AWEX

Annual Report

2025 / 2026

Australian Wool Exchange Limited A.B.N 35 061 495 565
Annual Report and Financial Statements for the year ended 30 June 2026

Auction, Information & Integrity Services

Wool Classer Standards & Classer Registration

WoolClip
Fast forwarding wool's future

eBale

NWD Integrity Program

Australian Wool Sustainability Scheme

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2026 at a glance

12,901
Registered Wool Classers

Wool Classing

1,402,564
Bales sold

Auction sold kg **251.6 m**

Auction turnover **$2.61 b**

Average EMI price per kg clean **$16.07**

Auction Trading (AU only/Excl NZ)

6.03m
AWSS greasy kgs sold

2.5% Australian Merino kg sold

Sustainability / Certification

314,820
Bales captured through WoolClip

+8.5% versus prior season

159 WoolClip Certified selling agents trained via the WoolClip Excellence Program

WoolClip / Traceability

$0.64m
Deficit 25/26

Finance

80.5%
Declared NWD

NM 25.4% / CM 3.4% / AA 45.9%

Integrity

254m kg
Production

Australian Wool Production 2025/26

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

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.

The WoolClip Excellence Program supports selling agents in building capability and expertise in WoolClip. Selling agents who successfully complete the program are recognised as WoolClip Certified, helping growers identify representatives with demonstrated expertise in digital wool data capture and WoolClip.

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).

NWD Integrity Program

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

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 2026

Over recent years, the AWEX Board firmly believes it has built a stronger foundation for the Australian wool industry. As the trusted custodian of standards, integrity and transparency across the wool supply chain, AWEX's role in delivering services that strengthen, inform and increase confidence in Australian wool has never been more important.

While our core responsibility remains unchanged, developing and maintaining the standards, regulations and systems that provide confidence to wool growers, buyers, processors and customers around the world, the broader environment in which we operate continues to evolve. As global markets become increasingly focused on transparency, traceability and sustainability, AWEX has adapted its priorities to ensure Australian wool remains well positioned to meet these changing expectations.

One of the most significant developments in recent years has been the rapid digitisation of agricultural and textile supply chains. AWEX recognised early that digital tools would play a critical role in supporting the traceability credentials of Australian wool and providing greater efficiency across the industry. This vision led to strategic investments in initiatives such as eBale and WoolClip, both of which are helping transform the way wool information is captured, shared and utilised.

The past year has seen solid progress in the adoption and advancement of these platforms and in doing so, strengthening the industry's ability to provide credible provenance information to customers. While there remains much work to be done, we are now beginning to see the benefits of these investments emerge, validating the Board's long-term commitment to these important projects.

Another example of AWEX identifying opportunities to deliver industry-wide benefit is the development of the Australian Wool Sustainability Scheme (AWSS). Like many natural fibre sectors, the global wool industry is facing increasing scrutiny regarding animal welfare, environmental stewardship and ethical sourcing practices. Consumers, retailers and regulators are seeking greater transparency and assurance regarding the origin of fibre and the conditions under which it is produced. AWSS has been developed specifically to address these requirements and to support Australia's reputation as a producer of high-quality, responsibly sourced wool.

The Board has recognised that investments in initiatives such as WoolClip, eBale and AWSS have required a significant commitment of resources over several years. In pursuing these strategic priorities, AWEX has consciously drawn upon its reserves, understanding that these projects are essential investments in the future competitiveness and relevance of Australian wool. Many of these initiatives represented industry-good outcomes that may otherwise have remained underdeveloped.

AWEX recognised early that digital tools would play a critical role in supporting the traceability credentials of Australian wool and providing greater efficiency across the industry.

Andreas Clark, Chair

Encouragingly, the financial position of the organisation has strengthened during 2025/26. With the majority of major capital development work now near completion, AWEX is beginning to realise the benefits of those investments. This marks an important transition point for the organisation.

As a result, the Board's focus is shifting from development to adoption. Having established the platforms and frameworks required to support the industry's future needs, our priority is now to drive uptake, engagement and utilisation across the supply chain. We have consistently reinforced this message with management as we seek to consolidate the progress achieved in recent years and maximise the value delivered to industry participants.

I have been fortunate to work alongside a strong, united and highly committed Board at AWEX. Each director shares a genuine belief in the importance of ensuring the Australian wool industry remains competitive, innovative and trusted in global markets. Their unwavering support for the AWEX agenda and their commitment to delivering outcomes that benefit the entire wool supply chain have been invaluable.

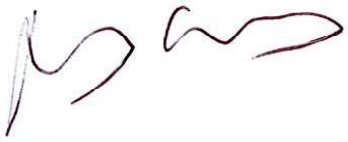
I would also like to acknowledge and thank Charlie McElhone for his leadership during his first year as Chief Executive Officer. Charlie has embraced the opportunities and challenges of the role with energy and purpose, and his commitment to engagement, collaboration and partnership across the industry has been widely recognised. Building strong relationships with members and industry stakeholders will remain critical to AWEX's success, and Charlie has made an excellent start in this regard.

Finally, I would like to thank the AWEX Leadership Team and all AWEX staff for their dedication and professionalism throughout the year. Their efforts in advancing the organisation's strategic objectives and delivering services to industry are greatly appreciated.

Looking ahead, the commencement of formal discussions between AWEX and the Australian Wool Testing Authority (AWTA) regarding a potential merger of the two organisations will be critical. At the upcoming AGM, Members will vote on whether they believe a merger will deliver a more integrated operating model that strengthens industry services and delivers greater value to participants across the Australian wool industry.

Both Boards have emphasised the importance of transparency, consultation and ensuring that the interests of all sectors of the wool industry remain appropriately represented within any future governance framework.

Regardless of the outcome from these merger discussions, AWEX remains committed to supporting a trusted, transparent and sustainable Australian wool industry. The foundations have been laid, and we are well positioned to build on this momentum for the benefit of growers, traders, processors and customers throughout the global wool supply chain.



Andreas Clark, Chair

October 2026

CEO Report 2026

As I reflect on my first full year with AWEX, I remain optimistic about the future. The Australian wool industry continues to demonstrate remarkable resilience and adaptability in the face of changing market conditions. At the same time, the opportunities presented by digital innovation, sustainability programs and closer industry collaboration provide a strong foundation for long-term success.

As an organisation, AWEX has continued to evolve to meet the needs of a rapidly changing operating environment while remaining firmly focused on its core purpose: maintaining the integrity, transparency and efficiency of the Australian wool market.

The year has been characterised by both challenges and encouraging developments. Global economic uncertainty, geopolitical instability and shifting market conditions have continued to test confidence across agricultural sectors. At various times, rising input costs, supply chain disruption and broader economic pressures created additional challenges for businesses throughout the wool pipeline. Despite these headwinds, the resilience demonstrated by wool growers, brokers, exporters and processors continues to highlight the enduring strength of our industry.

Encouragingly, market sentiment improved considerably during the year. The Eastern Market Indicator (EMI) increased by approximately 65%, providing a welcome boost in confidence across the supply chain and supporting improved business conditions for many industry participants. While challenges remain, this recovery has reinforced confidence in the long-term prospects of Australian wool and provided a more positive backdrop for investment and planning.

AWEX has continued to play an important role in supporting informed decision-making through the provision of trusted market reporting, standards and integrity systems. The value of accurate and independent market information is often most evident during periods of uncertainty, when industry participants rely on reliable data to support risk management, investment decisions and business planning. While much of this work occurs behind the scenes, it remains one of AWEX's most critical contributions to the success and stability of the Australian wool industry.

Certification continued to be a key area of activity for AWEX during the year. Growing customer expectations around sustainability, traceability and responsible production practices are reshaping global textile markets, and AWEX is committed to ensuring Australian wool remains well positioned to respond to these expectations. During the year, considerable effort was directed towards increasing awareness and understanding of the Australian Wool Sustainability Scheme (AWSS).

AWEX has continued to play an important role in supporting informed decision-making through the provision of trusted market reporting, standards and integrity systems.

Charles McElhone, CEO

While adoption remains in its early stages, industry engagement has been highly encouraging. Our objective remains clear: to grow the volume of certified Australian wool through a program that is practical, efficient, affordable and developed by industry for industry.

Digital transformation has also continued to accelerate through further development of the WoolClip platform. Supporting the growth of WoolClip has been the highly successful WoolClip Excellence Program. More than 220 wool selling agents have now completed advanced training and certification, strengthening industry capability and improving the consistent capture and sharing of quality wool clip data. This investment in education and adoption is helping to accelerate the industry's digital transformation and build confidence in increasingly data-driven business processes.

Another important focus area during the year has been strengthening communication and engagement with members and stakeholders. Historically, many of AWEX's most valuable contributions occurred largely out of public view. As industry expectations have changed, AWEX has recognised the need to become a more visible and accessible organisation, helping members better understand the breadth of services and value delivered on their behalf.

To support this objective, AWEX has invested in several initiatives aimed at improving communication and transparency. The launch of a refreshed website, the development of a growing social media presence and increased face-to-face engagement with industry participants have all contributed to a more contemporary and outward-facing approach. While there is still more work to do, these efforts are beginning to improve awareness of AWEX activities and strengthen our connection with members across the country.

Internally, AWEX has also experienced important organisational change. During the year, the industry farewelled David Cother following his long and distinguished contribution to both AWEX and the Australian wool sector. David's expertise, professionalism and commitment helped shape many of the systems, standards and services that continue to underpin confidence in Australian wool today. On behalf of the Board and staff, I would like to again acknowledge and thank David for his outstanding service to the industry.

AWEX will continue to seek feedback from members to ensure our priorities remain aligned with the needs of industry. Whether through standards development, market reporting, certification programs, digital solutions or broader industry initiatives, our focus will remain on delivering services that strengthen confidence in Australian wool and enhance its competitiveness in global markets.

I am firmly of the view that the future success of both AWEX and the Australian wool industry will depend on our ability to work collaboratively to address the key issues and challenges facing the sector. The days of industry service organisations operating in isolation, protecting their own domains and overlooking opportunities for alignment, should be behind us. Our industry challenges and opportunities are too significant for anything less than a coordinated and united approach.

This principle has underpinned my first year as CEO of AWEX and will continue to define my leadership approach. By working together, leveraging our collective strengths and maintaining a focus on industry-wide outcomes, we will be better positioned to deliver value for our stakeholders and ensure a strong and sustainable future for Australian wool.

I would like to thank the AWEX Board, our committed staff and our members and stakeholders for their continued support, engagement and commitment throughout the year. We look forward to working with you as we navigate future opportunities and challenges together and continue strengthening the reputation, integrity and success of Australian wool.

Charles McElhone, CEO

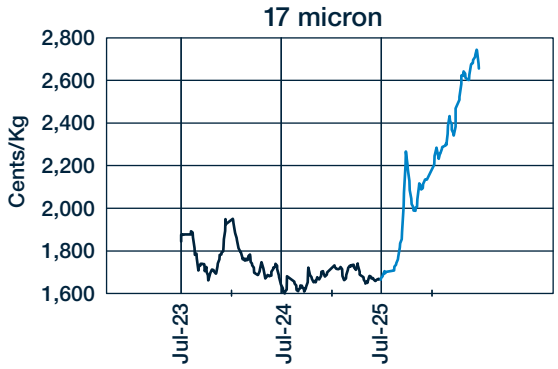
October 2026

The market in review

Top export destinations 2025–26

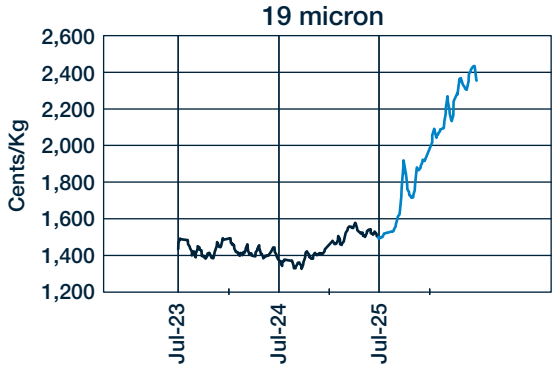
Destination	Greasy equivalent kg	% of total	% change
China	241,046,381	86.5%	-4.3%
India	15,508,755	5.6%	-2.9%
Italy	8,489,368	3.0%	8.3%
Czech Republic	4,884,272	1.8%	-20.8%
Korea, Republic of	2,153,118	0.8%	-41.8%
Thailand	1,529,096	0.5%	-30.5%
Egypt	1,070,176	0.4%	-20.1%
Germany	908,812	0.3%	84.3%
United Kingdom	688,421	0.2%	-35.8%
Others	637,030		
Mexico	370,855	0.1%	17.6%
Bulgaria	296,320	0.1%	-78.5%
Türkiye	265,117	0.1%	-44.2%
United Arab Emirates	237,359	0.1%	-64.6%
Spain	190,148	0.1%	-2.3%
Japan	152,859	0.1%	-34.5%
USA	139,085	0.0%	-57.1%
Total	**278,567,172**		

Micron Price Guides



2024/25 close:	1,666	
2025/26 close:	2,656	
	+990	(+59.4%)

	2023/24	2024/25	2025/26
Season maximum	1,970	1,743	2,776
Season average	1,763	1,675	2,214
Season minimum	1,650	1,600	1,658



2024/25 close:	1,505	
2025/26 close:	2,354	
	+849	(+56.4%)

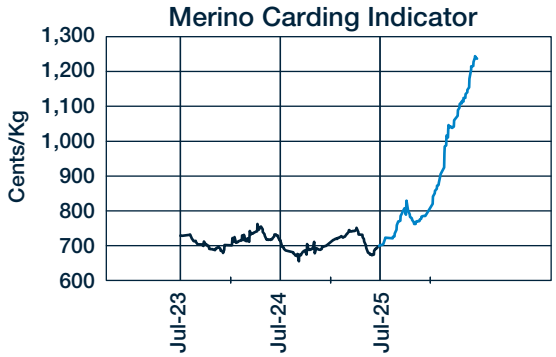
	2023/24	2024/25	2025/26
Season maximum	1,498	1,585	2,436
Season average	1,426	1,450	1,973
Season minimum	1,376	1,326	1,482

2024/25 close:	1,412	
2025/26 close:	2,132	
	+720	(+51.0%)

	2023/24	2024/25	2025/26
Season maximum	1,383	1,522	2,196
Season average	1,316	1,363	1,844
Season minimum	1,259	1,232	1,412

2024/25 close:	470	
2025/26 close:	872	
	+402	(+85.5%)

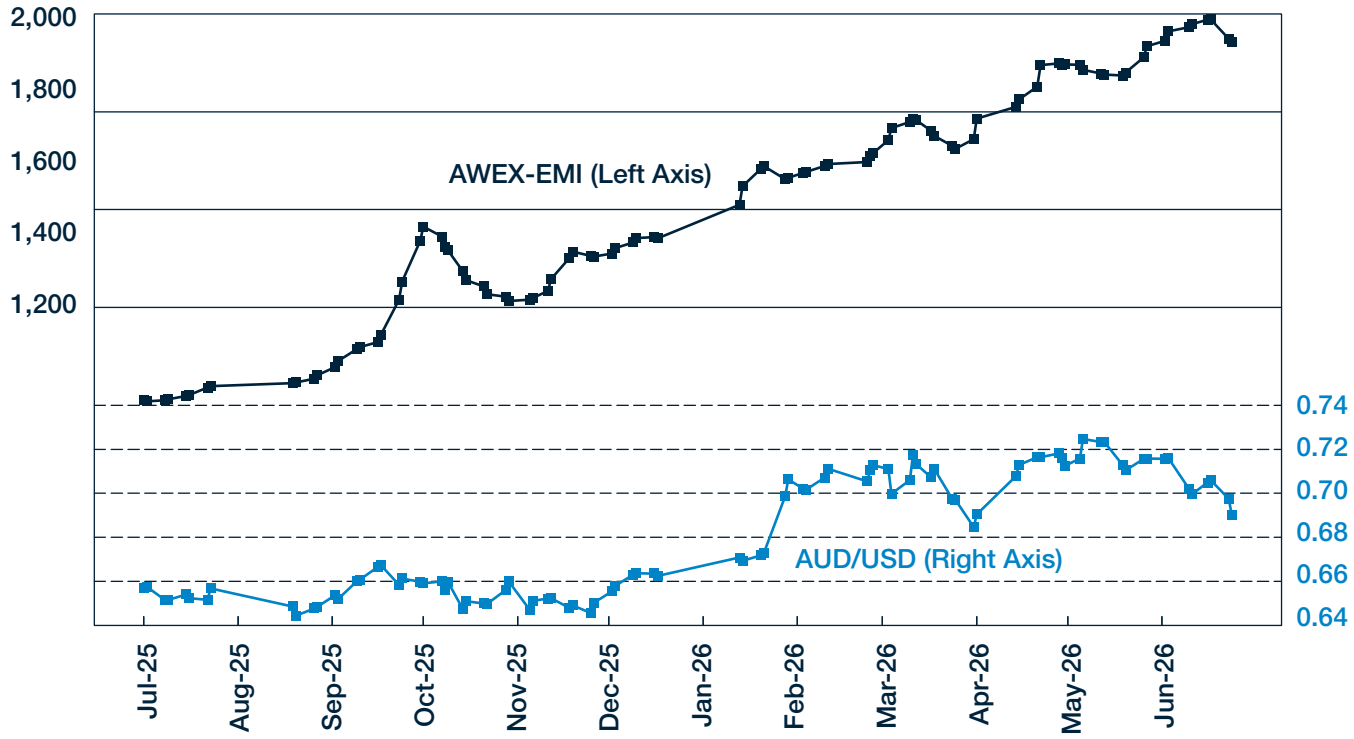
	2023/24	2024/25	2025/26
Season maximum	408	475	880
Season average	358	408	664
Season minimum	310	360	470



2024/25 close:	697	
2025/26 close:	1,237	
	+540	(+77.5%)

	2023/24	2024/25	2025/26
Season maximum	778	751	1264
Season average	715	703	908
Season minimum	676	645	692

AWEX – Eastern Market Indicator



Key statistics

	19/20	20/21	21/22	22/23	23/24	24/25	25/26
AWEX EMI (ave.)	1,459	1,206	1,385	1,301	1,157	1,167	1,607
AWEX EMI USD (ave.)	975	908	1,004	876	756	757	1,100
AUD (USD) (FX)	0.666	0.725	0.752	0.673	0.653	0.649	0.681
Sheep shorn (mil.)	68.6	66.9	71.6	71.5	71.6	63.0	59.1
Wool prod. (Mkg)	284	294	324	328	318	280	254
Auction offered (AU – Mkg)	259.4	316.3	329.4	330.7	321.6	276.2	268.6
Auction sold (AU Mkg)	215.3	279.8	287.7	287.3	296.8	254.3	251.6
Auction sold (AU bales)	1,206,493	1,558,820	1,608,032	1,607,799	1,659,483	1,419,576	1,402,564
Auction sold ($ billion)	$1.95	$2.22	$2.59	$2.42	$2.24	$1.94	$2.61
19 MPG premium over 21 MPG (¢kg clean)	61¢	245¢	380¢	237¢	110¢	87¢	129¢
Export destinations (% market share)	China 77.5%	China 84.4%	China 79.0%	China 80.6%	China 84.9%	China 85.3%	China 86.5%
	India 5.2%	Czech Rep. 4.0%	India 4.9%	India 6.3%	India 4.9%	India 5.4%	India 5.6%
	Italy 4.5%	India 3.7%	Italy 4.8%	Italy 4.0%	Italy 2.7%	Italy 2.7%	Italy 3.0%

Members as at 30 June 2026

Trading members

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

Associate members

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

Grower members

B Keniry and R J Keniry
Bickleigh Hillburn Pty Ltd
Bloomfield Pastoral Company
Carnbrae Harden Pastoral Co
Cavanagh Farming
Hamblin & Co
Ian Aubrey
Ian Burbury
Kentucky Pty Limited
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 2026 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. Peter King
Mr. Martin Moses
Mr. Geoffrey Beath OAM
Mr. Jonathon White
Mr. Simon Riddle
Mr. Andrew Luxton

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 $639,322 (2025: deficit of $1,040,884).

Review of operations

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

The Directors have recognised that investments in strategic initiatives have required a significant commitment of resources over several years. In pursuing these strategic priorities, AWEX has consciously drawn upon its reserves, understanding that these projects are essential investments in the future competitiveness and relevance of Australian wool. Many of these initiatives represented industry-good outcomes that may otherwise have remained underdeveloped.

The Directors advise that the Boards of AWEX and the Australian Wool Testing Authority (AWTA) have agreed to commence formal discussions to explore a potential merger of the two industry-owned organisations. Both Boards have provided in principal support for the merger and will continue to undertake detailed work with the intention to provide a formal proposal to their respective members at upcoming Annual General Meetings.

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.

After balance date events

With the exception of the ongoing discussions to explore a merger between AWEX and AWTA, 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 2026 is $350 (2025: $360).

The number of members as at 30 June 2026 and the comparison with the prior year is as follows:

	2026	2025
Trading	52	54
Grower	15	15
Associate	3	3
Total	**70**	**72**

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 30th day of September 2026

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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 2026, 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

30 September 2026

Adelaide | Brisbane | Melbourne | Newcastle | Perth | Sydney

bakertilly NETWORK MEMBER

Pitcher Partners is an association of independent firms. Pitcher Partners Sydney ABN 17 795 780 962. Liability limited by a scheme approved under Professional Standards Legislation.
Pitcher Partners is a member of the global network of Baker Tilly International Limited, the members of which are separate and independent legal entities.

Statement of income and retained earnings

	Note	2026	2025
		$	$
Revenue and other income			
Revenue from ordinary activities	3	6,664,067	6,006,063
Other revenue	3	966,403	744,654
Other income		(14,922)	(13,790)
		7,615,548	**6,736,927**
Less: expenses			
Direct product expenses	4	(1,538,186)	(1,421,415)
Depreciation and amortisation expense	4	(551,767)	(607,271)
Employee benefits expense	4	(4,197,558)	(3,831,165)
Occupancy expense		(219,177)	(241,730)
Travel expense		(203,417)	(238,806)
Technology expense		(591,803)	(583,439)
Board expense		(268,796)	(247,014)
Consulting expense		(36,879)	(109,623)
Other expenses		(647,287)	(497,348)
		(8,254,870)	**(7,777,811)**
Deficit for the year before income tax expense		(639,322)	(1,040,884)
Income tax expense	1(d)	–	–
Deficit from ordinary activities after related income tax expense		**(639,322)**	**(1,040,884)**
Opening retained earnings		6,149,315	7,190,199
Deficit attributable to members of the Company		(639,322)	(1,040,884)
Retained earnings at the end of the year		**5,509,993**	**6,149,315**

The accompanying notes form part of these financial statements.

Statement of financial position

As at 30 June 2026	Note	2026	2025
		$	$
Current assets			
Cash and cash equivalents	5	1,780,383	3,689,183
Trade receivables	6	121,885	16,404
Other assets	7	379,953	504,020
Total current assets		**2,282,221**	**4,209,607**
Non-current assets			
Other financial assets	8	5,879,535	5,421,814
Intangible assets	9	1,543,363	1,637,599
Property, plant and equipment	10	167,627	275,328
Other assets	7	172,039	497,057
Total non-current assets		**7,762,564**	**7,831,798**
Total assets		**10,044,785**	**12,041,405**
Current liabilities			
Trade and other payables	11	632,746	631,809
Lease liabilities	12	136,816	123,144
Provisions	13	471,234	640,796
Other financial liabilities		14,922	13,790
Other liabilities	14	2,428,679	1,946,604
Total current liabilities		**3,684,397**	**3,356,143**
Non-current liabilities			
Lease liabilities	12	–	136,814
Provisions	13	17,106	25,939
Other liabilities	14	833,289	2,373,194
Total non-current liabilities		**850,395**	**2,535,947**
Total liabilities		**4,534,792**	**5,892,090**
Net assets		**5,509,993**	**6,149,315**
Members' funds			
Retained earnings	15	5,509,993	6,149,315
Total Members' funds		**5,509,993**	**6,149,315**

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 30 June 2026	Note	2026	2025
		$	$
Cash flow from operating activities			
Receipts from customers		5,685,154	10,270,479
Operating grant receipts		441,546	–
Payments to suppliers and employees		(7,566,322)	(8,351,895)
Interest received		81,302	113,768
Interest paid		(11,863)	(19,038)
Distributions received		210,942	202,721
Net cash (used in)/provided by operating activities		**(1,159,241)**	**2,216,035**
Cash flow from investing activities			
Payment for property, plant and equipment		(38,036)	(20,354)
Payment for other financial assets		(274,427)	(599,630)
Payment for intangible assets		(313,953)	(310,660)
Net cash used in investing activities		**(626,416)**	**(930,644)**
Cash flow from financing activities			
Principal portion of lease payments		(123,143)	(110,471)
Net cash used in financing activities		**(123,143)**	**(110,471)**
Reconciliation of cash			
Cash at beginning of the financial year		3,689,183	2,514,263
Net (decrease)/increase in cash held		(1,908,800)	1,174,920
Cash at end of financial year	5	**1,780,383**	**3,689,183**

The accompanying notes form part of these financial statements.

Notes to financial statements

for the year ended 30 June 2026

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. AWEX is a Company limited by guarantee, incorporated and domiciled in Australia. AWEX 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 statement of financial position as at 30 June 2026 reports current assets of $2,282,221 against current liabilities of $3,684,396, an excess of current liabilities over current assets of $1,402,175.

Included within current liabilities is $2,428,679, which comprises of $1,669,079 of classer income received in advance, and $759,600 of unearned income relating to proceeds received from the sale of bale labels where AWEX has not yet satisfied the performance obligations.

In addition, under the instruction of the Directors, management have undertaken cash flow forecasts and based on this work undertaken, the Directors are of a belief AWEX will have sufficient cash flows to settle its liabilities as and when they become due and payable for a period of at least 12 months from the date of signing this report. Further, the Company has $5,879,535 in a managed investment portfolio, currently classified as non-current assets, which if required is available to assist in the settlement of its liabilities.

Based on the above, 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.

(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. The 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.

(v) Grant income

Grants are accounted for under AASB 15 where there is an enforceable contract and sufficiently specific performance obligations. Grants are recognised over time when or at a point in time as performance obligations are satisfied. Should the grant agreement not contain suitably specific performance obligations or a termination for convenience clause exists, revenue may be recognised at a point in time upon receipt. Where grants and commissioned studies are not accounted under AASB 9 or AASB 15, they are accounted for under AASB 1058, under which revenue is recognised at a point in time upon receipt.

All revenue is stated net of the amount of Goods and Services Tax (GST).

(f) Employee benefits

(i) Short-term employee benefits

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 benefits

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 (2025: $103,538) 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.

(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.

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) Grant income

The Company's accounting policies for revenue are disclosed in Note 1(e). When agreements are executed an assessment is undertaken to ensure that any sufficiently specific conditions are identified appropriately. Should the agreement fail to fall within the scope of the above, the amounts are recognised as revenue within the scope of *AASB 1058: Income of Not-for-Profit Entities*.

(c) 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.

(d) 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.

(e) 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.

Note 3: Revenue from ordinary activities

For the year ended 30 June 2026	2026	2025
	$	$
Operating activities		
Sale of goods – bale labels	3,816,960	3,163,245
Wool Classer registration fees	1,630,626	1,591,739
Service fees	567,322	601,438
Membership joining and annual subscription fees	649,159	649,641
	6,664,067	**6,006,063**
Other income		
Interest and distributions received	292,244	316,489
Fair value gain on investments	232,613	394,711
Grant income	441,546	33,454
	966,403	744,654
Total revenue from ordinary activities	**7,630,470**	**6,750,717**

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
	$	$	$	$	$
2026					
Timing of revenue recognition					
At a point in time	3,816,960	–	567,322	–	4,384,282
Over time	–	1,630,626	–	649,159	2,279,785
	3,816,960	**1,630,626**	**567,322**	**649,159**	**6,664,067**
2025					
Timing of revenue recognition					
At a point in time	3,163,245	–	601,438	–	3,764,683
Over time	–	1,591,739	–	649,641	2,241,380
	3,163,245	**1,591,739**	**601,438**	**649,641**	**6,006,063**

Note 4: Operating deficit

For the year ended 30 June 2026	2026	2025
	$	$
Deficit before income tax has been determined after:		
Direct product expenses	1,538,186	1,421,415
Depreciation and amortisation expense	551,765	607,273
Employee benefit expenses	4,197,558	3,831,165

Note 5: Cash and cash equivalents

	2026	2025
	$	$
Cash on hand	351	351
Cash at bank	1,676,494	876,276
Term deposits	103,538	2,812,556
	1,780,383	**3,689,183**

Note 6: Trade receivables

	2026	2025
	$	$
Trade debtors	**121,885**	**16,404**

Note 7: Other assets

	2026	2025
	$	$
Current		
Prepayments	33,387	61,136
Acquisition costs – Wool Classer	344,078	331,372
Other debtors	2,488	111,512
	379,953	**504,020**
Non-current		
Acquisition costs – Wool Classer	**172,039**	**497,057**

Note 8: Other financial assets

For the year ended 30 June 2026	2026	2025
	$	$
Managed investment portfolio at fair value through profit or loss	**5,879,535**	**5,421,814**

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.

Note 9: Intangible assets

	2026	2025
	$	$
Capitalised development costs	3,679,448	3,339,560
Accumulated amortisation	(2,502,006)	(2,152,570)
	1,177,442	1,186,990
Work in progress development costs	365,921	450,609
Total intangible assets	**1,543,363**	**1,637,599**

(a) Reconciliations

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

Capitalised development costs		
Opening balance	1,186,990	1,579,693
Additions	101,399	51,720
Disposal	(2,161)	–
Amortisation	(406,028)	(444,423)
Transfer from work in progress	297,242	–
Closing balance	**1,177,442**	**1,186,990**

Work in progress development costs		
Opening balance	450,609	191,669
Additions	212,554	258,940
Transfer to intangibles	(297,242)	–
Closing balance	**365,921**	**450,609**

Note 10: Property, plant and equipment

For the year ended 30 June 2026	2026	2025
	$	$
Rights-of-use assets – Premises at cost	557,036	557,036
Rights-of-use assets – Accumulated amortisation	(445,629)	(334,223)
	111,407	**222,813**
Leasehold improvements at cost	78,818	88,982
Accumulated amortisation	(73,515)	(84,393)
	5,303	**4,589**
Plant and equipment at cost	267,258	292,056
Accumulated depreciation	(235,815)	(249,457)
	31,443	**42,599**
Furniture, fixtures and fittings at cost	36,274	24,126
Accumulated depreciation	(16,800)	(18,799)
	19,474	**5,327**
Total property, plant and equipment	**167,627**	**275,328**

(a) Reconciliations

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

Rights-of-use assets – Premises		
Opening carrying amount	222,813	334,221
Amortisation expense	(111,406)	(111,408)
Closing carrying amount	**111,407**	**222,813**
Leasehold improvements		
Opening carrying amount	4,589	6,001
Additions	2,186	–
Amortisation expense	(1,472)	(1,412)
Closing carrying amount	**5,303**	**4,589**
Plant and equipment		
Opening carrying amount	42,599	76,349
Additions	18,682	–
Depreciation expense	(29,838)	(33,750)
Closing carrying amount	**31,443**	**42,599**
Furniture, fixtures and fittings		
Opening carrying amount	5,327	1,253
Additions	17,168	20,354
Depreciation expense	(3,021)	(16,280)
Closing carrying amount	**19,474**	**5,327**

Note 11: Trade and other payables

For the year ended 30 June 2026	2026	2025
	$	$
Trade creditors	344,518	44,840
Accrued expenses	288,228	586,969
	632,746	**631,809**

Note 12: Lease liabilities

	2026	2025
	$	$
Current	**136,816**	**123,144**
Non-current	**–**	**136,814**
Maturity analysis of future lease payments		
Not later than 1 year	140,695	135,006
Later than 1 year and not later than 5 years	–	140,695
Expenditure commitments	**140,695**	**275,701**

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.

Note 13: Provisions

	2026	2025
	$	$
Current		
Employee benefits	**471,234**	**640,796**
Non-current		
Employee benefits	**17,106**	**25,939**

Note 14: Other liabilities

For the year ended 30 June 2026	2026	2025
	$	$
Current		
Classer income received in advance	1,669,079	1,767,558
Unearned income	759,600	179,046
Total other current liabilities	**2,428,679**	**1,946,604**
Non-current		
Unearned income	**833,289**	**2,373,194**

Classer income received in advance 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 2026 to 31 December 2027.

Unearned income relates to proceeds received from the sale of bale labels where AWEX's performance obligations had not been satisfied at the reporting date.

Note 15: Retained earnings

	2026	2025
	$	$
Retained earnings at beginning of year	6,149,315	7,190,199
Net deficit	(639,322)	(1,040,884)
	5,509,993	**6,149,315**

Note 16: Related party transactions

	2026	2025
	$	$
(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.	150,937	97,324
• Purchase of IT services and rent from Director related entity	256,711	35,043
• Current receivables (Sales of Services)	3,973	17,245
• Current payables (IT Services and Rent).	21,525	–

Note 17: Key management personnel compensation

For the year ended 30 June 2026	2026	2025
	$	$
For the year ended 30 June 2026, 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	**1,646,063**	**1,528,152**

The total directors fees paid for the year was $241,036 (2025: $224,577).

Note 18: Remuneration of auditors

	2026	2025
	$	$
Remuneration of auditors for:		
Audit and assurance services		
Audit of the financial report	**47,500**	**43,000**
Other non-audit services		
Consulting fees	1,675	1,818
	49,175	44,818

Note 19: Contingent liabilities

	2026	2025
	$	$
A contingent liability exists for bank guarantee provided by the Company in respect of lease obligations.	**103,538**	**103,538**

Note 20: Commitments

The Company had $650,846 (2025: $2,131,956) in costs committed for the purchase of bale labels.

On 28 May 2026, AWEX entered into a forward contract to buy USD and sell AUD with a value date of 31 December 2026. As at 30 June 2026, AWEX's net settlement loss position was $14,922.

Note 21: Events subsequent to reporting date

There has been no matter or circumstance, which has arisen since 30 June 2026 that has significantly affected or may significantly affect:

(a) the operations, in financial years subsequent to 30 June 2026, of the Company, or

(b) the results of those operations, or

(c) the state of affairs, in financial years subsequent to 30 June 2026, of the Company.

Directors' Declaration

for the year ended 30 June 2026

The Directors of the Company declare that:

1. In the Directors' opinion, the financial statements and notes thereto, as set out on pages 24–37, 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 2026 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

Chair: Andreas Clark

Dated this 30th day of September 2026

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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 2026, 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 202 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.

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.

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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.

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 2026, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.

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Auditor's Responsibilities for the Audit of the Financial Report (continued)

- 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.

- 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.

C I Chandran
Partner

30 September 2026

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Fremantle

E: westernregion@awex.com.au

Wool Classing (technical)

E: woolclasser@awex.com.au

- Clip preparation advice and support
- Activity Statements
- Clip Inspection correspondence
- Code of Practice

Wool Classing (administration)

E: woolclasser@awex.com.au

- Wool Classer new registration
- Wool Classer re-registration
- Change of contact details/address
- Stamps/stencils/pens

WoolClip & eBale

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- WoolClip support
- eBale
- Woolpack feedback

Australian Wool Sustainability Scheme

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- Australian Wool Sustainability Scheme (AWSS)
- AWSS Partner Program

Integrity Services

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- National Wool Declaration (NWD)
- Certification
- Stencil validation

Market Information

E: reports@awex.com.au

- Market Reports
- E3 Auction Viewer
- Customised reporting
- Analysis

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