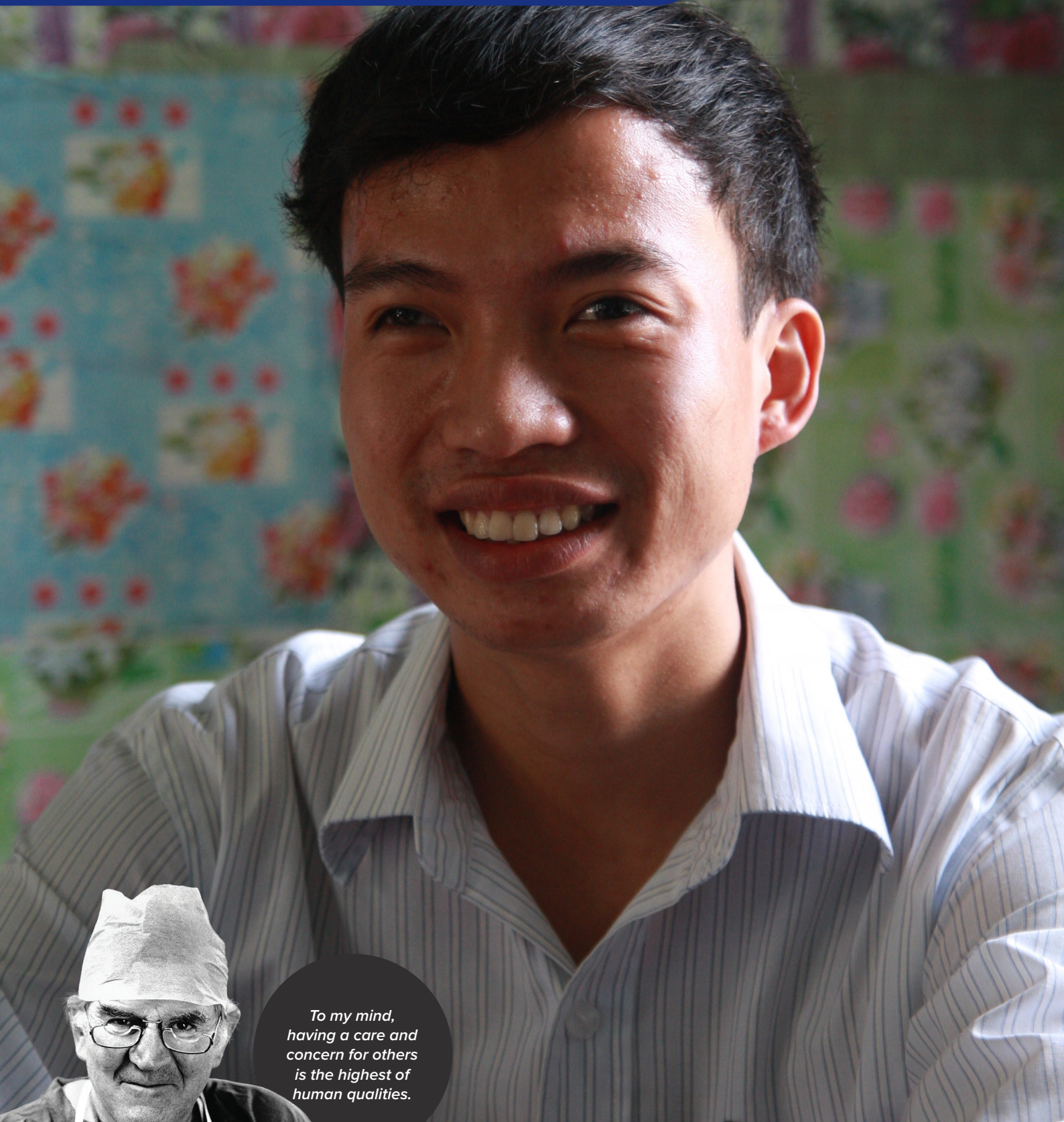


2025

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025



*To my mind,
having a care and
concern for others
is the highest of
human qualities.*



The Fred Hollows
Foundation

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

**Current Directors
as at 25 March 2026**

Jane Madden (Chair)
Michael Johnson, AM (Deputy Chair)
Tina Wyer (Deputy Chair)
Thomas Ching
Ruwan de Mel
Katrina Fanning, AO PSM
Michelle Gayer
Anthony Hall
Gabi Hollows, AO
Cassandra Kelly, AM
Ciku Mathenge
Russell Gruen

Chief Executive Officer	Ross Piper
Company Secretary	Katrin O' Sullivan
Registered office and principal place of business	Level 8, 320 Pitt Street, Sydney, NSW 2000 Australia
Postal Address	Locked Bag 5021, Alexandria NSW 2015, Australia
ABN	46 070 556 642
Contact details	
Website:	www.hollows.org
Donation Line:	1800 352 352
Telephone:	+612 8741 1900
Facsimile:	+612 8741 1999
Email:	fhf@hollows.org
Bankers	Westpac Banking Corporation
Auditors	BDO Audit Pty Ltd

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DIRECTORS' REPORT

The Directors present this report to the Members of The Fred Hollows Foundation (hereinafter referred to as 'The Foundation') for the year ended 31 December 2025.

Directors and Board Committee Meetings

The name of each person who was a Director during 2025 and the number of meetings each has attended are set out in the table below. The Board has established three Committees which report directly to it. The table below shows the number of Committee meetings held during the year and the attendance record of those Directors who were members of the Committees during 2025.

2025 Meetings	Date commenced current term	Board		Finance and Audit Committee		Governance, People and Culture Committee		Programs and Partnerships Committee	
		A	B	A	B	A	B	A	B
No. of meetings		5		5		4		4	
Jane Madden (Chair)	May 2024	5	5	-	-	3	4	-	-
Michael Johnson (Deputy Chair)	May 2024	4	5	-	-	3	4	3	4
Tina Wyer (Deputy Chair)	May 2022	5	5	5	5	-	-	-	-
Nicki Anderson (retired 27 May 2025)	May 2022	3	3	-	-	-	2	-	-
Thomas Ching	May 2024	5	5	-	-	-	-	-	-
Ruwan de Mel	May 2024	3	5	5	5	-	-	4	4
Katrina Fanning	May 2022	4	5	4	5	-	-	-	-
Michelle Gayer	May 2024	4	5	-	-	-	-	3	4
Russell Gruen	March 2025	4	4	-	-	-	-	3	3
Anthony Hall	May 2022	4	5	-	-	-	-	3	4
Gabi Hollows	April 1995	5	5	-	-	4	4	4	4
Cassandra Kelly	July 2025	2	2	-	1	-	-	-	-
Ciku Mathenge	Jan 2025	4	5	-	-	-	-	-	-

Note: Column A shows the number of meetings attended, while Column B shows the number of meetings held during the time each Director held office during the year.

Four Foundation members and associates who are not Directors also served on Board Committees during 2025 as set out below:

- Finance & Audit Committee: Izabel Greco; Barry Parker.
- Governance, People & Culture Committee: Kate Waterford.
- Programs & Partnerships Committee: Christopher Maher.

Our Vision

A world in which no person is needlessly blind or vision impaired.

Our Purpose

Deliver bold eye health solutions that transform lives.

Our Values

Our values of *integrity, collaboration, action, resourceful, and energised* underpin every aspect of our work both here in Australia and around the globe.

2025 IN REFLECTION

In 2025, The Fred Hollows Foundation was confronted with a global environment where international development and philanthropy faced increasingly difficult headwinds. Prolonged geopolitical conflict and rising humanitarian needs collided with significant cuts to official development assistance and tighter fiscal conditions in many countries.

Despite this our teams managed to overcome significant barriers to post a record year of revenue and other income of \$130m and strong programming expenditure, despite the uncertainty.

A major highlight in 2025 was the release of the Value of Vision report at the United Nations General Assembly, co-authored by The Foundation. The report showed that every dollar invested in eye health can return up to \$28 in economic benefit, making it one of the most cost-effective health interventions. The results will be a great driver of our advocacy and fundraising efforts to ensure eye health is recognised as a critical development issue.

The Foundation, in partnership with our New Zealand colleagues, is proud to be playing a leading role in supporting eye health outcomes for one of our nearest neighbours, with the construction of the Papua New Guinea Centre for Eye Health. When it opens this year in Port Moresby, the facility will train ophthalmologists, optometrists, and eye health nurses to help build the eye care workforce across all provinces.

In 2025, The Foundation secured funding from Bloomberg Philanthropies to support our work. The grant of USD 15.5 million (AUD 23.2 million) over two years, being managed by the US team, is one of the largest grants in The Foundation's history.

Australia's impact investing ecosystem continued to recognise innovative financing models such as the Cameroon Cataract Development Impact Bond, which was nominated for the Emerging Markets Impact Investment of the Year at the Australian Impact Investment Awards 2026. The Fred Hollows Foundation played a key role as an outcome funder, helping drive measurable, independently-verified results and strengthen long term eye health system capacity. Despite the challenges of a global pandemic, the Cameroon Cataract Bond supported more than 17,000 surgeries of which 41% benefited patients from the country's two lowest wealth categories

We again thank and pay tribute to the tremendous dedication of The Foundation's global team, our partners, volunteers, and supporters.

We extend our deepest gratitude to our generous donors who continue to believe so passionately in our mission. Together, we have made a meaningful difference in the lives of many.

Events subsequent to reporting date

The Directors are not aware of any other material events occurring after balance date of this report that would require further disclosure in these financial statements.

Operating results for the year

The consolidated financial results of The Foundation for the year ended 31 December 2025 were:

	2025	2024
	\$000	\$000
Revenue and Other Income	130,049	120,311
Expenditure	120,228	130,292
Operating (Deficit) / Surplus	9,821	(9,981)

Financial outcomes 2025:



- In 2025 we are pleased to report a record year of revenue and other income of \$130m largely driven by 17% growth in community and corporate support, including standout bequest revenue.
- Full year expenditure of \$120.2m was impacted by a decrease of 8% in funds to international programs largely driven by project timing and global uncertainty associated with USAID, particularly early in the year. This positions The Foundation well to scale up activity in priority regions in the years ahead.
- Across the organisation, we found smarter, more efficient ways to deliver programs and support communities. We reduced fundraising costs by 13%, meaning even more of your donations went directly to restoring sight. Program support, administration, and community education costs all decreased without compromising impact. We continued to invest in our sight-saving programs, ensuring sustainable change for years to come.
- Thanks to your generosity, The Foundation finished the year in a strong position, with a positive result of \$9.8 million. This outcome means we are able to invest in new initiatives that directly tackle the growing backlog of people waiting for essential eye-health services. Your support also helped us confidently deliver programs and work more efficiently, ensuring every donation goes even further.
- The Foundation has both a strong Contingency reserve of \$15.5m and an Accumulated surplus of \$26.9m. The strength of our reserves ensures we can manage disruption while continuing to grow our programs and extend essential services to communities in need. This financial stability enables us to progress Fred's vision of a world where no person is needlessly blind or vision impaired.

Indemnification and insurance of directors



The Fred Hollows Foundation held Directors and Officers Liability cover during 2025. The amount of cover is reviewed periodically.

Board Directors during 2025

Directors' qualifications and experience, and their special responsibilities on the Board are as follows:

Name	Experience and Qualifications	Special responsibilities within FHF
<p>Jane Madden</p> 	<p>Director, Principal, Brickfielder Insights Pty Ltd</p> <p>Board Member/Deputy Chair, Canberra Institute of Technology</p> <p>Chair National Foundation for Australian Women</p> <p>Advisory Committee member – ACT Health and NSW National Parks (South Coast Region)</p> <p>Member – Chief Executive Women</p> <p>Member – Australian Institute of Company Directors</p> <p>Graduate of Australian Institute of Company Directors</p> <p>Institute of Executive Coaching and Leadership qualifications</p> <p>B.Ec/Grad Dip international Law, University Tas/ANU</p> <p>Previously</p> <p>Board Member, Black Dog Institute, Australian Business Volunteers</p> <p>Deputy Secretary, Australian Government.</p> <p>Diplomat/Australian Ambassador to UNESCO 2003-2007</p>	<p>Chair of the Board</p> <p>Chair of the Governance, People and Culture Committee</p>
<p>Michael Johnson AM</p> 	<p>Honorary Associate Professor, School of Social Sciences, University of NSW</p> <p>Area Editor, Economic and Labour Relations Review</p> <p>Life Member, Clare Hall Cambridge</p> <p>Member of the Australian Institute of Company Directors</p> <p>Member of the Order of Australia</p> <p>Member – Transport Heritage NSW</p> <p>Member – The American Economic Association (Prof. assoc NFP)</p> <p>Previously</p> <p>Coordinator, Development Studies Program, School of Social Sciences, UNSW</p> <p>Head of the School of Social Science and Policy, UNSW</p> <p>Member of the Expert Advisory Committee on the Social and Economic Sciences of the Australian Research Council</p> <p>Foundation Director, Public Sector Research Centre, UNSW</p>	<p>Deputy Chair of the Board</p> <p>Member of the Governance, People and Culture Committee</p> <p>Member of the Programs and Partnerships Committee</p> <p>Director of The Fred Hollows Foundation Kenya</p> <p>Trustee of The Fred Hollows Foundation (UK)</p>

Name	Experience and Qualifications	Special responsibilities within FHF
<p>Tina Wyer</p> 	<p>Non-Executive Director, Hume Bank, Chair of Audit Committee and Member of Risk Committee</p> <p>Non-Executive Director, .au Domain Administration, Chair of Audit and Finance Committee and Member of Public Benefits Program Committee</p> <p>Non-Executive Director, Australian Diabetes Educators Association, Chair of Finance, Audit and Risk Management Committee Graduate of the Australian Institute of Company Directors and committee member of the AICD Sunshine Coast Committee</p> <p>Member Australian Institute Chartered Accountant</p> <p>Bachelor of Commerce Accounting & Information Systems – Deakin University</p> <p>Previously</p> <p>JPMorgan Chase: Firmwide Chief Data Officer / Asia Head of Corporate Technology / Australia & New Zealand CFO</p> <p>KPMG: Information Risk Management</p> <p>Non-Executive Director, FAT Projects Acquisition Corporation Board and Empowered Women In Trades</p>	<p>Deputy Chair of the Board</p> <p>Chair of the Finance and Audit Committee</p> <p>Director of the Fred Hollows Foundation (USA) from 27 May 2025</p>
<p>Nicki Anderson</p> 	<p>Director and Chair People, Culture & Nomination Committee – Collins Foods (ASX), Geraldton Fishermen’s Co-Operative and Craig Mostyn Group (Family)</p> <p>Deputy Chair and Chair Nomination Committee Australian Made Campaign Limited</p> <p>Director Prostate Cancer Foundation of Australia</p> <p>Executive MBA, University of NSW (AGSM); BBus UTS, Sydney</p> <p>Fellow, Australian Institute of Company Directors</p> <p>Previously</p> <p>Chair and Member of the Monash University Advisory Board for the marketing faculty.</p> <p>Head of Major Donor Partnerships & Persia Porter Scholarship Winner, Australian Red Cross,</p> <p>Vice President Innovation at Cadbury Schweppes North America (Dr Pepper Snapple); Marketing and Innovation Director - Coca Cola Amatil; McCain Foods; Kraft Foods</p> <p>CEO/Managing Director for Powerforce, Demoplus, Artel and Retail Facts.</p>	<p>Director of The Fred Hollows Foundation (USA) (retired 27 May 2025)</p> <p>Member of the Governance, People and Culture Committee (retired 27 May 2025)</p>

Name	Experience and Qualifications	Special responsibilities within FHF
<p>Thomas Ching</p> 	<p>Honorary Fellow of the Hang Seng University of Hong Kong</p> <p>Managing Director, Consolidated Marketing Group International Wealth Management Limited</p> <p>Executive Director, CMG Fiduciary Services Limited; SW Capital Management Limited; Consolidated Holdings Limited; SW Private Client Services Limited; Consolidated Management Group Capital Partner Limited; CMG (Asia Pacific) Limited</p> <p>Director, CMG Wealth Management Pte Ltd.</p> <p>Founder, CMG International Charity Fund Limited</p> <p>Committee Member, Fundraising & Donation Committee of the Hang Seng University of Hong Kong</p>	<p>Director of The Fred Hollows Foundation (HK)</p>
<p>Ruwan de Mel</p> 	<p>Member of the Institute of Chartered Accountants in England and Wales.</p> <p>Member of the Institute of Chartered Accountants Australia and New Zealand.</p> <p>Director Melior Consulting Pty Limited</p> <p>Director Mokoro Limited – Development Consultants, Oxford</p> <p>Previously</p> <p>Director of Strategy, The Global Fund to Fight AIDS, Tuberculosis and Malaria</p>	<p>Member of the Programs and Partnerships Committee</p> <p>Member of the Finance and Audit Committee</p>
<p>Katrina Fanning AO PSM</p> 	<p>Chair Australian Rugby League Indigenous Council</p> <p>Director Canberra Raiders (Rugby League Club)</p> <p>Board member Family of League Foundation</p> <p>CEO Coolamon Advisors Pty Ltd</p> <p>Director Callida Indigenous Consulting Pty Ltd</p> <p>2014 Public Service Medal</p> <p>2020 ACT Officer of the Order of Australia</p> <p>Previously</p> <p>Head of Secretariat Coalition of Peaks – Closing the Gap</p> <p>Board Member ACT Suburban Land Agency</p> <p>Deputy Chairperson ACT Women’s Legal Centre</p> <p>Operations Manager Aboriginal Hostels Limited</p> <p>National Manager Indigenous Service Centrelink</p> <p>Chair ACT Aboriginal and Torres Strait Islander Elected Body</p>	<p>Member of the Finance and Audit Committee</p>

Name	Experience and Qualifications	Special responsibilities within FHF
<p>Michelle Gayer</p> 	<p>Special Advisor for Global Programmes, Geneva Centre for Humanitarian Dialogue</p> <p>Academic Fellow, Geneva Centre for Humanitarian Studies</p> <p>Associate, Johns Hopkins University Bloomberg School of Public Health</p> <p>Member of Research for Health in Humanitarian Crises (R2HC) Funding Committee (UKAID, Wellcome Trust & ELRHA)</p> <p>Member of AHPRA (Australian Health Practitioner Regulation Agency)</p> <p>Bachelor of Medicine, Bachelor of Surgery, Sydney University</p> <p>Master of Public Health, Sydney University</p> <p>Graduate Diploma in Economics, New England University</p> <p>Previously</p> <p>Senior Director of Programme Quality, and Director of Emergency Health, The International Rescue Committee</p> <p>Director, Emergency Risk Management and Response, World Health Organization</p> <p>Vice Chair, World Health Organization Research Ethics Review Committee</p>	<p>Member of the Programs and Partnerships Committee</p>
<p>Russell Gruen</p> 	<p>Director, Future Evidence Foundation</p> <p>Director, Research Australia</p> <p>Member of the Australian Academy of Health and Medical Sciences</p> <p>Member of the Royal Australasian College of Surgeons</p> <p>Member of the International Surgical Society</p>	<p>Chair of the Programs & Partnerships Committee</p>

Name	Experience and Qualifications	Special responsibilities within FHF
<p data-bbox="197 300 336 371">Anthony Hall</p> 	<p data-bbox="394 300 1023 360">Consultant Ophthalmologist and vitreo-retinal surgeon Newcastle</p> <p data-bbox="394 378 978 439">Fellow, Royal Australian and New Zealand College of Ophthalmologists</p> <p data-bbox="394 456 925 488">Fellow, Royal College of Ophthalmologists UK</p> <p data-bbox="394 506 1067 566">Director Kilimanjaro Centre for Community Ophthalmology Tanzania</p> <p data-bbox="394 600 520 631">Previously</p> <p data-bbox="394 651 983 712">Member of Commonwealth Eye Health Consortium Advisory Committee</p> <p data-bbox="394 730 1015 761">Chair RANZCO International Development Committee</p> <p data-bbox="394 779 735 810">Director Vision2020 Australia</p> <p data-bbox="394 828 979 889">Head of Department of Ophthalmology Kilimanjaro Christian Medical Centre</p>	<p data-bbox="1107 300 1398 389">Member of the Programs and Partnerships Committee</p>
<p data-bbox="197 927 331 1025">Gabi Hollows AO</p> 	<p data-bbox="394 927 512 958">Orthoptist</p> <p data-bbox="394 976 756 1008">Officer of the Order of Australia</p> <p data-bbox="394 1025 1031 1086">Orthoptic Associate, Royal Australian and New Zealand College of Ophthalmologists</p> <p data-bbox="394 1104 1038 1135">Director Strawberries in The Snow Pty Ltd (Land Holder)</p> <p data-bbox="394 1153 1015 1184">Director Music Outback Foundation (Music Education)</p> <p data-bbox="394 1202 963 1263">Sarah Grace Foundation (Support for people with Lymphoma)</p> <p data-bbox="394 1281 671 1312">Prelate Holdings Pty Ltd</p>	<p data-bbox="1107 927 1318 958">Founding Director</p> <p data-bbox="1107 976 1398 1066">Member of the Governance, People and Culture Committee</p> <p data-bbox="1107 1084 1398 1173">Member of the Programs and Partnerships Committee</p>
<p data-bbox="177 1341 354 1417">Cassandra Kelly</p> 	<p data-bbox="394 1341 951 1373">Director: Pottinger Co Pty Ltd (Private Australian)</p> <p data-bbox="394 1391 762 1422">Global Australians (Charity USA)</p> <p data-bbox="394 1480 520 1512">Previously</p> <p data-bbox="394 1529 1031 1561">Director: Treasury Corporation of Victoria (Government)</p>	<p data-bbox="1107 1341 1378 1402">Member of the Finance & Audit Committee</p> <p data-bbox="1107 1420 1414 1480">Director of The Fred Hollows Foundation (USA)</p>
<p data-bbox="181 1671 349 1747">Ciku Mathenge</p> 	<p data-bbox="394 1671 1050 1731">Director Rwanda International Institute of Ophthalmology (RIIO)</p> <p data-bbox="394 1749 1054 1780">Member of Board of Trustees Ophthalmology Foundation</p> <p data-bbox="394 1798 813 1830">Medical Advisor ORBIS International</p> <p data-bbox="394 1848 871 1879">President African Ophthalmology Council</p> <p data-bbox="394 1897 967 1957">Kenyan Ministry of Health Ophthalmic Unit Trainer and Supervisor</p>	<p data-bbox="1107 1671 1422 1731">Director of The Fred Hollows Foundation Kenya</p>

Company Secretary

Katrin O' Sullivan

Limitation of Members Liability

The Fred Hollows Foundation is a company limited by guarantee. In accordance with its Constitution, the liability of its 145 Members is limited to \$50.00 per person or an aggregate of \$7,250 in the event of the company being wound-up.

Auditor's Independence

The Directors have received an independence declaration from the auditor of The Fred Hollows Foundation, BDO Audit Pty Ltd (BDO).

Auditor

BDO has been appointed to the office in accordance with the Australian Charities and Not-for-Profits Commission Act 2012.

Signed in accordance with resolution of the Directors.



Jane Madden

Chair

Date: 25 March 2026
Sydney, NSW Australia

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF THE FOUNDATION



Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Parkline Place
Level 25, 252 Pitt Street
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY LEAH RUSSEL TO THE MEMBERS OF THE FRED HOLLOWES FOUNDATION

I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of The Fred Hollowes Foundation for the year ended 31 December 2025.

This declaration is in respect of The Fred Hollowes Foundation and the entities it controlled during the period.

Leah Russel
Director

A handwritten signature in black ink, appearing to read 'Leah Russel', written in a cursive style.

BDO Audit Pty Ltd
Sydney
25 March 2026

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2025		2025	2024
	Notes	\$000	\$000
REVENUE AND OTHER INCOME			
Community and corporate support			
Donations and gifts		64,154	58,424
Bequests and legacies		33,241	25,110
Grants			
Revenue from contracts with donors	4	31,130	31,307
Investment income	5	2,527	4,498
Other income / (expenditure)	6	(1,003)	972
		130,049	120,311
EXPENDITURE			
<i>International aid and development programs expenditure</i>			
International programs			
Funds to international programs		55,863	60,684
Program support costs		16,096	17,140
Community education		9,900	10,290
Fundraising costs			
Public fundraising		19,420	22,573
Government, multilateral and private		1,699	1,956
Accountability and administration		6,145	6,217
Total international aid and development programs expenditure		109,123	118,860
<i>Domestic aid and development programs expenditure</i>			
Domestic programs		7,323	7,485
Community education		1,007	990
Fundraising costs		2,149	2,359
Accountability and administration		626	598
Total domestic aid and development programs expenditure		11,105	11,432
TOTAL EXPENDITURE		120,228	130,292
TOTAL SURPLUS/(DEFICIT) FOR THE YEAR		9,821	(9,981)

Note: The above Statement of income should be read in conjunction with accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025		2025	2024
	Notes	\$000	\$000
ASSETS			
Current assets			
Cash and cash equivalents		21,821	25,200
Other interest bearing deposits		13,155	1,000
Trade and other receivables	7	14,757	8,925
Total current assets		49,733	35,125
Non-current assets			
Financial assets at fair value	13	31,088	26,576
Investment in Associate	12	2,116	3,251
Plant and equipment	8	78	122
Right of Use Asset	11	1,141	2,138
Total non-current assets		34,423	32,087
TOTAL ASSETS		84,156	67,212
LIABILITIES			
Current liabilities			
Trade and other payables	9	10,434	13,267
Contract liabilities	4	25,087	14,175
Provisions	10	4,268	4,191
Lease liabilities	11	1,021	1,034
Total current liabilities		40,810	32,667
Non-current liabilities			
Provisions	10	723	777
Lease liabilities	11	202	1,168
Total non-current liabilities		925	1,945
TOTAL LIABILITIES		41,735	34,612
NET ASSETS		42,421	32,600
EQUITY			
Contingency reserve		15,497	9,670
Accumulated surplus		26,924	22,930
TOTAL EQUITY		42,421	32,600

Note: The above Statement of financial position should be read in conjunction with accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025		2025	2024
	Notes	\$000	\$000
Cash flows from operating activities			
Receipts from donors		64,154	58,424
Receipts from bequests		33,241	25,110
Receipt of government grants		21,656	17,376
Receipt of other grants		18,006	15,306
Proceeds from Hospital		-	34
Payment of program and operating expenditures		(81,952)	(80,751)
Payment to employees for program and operating activities		(43,278)	(44,230)
Net cash flows provided by/(used in) operating activities		11,827	(8,731)
Cash flows from investing activities			
Disposal of financial assets at fair value		9,277	3,166
Purchase of financial assets at fair value		(13,297)	(3,994)
Decrease/(increase) in interest bearing deposits		(12,155)	17,018
Dividends received		1,263	1,299
Interest received		880	1,234
Net cash outflow from deconsolidation		-	(1,579)
Acquisition of plant and equipment	8	(5)	(14)
Net cash flows provided by/(used in) investing activities		(14,037)	17,130
Cash flows from financing activities			
Repayment of leasing liabilities & interest	11	(1,169)	(1,199)
Net cash flows used in financing activities		(1,169)	(1,199)
Net increase/(decrease) in cash and cash equivalents		(3,379)	7,200
Cash and cash equivalents at beginning of the period		25,200	18,000
Cash and cash equivalents at end of the period		21,821	25,200

Note: The above Statement of cash flows should be read in conjunction with accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Accumulated Surplus	Contingency Reserve	Non- Controlling Interest (i)	Total
		\$000	\$000	\$000	\$000
Balance as at 1 January 2024		30,952	11,537	92	42,581
Surplus/(deficit) for the year		(9,889)	-	(92)	(9,981)
Movements in contingency reserves		1,867	(1,867)	-	-
Balance as at 31 December 2024	14	<u>22,930</u>	<u>9,670</u>	<u>-</u>	<u>32,600</u>
Balance as at 1 January 2025		22,930	9,670	-	32,600
Surplus / (deficit) for the year		9,821	-	-	9,821
Movements in contingency reserves		(5,827)	5,827	-	-
Balance as at 31 December 2025	14	<u>26,924</u>	<u>15,497</u>	<u>-</u>	<u>42,421</u>

(i) The non-controlling interest represents the minority shareholders' interest in Alina Vision Pte Limited.

Note: The above Statement of changes in equity should be read in conjunction with accompanying notes.

1. General information and statement of compliance

The consolidated financial statements of The Fred Hollows Foundation (the parent entity), and its subsidiaries (collectively the group and referred to as The Foundation from here on) for the year ended 31 December 2025, were authorised for issue in accordance with a resolution of the directors on 25 March 2026. The Foundation is a not-for-profit entity, and a public company limited by guarantee. It is an income tax exempt charitable organisation, incorporated and domiciled in Australia. The registered office is located at Level 8, 320 Pitt Street, Sydney, NSW, Australia. The Foundation is principally engaged in the promotion of its vision of a world in which no one is needlessly blind or vision impaired.

(a) Basis of preparation

The Foundation's consolidated financial statements are presented in Australian dollars, which is also the parent company's functional currency, and are rounded to the nearest thousand dollars (\$000) except where indicated otherwise.

The Foundation's consolidated financial statements are a general purpose financial report which have been prepared in accordance with the requirements of the *Australian Accounting Standards – Simplified Disclosures issued by the Australian Accounting Standards Board (AASB), Australian Charities and Not-for-Profits Commission Act 2012, Australian Charities and Not-for-Profits Commission Regulation 2022, Charitable Fundraising Act 1991 (NSW), Charitable Fundraising Regulation 2022 (NSW), and the Australian Council for International Development (ACFID) Code of Conduct.*

Where additional disclosures are presented in the reporting year, The Foundation has disclosed the same comparative information for the prior year.

(b) New or amended Accounting Standards and Interpretations adopted

The Foundation has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards

or Interpretations that are not yet mandatory have not been early adopted.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of The Foundation and its subsidiaries as at 31 December 2025. For the purpose of compliance with AASB10, an investee company is deemed to be controlled by the Foundation when the Foundation has power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, and when The Foundation has less than the majority of the voting or similar rights of an investee, The Foundation considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Foundation's voting rights and potential voting rights

The Foundation re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when The Foundation obtains control over the subsidiary and ceases when The Foundation loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date The Foundation gains control until the date The Foundation ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with The Foundation's accounting policies. All intra-group assets and liabilities, equity, income and expenses and cash flows relating to transactions between members of The Foundation are eliminated in full on consolidation.

1. General information and statement of compliance (cont'd)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If The Foundation loses control over a subsidiary, it de-recognises the related

assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2. Summary of significant accounting policies

(a) Current and non-current classification

The Foundation presents assets and liabilities in the Statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Foundation classifies all other liabilities as non-current.

(b) Cash and cash equivalents

Cash and cash equivalents in The Foundation's Statement of financial position comprises of cash at bank and in hand (Includes cash and cash equivalents held in foreign bank accounts), and short-term deposits with an original maturity of three months or less.

(c) Other interest-bearing deposits

These are short-term deposits with maturities over three months but less than one year.

(d) Taxes

(i) Current income tax

The parent entity has been registered under Subdivision 50-B of the Income Tax Assessment Act 1997 in Australia, and accordingly, is an income tax exempt charitable entity.

(ii) Goods and Services Tax (GST)

In Australia, where the parent entity operates, revenue, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable: and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of financial position.

Cash flows are included in the Statement of cash flows on a gross basis and the GST component of the cash flows arising from investing and financing activities, which is recoverable or payable to the taxation authority, is classified as cashflows from operations.

(iii) Withholding tax

In countries where subsidiaries comply with withholding tax legislation, revenue, expenses,

2. Summary of significant accounting policies (cont'd)

assets, receivables and payables are recognised net of withholding tax.

(e) Significant accounting judgments

Where appropriate significant judgments, estimates, and assumptions in the context of financial reporting are made by management. Where relevant these have been disclosed within the accounting policies of the relevant notes.

(f) Reclassification of prior year presentation

Where necessary, comparative information has been restated and reclassified to conform to changes in presentation in the current year. These reclassifications had no effect on the reported results of operations. Certain prior year amounts have been reclassified for consistency with the current year presentation.

3. Financial risk management objectives and policies

The Foundation's principal financial instruments comprise cash and short-term deposits, receivables, payables, borrowings, and investments.

Risk exposures and responses

The Foundation manages its exposure to key financial risks, including interest rate, credit risk, foreign currency risk, price risk and liquidity risk in accordance with The Foundation's Board approved Risk Management Policy. The objective of the policy is to support the delivery of The Foundation's financial targets while protecting future financial security.

The Foundation uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate, equity price risk and foreign exchange risk and assessments of market forecasts for interest and foreign exchange rates as well as prices of shares in equity. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is assessed through the development of rolling cash flow forecasts and monitoring of investment performance if applicable.

Primary responsibility for monitoring the management of financial risks rests with the Finance and Audit Committee under the authority of the Board.

(a) Interest rate risk

The Foundation's exposure to risk with regards to movements in market interest rates is limited to daily cash balances held in interest bearing accounts.

(b) Foreign currency risk

The Foundation funds program countries based on their approved local currency budgets, on the condition that if there is a material devaluation of the AUD against those local currencies, The Foundation reserves the right to limit funding to the originally budgeted AUD amount. The Foundation's Foreign Exchange Hedging Policy provides the framework for managing foreign exchange (FX) risk across the organisation. Its purpose is to safeguard financial stability, protect program delivery, and support strategic decision making in an environment of currency volatility.

(c) Credit risk

Credit risk represents the risk that the counterparty to the trade or other type of debt will fail to discharge an obligation and cause The Foundation to incur financial loss.

The Foundation's exposure to credit risk arises from default of the counterparty, for the trade or other type of debt, with the current maximum exposure at the reporting date equal to the fair value of these instruments as disclosed in the Statement of financial position. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values. At 31 December 2025, The Foundation is not exposed to any significant credit risk.

3. Financial risk management objectives and policies (cont'd)

(d) Price risk

The Foundation's financial assets, which at balance date, consist of Direct shareholdings and Investment portfolio, are subject to price risk. To limit this risk, The Foundation has a policy to diversify its exposure across asset classes within its investment portfolio, and with direct shareholdings received from estates its policy is to only hold shares up to a maximum of 45 days.

(e) Liquidity risk

Liquidity risk arises from the financial liabilities of The Foundation and its subsequent ability to meet its obligation to repay these liabilities as and when they fall due. At balance date the

contractual maturity for its non-derivative financial liabilities is less than 60 days except for the Lease Liabilities of The Foundation.

The Foundation's objective is to maintain a balance between continuity of funding and flexibility through the use of effective working capital management practices or unutilised borrowing facilities.

The Foundation manages its liquidity risk by monitoring the total cash inflows and outflows expected on a monthly basis. In addition, The Foundation maintains sufficient cash to meet worldwide programs' normal operating requirements.

4. Grant Revenue

Revenue from contracts with donors

	2025	2024
	\$000	\$000
Grants		
Government grants – Department of Foreign Affairs and Trade (DFAT)	18,042	16,953
Other Australian	72	722
Other overseas	13,016	13,632
	31,130	31,307
Primary geographic grant markets		
Grants		
Australia	18,114	17,675
US	11,579	11,383
UK	218	1,008
Hong Kong	422	201
Other	797	1,040
	31,130	31,307

Accounting policy for revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

4. Revenue (cont'd)

(a) Donations and grants

For all revenue contracts, The Foundation assesses each contract to determine whether it is enforceable and whether its performance obligations are sufficiently specific. For those contracts that are not enforceable, or the

performance obligations are not sufficiently specific, this will result in their treatment under the provisions of AASB 1058. Refer to Accounting policy for contract assets and liabilities for revenue recognition for other grants.

(b) Bequests

The Foundation recognises bequest revenue on receipt. Bequests received in the form of shares are recognised as bequest revenue at the market value on the date the shares were transferred

to The Foundation from the estate. Any market movement in value of shares following the transfer date of beneficial ownership to The Foundation is treated as net gains or losses on investments.

Assets and liabilities related to contracts with donors

The Foundation has recognised the following assets and liabilities related to contracts with donors.

	2025	2024
	\$000	\$000
Contract assets – other grants	223	430
Total current assets	223	430
Contract liabilities – government grants	14,776	10,073
Contract liabilities – other grants	10,311	4,102
Total current contract liabilities	25,087	14,175

Accounting policy for contract assets and liabilities

Contract assets are included within trade and other receivables, and Contract liabilities are presented separately, in the Statement of financial position. They arise from contracts entered into by The Foundation where the cumulative payments received from donors at each balance sheet date does not equal the amount of revenue recognised on the contracts.

Contracts that meet the definition of AASB 9 Financial Instruments such as where they contain termination for convenience clauses are

recognised as the consolidated entity spends, or has provided the services depending on the terms on the contract.

For each contract with a customer that meets the definition of AASB 15 Revenue, the Foundation identifies the performance obligations in the contract and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

5. Investment income

	2025	2024
	\$000	\$000
Dividends and distributions	1,263	1,299
Term deposit and bank interest income	771	996
Realised gain/ (loss) on financial assets	590	(130)
Unrealised gain/ (loss) on financial assets	(97)	2,333
	2,527	4,498

Accounting policy for Investment Income

Gains or losses (excluding interest and dividend income) on financial instruments at fair value through profit or loss is calculated as the difference between the fair value at sale or at year end, and the fair value at the previous valuation point. This includes both realised and unrealised gains and losses.

Interest revenue is recognised using the effective interest method, with interest accrued over the relevant period using the effective interest

rate, which is the rate that exactly discounts the estimated future cash flows over the expected life of the financial asset to the net carrying amount of the financial asset.

Dividend income and interest revenue arising from financial assets at fair value is also included in "Investment Income". Dividends and distributions are recognised at the time the right to receive them, has been established and holding goes ex-dividend or ex-distribution.

6. Other income/(expenditure)

This includes income or losses from disposal of plant and equipment, foreign currency transactions, non-cash accounting adjustments, and other receipts.

	Notes	2025	2024
		\$000	\$000
Exchange gains / (losses)		124	651
Hospital revenue net of cost of goods sold		-	34
Loss on associates	12	(1,134)	(132)
Other		7	419
		(1,003)	972

Accounting policy for foreign currency translations

On consolidation, foreign currency assets and liabilities are translated into Australian dollars at the rate of exchange prevailing at the reporting date and foreign currency income and expenses

are translated at the monthly average exchange rates for the current month. The exchange differences arising on translation for consolidation are recognised in the Statement of income.

7. Trade and other receivables

Accounting policy for trade and other receivables

Due to the short-term nature, trade receivables are recognised at their face value, which is deemed to be their fair value. Trade receivables

are non-interest bearing and are generally on 30-60-day terms. As at balance date all trade receivables are current and collectable.

	Notes	2025	2024
Current		\$000	\$000
Trade receivables		1,888	597
Contract assets	7(a)	223	430
Country program advances	7(b)	8,301	4,445
Partner and equipment advances	7(c)	1,330	1,084
Dividend and interest receivables		486	433
GST receivable	7(d)	525	184
Prepayments		1,410	1,122
Cameroon Cataract Bond accrual	7(e)	-	96
Refundable security deposits		346	336
Others		248	198
		14,757	8,925

(a) Contract assets

Contract assets represents funds due from donors where the donor reimburses The Foundation after it spends programs funds as per the requirements specified by the donor. In 2025, the total amount represented accruals from two donors which pay in arrears.

(b) Country program advances

These represent remittance of monies to The Foundation's country programs and their partners. The monies have been held for program expenditures which remain unspent as at balance date.

(c) Partner and equipment advances

Advances are given to program partners to carry out project-based tasks or to a third-party supplier to procure medical and other equipment. As at balance date all advances are current and The Foundation has raised a provision for impairment of \$126,000 (2024: \$97,500).

(d) GST receivable

At balance date, the net GST is a receivable.

(e) Cameroon cataract bond contracted receivables

The Cameroon Cataract Bond has achieved its milestones, met its impact targets, reached the end of its planned cycle, and delivered sustainable long-term outcomes.

7. Trade and other receivables (cont'd)

Movement in Cameroon cataract bond contracted receivables

	2025
	\$000
As at 1 January 2025	96
Receipt of outcome funding from donors	(125)
Adjustment for loan interest and associated costs	33
Exchange differential in revaluing opening balance to closing exchange rates	(4)
As at 31 December 2025	-

8. Property, plant and equipment

(a) As at 31 December 2025

	2025			2024		
	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
	\$000	\$000	\$000	\$000	\$000	\$000
Motor vehicles (i)	181	(164)	17	259	(227)	32
Office furniture and equipment	151	(139)	12	1,322	(1,308)	14
Leasehold improvements	233	(184)	49	729	(653)	76
	565	(487)	78	2,310	(2,188)	122

(i) Motor vehicles are used for program delivery in countries.

(b) Reconciliation of carrying amounts at the end of the period

Movement in non-current assets

	Motor vehicles	Office furniture and equipment	Leasehold improvements	Total
	\$000	\$000	\$000	\$000
As at 1 January 2025 net of accumulated depreciation and impairment	32	14	76	122
Additions	-	5	-	5
Depreciation charge for the year	(13)	(7)	(25)	(45)
Exchange differential in revaluing opening balance to closing exchange rates	(2)	-	(2)	(4)
As at 31 December 2025	17	12	49	78

8. Property, plant and equipment (cont'd)

(c) Reconciliation of carrying amounts at the beginning of the period

Movement in non-current assets

	Motor vehicles	Office furniture and equipment	Medical equipment	Leasehold improvements	Total
	\$000	\$000	\$000	\$000	\$000
As at 1 January 2024 net of accumulated depreciation and impairment	41	85	1,072	392	1,590
Additions	-	14	-	-	14
Assets derecognised during deconsolidation	-	(83)	(1,072)	(317)	(1,472)
Depreciation charge for the year	(23)	(2)	-	(25)	(50)
Exchange differential in revaluing opening balance to closing exchange rates	14	-	-	26	40
As at 31 December 2024	32	14	-	76	122

Accounting policy for Plant and equipment

(a) Cost and valuation

Items of plant and equipment are valued at cost, less accumulated depreciation and any accumulated impairment.

(b) Depreciation

Depreciation is provided for on a straight line basis at rates that reflect the estimated useful lives of the assets as follows:

Motor vehicles	3-5 years
Office machines and equipment	3-10 years
Office furniture and medical equipment	3-10 years
Leasehold improvements	5-15 years

The assets' residual values, useful lives and amortisation methods have been reviewed, and it has been confirmed that they still have economic value to The Foundation.

(c) Derecognition

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. In 2025, assets that were fully depreciated and confirmed as no longer in use were written off, resulting in a reduction in cost of \$1.7m, with no impact on net book value as the assets had been fully depreciated.

(d) Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as on manufacturers' warranties (for plant and equipment), and turnover policies (for motor vehicles).

In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

9. Trade and other payables

	Notes	2025	2024
		\$000	\$000
Current			
Trade payables		2,541	2,410
Cameroon Cataract Bond accrual		-	1,661
Accrued expenses		2,907	2,465
Country program liabilities	9(a)	4,958	6,723
Other creditors		28	8
As at end of the year		10,434	13,267

Accounting policy for trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to The Foundation prior to the end of the financial year that are unpaid and arise when The Foundation becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are

unsecured and are usually paid within 30 days of recognition.

(a) Country program liabilities

These represent accruals, payables and provisions related to The Foundation's country programs.

Movement in Cameroon cataract bond guaranteed loan amounts

	2025
	\$000
As at 1 January 2025	1,661
Current year accrual for loan interest and associated costs	(1,584)
Exchange differential in revaluing opening balance to closing exchange rates	(77)
As at 31 December 2025	-

10. Provisions

	2025	2024
Current	\$000	\$000
Annual leave	2,743	2,871
Long service leave	1,225	997
Other	290	313
Lease make good	10	10
	4,268	4,191
Non Current		
Long service leave	658	712
Lease make good	65	65
	723	777

Accounting policy for provisions

Provisions are recognised when The Foundation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to any provision is presented in the Statement of income net of any reimbursement.

(a) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(b) Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, to the estimated future cash outflows.

Management judgement is applied in determining the following key assumptions used in the calculation of long-service leave at reporting date:

- (i) future increases in salaries, wages and on costs;
- (ii) experience of employee departures and period of service; and
- (iii) flow of anticipated leave.

11. Leases

(a) Right of use assets

	2025	2024
Carrying amounts of	\$000	\$000
Properties	1,141	2,138
	1,141	2,138

Reconciliation of the written down values at the beginning and end of the current financial year are set out below:

	Notes	Properties
		\$000
As at 1 January 2025 net of accumulated depreciation and impairment		2,138
Additions – new leases		87
Depreciation charge for the year		(1,084)
As at 31 December 2025		1,141

(b) Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	2025	2024
	\$000	\$000
Current	1,021	1,034
Non-current	202	1,168
	1,223	2,202

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

	2025	2024
	\$000	\$000
Opening Balance	2,202	1,480
Additions	87	2,555
Remeasurement of lease	-	(747)
Lease payments	(1,169)	(1,199)
Finance charges	103	113
Closing balance	1,223	2,202

11. Leases (cont'd)

Future minimum lease payments as at 31 December 2025 are as follows:

	Within 1 Year	1-2 Years	Total
Lease payments	1,086	183	1,269
Finance charges	(45)	(1)	(46)
Lease liabilities	1,041	182	1,223

Accounting policy for leases

At the commencement date of the lease, The Foundation recognises lease liabilities measured at the present value of lease payments to be made over the lease term unless they have a lease term of 12 months or less or are considered to be low value.

The Foundation recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease.

12. Investment in an associate

	2025
	\$000
Opening Balance	3,251
Share of loss – associates	(351)
Non-Cash Accounting adjustment	(784)
Closing Balance	2,116

Interest in Associates are accounted for using the equity method of accounting. Information relating to associates that are material for The Foundation are set out below.

Name	Principle Place of Business	Ownership Interest	
		2025	2024
		%	%
Alina Vision Pte Ltd	Vietnam	37.65%	37.65%

The movement in the carrying amount reflects the Group's share of the associate's net loss for the year, recognised under the equity method of accounting. A non-cash accounting adjustment to our associate was also recorded in 2025.

12. Investment in an associate (cont'd)

Accounting policy for Investment in an associate

An associate is an entity where the Foundation has significant influence but not control or joint control. The Foundation accounts for its investments in associates using the equity method. The Foundation's share of the associate's profit or loss is reported in the statement of income.

The Foundation assesses whether there is any impairment of the investment in the associate

on an annual basis. If an impairment is identified, the loss is calculated as the difference between the recoverable amount and the carrying value, and it is recognised in the statement of income. When significant influence is lost, the retained investment is remeasured at fair value, and any gain or loss is recognised in the statement of income.

13. Financial assets at fair value

	2025	2024
	\$000	\$000
Australian fixed interest hybrids	8,267	9,125
Australian and international shares	13,525	16,672
Australian listed property	396	779
Yarra Hybrid Successor Fund	8,900	-
	31,088	26,576

The Foundation's investment portfolio is managed by Ord Minnett who invest in diversified asset types with an emphasis on enhanced income and growth assets (shares and property).

The Foundation is committed to making socially responsible investments and look to incorporate ESG factors in our investment decisions and ownership and look to abide by the six principles for responsible investment as published by the UNPRI (United Nations Principles for Responsible Investment).

When an asset, financial or non-financial is measured at fair value for recognition, the fair value is based on the price that would be received to sell an asset in an orderly transaction between market participants at the measurement

date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset, assuming they act in their economic best interests. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Such inputs are often, share price per ASX, published daily unit NAV price and Bloomberg data.

14. Reserves

Contingency reserve

The Foundation calculates and maintains a contingency reserve of \$15.5m (2024: \$9.7m). The Contingency Reserve is kept to ensure the Foundation maintains sufficient financial resilience in the event of a significant economic downturn or disruption to revenue streams.

Accumulated surplus

Accumulated surplus represents the portion of The Foundation's equity that exceeds the balance held in the contingency reserve. These funds provide essential working capital and enable strategic investments, ensuring The Foundation can deliver its planned activities by smoothing the impact of uneven cash-flow timing in revenue received.

15. Events subsequent to reporting date

The Directors are not aware of any other material events occurring after balance date of this report that would require further disclosure in these financial statements.

16. Limitation of members liability

The parent entity, The Fred Hollows Foundation, is a company limited by guarantee and in accordance with its Constitution, in the event of it being wound up, the liability of members will not exceed \$50.00 per member or an aggregate of \$7,250.

17. Commitment and contingent liabilities

There are no contingent liabilities that have been incurred by The Foundation in relation to financial year 31 December 2025 (2024:Nil).

18. ACFID code of conduct

Certain items required in the ACFID Code of Conduct reporting are not displayed. These include, but are not limited to, Inventories, Assets held for sale, Investment property and other reserves which have nil balances for both the reporting periods covered.

19. Information furnished under the ACFID code of conduct

(a) Non-monetary gifts and expenditures

Non-monetary donations and gifts are not included in the Statement of income.

Gifts in-kind

During the year The Foundation received approximately 12.8 million (2024: 16.4 million) doses of Zithromax donated by Pfizer under

the International Trachoma Initiative for collection, distribution and application in the Oromia region of Ethiopia. The Board has taken the view that control and significant risk and rewards of Zithromax never passed to The Foundation and has therefore not accounted for their receipt or distribution in the financial statements.

Volunteer work done within The Foundation is not reported and is not material.

19. Information furnished under the ACFID code of conduct (cont'd)

(b) Revenue (expenditure) for international political or religious proselytisation programs

No revenue was earned, nor expenditure incurred for the year on international political or religious proselytisation programs.

(c) Table of cash movements for designated purpose

No single appeal or other form of fundraising for a designated purpose generated 10% or more of total income for the year ended 31st December 2025.

20. Auditor's remuneration

	2025	2024
	\$000	\$000
For audit or review of financial report		
BDO Audit Pty Ltd	105	100
BDO – Overseas	183	314
Non-BDO audit firms	114	59
	402	473

21. Related party disclosure

(a) Key management personnel

Aggregate compensation of key management personnel of The Foundation:	2025	2024
	\$000	\$000
Aggregate compensation	1,712	1,553

Aggregate compensation includes all short term and long term employee benefits, post employment benefits, and other remuneration attributable to individuals classified as key management personnel (KMP).

The Foundation's Constitution expressly prohibits the payment of remuneration to any member of the Board of Directors. Accordingly, no directors received remuneration from the Foundation during the year.

During 2025, several key management personnel changes were made to support ongoing organisational evolution and ensure the Foundation remains structured for effective

delivery of strategic outcomes. These changes reflected a deliberate effort to enhance leadership capability, strengthen operational alignment, and sustain impact across global programming

As at 31 December 2025, key management personnel comprised CEO, Chief of Public Affairs, Chief of Quality, Impact and Effectiveness and Chief of Programs & Partnership.

This composition reflects the leadership structure responsible for strategic direction, operational oversight, and execution of the Foundation's mission.

21. Related party disclosure (cont'd)

(b) Related parties

Grants to / (from) related parties	2025	2024
	\$000	\$000
The Fred Hollows Foundation (HK)	(1,281)	(834)
The Fred Hollows Foundation Kenya	3,844	1,472
The Fred Hollows Foundation (UK)	1,465	1,879
The Fred Hollows Foundation (USA)	-	1,452

Funding was given to support The Foundation's subsidiaries in Kenya and UK. The Foundation's subsidiary in Hong Kong provided a grant to the parent entity in 2025. There were no transactions with directors, or director related entities, in the year.

22. Parent financial information

The parent entity of the consolidated entity is The Fred Hollows Foundation. The subsidiaries of the parent entity are The Fred Hollows Foundation (UK), The Fred Hollows Foundation (Hong Kong), and The Fred Hollows Foundation (USA), which are all 100% owned and controlled by the parent

entity. The consolidated entity also includes The Fred Hollows Foundation (Kenya), which is not owned by the parent entity but is controlled through the contractual rights set out in the Collaboration Agreement.

a) Statement of financial position – Parent

Financial position information related to the parent entity.

	2025	2024
	\$000	\$000
Current assets	34,802	27,064
Non-current assets	34,302	31,964
Total assets	69,104	59,028
Current liabilities	26,637	25,006
Non-current liabilities	893	1,944
Total liabilities	27,530	26,950
Net assets	41,574	32,078

b) Statement of revenue – Parent

Surplus for the year for the parent was \$9.4m (2024: (\$10.2m)).

23. Information furnished under the Charitable Fundraising Act (NSW)

The following information relates to the Parent entity (The Fred Hollows Foundation) only and is a requirement of the Charitable Fundraising Act 1991 (NSW). This Act provides the manner in which fundraising appeals are conducted, controlled and reported.

a) Details of aggregate gross revenue and total expenditure of fundraising appeals

	2025	2024
	\$000	\$000
Proceeds from fundraising appeals		
Donations	64,154	58,424
Bequests	33,241	25,110
Gross proceeds from fundraising appeals	97,395	83,534
Direct costs of fundraising appeals		
Donations	20,821	24,330
Bequests	748	602
Costs of raising government funds	1,699	1,956
Total direct costs of fundraising appeals	23,268	26,888
Net surplus from fundraising appeals	74,127	56,646

b) Statement showing how funds received are applied for charitable purposes

	2025	2024
	\$000	\$000
Net surplus obtained from fundraising appeals	74,127	56,646
Applied for charitable purposes as follows:		
Office Administration	6,771	6,815
Costs of direct services:		
Community education	10,907	11,280
International programs	71,959	77,824
Indigenous programs	7,323	7,485
Total costs of direct services	90,189	96,589
Total expenditure	96,960	103,404
Shortfall	(22,833)	(46,758)

23. Information furnished under the Charitable Fundraising Act (NSW) (cont'd)

c) Statement showing how funds received are applied for charitable purposes

	2025	2024
	\$000	\$000
Shortfall was provided by the following sources:		
Department of Foreign Affairs and Trade	18,042	16,953
Other Australian grants	72	722
Other overseas grants	13,016	13,632
Investment income	2,527	4,498
Other income / (expenditure)	(1,003)	972
	32,654	36,777
Surplus	9,821	(9,981)

d) Fundraising appeals conducted during the financial period

The following fundraising appeals were conducted during the financial year.

■ Regular Giving Program

■ Public, Corporate and Trust Donations

■ Direct Mail

■ Public fundraising events

All fundraising activities are related to Public Appeals. Our Regular Giving Program is the only appeal where traders are engaged.

e) Details of aggregate gross income and aggregate direct expenditure incurred in appeals in which traders were engaged:

Activity	2025				2024			
	Proceeds	Cost	Surplus	Costs/ Proceeds	Proceeds	Cost	Surplus	Costs/ Proceeds
	\$000	\$000	\$000	%	\$000	\$000	\$000	%
Regular Giving	14,170	4,235	9,935	30%	14,126	5,266	8,860	37%

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of the Parent entity, The Fred Hollows Foundation, I state that in the opinion of the directors:

1. The Annual Financial Report, notes and the additional disclosures included in the Directors' Report of The Foundation and its subsidiaries, designated as audited:

- a. Give a true and fair view of The Foundation's financial position as at 31 December 2025 and of its performance for the year ended on that date.
- b. Comply with:
 - (i) Australian Accounting Standards – Simplified Disclosure Requirements;
 - (ii) Australian Charities and Not-for-Profits Commission Act 2012;
 - (iii) Australian Charities and Not-for-Profits Commission Regulation 2022;
 - (iv) Charitable Fundraising Act 1991 (NSW);
 - (v) Charitable Fundraising Regulations 2022 (NSW); and
 - (vi) Australian Council for International Development (ACFID) Code of Conduct.

2. There are reasonable grounds to believe that The Foundation is able to pay its debts as and when they become due and payable.

On behalf of the Board,



Jane Madden
Chair

Date: 25 March 2026

Sydney, NSW Australia

STATEMENT BY CHAIR OF THE FINANCE AND AUDIT COMMITTEE

Declaration by the Chair of the Finance and Audit Committee in respect of fundraising appeals under the Charitable Fundraising Act 1991 (NSW). In accordance with a resolution of the directors of the Parent entity, The Fred Hollows Foundation, I state that:

- a. The Foundation and its subsidiaries (The Foundation) has taken reasonable steps to comply with the provisions of the NSW Charitable Fundraising Act 1991 and the regulations under that Act and the conditions attached to the authority Act; and
- b. The Foundation's financial statements comply with the provisions of the NSW Charitable Fundraising Act 1991 and the regulations under that Act and the conditions attached to the authority; and
- c. There are reasonable grounds to believe that The Foundation will be able to pay its debts as and when they become due and payable; and
- d. The consolidated financial statements give a true and fair view of the state of affairs with respect to fundraising appeals conducted by The Foundation; and
- e. The internal controls exercised by The Foundation are appropriate and effective in accounting for all income received and applied by The Foundation from any of its fundraising appeals.



Tina Wyer
Director, Chair of Finance and Audit Committee

Date: 25 March 2026

Sydney, NSW Australia



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INDEPENDENT AUDITOR'S REPORT

To the members of The Fred Hollows Foundation

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Fred Hollows Foundation (the registered entity) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the responsible entities' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The responsible entities of the registered entity are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's annual report, but does not include the financial report and our auditor's report thereon.

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

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information 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 responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities 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 responsible entities either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The responsible entities of the registered entity are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/media/apzlw0y/ar3_2024.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO

Leah Russel
Director

Sydney, 30 March 2026



PHOTO: MICHAEL AMENDOLIA



The Fred Hollows Foundation

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