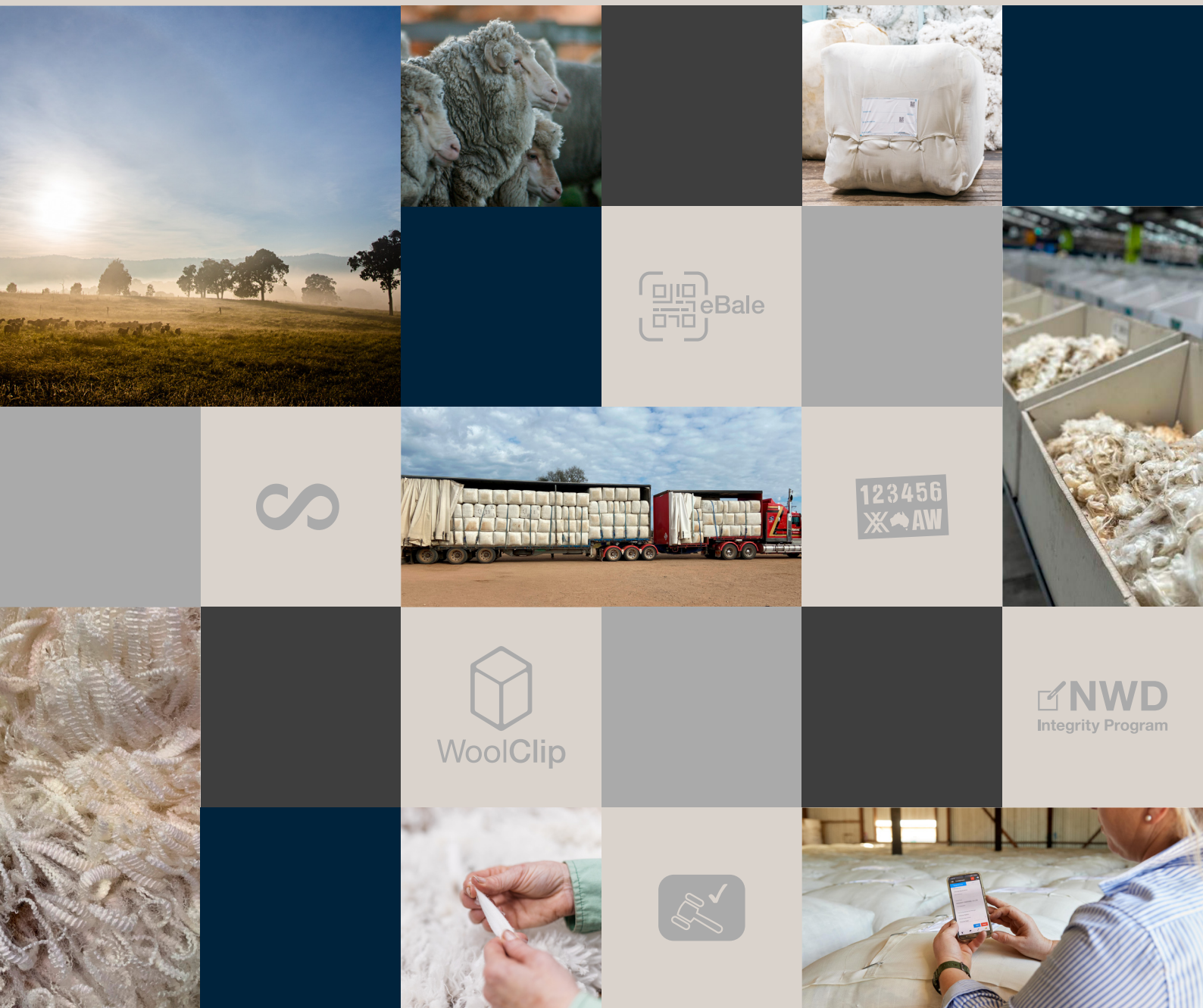


Annual Report

2024 / 2025



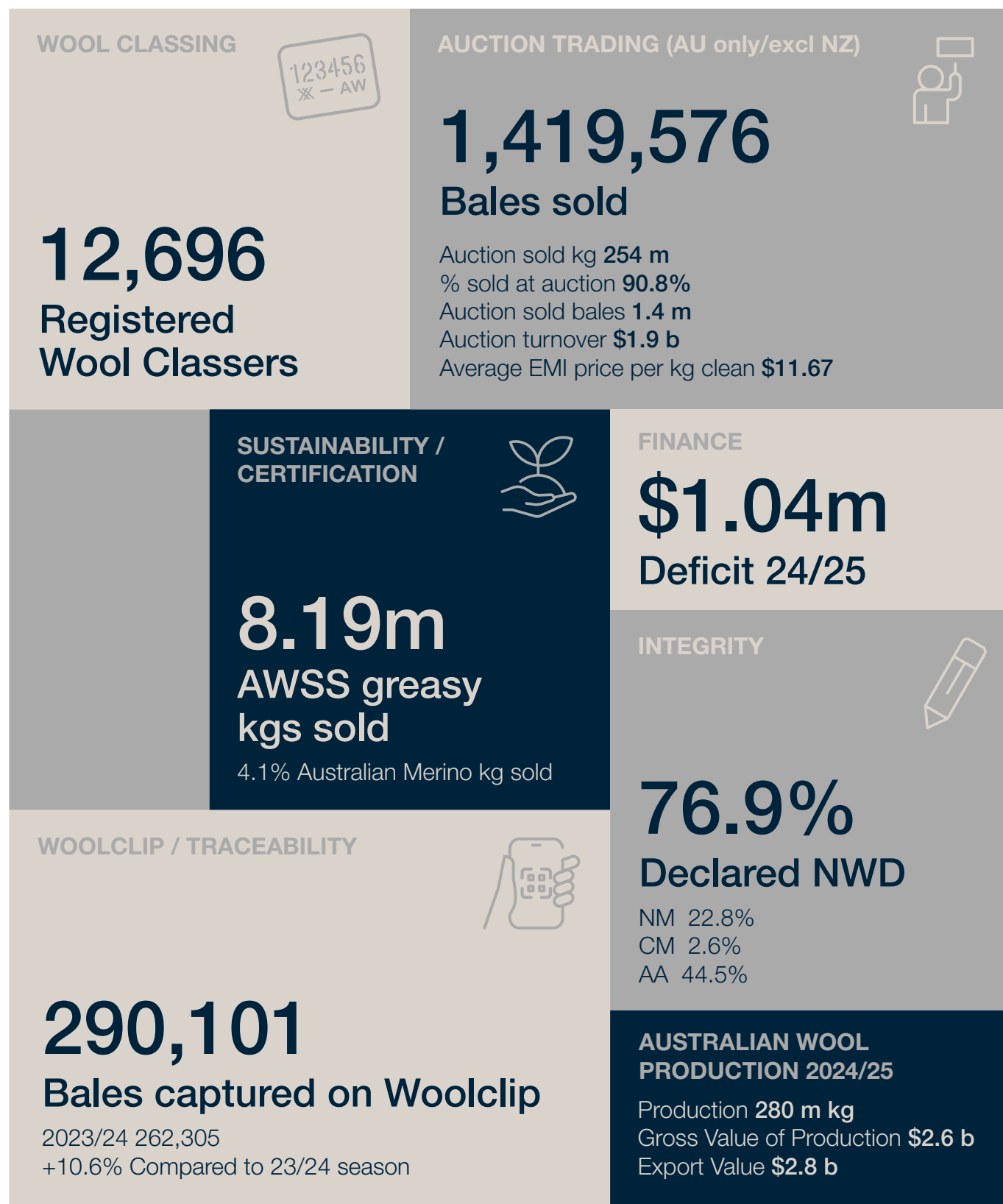
Australian Wool Exchange Limited A.B.N 35 061 495 565
Annual Report and Financial Statements
For the year ended 30 June 2025



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2025 at a Glance



Our Purpose

Delivering services that strengthen, inform and increase confidence in, the quality and integrity of Australian wool.

Our Products & Services



**Wool Classer Standards
& Classer Registration**

Wool Classer Standards & Classer Registration

Australia has a rich history of developing world leading wool skills and expertise. Australian Wool Classing demonstrates excellence in wool clip preparation that is recognised globally. AWEX registers and upholds the standards for recognised Wool Classers in Australia. Wool Classers must complete a recognised training course (Certificate III or IV) to register.

AWEX maintains high standards through the Code of Practice for the preparation of Australian wool clips, offering Masterclasser training, as well as regular feedback on clip preparation through weekly audits.



Wool pack standards & ePacks

AWEX sets and maintains Australia's wool pack standards for quality and supply chain efficiency. Since July 1, 2023, all wool packs imported into Australia are ePacks, featuring QR codes and RFID tags for digital data transfer and bale traceability. ePacks integrate with WoolClip, enabling tracking from farm to market, and their RFID technology is sought after by brokers, warehouses, and processors to streamline automation and processors to reduce errors, increase logistic efficiencies and implement automation.



Australia's Digital Wool Specification & On-Farm Data Capture Platform

WoolClip, Australia's online and mobile platform, enables the creation of digital wool specifications and consignments. Designed for Australian farms, it functions offline, links seamlessly with eBale, and transfers data to marketing organisations. WoolClip enhances data accuracy, speeds up market processes, and lays the groundwork for digital traceability from farm to processor. Australia is leading the world in using technology to capture on farm wool data.



Australian Wool Sustainability Scheme (AWSS)

AWSS is Australia's industry-led sustainability certification, that is fit-for-purpose for Australia's unique landscape and production systems, stringent regulatory standards, and industry best practices.

AWSS Certification leverages Wool Classing, WoolClip and eBales to enable the credible and efficient digital traceability from farm to first-stage processing.

AWSS offers two certifications:

- **SustainaWOOL™** wool from an AWSS Certified property whose sheep are non-mulesed or ceased-mulesed.
- **ResponsiWOOL™** wool from an AWSS Certified property whose sheep are mulesed with appropriate pain relief (or liquid nitrogen with appropriate pain relief).

Our Products & Services (continued)



The National Wool Declaration (NWD) and Integrity Program

Introduced in 2008, the NWD provides data to the market on the mulesing status of Australian wool for sale. This information is critical to maintain market access for Australian wool and supports buyers in making informed purchasing decisions.

To maintain confidence in the NWD, AWEX leads regular reviews of the program in consultation with industry, as well as undertaking a valued desktop and on-farm audit of declarations as part of the Integrity Program.



Auction, Information & Integrity Services

Wool Operations, Auction Management and Integrity Services

AWEX offers an auction management service to the Australian wool market and provides administrative and secretarial services to the National Auction Selling Committee (NASC).

To help underpin confidence in the Australian wool industry's auction process, AWEX also undertakes integrity checks across the market, conducting weekly sale audits on every sale lot for:

- Wool type (AWEX-ID) (on every lot)
- Clip preparation (classed & unclassed lots)
- Wool classer registration status (classed lots)
- AWSS SustainaWOOL or ResponsiWOOL eligibility (declared and undeclared lots)



Market Information Services

AWEX Market Information Services delivers timely, relevant data and insights into the Australian wool market through daily, weekly, monthly, and annual reports. These reports form the benchmark for wool pricing, trends, and market dynamics both nationally and globally.

With subscriptions, users can access:

- AWEX Online — real-time auction data, historical statistics, and deep-dive analytics in dashboards, tables, and charts
- Email reports — daily and weekly summaries delivered directly to your inbox
- E3 auction viewer — a customisable platform allowing users to choose fields they want to see, store custom types/recipes and view auction lots that meet their criteria
- SMS alerts — brief daily market updates on the move
- Customised reports — tailored analyses based on micron, length, strength, and vegetable matter, with both one-off and recurring delivery options.

Through these channels, AWEX helps support an informed wool market.

Chair's Report 2025



Andreas Clark
Chair

“AWEX continues to evolve with the industry, investing in tools and programs that drive efficiency and uphold the quality and integrity of Australian wool.”

The past year has again highlighted both the challenges and opportunities facing the Australian wool industry. Seasonal variability, cost pressures and the evolving demands of global markets continue to shape the environment in which our members operate. Against this backdrop, AWEX has remained focused on its core responsibility: providing the systems, standards and services that underpin integrity, efficiency and trust in Australian wool.

Central to this has been the continued development of the Australian Wool Sustainability Scheme (AWSS). The Scheme is now firmly established as the industry's bespoke sustainability certification program, providing a credible and practical framework for wool growers to demonstrate their practices to supply chain partners and international markets. Developed in response to industry's call for a standard built for Australian conditions, the AWSS aligns with existing systems and regulatory requirements and, importantly, leverages digital traceability and certification to save time and reduce costs. It ensures Australian wool remains competitive in markets where sustainability assurance is no longer optional but increasingly a precondition for access.

In parallel, AWEX has continued to strengthen the digital infrastructure that is pivotal to the industry's future. WoolClip and eBale are now widely recognised as essential traceability tools, simplifying documentation, reducing errors, and providing property and bale level visibility increasingly demanded by regulators and customers.

During the year, AWEX again secured grant support from the Australian Government's agricultural traceability program, enabling further development and adoption of these tools. This investment cements WoolClip and eBale as the digital backbone of traceability in our industry and ensures their integration into the Australian Wool Traceability Hub (AWTH) - the collective industry initiative designed to enhance supply chain visibility and support Australian wool's Emergency Animal Disease response plan.

These advances in sustainability certification and digital traceability are not isolated achievements but part of a broader strategy of collaboration and integration. AWEX has worked closely with growers, brokers, private treaty merchants, exporters, processors and brand partners to ensure our programs and services are both rigorous and practical. This spirit of collaboration has also extended across industry organisations, with a shared recognition that alignment is essential if Australian wool is to maintain and strengthen its global reputation.



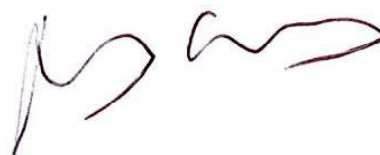
Chair's Report 2025 (continued)



While the operating environment remains challenging, the opportunities are equally clear. Australian wool continues to be highly valued for its natural and renewable qualities, and with credible sustainability certification and modern traceability systems in place, the industry is well positioned to reinforce its value proposition to discerning global customers.

On behalf of the Board, I extend my thanks to my fellow Directors for their commitment and counsel, to our outgoing Chief Executive Officer, Mark Grave, for his many years of dedicated leadership, and to his successor, Charlie McElhone, for seamlessly taking the reins from July. I also thank the executive team and all AWEX staff for their professionalism and drive. Most importantly, I acknowledge growers, Wool Classers, brokers, private treaty merchants, exporters and processors for their continued engagement with AWEX programs. It is through this collective effort that we uphold the integrity, quality and competitiveness of Australian wool.

AWEX has entered 2025/26 with a clear focus on embedding sustainability certification through the AWSS, continuing to drive adoption of WoolClip and eBale, and deepening collaboration across the industry. These priorities are pivotal to safeguarding the future of Australian wool and ensuring its continued relevance in global markets.



Andreas Clark
Chair

October 2025

CEO Report 2025



Charles McElhone
CEO

“AWEX is leading the agenda to digitise the wool supply chain, while delivering claim validation and verification, and data flows within the sector that are the envy of our competitors. In future, a collaborative approach to embedding these outcomes for industry will be critical for the success of these initiatives.”

It has been an honour to step into the role of CEO at AWEX and to continue to progress the important role of strengthening, informing and building confidence in the quality and integrity systems underpinning the Australian wool industry. I am driven to ensure that the organisation plays a proactive role in setting the Australian wool industry up for a more positive future.

I recognise that I have come into this position during a challenging time for the wool industry with shrinking volumes on the back of slim profit margins, intense competition and poor seasonal conditions across many wool growing regions. While industry sentiment has been at a low point, there is a clear mood for change and a willingness to engage and cooperate within industry that I am advised has not been like this for some time. I am determined to leverage this mood for collaboration and am looking forward to leading AWEX to work with the industry to navigate through this period.

In the short time that I have been with AWEX, I have had the opportunity to meet with many key stakeholders and hear diverse perspectives on the current pressures, expectations and opportunities facing wool. There are clear parallels with other agricultural sectors – particularly in the growing need for credible data, practical systems and strong relationships across the value chain.

I sense a recognition that the culture of division has held the industry back for too long and there needs to be a rethinking of the way we engage and debate industry issues. Industry is craving new solutions and there is a strong desire to rally all of industry support behind a proactive agenda.

In AWEX, I see an organisation that is listening to industry and leading the development of innovative products and services like WoolClip, eBale and the Australian Wool Sustainability Scheme (AWSS) that will help Australian wool to meet the ever-increasing market demands for quality, traceability and sustainability. AWEX needs to be congratulated for its proactive approach to delivering new innovations for the wool industry like these that will be critical for the future of the industry. The digitisation of the wool supply chain, claim validation and verification, and data flows within the sector through tools like WoolClip, eBale and the AWSS are outstanding and the envy of our competitors.

The wool industry continues to navigate a future where certification is becoming essential to maintaining access to premium global markets and building demand for Australian wool. AWEX is at the forefront of this discussion with the work that it has done to develop the AWSS. The broader market environment for the wool industry has definitely provided obstacles for generating support for the AWSS. However, despite these challenges, AWEX remains committed to delivering a certification product that maintains the integrity required by the market for sustainability certified wool. It is now a critical period for the AWSS to ensure that it generates the level of support that it requires to be successful.

CEO Report 2025 (continued)



We know that the Australian wool industry is right behind AWEX in this journey. It has been extremely pleasing to see Wool Industries Australia (WIA) announce its support for the AWSS, recognising it as the preferred certification framework for Australian greasy wool. WIA's support for AWSS reflects its unique position in being designed for Australian conditions, production systems and regulations, while reducing costs and complexity by leveraging the nation's world-class integrity systems. These include on-farm traceability tools such as WoolClip and eBale, the data validation systems within the Australian Wool Traceability Hub, as well as the internationally respected standards of Australian wool classing, which is a highly valued feature of buying Australian wool.

As a result, we are starting to see leveraging opportunities emerge across the industry to drive the success of the AWSS. At an industry organisation level, WIA members are looking to mobilise resources and offer insights to make sure that the benefits of the AWSS are being recognised by wool growers through to end customers and this offers significant opportunities to build global support. The development of the AWSS Partners Program combined with the Step-Up Bonus incentive has also attracted solid support from individual grower, broker and exporter businesses which is helping to spread the message across the supply chain. As a small service provider for the wool industry, AWEX will continue to relying on this industry support to spread the word and engage at all levels for this important agenda.

I have been lucky enough to arrive at AWEX to experience the significant milestone of the millionth bale being processed through WoolClip. This achievement represents how far WoolClip has come since its launch and the growing confidence of the industry in digital tools that make wool handling smarter, faster, and more transparent. WoolClip was first developed to simplify and modernise the way wool is documented, declared, and consigned. What began as an idea to remove duplication and errors in paperwork has grown into a trusted digital platform used by thousands of wool growers, Wool Classers, selling agents, and warehouses across Australia. It has become an integral part of how our industry works. We must thank the wool growers, Wool Classers, selling agents, wool handlers, and warehouses who use WoolClip every day and continue to show confidence in its value.

The benefits of digitisation of the wool supply chain are immense and are being reinforced by the continued adoption of eBale traceability. In just two short years since their launch, RFID and QR code enabled Woolpacks already comprise between 80–90% of the total bales on the market. This is opening up countless traceability and efficiency opportunities for the industry and commercial organisations are leaning into the development of new initiatives that utilise this eBale technology for their own commercial interests as well. The full benefits for industry are yet to be realised and will still require the majority of the old woolpacks to wash through the system but this is happening faster than most had anticipated.



CEO Report 2025 (continued)



I recognise that AWEX still has a job to do to improve the understanding of AWEX products and services and the value they generate. We are an organisation that has traditionally flown under the radar, chipping away in the background to deliver for industry. However, as the AWEX agenda has evolved, so too has our requirement to be a more outward facing organisation that has a presence in the wool supply chain. This has led to increased efforts to both communicate and educate the market about AWEX products and services while also refining the way we engage with industry participants. We look forward to showcasing these enhancements over the coming period and seeing how improved performance and results start to flow through.

There is still so much to be done to embed AWEX tools and services, but I know I am with an organisation that is well positioned to deliver. On this point, I would like to acknowledge Mark Grave for his leadership over many years as CEO of AWEX prior to my arrival and thank him and the broader AWEX team for their long-standing commitment to servicing the industry and driving innovations such as these. Their foresight has provided the industry with a platform that can ensure that the wool industry is recognised as a modern, vibrant and innovative industry of the future that governments and industry want to invest in.

I am grateful for the opportunity to step into this role and am committed to ensuring that AWEX engages and listens to all of industry to navigating what lies ahead.



Charles McElhone
CEO

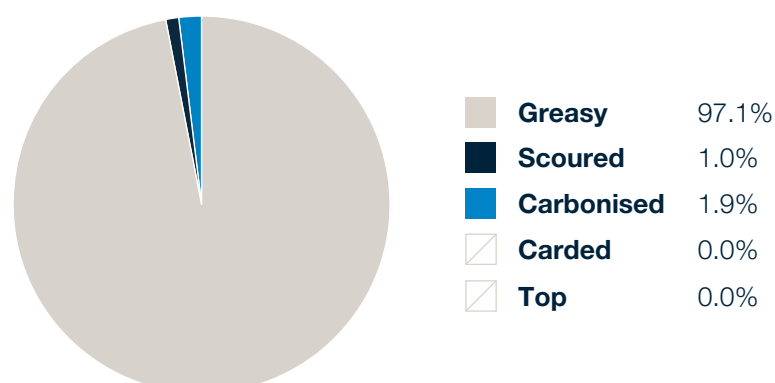
October 2025

The Market in Review

Top Export Destinations 2024–25

Destination	Greasy Equivalent kg	% of Total	% Change
China	251,868,101	85.3%	-11.7%
India	15,962,796	5.4%	-6.4%
Italy	7,840,879	2.7%	-17.7%
Czech Republic	6,165,639	2.1%	-19.0%
Korea, Republic of	3,701,851	1.3%	-39.6%
Thailand	2,200,307	0.7%	-20.2%
Bulgaria	1,379,714	0.5%	-0.8%
Egypt	1,338,790	0.5%	-17.7%
United Kingdom	1,072,184	0.4%	-12.0%
United Arab Emirates	671,252	0.2%	-7.0%
Germany	493,245	0.2%	-56.8%
Turkiye	475,499	0.2%	13.5%
South Africa	327,090	0.1%	36.8%
USA	324,209	0.1%	-5.4%
Mexico	315,393	0.1%	-2.3%
Others	1,068,655		
Total	295,205,605		

Export Summary by Class (% of mass kg)



Micron Price Guides



2023/24 close: 1679
2024/25 close: 1666
 -13 (-0.8%)

	2022/23	2023/24	2024/25
Season Maximum	2751	1970	1743
Season Average	2279	1763	1675
Season Minimum	1793	1650	1600



2023/24 close: 1395
2024/25 close: 1505
 +110 (+7.9%)

	2022/23	2023/24	2024/25
Season Maximum	1780	1498	1585
Season Average	1616	1426	1450
Season Minimum	1399	1376	1326



2023/24 close: 1301
2024/25 close: 1412
 +111 (+8.5%)

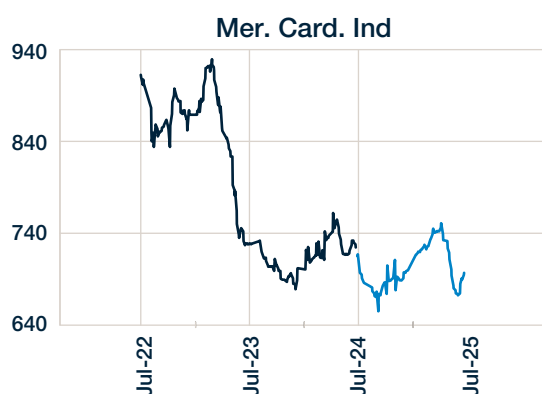
	2022/23	2023/24	2024/25
Season Maximum	1567	1383	1522
Season Average	1384	1316	1363
Season Minimum	1242	1259	1232

Micron Price Guides (continued)



2023/24 close: 384
2024/25 close: 470
 +86 (+22.4%)

	2022/23	2023/24	2024/25
Season Maximum	417	408	475
Season Average	347	358	408
Season Minimum	290	310	360

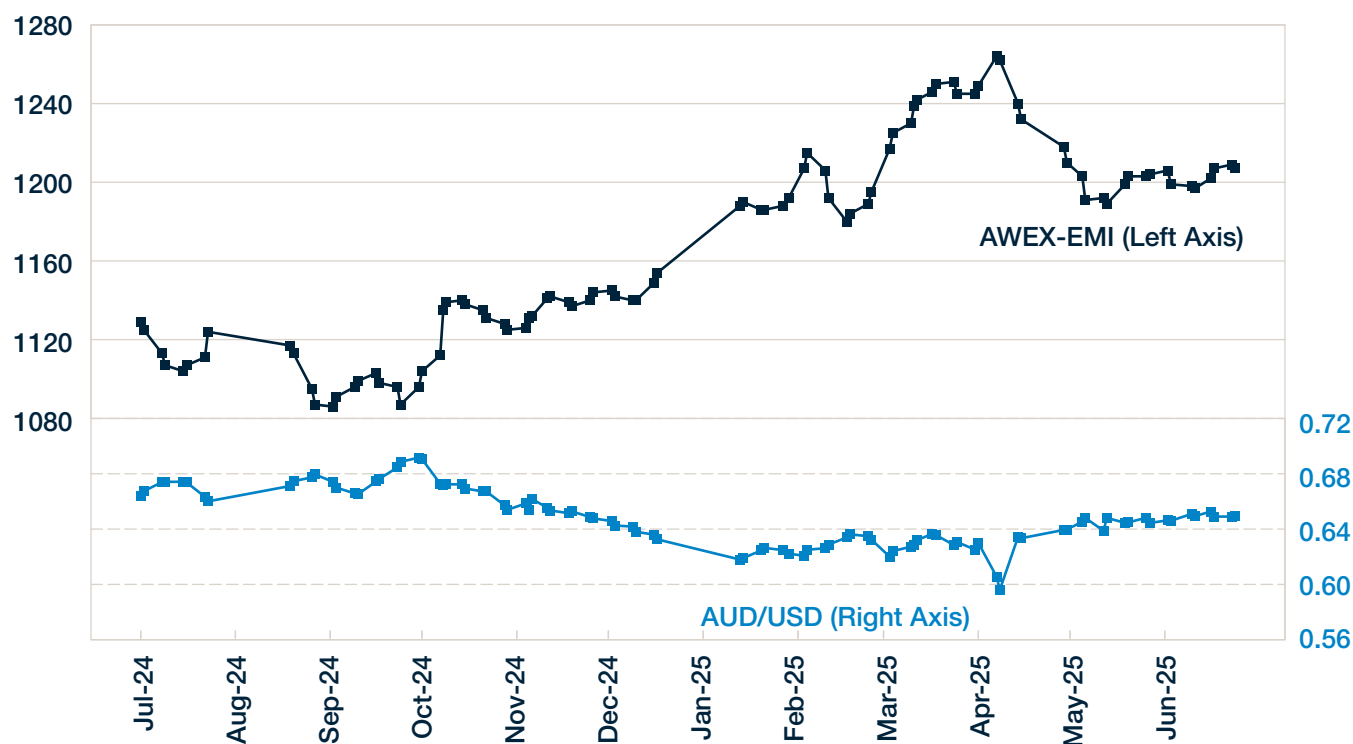


2023/24 close: 725
2024/25 close: 697
 -28 (-3.9%)

	2022/23	2023/24	2024/25
Season Maximum	931	778	751
Season Average	856	715	703
Season Minimum	708	676	645

The Market in Review

AWEX – Eastern Market Indicator



The Market in Review (continued)

Key Statistics

	18/19	19/20	20/21	21/22	22/23	23/24	24/25
AWEX EMI (ave.)	1944	1459	1206	1385	1301	1157	1167
AWEX EMI USD (ave.)	1390	975	908	1004	876	756	757
AUD (\$ US)	0.714	0.666	0.725	0.752	.6729	.6533	.6490
Sheep Shorn (Mil.)	72.5	68.6	66.9	71.6	71.5	71.6	63.0
Wool Prod. (Mkg)	300 m.	284 m.	294 m.	324 m.	328 m.	318	280
Auction Offered (AU – Mkg)	295.2 m.	259.4 m.	316.3 m.	329.4 m.	330.7 m.	321.6	276.2
Auction Sold (AU Mkg)	264.2 m.	215.3 m.	279.8 m.	287.7 m.	287.3 m.	296.8	254.3
Auction Sold (AU Bales)	1,484,744	1,206,493	1,558,820	1,608,032	1,607,799	1,659,483	1,419,576
Auction Sold (\$ Billion)	\$ 3.17 b.	\$ 1.95 b.	\$ 2.22 b.	\$ 2.59 b.	\$ 2.42 b.	\$ 2.24	\$ 1.94
19 MPG premium over 21 MPG (¢kg clean)	63 ¢	61 ¢	245 ¢	380 ¢	237 ¢	110 ¢	94 ¢
Export destinations (% market share)	China 74.6%	China 77.5%	China (84.4%)	China 79.0%	China 80.6%	China 84.9%	China 85.3%
	India 5.7%	India 5.2%	Czech Rep. (4.0%)	India 4.9%	India 6.3%	India 4.9%	India 5.4%
	Italy 4.8%	Italy 4.5%	India (3.7%)	Italy 4.8%	Italy 4.0%	Italy 2.7%	Italy 2.7%

Members as at 30 June 2025

Trading Members

ACF Wool Traders Pty Ltd	Ostini Wool Pty Ltd
AR Rhodes & Co (Wool) Pty Ltd	PJ Morris Wools Pty Ltd
Australian Merino Exports Pty Ltd	Quality Wool Pty Ltd
Australian Wool & Pastoral Agency Limited	Riverina Wool (Aust) Pty Ltd
Australis Wool Pty Ltd	S & G Cotton Australia Pty Ltd
AWN Rural Pty Ltd	Saunders Wool Pty Ltd
BA Moses Pty Ltd	Scanlan Wools Pty Ltd
Barwon & Yarra Valley Wool Brokers Pty Ltd	Segard Masurel (Australia) Pty Ltd
Beecher Wool Services	Sequoia Materials Industry Group Australia Pty Ltd
Bryton Wool Pty Ltd	Spearwood Wool Pty Ltd
Coggan Wool Pty Ltd	Swan Wool Processors Pty Ltd
Don Macdonald Woolbrokers Pty Ltd	Taiyuan International (Australia) Pty Ltd
Dyson Jones Wool Marketing Services	Techwool Trading Pty Ltd
Elders Rural Services Ltd	The New Zealand Merino Company Ltd
Endeavour Wool Exports Pty Ltd	Tianyu Wool Pty Ltd
EP Robinson Pty Ltd	Tradeswool Country Woolbuyers Pty Ltd
Fletcher International Exports Pty Ltd	United Wool Company Pty Ltd
Fox & Lillie Pty Ltd	Victoria Wool Processors Pty Ltd
Fremantle Wool Trading Company Pty Ltd	Vitale Barberis Canonica Wool
G Schneider Australia Pty Ltd	Watswool Pty Ltd
Gordon Litchfield Wool Pty Ltd	Westcoast Wool Unit Trust
Hodge Wool Pty Ltd	Williams Wool Export Pty Ltd
Jemalong Wool Unit Trust	Wool Agency Co Pty Ltd
Kathaytex International Pty Limited	Yeoward & Co
Landini and Co	
Lempriere (Australia) Pty Ltd	
Michell Wool Pty Ltd	
Modiano Australia Pty Ltd	
Natsun Australia Pty Ltd	
Nutrien Ag Solutions	

Members as at 30 June 2025 (continued)

Associate Members

Australian Wool Innovation Ltd
Department of Primary Industries and Regional Development
The Australian Superfine Wool Growers' Association Inc

Grower Members

Bickleigh Hillburn Pty Ltd
Bloomfield Pastoral Company
Carnbrae Harden Pastoral Co
Cavanagh Farming
Hamblin & Co
Ian Aubrey
Ian Burbury
Kentucky Pty Limited
Kildara Pastoral Co
KM & YC Gill
Paling Yards Trading Co
RD & AM Pietsch T/A Terlinga Partnership
The Mutooroo Pastoral Company Pty Ltd
Werong Partnership
WoolProducers Australia Ltd

Directors' Report

The Directors present their report together with the financial report of Australian Wool Exchange Limited, ("the Company" or "AWEX"), for the year ended 30 June 2025 and auditor's report thereon.

Directors names

The names of the Directors in office at any time during or since the end of the year are:

Mr. Andreas Clark
 Mr. Steven Harrison (retired 22 November 2024)
 Mr. Peter King
 Mr. Martin Moses
 Mr. Geoffrey Beath OAM
 Mr. Jonathon White
 Mr. Simon Riddle (appointed 22 November 2024)
 Mr. Andrew Luxton (appointed 22 November 2024)

The Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Results

The deficit of the Company for the year after providing for income tax amounted to \$1,040,884 (2024: deficit of \$1,103,751).

Review of operations

The Company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant changes in state of affairs

There were no significant changes in the Company's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

Principal activities

Australian Wool Exchange Limited is a member services organisation. Australian and international members include wool brokers, processors, exporters, private treaty merchants, wool producers, and industry associations.

The principal activities of the Company are to support the Australian Wool Industry by achieving the following objectives;

Objectives

The objectives for which AWEX was established are set out in its Constitution and are to:

- Establish and provide an internationally competitive system for the fair, efficient and informed trading of Australian wool.
- Encourage competition.
- Facilitate self-regulation amongst market participants; and
- Develop and implement innovations, for the benefit of all wool market participants.

Product and services

AWEX achieves these objectives by offering:

- Quality Assurance and Integrity Programs,
- Market Information,
- Appraisal,
- Clip Inspection, and
- Other services to all wool industry participants.

In addition, AWEX engages with members and industry through various committees and working groups to:

- Establish and review wool preparation standards which encourage competition in a self-regulated market.
- Manage wool pack quality; and
- Manage, monitor, and review the registration of Wool Classers.

AWEX also carries out projects into various wool related activities with a view to increasing efficiency.

Directors' Report (continued)

After balance date events

No matters or circumstances have arisen since the end of the financial year which 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.

Indemnification of officers

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an officer of the Company.

Indemnification of auditors

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the Company.

Membership

Australian Wool Exchange is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee and without share capital. If the Company is wound up, the Constitution states that each member undertakes to contribute to the property of the company a maximum of \$5 towards meeting any outstanding obligations of the Company. Whilst the Directors do not believe that any contribution will be required in the event of the Company being wound up, the maximum collective liability of members at 30 June 2025 is \$360 (2024: \$375).

The number of members as at 30 June 2025 and the comparison with the prior year is as follows:

	2025	2024
Trading	54	57
Grower	15	15
Associate	3	3
Total	72	75

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 60-40 of the *Australian Charities and Not-For-Profits Commission Act 2012* (ACNC Act) is attached to this Directors' Report.

Signed in accordance with a resolution of the Directors.

Director: Peter King



Chair: Andreas Clark



Dated this 17th day of September 2025



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Auditor's Independence Declaration
To the Directors of Australian Wool Exchange Limited
ABN 35 061 495 565

In accordance with section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, I declare to the best of my knowledge and belief in relation to the audit of the financial report of Australian Wool Exchange Limited for the year ended 30 June 2025, there have been:

- i. no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the audit.



C I Chandran
Partner

Pitcher Partners
Sydney

17 September 2025

Statement of income and retained earnings

For the year ended 30 June 2025	Note	2025	2024
		\$	\$
Revenue and other income			
Revenue from ordinary activities	3	6,039,517	6,033,080
Other revenue	3	711,200	616,285
Other income		(13,790)	—
		6,736,927	6,649,365
Less: expenses			
Direct product expenses	4	(1,421,415)	(1,409,898)
Depreciation and amortisation expense	4	(495,864)	(449,039)
Employee benefit expense	4	(3,831,165)	(3,816,460)
Occupancy expense		(353,138)	(389,763)
Travel expense		(202,788)	(238,768)
Technology expense		(583,439)	(544,632)
Board expense		(247,014)	(260,847)
Consulting expense		(109,623)	(141,327)
Other expenses		(533,365)	(502,382)
		(7,777,811)	(7,753,116)
Deficit for the year before income tax expense		(1,040,884)	(1,103,751)
Income tax expense	1(d)	—	—
Deficit from ordinary activities after related income tax expense		(1,040,884)	(1,103,751)
Opening retained earnings		7,190,199	8,293,950
Deficit attributable to members of the company		(1,040,884)	(1,103,751)
Retained earnings at the end of the year		6,149,315	7,190,199

The accompanying notes form part of these financial statements.

Statement of financial position

As at 30 June 2025	Note	2025	2024
		\$	\$
Current assets			
Cash and cash equivalents	5	3,689,183	2,514,263
Trade receivables	6	16,404	120,589
Inventories	7	–	64,200
Other assets	8	504,020	435,313
Total current assets		4,209,607	3,134,365
Non-current assets			
Other financial assets	9	5,421,814	4,427,473
Intangible assets	10	1,637,599	1,771,361
Property, plant and equipment	11	275,328	417,825
Other assets	8	497,057	–
Total non-current assets		7,831,798	6,616,659
Total assets		12,041,405	9,751,024
Current liabilities			
Trade and other payables	12	631,809	642,002
Lease liabilities	13	123,144	87,869
Provisions	14	640,796	696,619
Other financial liabilities		13,790	–
Other liabilities	15	1,946,604	817,112
Total current liabilities		3,356,143	2,243,602
Non-current liabilities			
Lease liabilities	13	136,814	282,561
Provisions	14	25,939	34,662
Other liabilities	15	2,373,194	–
Total non-current liabilities		2,535,947	317,223
Total liabilities		5,892,090	2,560,825
Net assets		6,149,315	7,190,199
Members' Fund			
Retained earnings	22	6,149,315	7,190,199
Total Members' Funds		6,149,315	7,190,199

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 30 June 2025	Note	2025	2024
		\$	\$
Cash flow from operating activities			
Receipts from customers		10,270,479	4,662,012
Payments to suppliers and employees		(8,351,895)	(7,183,361)
Interest received		113,768	210,195
Interest paid		(19,038)	(27,107)
Distributions received		202,721	140,824
Net cash provided by /(used in) operating activities		2,216,035	(2,197,437)
Cash flow from investing activities			
Payment for property, plant & equipment		(20,354)	(23,460)
Payment for other financial assets		(599,630)	(254,599)
Payment for intangible assets		(310,660)	(409,112)
Net cash used in investing activities		(930,644)	(687,171)
Cash flow from financing activities			
Principal portion of lease payments		(110,471)	(98,735)
Net cash used in financing activities		(110,471)	(98,735)
Reconciliation of cash			
Cash at beginning of the financial year		2,514,263	5,497,606
Net increase/(decrease) in cash held		1,174,920	(2,983,343)
Cash at end of financial year	5	3,689,183	2,514,263

The accompanying notes form part of these financial statements.

Notes to financial statements

for the year ended 30 June 2025

Note 1: Summary of material accounting policies

General information

The financial report is a general purpose financial report that has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards - Simplified Disclosures, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

The financial report covers Australian Wool Exchange Limited ("the Company" or "AWEX") as an individual entity. Australian Wool Exchange Limited is a Company limited by guarantee, incorporated and domiciled in Australia. Australian Wool Exchange Limited is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the Directors at the date of the Directors' report.

Material accounting policies

The following material accounting policies have been applied in the preparation and presentation of the financial report.

(a) Basis of preparation

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

Functional currency and presentation currency

The financial report is presented in Australian dollars, which is the functional currency of Australian Wool Exchange Limited.

Going Concern

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

Significant accounting estimates and judgements

The preparation of the financial report requires the use of certain estimates and judgements in applying the Company's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the financial statements.

(b) Property, plant and equipment

Each class of plant and equipment is measured at cost or deemed cost where applicable, less any accumulated depreciation and any impairment in value. Assets are depreciated on a straight-line basis to write off the net cost of each item over its expected useful life to the company.

Class of fixed asset	Useful lives	Depreciation basis
Leasehold improvements	3–5 years	Straight line
Plant and equipment	3–10 years	Straight line
Furniture, fixtures and fittings	3–5 years	Straight line

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

Notes to financial statements

for the year ended 30 June 2025 (continued)

Note 1: Summary of material accounting policies (continued)

(c) Intangible assets

Development activities involve a plan or design to produce new or substantially improved products or processes. Development expenditure is capitalised only if development costs can be measured reliably, future economic benefits are probable, and AWEX intends to and has sufficient resources to complete development and use the asset. The expenditure capitalised includes professional service fees, direct labour and licence fees that are directly attributable to preparing the asset for its intended use. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Class of intangible asset	Useful life
Software development	3–10 years

(d) Income tax

No provision for income tax has been raised as the Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(e) Revenue from contracts with customers

Revenue from the sale of goods or services is recognised as, or when, goods or services are transferred to the customer, and is measured at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the goods or services.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to AWEX, and the revenue can be reliably measured.

The following provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

(i) Bale label

Performance obligations are satisfied at the time control of the goods has been transferred to the customer. Revenue is recognised upon delivery of bale label order.

(ii) Wool Classer

Classer registration fees are payable in advance every triennium, current triennium is 2025–2027. Revenue is recognised for registration fees over the 36 months registration period.

(iii) Service fees

Performance obligations are satisfied upon services being delivered. Revenue is recognised upon all services being delivered.

(iv) Membership and Subscription fees

Membership and subscription fees are payable annually in advance. Revenue is recognised for fees over 12 months.

All revenue is stated net of the amount of goods and services tax (GST).

Notes to financial statements

for the year ended 30 June 2025 (continued)

Note 1: Summary of material accounting policies (continued)

(f) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the Statement of Financial Position.

(ii) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover.

(iii) Superannuation

The company makes superannuation contributions to the employee's defined contribution superannuation plan of choice in respect of employee services rendered during the year. These superannuation contributions are recognised as an expense in the same period when the related employee services are received.

(g) Goods and services tax (GST)

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

- where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.
- receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the statement of financial position.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks and term deposits. Cash at bank earns interest at floating rates based on daily bank deposit rates.

The maximum term for any term deposit held with banks is 12 months.

AWEX has a bank guarantee in respect of leased property to the amount of \$103,538 (2024: \$93,301) at year end. The bank guarantees are secured using a secured term deposit which restricts the use of this facility. Secured term deposit is a fixed term bank deposit with a term ranging from one month and six months that is used as security for the leased property bank guarantee facility.

Notes to financial statements

for the year ended 30 June 2025 (continued)

Note 1: Summary of material accounting policies (continued)

(i) Financial assets

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Recognition of financial assets are designated at fair value through profit or loss. Upon initial recognition, directly attributable transaction costs are recognised in the statement of profit or loss and retained surpluses when incurred.

Derecognition of a financial asset (or, where applicable, a part of financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired.
- AWEX retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without any material delay to a third party under a 'pass-through' arrangement; or
- AWEX has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risk and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Classification of financial assets

Financial assets recognised by the Company are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the company irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- the lifetime expected credit losses of the financial asset, for those other receivables for which a significant increase in credit risk has been identified, reflecting credit losses that are expected to result from default events over the life of the financial asset; and

- the 12-month expected credit losses of the financial asset, for those other receivables for which no significant increase in credit risk has been identified, reflecting the portion of lifetime expected credit losses that are expected to result from default events within twelve months after the end of the reporting period.

Impairment of financial assets

The Company 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 Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since the 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 the 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 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.

(j) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

Notes to financial statements

for the year ended 30 June 2025 (continued)

Note 2: Significant accounting estimates and judgements

In the process of applying the Company's accounting policies, management makes various judgements that can significantly affect the amounts recognised in the financial statements. In addition, the determination of carrying amounts of some assets and liabilities require estimation of the effects of uncertain future events. Outcomes within the next financial year that are different from the assumptions made could require a material adjustment to the carrying amounts of those assets and liabilities affected by the assumption.

The following outlines the major judgements made by management in applying the Company's accounting policies and/or the major sources of estimation uncertainty, that have the most significant effect on the amounts recognised in the financial statements and/or have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(a) Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The depreciation charge will increase where the useful lives are less than previously estimated lives, or non-strategic assets that have been abandoned or sold will be written off or written down.

(b) Impairment of financial assets

The Company assesses the impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers. There were no impairments during the year.

(c) Lease term

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Company recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. In order to measure a lease asset and corresponding lease liability, the Company is required to make a determination of the lease term. This determination includes an assessment of whether the Company is reasonably certain to exercise an option to extend the lease or to purchase the underlying asset, or not to exercise an option to terminate the lease. In making this judgement, the Company considers all relevant facts and circumstances that create an economic incentive for the Company to exercise, or not to exercise, the option, including any expected changes in facts and circumstances from the commencement date of the lease until the exercise date of the option.

(d) Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the lease asset, with similar terms, security and economic environment.

Notes to financial statements (continued)

Note 3: Revenue from ordinary activities

For the Year ended 30 June 2025	2025	2024
	\$	\$
Operating Activities		
Sale of goods – Bale labels	3,163,245	2,983,696
Wool classer registration fees	1,591,739	1,644,101
Service fees	634,892	748,732
Membership joining and annual subscription fees	649,641	656,551
	6,039,517	6,033,080
Other Income		
Interest and distributions received	316,489	303,218
Fair value gain on investments	394,711	313,067
	711,200	616,285
Total revenue from Ordinary Activities	6,750,717	6,649,365

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by major products and service lines and timing of revenue recognition.

	Bale labels	Wool Classer	Service fees	Membership & Subscriptions	Total
	\$	\$	\$	\$	\$
2025					
Timing of revenue recognition					
At a point in time	3,163,245	–	634,892	–	3,798,137
Over time	–	1,591,739	–	649,641	2,241,380
	3,163,245	1,591,739	634,892	649,641	6,039,517
2024					
Timing of revenue recognition					
At a point in time	2,983,696	–	748,732	–	3,732,428
Over time	–	1,644,101	–	656,551	2,300,652
	2,983,696	1,644,101	748,732	656,551	6,033,080

Notes to financial statements (continued)

Note 4: Operating deficit

For the Year ended 30 June 2025	2025	2024
	\$	\$
Deficit before income tax has been determined after:		
Direct product expenses	1,421,415	1,409,898
Depreciation and amortisation expense	495,864	449,039
Employee benefit expenses	3,831,165	3,816,460

Note 5: Cash and cash equivalents

	2025	2024
	\$	\$
Cash on hand	351	351
Cash at bank	876,276	593,709
Term deposits	2,812,556	1,920,203
	3,689,183	2,514,263

Note 6: Trade receivables

	2025	2024
	\$	\$
Trade debtors	16,404	120,589

Note 7: Inventories

	2025	2024
	\$	\$
Bale labels	–	64,200

During the financial year ended 30 June 2025, AWEX ceased holding inventory. During the year, inventory management responsibilities were transferred to HID Global Corporation, who now maintains and controls all inventory. Consequently, no inventory is recorded on AWEX's balance sheet as at 30 June 2025.

Notes to financial statements (continued)

Note 8: Other assets

For the Year ended 30 June 2025	2025	2024
	\$	\$
Current		
Prepayments	61,136	70,583
Acquisition costs – Wool Classer	331,372	254,845
Other debtors	111,512	109,885
	504,020	435,313
Non-current		
Acquisition costs – Wool Classer	497,057	–

Note 9: Other financial assets

	2025	2024
	\$	\$
Managed investment portfolio at fair value through profit or loss	5,421,814	4,427,473

When measuring the fair value of an asset or liability, AWEX uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used to the valuation technique as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All equity investments held by the Company are Level 1 investments.

Notes to financial statements (continued)

Note 10: Intangible assets

For the Year ended 30 June 2025	2025	2024
	\$	\$
Capitalised development costs	3,339,560	3,418,046
Accumulated amortisation	(2,152,570)	(1,838,354)
	1,186,990	1,579,692
Work in progress development costs	450,609	191,669
Total intangible assets	1,637,599	1,771,361

(a) Reconciliations

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year

<i>Capitalised development costs</i>		
Opening balance	1,579,693	1,757,958
Additions	51,720	217,444
Depreciation	(444,423)	(395,709)
Closing balance	1,186,990	1,579,693
<i>Work in Progress development costs</i>		
Opening balance	191,669	–
Additions	258,940	191,669
Closing balance	450,609	191,669

Notes to financial statements (continued)

Note 11: Property, plant and equipment

For the Year ended 30 June 2025	2025	2024
	\$	\$
Rights-of-Use Assets – Premises at cost	557,036	557,036
Rights-of-Use Assets – Accumulated amortisation	(334,223)	(222,815)
	222,813	334,221
Leasehold improvements at cost	88,982	89,442
Accumulated amortisation	(84,393)	(83,441)
	4,589	6,001
Plant and equipment at cost	292,056	296,007
Accumulated depreciation	(249,457)	(219,658)
	42,599	76,349
Furniture, fixtures and fittings at cost	24,126	74,349
Accumulated depreciation	(18,799)	(73,095)
	5,327	1,254
	–	–
Total property, plant and equipment	275,328	417,825

Notes to financial statements (continued)

Note 11: Property, plant and equipment (continued)

(a) Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

For the Year ended 30 June 2025

Rights-of-Use Assets – Premises

Opening carrying amount	334,221	445,629
Amortisation expense	(111,408)	(111,408)
Closing carrying amount	<u>222,813</u>	<u>334,221</u>

Leasehold improvements

Opening carrying amount	6,001	–
Additions	–	7,060
Amortisation expense	(1,412)	(1,059)
Closing carrying amount	<u>4,589</u>	<u>6,001</u>

Plant and equipment

Opening carrying amount	76,349	111,562
Additions	–	15,614
Depreciation expense	(33,750)	(50,827)
Closing carrying amount	<u>42,599</u>	<u>76,349</u>

Furniture, fixtures and fittings

Opening carrying amount	1,253	1,912
Additions	20,354	785
Depreciation expense	(16,280)	(1,444)
Closing carrying amount	<u>5,327</u>	<u>1,253</u>

Notes to financial statements (continued)

Note 12: Trade and other payables

For the Year ended 30 June 2025	2025	2024
	\$	\$
Trade creditors	44,840	261,032
Accrued expenses	586,969	380,970
	631,809	642,002

Note 13: Lease liabilities

	2025	2024
	\$	\$
Current	123,144	87,869
Non-current	136,814	282,561
Maturity analysis of future lease payments		
Not later than 1 year	135,006	129,510
Later than 1 year and not later than 5 years	140,695	275,702
Expenditure Commitments	275,701	405,212

The lease liabilities represent the gross contractual payments related to the property lease for the AWEX Head office at Unit 12A, 2 Eden Park Drive, Macquarie Park NSW. The lease commenced on 1 July 2022 and has a term of 5 years, expiring on 30 June 2027.

Notes to financial statements (continued)

Note 14: Provisions

For the Year ended 30 June 2025	2025	2024
	\$	\$
Current		
Employee benefits	640,796	696,619
Non-current		
Employee benefits	25,939	34,662

Note 15: Other liabilities

	2025	2024
	\$	\$
Current		
Unearned income	1,767,558	817,112
Grants received in advance	179,046	–
Total other Current Liabilities	1,946,604	817,112
Non-current		
Unearned income	2,373,194	–

Unearned income represents Wool Classer registration fees received in advance, for the new triennium period effective 1 January 2025 to 31 December 2027. The unearned income represents the period 1 July 2025 to 31 December 2027.

Grants received in advance relates to a government grant received from the Department of Agriculture, Fisheries and Forestry.

Notes to financial statements (continued)

Note 16: Related party transactions

For the Year ended 30 June 2025	2025	2024
	\$	\$
(a) Director and director-related entity transactions		
A number of the directors are directors of entities which transacted with the company. The transactions during the year were as follows:		
• Sales of services relating to membership, subscriptions, trading, use of wool selling facilities from the director – related entities during the financial year. All services were provided under the company's standard terms and conditions.	97,324	83,014
• Purchase of IT services from directors' related entity	35,043	1,595
• Current receivables (Sales of Services)	17,245	5,070
• Current payables (IT Services)	–	133

The total directors fees paid for the year was \$224,577 (2024: \$211,240).

Note 17: Key management personnel compensation

	2025	2024
	\$	\$
For the year ended 30 June 2025, AWEX has determined key management personnel as those in the following roles:		
• Directors		
• Chief Executive Officer		
• Chief Financial Officer and Company Secretary		
• General Manager, Brand and Integrity		
• General Manager, Information Technology and Business Insights		
• General Manager, Wool Operations		
Total compensation paid or payable to key management personnel	1,528,152	1,482,498

Notes to financial statements (continued)

Note 18: Remuneration of auditors

For the Year ended 30 June 2025	2025	2024
	\$	\$
Remuneration of auditors for:		
Audit and assurance services		
• Audit of the financial report	43,000	41,000
Other non-audit services		
• Consulting fees	1,818	—
	44,818	41,000

Note 19: Contingent liabilities

	2025	2024
	\$	\$
A contingent liability exists for bank guarantee provided by the Company in respect of lease obligations	103,538	93,301

Note 20: Commitments

The Company had \$2,131,956 (2024: \$3,049,517) in costs committed for the purchase of bale labels.

On the 23 June 2025, AWEX entered into a forward contract to buy USD and sell AUD with a value date of 31 December 2025. As at 30 June 2025, AWEX's net settlement loss position of \$13,790.

Notes to financial statements

for the year ended 30 June 2025 (continued)

Note 21: Events subsequent to reporting date

There has been no matter or circumstance, which has arisen since 30 June 2025 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2025, of the Company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2025, of the Company.

Note 22: Retained earnings

	2025	2024
	\$	\$
Retained earnings at beginning of year	7,190,199	8,293,950
Net deficit	(1,040,884)	(1,103,751)
	6,149,315	7,190,199

Directors' Declaration

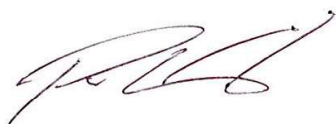
for the year ended 30 June 2025

The Directors of the Company declare that:

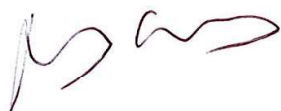
1. In the Directors' opinion, the financial statements and notes thereto, as set out on pages 22–40, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
 - (b) giving a true and fair view of the financial position as at 30 June 2025 and performance for the year ended on that date of the Company.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Director: Peter King

A handwritten signature in dark ink, appearing to be 'P. King', written over a horizontal line.

Chair: Andreas Clark

A handwritten signature in dark ink, appearing to be 'A. Clark', written over a horizontal line.

Dated this 17th day of September 2025



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**Independent Auditor's Report
To the Members of Australian Wool Exchange Limited
ABN 35 061 495 565**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Wool Exchange Limited ("the company"), which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of Australian Wool Exchange Limited is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* ("ACNC Act") and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the directors of the company determines is necessary to enable the preparation of the financial report that gives a true and fair review and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors of the company are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the company either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.



**Independent Auditor's Report
To the Members of Australian Wool Exchange Limited
ABN 35 061 495 565**

Responsibilities of directors for the Financial Report (continued)

Those charged with governance are responsible for overseeing the company's financial reporting process.

Other information

The directors of the company are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2025, 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.

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 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the company. .
- Conclude on the appropriateness of the directors of the company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.



**Independent Auditor's Report
To the Members of Australian Wool Exchange Limited
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Auditor's Responsibilities for the Audit of the Financial Report (continued)

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors of the company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independence

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



C I Chandran
Partner

17 September 2025



Pitcher Partners
Sydney

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