METRO

2025 Annual Report

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This Annual Report is dated 27 May 2025 and is signed on behalf of the Board by the Directors

SHAWN BECK
Metro Performance Glass
Chair

SIMON BENNETT
Metro Performance Glass
Executive Director

EXECUTIVE DIRECTOR'S REPORT

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Having refreshed and trimmed the Board in March of last year and appointed a new Chair, we commenced the 2025 financial year (FY25) with an uncertain outlook, with New Zealand already in a recessionary environment and the economy in Australia somewhat unsettled.

Australia Glass Group (AGG) began the year well, but New Zealand had a poor start to the year, with a large loss in April 2024. The business needed a new leader with the departure of previous CEO Simon Mander in May. I agreed to lead the business for an undefined period and commenced in the middle of May.

Understandably the business was lacking confidence, which impacted both our people and our customers. We had already embarked on cost-out initiatives to mitigate the falling market and the lower market share, which had been declining in New Zealand for some time.

This had seen the business close the Bay of Plenty plant in December 2022 and, subsequently, mothballed the Wellington plant in February 2024. Somewhat surprisingly, despite historically low revenues, our Auckland Highbrook plant was not running well and our product quality and service delivery needed a reset.

The New Zealand business needed some dramatic improvement in operations, cost reduction and also some long-term strategic thinking with a detailed plan embedded. Our people were up for the challenge and despite the difficulties, the business remained resilient.

A turnaround team was established for the New Zealand business, with Steve Hamer from AGG and later Angus Wilson joining. AGG had spent a number of years simplifying the business, improving productivity and driving high service levels. We quickly put a strategic plan together and focused on cost reduction, countering the sales decline and improving the quality and service levels.

While this might sound straightforward, we needed a clear focus and for our teams to be confident in the task at hand, with clear goals. It was also important for our customers to experience quality and service improvement and believe in the business.

There had been a lot of market chat mischievously planted by some competitors, signalling that Metroglass would not survive the downturn. As a business we may have inadvertently also planted seeds of doubt with the previous Board's stated goals of selling AGG to reduce our debt, as our debt was too high.

Although we announced our decision not to sell AGG, it was clearly communicated that the business needed to reduce debt through a capital raise. What followed was a proposal for an investor to refinance the banking facility and become our primary funder and also a shareholder. The Board ended negotiations when the investor would not commit to satisfactory final terms.

Soon after the announcement of this deal not proceeding, we were given an indicative, non-binding, conditional proposal to takeover the business in full by CCP VI Bidco (NZ) Ltd – a company managed by Crescent Capital Partners, the PE fund that owns one of our competitors in New Zealand and Australia.

We assessed this proposal and the likelihood of it proceeding and chose not to enter into a scheme of arrangement with the acquiring party. They appear to remain interested and have stated that they are filing an application with the Commerce Commission.

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These failed proposals were distracting and slowed down our momentum for a more straightforward capital raise, which is our preference and plan. We did take the opportunity to speak to many of our shareholders on the future capital needs and gain a sense of their appetite to further invest. We have maintained a close relationship and good communication with the banking syndicate.

Before Christmas we were pleased to announce extended banking facilities to the end of July of this year, giving us time to build an alternative plan. We have made good progress on a capital raise, albeit as we improve our performance we would expect to reduce debt levels regardless.

The work that we carried out inside the business did not deliver a satisfactory level of earnings by any measure. We have reported revenue of $214.0 million, a reduction of $25.0 million compared with FY24 and a loss before significant items, interest and tax of $0.6 million versus a profit of $7.0 million in FY24 and a loss after tax of $13.0 million against a loss of $27.0 million in the prior year.

We have, however, made significant gains within the business and have set ourselves up with far greater confidence in our ability to forecast future earnings and build a budget we can believe in and achieve.

In New Zealand and at AGG we achieved record levels of service delivery. New Zealand finished the year delivering consistent Delivered In Full, On Time (DIFOT) levels with the final quarter of the year averaging 97% compared to a previous run rate of around 75%, and AGG, off a much higher base, finished the year with a yearly average DIFOT of 96%. The improvements in operations and productivity meant that our 12-month rolling average of reworks in New Zealand and in AGG was less than 3%.

In the South Island, we managed only a small decline in revenue of 4% despite the falling market, but achieved an improvement of 3% in gross margin. The North Island was not as good; the market decline was worse and we lost some market share in the early stages of the year, before we improved service levels. We also stood up to aggressive competitor pricing and focused on margin. The performance improvement did deliver us some increased share in the later part of the year which finished with revenue down 27%, or $30 million overall, and cost reduction initiatives were not sufficient to mitigate the lost revenue.

While there is more work to be done in the North Island, across the New Zealand business we were pleased to finish the year with increased margin percentage on the prior year, which was a good result.

Although we did take around $5 million of operating cost out of the business, we are expecting a further $3 million to come out in FY26.

As previously reported we are not counting on a market recovery in New Zealand. Our budget is based on a flat market, growing some market share and further reducing our cost to serve. We will deliver a profit and positive cashflow with an engaged and focused team.

For AGG, it was very much a year of two halves. We continued to build capacity on the expected increase in market size, with the new insulation standards and for this revenue to outstrip the declining construction sector. Certainly the earlier adoption of standards in NSW gave us this expected growth. However, in Victoria we saw no benefit from the delayed standards change, with growth now expected to arrive from May 2025, and Tasmania was weak, facing a tough economic environment.

I think we were taken a bit by surprise, by the sharp decline in activity levels in Victoria. The consent data was not as weak as we experienced in market activity, driven of course by builds rather than consents. The variation occurs when there is not a linear relationship between consents issued and build starts, which can arise when people 'sit on' the consent.

We are in pretty good heart in AGG. The team are working well and we expect a good year ahead. Daily revenue has been tracking upwards this calendar year and we expect earnings at similar levels to those in FY24 and with our capacity growth a record year in FY27.

I have spent a lot of time with customers in the New Zealand market this year who have been impressed by our resilience and also the improvement in service levels and the quality of our product and install capability. In Australia I have been to fewer customers, but have ramped up my activity there, with slightly more bandwidth following the successful appointment of Nick Hardy-Jones to the role of Country Manager NZ. We are also fortunate to have appointed a strong permanent CFO, Sarah Hipkiss, who has already been extremely additive.

The most important part of our business is our people. I thank them for their resilience, patience and dedication as we traverse these difficult times. We remain resolute in getting our people home safely after each shift. Our safety performance has improved, but we continue to find ways to engage with our people to further reduce injuries to our people. Any injury, no matter how minor, is one too many.

Thank you to you, our shareholders, for your patience and to the many that have reached out to me personally offering both advice and support. Thanks to the banking syndicate for the partnership and the support. And to our customers, we value your custom and you are a pleasure to serve.

I look forward to the year ahead and to reporting a better result this time next year.

SIMON BENNETT
Metro Performance Glass
Executive Director

BOARD OF DIRECTORS

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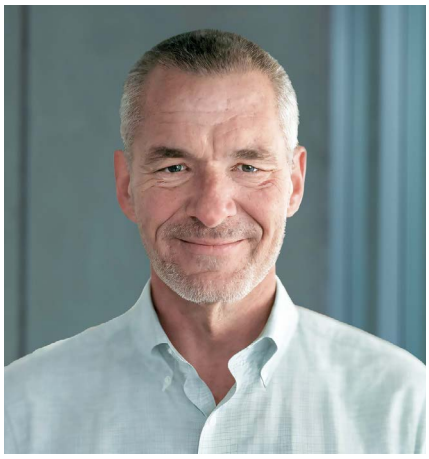

SHAWN BECK

Independent, Non-Executive Chair

Appointed: November 2023

Shawn's background includes a wide variety of roles, including serving as an equities analyst, institutional dealer, investment banker, private equity general partner, company director, company founder and owner-operator. This includes roles within the commercial and sports arenas.

His experience includes nearly 20 years as a co-founding director of Pencarrow Private Equity and director or chair of approximately 15 companies in a range of industries, including four publicly listed NZX companies.

Shawn's experience also encompasses the direct execution or management of an estimated 70 corporate finance transactions including IPOs, equity and debt raising, listed takeovers and M&A.

SIMON BENNETT

Executive Director

Appointed: December 2023
Appointed Executive Director: May 2024

Simon is an experienced CEO, entrepreneur and company director. He was previously the CEO of Accordant Group which encompassed numerous recruitment businesses. Simon had previously both owned and operated firms in retail and manufacturing and consulted to NZX50 companies.

Simon is Chair of Accordant Group, and trustee of the International Centre for Entrepreneurship Foundation. Simon is a member of the Institute of Directors New Zealand. He is an early-stage investor and supporter of the entrepreneurial ecosystem.

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JULIA MAYNE

Independent, Non-Executive Director,
Chair of the Audit And Risk Committee

Appointed: September 2021

Julia has more than 30 years' experience in financial and operational improvement roles, focused in particular on the Australasian building materials sector. She is currently Group Executive Client Relations at Scottish Pacific Business Finance. Prior to this, Julia completed several consulting, programme management or Acting CEO roles focused on business improvement.

From 2001 to 2015, Julia held senior financial leadership positions across the Fletcher Building Group, including the roles of General Manager Finance – Building Products division, the CFO of the Crane Division, and Divisional Finance Manager – Stramit Building Products.

Julia is a qualified CPA, has a CPA MBA from Deakin University, a Bachelor of Commerce (Hons) from the University of NSW and a Bachelor of Commerce from the University of Wollongong.

PRAMOD KHATRI

Independent, Non-Executive Director,
Member of Audit And Risk Committee

Appointed: December 2023

Pramod commenced his career in Audit and Business Advisory Services with Arthur Young (now Ernst and Young) in 1986. In 1993 he left EY to undertake his MBA studies following which he held a number of senior management roles in the New Zealand dairy, roading and construction, and manufacturing sectors.

In 2001 Pramod joined the McKechnie Metals business as Commercial Manager and in 2002 was promoted to General Manager. In 2004, he led the management buyout of the McKechnie Aluminium business and became its Managing Director and major shareholder. In 2022 Pramod exited the McKechnie business when it was sold to American interests.

Pramod has also been Chair and shareholder of Christchurch-based AW Fraser Limited, a supplier of bronze, brass and precision machined components, since 2006. He resigned as Chairman/Director in March 2025 when the business was sold to a French company. In addition to this, Pramod is a trustee of a New Plymouth-based charitable trust which provides financial support to students entering tertiary studies.

MANAGEMENT SUMMARY

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NICK HARDY-JONES
Country Manager – New Zealand

New Zealand

Metroglass produces a wide range of customised glass products for both residential and commercial construction.

Our range includes Low E double and triple glazing, solar control glass, frameless glass balustrades and showers, mirrors, splashbacks, canopies, doors and internal partitions.

Our people are the heart of our business, running our national network of 12 branches and two manufacturing sites. We continue to receive strong customer feedback that highlights the dedication and capability of our teams. Many of our staff have been with us for more than a decade – an enduring testament to our values and culture of service.

The safety and wellbeing of our people remains a top priority. In FY25, we achieved an 18% year-on-year reduction in injury rates, resulting in a Total Recordable Injury Frequency Rate (TRIFR) of 2.76 – the lowest in our company's history. This reflects our continued investment in safer processes, equipment and a culture of care.

In the North Island, revenue declined by 27.0% as residential construction activity fell, with national building consents down 39.0% from peak. The closure of our Wellington factory at the start of FY25 created some logistical challenges during the transition to daily redistribution of product from our Highbrook site. Despite this we achieved a 15.2% operational cost reduction.

Our focused leadership team have made material progress recovering DIFOT service levels, achieving greater than 95% in the final quarter of FY25. Overhead and cost reductions of approximately $5 million relative to FY24 have already been implemented to ensure success for the business in FY26.

Our South Island operations delivered strong results. Gross margin improved year-on-year, operating costs fell by 7.4% and Earnings Before Interest and Taxes (EBIT) grew by 24.0%. Strong operational focus and increased plant reliability contributed to these gains. Our on-site glazing teams continue to set the market standard for service, communication, safety and delivery.

Nationally, despite revenue being down 16%, we've driven improvement through simplification of our business model, a focus on production efficiency and by providing superior customer service. These efforts have improved margins even as market pricing remains under pressure. Internal and external rework rates have declined, lowering cost and improving quality without compromising delivery times. Retrofit and frameless glass segments performed well, supported by the launch of a new balustrade suite.

Metroglass is now positioned with a clear strategy, and a simplified lower-cost business model. Our focus remains on production efficiency and improved customer service. The results are apparent through market feedback and improved margins, despite pricing pressure in market. Stronger operational discipline will deliver consistent DIFOT above 95% with consistent lead times for customers. Excellence in distribution and glazing communication enables us to strengthen our customers' competitive advantage in a challenging market.

Metroglass is now positioned with a clear strategy, and a simplified lower-cost business model.

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STEVE HAMER
CEO Australia Glass Group

Australia Glass Group (AGG)

AGG is a leading supplier of insulated glass units (IGUs) in Australia and is known for its high-performance products, quality, and customer service.

AGG has industry-leading brands, products, and technical and specification support, underpinned by outstanding customer service and quality, and driven by an experienced and enthusiastic team.

AGG's main brand is Insulglass®, which can be supplied as either double-glazed or triple-glazed units. Insulated glassing units (IGUs) are most frequently required for energy efficiency and so AGG mainly serves the cooler climates of south-eastern Australia (60% of the Australian population). AGG produces from three processing facilities and supporting warehouse facilities in Melbourne, Sydney and Hobart. AGG's market is predominantly made up of window fabricators who service the medium-to-high-end housing market.

The future markets for AGG's products continue to look favourable with an increasing focus on energy efficiency for both new and refurbished housing and other buildings. These changes are underpinned by the National Construction Codes, which specify energy performance of buildings in which window energy efficiency is critical – leading to increasing use of IGUs and hence demand for AGG's product range.

To meet these market demands, AGG has continued to invest in its product range, especially in high-performance glass types and also in increased production capacity to meet the expected increase in demand over the next few years.

AGG is therefore well positioned to capitalise on this expected IGU growth given its specialised manufacturing expertise, product range, brand, technical and specification support, and geographical positioning.

The future markets for AGG's products continue to look favourable with an increasing focus on energy efficiency for both new and refurbished housing and other buildings.

SARAH HIPKISS
Chief Financial Officer

Financial summary

Metroglass' net debt increased to $60.5 million from $53.0 million in FY24. A significant portion of this increase was due to the necessity of advance payments for inventory in Australia as a result of the liquidation of a key supplier, Oceania, ensuring that customers experienced no disruption. This additional investment required is expected to largely reverse over the first half of FY26 as AGG moves to a full import model.

Operating cash flow ended the year at $2.1 million, a decrease from last year's $18.9 million, which is attributable to the corresponding decline in revenue.

Group revenue at $214 million was 10% down on the prior year, with Australia consistent with FY24 and New Zealand down 16% as the market softened. New Zealand's operating improvements and cost-out initiatives have begun to bear fruit but remain a key area of focus, while Australia will focus on managing cost to position for growth, being further along the cost-out process.

Non-GAAP Financial Information

NON-GAAP FINANCIAL INFORMATION

Metroglass' standard profit measure prepared under New Zealand Generally Accepted Accounting Practice (GAAP) is profit for the period, or net profit after tax. Metroglass has used non-GAAP measures which are not prepared in accordance with New Zealand International Financial Reporting Standards (NZ IFRS) when discussing financial performance in this document. The Directors and management believe that these non-GAAP financial measures provide useful information to readers to assist in the understanding of the Group's financial performance, financial position or returns, and used internally to evaluate the performance of business units and to establish operational goals. These measures should not be viewed in isolation, nor considered as a substitute for measures reported in accordance with NZ IFRS. Non-GAAP financial measures may not be comparable to similarly titled amounts reported by other companies.

Definitions of non-GAAP financial measures used in this report:

*** EBITDA:** Earnings before interest, tax, depreciation and amortisation.

GAAP TO NON-GAAP RECONCILIATION

Full year to 31 March	FY25 ($M)	FY24 ($M)
(Loss)/Profit for the period before significant items	**(8.8)**	**(2.0)**
Less: Impairment of intangible assets	-	(20.9)
Less: NZ restructuring and Australian divestment	(4.7)	(4.6)
Loss for the period (GAAP)	**(13.5)**	**(27.5)**
Add: taxation expense	(3.2)	(1.9)
Add: net finance expense	11.3	11.1
Earnings before interest and tax (EBIT) (GAAP)	**(5.4)**	**(18.3)**
Add: depreciation & amortisation	17.5	17.9
EBITDA	**12.2**	**(0.4)**
EBIT (GAAP)	(5.4)	(18.3)
Add: Impairment of intangible assets	-	20.9
Add: NZ restructuring and Australian divestment	4.7	4.6
EBIT before significant items	**(0.6)**	**7.2**
EBITDA	12.2	(0.4)
Add: Impairment of intangible assets	-	20.9
Add: NZ restructuring and Australian divestment	4.7	4.6
EBITDA before significant items	**16.9**	**25.1**

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OUR RESULTS

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Consolidated Statement of Comprehensive Income

for the year ended 31 March 2025

	NOTES	CONSOLIDATED	CONSOLIDATED
		2025 $'000	2024 $'000
Revenue	2.1	213,922	239,280
Cost of sales	2.3	(130,648)	(140,649)
Gross profit	**2.1**	**83,274**	**98,631**
Distribution and glazing-related expenses	2.3	(41,511)	(45,733)
Selling and marketing expenses	2.3	(11,717)	(12,584)
Administration expenses	2.3	(30,890)	(33,791)
Share of profits of associate	4.4	124	415
Other income and gains and losses	2.6	83	246
(Loss)/Profit before significant items, interest and tax		**(637)**	**7,184**
Significant items	2.4	(4,728)	**(25,437)**
Loss before interest and tax		**(5,365)**	**(18,253)**
Finance expenses	2.7	(11,362)	(11,194)
Finance income		51	58
Loss before income taxation		**(16,676)**	**(29,389)**
Income tax benefit	6.1	3,206	1,877
Loss for the year		**(13,470)**	**(27,512)**
Other comprehensive income			
Items that may be reclassified to profit or loss in the future:			
Exchange differences on translation of foreign operations		409	919
Change in fair value of hedging instruments (net of tax)	3.5	(183)	(224)
Total comprehensive loss for the year attributable to shareholders		**(13,244)**	**(26,817)**
Earnings per share			
Basic and diluted earnings per share (cents per share)	2.5	(7.3)	(14.8)

The Board of Directors authorised these financial statements for issue on 27 May 2025.

For and on behalf of the Board:

Shawn Beck
Chairman

Julia Mayne
Director

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

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Consolidated Statement of Financial Position

at 31 March 2025

	NOTES	CONSOLIDATED 2025 $'000	CONSOLIDATED 2024 $'000
ASSETS			
Current assets			
Cash and cash equivalents		6,538	6,634
Trade receivables	3.1	28,372	33,335
Inventories	3.2	25,506	25,639
Derivative financial instruments	3.5	61	175
Current income tax asset		186	1
Other current assets	3.7	3,412	3,317
Total current assets		**64,075**	**69,101**
Non-current assets			
Property, plant and equipment	4.1	39,891	46,137
Right-of-use assets	4.2	60,237	64,459
Deferred tax assets	6.2	15,740	12,443
Investment in associate	4.4	–	2,027
Intangible assets	4.3	23,926	23,764
Other non-current assets	3.7	42	990
Total non-current assets		**139,836**	**149,820**
Total assets		**203,911**	**218,921**
LIABILITIES			
Current liabilities			
Trade and other payables	3.3	20,131	25,486
Deferred income	3.4	1,247	1,709
Derivative financial instruments	3.5	10	6
Lease liabilities	5.2	7,842	7,307
Interest-bearing liabilities	5.1	65,520	57,802
Provisions	3.6	1,048	830
Total current liabilities		**95,798**	**93,140**
Non-current liabilities			
Interest-bearing liabilities	5.1	1,512	1,861
Lease liabilities	5.2	68,723	71,086
Provisions	3.6	2,296	3,843
Total non-current liabilities		**72,531**	**76,790**
Total liabilities		**168,329**	**169,930**
Net assets		**35,582**	**48,991**
Equity			
Contributed equity	5.3	307,198	307,198
Accumulated losses		(101,877)	(88,776)
Group reorganisation reserve	6.3	(170,665)	(170,665)
Share-based payments reserve	6.3	528	1,062
Foreign currency translation reserve		945	536
Hedge reserve	3.5	(547)	(364)
Total equity		**35,582**	**48,991**

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

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Consolidated Statement of Changes in Equity

for the year ended 31 March 2025

		CONSOLIDATED 2025			
	Notes	Contributed equity $'000	Reserves $'000	Accumulated losses $'000	Total $'000
Opening balance at 1 April 2024		307,198	(169,431)	(88,776)	48,991
Loss for the year		–	–	(13,470)	(13,470)
Movement in foreign currency translation reserve		–	409	–	409
Other comprehensive income for the year	3.5	–	(183)	–	(183)
Total comprehensive income/(loss) for the year		**–**	**226**	**(13,470)**	**(13,244)**
Expiry of share-based payments		–	(369)	369	–
Movement in share-based payments reserve		–	(165)	–	(165)
Total transactions with owners, recognised directly in equity		**–**	**(534)**	**369**	**(165)**
Balance at 31 March 2025		**307,198**	**(169,739)**	**(101,877)**	**35,582**

		CONSOLIDATED 2024			
	Notes	Contributed equity $'000	Reserves $'000	Accumulated losses $'000	Total $'000
Opening balance at 1 April 2023		307,198	(169,830)	(61,901)	75,467
Loss for the year		–	–	(27,512)	(27,512)
Movement in foreign currency translation reserve		–	919	–	919
Other comprehensive income for the year	3.5	–	(224)	–	(224)
Total comprehensive income/(loss) for the year		**–**	**695**	**(27,512)**	**(26,817)**
Expiry of share-based payments		–	(637)	637	–
Movement in share-based payments reserve		–	341	–	341
Total transactions with owners, recognised directly in equity		–	(296)	637	341
Balance at 31 March 2024		**307,198**	**(169,431)**	**(88,776)**	**48,991**

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

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Consolidated Statement of Cash Flows

for the year ended 31 March 2025

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Cash flows from operating activities		
Receipts from customers	217,804	242,972
Payments to suppliers and employees	(206,049)	(214,207)
Government grants received	36	283
Repayment of balance due from associate	1,421	350
Interest received	46	107
Interest paid	(6,051)	(5,889)
Interest paid on leases	(4,955)	(4,691)
Income taxes paid	(180)	(9)
Net cash inflow from operating activities	**2,072**	**18,916**
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	83	92
Payments for property, plant and equipment	(3,009)	(3,984)
Payments for intangible assets	(37)	–
Divestment of Investment in Associates	1,079	–
Net cash outflow from investing activities	**(1,884)**	**(3,892)**
Cash flows from financing activities		
Lease liability principal payments	(7,542)	(7,561)
Repayment of borrowings	(3,500)	(14,000)
Drawdown of borrowings	11,000	6,000
Repayment of other financing	(435)	(507)
Net cash outflow from financing activities	**(477)**	**(16,068)**
Net decrease	(289)	(1,044)
Cash and cash equivalents at the beginning of the year	6,634	7,300
Effects of exchange rate changes on cash and cash equivalents	193	378
Cash and cash equivalents at the end of the year	**6,538**	**6,634**

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

The table below sets out the annual movement in net debt:

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Opening balance of interest-bearing liabilities at 1 April	**59,663**	**67,370**
(Repayment)/drawdown of borrowings (net)	7,500	(8,000)
Other financing movement (net)	(435)	(507)
Foreign exchange and other adjustments	304	800
Closing balance of interest-bearing liabilities at 31 March	**67,032**	**59,663**
Less: cash and cash equivalents	(6,538)	(6,634)
Net debt at 31 March	**60,494**	**53,029**

Consolidated Statement of Cash Flows (continued)

for the year ended 31 March 2025

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Reconciliation of loss after income tax to net cash inflow from operating activities		
Loss for the Year	**(13,470)**	**(27,512)**
Adjustments for:		
Depreciation and amortisation	17,534	17,920
Business Restructuring	1,820	–
Impairment of intangible assets	–	20,879
Share-based payments expense	(165)	341
Loss/(gain) on disposal of assets	(13)	101
Lease modification and remeasurement	1,233	–
Share of profit from associate	(124)	(415)
	20,285	**38,826**
Impact of changes in working capital items		
Trade and other receivables	4,509	5,503
Inventory	196	6,316
Related party receivables	1,142	350
Other current assets	(505)	96
Trade accounts payable and employee entitlements	(5,259)	(1,972)
Deferred income	(463)	(345)
Interest accruals	(47)	16
Provisions	(1,329)	15
Movement in deferred tax	(3,212)	(1,925)
Movement in credit loss provision	398	(490)
Income tax liability	(173)	38
	(4,743)	**7,602**
Net cash inflow from operating activities	**2,072**	**18,916**

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

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Notes to the Consolidated Financial Statements

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1 BASIS OF PREPARATION

Reporting entity

These financial statements are for Metro Performance Glass Limited ('the Company' or 'the parent entity') and its subsidiaries (together, 'the Group'). The Group supplies processed flat glass and related products primarily to the residential and commercial building sectors.

Statutory base

The Company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 5 Lady Fisher Place, East Tamaki, Auckland.

Basis of preparation

These consolidated financial statements have been approved for issue by the Board of Directors on 27 May 2025.

The consolidated financial statements of the Group have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). The Group is a for-profit entity for the purposes of complying with NZ GAAP and has operations and sales in New Zealand and Australia. The consolidated financial statements comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), other New Zealand accounting standards and authoritative notices that are applicable to entities that apply NZ IFRS. The consolidated financial statements also comply with International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards).

Metro Performance Glass Limited is registered under the New Zealand Companies Act 1993 and is a Financial Market Conduct reporting entity under Part 7 of the Financial Markets Conduct Act 2013. The financial statements of the Group have been prepared in accordance with the requirements of the New Zealand Stock Exchange (NZX) Main Board Listing Rules.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial assets and financial liabilities at fair value.

Principles of consolidation

The financial statements incorporate the assets and liabilities of all subsidiaries of Metro Performance Glass Limited as at 31 March 2025 and the results of all subsidiaries for the year then ended.

Subsidiaries are all entities over which the Group has control. An entity is a controlled entity of the Group if the Group is exposed and has a right to variable returns from the entity and is able to use its power over the entity to affect those returns. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provided evidence of the impairment of the asset transferred.

Goods and Services Tax (GST)

The statement of comprehensive income has been prepared so that all components are stated exclusive of GST. All items in the statement of financial position and statement of cash flows are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in each accounting note as appropriate.

The critical accounting estimates and judgements at 31 March 2025 include:

- use of going concern basis of accounting (refer: going concern disclosure below)
- economic lives of intangible assets and property, plant and equipment (refer: 4.1 Property, Plant and equipment)
- impairment assessment of goodwill (refer: 4.3 Intangible Assets)

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Going concern

In preparing these financial statements, the Directors have considered various uncertainties facing the Group and its ability to continue as a going concern. These uncertainties are outlined below:

The Group reported a loss before tax for the year ended 31 March 2025 of $16.7m (2024: $29.4m). As at 31 March 2025 the Group had negative working capital of $31.7m (2024: negative $24.0m). At 31 March 2025, the Group's banking facility stands at $70m, of which $65.5m (31 March 2024 $57.8m) has been drawn down. This has been presented as a current liability in the Consolidated Statement of Financial Position as the facility has a maturity date of 31 July 2025. The banking facility contains certain conditions which must be completed prior to this date relating to the approval and formal announcement of an equity raise. As set out in note 5.1 certain covenants under the Group's debt facility were amended during the financial year.

The Directors are focused on debt reduction and growing and improving both the Australian and New Zealand businesses. The Directors have approved a budget for the year ending 31 March 2026 which includes actions to improve the profitability of the Group.

The Directors remain engaged with potential investor groups and have been working closely with equity capital market advisors. The Directors intend to undertake an equity raise and to renegotiate the Group's debt facilities as part of the equity raise. The Directors intend to have this completed prior to 31 July 2025.

The bank syndicate has continued to work with the Group to renew the loan facilities, subject to debt reduction through an equity raise. The Group and the banking syndicate have a history of working together constructively and the Directors expect that to continue.

Based on these factors, the Directors concluded the Group's financial statements should be prepared on a going concern basis, though there are uncertainties about the successful execution of a sufficient equity raise, and the ability to reach an agreement with the bank syndicate for renewed loan facilities on mutually acceptable terms including setting and meeting financial covenants.

The Directors consider that these uncertainties regarding future financing and funding, which are future events that are not fully within their control, represent a material uncertainty that may cast significant doubt on the Groups ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial statements do not include any adjustments that may be required if the Group is unable to continue as a going concern.

Foreign Currency Translation

Functional and presentation currency

The consolidated financial statements are presented in New Zealand dollars which is the Company's functional and the Group's presentation currency, rounded where necessary to the nearest thousand dollars.

Transactions and balances

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions);
- all resulting exchange differences are recognised in 'Other comprehensive income'.
- on consolidation, exchange differences arising from the translation of any net investment in foreign entities, and the borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Notes to the Consolidated Financial Statements (continued)

Changes in Accounting Policy and Disclosures

New disclosure requirements and changes in accounting policies

There are various standards, amendments and interpretations which are published but not yet effective and were assessed as having an immaterial impact on the Group. There are no NZ IFRS, NZ IFRIC interpretations or other applicable IFRS Accounting Standards that are effective for the first time for the financial year beginning on or after 1 April 2024 that had a material impact on these consolidated financial statements.

2 FINANCIAL PERFORMANCE

2.1 Segment Information

Operating segments of the Group at 31 March 2025 have been determined based on financial information that is regularly reviewed by the Board in conjunction with the Executive Director and Chief Financial Officer, collectively the chief decision-maker for the purpose of allocating resources, assessing performance and making strategic decisions.

Substantially all of the Group's revenue is derived from the sale of glass and related products and services. This revenue is split by channel only at the revenue level into Commercial Glazing, Residential and Retrofit. Commercial glazing revenue reflects sales through four specific commercial glazing operations in New Zealand. Retrofit revenue reflects sales through four specific retrofit operations in New Zealand and the retrofit channel sales from all (Metro Direct) branches across New Zealand. Residential revenue reflects all other sales channels. The allocation of sales between residential and commercial can be difficult as the Group does not always know the end-use application. Following the acquisition of Australian Glass Group Pty Ltd (AGG) on 1 September 2016 the Group operates in two geographic segments, New Zealand and Australia.

In the tables below:

- Group costs consist of insurance, professional services, Directors' fees and expenses, listed company fees and share incentive scheme costs.
- Refer to Note 2.4 for details of significant items.

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Notes to the Consolidated Financial Statements (continued)

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	CONSOLIDATED 2025			
	New Zealand $'000	Australia $'000	Eliminations and Other $'000	Group $'000
Commercial Glazing	24,675	–	–	24,675
Residential	85,297	80,069	–	165,366
Retrofit	23,881	–	–	23,881
Total revenue	**133,853**	**80,069**	**–**	**213,922**
Gross profit	57,964	25,310	–	83,274
Segmental EBITDA before significant items	9,744	7,468	–	17,212
Group costs	–	–	(315)	(315)
Group EBITDA before significant items				**16,897**
Depreciation and amortisation	(12,650)	(4,884)	–	(17,534)
EBIT before significant items	**(2,906)**	**2,584**	**(315)**	**(637)**
Significant items	(3,033)	(1,695)	–	(4,728)
EBIT	**(5,939)**	**889**	**(315)**	**(5,365)**
Segment assets	263,290	75,280	(134,659)	203,911
Segment non-current assets (excluding deferred tax assets)	69,280	54,816	–	124,096
Segment liabilities	75,599	32,646	60,084	168,329

	CONSOLIDATED 2024			
	New Zealand $'000	Australia $'000	Eliminations and Other $'000	Group $'000
Commercial glazing	34,808	–	–	34,808
Residential	99,579	79,706	–	179,285
Retrofit	25,187	–	–	25,187
Total revenue	**159,574**	**79,706**	**–**	**239,280**
Gross profit	69,846	28,785	–	98,631
Segmental EBITDA before significant items	14,458	11,503	–	25,961
Group costs	–	–	(857)	(857)
Group EBITDA before significant items				**25,104**
Depreciation and amortisation	(13,174)	(4,746)	–	(17,920)
EBIT before significant items	**1,284**	**6,757**	**(857)**	**7,184**
Significant items	(22,725)	(2,712)	–	(25,437)
EBIT	**(21,441)**	**4,045**	**(857)**	**(18,253)**
Segment assets	276,592	79,028	(136,699)	218,921
Segment non-current assets (excluding deferred tax assets)	84,147	53,230	–	137,377
Segment liabilities	81,702	33,549	54,679	169,930

2.2 Revenue

Accounting policy

Revenue comprises the value of the consideration received for the sale of goods and services, net of GST, rebates and discounts and after eliminating sales within the Group.

The Group derives revenue from the sale of customised glass products. Revenue is recognised at a point in time when a Group entity has transferred control, which is when it has delivered the glass products to the customer, the customer has accepted the products and collectability of the related receivables is highly probable.

The Group also provides glazing services along with the sale of its glass products. Revenue is recognised for the glazing and associated glass products when the glazing services have been completed, the customer has approved the installation services and collectability of the related receivables is highly probable.

Notes to the Consolidated Financial Statements (continued)

2.3 Operating expenditure

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Raw materials and consumables used	66,697	74,497
Employee benefit expenses	90,245	95,596
Depreciation and amortisation	17,534	17,920
Other expenses	40,290	44,744
Total cost of sales, distribution and glazing related expenses, selling and marketing expenses, and administration expenses	**214,766**	**232,757**

Amortisation of intangible assets is included within administration expenses as reported in the consolidated statement of comprehensive income.

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Audit of Financial Statements performed by PwC		
Audit of financial statements - PwC - current year	460	795
Audit of financial statements - PwC - prior year	–	–
Audit related services performed by PwC		
Agreed upon procedures relating to the Group's covenant compliance certificate	–	8
Other services performed by PwC		
Advice comparing the Group's long-term incentive plan to market practice	–	15
	460	**818**

2.4 Significant items

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Impairment of New Zealand intangible assets	–	20,879
Restructure of the New Zealand operations	2,552	2,971
Divestment of investment in associates	1,067	–
Australian divestment	491	1,587
Capital raise and takeover related expenses	618	–
Total significant items before taxation	**4,728**	**25,437**
Tax benefit on above items	(1,358)	(1,331)
Total significant items after taxation	**3,370**	**24,106**

Accounting policy

Significant items are a non-GAAP measure and are based on the Group's internal policy as follows. Transactions considered for classification as significant items are material restructuring costs, acquisition and disposal costs, impairment or reversal of impairment of assets, business integration, and transactions or events outside of the Group's ongoing operations that have a significant impact on reported profit.

Impairment of New Zealand intangible assets

Additional detail on impairment charges can be seen in Note 4.3 Intangible Assets.

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Notes to the Consolidated Financial Statements (continued)

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Restructure of the NZ operations

The Group has reinvigorated its cost out programme, continuing the comprehensive review of its organisational structure and manufacturing footprint along with the development of a project team to identify and target efficiencies. This resulted in the mothballing of the Wellington manufacturing facility in February 2024, followed by its subsequent closure in FY2025 as well as other staff restructuring costs. The costs of this programme are included in the 'Restructure of NZ operations' significant item. The nature of the costs incurred include redundancy payments, loss on disposal of inventory and some assets, and costs incurred transporting and re-commissioning assets in other plants within the Group.

Divestment of investment in associates

Additional detail on divestment can be seen in Note 4.4 Investment in Associate.

Australian divestment

On 23 February 2023 the Group announced plans to explore divestment options of the Group's Australian business, Australian Glass Group (AGG). On 6 May 2024 the Group announced an offer had been received for the purchase of AGG. However, following evaluation of that offer, the Board reached the view that progressing an offer on those terms would not be in the best interests of the Company or its shareholders and announced that it intended to retain its investment in AGG. During the year ended 31 March 2024 and 31 March 2025 a number of costs were incurred and expensed in relation to this divestment process. The Australian divestment costs include those professional service costs incurred for the investigation of the sale process.

Capital raise and takeover related expenses

On 6 May 2024 the Group announced that it will progress a capital raise to further reduce its debt level. The capital raise costs include legal and professional fees incurred in the exploration of this activity. On 12 September 2024 the Group announced conditional refinance, placement and capital raise with Cowes Bay Group Pty. This transaction was cancelled on 16 December 2024 as key terms could not be agreed. On 17 December 2024, the Group received a non-binding, indicative, conditional proposal from CCP VI Bidco (NZ) Ltd - a company managed by Crescent Capital Partners. Takeover related expenses relate to professional and legal expenses incurred related to these activities.

2.5 Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit or loss after tax of the Group by the weighted average number of ordinary shares outstanding during the period. Due to the losses, the diluted earnings per share are the same as the basic earnings per share as the Group's potential ordinary shares would be antidilutive in the calculation.

	CONSOLIDATED	CONSOLIDATED
	2025	2024
Loss after tax ($'000)	(13,470)	(27,512)
Weighted average number of ordinary shares outstanding ('000s)	185,378	185,378
Basic earnings per share (cents per share)	(7.3)	(14.8)

Net tangible assets

Net tangible assets per share is a non-GAAP measure that is required to be disclosed by the NZX Listing Rules.

The calculation of the Group's net tangible assets per share and its reconciliation to the consolidated balance sheet is presented below:

	CONSOLIDATED	CONSOLIDATED
	2025	2024
Total assets ($'000)	203,911	218,921
Less: intangible assets ($'000)	(23,926)	(23,764)
Less: total liabilities ($'000)	(168,329)	(169,930)
Net tangible assets ($'000)	11,656	25,227
Shares on issue at the end of the period ('000s)	185,378	185,378
Net tangible assets per share (cents per share)	6.29	13.61

Notes to the Consolidated Financial Statements (continued)

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2.6 Other income and gains and losses

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
NZ Government Grants	36	283
(Loss)/gain on disposal of asset	13	(101)
Other	34	64
Total Other income and gains and losses	**83**	**246**

NZ Government Grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and when the Group will comply with the attached conditions. Government grants relating to income are deferred and recognised in profit or loss over the period necessary to match them with the conditions that they are intended to compensate.

2.7 Finance expenses

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Interest on borrowings and derivatives	6,086	6,194
Interest on lease liabilities	5,133	4,831
Interest on finance lease	143	169
Total Finance expenses	**11,362**	**11,194**

3 WORKING CAPITAL

3.1 Trade receivables

The following table summarises the impact of the credit loss provision on the trade receivables balance:

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Trade receivables	29,522	34,087
Credit loss provision	(1,150)	(752)
Total trade receivables	**28,372**	**33,335**

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Movements in the credit loss provision are as follows:		
Opening balance	752	1,238
Provision increased during the year	800	436
Receivables written off during the year as uncollectable	(402)	(922)
Balance at the end of the year	**1,150**	**752**

Notes to the Consolidated Financial Statements (continued)

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Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, and credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions, and is managed at Group level.

The table below sets out information about the credit quality of trade receivables net of the expected credit loss provision:

	CURRENT	0–59 DAYS	60–89 DAYS	90 DAYS AND LATER	TOTAL
31 March 2025	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Gross carrying amount	**21,439**	**4,405**	**983**	**2,695**	**29,522**
Baseline	35	9	24	58	126
Specific	–	–	19	1,005	1,024
Total expected credit loss rate	0.16%	0.20%	4.37%	39.45%	3.90%
Credit loss provision	**35**	**9**	**43**	**1,063**	**1,150**

	CURRENT	0–59 DAYS	60–89 DAYS	90 DAYS AND LATER	TOTAL
31 March 2024	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Gross carrying amount	**24,598**	**5,750**	**1,173**	**2,566**	**34,087**
Baseline	38	8	25	147	218
Specific	–	–	48	486	534
Total expected credit loss rate	0.15%	0.14%	6.22%	24.67%	2.21%
Credit loss provision	**38**	**8**	**73**	**633**	**752**

The Group extends credit to its customers based on an assessment of credit worthiness. Terms differ by customer and may extend to 60 days past invoice date. Ageing is based on agreed credit terms and at balance date, a portion of the Group's receivables are also subject to contractual retentions which can last up to and exceed 12 months.

As of 31 March 2025 allowing for retention balances of $0.4 million (2024: $1.0 million) trade receivables of $6.6 million (2024: $7.8 million) were past due but not impaired.

Estimates and judgements

Credit loss provision

To measure expected credit losses, trade receivables have been grouped and reviewed on the basis of the number of days past due. The credit loss provision has been calculated by considering the impact of the following characteristics:

- The baseline loss rate takes into account the write-off history of the Group over a five-year period as a predictor of future conditions and applies an increasing expected credit loss estimate by trade receivables ageing profiles.
- Specific credit loss provisions are made based on any specific customer collection issues that are identified. Collections and payments from the Group's customers are continuously monitored and a credit loss provision is maintained to cover any specific customer credit losses anticipated.

Accounting policy – trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for estimated uncollectable amounts and expected credit losses. The carrying amount of the asset is reduced through the use of provision accounts, and the amount of the loss is recognised in the statement of comprehensive income within 'Administration expenses'. Individual debtor accounts are reviewed for impairment and a provision is raised based on management's best estimate of recoverability. Trade receivables are also assessed for credit risk on a forward-looking basis with a provision raised where a credit loss is considered likely. When a trade receivable is uncollectable, it is written off against the provision account for trade receivables. Subsequent recoveries of amounts previously written off are credited to the income statement against the impairment losses on receivables.

Notes to the Consolidated Financial Statements (continued)

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3.2 Inventories

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Raw materials, primarily flat glass stock-sheets	17,959	18,138
Spare parts	5,382	5,471
Work in progress	2,165	2,030
	25,506	**25,639**

The cost of inventories recognised as an expense and included in 'Cost of sales' amounted to $66.7 million (2024: $74.5 million).

Accounting policy – inventories

Raw materials, spare parts, and work in progress are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories also comprise spare parts, which are used to maintain service to, and repair the Group's plant assets. Spare parts are stated at the lower of weighted average cost and net realisable value.

3.3 Trade and other payables

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Trade accounts payable	12,585	16,468
Employee entitlements	6,802	7,316
GST payable	533	326
Other interest accruals	211	257
Management incentive accrual	–	1,119
Total trade and other payables	**20,131**	**25,486**

Trade accounts payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period which are unpaid. The carrying amount represents fair value due to their short-term nature.

Employee entitlements

Liabilities for wages and salaries, including non-monetary benefits, annual leave and leave in lieu, are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Management incentive accrual

The Group recognises a liability and an expense for bonuses on a formula that takes into consideration the profit or loss attributable to the Group's shareholders. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

3.4 Deferred Income

The Group recognises a contract liability when a deposit is received before the product or service is transferred to the customer. Deposits are required from Retrofit and Retail customers in advance. Deposits are typically held for approximately 3-4 months.

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Customer contract liabilities	1,247	1,709
Deferred income	**1,247**	**1,709**

$1.7 million of the deferred income at the 31 March 2024 balance date has been recognised as revenue in the year ended 31 March 2025.

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3.5 Financial instruments

Financial Instruments

Management determines the classification of the Group's financial assets and liabilities at initial recognition. The Group's financial liabilities for the periods covered by these consolidated financial statements consist of overdrafts, loans, trade and other payables, interest rate swaps and forward exchange contracts. The Group's financial assets for the periods covered by these consolidated financial statements include cash, accounts receivable, and those that are classified at fair value through profit or loss ("FVTPL", rather than cost).

The Group measures all financial liabilities, with the exception of interest rate swaps and forward exchange contracts, at amortised cost. Interest rate swaps and forward exchange contracts are measured at fair value with changes in fair value recognised in 'Other comprehensive income'.

Financial liabilities measured at amortised cost are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. Trade and other payables, bank overdrafts and loans are classified as financial liabilities measured at amortised cost.

Fair value measurement of financial assets and liabilities

The Group's financial assets and liabilities by category are summarised as follows:

Cash and cash equivalents

These are short term in nature and their carrying value is equivalent to their fair value.

Trade and other receivables

These assets are short term in nature and are reviewed for impairment; their carrying value approximates their fair value.

Trade payables and borrowings

The fair value of trade and other payables approximates carrying value due to their short-term nature. The carrying value of the Group's bank borrowings also represents the fair value of the borrowings due to management's assessment that the interest rates approximate the market interest rate for a commercial loan of a comparable lending period.

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk), credit risk and liquidity risk. The Group's overall financial risk management is carried out by a central finance function (the head office finance team) under policies approved by the board of directors, including the Treasury policy. The head office finance team focuses on the unpredictability of financial markets and identifies, evaluates and seeks to hedge financial risks in close co-operation with the Group's operating units to minimise potential adverse effects on the financial performance of the Group.

The Board approves policies covering foreign exchange risk, interest rate risk and credit risk. The Group uses derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures. The Group uses different methods including sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk to measure risk.

Leases

The Group has leases for property, vehicles, and equipment. Contracts are usually for fixed periods, but there may be options to extend. Right-of-use assets and lease liabilities arising from a lease are initially measured on a present value basis of remaining lease payments, discounted using a discount rate derived from the incremental borrowing rate. Right-of-use assets are depreciated using the straight-line method from the commencement date to the end of the lease term.

Derivatives and hedging activity

The Group holds hedging instruments to hedge its foreign currency exposure and interest costs. The Group has designated forward exchange contracts, interest rate swaps, and derivatives as cash flow hedges. In October 2021 the Group designated its AUD bank borrowings, which are in a New Zealand entity, as a hedge of the net investment in the Australia business (net investment hedge).

Cash flow hedge instruments hedge the exposure to variability in cash flows that: (i) is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and (ii) could affect profit or loss.

At 31 March 2025 and 31 March 2024, all derivatives measured at fair value (interest rate swaps and forward exchange contracts) were valued using valuation techniques where all significant inputs were based on observable market data. Accordingly they are categorised as level 2.

Specific valuation techniques used to value the Group's derivatives are as follows:

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.
- The fair value of interest rate swap contracts is determined using forward interest rates at the balance sheet date, with the resulting value discounted back to present value.

Notes to the Consolidated Financial Statements (continued)

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These fair values are based on valuations provided by the Westpac Banking Corporation and ASB Bank Limited as at 31 March 2025 and 31 March 2024.

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument (the portion of the AUD bank borrowings designated as the hedging instrument) relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss with finance expenses. Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is partially disposed or sold.

The gains and losses from the AUD bank borrowing arise from the translation of these foreign currency borrowings to NZD at the period end spot exchange rates.

The Group's hedging reserves relate to the following hedging instruments:

	CONSOLIDATED 2025			
	Spot component of currency forwards $'000	Interest rate swaps $'000	Net investment hedge $'000	Total hedge reserve $'000
Opening balance 1 April 2024	**(122)**	**–**	**486**	**364**
Change in fair value of hedging instrument recognised in 'Other comprehensive income' (OCI)	119	–	135	254
Deferred tax	(33)	–	(38)	(71)
Balance at 31 March 2025	**(36)**	**–**	**583**	**547**

	CONSOLIDATED 2024			
	Spot component of currency forwards $'000	Interest rate swaps $'000	Net investment hedge $'000	Total hedge reserve $'000
Opening balance 1 April 2023	**14**	**(115)**	**241**	**140**
Change in fair value of hedging instrument recognised in 'Other comprehensive income' (OCI)	(188)	162	340	314
Deferred tax	52	(47)	(95)	(90)
Balance at 31 March 2024	**(122)**	**–**	**486**	**364**

The effects of the foreign-currency-related hedging instruments on the Group's financial position and performance are as follows:

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Foreign currency forwards		
Carrying amount of asset/(liability)	51	169
Notional amount	12,301	11,462
Maturity date	Apr 25–Mar 26	Apr 24–Mar 25
Hedge ratio[1]	1:1	1:1
Change in discounted spot value of outstanding hedging instruments since 1 April	119	(188)
Change in value of hedged item used to determine hedge effectiveness	(119)	188
Weighted average hedged EUR/NZD rate for the year (including forward points)	0.5326	0.5547
Weighted average hedged USD/NZD rate for the year (including forward points)	0.5763	0.6096
Weighted average hedged USD/AUD rate for the year (including forward points)	0.6295	0.6760

1 The foreign currency forwards are denominated in the same currency as the highly probably future inventory purchases (USD and EUR); therefore, the hedge is 1:1.

Notes to the Consolidated Financial Statements (continued)

The effects of the interest rate swaps on the Group's financial position and performance are as follows:

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Interest rate swaps		
Carrying amount of asset/(liability)	–	–
Notional amount	–	–
Maturity date	–	–
Hedge ratio	–	–
Change in fair value of outstanding hedging instruments since 1 April	–	162
Change in value of hedged item used to determine hedge effectiveness	–	(162)
Average proportion of debt hedged during the year	–	–

The effects of the net investment hedge on the Group's financial position and performance are as follows:

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Net investment hedge		
NZD Carrying amount of non-current interest-bearing liabilities	(16,520)	(16,384)
AUD Carrying amount of non-current interest-bearing liabilities	(15,000)	(15,000)
Hedge ratio	1:1	1:1
Change in fair value of hedging instrument recognised in OCI for the year	135	340
Change in value of hedged item used to determine hedge effectiveness	(135)	(340)

Financial instruments by category

	CONSOLIDATED 2025		
	Assets at amortised cost $'000	Derivatives used for hedging $'000	Total $'000
Assets as per statement of financial position			
Cash and cash equivalents	6,538	–	6,538
Derivatives - foreign exchange contracts	–	61	61
Other assets	–	–	–
Trade receivables	28,372	–	28,372
Balance at 31 March 2025	**34,910**	**61**	**34,971**

	CONSOLIDATED 2024		
	Assets at amortised cost $'000	Derivatives used for hedging $'000	Total $'000
Assets as per statement of financial position			
Cash and cash equivalents	6,634	–	6,634
Derivatives - foreign exchange contracts	–	175	175
Other assets	1,416	–	1,416
Trade receivables	33,335	–	33,335
Balance at 31 March 2024	**41,385**	**175**	**41,560**

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Notes to the Consolidated Financial Statements (continued)

	CONSOLIDATED 2025		
	Liabilities at amortised cost $'000	Derivatives used for hedging $'000	Total $'000
Liabilities as per statement of financial position			
Trade and other payables excluding non-financial liabilities	18,407	–	18,407
Derivatives - foreign exchange contracts (current liabilities)	–	10	10
Interest-bearing liabilities	67,032	–	67,032
Lease liabilities	76,565	–	76,565
Balance at 31 March 2025	**162,004**	**10**	**162,014**

	CONSOLIDATED 2024		
	Liabilities at amortised cost $'000	Derivatives used for hedging $'000	Total $'000
Liabilities as per statement of financial position			
Trade and other payables excluding non-financial liabilities	24,074	–	24,074
Derivatives - foreign exchange contracts (current liabilities)	–	6	6
Interest-bearing liabilities	59,663	–	59,663
Lease liabilities	78,393	–	78,393
Balance at 31 March 2024	**162,130**	**6**	**162,136**

Accounting policy – hedging

On initial designation of a derivative as a cash flow hedging instrument or a foreign currency borrowing as a net investment hedging instrument, the Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction. Documentation includes the nature of the risk being hedged, together with the methods that will be used to assess the hedging instrument's effectiveness. The Group also documents its assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in cash flows or net investment of the respective hedged items.

The effective portion of the changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in 'Other comprehensive income' and presented in the hedging reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss section of the statement of comprehensive income.

Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and purchases of recognised assets are denominated in a currency that is not NZD which is the company's functional currency. Approximately 95% of annual flat-sheet glass raw materials are purchased in foreign currencies, being United States Dollar (USD), Euro (EUR) and Australian Dollar (AUD). In accordance with the Company Treasury policy, foreign exchange risk is managed prospectively over a period to a maximum period of 12 months with allowable limits of coverage up to 100% over the 6-month term, reducing to 50% up to the 12-month term. Where deemed acceptable by the Directors, coverage can be extended over a longer period.

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Exposure to foreign exchange risk

	CONSOLIDATED 2025		
	AUD $'000	USD $'000	EUR $'000
31 March 2025			
Cash and cash equivalents	(314)	596	1,179
Trade receivables	11,675	–	–
Trade accounts payable	(3,266)	(1,479)	(540)
Balance at 31 March 2025	**8,095**	**(883)**	**639**

	CONSOLIDATED 2024		
	AUD $'000	USD $'000	EUR $'000
31 March 2024			
Cash and cash equivalents	478	803	1,124
Trade receivables	13,289	–	–
Trade accounts payable	(5,867)	(2,950)	(345)
Balance at 31 March 2024	**7,900**	**(2,147)**	**779**

Cash flow hedge reserve movement shown in the statement of comprehensive income reflects the tax-affected change in fair value of forward foreign exchange currency contracts during the reporting period.

Sensitivity analysis

The following table details the Group's sensitivity to a 10% strengthening/weakening of the New Zealand Dollar (NZD) against the following currencies at the reporting date. The table shows the (decrease)/increase in profit or loss and equity as a result of the 10% movements. The analysis assumes that all other variables, in particular interest rates, remain constant. The same basis has been applied for all periods presented.

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Profit or loss		
10% strengthening of the NZD against:		
AUD	(736)	(718)
USD	80	195
EUR	(58)	(71)
10% weakening of the NZD against:		
AUD	900	878
USD	(98)	(239)
EUR	71	87
Equity		
10% strengthening of the NZD against:		
USD	(1,075)	(1,030)
EUR	63	36
10% weakening of the NZD against:		
USD	1,314	1,258
EUR	63	36

Notes to the Consolidated Financial Statements (continued)

Profit or loss movements are mainly attributable to the exposure outstanding on AUD trade receivables at the end of the reporting period. Equity movements are the result of changes in fair value of derivative instruments designated as hedging instruments in cash flow hedges.

Commodity cost risk

The primary raw material used by the Group is flat glass which is imported from suppliers around the world. While there are numerous manufacturers of flat sheet glass, the Group is exposed to commodity price risk and therefore manages access to supply through close relationships with suppliers. Cost is an important variable in the determination of supply, and the Group is clearly exposed to changes in the cost of glass.

3.6 Provisions (current and non-current)

	CONSOLIDATED 2025				
	Warranty provision $'000	Employee expenses $'000	Lease make-good $'000	Plant closure provision $'000	Total $'000
Carrying amount at the beginning of the year	170	606	3,897	0	4,673
Increase/(Decrease) in balance	310	–	(1,534)	213	(1,011)
Settled or utilised	–	(151)	(167)	0	(318)
Carrying amount at the end of the year	**480**	**455**	**2,196**	**213**	**3,344**

	CONSOLIDATED 2024				
	Warranty provision $'000	Employee expenses $'000	Lease make-good $'000	Plant closure provision $'000	Total $'000
Carrying amount at beginning of year	168	465	3,880	0	4,513
Increase in balance	2	144	17	0	163
Settled or utilised	0	(3)	0	0	(3)
Carrying amount at end of year	**170**	**606**	**3,897**	**0**	**4,673**

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Current portion	1,048	830
Non-current portion	2,296	3,843
Carrying amount at the end of the year	**3,344**	**4,673**

Accounting policy – provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, where it is probable that a cost will be incurred to settle the obligation and a reliable estimate of that obligation is able to be made.

Warranty provisions represent an estimate of potential liability for defective products that are shipped out and the defect is identified within the short term, and products that fail over a long time, but within their product life cycle.

The employee expenses provision recognises the remediation payments to settle historical Holidays Act compliance matters.

Make good provisions represent the estimated cost to return a leased property to its original condition at the end of the lease. Plant closure provision relates to the estimate of potential write offs in engineering spares with the closure of the Wellington plant.

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3.7 Other current assets and other non-current assets

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Prepaid expenses	3,066	2,429
Related party receivable (5R Solutions Ltd)	–	426
Other receivables	346	462
Total other current assets	**3,412**	**3,317**
Related party receivable (5R Solutions Ltd)	–	990
Deposit for leased asset	42	–
Total other non-current assets	**42**	**990**

4 LONG-TERM ASSETS

4.1 Property, Plant and equipment

	CONSOLIDATED 2025			
	Plant and equipment $'000	Furniture, fittings and equipment $'000	Motor vehicles $'000	Total $'000
Opening balance				
Cost	101,856	6,400	13,380	121,636
Accumulated depreciation	(61,400)	(5,320)	(8,779)	(75,499)
Net book value at 1 April 2024	**40,456**	**1,080**	**4,601**	**46,137**
Additions	2,672	335	119	3,126
Disposals	(197)	(6)	(15)	(218)
Depreciation expense	(7,160)	(495)	(1,060)	(8,715)
Reclassification	26	(26)	–	–
Provision for Plant closure	(541)	–	–	(541)
Foreign exchange impact	96	2	4	102
Closing net book value at 31 March 2025	**35,352**	**890**	**3,649**	**39,891**
Represented by:				
Cost	98,721	5,518	11,724	115,963
Accumulated depreciation	(63,369)	(4,628)	(8,075)	(76,072)
Net book value at 31 March 2025	**35,352**	**890**	**3,649**	**39,891**

Notes to the Consolidated Financial Statements (continued)

	CONSOLIDATED 2024			
	Plant and equipment $'000	Furniture, fittings and equipment $'000	Motor vehicles $'000	Total $'000
Opening balance				
Cost	98,720	5,904	13,095	117,719
Accumulated depreciation	(54,473)	(4,857)	(7,715)	(67,045)
Net book value at 1 April 2023	**44,247**	**1,047**	**5,380**	**50,674**
Additions	3,124	548	386	4,058
Disposals	(111)	(3)	(88)	(202)
Depreciation expense	(7,015)	(515)	(1,091)	(8,621)
Foreign exchange impact	211	3	14	228
Closing net book value at 31 March 2024	**40,456**	**1,080**	**4,601**	**46,137**
Represented by:				
Cost	101,856	6,400	13,380	121,636
Accumulated depreciation	(61,400)	(5,320)	(8,779)	(75,499)
Net book value at 31 March 2024	**40,456**	**1,080**	**4,601**	**46,137**

Critical estimates and judgements

Economic lives of intangible assets and property, plant and equipment

Property, plant and equipment are long-lived assets that are amortised/depreciated over their estimated useful lives. The estimated useful lives are reviewed annually and may change if necessary. The actual useful life of an asset may be shorter or longer than what had been estimated, which will affect amortisation, depreciation and the carrying values of these assets.

Accounting policy

All property, plant and equipment is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation of property, plant and equipment is calculated using the straight-line value method to allocate the cost of assets over their expected useful lives. The rates are as follows:

	Depreciation rate	Depreciation basis
Plant and equipment	7-50%	Straight line
Motor vehicles	12-40%	Straight line
Furniture, fixtures and fittings	7-50%	Straight line

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4.2 Right-of-use assets

	CONSOLIDATED 2025			
	Property $'000	Motor vehicles $'000	Equipment $'000	Total $'000
Opening balance				
Cost	107,399	13,163	518	121,080
Accumulated depreciation	(50,948)	(5,393)	(280)	(56,621)
Net book value at 1 April 2024	**56,451**	**7,770**	**238**	**64,459**
Additions	1,889	2,367	–	4,256
Modifications and remeasurement	2,778	(25)	–	2,753
Net disposals	(2,790)	(34)	–	(2,824)
Net other	187	27	1	215
Depreciation expense	(6,399)	(2,270)	(80)	(8,749)
Foreign exchange impact	111	16	0	127
Closing net book value at 31 March 2025	**52,227**	**7,851**	**159**	**60,237**
Represented by:				
Cost	104,479	14,788	520	119,787
Accumulated depreciation	(52,252)	(6,937)	(361)	(59,550)
Net book value at 31 March 2025	**52,227**	**7,851**	**159**	**60,237**

	CONSOLIDATED 2024			
	Property $'000	Motor vehicles $'000	Equipment $'000	Total $'000
Opening balance				
Cost	100,827	11,419	358	112,604
Accumulated depreciation	(43,742)	(3,355)	(172)	(47,269)
Net book value at 1 April 2023	**57,085**	**8,064**	**186**	**65,335**
Additions	1,075	1,710	193	2,978
Modifications	5,643	32	–	5,675
Disposals	(825)	(58)	–	(883)
Other	282	16	(33)	265
Depreciation expense	(6,989)	(2,018)	(108)	(9,115)
Foreign exchange impact	180	24	–	204
Closing net book value at 31 March 2024	**56,451**	**7,770**	**238**	**64,459**
Represented by:				
Cost	107,399	13,163	518	121,080
Accumulated depreciation	(50,948)	(5,393)	(280)	(56,621)
Net book value at 31 March 2024	**56,451**	**7,770**	**238**	**64,459**

In determining the lease term the Group includes any periods covered by options to extend where the Group is reasonably certain to exercise that option.

Accounting policy

The Group leases mainly relate to buildings which are typically made for fixed periods of 1 to 16 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present-value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments, less any lease incentives receivable; and
- variable lease payments that are based on an index or a rate.

Notes to the Consolidated Financial Statements (continued)

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Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and any restoration costs. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture with purchase cost below $1,000.

4.3 Intangible Assets

	CONSOLIDATED 2025		
	Goodwill on acquisitions $'000	Computer software $'000	Total $'000
Opening balance			
Cost	149,776	9,669	159,445
Accumulated amortisation and impairment	(126,118)	(9,563)	(135,681)
Net book value at 1 April 2024	**23,658**	**106**	**23,764**
Additions	–	37	37
Amortisation expense	–	(70)	(70)
Foreign exchange impact	195	–	195
Closing net book value at 31 March 2025	**23,853**	**73**	**23,926**
Represented by:			
Cost	149,971	9,705	159,676
Accumulated amortisation and impairment	(126,118)	(9,632)	(135,750)
Net book value at 31 March 2025	**23,853**	**73**	**23,926**

	CONSOLIDATED 2024		
	Goodwill on acquisitions $'000	Computer software $'000	Total $'000
Opening balance			
Cost	149,103	9,606	158,709
Accumulated amortisation and impairment	(105,057)	(9,316)	(114,373)
Net book value at 1 April 2023	**44,046**	**290**	**44,336**
Additions	–	–	–
Amortisation expense	–	(184)	(184)
Impairment	(20,879)	–	(20,879)
Foreign exchange impact	491	–	491
Closing net book value at 31 March 2024	**23,658**	**106**	**23,764**
Represented by:			
Cost	149,776	9,669	159,445
Accumulated amortisation and impairment	(126,118)	(9,563)	(135,681)
Net book value at 31 March 2024	**23,658**	**106**	**23,764**

Critical estimates and judgements: Goodwill

The Group tests intangible assets for impairment to ensure they are not carried at above their recoverable amounts:

- at least annually for goodwill with indefinite lives; and
- where there is an indication that the assets may be impaired (which is assessed at least at each reporting date).

Impairment tests are performed by assessing the recoverable amount of each individual asset or CGU. The recoverable amount is determined as the higher amount calculated under a value-in-use (VIU) or a fair value less costs of disposal (FVLCD) calculation. Both methods utilise pre-tax cash flow projections based on financial projections approved by the Directors.

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Impairment tests for goodwill

The Group's segments and cash generating units (CGU's) have been classified as New Zealand and Australia aligning with the way the business is reviewed. There is no goodwill remaining in the New Zealand CGU, as this was fully impaired in the year ended 31 March 2024. The Australian goodwill arose in August 2016 with the acquisition of AGG. Goodwill balances are as follows:

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
New Zealand	–	–
Australia	23,853	23,658
Total goodwill balances	23,853	23,658

Market capitalisation comparison

The Group compares the carrying amount of net assets with the market capitalisation value at each balance date. The share price at 31 March 2025 was $0.057 equating to a market capitalisation of $10.6 million. This market value excludes any control premium and may not reflect the value of all of the Group's net assets. The carrying amount of the Group's net assets at 31 March 2025 was $35.6 million ($0.19 per share), which indicates a prima facie impairment. Management and the Directors have considered the reasons for this difference and concluded all relevant factors had been allowed for in their impairment testing.

Impairment testing was completed using the VIU method for both CGUs. The New Zealand CGU has no goodwill or indefinite life assets and the results of testing of this CGU, including sensitivity testing does not result in an impairment to carrying values of New Zealand assets. Sensitivity analysis was performed and there are no reasonably possible changes to key assumptions which could cause impairment.

Key assumptions in the 31 March 2025 impairment assessment (VIU) calculations (and the equivalent assumptions in the 31 March 2024 calculations) for the Australian CGU (which is the only CGU with goodwill) are as follows:

	CONSOLIDATED	CONSOLIDATED
	2025 Australia	2024 Australia
Compound annual revenue growth – 3 years	n/a	9.7%
Compound annual revenue growth – 5 years	5.9%	n/a
Long-term growth rate	2.0%	1.3%
Discount rate (pre tax, post IFRS 16)	14.7%	13.4%
Discount rate (post tax, post IFRS 16)	10.3%	9.4%

Cash flow projections

The impairment testing used pre-tax cash flow projections based on financial projections approved by the Directors covering a five-year period (31 March 2024 a three-year period). In forming these projections, the Directors considered the views of several economic forecasters, observable market data points (including building consents), feedback from customers, analysis of existing forward books of work, anticipated customer wins and/or losses and other competitive dynamics.

The directors have referenced longer term independent forecast estimates in a consistent way compared to previous years.

Long-term growth rate

Cash flows beyond the five-year period are extrapolated using an estimated long-term growth rate. The long-term growth rate assumptions have typically been supported by long-term population growth rates and the increased use and prevalence of glass products in the Group's markets. The long-term growth rate for the Australian CGU at 2.0% (31 March 2024: 1.3%) reflects the long-term inflation expectation being a conservative view of the RBA target range of between 2% and 3% and considering historical inflation rates.

Discount rate

The discount rate (post tax) represents the current market assessment of the risks specific to the CGU, taking into account the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the CGU and its operating segments and is derived from its weighted average costs of capital (WACC).

The discount rates used are supported by independent third-party expert advice. The discount rates at 31 March 2025 were higher than the prior year on account of market volatility in interest rates (risk-free rates) and the consideration of market-specific risks.

The impairment assessments confirmed that, for the Australian CGU, the recoverable amount exceeds its carrying value as at 31 March 2025. There are no reasonably possible changes in key assumptions used in the determination of the recoverable value of Australian CGU that would result in an impairment to the Group.

Notes to the Consolidated Financial Statements (continued)

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Accounting policy

Goodwill

Goodwill represents the excess of the consideration paid for an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Any goodwill arising on acquisitions of subsidiaries is included in intangible assets. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

For the purposes of impairment testing, goodwill acquired in a business combination is allocated to each group of the CGUs that is expected to benefit from the synergies of the combination. Each unit to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Computer software

Acquired computer software licences that are not defined as a 'software as a service' arrangement are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group are recognised as intangible assets when management intends to use the software and anticipate it will generate probable future economic benefits.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Amortisation of computer software is calculated on a straight-line basis over a useful life of four years.

4.4 Investment in Associate

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
5R Solutions Limited	–	2,027
Total Investments in Associate	**–**	**2,027**

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Carrying amount at the beginning of the year	2,027	2,512
Divestment of investment in associate	(2,151)	–
Share of profits of associate	124	415
Dividends declared	–	(900)
Carrying amount at the end of the year	**–**	**2,027**

Accounting Policy – Associates

Associates are those entities in which the Group has significant influence, but not control, over financial and operating policies. Associates are accounted for under the equity method of accounting.

In the year ended 31 March 2022 the Group's interest in 5R Solutions Limited was recognised at fair value through the profit or loss. On 1 April 2022 an option was exercised with the Group becoming a 50% owner of 5R Solutions Limited. Prior to the disposal of the Group's interest (refer below) the Group had 33.3% voting rights for 5R Solutions Limited. There were dividends declared of $0.9 million from 5R Solutions Limited to the Group in the year ended 31 March 2024.

Cash flows for repayments of balances due from associates are included in operating activities within the consolidated statement of cash flows, while the share of profits from associates are equity accounted and disclosed in the consolidated statement of comprehensive income.

During the financial year ended 31 March 2025, the Group disposed of its entire interest in 5R Solutions Limited, a company in which it previously held a 50% ownership interest and accounted for using the equity method. The disposal was completed on 31 March 2025 for a total consideration of $2.5 million, resulting in a loss on disposal of $1.1 million, which has been recognised in the statement of profit or loss under significant items. Following the disposal, the Group no longer has significant influence over 5R Solutions Limited, and the investment has been de-recognised from the Group's consolidated financial statements. There were no outstanding balances with the associate at the reporting date.

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5 DEBT & EQUITY

5.1 Interest-bearing liabilities

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Bank borrowings	65,520	57,802
Other asset financing	1,512	1,861
Total interest-bearing liabilities	**67,032**	**59,663**

Refer to the going concern section in the basis of preparation for further information of the Group's intentions with bank borrowings.

Bank borrowings are secured by a first-ranking composite general security deed. The Group's bank borrowing facilities as amended on 14 February 2025 currently comprise a syndicated revolving loan facility of $70 million expiring in July 2025, as well as overdraft and bank guarantees totalling $8.5 million. The Group received covenant amendments during the year. The Group did not breach any covenants during the year.

Other asset financing comprises outstanding balances of third party financing for the purchase of motor vehicles and software as a service application. In the year ended 31 March 2020, the Group concluded two sale and leaseback agreements relating to the New Zealand vehicle fleet, but retained control of the heavy truck bodies, therefore these transactions were treated as financing arrangements.

Assets pledged as security

The bank loans are secured under both a General Security Deed and Specific Security Deed which results in registered charges over assets of the Group. In addition, there are positive and negative pledge undertakings through shares held of various subsidiaries.

Accounting policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is expensed in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

Other asset financing is treated as a financing arrangement, with assets remaining in the Group's asset register and remaining useful life adjusted to mirror the lease term. A finance liability is recognised equal to the sale proceeds. Interest expense is recognised over the term of the lease where applicable.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions.

As at 31 March 2025 the Group had cash of $6.5 million (2024: $6.6 million).Information in respect of negotiated credit facilities is shown below.

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Committed credit facilities pursuant to syndicated facility	78,538	83,515
Drawdown at balance date	(70,169)	(62,215)
Available credit facilities	**8,369**	**21,300**

Notes to the Consolidated Financial Statements (continued)

The table below analyses both of the Group's non-derivative financial liabilities and derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of cash flows. Where relevant, cashflows include both interest and principal payments. The numbers below are undiscounted cashflows.

	CONSOLIDATED 2025					
	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	> 5 years $'000	Total $'000	Carrying amount $'000
Interest-bearing liabilities and interest owing	68,515	262	679	303	69,759	67,032
Foreign exchange contracts	10	–	–	–	10	10
Lease liabilities	12,391	11,961	30,861	49,465	104,678	76,565
Trade accounts payable	12,585	–	–	–	12,585	12,585
Total at 31 March 2025	**93,501**	**12,223**	**31,540**	**49,768**	**187,032**	**156,192**

	CONSOLIDATED 2024					
	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	> 5 years $'000	Total $'000	Carrying amount $'000
Interest–bearing liabilities and interest owing	61,130	296	830	441	62,697	59,663
Foreign exchange contracts	6	–	–	–	6	6
Lease liabilities	11,946	10,801	29,629	58,043	110,419	78,393
Trade accounts payable	16,468	–	–	–	16,468	16,468
Total at 31 March 2024	**89,550**	**11,097**	**30,459**	**58,484**	**189,590**	**154,530**

Interest rate risk

The Group's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. During the period, the Group's borrowings at variable rates were denominated in both New Zealand and Australian dollars. If interest rates in New Zealand and Australia increased by 10% the impact would be an additional cost of $0.42 million and a subsequent decrease of $0.42 million if rates decreased by 10%. (In 2024 an interest rate increase of 10% would have resulted in additional costs of $0.45 million and a subsequent decrease of $0.45 million if rates decreased by 10%.)

The Group adopts a policy of ensuring that its exposure to changes in interest rates on borrowings is on a fixed-rate basis by entering into interest rate swaps.

5.2 Lease liabilities

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Opening lease liabilities recognised at 1 April	**78,393**	**77,884**
Additions	4,222	2,978
Modifications and remeasurement	4,332	5,458
Termination	(3,387)	(887)
Interest for the period	4,972	4,708
Other	368	315
Lease payments made	(12,478)	(12,313)
Foreign exchange impact	143	250
Lease liabilities at 31 March	**76,565**	**78,393**
Current lease liabilities	7,842	7,307
Non–current lease liabilities	68,723	71,086
Total lease liabilities	**76,565**	**78,393**

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Notes to the Consolidated Financial Statements (continued)

Lease liabilities maturity analysis

	Minimum lease payments $'000	Interest $'000	Present value $'000
Within one year	12,391	(4,549)	7,842
One to five years	42,822	(13,318)	29,504
Beyond five years	49,465	(10,246)	39,219
Lease liabilities at 31 March 2025	**104,678**	**(28,113)**	**76,565**

	Minimum lease payments $'000	Interest $'000	Present value $'000
Within one year	11,946	(4,639)	7,307
One to five years	40,431	(14,458)	25,973
Beyond five years	58,042	(12,929)	45,113
Lease liabilities at 31 March 2024	**110,419**	**(32,026)**	**78,393**

Estimates and judgements: Incremental borrowing rates

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

5.3 Contributed equity

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Opening balance	307,198	307,198
Closing balance	**307,198**	**307,198**

At 31 March 2025 the Company had issued 185,378,086 fully paid ordinary shares (2024: 185,378,086 fully paid ordinary shares). No shares were issued or cancelled during the year (2024: nil). Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of shares held. Every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and on a poll each share in entitled to one vote. The Company does not have a limited amount of authorised capital.

Accounting policy

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or acquiring its own shares are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Provision is made for the amount of any dividend declared on or before the end of the financial year but not distributed at balance date.

Dividend distribution to Group shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are declared by the Board.

Metro Performance Glass paid no dividends in 2024 and 2025.

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Notes to the Consolidated Financial Statements (continued)

Capital management

The Group's syndicated revolving loan facility agreement restricts the Group from making a distribution to shareholders unless the leverage ratio before and after the distribution is below 2.0.

The Group and the parent entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's financial covenants includes interest cover and leverage ratios and cumulative EBITDA. The Group was in compliance with its amended financial covenants during the year and at balance date.

6 OTHER

6.1 Income taxation

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Loss before income taxation	(16,676)	(29,389)
Income taxation benefit at the Group's effective tax rate	4,680	8,163
Tax effect of (non-deductible) and non-assessable items	(870)	(6,196)
Prior year adjustment	(604)	(90)
Income tax benefit	**3,206**	**1,877**
Represented by:		
Current taxation	–	–
Deferred taxation	3,206	1,877
	3,206	**1,877**

Imputation credit account

The amount of imputation credits at balance date available for future distributions is $28.8 million at 31 March 2025, ($28.8 million at 31 March 2024).

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6.2 Deferred taxation

Consolidated deferred tax assets and liabilities are attributable to the following:

	CONSOLIDATED 2025		
	Assets $'000	Liabilities $'000	Net $'000
Property, plant and equipment	455	(736)	(281)
Right-of-use assets	–	(17,217)	(17,217)
Inventory and receivables	66	–	66
Cash flow hedge	224	(13)	211
Intangibles	22	–	22
Lease liabilities	22,498	–	22,498
Provisions and accruals	2,475	–	2,475
Tax losses	7,966	–	7,966
	33,706	**(17,966)**	**15,740**

	CONSOLIDATED 2024		
	Assets $'000	Liabilities $'000	Net $'000
Property, plant and equipment	156	(1,012)	(856)
Right-of-use assets	–	(18,922)	(18,922)
Inventory and receivables	61	–	61
Cash flow hedge	148	(7)	141
Intangibles	49	–	49
Lease liabilities	23,760	–	23,760
Provisions and accruals	2,690	–	2,690
Tax losses	5,520	–	5,520
	32,384	**(19,941)**	**12,443**

Notes to the Consolidated Financial Statements (continued)

Movement in temporary differences during the year:

	CONSOLIDATED 2025				
	Opening balance 1 Apr 2024 $'000	Opening Retained Earnings $'000	Recognised in profit or loss $'000	Recognised in OCI $'000	Balance 31 Mar 2025 $'000
Property, plant and equipment	(856)	–	583	(8)	(281)
Right-of-use assets	(18,922)	–	1,745	(40)	(17,217)
Inventory and receivables	61	–	5	-	66
Cash flow hedge	141	–	(7)	77	211
Intangibles	49	–	(27)	-	22
Lease liabilities	23,760	–	(1,298)	36	22,498
Provisions and accruals	2,690	–	(225)	10	2,475
Tax losses	5,520	–	2,430	16	7,966
	12,443	**–**	**3,206**	**91**	**15,740**

	CONSOLIDATED 2024				
	Opening balance 1 Apr 2023 $'000	Opening Retained Earnings $'000	Recognised in profit or loss $'000	Recognised in OCI $'000	Balance 31 Mar 2024 $'000
Property, plant and equipment	(1,350)	–	521	(27)	(856)
Right-of-use assets	(18,154)	–	(698)	(70)	(18,922)
Inventory and receivables	108	–	(47)	–	61
Cash flow hedge	51	–	28	62	141
Intangibles	73	–	(24)	–	49
Lease liabilities	21,674	–	2,013	73	23,760
Provisions and accruals	3,478	–	(833)	45	2,690
Tax losses	4,518	17	917	68	5,520
	10,398	**17**	**1,877**	**151**	**12,443**

Accounting policy

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in 'Other comprehensive income' or directly in equity. In this case, the tax is also recognised in 'Other comprehensive income' or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. No deferred tax liability was recognised on initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantively enacted, by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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6.3 Group Reserves

Group reorganisation reserve

Upon acquisition of Metroglass Holdings Limited in July 2014, the assets and liabilities acquired were measured at their pre-combination carrying amounts without fair value uplift. The difference between the consideration transferred and the carrying value of the assets and liabilities acquired of $170.7 million (2024: $170.7 million) was recorded in the group reorganisation reserve.

Accounting policy

Where an acquisition occurs through group reorganisation, the identifiable assets and liabilities acquired are measured at their pre-combination carrying amounts without fair value uplift. No new goodwill is recorded. Any difference between the consideration transferred and the carrying value of the assets and liabilities acquired is recorded in equity.

Share-based payments reserve

The Group currently has a long-term incentive plan for selected employees. The plan's participants are members of the Senior Leadership Team and other selected senior managers. The reserve is used to record the accumulated value of the plan which has been recognised in the statement of comprehensive income.

The plan is designed to secure those employees' retention in Metro Performance Glass and to reward performance that underpins the achievement of Metro Performance Glass' business strategy and long-term shareholder wealth creation. Participants are offered an annual award of a specified number of both performance rights and share options in Metro Performance Glass (in accordance with the plan rules).

The performance rights enable participants to acquire shares in Metro Performance Glass with no consideration payable, subject to Metro Performance Glass achieving set performance hurdles and meeting certain vesting conditions.

The share options enable participants to acquire shares in Metro Performance Glass at a market-based exercise price, subject to Metro Glass achieving set performance hurdles and meeting certain vesting conditions.

In the event that the respective performance hurdles are not met on the vesting date, retesting will be permitted after a further six and twelve months from the measurement date.

The following share options and performance share rights (PSR) have been issued and had not lapsed or been exercised at 31 March 2025.

Plan name	Date issued	Number of options	Number of PSR	Options exercise price	Vesting date
2021 LTI plan	19-Jun-20	781,652	416,881	$0.20	03-Jul-23
2022 LTI plan	21-May-21	534,445	276,437	$0.42	04-Jun-24
2023 LTI plan	27-May-22	1,204,928	602,464	$0.25	10-Jun-25
2024 LTI plan	29-May-23	2,504,578	1,669,719	$0.15	12-Jun-26

Accounting policy

The long-term incentive plan is an equity-settled share-based payment which provides eligible employees with the opportunity to acquire shares in the Group, accounted for under NZ IFRS 2. The fair value of shares granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the vesting period.

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Share-based payments reserve		
Opening balance	1,062	1,358
Transfer to equity on vesting of employee share purchase scheme	(369)	(637)
Movement in share-based payments reserve	(165)	341
Closing balance	**528**	**1,062**

Notes to the Consolidated Financial Statements (continued)

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6.4 Related Party Transactions

5R Solutions Limited

5R Solutions Limited (an associate, note 4.4) provides glass waste removal and recycling services to the Group. This arrangement has not changed following 5R Solutions Limited becoming an associate of the Group during the year ended 31 March 2023. 5R Solutions Limited charged the Group $1.0 million for services in the year ended 31 March 2025 (2024: $0.9 million).

The payables balance in relation to services from 5R Solutions Limited was $0.07 million at 31 March 2025 (2024: $0.04 million).

During the financial year ended 31 March 2025, the Group disposed of its entire interest in 5R Solutions Limited, a company in which it previously held a 50% ownership interest and accounted for using the equity method. Following the disposal, the Group no longer has significant influence over 5R Solutions Limited, and the investment has been de-recognised from the Group's consolidated financial statements.

Subsidiaries

The Group's principal subsidiaries at 31 March 2025 and 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interest held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Country of incorporation	2025 Interest	2024 Interest
Metropolitan Glass & Glazing Limited	New Zealand	100%	100%
Metroglass Finance Limited	New Zealand	100%	100%
Australian Glass Group Holding Pty Ltd	Australia	100%	100%
Australian Glass Group Finance Pty Ltd	Australia	100%	100%

Directors

The names of persons who were directors of the Company at any time during the financial period are as follows: Julia Mayne, Shawn Beck, Simon Bennett, and Pramod Khatri.

Key management and Board of Directors' compensation

Key management are members of the Executive Team, being direct reports of the Executive Director. The compensation paid and provided to key management for employee service is shown below:

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Salaries and other short-term employee benefits	2,662	1,897
Management incentive[1]	–	472
Share-based payments	93	281
	2,755	**2,650**

1 Relates to amounts paid and provided pursuant to prior year financial and operating performance.

Board of Directors' compensation

	CONSOLIDATED	CONSOLIDATED
	2025 $'000	2024 $'000
Directors' fees	401	544
	401	**544**

6.5 Contingencies

At 31 March 2025 the Group had no contingent liabilities or assets (2024: nil).

6.6 Commitments

At 31 March 2025 the Group had no commitments (2024: nil).

6.7 Prior period adjustments

There are no prior period adjustments.

6.8 Subsequent Events

There are no significant subsequent events.

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Independent auditor's report

To the shareholders of Metro Performance Glass Limited

Our opinion

In our opinion, the accompanying consolidated financial statements (the financial statements) of Metro Performance Glass Limited (the Company), including its subsidiaries (the Group), present fairly, in all material respects, the financial position of the Group as at 31 March 2025, its financial performance, and its cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards).

What we have audited

The Group's financial statements comprise:

- the consolidated statement of financial position as at 31 March 2025;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group. Certain partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the business.

Material uncertainty related to going concern

We draw attention to Note 1 in the consolidated financial statements which indicates that the Group has a net current liability balance of $31.7 million at 31 March 2025 (31 March 2024: net current liability of $24.0 million) . This includes an outstanding bank borrowings balance of $65.5 million at 31 March 2025 (31 March 2024: $57.8 million) with a maturity date of 31 July 2025. The Group has announced it intends to shortly undertake a capital raise with the intention of reducing the bank debt, and that it intends to renegotiate the loan facilities with the banking syndicate on mutually acceptable terms with financial covenants that the Group can achieve. As stated in Note 1, these events and conditions, along with other matters as set forth in this note, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers, PwC Tower, 15 Customs Street West, Private Bag 92162, Auckland 1142, New Zealand
T: +64 9 355 8000, www.pwc.co.nz

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section we have determined the matter described below to be the key audit matter to be communicated in our report.

Description of the key audit matter	How our audit addressed the key audit matter
Australia cash generating unit goodwill and New Zealand cash generating unit asset impairment tests As at 31 March 2025 the Australian cash generating unit (AU CGU) had a goodwill balance of $23.9 million (31 March 2024: $23.7 million). There was no goodwill balance recognised under the New Zealand cash generating unit (NZ CGU) (31 March 2024: nil). As at 31 March 2025 the Group had net assets of $35.6 million (31 March 2024: $49.0 million). The impairment testing of the AU CGU's goodwill and the NZ CGU's assets is considered a key audit matter due to the materiality of the goodwill balance, the presence of indicators that impairment may exist, and the significant level of estimation and judgement applied in determining the key assumptions used in the impairment assessment. As set out in note 4.3 of the consolidated financial statements, management determined the recoverable amount of each CGU on a 'value in use' basis. Management has used discounted future cash flow models and concluded that the recoverable amount of each CGU exceeded its carrying value as at 31 March 2025 and that there were no reasonably possible changes in key assumptions that would result in an impairment. The key assumptions in the impairment assessments were the compound annual revenue growth rate over the next five years, the discount rate, and the long-term growth rate. As part of the impairment assessment process, management performed a comparison of the Group's net assets to the market capitalisation of the Group and considered the reasons for the difference in finalising their assessment of the recoverable amounts of the Group's CGUs.	Our audit focused on assessing and challenging the key assumptions used by management in their impairment assessment. Our procedures included: ● evaluating the appropriateness of the identification of the Group's CGUs; ● agreeing the cash flows included in management's impairment models to the board approved five year forecast; ● assessing the Group's forecasting accuracy by comparing historical forecasts to actual results and considering the impact on the current cash flow forecasts; ● discussing with management the basis for the cash flow forecasts and the key drivers of change in the forecasts, including internal and external factors; ● engaging our internal valuation expert to assist us with: - considering whether the valuation methodology applied was appropriate; - assessing whether the discount rates and long-term growth rates used by management were reasonable in the context of the forecasts; - considering management's assessment of the difference between the net assets and the market capitalisation of the Group, in the context of our overall assessment of the impairment test; and - testing the accuracy of the calculations in the impairment models and validating that the carrying amounts for each CGU were correctly included in the impairment assessments; ● evaluating the reasonableness of management's assumptions underpinning the forecast cash flows by comparison to external sources and trends in the Group's financial performance; ● performing sensitivity analyses for the effect of reasonably possible changes in key assumptions on the impairment assessments;

Description of the key audit matter	How our audit addressed the key audit matter
	• evaluating the effect of the trading results up to the date of our report; and • considering the appropriateness of the disclosures in the consolidated financial statements.

Our audit approach

Overview

Overall group materiality: $1,670,000, which represents approximately 0.75% of revenue.

We chose revenue as a benchmark because, in our view, it is a key financial statement metric used in assessing the performance of the Group and is a generally accepted benchmark.

Following our assessment of the risk of material misstatement, we performed:

- full scope audits on the Group's two trading entities;
- substantive audit procedures on selected significant balances in the remaining non-trading entities and on consolidation entries; and
- analytical review procedures on all the remaining non-trading entities.

As reported above, we have one key audit matter, being Australia cash generating unit goodwill and New Zealand cash generating unit asset impairment tests.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality
The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance about whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They 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 statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the financial statements as a whole as set out above. These, together with qualitative considerations, helped us to determine the scope of our audit, the nature, timing and extent of our audit procedures, and to evaluate the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

How we tailored our group audit scope
We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

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Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the financial statements

The Directors are responsible, on behalf of the Company, for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and IFRS Accounting Standards, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group'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 either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are 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 ISAs (NZ) and ISAs 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 these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/

This description forms part of our auditor's report.

Who we report to

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Jonathan Kirby.

For and on behalf of

PricewaterhouseCoopers

PricewaterhouseCoopers Auckland
27 May 2025

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REMUNERATION REPORT

DIRECTOR REMUNERATION

The company distinguishes the structure of non-executive directors' remuneration from that of executive directors'. Non-executive directors are paid a fixed fee in accordance with the determination of the Board. The total amount of remuneration and other benefits received by each director during the year ended 31 March 2025 is set out below.

Director		2025 Directors' Fees
Standing Directors at 31 March 2025		
Shawn Beck	Director, Chair of the Board	160,000
Pramod Khatri	Director, Member of the Audit and Risk Committee	80,000
Simon Bennett*	Director, Member of the People and Culture Committee	80,000
Julia Mayne	Director, Chair of the Audit and Risk Committee	80,000
Total		**$400,000**

* In addition, Simon Bennett was paid $326,087 in the form of remuneration and other benefits during the financial year ended 31 March 2025 in his capacity as executive director. Further details on Simon Bennett's contractual arrangements are set out below.

The Chair of the Board receives $160,000 per annum (with no additional committee fees paid) and the non-executive directors receive $80,000 per annum. The Chair of the Audit and Risk Committee receives an additional $20,000 per annum and other members of the Audit and Risk Committee receive an additional $10,000 per annum. The Chair and members of the People and Culture Committee receive an additional $5,000 per annum. Directors may also seek the board's approval for special remuneration should the specific circumstances justify this (2025: $Nil). At 1 April 2024 the board elected to suspend all subcommittee fees until the company's performance improves markedly. At 6 May 2024 Simon Bennett became an Executive Director on the board and from that point was remunerated in the form of executive director fees as noted above in addition to the director fees mentioned above.

The board reviews its fees on a periodic basis. The maximum aggregate amount of remuneration payable by Metroglass to the non-executive directors (in their capacity as directors) is set at $614,000. This fee pool was last changed in May 2017.

Directors' fees exclude GST, where appropriate. No retirement or termination benefits are paid to non-executive directors. Directors are entitled to be refunded for reasonable travel and other expenses incurred by them in connection with their attendance at board or shareholder meetings, or otherwise in connection with the Metroglass business. The company does not offer an equity-based remuneration scheme for directors. The board considers that director and executive remuneration is appropriate and is not excessive.

Directors and officers also have the benefit of Directors and Officers' Liability insurance. This covers risks normally included in such policies arising out of acts or omissions of directors and employees in their capacity as such. The insurance cover is supplemented by the provision of director and officer indemnities from the company but this does not extend to criminal acts.

Executive Remuneration

The remuneration of members of senior management (SLT and certain direct reports, excluding the Executive Director) is designed to promote a higher-performance culture, to secure the participant's retention in Metroglass and to reward performance that underpins the achievement of Metroglass' business strategy and long-term shareholder wealth creation. The board is assisted in delivering its responsibilities and objectives for executive remuneration by the People and Culture Committee.

The Executive Director reviews the performance of the SLT and makes recommendations to the board for approval in relation to the team's remuneration and achievement of key performance indicators (KPIs).

The compensation structure of the senior management team (excluding the executive director) is made up of three elements:

- a fixed base salary
- a discretionary short-term incentive (STI)
- a long-term incentive (LTI).

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Short-term incentives:

Short-term incentives (STI) are at-risk payments designed to motivate and reward for performance, typically within that particular financial year. For the 2025 financial year, there was no formal STI plan.

Long-term incentives:

The company's LTI plan for the 2024 financial year was announced on the 4 July 2023. The LTI plan is made up of both performance share rights and share options. The LTI is designed to secure those employees' retention in Metroglass and to reward performance that underpins the achievement of Metroglass' business strategy and long-term shareholder wealth creation. The key features of the 2024 LTI plan are as follows:

- Participants will be offered an annual award of a specified number of both performance rights and share options in Metroglass (in accordance with the LTI rules).
- The performance rights will enable participants to acquire shares in Metroglass with no consideration payable, subject to Metroglass achieving set performance hurdles and meeting certain vesting conditions.
- The share options enable participants to acquire shares in Metroglass at a specified exercise price, subject to Metroglass achieving set performance hurdles and meeting certain vesting conditions.

A total of 2,504,578 share options and 1,669,719 performance share rights were awarded pursuant to the 2024 LTI plan. There is no 2025 LTI plan in place.

Chief Executive Officer's Remuneration

Metroglass' CEO Simon Mander joined the Company on 19 November 2018 and departed on 10 May 2024. The CEO role was replaced by Simon Bennett in an Executive Director role. Refer above for details on Executive Director remuneration.

Fixed CEO remuneration for the past five financial years (12 months to 31 March):

		Fixed remuneration		
Financial year	**CEO**	**Salary**	**Other benefits***	**Total fixed remuneration**
FY25	Simon Mander	$209,279	$12,501	$221,780
FY24	Simon Mander	$650,000	$28,760	$678,760
FY23	Simon Mander	$650,000	$28,194	$678,194
FY22	Simon Mander	$650,000	$29,203	$679,203
FY21	Simon Mander	$650,000	$26,132	$676,132

* Other benefits include medical insurance and KiwiSaver. In addition, the CEO was paid $812,500 in relation to a retention bonus payable based on employment post 31 March 2024 as well as final employment benefits.

		Pay for performance – short-term incentives		
Financial year of STI payment	**CEO**	**Relevant performance period**	**% STI awarded against maximum**	**STI paid***
FY25	Simon Mander	FY24	0%	$0
FY24	Simon Mander	FY23	0%	$0
FY23	Simon Mander	FY22	0%	$0
FY22	Simon Mander	FY21	99.5%	$323,276
FY21	Simon Mander	FY20	0%	$0

* A further incentive to the CEO was agreed upon by the board in FY23 and was paid out on 3 May 2024 ($325,000). There was no STI in place for FY25.
There is no STI in place for the Executive Director role in FY25.

Financial year of LTI payment

		Pay for performance – long-term incentives		
	CEO	LTI (initial grant values)*	% LTI vested against maximum	Span of LTI performance periods
FY24	Simon Mander	$162,500	n/a	13/06/23 – 12/06/26
FY23	Simon Mander	$162,500	n/a	05/06/21 – 04/06/24
FY22	Simon Mander	$162,500	n/a	05/06/21 – 04/06/24
FY21	Simon Mander	$162,500	n/a	04/07/20 – 03/07/23
FY20	Simon Mander	$162,500	n/a	07/06/19 – 06/06/22

* These are LTI grant values (not payments), which require relevant hurdles to be met over specific performance periods

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Executive Director's Remuneration

Simon Bennett was appointed as Executive Director on 6 May 2024 following the resignation of Simon Mander as CEO. Under his contract for professional services, Simon Bennett is paid $30,000 per month (plus GST). There is no provision for any short-term or long-term incentive. He is entitled to reimbursement for general expenses such as travel in accordance with company policy. The independent Directors (Shawn Beck, Julia Mayne and Pramod Khatri) are satisfied that the contractual terms are set on an arm's-length, commercial basis and have been approved by them.

Employees' Remuneration

The number of employees or former employees (including employees holding office as Directors of subsidiaries) who received remuneration and other benefits in their capacity as employees, the value of which was at or in excess of $100,000 and was paid to those employees during the financial year ended 31 March 2025, is specified in the table below.

The remuneration figures shown in the "Remuneration" column include all monetary payments actually paid during the course of the 2025 financial year. This includes salary, STI payments that were paid during the year, and the value of performance share rights and share options (LTI) expensed during the financial year. Remuneration shown below includes settlement payments and payments in lieu of notice with respect to certain employees upon their departure from the company but does not include any amounts paid post 31 March 2025 that relate to the year ended 31 March 2025.

Remuneration	Number of employees
$100,000-110,000	51
$110,000-120,000	32
$120,000-130,000	29
$130,000-140,000	20
$140,000-150,000	16
$150,000-160,000	15
$160,000-170,000	11
$170,000-180,000	11
$180,000-190,000	7
$190,000-200,000	4
$200,000-210,000	1
$210,000-220,000	0
$220,000-230,000	0
$230,000-240,000	2

Remuneration	Number of employees
$240,000-250,000	1
$250,000-260,000	3
$260,000-270,000	0
$270,000-280,000	0
$280,000-290,000	0
$290,000-300,000	2
$300,000-310,000	1
$310,000-320,000	2
$320,000-330,000	1
$330,000-350,000	2
$350,000-380,000	2
$430,000-470,000	2
$1,000,000-1,030,000	1

STATUTORY INFORMATION

SECURITIES EXCHANGE LISTING

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CORPORATE GOVERNANCE INFORMATION

This section of the Annual Report provides information required under the Companies Act 1993 and under the NZX listing rules. The Company's governance framework is guided by the principles and recommendations described in the NZX Corporate Governance Code (Code). Metro Performance Glass has reported in detail against the Code in its separately published Corporate Governance Statement which, together with other detailed information, can be viewed on the Company's website (https://metroglass.co.nz/investor-centre/governance). Metro Performance Glass considers it has followed these recommendations during FY25 and as at 27 May 2025 other than to the extent set out in the table below.

Variance to NZX Corporate Governance Code

We believe that the company's corporate governance practices for the financial year ended 31 March 2025 are materially in line with the Code. Those areas of variance from the Code are set out in the table below:

NZX Code Principle	NZX Code Recommendation	Key Difference	Status
Board composition and performance	2.5 The board should set measurable objectives for achieving diversity.	The company has adopted a Diversity and Inclusion Policy, a copy of which is available on the company's website. However, the board has not set measurable objectives under the Policy for achieving diversity	The board considers authentic diversity outcomes can be achieved without measurable objectives. Although no alternative governance practices have been adopted at board level in lieu of recommendation 2.5, the board has overseen a number of operational practices aimed at raising awareness of the importance of diversity in the business.
Reporting and disclosure	4.4 An issuer should provide non-financial disclosure at least annually, including considering environmental, social sustainability and governance factors and practices. It should explain how operational or non-financial targets are measured. Non-financial reporting should be informative, include forward looking assessments, and align with key strategies and metrics monitored by the board	The company has commenced a programme of work to ensure that the process and systems to incorporate climate change are appropriate for the business and align with the External Reporting Board standards. In the last 12 months Metroglass has also focused on developing an understanding of the potential risks and opportunities of climate change.	The company has not made as much progress with respect to its non-financial reporting as was previously expected. The company has been focused on debt reduction and business stabilisation initiatives.

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NZX Code Principle	NZX Code Recommendation	Key Difference	Status
Remuneration	5.1 An issuer should have a remuneration policy for the remuneration of directors.	The company does not have a director remuneration policy.	Details of director remuneration is made in each annual report, and is subject to a shareholder-approved cap. In terms of alternative governance practices, the board reviews director remuneration from time to time, including with effect from 1 April 2024 making the decision to cease paying director fees in respect of committee work.
Remuneration	5.2 The board should have a remuneration policy for the remuneration of executives which outlines the relative weightings of remuneration components and relevant performance criteria.	The company does not have a policy for executive remuneration.	While there is no formal policy, the board adopts practices to ensure that executive remuneration is fair and reasonable, and that any incentives are appropriately aligned with the interests of shareholders.
Risk management	6.1 An issuer should report the material risks facing the business and how these are being managed.	The company has not reported what its material risks are or how they are being managed.	With the significant change in the makeup of the board and the executive, and the challenging trading environment, the board has been focused on debt reduction and business stabilisation initiatives. The Board has commenced the review of the risk management framework.

Metroglass' shares are listed on the New Zealand Securities Exchange (NZX) and Australian Securities Exchange (ASX)..

Shares on issue as at 31 March 2025:

As at 31 March 2025 the total number of voting securities on issue was 185,378,086

Register	Security	Holders	Units
New Zealand	MPG (NZX)	2,354	182,756,167
Australia	MPP (ASX)	111	2,621,919
Total	**MPG (Dual)**	**2,465**	**185,378,086**

Securities issued, and still outstanding, long term incentive plans as at 31 March 2025:

Long-term Incentive Scheme	Security	Holders	Units
2023 Performance Share Rights	MPG (NZX)	7	602,464
2023 Share Options	MPG (NZX)	7	1,204,928
2024 Performance Share Rights	MPG (NZX)	7	1,669,719
2024 Share Options	MPG (NZX)	7	2,504,578

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Top 20 Shareholders

Metroglass' top 20 registered shareholders as at 31 March 2025 were as follows:

Rank	Investor name	Total Units	% Issued Capital
1	Masfen Securities Limited	25,401,929	13.70
2	HSBC Nominees (New Zealand) Limited[1]	21,799,080	11.76
3	Takutai Limited	20,289,230	10.94
4	New Zealand Depository Nominee	8,500,131	4.59
5	Accident Compensation Corporation[1]	3,836,483	2.07
6	Custodial Services Limited	3,194,401	1.72
7	Daniel Charles Skinner	2,439,746	1.32
8	Amy Amelia Orr	1,900,000	1.02
9	Hui Wen Yang	1,768,999	0.95
10	Da Wei Chu Su	1,600,000	0.86
11	Grant James Houseman	1,552,267	0.84
12	Eric Francis Barratt & Hyun Ju Barratt	1,385,333	0.75
13	Leveraged Equities Finance Limited	1,224,219	0.66
14	Kevin John Summersby	1,126,169	0.61
15	Jianghang Lei Guirong Lu	1,117,271	0.60
16	Quant Advisory Limited	1,100,000	0.59
17	Neil Douglas Waites	1,098,115	0.59
18	Gmh 38 Investments Limited	1,000,000	0.54
18	Bowenvale Investments Limited	1,000,000	0.54
18	Weijun Zhang & Yuhua Yang	1,000,000	0.54
19	Jedi Investments Limited	900,000	0.49
20	Citibank Nominees (NZ) Ltd	883,718	0.48

1 Held through New Zealand Central Securities Depository Limited (NZCSD). NZCSD provides a custodial depository service which allows electronic trading of securities by its members and does not have a beneficial interest in these shares. As at 31 March 2025 a total of 27,475,896 Metroglass shares (or 14.80% of the ordinary shares on issue) were held through NZCSD.

Substantial shareholders

According to the records kept by the company under the Financial Markets Conduct Act 2013 the following were substantial holders in the company as at 31 March 2025. Shareholders are required to disclose their holdings to Metroglass and to its share registrar by giving a 'Substantial Shareholder Notice' when:

- they begin to have a substantial shareholding (5% or more of Metroglass' shares)
- there is a subsequent movement of 1% or more in a substantial holding, or if they cease to have a substantial holding
- there is any change in the nature or interest in a substantial holding.

Investor name	Number of shares	%	Date of most recent notice
Masfen Securities Limited	26,277,429	14.18%	25/09/24
Takutai Limited	20,289,230	10.95%	25/09/24
BCC SSA I, LLC	12,522,769	6.75%	25/06/21

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Distribution of shareholders

As at 31 March 2025:

Range	Number of holders	%	Number of shares	%
1–1,000	219	8.88	138,836	0.07
1,001–5,000	784	31.80	2,213,339	1.19
5,001–10,000	407	16.51	3,300,188	1.78
10,001–50,000	718	29.13	17,719,699	9.56
50,001–100,000	150	6.09	11,226,977	6.06
Greater than 100,000	187	7.59	150,779,047	81.34
Total	**2,465**	**100.00%**	**185,378,086**	**100.00%**

Voting rights

Section 15 of the company's constitution states that a shareholder may vote at any meeting of shareholders in person or through a representative. Metroglass conducts voting by way of a poll, using this method every shareholder present (or through their representative) has one vote per fully-paid up share they hold. Unless the board determines otherwise, shareholders may not exercise the right to vote at a meeting by casting postal votes. More detail on voting can be found in Metroglass' constitution available on the company's website at: www.metroglass.co.nz/investor-centre/governance/.

Trading statistics

Metroglass is listed on both the NZX and ASX. The trading ranges for the period 1 April 2024 to 31 March 2025 are as follows:

	NZX (NZD)	ASX (AUD)
Minimum:	$0.05 (04/12/24)	$0.04 (27/09/24)
Maximum:	$0.111 (03/04/24)	$0.165 (16/04/24)
Range:	$0.05 – $0.111	$0.04 – $0.165
Total shares traded[1]:	**16,493,656**	**1,879,991**

1 Trading in Metroglass shares on the ASX is less liquid than it is on the NZX. The final date on which shares were traded on the ASX during the 12 months to 31 March 2025 was 20 March 2025.

Dividend Policy

Dividends and other distributions with respect to the shares are only made at the discretion of the board of Metroglass.

Any dividend can only be declared by the board if the requirements of the Companies Act 1993 are also satisfied. The board's decision to declare a dividend (and to determine the quantum of the dividend) for shareholders in any financial year will depend on, among other things:

- all statutory or regulatory requirements
- the financial performance of Metro Performance Glass
- one-off or non-recurring events
- Metroglass' capital expenditure requirements
- the availability of imputation credits
- prevailing business and economic conditions
- the outlook for all of the above
- any other factors deemed relevant by the board

No dividends have been declared in respect of the 2025 financial year.

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NZX and ASX waivers

Metroglass does not have any waivers from the requirements of the NZX Main Board Listing Rules and has waivers in place with the ASX that are standard for a New Zealand company listed on the ASX.

Metroglass has an ASX Foreign Exempt Listing on the ASX. This category is based on a principle of substituted compliance, recognising that for secondary listings, the primary regulatory role and oversight rest with the home exchange. Metroglass continues to have a full listing on the NZX Main Board.

Directors and director independence

As at the balance date of 31 March 2025 the Company had four directors – Shawn Beck, Simon Bennett, Julia Mayne and Pramod Khatri. Each such Director was determined by the Board to be an independent director when appointed. Subsequently, the Board determined on 6 May 2024 that Simon Bennett was a non-independent director as a consequence of being appointed to the role of Executive Director.

When assessing independence, the board holistically considers the interests and relationships of a director that could affect the determination, including having regard to (but not limited to) the factors set out in recommendation 2.4 of the NZX Corporate Governance Code.

Gender composition of directors and officers

As at 31 March 2025 (and 31 March 2024 for the prior comparative period), the mix of gender among the Company's Board and SLT was:

31 March 2025	Female	Male	Total	% Female
Board	1	3	4	25%
Senior Leadership Team	3	4	7	43.%

31 March 2024	Female	Male	Total	% Female
Board	2	4	6	33%
Senior Leadership Team	3	5	8	38%

For the purposes of this analysis the SLT comprises 'Officers' of the company, being employees who are concerned or take part in the management of the Company's business and who report directly to: (a) the Board; or (b) a person who reports to the Board.

While no specific diversity objectives have been set by the Board, the Board is satisfied with its performance in relation to its Diversity and Inclusion Policy, in particular the work that has gone into raising awareness about the importance of diversity in the workforce.

Board and committee attendance in the 12 months to 31 March 2025

Meetings held	Board meetings attended	Audit and Risk Committee meetings attended	People and Culture Committee meetings attended
Directors			
Shawn Beck	14	4	–
Simon Bennett	14	2	–
Julia Mayne	13	6	–
Pramod Khatri	13	5	–

The Board's committees and their members as at 27 May 2025 were:

- Audit and Risk Committee: Julia Mayne (Chair), Pramod Khatri and Shawn Beck
- People and Culture Committee: Pramod Khatri (Chair) and Shawn Beck. Given the activities of the Company and the size of the board, the activities of this committee were undertaken by the full board in 2025.

Simon Bennett resigned from both of these committees with effect from being appointed as Executive Director on 6 May 2024.

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Disclosure of directors' interests

During the financial year ended 31 March 2025, under section 140(2) of the New Zealand Companies Act 1993, the following interests were disclosed by Directors and entered in the company's interests register (the bracketed interests are the ones disclosed during the financial year and the unbracketed interests are the ones disclosed in prior financial years):

Director and company	Position
Shawn Beck	
Sweet Mango Limited (trading as South Central Advisory)	Director/Shareholder
Skinny Fizz Company Limited	Director/Shareholder
Pramod Khatri	
PSW Nominees Limited	Director/Trustee
AW Fraser Holdings Limited	Director/Shareholder
(Closeburn Station Management Ltd	Shareholder)
PWJ Limited	Director/Shareholder
Simon Bennett	
Accordant Group Limited	Director/Shareholder
Hobson Leavy Limited	Director
Peak Partners Limited	Director/Shareholder
The Icehouse Limited	Shareholder
The International Centre for Entrepreneurship Foundation	Trustee
Lisa Julia Mayne	
5R Solutions Pty Limited	Director

The directors also disclosed an interest in the Company's Directors and Officers' Insurance Policy and such interest was entered in the Company's interests register.

Subsidiaries and subsidiary directors

Section 211(2) of the Companies Act 1993 requires the company to disclose, in relation to its subsidiaries, the total remuneration and value of other benefits received by the directors and former directors, together with particulars of entries in the interests registers made, during the year ended 31 March 2025.

No group employee appointed as a director of Metro Performance Glass Limited or its subsidiaries receives or retains any remuneration or other benefits in their capacity as a director, and each is a full-time Group employee. The remuneration and other benefits of such employees and former employees (received as employees) totalling NZD 100,000 or more during the year ended 31 March 2025 is included in the remuneration bandings disclosed on page 51 of this Annual Report.

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As at 31 March 2025, Metroglass' subsidiary companies and subsidiary directors were:

Company	Directors
Australian Glass Group (Holdings) Pty Limited	Jason McGrath, Jacqueline Rowan, Simon Bennett
Australian Glass Group Finance Company Pty Limited	Jason McGrath, Jacqueline Rowan, Simon Bennett
Australian Glass Group Investment Company Pty Limited	Jason McGrath, Jacqueline Rowan, Simon Bennett
Canterbury Glass & Glazing Limited	Simon Bennett, Nicholas Hardy-Jones, Robyn Gibbard
Christchurch Glass & Glazing Limited	Simon Bennett, Nicholas Hardy-Jones, Robyn Gibbard
Hawkes Bay Glass & Glazing Limited	Simon Bennett, Nicholas Hardy-Jones, Robyn Gibbard
I G M Software Limited	Simon Bennett, Nicholas Hardy-Jones, Robyn Gibbard
Metroglass Finance Limited	Simon Bennett, Nicholas Hardy-Jones, Robyn Gibbard
Metroglass Holdings Limited	Simon Bennett, Nicholas Hardy-Jones, Robyn Gibbard
Metropolitan Glass & Glazing Limited	Simon Bennett, Nicholas Hardy-Jones, Robyn Gibbard
Taranaki Glass & Glazing Limited	Simon Bennett, Nicholas Hardy-Jones, Robyn Gibbard

Directors' shareholding in Metroglass

The directors' respective interests in Metroglass shares as at 31 March 2025 are as follows:

	Number of shares in which a relevant interest is held	Acquisition date	Disposal date
Julia Mayne	25,000	23/02/22	n/a

Donations

For the year ended 31 March 2025, Metroglass, including its subsidiaries, made donations of $52 (2024: $10,734).

Net tangible assets per security

Net tangible assets per security at 31 March 2025: 6.29 cents (31 March 2024: 13.61 cents).

Currency

Within this Annual Report, all amounts are in New Zealand dollars unless otherwise specified.

Credit rating

Metroglass has not requested a credit rating.

Auditors fees

PwC acted as the Company's auditor for the year ended 31 March 2025. During the year PwC received $460,000 as fees for audit services and nil as fees for non audit services.

COMPANY DIRECTORY

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Registered Office

5 Lady Fisher Place
East Tamaki
Auckland 2013
New Zealand
Email: glass@metroglass.co.nz
Phone: +64 927 3000

Board of Directors

Shawn Beck – Chair and Non-Executive Director

Pramod Khatri – Non-Executive Director and Member of the Audit and Risk Committee

Simon Bennett – Executive Director

Julia Mayne – Non-Executive Director and Chair of the Audit and Risk Committee

Senior Leadership Team

Simon Bennett – Executive Director

Steve Hamer – CEO – Australia

Nick Hardy-Jones – Country Manager – New Zealand

Sarah Hipkiss – Chief Financial Officer

Dayna Roberts – Human Resources Director

Angus Wilson – General Manager Operations

Auditor

PricewaterhouseCoopers
15 Customs Street West
Auckland 1010
New Zealand

Lawyers

Bell Gully
Vero Centre
48 Shortland Street
Auckland 1140
New Zealand

Bankers

ASB Bank Limited
Westpac New Zealand Limited
Westpac Banking Corporation

Share registrar

MUFG Pension & Market Services
Level 30, PwC Tower
15 Customs Street West
Auckland 1010
PO Box 91976, Auckland 1142
New Zealand

Further information online

This Annual Report, all our core governance documents (our Constitution, some of our key Policies and Charters), our Investor relations policies and all our announcements can be viewed on our website:

www.metroglass.co.nz/investor-centre/

Investor calendar

2025 Annual Shareholders' Meeting	September 2025
2026 Half Year balance date	30 September 2025
2026 Half Year results announcement	November 2025
2026 Full Year balance date	31 March 2026
2026 Full Year results announcement	May 2026

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