

The Pipers Brook property is located 40 minutes from Launceston in the north of the state. It was purchased from a failed forestry company and the pine plantation on the property is in the process of being harvested. The highest and best use remediation strategy is to turn the land to pasture and crops to mirror what is happening at Logie. We are also investigating it's sale potential with an aim of purchasing another farm closer to Logie that can be managed by our existing staff.

Review of Operations (continued)

SUSTAINABILITY PROGRAM

Gowings continues its commitment to minimising our environmental impact. Our goal is to become a net zero company as soon as feasibly possible. Gowings has a long history of being environmentally proactive with a range of initiatives including the Gowings Whale Trust which was established in 2001.

Shopping Centres

The NSW State Government has mandated Food and Organics bins which are now operational at Port and Coffs, given this being the case we have decommissioned our on-site composters. All centres have Solar systems operational minimising our carbon emission across all sites. EV Charging stations are in place at Coffs and Port. All sites have also switched over to power saving LED lights.

The last solar system to upgrade is at Port Central where we plan to replace an existing 100kWh system that is nearing 20 years of age with a new system that will produce 400kWh, enough to power the centre's lighting and HVAC systems during the day.

As battery prices for commercial systems continue to come down we will monitor the situation and once commercially viable look at introducing these systems to our centres, with an aim of having them effectively "off-grid".

Logie Farm

35,000 trees were planted at Logie Farm as part of the Agricultural Stewardship Program with the Federal Government further encouraging biodiversity while providing wind breaks and shelter for livestock on the property.

We are participating in the future drought fund in conjunction with Landcare Tasmania and are planting suitable native vegetation that helps to improve our dam's water quality while providing habitat for native wildlife.

We use Macroboost BioBoost, a liquid biological soil conditioner that is brewed on site with input from a microbiologist, rather than using chemical soil improvers.

All of this feeds into a philosophy of low impact farming with an aim of sequestering carbon on the property. This should make the farm more drought resistant and better able to bounce back after years of low rainfall, which we are currently experiencing.

Gowings Surf Hardware International

GSHI manufactures a range of globally recognised surf sport related brands including FCS, Gorilla Grip, Softech, Kanulock, and Hydro. Currently 1% of all sales generated goes to the Gowings Whale Trust helping to fund initiatives safeguarding our seas and reducing waste in the ocean.

The 1% for the Gowings Whale Trust plan will continue in the foreseeable future and GSHI packaging transition has begun using cardboard packaging across our product ranges, this will eliminate the use of single use plastics. Research and development is also being done into using sustainable materials in our products so that they either incorporate recycled materials or are themselves recyclable.

Review of Operations (continued)

SUSTAINABILITY PROGRAM

Investments

The day to day running and practices of the majority of Gowings investments are, generally speaking, outside of our immediate control. This applies to our share portfolio and venture capital investments. Gowings have, however, invested in two farming properties in Tasmania that enable us to implement regenerative farming practices promoting carbon sequestering in the soil. In addition to this we have planted 35,000 trees as part of the Agricultural Biodiversity Stewardship program with the Federal Government.

Gowings Whale Trust

Established in 2001, the Gowings Whale Trust seeks to preserve and promote whale populations, and this extends to the adjacent issues of sea biodiversity and cleanliness. A watercraft has been donated to the Sea Shepherd, we have helped fund Sea Shepherds work on stopping krill harvesting in the Antarctic and their merchandise is promoted at Gowings centres to provide additional support.

The Gowings Whale Trust has recently acquired a property at Digger Camp with an aim of creating a research station that can be used by various stakeholders to study the marine environment. We are collaborating with the Byron Bay Wildlife Hospital, Southern Cross University, and local Aboriginal Rangers to get the facility up and running. We hope to offer the facility to students, researcher and rangers to help with the work and research into the marine environment.

Future Plans

We will continue to be on the lookout for worthy causes to help fund with a focus on the Marine Environment, we have recently agreed to help fund some research into the effects of microplastics on turtles.

Work has begun on a partnership to create a scientific research centre at Diggers Camp in partnership with Ocean Warriors Australia and Southern Cross University, this project is in its early stages but we will provide update as it progresses.

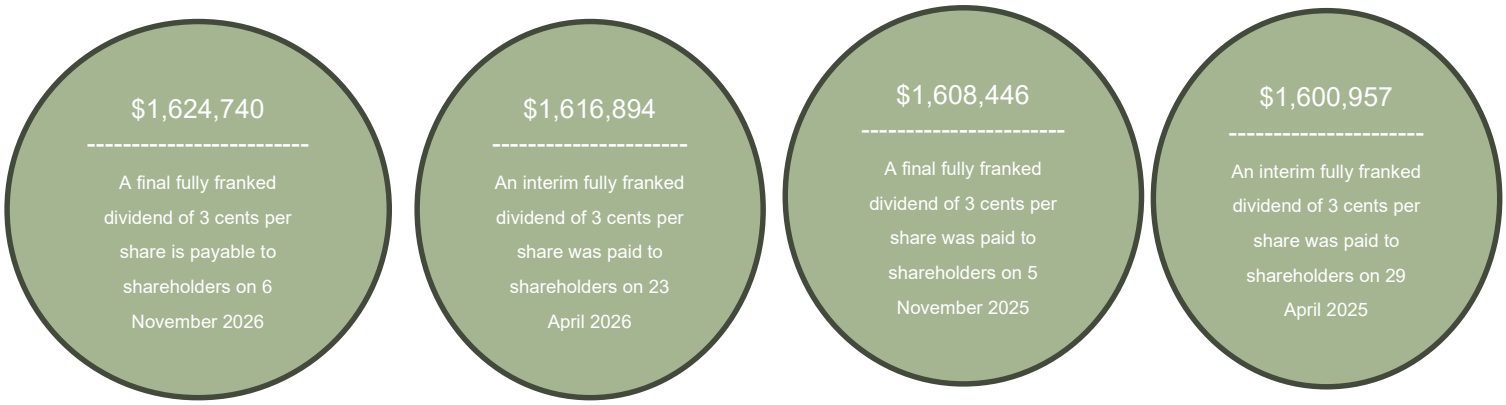
Directors' Report

Your Directors are pleased to present their report on the Company for the year ended 31 July 2026.

Results

For the year ended	31 July 2026 $'000	31 July 2025 $'000
Operating loss for the year before income tax	(7,702)	(4,650)
Income tax benefit	4,209	1,360
Net loss after income tax	(3,493)	(3,290)
Net loss attributable to members of Gowing Bros. Limited	(3,498)	(3,288)

Dividends



Review of operations
The operations of the Company are reviewed in the Executive Chairman and Managing Director's 'Review of Operations' on page 2.

Environment
The Company is committed to a policy of environmental responsibility in all its business dealings. This policy ensures that when the Company can either directly or indirectly influence decisions that have an impact on the environment, this influence is used responsibly.

Principal activities
The principal activity of the Company is investment and wealth management. The Company maintains and actively manages a diversified portfolio of assets including long-term equity and similar securities, investment properties, managed private equity, property development projects and cash.

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the Company other than as disclosed elsewhere in this report.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since the end of the financial year which has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years, except for the matters disclosed in note 43 of the financial report.

Likely developments and expected results of operations
Further information on likely developments in the operations of the Company is included in the Executive Chairman and Managing Director's 'Review of Operations' on page 2.

Director's and Executive's Interests

The following persons were directors, executives or a company secretary of Gowing Bros. Limited either during or since the end of the year.

		Total Shares
J. E. Gowing Executive Chairman and Managing Director	Appointed Executive Chairman on 25 August 2023 and affirmed on 25 July 2024. Executive Director and Member of the Remuneration Committee Director since 1983 Bachelor of Commerce Member of Chartered Accountants Australia and New Zealand, and Member of CPA Australia. No other directorships held in listed companies over the past 3 years.	22,269,083
J. G. Parker Non-Executive Director	Director since 2002 and Chairman of the Audit Committee Bachelor of Economics. Mr. Parker is a coach of senior executives, with over three decades as an investment professional. No other directorships held in listed companies over the past 3 years.	60,608
S. J. Clancy Non-Executive Director	Director since April 2016 Chairman of the Remuneration Committee and Member of the Audit Committee Diploma of Marketing. Mr. Clancy is an experienced businessman with a focus on sales and marketing and is presently a director of Transfusion Pty Ltd. No other directorships held in listed companies over the past 3 years.	5,000
J.E. Davis Non-Executive Director	Appointed Director in August 2023 and Member of the Audit Committee. Bachelor of Applied Finance, Bachelor of Commerce (Accounting and Finance), CA. James Davis is a Partner at HQB Accountants Auditors Advisors at Bellingen and Coffs Harbour, NSW. He joined HQB in 2014 and made Partner in 2016. Earlier in his career, James worked at Ernst & Young and Westpac Group, working in audit & assurance in both roles. No other directorships held in listed companies over the past 3 years.	5,000
S.M. Sawtell Non-Executive Director	Appointed Director in November 2024. Bachelor of Applied Science, UWS After leaving school Stephen Sawtell worked as a clerk for Department of Technical ad studied an Associate Diploma of Health and Building Surveying. Thereafter he left the government and started a business in the building industry which helped him relocate from Sydney to Coffs Harbour. He the Coffs Harbour City Council as Health and Building surveyor where he worked for 29 years. Stephen progressed through various careers-becoming an environmental scientist and then progressing to a Project Manager on a number of multimillion-dollar jobs in Coffs Harbour. Thereafter he was appointed as the Director of Engineering Services and then he became the General Manager. Stephen then left the council and started a consultancy in the development industry. No other directorships held in listed companies over the past 3 years.	5,000

J. E. Gowing (James) Executive Director – Finance	Appointed Director in August 2023. Bachelor of Business, CA. He is a Chartered Accountant and after graduating from UTS spent five years in Audit and Assurance at William Buck. James has experience with a wide range of Australian Companies, both listed and private. *As beneficiary/potential beneficiary of Audley Investments Pty Ltd as trustee. No other directorships held in listed companies over the past 3 years.	64,504 *5,567,244
D.B. Gorman Company Secretary	Appointed secretary in May 2025. Bachelor of Business – Accounting, CA, RCA David is a partner in Coffs Harbour based accounting firm HQB Accountants Auditors Advisors. David is an ASIC registered company auditor, chartered accountant and tax agent. Before joining HQB Accountants Auditors Advisors in 2018, David lived and worked abroad in Vienna Austria. David has considerable experience in Accounting, Management and Audit matters which has equipped him with skills necessary to take on the company secretary role.	5,000

Meetings of Directors

Attendance at Board, Audit Committee & Remuneration Committee meetings by each Director of the Company during the financial year is set out below:

	Board Meetings		Audit Committee Meetings		Remuneration Committee Meetings	
	Meetings Eligible to attend	Attended	Meetings Eligible to attend	Attended	Meetings Eligible to attend	Attended
J.E. Gowing	4	4	-	-	1	1
J. G. Parker	4	3	1	1	-	-
S. J. Clancy	4	3	1	1	1	1
J.E. Gowing (James)	4	4	-	-	-	-
J. E. Davis	4	3	1	1	-	-
S.M. Sawtell	4	4	-	-	-	-

During the year ended 31 July 2026, meetings were held in person, by telephone and by email. Where necessary, circular resolutions were also approved.

Remuneration report

The Company's remuneration report, which forms a part of the Directors' Report, is on pages 22 to 25.

Corporate governance

The Company's statement on the main corporate governance practices in place during the year is set out on the Company's website at http://gowings.com/reports-announcements/

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on page 66.

Shares under option

There were no unissued shares under option at the date of this report.

Indemnification and insurance of Directors and Officers

The Company's constitution provides an indemnity for every officer against any liability incurred in his/her capacity as an officer of the Company to another person, except the Company or a body corporate related to the Company, unless such liability arises out of conduct involving lack of good faith on the part of the officer. The constitution further provides for an indemnity in respect of legal costs incurred by those persons in defending proceedings in which judgement is given in their favour, they are acquitted or the court grants them relief. During the year the Company paid insurance premiums in respect of the aforementioned indemnities. Disclosure of the amount of the premiums and of the liabilities covered is prohibited under the insurance contract.

Indemnification and insurance of Auditor

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

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important.

The Board of Directors has considered the position in accordance with advice received from the Audit Committee and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Audit Committee to ensure that they do not impact the impartiality and objectivity of the auditor;
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards), including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

Audit services

During the year the following fees were paid or payable for services provided by William Buck (2025: William Buck), the auditor of the company:

	31 July 2026 $	31 July 2025 $
Audit services – William Buck	138,346	133,800
Audit and review – group	187,463	181,300
	325,809	315,100

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in the Financial/ Directors' Reports) Instrument 2026/183 issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the Directors' report and financial report. Amounts in the Directors' report and financial report have been rounded to the nearest thousand dollars in accordance with that Legislative Instrument, unless otherwise indicated.

Environmental regulation

No significant environmental regulations apply to the Company.

This report is made in accordance with a resolution of the Directors of Gowing Bros. Limited.



J.E. Gowing
Executive Chairman and Managing Director

Coffs Harbour, NSW
29 October 2026

Remuneration Report

The Remuneration Report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Additional information

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

Principles used to determine the nature and amount of remuneration

It is the Company's objective to provide maximum stakeholder benefit from the retention of a high-quality board and executive team by remunerating Directors and executives fairly and appropriately with reference to relevant employment market conditions and the nature of Company operations.

The Board has established a Remuneration Committee which consists of the following Directors:

- S. J. Clancy, Chairman of the Remuneration Committee
- J. E. Gowing, Executive Chairman and Managing Director

Non-executive Directors

For Non-executive Directors, remuneration is by way of Directors' fees as described below. For the Executive Director and senior executives, remuneration is by way of a fixed salary component and a discretionary incentive component as described below.

Persons who were Non-executive Directors of the Company for all or part of the financial year ended 31 July 2026 were:

- J.G. Parker
- S. J. Clancy
- J. E Davis
- S. M. Sawtell

Directors' fees

The remuneration of Non-executive Directors is determined in accordance with the Directors' remuneration provisions of the Company's constitution. Fees and payments to Non-executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive Directors' fees and payments are reviewed annually by the Remuneration Committee in line with the market and approved by the Board. The Chairman's fees are determined independently to the fees of Non-executive Directors based on comparative roles in the external market. Non-executive Directors do not receive any performance-based remuneration or share options.

There is no scheme to provide retirement benefits to Non-executive Directors outside of statutory superannuation.

Remuneration Report

Executives

Executives are officers of the Company who are involved in, concerned with, take part in and are able to influence decisions in the management of the affairs of the Company. Persons who were executives for all or part of the financial year ended 31 July 2026 were:

- J. E. Gowing, Executive Chairman and Managing Director
- J. E. Gowing (James), Executive Director – Finance
- E. J. Gowing (Ellis), Associate Director

Executive remuneration is a combination of a fixed total employment cost package and a discretionary incentive element which may be awarded by cash or invitation to participate in the Company's Employee Share & Option Scheme or Deferred Employee Share Plan Scheme. Remuneration is referenced to relevant employment market conditions and reviewed annually to ensure that it is competitive and reasonable.

The incentive element is awarded at the discretion of the Remuneration Committee and approved by the Board on the basis of recommendations from the Executive Chairman. The Executive Chairman's incentive element is awarded at the discretion of the Remuneration Committee and approved by the Board. In determining the amount (if any) of bonus payments or of options or shares issued, consideration is given to an executive's effort and contribution to both the current year performance and the long term performance of the Company, the scope of the executive's responsibility within the Company, the scale and complexity of investments required to be managed, the degree of active management required and the degree of skill exhibited in the overall process. Regard is also given to the quantum of an executive's total remuneration.

Details of Remuneration

Details of the remuneration of the Directors and key management personnel are set out in the following tables:

2026			Short term $	Share based $	Post – Employment $	Long term $	Total $
	Cash salary and fee	Cash bonus	Movement in provision for annual leave	Share bonus	Superannuation	Movement in provision for long service leave	
Non- executive Directors							
J. G. Parker	57,143	-	-	-	6,857	-	64,000
S. J. Clancy	53,571	-	-	-	6,429	-	60,000
J. E. Davis	60,000	-	-	-	-		60,000
S. M. Sawtell	54,545	-	-	-	-		54,545
	225,259	-	-	-	13,286	-	238,545
Executive Directors							
J. E. Gowing (Chairman and Managing Director)	214,286	-	10,714	-	25,714	3,572	254,286
J. E. Gowing (James) (Executive Director-Finance)	160,714	-	8,035	-	19,286	2,679	190,714
Other key management personnel							
E. J. Gowing (Ellis)	200,511	-	5,033	-	20,571	7,211	233,326
Total key management personnel compensation	**800,770**	**-**	**23,782**	**-**	**78,857**	**13,462**	**916,871**

Remuneration Report (continued)

2025			Short term $	Share based $	Post – Employment $	Long term $	Total $
	Cash salary and fee	Cash bonus	Movement in provision for annual leave	Share bonus	Superannuation	Movement in provision for long service leave	
Non- executive Directors							
J. G. Parker	57,378	-	-	-	6,622	-	64,000
S. J. Clancy	53,792	-	-	-	6,208	-	60,000
J. E. Davis	60,000	-	-	-	-		60,000
S. M. Sawtell	36,364	-	-	-	-		36,364
	207,534	-	-	-	12,830	-	220,364
Executive Directors							
J. E. Gowing (Chairman and Managing Director)	215,166	-	44,097	-	24,833	24,479	308,576
J. E. Gowing (James) (Executive Director – Finance)	159,202	-	(1,732)	-	18,375	5,629	181,474
Other key management personnel							
E. J. Gowing (Ellis)	116,548	-	4,025	-	13,451	(971)	133,053
Total key management personnel compensation	**698,450**	**-**	**46,390**	**-**	**69,489**	**29,137**	**843,466**

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

	Fixed		Performance	
	2026 (%)	2025 (%)	2026 (%)	2025 (%)
Executive Directors				
J. E. Gowing	100	100	-	-
J. E. Gowing (James)	100	100	-	-
Other Key Management personnel				
E. J. Gowing (Ellis)	100	100	-	-

Service agreements

There are service agreements in place with J. Parker, J. Gowing, S. Clancy, J. E. Gowing, J. Davis, E. Gowing and S. Sawtell.

Remuneration and other terms of employment for the Executive Chairman, executives and other key management personnel are approved by the Board and provide for the provision of performance-related incentives.

Other major provisions relating to remuneration are set out below:

J. E. Gowing, Executive Chairman and Managing Director

- No fixed term.
- Base salary, inclusive of superannuation, as at 31 July 2026 of $240,000, to be reviewed annually by the Remuneration Committee.
- No termination benefit is payable.

Remuneration Report (continued)

J. E. Gowing (James), Executive Director – Finance

- No fixed term.
- Base salary, inclusive of superannuation, as at 31 July 2026 of $180,000, to be reviewed annually by the Remuneration Committee.
- No termination benefit is payable.

E. J. Gowing (Ellis), Associate Director

- No fixed term.
- Base salary, inclusive of superannuation, as at 31 July 2026 of $192,000, to be reviewed annually by the Remuneration Committee.
- No termination benefit is payable.

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

Additional information

Employee Share & Option Scheme: The scheme is operational. No shares or options were issued under this scheme during the year.

Deferred Employee Share Plan Scheme: All employees and non-executive directors are eligible to participate in the Company's Deferred Employee Share Plan Scheme. Shares issued under this plan during the year were purchased on market.

The Company Employee Share & Option Scheme and Deferred Employee Share Plan Scheme may be utilised as a part of the award of any incentive payment for all employees which in turn assists in aligning the interests of employees with the long term performance of the Company.

The table set out below reflects the relationship between Remuneration Policies and Company Performance:

	2026	2025	2024	2023	2022
Net profit / (loss) after tax	($3.49)m	($3.29)m	($39)k	($5.3)m	$10.9m
Basic and diluted earnings / (loss) per share	(6.48)c	(6.17)c	(0.07)c	(9.91)c	20.42c
Dividends per share - declared	6.0c	6.0c	6.45c	7.0c	8.0c
Share buy-back – number of shares	17k	-	294k	-	314k
Share buy-back – value	$35k	-	$668k	-	$912k
Share price at financial year end	$2.15	$2.15	$2.16	$2.51	$2.77

ASX Listing Requirements

1. Shareholders at 15 October 2026

	No. of shareholders
1 - 1,000 shares	319
1,001 – 5,000 shares	311
5,001 – 10,000 shares	114
10,001 – 100,000 shares	230
Over 100,000 shares	53
Total shareholders	1,027

The number of shareholdings held in less than marketable parcels is 145.

2. Voting Rights

Members voting personally or by proxy have one vote for each share.

3. Substantial Shareholders at 15 October 2026

The substantial shareholders as defined by Section 9 of the Corporations Act 2001 are:

John Edward Gowing	22,333,587	Ordinary shares
Philip Anthony Feitelson	5,276,879	Ordinary shares
Carlton Hotel Limited	4,701,144	Ordinary shares

4. Top 20 Equity Security Holders at 15 October 2026

In accordance with Australian Securities Exchange Listing Rule 4.10, the top 20 equity security holders are:

		No. of ordinary shares	% of issued shares
1	WARWICK PTY LIMITED	7,626,867	14.08
2	AUDLEY INVESTMENTS PTY LTD	5,567,244	10.28
3	CARLTON HOTEL LIMITED	4,701,144	8.68
4	MR JOHN EDWARD GOWING	4,025,284	7.43
5	WOODSIDE PTY LIMITED	3,422,251	6.32
6	CHARLES & CORNELIA GOODE FOUNDATION PTY LTD	2,500,000	4.62
7	ACE PROPERTY HOLDINGS PTY LTD	1,750,000	3.23
8	MR PHILIP ANTHONY FEITELSON	1,675,000	3.09
9	MR JOHN EDWARD GOWING	1,187,189	2.19
10	MR FREDERICK BRUCE WAREHAM	1,152,358	2.13
11	HENADOME PTY LTD	847,750	1.57
12	FEITELSON HOLDINGS PTY LIMITED	838,517	1.55
13	MR PHILIP ANTHONY FEITELSON	745,000	1.38
14	MR GRAEME LEGGE	729,230	1.35
15	MR RONALD LANGLEY & MRS RHONDA ELIZABETH LANGLEY	700,000	1.29
16	THE PROMENADE COFFS HARBOUR PTY LTD	650,000	1.20
17	ENBEEAR PTY LIMITED	636,829	1.18
18	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	580,535	1.07
19	MRS JEAN KATHLEEN POOLE-WILLIAMSON	568,443	1.05
20	HENADOME PTY LTD	520,612	0.96
Total		40,424,253	74.64
Total issued share capital		54,158,012	

5. Corporate Governance Practices

The Company's statement on the main corporate governance practices in place during the year is set out on the Company's website at www.gowings.com/reports-announcements.

Financial Report

STATEMENT OF PROFIT OR LOSS	28
STATEMENT OF OTHER COMPREHENSIVE INCOME	29
STATEMENT OF FINANCIAL POSITION	30
STATEMENT OF CHANGES IN EQUITY	31
STATEMENT OF CASH FLOWS	32
NOTES TO THE FINANCIAL STATEMENTS	33
CONSOLIDATED ENTITY DISCLOSURE STATEMENT	64
DIRECTORS' DECLARATION	65
AUDITOR'S INDEPENDENCE DECLARATION	66
INDEPENDENT AUDITOR'S REPORT	67

Consolidated Statement of Profit or Loss

For the year ended	Notes	31 July 2026 $'000	31 July 2025 $'000
Revenue			
Interest income		434	593
Equities		722	743
Private equities	5	2	21
Investment properties	17	20,628	19,903
Development properties		1,081	2,496
Revenue from the sale of goods (Surf Hardware International)		35,944	37,037
Total revenue		**58,811**	**60,793**
Other income			
Gains / (losses) on disposal or revaluation of:			
Private equities		853	(188)
Investment properties	17	(3,000)	-
Other income		416	1,140
Total other income (loss)		**(1,731)**	**952**
Total revenue and other income		**57,080**	**61,745**
Expenses			
Investment properties	17	9,541	8,891
Development properties		426	1,042
Finished goods, raw materials and other operating expenses (Surf Hardware International)		39,652	40,119
Administration		4,040	4,035
Borrowing costs	5	5,212	6,381
Depreciation and amortisation		2,154	2,635
Employee benefits		3,156	2,797
Public company		601	495
Total expenses		**64,782**	**66,395**
Loss from continuing operations before income tax benefit		**(7,702)**	**(4,650)**
Income tax benefit	6	4,209	1,360
Loss from continuing operations		**(3,493)**	**(3,290)**
Loss from continuing operations is attributable to:			
Members of Gowing Bros. Limited		(3,498)	(3,288)
Non-controlling interests		5	(2)
Loss from continuing operations		**(3,493)**	**(3,290)**

The above Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying Notes.

Consolidated Statement of Other Comprehensive Income

For the year ended	Notes	31 July 2026 $'000	31 July 2025 $'000
Loss from continuing operations		**(3,493)**	**(3,290)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange rate differences on translating foreign operations, net of tax		(320)	(251)
Changes in fair value of cash flow hedges, net of tax		411	70
Items that will not be reclassified subsequently to profit or loss:			
Changes in fair value of equity instruments held at fair value through other comprehensive income, net of tax		5,592	7,426
Total comprehensive income		**2,190**	**3,955**
Total comprehensive income attributable to:			
Members of Gowing Bros. Limited		2,185	3,957
Non-controlling interests		5	(2)
Total comprehensive income		2,190	3,955
Earnings per share			
Basic loss per share	39	(6.48) c	(6.17) c
Diluted loss per share	39	(6.48) c	(6.17) c

The above Consolidated Statement of Other Comprehensive Income should be read in conjunction with the accompanying Notes.

Consolidated Statement of Financial Position

As at	Notes	31 July 2026 $'000	31 July 2025 $'000
Current assets			
Cash and cash equivalents	7	11,639	16,366
Inventories	8	12,115	12,857
Trade and other receivables	9	5,912	5,445
Development properties	10	1,233	1,638
Tax Receivable	11	3,835	3,657
Other	12	2,148	1,695
Total current assets		**36,882**	**41,658**
Non-current assets			
Loans receivable	13	150	150
Equities	14	52,732	45,346
Private equities	15	7,130	5,441
Development properties	16	29,479	26,070
Investment properties	17	191,299	193,714
Property, plant and equipment	18	7,001	6,414
Intangibles	19	3,560	3,577
Right of use assets	20	1,278	1,986
Deferred tax assets	21	5,249	188
Other	22	5,064	3,720
Total non-current assets		**302,942**	**286,606**
Total assets		**339,824**	**328,264**
Current liabilities			
Trade and other payables	23	5,317	5,565
Borrowings	24	9,078	-
Lease liabilities	25	683	1,111
Provisions	26	793	831
Total current liabilities		**15,871**	**7,507**
Non-current liabilities			
Borrowings	27	95,865	95,865
Lease liabilities	28	618	997
Provisions	29	374	355
Deferred tax liabilities	30	30,838	27,450
Total non-current liabilities		**127,695**	**124,667**
Total liabilities		**143,566**	**132,174**
Net assets		**196,258**	**196,090**
Equity			
Contributed equity	31	13,632	12,423
Reserves	32	115,265	108,890
Retained profits		67,355	74,770
Equity attributable to members of Gowing Bros. Limited		**196,252**	**196,083**
Non-controlling interests		6	7
Total equity		**196,258**	**196,090**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying Notes.

Consolidated Statement of Changes In Equity

For the year ended	Contributed Equity $'000	Capital Profits Reserve- Pre CGT Profits $'000	Revaluation Reserves $'000	Foreign Currency Translation Reserve $'000	Hedging Reserve- Cashflow Hedge $'000	Retained Profits $'000	Non-Controlling Interests $'000	Total $'000
Balance at 31 July 2024	**11,113**	**90,503**	**12,069**	**545**	**197**	**79,819**	**9**	**194,255**
Total comprehensive income / (loss) for the year	-	-	7,426	(251)	70	(3,288)	(2)	3,955
Transfer of gain on disposal of equity instruments at fair value through comprehensive income to retained profits, net of tax	-	-	(1,669)	-	-	1,669	-	-
Transactions with owners in their capacity as owners:								
Dividends Paid	-	-	-	-	-	(3,430)	-	(3,430)
Shares re-invested	1,310	-	-	-	-	-	-	1,310
Balance at 31 July 2025	**12,423**	**90,503**	**17,826**	**294**	**267**	**74,770**	**7**	**196,090**
Total comprehensive income / (loss) for the year	-	-	5,592	(320)	411	(3,498)	5	2,190
Transfer of loss on disposal of equity instruments at fair value through comprehensive income to retained profits, net of tax	-	-	692	-	-	(692)	-	-
Transactions with owners in their capacity as owners:								
Dividends paid	-	-	-	-	-	(3,225)	(6)	(3,231)
Shares re-invested	1,244							1,244
Share buy-back	(35)	-	-	-	-	-	-	(35)
Balance at 31 July 2026	**13,632**	**90,503**	**24,110**	**(26)**	**678**	**67,355**	**6**	**196,258**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

Consolidated Statement of Cash Flows

For the year ended	Notes	31 July 2026 $'000	31 July 2025 $'000
Cash flows from operating activities			
Receipts in the course of operations (inclusive of GST)		61,539	62,854
Payments to suppliers and employees (inclusive of GST)		(61,582)	(60,861)
Dividends and distributions received		722	743
Interest received		434	593
Borrowing costs paid		(5,722)	(5,221)
Income taxes (paid) / refunded		(40)	343
Net cash outflows from operating activities	**41**	**(4,649)**	**(1,549)**
Cash flows from investing activities			
Payments for purchases of properties, plant and equipment		(1,626)	(678)
Payments for purchases of intangibles		(48)	(489)
Payments for purchases of development properties		(3,409)	(542)
Payments for purchases of investment properties		(1,425)	(4,277)
Payments for purchases of equity investments		(863)	(2,553)
Payments for private equity investments		(1,703)	(517)
Proceeds from repayment of loans made		-	250
Proceeds from sale of equity investments		1,096	9,588
Proceeds from sale of private equity investments		1,093	89
Proceeds from sale of development properties		1,081	2,496
Proceeds from sale of properties, plant and equipment		6	6
Net cash (outflows) / inflows from investing activities		**(5,798)**	**3,373**
Cash flows from financing activities			
Payments for share buy-backs		(35)	-
Proceeds from borrowings		9,078	-
Repayment of lease liabilities	42	(1,336)	(1,665)
Dividends paid	33	(1,981)	(2,120)
Payments to non-controlling interest		(6)	-
Net cash inflows / (outflows) from financing activities		**5,720**	**(3,785)**
Net decrease in cash and cash equivalents held		(4,727)	(1,961)
Cash and cash equivalents at the beginning of the financial year		16,366	18,327
Cash and cash equivalents at the end of the financial year	**7**	**11,639**	**16,366**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying Notes.

Notes to the Consolidated Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Gowing Bros. Limited ("the Company") is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange ("ASX"). The consolidated financial statements comprise the Company and its controlled entities (referred herein as "the Group").

Material and other accounting policies adopted in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These general purpose consolidated financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Compliance with IFRS
The consolidated financial statements comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Historical cost convention
These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of equities (financial assets at fair value through other comprehensive income), private equities (financial assets at fair value through profit or loss), investment properties, derivative financial instruments and certain classes of property, plant and equipment.

Critical accounting estimates
The preparation of consolidated financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Areas involving a higher degree of judgement and complexity or where assumptions and estimates are material to the consolidated financial statements are disclosed in note 3.

Comparative information
Information has been reclassified where applicable to enhance comparability.

Amending Accounting Standards and Interpretations
Several amending Accounting Standards and Interpretations apply for the first time for the current reporting period commencing 1 August 2025. These amending Accounting Standards and Interpretations did not result in any adjustments to the amounts recognised or disclosures in the financial report.

New, revised or amending Accounting Standards and Interpretations issued but not yet mandatory
Certain new Australian Accounting Standards and Interpretations have been recently published that are not yet mandatory for the reporting period ended 31 July 2026. The Group's assessment is that these new Australian Accounting Standards and Interpretations are not expected to have a material impact on the Group in future reporting periods.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Principles of Consolidation

The consolidated financial statements incorporate all the assets, liabilities and results of the Company and all the subsidiary companies and other interests it controlled during the year ended 31 July 2026. The Company controls an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Details of subsidiary companies and other interests of the Company are set out in note 37.

The assets, liabilities and results of its subsidiaries are fully consolidated into the financial statements of the Group from the date which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies of the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the consolidated statement of financial position and consolidated statement of comprehensive income.

(c) Business combinations

Business combinations occur where the Group acquires control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exceptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

All transaction costs incurred in relation to business combinations are recognised as expenses in profit and loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

(d) Goodwill

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is carried as the excess of the sum of:

(i) the consideration transferred;
(ii) any non-controlling interest (determined under either the full goodwill or proportionate interest method); and
(iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest form the cost of the investment.

Fair value re-measurements in any pre-existing equity holdings are recognised in profit or loss in the period in which they arise. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

The amount of goodwill recognised on acquisition of each subsidiary in which the Group holds a less than 100% interest will depend on the method adopted in measuring the non-controlling interest. The Group can elect in most circumstances to measure the non-controlling interest in the acquiree either at fair value ("full goodwill method") or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets ("proportionate interest method"). In such circumstances, the Group determines which method to adopt for each acquisition and this is stated in the respective notes to these financial statements disclosing the business combination.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Under the full goodwill method, the fair value of the non-controlling interests is determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interest is recognised in the consolidated financial statements.

Goodwill on acquisitions of subsidiaries is included in intangible assets.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, which represents the lowest level at which goodwill is monitored but where such level is not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

Changes in the ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions and do not affect the carrying amounts of goodwill.

Amounts previously recognised in other comprehensive income are treated the same basis as if the previously held interest had been disposed of directly. For equity investments designated fair value through other comprehensive income, accumulated gains and losses remain in equity and are not reclassified to the profit and loss.

(e) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker including:

- Cash and fixed interest
- Equities
- Private equities
- Investment properties
- Development properties
- Surf Hardware International business
- Other

(f) Foreign currency translation

(i) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ("functional currency"). The consolidated financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Translation differences on private equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on equities are recognised in equity.

(iii) Foreign Operations

The financial results and position of foreign operations, whose functional currency is different from the Group's presentation currency, are translated as follows:

(a) assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
(b) income and expenses are translated at average exchange rates for the period; and
(c) retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the consolidated statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled.

No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or loss or taxable profit or loss. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(i) Property, plant and equipment

Property, plant and equipment (excluding freehold properties) are measured at cost less accumulated depreciation and accumulated impairment losses. Costs are measured at fair value of assets given up, shares issued or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition. Freehold properties are measured at fair value, with changes in fair value recognised in other comprehensive income. Depreciation is calculated on a straight-line basis to write off the net cost or revalued amount of each item of plant and equipment (excluding freehold land) over its expected useful life to the Group. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. Land is not depreciated. Depreciation is calculated to allocate cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Furniture, fittings and equipment	3 to 10 years
Motor vehicles	6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(j) Right of use assets

A right of use asset is recognised at the commencement date of a lease. The right of use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right of use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right of use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Inventories

Inventories comprise raw materials and finished goods and are stated at the lower of cost and net realisable value. Costs of raw materials and finished goods are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Intangibles Other than Goodwill

Intangible assets are identifiable non-monetary assets without physical substance. They are recognised only if it is probable the asset will generate future benefits for the Group. Those assets with an indefinite useful life are tested for impairment annually. All intangible assets are tested for impairment when there is an indication that carrying amounts may be greater than recoverable amounts as set out in note 1(h).

(i) Patents

Patents have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of patents over their useful lives.

(ii) Brand names

Brand names are initially recognised at fair value when acquired in a business combination. Brand names are assessed to have an indefinite useful life and are carried at cost less accumulated impairment. An indefinite useful life is considered appropriate when there is no foreseeable limit to the period over which the brand name is expected to generate cash flows.

(m) Revenue recognition

Revenue is recognised for the major business activities as follows:

(i) Equities

Dividend income is recognised when the right to receive payment is established. Revenue from the sale of investments is recognised at trade date.

(ii) Property rental

Rental income is recognised in accordance with the underlying rental agreements.

(iii) Land development and sale

Revenue is recognised on settlement.

(iv) Sales of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

(v) Other investment revenue

Trust income and option income is recognised when earned.

(vi) Other property revenue

Other property revenue is recognised in accordance with underlying agreements or when the right to receive payment is established.

(vii) Interest revenue

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(n) Trade and other receivables

Receivables consist mainly of amounts due for rental income and sale of goods. Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Amounts are usually due between seven and ninety days from invoice date. Amounts due for the sale of financial assets and properties are usually due on settlement unless the specific contract provides for extended terms.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

(i) Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

(ii) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

The fair values of quoted investments are based on current market prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same and relying as little as possible on unobservable inputs and maximising the use of relevant observable inputs.

(iii) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Investment properties
Investment properties, principally comprising freehold commercial and retail buildings, are held for long-term rental yields and are not occupied by the Group. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured at fair value. Movements in fair value are recognised directly to profit or loss.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

(q) Trade and other payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within thirty to sixty days after the end of the month of recognition.

(r) Borrowings
Borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

Borrowing costs directly attributable to qualifying assets are capitalised where required by AASB 123. These include eligible costs of specific borrowings and general borrowings. Other borrowing costs are expensed.

(s) Dividends
Provision is made for the amount of any dividend declared, determined or publicly recommended by the Directors on or before the end of the financial year but not distributed at balance date.

(t) Employee entitlements

(i) Wages, salaries and annual leave
Liabilities for wages, salaries and annual leave are measured as the amount unpaid at the reporting date in respect of employees' services up to that date at pay rates expected to be paid when the liabilities are settled.

(ii) Long service leave
A liability for long service leave is recognised and is 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 and periods of service.

(u) Borrowing costs
Borrowing costs are recognised as expenses in the period in which they are incurred except where they are included in the costs of qualifying assets. Only borrowing costs relating specifically to the qualifying asset are capitalised. Borrowing costs include interest on bank overdrafts and short-term and long-term borrowings, including amounts paid or received on interest rate swaps.

(v) Cash and cash equivalents
For purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

(w) Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right of use asset is fully written down.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after tax effect of the interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(y) Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in the Financial/ Directors' Reports) Instrument 2026/183 issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded to the nearest thousand dollars in accordance with that Legislative Instrument, unless otherwise indicated.

2. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), liquidity risk, credit risk and fair value estimation risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group through the mix of investment classes. The Board of Directors and management undertake various risk management practices, both informally on a daily basis and formally on a monthly basis at board level. Risks are identified and prioritised according to significance and probability. Progress towards managing these risks is documented and formally reviewed on a monthly basis.

Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised financial assets and liabilities are denominated in a currency that is not the Group's functional currency. The Group does not have a policy with regard to hedging currency risk. The Group has not hedged its foreign currency investments. The multiple currencies provide diversification benefits to the portfolio. The Group monitors foreign currency movements daily and seeks advice from foreign currency specialists as to potential courses of action that may protect or enhance the value of the Group's investments.

The Group's exposure to foreign currency risk on financial assets and liabilities at the reporting date was as follows:

	31 July 2026				31 July 2025			
Currency exposure in AUD	USD $'000	EUR $'000	GBP $'000	JPY $'000	USD $'000	EUR $'000	GBP $'000	JPY $'000
Cash and cash equivalents	4,282	378	12	255	5,012	366	177	1,258
Trade and other receivables	1,925	1,330	-	569	1,430	1,275	-	725
Trade and other payables	407	70	543	(343)	492	(670)	(46)	(488)
Lease liabilities	(258)	(428)	(36)	(261)	(970)	(604)	-	(350)
Equities	6,102	188	-	412	4,365	263	-	418
Private equities	391	-	-	-	771	-	-	-

Based on the cash held at 31 July 2026, if the Australian dollar weakened / strengthened by 10% against the US dollar, cash would have been $476,000 higher / $ 389,000 lower (2025: $557,000 higher / $456,000 lower). If the Australian dollar weakened / strengthened by 10% against the GBP, cash would have been $1,000 higher / $1,000 lower (2025: $20,000 higher / $16,000 lower). If the Australian dollar weakened / strengthened by 10% against the EUR, cash would have been $42,000 higher / $34,000 lower (2025: $41,000 higher / $33,000 lower). If the Australian dollar weakened / strengthened by 10% against the JPY, cash would have been $28,000 higher / $23,000 lower (2025: $140,000 higher / $114,000 lower).

Based on the trade receivables held at 31 July 2026, if the Australian dollar weakened / strengthened by 10% against the US dollar, receivables would have been $214,000 higher / $175,000 lower (2025: $159,000 higher / $130,000 lower). If the Australian dollar weakened/strengthened by 10% against the EUR, receivables would have been $148,000 higher / $121,000 lower (2025: $142,000 higher / $116,000 lower). If the Australian dollar weakened/strengthened by 10% against the JPY, receivables would have been $63,000 higher / $52,000 lower (2025: $81,000 higher / $66,000 lower).

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

Based on the trade payables held at 31 July 2026, if the Australian dollar weakened / strengthened by 10% against the US dollar, payables would have been $45,000 higher / $37,000 lower (2025: $45,000 higher / $55,000 lower). If the Australian dollar weakened/strengthened by 10% against the EUR, payables would have been $8,000 higher / $6,000 lower (2025: $74,000 higher / $61,000 lower). If the Australian dollar weakened/strengthened by 10% against the GBP, payables would have been $60,000 higher / $49,000 lower (2025: $5,000 higher / $4,000 lower). If the Australian dollar weakened/strengthened by 10% against the JPY, payables would have been $38,000 higher / $31,000 lower (2025: $54,000 higher / $44,000 lower).

Based on the lease liabilities held at 31 July 2026, if the Australian dollar weakened / strengthened by 10% against the US dollar, lease liabilities would have been $29,000 higher / $23,000 lower (2025: $108,000 higher / $88,000 lower). If the Australian dollar weakened/strengthened by 10% against the EUR, lease liabilities would have been $48,000 higher / $39,000 lower (2025: $67,000 higher / $55,000 lower). If the Australian dollar weakened / strengthened by 10% against the GBP, lease liabilities would have been $4,000 higher / $3,000 lower (2025: $nil). If the Australian dollar weakened / strengthened by 10% against the JPY, lease liabilities would have been $29,000 higher / $24,000 lower (2025: $39,000 higher / $32,000 lower).

Based on the equities held at 31 July 2026, if the Australian dollar weakened / strengthened by 10% against the US dollar, equities would have been $678,000 higher / $555,000 lower (2025: $485,000 higher / $397,000 lower). If the Australian dollar weakened/strengthened by 10% against the EUR, equities would have been $21,000 higher / $17,000 lower (2025: $29,000 higher / $24,000 lower). If the Australian dollar weakened/strengthened by 10% against the JPY, equities would have been $46,000 higher / $37,000 lower (2025: $46,000 higher / $38,000 lower).

Based on the private equities held at 31 July 2026, if the Australian dollar weakened / strengthened by 10% against the US dollar, private equities would have been $43,000 higher / $36,000 lower (2025: $86,000 higher / $70,000 lower).

The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 6 months each year and the spot rate at each reporting date.

(ii) Price risk

The Group is exposed to asset price risk. This arises from equities and private equities held by the Group. A price reduction at 5% and 10% spread equally over the investment portfolio would reduce its value by $2,993,000 (2025: $2,539,000) and $5,986,000 (2025: $5,078,000) respectively.

The Group seeks to reduce market risk at the investment portfolio level by ensuring that it is not overly exposed to one company or one particular sector of the market. The relative weightings of the individual investments and the relevant market sectors are reviewed regularly and risk can be managed by reducing exposure where necessary. The Group does not have set parameters as to a minimum or maximum amount of the portfolio that can be invested in a single company or sector. The writing and purchasing of options provides some protection against a fall in market prices by both generating income to partially compensate for a fall in capital values and buying put protection to lock in asset prices.

(iii) Interest rate risk

The Group's interest-rate risk arises from long-term borrowings and cash on deposit. Borrowings issued at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk. The Group's interest bearing assets include deposits on the overnight money market. Interest earnt on these deposits varies according to the Reserve Bank's monetary policy decisions.

As at the reporting date, the Group had the following variable rate borrowings:

	31 July 2026		31 July 2025	
	Weighted average interest rate	Balance $'000	Weighted average interest rate	Balance $'000
Borrowings	3.88%	104,943	4.34%	95,865
Interest rate swaps (notional principal amount)	1.81%	(48,865)	1.17%	(95,865)
Net exposure to cash flow interest rate risk		56,078		-

Based on the borrowings held at reporting date, if variable interest rates had been 1% higher or lower, with all other variables held constant, the Group's loss before income tax for the year would have been approximately $561,000 higher or lower respectively (2025: nil). The sensitivity analysis is based on the Group's net variable-rate exposure at the reporting date and does not reflect changes in debt levels or hedging arrangements that may occur after that date.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the consolidated statement of financial position and notes to the consolidated financial statements. The Group does not hold any collateral.

Liquidity risk

This is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions. Management monitors its cash flow requirements daily. Furthermore, management monitors the level of contingent payments on a weekly basis by reference to known sales and purchases of securities and dividends and distributions to be paid or received.

Maturity of Financial Liabilities

31 July 2025	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total contractual cash flow
	$'000	$'000	$'000	$'000	$'000
Non-derivatives					
Non-interest bearing	5,565	-	-	-	5,565
Fixed rate	1,051	506	466	-	2,023
Variable rate	-	95,865	-	-	95,865
Total non-derivatives	6,616	96,371	466	-	103,453
Derivatives					
Fixed	(41)	23	-	-	(18)

31 July 2026	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total contractual cash flow
	$'000	$'000	$'000	$'000	$'000
Non-derivatives					
Non-interest bearing	5,317	-	-	-	5,317
Fixed rate	683	234	383	-	1,300
Variable rate	9,078	95,865	-	-	104,943
Total non-derivatives	15,078	96,099	383	-	111,560
Derivatives					
Fixed	763	-	-	-	763

Fair value estimation risk

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Fair value hierarchy

The Group measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
Level 2: inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly or indirectly.
Level 3: unobservable inputs for the assets or liability.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair value hierarchy (continued)

The following tables present the Group's assets measured and recognised on a recurring basis at fair value at 31 July 2025 and 31 July 2026.

31 July 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets – designated at fair value through other comprehensive income				
Investments – Australian equities	33,062	-	7,239	40,301
Investments – Global equities	1,687	-	3,358	5,045
Derivatives	-	(18)	-	(18)
Financial assets – designated at fair value through profit or loss				
Investments – Private equities	-	-	5,441	5,441
Investments – Investment properties	-	-	193,715	193,715
Total	34,749	(18)	209,753	244,484

31 July 2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets – designated at fair value through other comprehensive income				
Investments – Australian equities	37,699	-	8,293	45,992
Investments – Global equities	4,316	-	2,424	6,740
Derivatives	-	763	-	763
Financial assets – designated at fair value through profit or loss				
Investments – Private equities	-	-	7,130	7,130
Investments – Investment properties	-	-	191,299	191,299
Total	42,015	763	209,146	251,924

The Group had no assets or liabilities measured at fair value on a non-recurring basis in the current period.

Fair values of financial instruments not recognised at fair value

The Group has a number of financial instruments which are not measured at fair value at 31 July 2026. The carrying amounts of cash and cash equivalents, current trade and other receivables, current trade and other payables, current borrowings and current lease liabilities are assumed to approximate their fair value due to their short-term nature. The carrying amounts of non-current trade and other payables, borrowings and lease liabilities approximate their fair value as the impact of discounting is not significant.

Valuation techniques used to determine fair values

Specific valuation techniques used to determine fair value include:

- The fair value of listed Australian and global equities is based on quoted market prices at the reporting date.
- The fair value of directly held unlisted Australian and global equity investments is determined by management valuations in accordance with the AVCAL valuation guidelines. A variety of methods are used including reference to recent shares issued and net assets of underlying investments.
- The fair value of derivatives is determined on the present value of future expected cash flows.
- Investments in private equities primarily consist of investments in managed private equity funds, each of which consists of a number of investments in individual companies, none of which are material. Fair value of managed private equity investments has been determined using fund manager valuations, which are prepared in accordance with AVCAL Guidelines. Directors have reviewed those valuations.
- The fair value of sub-regional and neighbourhood shopping centre investment properties is determined by management with reference to the latest independent valuations prepared for each shopping centre updated for changes in operating income and capitalisation rates which reflect vacancy rates, tenant profile, lease expiry, developing potential and the underlying physical condition of the property. For other investment properties, fair value is based on current market prices in an active market for properties of similar nature or recent prices in less active markets.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the period ended 31 July 2026:

Reconciliation of level 3 fair value movements	31 July 2026 $'000	31 July 2025 $'000
Opening balance	209,753	204,513
Transfers to level 1	(934)	-
Purchases	3,585	6,748
Sales	(1,007)	-
Amortisation and depreciation	(841)	(711)
Loss recognised in profit and loss	(2,156)	(187)
Gain / (Loss) recognised in other comprehensive income	746	(610)
Closing balance	**209,146**	**209,753**

Gains and losses on Australian and global equities are presented in the changes in fair value of equity instruments at fair value through other comprehensive income, net of tax line item in the consolidated statement of comprehensive income.

Gains and losses of private equities and investment properties are presented net as other income in the consolidated statement of profit or loss.

Refer to the following notes for reconciliation of individual classes of assets:

- Equities - refer to note 14
- Private equities - refer to note 15
- Investment properties - refer to note 17

Transfers between fair value hierarchy levels and changes in valuation techniques used to determine fair value

Transfers between the levels of the fair value hierarchy are recognised at the beginning of the reporting period. There were no changes made to any of the valuation techniques used due to determine fair value during the year.

Significant unobservable inputs used in level 3 fair value measurements

Significant unobservable inputs used in level 3 fair value measurements relate to sub-regional and neighbourhood shopping centre capitalisation rates. Refer to note 17 for further disclosures pertaining to these inputs.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Managed and Direct Private Equity

The Group's practice for 'Managed Private Equity' valuations is to procure each Fund Manager's published unit price valuation and review it for reasonableness, potential misstatements and impairments. In reviewing each Fund Manager's valuation, consideration is given to audited accounts, compliance with Australian Venture Capital Association ("AVCAL") valuation guidelines, Australian Accounting Standards, valuation methodology and assumptions, peer valuations, recent market prices, liquidity and control provisions, discussions with the Fund Manager and, where considered relevant, meetings with the underlying investee company's management.

The impact of the revaluation of managed private equities at 31 July 2026 was a gain of $853,000 (2025: a loss of $188,000) recognised in profit or loss.

The Group holds 'Direct Private Equity' investments in unlisted private companies which have been valued using the Board and management's best estimation of market value. The valuation considerations for managed private equity are applied to direct private equity based on recent shares issued and net assets of underlying investments, liquidity and minority shareholder provisions.

Investment property

Investment property valuations are estimated by the board and management with reference where possible to external valuations, market appraisals, recent comparable sales, date of purchase and capitalisation rate valuations. The impact on profit or loss relating to the revaluation of investment properties was a loss of $3,000,000 (2025: nil)

4. SEGMENT INFORMATION

The Group comprises of the following business segments, based on the group's management reporting systems:

- Cash and fixed interest
- Equities
- Private equities
- Investment properties
- Development properties
- Surf Hardware International business
- Other

For the year ended	31 July 2026 $'000	31 July 2025 $'000
Segment revenue		
Cash and fixed interest – interest income	434	593
Equities – dividends and option income received	722	743
Private equities – dividends received	2	21
Investment properties – rent received	20,628	19,903
Development properties – sale of development land	1,081	2,496
Surf Hardware International business – sale of goods	35,944	37,037
	58,811	**60,793**
Segment other income		
Private equities – realised and unrealised gains	853	(188)
Investment properties – realised and unrealised gains	(3,000)	-
Other	416	1,140
	(1,731)	**952**
Total segment revenue and other income	**57,080**	**61,745**

For the year ended	31 July 2026 $'000	31 July 2025 $'000
Segment result		
Cash and fixed interest	434	593
Equities	722	743
Private equities	855	(167)
Investment properties	3,052	4,825
Development properties	655	1,454
Surf Hardware International business	(4,871)	(4,530)
Other	(8,549)	(7,568)
Total segment result	**(7,702)**	**(4,650)**
Income tax benefit	4,209	1,360
Net loss after tax	**(3,493)**	**(3,290)**

For the year ended	31 July 2026 $'000	31 July 2025 $'000
Revenue from external customers by geographical region		
Australia	34,255	34,487
United States of America	11,557	11,306
Japan	4,742	5,575
Europe	8,257	9,425
Total revenue from external customers	**58,811**	**60,793**

The Group only derives revenue from external customers in the investment properties, development properties and Surf Hardware International business segments.

4. SEGMENT INFORMATION (CONTINUED)

As at	31 July 2026 $'000	31 July 2025 $'000
Segment assets		
Cash and fixed interest	11,639	16,366
Equities	52,732	45,346
Private equities	7,130	5,441
Investment properties	191,299	193,714
Development properties	30,712	27,708
Surf Hardware International business	22,235	21,805
Unallocated assets	24,077	17,884
Total assets	**339,824**	**328,264**
Segment liabilities		
Investment properties	95,865	95,865
Development properties	6,120	-
Surf Hardware International business	7,288	5,765
Unallocated liabilities	34,293	30,544
Total liabilities	**143,566**	**132,174**

Non-current assets by geographical region

Non-current assets by geographical region comprise non-current assets other than financial instruments and deferred tax assets, consistent with AASB 8.33(b). Financial instruments excluded from this disclosure include loan receivables, equity investments and private equity investments. Non-current assets are attributed to geographical regions based on the location of the assets.

As at	31 July 2026 $'000	31 July 2025 $'000
Non-current assets by geographical region		
Australia	236,302	232,477
United States of America	892	1,605
Japan	356	483
Europe	449	608
Total non-current assets	**237,999**	**235,173**

For the year ended	31 July 2026 $'000	31 July 2025 $'000
Payments for the acquisition of:		
- Investment properties	1,425	4,277
- Development properties	3,409	542
- Private Equities	1,703	517
- Equities	863	2,553
Gains on disposal or revaluation of:		
- Investment properties	(3,000)	-
- Private equities	853	(188)
Unallocated:		
- Payments for the acquisition of property, plant and equipment	1,626	678
- Payments for the acquisition of intangibles	48	489

4. SEGMENT INFORMATION (CONTINUED)

Accounting policies

Segment information is prepared in conformity with the accounting policies of the Group as disclosed in note 1.

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to a segment on a reasonable basis.

All segments other than Surf Hardware International business segment
Segment assets include all assets used by a segment and consist primarily of operating cash, investments, investment properties, development properties and plant and equipment, net of related provisions. While most of these assets can be directly attributable to individual segments, the carrying amounts of certain assets used jointly by segments are allocated based on reasonable estimates of usage. Segment liabilities consist of borrowings.

Segment assets and liabilities do not include income taxes. Tax assets and liabilities, trade and other creditors and employee entitlements and goodwill are represented as unallocated amounts.

Surf Hardware International business segment
Segment assets include all assets (excluding operating cash of $1.48 million (2025: $2.67 million) which is included in the cash segment) used by the Surf Hardware International business segment and consist primarily of trade and other receivables, inventories, plant and equipment, right of use assets and intangibles, net of related provisions. Segment liabilities consist of borrowings, trade and other payables, lease liabilities and employee entitlements. Segment assets and liabilities do not include income taxes. Tax assets and liabilities are represented as unallocated amounts.

Segment cash flows

Segment information is not prepared for cash flows as management consider it not relevant to users in understanding the financial position and liquidity of the Group.

5. OPERATING LOSS BEFORE INCOME TAX

For the year ended	31 July 2026 $'000	31 July 2025 $'000
Loss from continuing operations before income tax expense includes the following specific items:		
Gains		
Private equity - dividends	2	21
Expenses		
Interest and other borrowing costs	5,212	6,381
Employee benefits	12,031	11,350
Cost of sales (Surf Hardware International)	30,562	23,129
Cost of sales (Development properties)	426	1,042

6. INCOME TAX EXPENSE

For the year ended	31 July 2026 $'000	31 July 2025 $'000
Current tax	6,609	(1,999)
Deferred tax	(11,211)	685
Under / (over) provided in prior years	393	(46)
	(4,209)	(1,360)
Income tax attributable to:		
Loss from continuing operations	(4,209)	(1,360)
Aggregate income tax benefit on losses	(4,209)	(1,360)
Reconciliation of income tax benefit to prima facie tax on profit		
Loss from continuing operations before income tax benefit	(7,702)	(4,650)
Tax at the Australian tax rate of 30% (2025: 30%)	(2,311)	(1,395)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-assessable income/ Non-deductible expenses	81	11
Franked dividends	(293)	(300)
Under / (over) provision in prior year	393	(46)
Deferred tax assets recorded not recognised and effect of tax rates in foreign jurisdictions	(2,079)	370
Income tax benefit	(4,209)	(1,360)
Amounts recognised directly in equity		
Aggregated current and deferred tax arising in the reporting period and not recognised in net profit or loss but directly debited or (credited) to equity	9,760	3,204

7. CASH AND CASH EQUIVALENTS

As at	31 July 2026 $'000	31 July 2025 $'000
Cash at bank and on hand	11,639	16,366

8. CURRENT INVENTORIES

At lower of cost or net realisable value		
Raw materials and finished goods	12,115	12,857
Balance at end of year	12,115	12,857

No material inventory write-downs or reversals of previous write-downs were recognised during the year ended 31 July 2026 or the comparative period

9. CURRENT TRADE AND OTHER RECEIVABLES

Trade debtors	6,272	5,689
Less: expected credit losses	(360)	(244)
Balance at end of year	5,912	5,445

10. CURRENT DEVELOPMENT PROPERTIES

At lower of cost or net realisable value		
Balance at beginning of year	1,638	2,629
Cost of goods	(405)	(991)
Balance at end of year	1,233	1,638

11. TAX RECEIVABLES

As at	31 July 2026 $'000	31 July 2025 $'000
Tax receivable	3,835	3,657

12. OTHER CURRENT ASSETS

Prepayments	2,148	1,695

13. NON-CURRENT LOAN RECEIVABLES

Loan receivables	150	150

Non-Interest bearing loan to Wholesale Investor.

14. NON-CURRENT EQUITIES

The Group's investments in equity instruments are designated at fair value through other comprehensive income (FVOCI) on initial recognition. The Group makes this irrevocable election as these investments are held as long-term investments and are not held for trading. Subsequent changes in fair value are recognised in other comprehensive income and accumulated in the long-term investment revaluation reserve. Dividends are recognised in profit or loss when the Group's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment.

On disposal, cumulative gains or losses previously recognised in other comprehensive income are not reclassified to profit or loss but may be transferred within equity.

As at	31 July 2026 $'000	31 July 2025 $'000
Direct equity investments designated as FVOCI		
Cobram Estate Olives	29,044	23,218
Carlton Investments	7,012	7,620
SpaceX	2,721	934
Other direct equity investments	13,955	13,574
Balance at end of year	52,732	45,346

The Group has elected to designate these equity investments at FVOCI as they are held as long-term investments and are not held for trading.

During the year, the Group disposed of certain equity investments designated at fair value through other comprehensive income as part of the Group's ongoing management of its investment portfolio. The fair value of these investments at the date of disposal was $1,095,000 and the cumulative loss recognised in other comprehensive income at the date of disposal was $692,000.

On disposal, the cumulative loss was transferred from the long-term investment revaluation reserve to retained earnings and was not reclassified to profit or loss.

As at	31 July 2026 $'000	31 July 2025 $'000
At fair value through other comprehensive income		
Balance at beginning of year	45,346	42,505
Revaluation to fair value	8,918	9,875
Additions	863	2,553
Impairments	(1,300)	-
Disposal proceeds	(1,095)	(9,587)
Balance at end of year	52,732	45,346

Changes in fair value of equities are recorded in equity.

15. NON-CURRENT PRIVATE EQUITIES

As at	31 July 2026 $'000	31 July 2025 $'000
At fair value through profit or loss		
Balance at beginning of year	5,441	5,199
Revaluation to fair value	853	14
Additions	1,703	517
Capital distribution	(11)	-
Disposal proceeds	(1,083)	(89)
Write offs	-	(200)
Other movements	227	-
Balance at end of year	7,130	5,441

Private equity investments are measured at fair value through profit or loss, with movements in fair value recognised in profit or loss.

Changes in fair values of private equities at fair value through the profit or loss are recorded in other income.

16. NON-CURRENT DEVELOPMENT PROPERTIES

As at	31 July 2026 $'000	31 July 2025 $'000
At lower of cost or net realisable value		
Balance at beginning of year	26,070	25,528
Additions	3,409	542
Balance at end of year	29,479	26,070

17. NON-CURRENT INVESTMENT PROPERTIES

As at	31 July 2026 $'000	31 July 2025 $'000
At fair value		
Balance at beginning of year	193,714	190,148
Additions	1,425	4,277
Amortisation on incentives	(840)	(711)
Net loss from fair value adjustment	(3,000)	-
Balance at end of year	191,299	193,714

Amounts recognised in profit or loss for investment properties		
Rental revenue	20,628	19,903
Direct operating expenses from rental generating properties	(9,541)	(8,891)
Net loss on revaluation	(3,000)	-
	8,087	11,012

Changes in fair values of investment properties are recorded in other income.

17. NON-CURRENT INVESTMENT PROPERTIES (CONTINUED)

	Valuation Method	Weighted average cap rate 2026	Weighted average cap rate 2025	31 July 2026 $'000	31 July 2025 $'000
Sub-regional and neighbourhood shopping centres (Coffs Central, Port Central and Kempsey Central)	(a)	7.58%	7.42%	186,875	189,588
Other properties	(b)			4,424	4,126
				191,299	**193,714**

(a) Fair value is based on capitalisation rates, which reflect vacancy rates, tenant profile, lease expiry, developing potential and the underlying physical condition of the property. The higher the capitalisation rate, the lower the fair value.

Capitalisation rates used and the fair value adopted for each property at 31 July 2026 were based on external valuations adjusted for any changes in assumptions, estimates or source data with reference to the properties current and forecasted performance, vacancy levels, tenancy profile and recent market data.

(b) Fair value is based on current prices in an active market for properties of similar nature or recent prices of different nature in less active markets.

Sensitivity analysis of sub-regional and neighbourhood shopping centre investment properties held at fair value

At 31 July 2026, a reduction of 0.5% in the capitalisation rate applied to each property would result in an additional gain of $14.297 million in the consolidated statement of profit or loss and consolidated statement of other comprehensive income. Similarly, an increase of 0.5% in the capitalisation rate of each property would result in an additional loss of $12.518 million in the consolidated statement of profit or loss and consolidated statement of other comprehensive income.

18. NON-CURRENT PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles $'000	Furniture, fittings & equipment $'000	Total $'000
Year ended 31 July 2025			
Opening net book amount	352	6,325	6,677
Additions	193	542	735
Disposals	(57)	-	(57)
Depreciation charge	(96)	(845)	(941)
Closing net book amount	392	6,022	6,414
At 31 July 2025			
Cost	808	13,270	14,078
Accumulated depreciation	(416)	(7,248)	(7,664)
Net book amount	392	6,022	6,414
Year ended 31 July 2026			
Opening net book amount	392	6,022	6,414
Additions	1	1,667	1,668
Disposals	-	(42)	(42)
Depreciation charge	(93)	(946)	(1,039)
Closing net book amount	300	6,701	7,001
At 31 July 2026			
Cost	798	14,739	15,537
Accumulated depreciation	(498)	(8,038)	(8,536)
Net book amount	300	6,701	7,001

19. NON-CURRENT INTANGIBLES

	Goodwill $'000	Brand Names and Patents $'000	Total $'000
Year ended 31 July 2025			
Opening net book amount	1,883	1,791	3,674
Additions	-	489	489
Amortisation	-	(86)	(86)
Impairment	(500)	-	(500)
Closing net book amount	1,383	2,194	3,577
At 31 July 2025			
Cost	1,383	3,950	5,333
Accumulated amortisation	-	(1,756)	(1,756)
Net book amount	1,383	2,194	3,577
Year ended 31 July 2026			
Opening net book amount	1,383	2,194	3,577
Additions	-	47	47
Amortisation	-	(64)	(64)
Closing net book amount	1,383	2,177	3,560
At 31 July 2026			
Cost	1,383	3,998	5,381
Accumulated amortisation	-	(1,821)	(1,821)
Net book amount	1,383	2,177	3,560

Intangible assets, other than goodwill and brand names have finite useful lives. Goodwill and brand names have indefinite useful life. Goodwill and brand names are allocated to the Surf Hardware International business segment ("the cash-generating unit").

The Group tests whether goodwill and brand names have suffered any impairment at each reporting period. The recoverable amount of the cash-generating unit is determined based on either value-in-use calculations or the estimated fair value less costs to sell.

Goodwill, brand names and patents

The recoverable amount of the cash-generating unit is based on value-in-use of the Surf Hardware International business segment which is calculated based on the present value of cash flow projections over a five year period with cash flows beyond five years extrapolated using a terminal growth rate.

Five year projected cash flows in respect of the Surf Hardware International business segment are $20m. Key assumptions include: (a) 10% discount rate; (b) 3% per annum projected net revenue growth rate; (c) 1% per annum increase in operating expenses; and (d) 3.5% terminal growth rate. Based on these assumptions the Directors have determined that no impairment charge shall be recognised during the current reporting period.

20. NON-CURRENT RIGHT OF USE ASSETS

	Land and buildings $'000	Motor vehicles $'000	Equipment $'000	Total $'000
Year ended 31 July 2025				
Opening net book amount	1,293	1	37	1,331
Additions	2,750	101	25	2,876
Disposals	(475)	-	(8)	(483)
Depreciation charge	(1,624)	(87)	(27)	(1,738)
Closing net book amount	1,944	15	27	1,986
At 31 July 2025				
Cost	3,959	221	107	4,287
Accumulated depreciation	(2,015)	(206)	(80)	(2,301)
Net book amount	1,944	15	27	1,986
Year ended 31 July 2026				
Opening net book amount	1,944	15	27	1,986
Additions	489	39	-	528
Foreign exchange movements	(47)	(5)	(4)	(56)
Depreciation charge	(1,145)	(20)	(15)	(1,180)
Closing net book amount	1,241	29	8	1,278
At 31 July 2026				
Cost	4,179	92	99	4,370
Accumulated depreciation	(2,938)	(63)	(91)	(3,092)
Net book amount	1,241	29	8	1,278

Additional information regarding leases

The Group leases land and buildings for its offices and retail operations which have lease terms of between one and five years with, in some cases, options to extend. On renewal, the terms of the leases are renegotiated. The Group also leases motor vehicles and equipment under agreements of between one to five years.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right of use asset can only be used by the Group.

The Group's leases include extension and termination options which are exercisable by the Group. These clauses provide the Group opportunities to manage leases in order to align with its strategies. The extension and termination options which were reasonably certain to be exercised are included in the calculation of the right-to-use asset.

21. DEFERRED TAX ASSETS

As at	31 July 2026 $'000	31 July 2025 $'000
The balance comprises temporary differences attributable to:		
Employee benefits	325	305
Accruals	211	123
Tax Losses	4,267	(34)
Other	446	(206)
Net deferred tax assets	5,249	188
Movements:		
Opening balance at 1 August	188	1,247
Credited / (Debited) / to profit or loss	5,061	(1,059)
Closing balance at 31 July	5,249	188
Deferred tax assets to be recovered within 12 months	879	700
Deferred tax assets to be recovered after 12 months	4,370	(512)
	5,249	188

22. OTHER NON-CURRENT ASSETS

Other assets	5,064	3,720

23. CURRENT TRADE AND OTHER PAYABLES

Trade creditors	2,836	3,631
Other creditors and accruals	2,481	1,934
Balance at end of year	5,317	5,565

24. CURRENT BORROWINGS

As at	31 July 2026 $'000	31 July 2025 $'000
CBA – Sawtell Commons	6,120	-
NAB – Gowings Surf Hardware International	2,958	-
Balance at end of year	9,078	-

Risk

The Group's exposure to interest rate changes arising from current and non-current borrowings is set out in note 2.

Refinancing / Repayment

The Group expects to renew or refinance current borrowing facilities on normal commercial terms and rates that are acceptable to the Group prior to the respective repayment dates. Alternatively, the Group believes it has the ability to repay any outstanding debt under these facilities from excess cash reserves, proceeds received from the disposal of assets or from cash sourced or raised through the Group's operating or financing activities.

Security

Information about the security relating to each of the secured liabilities and the fair value of each of the borrowings is provided in note 27.

25. CURRENT LEASE LIABILITIES

As at	31 July 2026 $'000	31 July 2025 $'000
Lease liabilities	683	1,111

26. CURRENT PROVISIONS

Employee entitlements	793	831

27. NON-CURRENT BORROWINGS

As at	31 July 2026 $'000	31 July 2025 $'000
Secured bill facilities – St George - Shopping centres	95,865	95,865

Risk

The Group's exposure to interest rate changes arising from current and non-current borrowings is set out in note 2.

Security

The security for the St George secured bill facilities is against the Gowings Wholesale Property Fund (the "Fund"). Interest on the outstanding principal of the bill is charged at BBSY plus a line fee of 1.70% (2025: 1.90%). The lender requires that the Fund meet certain financial ratios at 31 July 2026. The Fund must have a minimum interest coverage ratio of 1.65 times and the facility is not to exceed 55% of the aggregate value of the latest bank accepted valuations of the Shopping Centres.

The security for the CBA secured bill facilities is against Sawtell Commons. Interest on the outstanding principal of the bill is charged at BBSY plus a line fee of 1.30% and a usage fee of 1.50% (2025: nil). The lender requires Sawtell Commons to meet certain financial ratios at 31 July 2026. Sawtell Commons must have a loan to total costs ratio of less than 75% and a loan to value ratio of less than 40%.

Financing arrangements

Unrestricted access was available at balance date to the following lines of credit:

As at	31 July 2026 $'000	31 July 2025 $'000
Secured bill facilities – St George - Shopping centres	95,865	95,865
Secured bill facilities – CBA - Sawtell Commons	10,369	-
Working capital facility – NAB - Surf Hardware	3,000	-
	109,234	95,865
Used at balance date		
Secured bill facilities – St George – Shopping Centres	95,865	95,865
Secured bill facilities – CBA – Sawtell Commons	6,120	-
Working capital facility – NAB – Gowings Surf Hardware International	2,958	-
	104,943	95,865
Unused at balance date		
Secured bill facilities – St George – Shopping Centres	-	-
Secured bill facilities – CBA – Sawtell Commons	4,249	-
Working capital facility – NAB – Gowings Surf Hardware International	42	-
	4,291	-

Off-balance sheet

There are no off-balance sheet borrowings or related contingencies.

28. NON-CURRENT LEASE LIABILITIES

As at	31 July 2026 $'000	31 July 2025 $'000
Lease liabilities	618	997

29. NON-CURRENT PROVISIONS

Employee entitlements	374	355

30. DEFERRED TAX LIABILITIES

As at	31 July 2026 $'000	31 July 2025 $'000
The balance comprises temporary differences attributable to:		
Prepayments	130	130
Intangibles	176	176
Investment properties	20,485	19,582
Equities	9,557	7,706
Other	490	(144)
Net deferred tax liabilities	30,838	27,450
Movements:		
Opening balance at 1 August	27,450	24,327
Charged to profit or loss	2,493	2,292
Charged to equity	895	831
Closing balance at 31 July	30,838	27,450
Deferred tax liabilities to be settled within 12 months	296	411
Deferred tax liabilities to be settled after 12 months	30,542	27,039
	30,838	27,450

31. CONTRIBUTED EQUITY

	Number of shares 2026	Number of shares 2025	2026 $'000	2025 $'000
Share capital				
Ordinary shares fully paid	54,158,012	53,614,870	13,632	12,423

Movements in ordinary share capital – for the year ended 31 July 2026

Date	Details	Number of shares	Issue price per share	$'000
31/07/2025	Balance	53,614,870		12,423
5/11/2025	Share Issue - DRP	281,604	$2.27	640
23/04/2026	Share Issue - DRP	278,193	$2.17	604
21/05/2026	BuyBack	(16,655)	$2.10	(35)
		54,158,012		13,632

Movements in ordinary share capital – for the year ended 31 July 2025

Date	Details	Number of shares	Issue price per share	$'000
31/07/2024	Balance	53,016,693		11,113
05/11/2024	Share Issue - DRP	348,557	$2.16	752
29/04/2025	Share Issue - DRP	249,620	$2.24	558
		53,614,870		12,423

31. CONTRIBUTED EQUITY (CONTINUED)

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote.

Dividend Reinvestment Plan

The Dividend Reinvestment Plan may be offered to shareholders by Directors and allows shareholders to reinvest dividends into shares in the Company. The Dividend Reinvestment Plan is offered for the final dividend declared on 30 September 2026.

Deferred Employee Share Plan

The Deferred Employee Share Plan may be used as part of any incentive payments for all employees. For transaction cost reasons, where possible shares bought back as part of the Company's ongoing capital reduction program are recognised for this purpose rather than cancelled.

Options

There were no options on issue at the time of this report.

On-market share buy back

16,655 shares were bought back during the year (2025: nil).

Capital risk management

The Company's objective when managing capital is to safeguard the ability to continue as a going concern, so that continued returns to shareholders and benefits for other stakeholders can be provided while maintaining an optimal capital structure.

32. RESERVES

	31 July 2026 $'000	31 July 2025 $'000
Capital profits reserve[1]		
Opening balance	90,503	90,503
Transfer from retained profits	-	-
Closing balance	90,503	90,503
Long term investment revaluation reserve[2]		
Opening balance	17,826	12,069
Fair value adjustments on equities		
- Equities	7,988	10,608
- Deferred tax applicable to fair value adjustments	(2,396)	(3,182)
- Transfer of losses on sale of equity instruments at fair value through comprehensive income to retained profits, net of tax	692	(1,669)
Closing balance	24,110	17,826
Foreign currency translation reserve[3]		
Opening balance	294	545
Exchange differences on translation of foreign operations	(320)	(251)
Closing balance	(26)	294
Hedging reserve – Cash flow hedges[4]		
Opening balance	267	197
Changes in hedges held at fair value through other comprehensive income		
- Changes in fair value of cash flow hedges	411	70
Closing balance	678	267
Total reserves	115,265	108,890

[1] The capital profits reserve is used to record pre-CGT profits.
[2] The long term investment revaluation reserve is used to record increments and decrements on equities held at fair value through other comprehensive income.

32. RESERVES (CONTINUED)

[3] The foreign currency translation reserve records exchange rate differences arising on translation differences on foreign controlled subsidiaries.
[4] The hedging reserve is issued to recognise the effective portion of gains and losses on derivatives that are designated and qualify as cash flow hedges.

33. DIVIDENDS

	31 July 2026 $'000	31 July 2025 $'000
Ordinary shares		
2026 final dividend of 3.0 cents (2025: 3.45 cents final) per share	1,608	1,829
2026 interim dividend of 3.0 cents (2025: 3.0 cents interim) per share	1,617	1,601
Total dividends declared	3,225	3,430
Dividends paid in cash	1,981	2,120
Dividends paid via Dividend Reinvestment Plan	1,244	1,310
	3,225	3,430

Franked dividends declared and paid during the year were fully franked at the tax rate of 30% (2025: 30%).

Dividends declared after year end

Subsequent to year end the Directors have declared the payment of a final dividend of 3.0 cents per ordinary share fully franked based on tax paid at 30%. The dividend is payable on 6 November 2026 out of retained profits at 31 July 2026.

The financial effect of the dividend declared subsequent to the reporting date has not been brought to account in the financial statements for the year ended 31 July 2026 and will be recognised in subsequent financial reports.

Franked dividends

The franked portions of the final dividends declared after 31 July 2026 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ended 31 July 2026.

Franking credits available for subsequent financial years (tax paid basis)	1,583	2,746

The above amounts are based on the balance of the franking account at year end, adjusted for:
(a) franking credits that will arise from the payment of the current tax payable;
(b) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date;
(c) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date; and
(d) franking credits that may be prevented from being distributed in subsequent financial years.

34. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by William Buck, the auditor of the company:

	31 July 2026 $	31 July 2025 $
Audit services – William Buck	138,346	133,800
Audit and review – group	187,463	181,300
	325,809	315,100

35. COMMITMENTS FOR EXPENDITURE

Capital commitments – Private equities
The Group has uncalled capital commitments of up to $1,599,000 (2025: $2,354,000) in relation to private equity and property fund investments held at year end.

35. COMMITMENTS FOR EXPENDITURE (CONTINUED)

Capital commitments – Development properties
The Group has NIL capital commitments (2025: $2,352,000) in relation to construction works on development properties at year end.

36. RELATED PARTIES

Directors
The names of persons who were Directors of Gowing Bros Limited at any time during the financial year were J. E. Gowing, J. G. Parker, J.E. Davis, J.E. Gowing (James), S.M. Sawtell and S. J. Clancy.

Those persons that were also Directors during the year ended 31 July 2025.

Remuneration
Information on remuneration of Directors and other key management personnel is disclosed in the remuneration report.

	31 July 2026 $	31 July 2025 $
Directors and other key management personnel		
Short-term employee benefits	824,552	744,840
Post-employment benefits	78,857	69,489
Long-term benefits	13,462	29,137
	916,871	843,466

Movement in shares

Key management person	Shares held* at 31-Jul-24 No.	Shares acquired/ (disposed) during the year No.	Shares held* at 31-Jul-25 No.	Shares acquired/ (disposed) during the year No.	Shares held* at 31-Jul-26 No.
J. E. Gowing*	20,923,748	720,435	21,644,183	552,997	22,197,180
J. G. Parker	57,306	1,697	59,003	1,605	60,608
S. J. Clancy	5,000	-	5,000	-	5,000
J. E. Davis	5,000	-	5,000	-	5,000
S.M. Sawtell	-	5,000	5,000	-	5,000
J. E. Gowing (James)	64,504	-	64,504	-	64,504
D. B. Gorman	-	-	-	5,000	5,000
E. J. Gowing (Ellis)	70,000	-	70,000	1,903	71,903

*Directly and indirectly

Other key management personnel did not hold shares in the Company.

Receivables from Directors and Executives
At year end there were $nil receivables from the Directors and executives (2025: $nil).

Transactions with Key Management Personnel and Directors
The sons of Mr J E Gowing not included in the remuneration report provided operational services during the year on an employment basis totalling $115,625 (2025: $79,796).

Other related party transactions

Key management person	Transaction type	2026 $	2025 $
J. E. Gowing	Donations – Whale Trust	359,798	372,005

There were no other transactions with Directors and Director related entities and Executives.

37. INTERESTS IN OTHER ENTITIES (EXCLUDING JOINT VENTURES)

The Group's principal subsidiaries and other interests are set out below:

Unless otherwise stated, subsidiaries and other interests listed below have share capital comprising of ordinary shares or ordinary units which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group.

Entity Name	Country of Incorporation	Ownership Interest % 2026	Ownership Interest % 2025
Pacific Coast Developments 357 Pty Ltd	Australia	100	100
Pacific Coast Developments 357 Fund	Australia	99.9	99.9
1868 Capital Pty Ltd	Australia	100	100
Pacific Coast Developments 112 Fund	Australia	99.9	99.9
Gowings SHI Pty Ltd	Australia	99.9	99.9
SHI Holdings Pty Ltd	Australia	99.9	99.9
Fin Control Systems Pty Ltd	Australia	99.9	99.9
Surfing Hardware International Holdings Pty Ltd	Australia	99.9	99.9
Surf Hardware International Asia Pty Ltd	Australia	99.9	99.9
Surf Hardware International Europe SARL	France	99.9	99.9
Surf Hardware International UK Ltd	England	99.9	99.9
OZ4U Holdings Pty Ltd	Australia	99.9	99.9
Sunbum Technologies Pty Ltd	Australia	99.9	99.9
Surf Hardware International USA Inc.	United States of America	99.9	99.9
Surf Hardware International Hawaii Inc.	United States of America	99.9	99.9
Surf Hardware International Japan KK	Japan	99.9	99.9
Surf Hardware International Pty Ltd	Australia	99.9	99.9
Surf Hardware International New Zealand Pty Ltd	New Zealand	99.9	99.9
Gowings Master Trust	Australia	100	100
1868 High Yield Trust	Australia	100	100
Gowings Life Sciences Trust	Australia	100	100
Gowing Bros Management Services Pty Ltd	Australia	100	100
Coastbeat Pty Ltd	Australia	100	100
Gowings Wholesale Property Fund	Australia	100	100
Coffs Central Pty Ltd	Australia	100	100
Coffs Central Sub-Trust	Australia	100	100
Port Central Pty Ltd	Australia	100	100
Port Central Sub-Trust	Australia	100	100
Kempsey Central Pty Ltd	Australia	100	100
Kempsey Central Sub-Trust	Australia	100	100

No other interests in subsidiaries or other entities (excluding joint ventures) were held by the Group in the 31 July 2026 financial year.

Non-controlling interests in subsidiaries and other interests of the Group are not material to the Group.

Significant Restrictions
Other than certain assets pledged as security detailed in note 27, there are no significant restrictions over the Group's ability to access or use assets, and settle liabilities, of the Group.

38. SHARE BASED PAYMENTS

The Deferred Employee Share Plan has been in operation since 2006 which allows fully paid ordinary shares to be issued for no cash consideration from shares held by the Plan. All Australian resident permanent employees and non-executive Directors are eligible to participate in the scheme. Employees may elect not to participate in the scheme.

Shares are acquired on-market prior to the issue. Shares issued under the scheme may not be sold until the earlier of three years after issue or cessation of employment of the Group. In all other respects the shares rank equally with other fully-paid ordinary shares on issue.

Options
Nil options were on issue at year end (2025: Nil).

39. EARNINGS PER SHARE

	31 July 2026	31 July 2025
Basic loss per share (cents)	(6.48)	(6.17)
Diluted loss per share (cents)	(6.48)	(6.17)
Weighted average number of ordinary shares on issue (basic and diluted)	53,893,852	53,336,221
Net loss after tax	($3,498,000)	($3,290,000)

40. PARENT ENTITY INFORMATION

The following information has been extracted from the books and records of the Company and has been prepared in accordance with Australian Accounting Standards:

Statement of Financial Position

	31 July 2026 $'000	31 July 2025 $'000
Assets		
Current assets	8,299	12,194
Non-current assets	209,250	207,169
Total assets	217,549	219,363
Liabilities		
Current liabilities	1,829	1,654
Non-current liabilities	30,288	27,555
Total liabilities	32,117	29,209
Net assets	185,432	190,154
Equity		
Issued capital	13,632	12,423
Capital profits reserve	90,503	90,503
Long term investment revaluation reserve	24,447	18,164
Retained profits	56,850	69,064
Total equity	185,432	190,154
Statement of Profit or Loss and other Comprehensive Income		
Net income /(loss) after income tax	2,706	(1,941)
Total comprehensive income	6,284	5,743

Parent entity contractual commitments

The Company has no contractual commitments other than uncalled capital commitments for private equities and development properties as noted in note 35 (2025: Uncalled capital commitments for private equities and development properties as noted in note 35).

40. PARENT ENTITY INFORMATION (CONTINUED)

Parent entity contingent liabilities
The Company has nil contingent liabilities at year end (2025: nil).

Parent entity guarantees in respect to debts of its subsidiaries
The Company has guaranteed the NAB Facility in respect of Gowings Surf Hardware International for $2,958,000 (2025: nil).

41. RECONCILIATION OF NET PROFIT TO NET CASH INFLOWS FROM OPERATING ACTIVITIES

	31 July 2026 $'000	31 July 2025 $'000
Loss from ordinary activities after income tax	(3,493)	(3,290)
Amortisation of lease incentives	841	711
Depreciation and amortisation	2,154	2,636
Net gain on the sale of development properties	(676)	(1,505)
Revaluation of investment properties to fair value	3,000	-
Revaluation of private equities to fair value	(853)	166
Revaluation of derivatives to fair value	(371)	391
(Increase) / decrease in receivables	(466)	219
(Increase) / decrease in prepayments	(647)	2,045
Decrease / (increase) in inventories	871	(2,417)
(Decrease) / increase in income taxes	(4,250)	(1,016)
(Decrease) / increase in employee entitlements	(19)	156
(Decrease) / increase other (FX)	(321)	(1,096)
Write off of fixed assets	39	51
Write off of intangibles	14	500
(Decrease) / increase in trade creditors and accruals	(248)	884
Other non-cash items	(224)	16
Net cash outflows from operating activities	(4,649)	(1,549)

42. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Liabilities from financing activities	Opening balance – 31 July 2025	Cash flows from financing activities	Gain on disposal	Additions and Lease Modifications	Closing balance – 31 July 2026
Borrowings[1]	95,865	9,078 [3]	-	-	104,943
Lease liabilities[2]	2,108	(1,336)		529	1,301

[1] Relates to current and non-current borrowings.
[2] Relates to current and non-current lease liabilities.
[3] Relates to the following cash flows from financing activities for the year ended 31 July 2026:

– Proceeds from borrowings	9,078
– Repayment of borrowings	-
	9,078

43. SUBSEQUENT EVENTS

The following subsequent events have occurred since the end of the financial year:

1. Group has announced a dividend since the end of the year which has been included in Note 33.

2. The Stage 4 development at Sawtell Commons for 26 lots has been registered with local council.

No other matters or circumstances have arisen which have significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

44. OTHER INFORMATION

Gowing Bros. Limited is incorporated and domiciled in New South Wales. The registered office, and principal place of business, is Suite 303, 35-61 Harbour Drive, Coffs Harbour, NSW, 2450.

Phone: 61 2 9264 6321
Facsimile: 61 2 9264 6240
Email: info@gowings.com
Website: www.gowings.com

Gowing Bros. Limited shares are listed on the Australian Securities Exchange.

The share register is maintained by Computershare Investor Services Pty. Limited, Level 3, 60 Carrington Street, Sydney NSW 2000, Telephone 1300 855 080, Overseas callers +61 (0)2 8234 5000, Facsimile + 61 (0)2 8234 5050.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 31 JULY 2026

Name of entity	Type of entity	Country of Incorporation	Ownership %	Trustee, partner or participant in a joint venture	Australian resident or foreign resident	Foreign jurisdiction of foreign resident
Gowing Bros Limited	Body corporate	Australia	-	n/a	Australian	n/a
Pacific Coast Developments 357 Pty Ltd	Body corporate	Australia	100	Trustee of Pacific Coast Developments 357 Fund, 1868 High Yield Trust, Gowings Life Sciences Trust	Australian	n/a
Pacific Coast Developments 357 Fund	Trust	Australia	99.9	n/a	Australian	n/a
1868 Capital Pty Ltd	Body corporate	Australia	100	Trustee of Gowings Wholesale Property Fund, Pacific Coast Developments 112 Fund, Gowings Master Trust	Australian	n/a
Pacific Coast Developments 112 Fund	Trust	Australia	99.9	n/a	Australian	n/a
Gowings SHI Pty Ltd	Body corporate	Australia	99.9	n/a	Australian	n/a
SHI Holdings Pty Ltd	Body corporate	Australia	99.9	n/a	Australian	n/a
Fin Control Systems Pty Ltd	Body corporate	Australia	99.9	n/a	Australian	n/a
Surfing Hardware International Holdings Pty Ltd	Body corporate	Australia	99.9	n/a	Australian	n/a
Surf Hardware International Asia Pty Ltd	Body corporate	Australia	99.9	n/a	Australian	n/a
Surf Hardware International Europe SARL	Body corporate	France	99.9	n/a	Foreign	France
Surf Hardware International UK Ltd	Body corporate	England	99.9	n/a	Foreign	England
OZ4U Holdings Pty Ltd	Body corporate	Australia	99.9	n/a	Australian	n/a
Sunbum Technologies Pty Ltd	Body corporate	Australia	99.9	n/a	Australian	n/a
Surf Hardware International USA Inc.	Body corporate	United States of America	99.9	n/a	Foreign	United States of America
Surf Hardware International Hawaii Inc.	Body corporate	United States of America	99.9	n/a	Foreign	United States of America
Surf Hardware International Japan KK	Body corporate	Japan	99.9	n/a	Foreign	Japan
Surf Hardware International Pty Ltd	Body corporate	Australia	99.9	n/a	Australian	n/a
Surf Hardware International New Zealand Pty Ltd	Body corporate	New Zealand	99.9	n/a	Foreign	New Zealand
Gowings Master Trust	Trust	Australia	100	n/a	Australian	n/a
1868 High Yield Trust	Trust	Australia	100	n/a	Australian	n/a
Gowings Life Sciences Trust	Trust	Australia	100	n/a	Australian	n/a
Gowing Bros Management Services Pty Ltd	Body corporate	Australia	100	n/a	Australian	n/a
Coastbeat Pty Ltd	Body corporate	Australia	100	n/a	Australian	n/a
Gowings Wholesale Property Fund	Body corporate	Australia	100	n/a	Australian	n/a
Coffs Central Pty Ltd	Body corporate	Australia	100	Trustee of Coffs Central Sub-Trust	Australian	n/a
Coffs Central Sub-Trust	Trust	Australia	100	n/a	Australian	n/a
Port Central Pty Ltd	Body corporate	Australia	100	Trustee of Port Central Sub-Trust	Australian	n/a
Port Central Sub-Trust	Trust	Australia	100	n/a	Australian	n/a
Kempsey Central Pty Ltd	Body corporate	Australia	100	Trustee of Kempsey Central Sub-Trust	Australian	n/a
Kempsey Central Sub-Trust	Trust	Australia	100	n/a	Australian	n/a

Directors' Declaration

1. In the directors' opinion:

   (a) the consolidated financial statements and notes set out on pages 28 to 63 are in accordance with the Corporations Act 2001, including:

      (i) complying with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

      (ii) giving a true and fair view of the Group's financial position as at 31 July 2026 and of its performance for the financial year ended on that date; and

   (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.

2. The notes to the consolidated financial statements include a statement of compliance with International Financial Reporting Standards.

3. The directors have been given the declarations by the chief executive officer and chief financial officer for the year ended 31 July 2026 required by section 295A of the Corporations Act 2001.

4. The consolidated entity disclosure statement required by 295A of the Corporation Act 2001 is true and correct as at 31 July 2026.

This declaration is made in accordance with a resolution of the directors.



J. E. Gowing
Executive Chairman and Managing Director

Coffs Harbour, NSW
29 October 2026

William Buck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Gowing Bros. Limited

As lead auditor for the audit of the financial report of Gowing Bros. Limited for the year ended 31 July 2026, I declare that, to the best of my knowledge and belief, there have been:

— No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

— No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Gowing Bros. Limited and the entities it controlled during the year.



William Buck (NSW)
ABN: 16 021 300 521



Rainer Ahrens
Partner

Sydney, 29 October 2026

Level 29, 66 Goulburn Street, Sydney NSW 2000 +61 2 8263 4000 nsw.info@williambuck.com
Level 7, 3 Horwood Place, Parramatta NSW 2150 +61 2 8263 4000 nsw.info@williambuck.com
Level 4, 23 National Circuit, Barton ACT 2600 +61 2 6126 8500 act.info@williambuck.com
williambuck.com

William Buck is an association of firms, each trading under the name of William Buck across Australia and New Zealand with affiliated offices worldwide.
Liability limited by a scheme approved under Professional Standards Legislation.

PRAXITY
A member of the Praxity Global Alliance

William Buck
ACCOUNTANTS & ADVISORS

Independent Auditor's Report to the Members of Gowing Bros. Limited

Report on the Audit of the Financial Report

Our opinion on the financial report

In our opinion, the accompanying financial report of Gowing Bros. Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 31 July 2026 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- The consolidated statement of financial position as at 31 July 2026;
- The consolidated statement of profit or loss and other comprehensive income for the year then ended;
- The consolidated statement of changes in equity for the year then ended;
- The consolidated statement of cash flows for the year then ended;
- Notes to the financial statements, including material accounting policy information;
- The consolidated entity disclosure statement; and
- The directors' declaration.

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 APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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.

KEY AUDIT MATTER	
Valuation of subregional and neighbourhood shopping centre investment properties	**How our audit addressed it**
The Group has subregional and neighbourhood shopping centre investment properties as at 31 July 2026 totalling $191 million. The valuation of the Group's investment properties requires significant judgement and the use of subjective assumptions and estimates in determining fair value, including selecting the appropriate valuation methodology, market rental rates, vacancy allowances and capitalisation rates. Due to the significant value attached to the investment properties in Group's consolidated financial statements, level of significant judgements and assumptions applied to determine the fair value of the Group's investment properties, this is considered to be a key audit matter.	We have performed procedures to respond to the risk of misstatement of investment properties, these procedures included: - Assessing the competence, capability, experience, independence and objectivity of external valuers appointed by management. - Evaluating the valuation methodology applied. - Testing the reliability and reasonableness of inputs to underlying contracts and supporting documentation. - Testing the appropriateness of assumptions and estimates with reference to historical rates and results, available market data, market conditions and other supporting documentation. - Checking mathematical accuracy of valuation calculations. We have also assessed the adequacy of the Group's disclosures with relevance to Australian Accounting Standards.
KEY AUDIT MATTER	
Valuation of Unlisted Equities	**How our audit addressed it**
The Group has investments of $20 million in a number of unlisted equities at 31 July 2026, which have been included in the Group's consolidated statement of financial position. Management assesses the value of these investments at least annually, using various valuation techniques, such as recent arm's length transactions, reference to other instruments that are of a similar nature and other market evidence. Due to the significant judgement involved in assessing the valuation of these assets, this is considered a key audit matter.	We have performed procedures to respond to the risk of misstatement of unlisted equities, these procedures included: - Assessing the valuation methodology applied by management. - Reviewing the valuation inputs including evidence of recent arm's length transactions and agreeing these transactions to external sources. - Reviewing the market data and other financial information. We have also assessed the adequacy of the Group's disclosures with relevance to Australian Accounting Standards.

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 31 July 2026, but does not include the financial report and our 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:

- 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
- 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:

- 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
- 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.

William Buck
ACCOUNTANTS & ADVISORS

Report on the Remuneration Report

Opinion on the Remuneration Report

In our opinion, the Remuneration Report of Gowing Bros. Limited, for the year ended 31 July 2026, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in pages 22 to 25 of the directors' report for the year ended 31 July 2026.

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.

William Buck (NSW)
ABN: 16 021 300 521

Rainer Ahrens
Partner

Sydney, 29 October 2026