

1. Company details

Name of entity:	Freedom Foods Group Limited
ABN:	41 002 814 235
Reporting period:	For the year ended 30 June 2015
Previous period:	For the year ended 30 June 2014

2. Results for announcement to the market

			\$'000
Revenues from ordinary activities	up	4.1% to	91,460
Profit from ordinary activities after tax attributable to the owners of Freedom Foods Group Limited	up	366.8% to	56,631
Profit for the year attributable to the owners of Freedom Foods Group Limited	up	366.8% to	56,631

Dividends

	Amount per security Cents	Franked amount per security Cents
Final dividend for the year ended 30 June 2014 for ordinary shares paid on 3 November 2014	1.500	1.500
Interim dividend for the year ended 30 June 2015 for ordinary shares paid on 30 April 2015	1.500	1.500
Final dividend for the year ended 30 June 2014 for convertible redeemable preference shares paid on 15 October 2014	1.350	1.350
Interim dividend for the year ended 30 June 2015 for convertible redeemable preference shares paid on 15 April 2015	1.350	1.350

Comments

For further details, refer to the "Results for announcement to the market"

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>106.35</u>	<u>66.88</u>

4. Dividend reinvestment plans

The following dividend or distribution plans are in operation:

The Dividend Reinvestment Plan "DRP" is current and remains unchanged from recent prior years. All Shareholders when initially registered, receive a copy of the DRP Plan and details concerning participation in the DRP Plan. The DRP provides shareholders with the opportunity to receive ordinary shares, in lieu of cash dividends, at a discount (set by the directors) from the market price at the time of issue.

5. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
	Reporting period %	Previous period %	Reporting period \$'000	Previous period \$'000
The a2 Milk Company Limited (a2MC)*	-%	17.70%	-	-
Pactum Dairy Group Pty Limited (PDG)	1.00%	1.00%	(42)	(26)
<i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i>				
Profit/(loss) from ordinary activities before income tax			(42)	(26)
Income tax on operating activities			-	-

*The a2 Milk Company Limited ceased being an associate from 19 November 2014.

6. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements are currently in the process of being audited.

7. Signed

Signed  _____

Date: 31 August 2015

Rory J F Macleod
Managing Director
Sydney

Freedom Foods Group Limited

ABN 41 002 814 235

Preliminary Financial Report - 30 June 2015

Contents

Directors' report	2
Statement of profit or loss and other comprehensive income	3
Statement of financial position	4
Statement of changes in equity	5
Statement of cash flows	6
Notes to the financial statements	7

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Freedom Foods Group Limited (referred to hereafter as the 'group' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2015.

Directors

The following persons were directors of Freedom Foods Group Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Perry R. Gunner - Chairman (Non-Executive)
Rory J.F. Macleod - Managing Director (Executive)
Anthony M. Perich - Director (Non-Executive)
Ronald Perich - Director (Non-Executive)
Melvyn Miles - Director (Non-Executive) (resigned on 14 August 2015)
Trevor J. Allen - Director (Non-Executive)
Michael R. Perich - Alternate Director (Non-Executive)

Rounding of amounts

The group is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Rory J F Macleod
Managing Director

31 August 2015
Sydney

Freedom Foods Group Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2015

		Consolidated	
	Note	2015 (unaudited) \$'000	2014 \$'000
Revenue			
Revenue from sale of goods		91,460	87,856
Cost of sales		(58,385)	(53,960)
		<hr/>	<hr/>
Gross profit		33,075	33,896
Other income		896	665
Gain from reclassification of a2MC investment	3	53,148	-
Marketing expenses		(4,264)	(3,070)
Selling and distribution expenses		(12,221)	(12,075)
Administrative expenses		(5,040)	(4,472)
Depreciation		(3,354)	(2,743)
Net finance (costs)/income		(218)	498
Share of losses of associates accounted for using the equity method		(42)	(26)
		<hr/>	<hr/>
Profit before income tax expense		61,980	12,673
Income tax expense		(5,349)	(541)
		<hr/>	<hr/>
Profit after income tax expense for the year attributable to the owners of Freedom Foods Group Limited		56,631	12,132
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of land and buildings, net of tax		1,026	-
<i>Items that may be reclassified subsequently to profit or loss</i>			
Revaluation of investment in a2MC, net of tax		5,841	-
Foreign currency translation		(193)	4
		<hr/>	<hr/>
Other comprehensive income for the year, net of tax		6,674	4
		<hr/>	<hr/>
Total comprehensive income for the year attributable to the owners of Freedom Foods Group Limited		<u>63,305</u>	<u>12,136</u>
		<hr/>	<hr/>
		Cents	Cents
Basic earnings per share	11	37.11	8.65
Diluted earnings per share	11	36.33	8.21

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

	Note	2015 (unaudited) \$'000	Consolidated 2014 \$'000
Assets			
Current assets			
Cash and cash equivalents		2,329	4,873
Trade and other receivables		25,303	20,655
Inventories		24,475	18,967
Other financial assets		1,700	689
Prepayments		2,094	1,211
Total current assets		<u>55,901</u>	<u>46,395</u>
Non-current assets			
Investments accounted for using the equity method		4,432	15,061
Investment in a2MC	3	72,618	-
Property, plant and equipment		103,430	55,077
Intangibles		21,488	21,488
Deferred tax		-	385
Loans due from associated entities	4	13,136	12,823
Total non-current assets		<u>215,104</u>	<u>104,834</u>
Total assets		<u>271,005</u>	<u>151,229</u>
Liabilities			
Current liabilities			
Trade and other payables		18,779	13,068
Borrowings	5	22,025	3,899
Income tax		8,316	4,155
Provisions		1,776	1,438
Other financial liabilities		193	287
Total current liabilities		<u>51,089</u>	<u>22,847</u>
Non-current liabilities			
Payables		52	53
Borrowings	6	30,890	5,927
Deferred tax		2,785	-
Provisions		260	169
Total non-current liabilities		<u>33,987</u>	<u>6,149</u>
Total liabilities		<u>85,076</u>	<u>28,996</u>
Net assets		<u>185,929</u>	<u>122,233</u>
Equity			
Issued capital	7	99,028	94,419
Reserves	8	3,398	(3,636)
Retained profits		83,503	31,450
Total equity		<u>185,929</u>	<u>122,233</u>

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

Consolidated	Issued capital \$'000	Reserves \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2013	62,978	(3,549)	22,966	82,395
Profit after income tax expense for the year	-	-	12,132	12,132
Other comprehensive income for the year, net of tax (note 8)	-	4	-	4
Total comprehensive income for the year	-	4	12,132	12,136
<i>Transactions with owners in their capacity as owners:</i>				
Issue of ordinary shares under employee share option plan (note 7)	1,239	-	-	1,239
Issue of ordinary shares from unlisted options exercised (note 7)	992	-	-	992
Issue of ordinary shares in accordance with the dividend replacement plan (note 7)	462	-	-	462
Issue of ordinary shares from a capital raising allotment (including an entitlement offer) (note 7)	29,998	-	-	29,998
Share issue costs, net of tax (note 7)	(1,250)	-	-	(1,250)
Share-based payments (note 8)	-	360	-	360
Acquisition of subsidiary under common control (note 8)	-	(451)	-	(451)
Dividends paid (note 9)	-	-	(3,648)	(3,648)
Balance at 30 June 2014	94,419	(3,636)	31,450	122,233
Consolidated	Issued capital \$'000	Reserves \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2014	94,419	(3,636)	31,450	122,233
Profit after income tax expense for the year	-	-	56,631	56,631
Other comprehensive income for the year, net of tax (note 8)	-	6,674	-	6,674
Total comprehensive income for the year	-	6,674	56,631	63,305
<i>Transactions with owners in their capacity as owners:</i>				
Issue of ordinary shares under employee share option plan (note 7)	1,264	-	-	1,264
Issue of ordinary shares in accordance with the dividend replacement plan (note 7)	3,422	-	-	3,422
Share issue costs, net of tax (note 7)	(77)	-	-	(77)
Share-based payments (note 8)	-	360	-	360
Dividends paid (note 9)	-	-	(4,578)	(4,578)
Balance at 30 June 2015	99,028	3,398	83,503	185,929

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

		Consolidated	
	Note	2015 (unaudited) \$'000	2014 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		87,104	87,783
Payments to suppliers and employees (inclusive of GST)		(78,797)	(80,595)
		8,307	7,188
Interest received		10	-
Interest and other finance costs paid		(1,691)	(1,010)
Other income received		-	578
Receipts of government grants		371	143
Income taxes paid		(960)	-
Net cash from operating activities	12	6,037	6,899
Cash flows from investing activities			
Payments for property, plant and equipment		(49,625)	(19,937)
Purchase of shares in associated entity		(529)	(678)
Advances to associates		(2,758)	(14,146)
Repayment of loan by associate		1,200	17,500
Proceeds from disposal of associate shares		107	-
Investment in equity interest		-	(4,500)
Net cash used in investing activities		(51,605)	(21,761)
Cash flows from financing activities			
Proceeds from issue of equity instruments of the company	7	1,264	32,198
Payment of share issue costs		(77)	(1,227)
Dividends paid	9	(1,155)	(3,186)
Proceeds/(repayments) of borrowings		43,088	(12,539)
Payment of related party transactions		(96)	(9,617)
Net cash from financing activities		43,024	5,629
Net decrease in cash and cash equivalents		(2,544)	(9,233)
Cash and cash equivalents at the beginning of the financial year		4,873	14,106
Cash and cash equivalents at the end of the financial year		2,329	4,873

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

Note 1. Operating segments

The group is organised into four segments which is the basis on which the group reports and the principal products and services of each of these operating segments are as follows:

Freedom Foods - Cereals and Snacks	A range of products for consumers requiring a solution to specific dietary or medical conditions including allergen free (ie gluten free, wheat free, nut free) low sugar or salt or highly fortified. The product range covers breakfast cereals, snack bars, soy, almond and rice beverages and other complimentary products. These products are manufactured and sold in Australia and overseas.
Freedom Foods North America - Cereal and Snacks	A range of products for consumers requiring a solution to specific dietary or medical conditions including allergen free (ie gluten free, wheat free, nut free) low sugar or salt or highly fortified. The product range covers breakfast cereals and other complimentary products. These products are manufactured in Australia and sold in North America.
Seafood	A range of canned seafood covering sardines, salmon and specialty seafood. These products are manufactured overseas and sold in Australia and overseas.
Pactum Australia - Beverages	A range of UHT (long life) food and beverage products including liquid stocks, soy, rice, almond and dairy milk beverages. These products are manufactured and sold in Australia and overseas.

The following is an analysis of the group's revenue and results by reportable operating segment for the periods under review:

Note 1. Operating segments (continued)

Consolidated - 2015 (unaudited)	Freedom Foods \$'000	Freedom Foods North America \$'000	Seafood \$'000	Pactum \$'000	Unallocated Shared Services \$'000	Total \$'000
Revenue						
Sales to external customers	46,934	1,560	12,802	30,164	-	91,460
Intercompany sales elimination	1,229	-	-	18,436	(19,665)	-
Total sales revenue	48,163	1,560	12,802	48,600	(19,665)	91,460
Total revenue	48,163	1,560	12,802	48,600	(19,665)	91,460
EBITDA						
Depreciation and amortisation	(1,920)	-	-	(1,316)	(118)	(3,354)
Shared services	-	-	-	-	(3,931)	(3,931)
Net finance costs	-	-	-	-	(218)	(218)
Gain on a2MC investment	-	-	-	-	53,148	53,148
Convertible loan note interest	-	-	-	-	525	525
Other income	-	-	-	-	371	371
Profit/(loss) before income tax expense	1,430	(903)	2,535	9,141	49,777	61,980
Income tax expense	-	-	-	-	-	(5,349)
Profit after income tax expense	-	-	-	-	-	56,631
Assets						
Segment assets	86,622	1,707	19,141	67,272	-	174,742
<i>Unallocated assets:</i>						
Shared services	-	-	-	-	-	19,213
Investment in associate	-	-	-	-	-	4,432
Investment in a2MC	-	-	-	-	-	72,618
Total assets	-	-	-	-	-	271,005
<i>Total assets includes:</i>						
Investments in associates	-	-	-	-	72,618	72,618
Acquisition of non-current assets	15,160	-	-	29,933	4,530	49,623
Liabilities						
Segment liabilities	24,398	2,491	5,494	38,232	-	70,615
<i>Unallocated liabilities:</i>						
Shared services	-	-	-	-	-	14,461
Total liabilities	-	-	-	-	-	85,076

Note 1. Operating segments (continued)

Consolidated - 2014	Freedom Foods \$'000	Freedom Foods North America \$'000	Seafood \$'000	Pactum \$'000	Unallocated Shared Services \$'000	Total \$'000
Revenue						
Sales to external customers	43,415	696	13,239	30,506	-	87,856
Intersegment sales	828	-	-	15,932	(16,760)	-
Total sales revenue	44,243	696	13,239	46,438	(16,760)	87,856
Total revenue	44,243	696	13,239	46,438	(16,760)	87,856
EBITDA	7,131	(684)	2,431	9,748	-	18,626
Depreciation and amortisation	(1,639)	-	-	(1,045)	(59)	(2,743)
Shared services	-	-	-	-	(3,682)	(3,682)
Net finance costs	-	-	-	-	498	498
Share of equity accounted associates	-	-	-	-	(26)	(26)
Profit/(loss) before income tax expense	5,492	(684)	2,431	8,703	(3,269)	12,673
Income tax expense						(541)
Profit after income tax expense						12,132
Assets						
Segment assets	61,679	1,219	20,184	33,908	19	117,009
<i>Unallocated assets:</i>						
Shared services						19,159
Investment in associate						4,474
Investment in a2MC						10,587
Total assets						151,229
<i>Total assets includes:</i>						
Investments in associates	-	-	-	-	15,061	15,061
Acquisition of non-current assets	9,135	3,394	-	-	129	12,658
Liabilities						
Segment liabilities	7,637	1,095	1,956	13,258	7	23,953
<i>Unallocated liabilities:</i>						
Shared services						5,043
Total liabilities						28,996

Note 2. Expenses

	2015 (unaudited) \$'000	Consolidated 2014 \$'000
Profit before income tax includes the following specific expenses:		
Research and development costs expensed	500	500
<i>Superannuation expense</i>		
Defined contribution superannuation expense	1,254	974
<i>Share-based payments expense</i>		
Share-based payments expense	360	360
<i>Employee benefits expense excluding superannuation and share-based payment expense</i>		
Employee benefits expense excluding superannuation and share-based payment expense	6,860	7,226

Note 3. Non-current assets - investment in a2MC

	2015 (unaudited) \$'000	Consolidated 2014 \$'000
Investment in The a2 Milk Company Limited	72,618	-
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening fair value	-	-
Reclassification of investment	11,125	-
Gain on reclassification	53,148	-
Revaluation increments	8,345	-
Closing fair value	72,618	-

The group holds 117,699,229 (17.8%) of the ordinary shares of The a2 Milk Company (a2MC), a company listed on the main board of the New Zealand Stock Exchange (NZX:ATM).

Mr P R Gunner resigned from the board of a2MC at the conclusion of the a2MC Annual General Meeting on 18 November 2014, leaving Mr M Miles as the only common director on the a2MC board.

As a result of the resignation of Mr P R Gunner, the directors of the group have re-assessed whether the group continues to exercise significant influence over this investment as contemplated in AASB 128 Investments in Associates and Joint Ventures (AASB 128). The directors have considered the following factors in assessing their significant influence; the total number of directors on a2MC, the group's intent and ability to appoint directors to a2MC, the group's extent of ownership relative to other a2MC shareholders, the lack of any material transactions with a2MC and the ability of the group to participate in the policy-making processes, including participation in decisions about dividends or other distributions of a2MC. In the directors' judgment, these considerations in conjunction with the view that the directors retain the option to realise capital from the investment to support further growth opportunities, result in the group no longer being able to clearly demonstrate that they exercise significant influence over a2MC.

Note 3. Non-current assets - investment in a2MC (continued)

Significant influence was deemed to be lost at the conclusion of the a2MC AGM and therefore on this date the group has reclassified the investment to an Available for Sale investment (AFS) under the requirements of AASB 139 Financial Instruments: Recognition and Measurement on this date.

Note 4. Non-current assets - loans due from associated entities

	2015 (unaudited) \$'000	Consolidated 2014 \$'000
Loan to Pactum Dairy Group	13,136	12,823

The loan to Pactum Dairy Groups attracts interest at 8%.

Note 5. Current liabilities - borrowings

	2015 (unaudited) \$'000	Consolidated 2014 \$'000
Loan payable	5,698	228
Finance facility	12,143	670
Bank bill facility	1,650	-
Lease liability	2,534	3,001
	<u>22,025</u>	<u>3,899</u>

Note 6. Non-current liabilities - borrowings

	2015 (unaudited) \$'000	Consolidated 2014 \$'000
Bank bill facility	16,500	-
Lease liability	14,390	5,927
	<u>30,890</u>	<u>5,927</u>

Note 6. Non-current liabilities - borrowings (continued)

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	2015 (unaudited) \$'000	Consolidated 2014 \$'000
Loan payable	5,698	228
Finance facility	12,143	670
Lease liability	16,924	8,928
Bank bill facility	18,150	-
	<u>52,915</u>	<u>9,826</u>

Assets pledged as security

Bank loans are secured by all the Group's non-current assets. The holder of the security does not have the right to sell or repledge the assets. The Group does not hold title to the equipment under finance lease pledged as security.

The lease liabilities are effectively secured as the rights to the leased assets, recognised in the statement of financial position, revert to the lessor in the event of default. Included as part of the finance leases is the equipment utilised to purchase equipment for Leeton and Taren Point 3rd Line.

Note 7. Equity - issued capital

	2015 (unaudited) Shares	2014 Shares	2015 (unaudited) \$'000	Consolidated 2014 \$'000
Ordinary shares - fully paid	154,624,900	150,645,371	98,995	94,378
Convertible redeemable preference shares - fully paid	137,027	152,127	33	41
	<u>154,761,927</u>	<u>150,797,498</u>	<u>99,028</u>	<u>94,419</u>

Note 7. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$'000
Balance	1 July 2013	113,754,106		58,008
Employee share options exercised		408,332	\$0.60	245
Employee share options exercised		2,483,333	\$0.40	994
Unlisted options exercised		2,478,533	\$0.40	992
Convertible redeemable preference shares ('CRPS') conversions		17,066,888	\$0.30	5,120
Dividend Replacement Plan ('DRP') shares		20,126	\$2.46	50
Dividend Replacement Plan ('DRP') shares		149,234	\$2.76	412
Buy back of unmarketable parcels		14,284,819	\$0.95	29,998
Transaction costs		-	\$0.00	(1,441)
Balance	30 June 2014	150,645,371		94,378
Employee share options exercised		2,350,000	\$0.40	940
Employee share options exercised		333,332	\$0.60	200
Employee share options exercised		75,000	\$1.65	124
Convertible redeemable preference shares ('CRPS') conversions		15,100	\$0.30	5
Dividend Replacement Plan ('DRP') shares		604,193	\$2.85	1,717
Dividend Replacement Plan ('DRP') shares		601,904	\$2.83	1,705
Transaction costs		-	\$0.00	(74)
Balance	30 June 2015	<u>154,624,900</u>		<u>98,995</u>

Movements in convertible redeemable preference shares

Details	Date	Shares	Issue price	\$'000
Balance	1 July 2013	17,219,015		4,970
Conversion to ordinary shares		(17,066,888)	\$0.30	(5,120)
Costs incurred and reallocated to fully paid ordinary shares		-	\$0.00	191
Balance	30 June 2014	152,127		41
Conversion to ordinary shares		(15,100)	\$0.30	(5)
Transaction costs		-	\$0.00	(3)
Balance	30 June 2015	<u>137,027</u>		<u>33</u>

Note 8. Equity - reserves

	2015 (unaudited) \$'000	Consolidated 2014 \$'000
Land and buildings revaluation reserve	1,499	473
Investment revaluation reserve	5,841	-
Foreign currency translation reserve	(189)	4
Equity-settled employee benefits reserve	1,711	1,351
Common control reserve	(5,464)	(5,464)
	3,398	(3,636)
	3,398	(3,636)

Land and buildings revaluation reserve

The reserve is used to recognise increments and decrements in the fair value of land and buildings. Where a revalued land or building is sold that portion of the asset revaluation reserve which relates to the asset, and is effectively realised, is transferred directly to retained earnings.

Investment revaluation reserve

The reserve is used to recognise increments and decrements in the fair value of the Groups investments in a2 Milk Company Limited ('a2MC').

Foreign currency translation reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Equity-settled employee benefits reserve

The equity-settled employee benefits reserve arises on the grant of share options to executives and senior employees under the Employee Share Option Plan. Amounts are transferred out of the reserve and into issued capital when the options are exercised.

Common control reserve

The acquisition of Pactum by the group is accounted for as a common control transaction. As a consequence, the difference between the fair value of the consideration paid and the existing book values of assets & liabilities of Pactum has been debited to a common control reserve (\$5,464,000). Upon disposal of all interests in Pactum by the group this reserve would be transferred to retained earnings.

Note 8. Equity - reserves (continued)

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Land and buildings revaluation reserve \$'000	Investment revaluation reserve \$'000	Foreign currency translation reserve \$'000	Equity-settled employee benefits reserve \$'000	Common control reserve \$'000	Total \$'000
Balance at 1 July 2013	473	-	-	991	(5,013)	(3,549)
Share-based payments	-	-	-	360	-	360
Acquisition of subsidiary under common control	-	-	-	-	(451)	(451)
Foreign exchange translation	-	-	4	-	-	4
Balance at 30 June 2014	473	-	4	1,351	(5,464)	(3,636)
Land and building revaluation	1,026	-	-	-	-	1,026
Revaluation of a2MC investment	-	5,841	-	-	-	5,841
Foreign currency translation	-	-	(193)	-	-	(193)
Share-based payments	-	-	-	360	-	360
Balance at 30 June 2015	1,499	5,841	(189)	1,711	(5,464)	3,398

Note 9. Equity - dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	2015 (unaudited) \$'000	2014 \$'000
Final fully franked dividend for the year ended 30 June 2014 (2014: 30 June 2013) of 1.5 cents (2014: 1.0 cents) per ordinary share	556	1,101
Dividends reinvested: fully franked at 30% tax rate	1,718	49
Interim fully franked dividend for the year ended 30 June 2015 (2014: 30 June 2014) of 1.5 cents (2014: 1.5 cents) per ordinary share	595	1,842
Dividends reinvested: fully franked at 30% tax rate	1,705	413
Final fully franked dividend for the year ended 30 June 2014 (2014: 30 June 2013) of 1.35 cents (2014: 1.4 cents) per convertible redeemable preference share	2	241
Interim fully franked dividend for the year ended 30 June 2015 (2014: 30 June 2014) of 1.35 cents (2014: 1.35 cents) per convertible redeemable preference share	2	2
	4,578	3,648

On 31 August 2015, the directors declared a fully franked final dividend of 1.50 cents per share to the holders of fully paid ordinary shares in respect of the financial year ending 30 June 2015, which is to be paid to shareholders on 30 November 2015. The record date for determining the entitlements to the final dividend is 1 November 2015. The dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is \$2,319k.

On 31 August 2015, the directors declared a fully franked final dividend of 1.35 cents per share to the holders of the converting redeemable preference shares in respect of the financial year ending 30 June 2015, which is to be paid to shareholders on 30 November 2015. The record date for determining the entitlements to the final dividend is 1 November 2015. The dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is \$2k.

Note 10. Events after the reporting period

The group entered into an Asset Purchase Agreement with the Ringwood Group of Companies to acquire the business and assets of the Ringwood Mill (to be known as Darlington Point Mill) based at Darlington Point in the Riverina district of New South Wales on 13 July 2015 (Acquisition).

Darlington Point Mill operates an established grain processing facility for the supply of milled flours and popping corn. It is a significant processor of popping corn in Australia and processes gluten free and non GMO grains. Darlington Point Mill currently supplies customers in food service and processing markets in Australia as well as in export markets.

The Acquisition will enable Freedom Foods to expand its milling operations for internal use and external third party customers through increased capabilities and capacity, access to cost efficiencies and the ability to consider expansion into processing of other key grains. Freedom Foods existing milling operations will be relocated to the Darlington Point Mill, providing for increased finished goods warehousing capabilities at its current operations.

Under the terms of the Acquisition, Freedom Foods will acquire assets located at the site including 7.5 hectares of land, several modern large and medium sized grain silos, flour processing plants, other machinery and equipment and buildings including an export container facility. Freedom Foods will also acquire raw materials including popping corn and maize. The acquisition price for the assets (excluding raw materials) is approximately \$5.9 million (exclusive of stamp duty) and working capital.

Settlement has occurred today, 31 August 2015.

The group, as part of the consortium Australian Fresh Milk Holdings Pty Limited (AFMH), completed the acquisition of Moxey Farms on 3 August 2015. Moxey Farms is one of Australia's largest single-site dairy operations. The consortium comprises Leppington Pastoral Company Pty Limited (LPC), New Hope Dairy Holdings Co Ltd (New Hope Dairy) and Freedom Foods Group Limited. The group acquired 10% of the consortium for \$6 million.

Moxey Farms operates a fully integrated dairy farming operation located in the Lachlan Valley, New South Wales, 340 km west of Sydney. Moxey Farms' land portfolio covers an area of 2,700 hectares and includes 3,700 milking cows that produce approximately 50 million litres of milk per year.

Under the terms of the Acquisition, the Moxey family will continue to operate Moxey Farms in a joint venture with the Perich family under a Farm Management Agreement with AFMH, ensuring continuity of existing operations for key customers and staff.

The completion of the Acquisition ensures AFMH has in place a scalable operating platform to invest in additional greenfield dairy sites, enabling the consortium to become a significant player in the Australian dairy industry.

The group has entered into an exclusive term sheet to acquire a major Australian based manufacturer of Oat based Cereal and Snacks.

Oats is an expanding consumer preference in Australia and Asia.

The acquisition will enable Freedom Foods to expand its brand and category segment offering in oat based products in Australia and into Asia, and for the first time allow access to manufacturing capability in both Allergen free (Leeton) and nut based capabilities (the new business) on a cost competitive basis. There will also be integration opportunities in milling and ingredients supplies into the new business from our in-house facilities.

The acquisition is expected to be accretive to earnings in its first full year of operation and is expected to provide operational efficiencies in the medium term. The acquisition is subject to confirmatory due diligence and other customary documentation and closing requirements.

Apart from the dividend declared as disclosed in note 9, no other matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 11. Earnings per share

	Consolidated	
	2015 (unaudited) \$'000	2014 \$'000
Profit after income tax attributable to the owners of Freedom Foods Group Limited	56,631	12,132
Share-based payments expense	360	360
	<u>56,991</u>	<u>12,492</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	152,587,346	140,246,504
Adjustments for calculation of diluted earnings per share:		
CRPS	141,205	4,720,898
ESOP	4,121,304	7,280,982
	<u>156,849,855</u>	<u>152,248,384</u>
	Cents	Cents
Basic earnings per share	37.11	8.65
Diluted earnings per share	36.33	8.21

Note 12. Reconciliation of profit after income tax to net cash from operating activities

	Consolidated	
	2015 (unaudited) \$'000	2014 \$'000
Profit after income tax expense for the year	56,631	12,132
Adjustments for:		
Depreciation and amortisation	3,354	2,743
Share based payments	360	360
Interest received	(10)	(42)
Interest on associates loan	(1,086)	(1,265)
Interest capitalised	(617)	(244)
Share of loss/(profit) of associates	42	26
Fair value gain on a2MC	(53,148)	-
Movement for provision in employee entitlements	(429)	(305)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(5,727)	(2,120)
Increase in inventories	(5,508)	(4,081)
Decrease in deferred tax assets	3,170	761
Decrease/(increase) in other operating assets	95	(290)
Increase/(decrease) in trade and other payables	4,749	(556)
Increase/(decrease) in provision for income tax	4,161	(220)
	<u>6,037</u>	<u>6,899</u>
Net cash from operating activities	<u>6,037</u>	<u>6,899</u>

Note 12. Reconciliation of profit after income tax to net cash from operating activities (continued)

Non-cash financing and investing activities

In accordance with the Company's Dividend Reinvestment Plan, \$3,422,483 was reinvested in the year to 30 June 2015 (2014: \$462,154)