



Greening Australia Ltd and controlled entities

ABN 40 002 963 788

Annual Report – 30 June 2025

Greening Australia Ltd and controlled entities

Directors' report

30 June 2025

The Directors present their report, together with the financial statements, of Greening Australia Ltd ('company' or 'parent') and its controlled entities ('consolidated group', 'group' or 'Greening Australia') for the financial year ended 30 June 2025.

Directors

The following persons were Directors of Greening Australia Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Stephen Dunne
Glynn Scott Anderson
Alexandra Graham (appointed 25 November 2024)
John Hope
Radha Kuppalli
Robin Romero
Paul Elton
Gordon Davis (retired 23 November 2024)
Julie Green (retired 25 November 2024)
Charl Pienaar (retired 8 May 2025)

Results

For the 2025 financial year the consolidated group delivered a total operating deficit of \$1,252k which is a deterioration of \$455k on the prior financial year.

As a standalone entity, parent company Greening Australia Ltd delivered a total operating surplus of \$221k, a deterioration of \$90k on the prior financial year.

Further context and commentary on the financial results is set out in the "Financial Overview" section of the "Review of Operations" below.

Review of Operations

During the financial year, Greening Australia faced increased costs of operating and ongoing investment in the development of its seed and carbon businesses, which adversely affected its ability to achieve a break-even result in the financial year. However, the group delivered on multiple projects nationwide and continued investment in future initiatives, supported by both new and longstanding partners. Access to land to undertake large scale restoration remained a challenge but was in part mitigated by the partnership with Conscious Investment Management Pty Ltd (CIM). The CIM partnership has enabled Greening Australia to scale its access to land for biodiverse carbon planting and restoration and, along with continued investment in engagement with third party landholders, has enabled Greening Australia to boost access to land nationally to support its long-term goals.

Operational highlights

Science Led Restoration

During the financial year Greening Australia continued to deliver impactful, science-led restoration across the country at scale. The organisation restored habitat on 3,550 hectares of land, established 3,279,866 plants, supplied 8.05 tonnes of native seed, sequestered 35,500 tonnes of carbon and prevented 13,922 tonnes of water pollutants from reaching the Great Barrier Reef. This was achieved through the significant efforts of our team, support from our donors and enablement from government, corporate, First Nations communities and landholder partnerships.

Strengthening Australia's Native Seed Supply Chain

Building on its significant investment in seed production areas in New South Wales and Western Australia, Greening Australia worked with three First Nations groups co-designing native seed collection training to build capacity in native seed collection, supporting cultural knowledge sharing and local employment. Nindethana Seed Service Pty Ltd expanded its national seed storage infrastructure enhancing seed longevity, operational efficiency, and readiness to meet growing restoration demand. In Canberra, a new purpose-built seed shed was commissioned at the Aranda site with support from the Thyne Reid Foundation. The facility is now a vibrant hub for seed processing, packing, and volunteer engagement. Other key areas of focus in seed have been the education of the market and better aligning market demand with available seed supply, including a focus on the east coast market for native seed.

Scaling Restoration Through Strategic Partnerships

The year saw the continued delivery of large-scale complex restoration projects with partners including One Tree Planted, Nestle, Astra Zeneca and Officeworks. These projects included work on the Eyre Peninsula in South Australia connecting the landscapes and planting biodiverse species in North NSW to help rebuild the Big Scrub subtropical rainforest. Work also commenced on the revegetation of 430 hectares at Caddigat Road on Wolgalu Country, NSW, in partnership with CIM. Registered as a carbon project with 100-year permanence, this site will support threatened woodland birds and broader biodiversity.

Innovating for Impact

To demonstrate the biodiversity impact of the restoration work, internationally respected Accounting for Nature methodologies were applied to select projects, enabling robust measurement of ecological outcomes and natural capital improvements. Greening Australia supported Adelaide Airport in becoming the first major airport in Australia to achieve carbon neutrality, through subsidiary Canopy's nature-based strategy solutions for clients. The group also won the tender to supply South Australian nature-based credits to the newly formed Adelaide University, helping ensure the university merger is carbon neutral and ecologically restorative.

Restoring Wetlands, Wildlife and Urban Canopy

The year also saw a continued focus on wetland restoration. The group delivered the Reef Assist project in partnership with Madjandji Aboriginal Corporation and Mulgrave Landcare, restoring wetlands and mangrove ecosystems in the Mulgrave catchment. It also supported the recovery of threatened frog species in Victoria's Gippsland Lakes, with habitat linkages created through 15 'frog bogs' funded by the Love Our Lakes program. In conjunction with the NSW Government Greening Australia increased canopy cover in Sydney, planting over 287,000 trees since 2020 across schools, parks, and sports grounds.

Connecting Communities and Culture

Greening Australia continued to work deeply with communities, landholders and First Nations groups and delivered school-based programs that restore native vegetation, increase shade and biodiversity, and connect young people with nature and its wellbeing benefits.

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Financial Overview

For the 2025 financial year, the consolidated group delivered a total operating deficit of \$1,252k which is a deterioration of \$455k on the prior financial year, while parent company, Greening Australia Limited on a standalone basis delivered a total operating surplus of \$221k (a deterioration of \$90k on the prior financial year).

The group's loss was attributable to several factors, including:

- a fair value revaluation of financial derivatives, relating to funding of carbon projects.
- a reduction in total revenue, driven by an overall reduction in projects due to the delay in the approval of the Environmental Plantings Methodology which is the set of rules and procedures under the Australian Carbon Credit Unit (ACCU) Scheme.
- investment in long-term seed production and supply that will enhance native seed supply and security into the future.

The overall total comprehensive deficit for the financial year of \$1,580k which is a deterioration of \$991k. The difference between the total operating deficit of \$1,252k and the total comprehensive deficit of \$1,580k was due to the loss from fair valuing financial derivatives, partially offset by a gain from the fair value revaluation of the sandalwood plantation.

Greening Australia is focused on returning to profitability, the key strategies include:

- Maximising the opportunity to build profit from the long-term seed projects
- Focusing project delivery in the regions which have the greatest impact.
- Improving the restoration delivery methodology to improve effectiveness and reduce costs.
- Reduction in operating and overhead costs, including use of technology in monitoring project outcomes and impacts
- Development of new funding models and partnerships, including through the partnership with CIM

Total revenue and other income of \$38,662k is a reduction of \$1,675k on the prior financial year result of \$40,337k and is represented by the following main categories:

Funding Source	Consolidated		Parent	
	2025 %	2024 %	2025 %	2024 %
State governments	14%	18%	16%	20%
Australian Government	4%	3%	5%	3%
Local governments	6%	1%	7%	1%
Total Government	24%	22%	28%	24%
Business and corporates	60%	65%	55%	62%
Philanthropy	11%	7%	12%	8%
Interest and other sources	4%	4%	4%	4%
Regional natural resource management groups	-	2%	-	2%
Universities	1%	-	1%	-
	100%	100%	100%	100%

Business and corporates continue to be the main source of funding for Greening Australia, as a result of Greening Australia's focus on strengthening these partnerships. Funding from state governments remained the second highest source of revenue, resulting from key restoration and community projects. The support from our donors continues to be core to Greening Australia and its ability to deliver on its vision and mission with 11% of its revenue coming from philanthropic sources.

Total direct and operating expenses of \$39,914k is an improvement of \$1,220k on the prior financial year result of \$41,134k

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Where the money was spent	Consolidated		Parent	
	2025 %	2024 %	2025 %	2024 %
Biodiverse restoration	51%	60%	56%	64%
Organisational and management support costs	18%	18%	23%	20%
Native seed supply and infrastructure	15%	10%	3%	3%
Gully and wetlands restoration	11%	8%	13%	10%
Seed production area development and research	4%	2%	3%	1%
Fundraising activities	1%	2%	2%	2%
	100%	100%	100%	100%

Spending on biodiverse restoration represents the largest spend, resulting from the continued focus to deliver on ground projects nationally. Costs relating to organisational and management support represent 18% of the total spend and reflect the cost of the core support functions.

Greening Australia continued to invest in the development of seed production areas and seed research and development, allocating 4% of the overall spend to this activity. This is an investment in the future and is core pillar of the group's strategy to establish a sustainable supply of native seed for both Greening Australia and the entire Australian restoration market.

The contribution of Greening Australia Ltd (the parent not for profit entity) to consolidated results is represented in the following table:

Entity	Consolidated	
	2025 \$'000	2024 \$'000
Greening Australia Ltd ("parent entity")	221	311
Subsidiaries	(1,473)	(1,108)
Operating Deficit before income tax benefit and changes in fair values	(1,252)	(797)
Loss on revaluation of financial derivative	(794)	-
Gain on revaluation of biological assets	448	-
Income tax benefit	18	29
Other comprehensive income	-	179
Total comprehensive deficit for the financial year	(1,580)	(589)

Greening Australia Ltd.'s subsidiaries are integral to delivering scalable, high-integrity restoration solutions across Australia. Each entity within the group plays a distinct strategic role as follows:

- Nindethana Seed Service Pty Ltd focuses on native seed supply and distribution.
- SeedX Pty Ltd drives innovation in seed technology and market development.
- Canopy Nature Based Solutions Pty Ltd develops nature-based carbon projects, and
- Sandalwood Australia Co Pty Ltd supports biodiversity through sustainable agroforestry.

It is important to recognise that while these subsidiaries are currently in investment phases and operating at a deficit, they are positioned to become key enablers of long-term impact and financial sustainability. Continued strategic investment, market development, and operational integration will support their transition to profitability and enhance Greening Australia's capacity to meet national restoration and climate goals.

Each of them is in a different stage of their evolution, all requiring ongoing investment, resulting in short term losses to enable them to build and support the overall group in the long term. These deficits are mainly related to this investment need for the future development of these businesses to achieve Greening Australia's overall objectives. Other information relating to Greening Australia Ltd.'s subsidiaries can be found in note 37 of the accompanying financial statements.

The following table shows the contribution of the subsidiaries to the overall organisation results:

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Entity	Consolidated	
	2025 \$'000	2024 \$'000
Nindethana Seed Service Pty Ltd	(427)	(715)
Canopy Nature Based Solutions Pty Ltd	(19)	(306)
SeedX Pty Ltd	(1,042)	(865)
Greening Australia – Sandalwood Australia Co Pty Ltd	(20)	738
Other subsidiaries	35	40
Operating deficit before income tax benefit and changes in fair values	<u>(1,473)</u>	<u>(1,108)</u>

Strategic and Operational Risk Overview

Greening Australia faces several strategic and operational risks, which it actively monitors and undertakes actions to mitigate. These include:

Land Access:

Risk: Limited availability of suitable land restricts restoration efforts.

Mitigation strategy: Partnerships, including with CIM, expand access to restoration sites along with active engagement with land holders through community engagement.

Revenue Dependence:

Risk: Heavy reliance on corporate and philanthropic funding exposes Greening Australia to economic shifts.

Mitigation strategy: Efforts are underway to diversify income sources, including increased engagement with market-based initiatives.

Seed Supply Constraints:

Risk: Native seed availability remains a bottleneck, due to climatic impacts and demand for provenance.

Mitigation Strategy: Investment in seed production and infrastructure is helping build long-term supply capacity, along with engagement with First Nations partners to expand seed collector networks.

Subsidiary Losses:

Risk: Developing subsidiaries are incurring short-term deficits which have to be supported.

Mitigation Strategy: Strategic oversight and targeted investment support along with ongoing cost control and development of alternative revenue opportunities while the businesses mature.

Significant changes in affairs

There were no significant changes in the state of affairs of the consolidated group or parent entity during the financial year other than those disclosed elsewhere in this report.

Short term and long-term objectives and strategies

The principal objective of Greening Australia is to engage the community in vegetation management to protect and restore the health, diversity and productivity of our unique Australian landscapes at scale, in support of its vision to create healthy and productive landscapes where people and nature thrive.

The group's focus is to deepen and scale its impact toward a nature-positive world by rebuilding nature together. This is achieved through restoration efforts that enhance biodiversity, address land degradation, mitigate climate change, and support thriving communities contributing to Australia's commitment to restore 30% of degraded ecosystems by 2030. Globally we are already living with the challenges of climate change and habitat loss. In Australia these challenges are marked, with changing weather patterns and extremes in floods and droughts. Nature loss and degradation is pushing more species to the brink.

The 2025 – 2030 Strategic Plan sees Greening Australia leaning into these challenges and its unique position as Australia's largest vertically integrated not-for-profit restoration organisation. Its goals focus on where the group can have the greatest impact to benefit the environment, communities and economies, leveraging the increasing global appetite for change that's evident in current and emerging environmental markets.

Working with First Nations groups, communities, landholders, volunteers, customers and partners, Greening Australia aims to identify and overcome barriers to impact and increase its collective ability to rebuild nature in our changing world.

By aligning Greening Australia's objectives and decisions with the impact themes, it seeks to ensure that landscapes are restored at scale in ways that create meaningful, measurable benefits for all. Greening Australia retains the heart and soul of a not-for-profit with the delivery mindset of a commercial enterprise utilising different business models to deliver its vision of a healthy and productive landscapes where people and nature thrive.

Greening Australia retains its core focus as a science based national seed and restoration business providing sector leadership. It will continue to scale its work delivering impact to address climate change, restore biodiversity and build habitat in terrestrial riparian and wetland ecosystems. This is achieved by working with First Nations groups, communities, landholders, volunteers, customers, partners, supporters and key stakeholders, to increase their ability to rebuild nature in the face of the changing world. To achieve this, Greening Australia embraces agile systems, and forms partnerships that deliver impact, whilst remaining financially sustainable.

Principal activities

Greening Australia Ltd is a public company limited by guarantee. Its principal object is to engage the community in vegetation management to protect, restore and conserve Australia's diverse landscapes. It achieves this through utilising over 40 years of expertise in land-based restoration, applying the best science and partnering with a range of corporates, governments, landholders and First Nations communities across Australia. Its principal activities include working nationally with communities enabling the restoration of landscapes, improving biodiversity and water quality and delivering projects which achieve the sequestration of carbon. These activities are delivered through a vertically integrated approach, incorporating seed sourcing and treatment, on-ground restoration, and monitoring of ecological outcomes.

Greening Australia Ltd is the parent company of the group which includes Nindethana Seed Service Pty Ltd, SeedX Pty Ltd, Greening Australia - Sandalwood Australia Co Pty Ltd, Greening Australia (QLD) Ltd, Australian Carbon Biosequestration Initiative Ltd, and Canopy Nature Based Solutions Pty Ltd. As a group all entities work collectively to achieve Greening Australia's object, vision and mission. Greening Australia also has an investment in Nature Company Pty Ltd a which is dedicated to developing and delivering large-scale land and ecosystem restoration internationally.

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After balance date events

Share buyback

On 20 June 2025, Nindethana Seed Service Pty Ltd, a subsidiary of the group, entered into a share buyback agreement with one of its shareholders, with a completion date of 1 July 2025. The share buyback, which was completed on 1 July 2025, results in the buyback of 427,595 shares at a buy back price of \$7.016 per share and, in aggregate, \$3,000,006.52 for all buy-back shares. The return of capital was executed following the approval of the Company's shareholders at the board meeting on 29 May 2025.

Extension of a related party loan repayment term

In early October 2025, SeedX Pty Ltd, a subsidiary of the group, obtained approval from its shareholders, Greening Australia Ltd and a related party, to extend the repayment terms of its related party loans by a further 12 months. The repayment date for these loans is now 30 June 2027.

Loan repayment arrangement and mortgage grant for a related party loan

On 7 October 2025, the parent entity Greening Australia Ltd, as borrower, entered into a deed of variation of funding agreement with a related party lender, which is a shareholder of SeedX Pty Ltd.

Under the revised terms, the borrower is required to make quarterly repayments of \$285,000 beginning on 30 June 2026, continuing until 31 March 2029, with the remaining loan balance and interest due on the final repayment date.

As additional security for the loan, the borrower has agreed to grant a mortgage over the Jarrega property and is responsible for arranging all necessary documentation and registrations to enable the mortgage to be registered on the property title.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated group's operations, the results of those operations, or the consolidated group's state of affairs in future financial years.

Likely developments

The group expects to maintain the present status and level of operations

Information on Directors

Name:	Stephen Dunne
Title:	Chair
Qualifications:	Bachelor of Business, Masters of Business, Chartered Financial Analyst, FAICD.
Experience and expertise:	Stephen currently holds multiple Board positions, including the Chair of the Investors Group on Climate Change (IGCC) since 2019, Director & Chair of the Investment Committee for the Cbus Super Fund since 2015 and Director of the AMP Foundation since 2023. Stephen had a long and highly successful 21-year career at AMP Capital, where he was a CEO for over 12 years. Outside of financial services, Stephen has an active interest and investment in livestock breeding, farmland conservation and restoration. His direct ownership and participation in a major corporate agricultural enterprise have served to deepen his appreciation of the challenges and opportunities presented in the agriculture sector, supported by his deep understanding of sustainability and experience embedding sustainability into investment and business operations.

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Name: Glynn Scott Anderson
Title: Director and Chair of Thriving on Country Committee
Qualifications: Graduate Certificate of Business, Cert IV Small Business, Diploma of Christian Ministries, ATS: Level 4 - Cross Cultural Communications, Aboriginal Culture Accreditation, Alumni Australian Rural Leadership Program, Master of Business (currently studying), Member of the Australian Institute of Company Directors.
Experience and expertise: Scott is responsible for Strategic Partnerships and Culture at Silver Lining Foundation Australia, which is a charity and Public Benevolent Institution which runs secondary schools for disenfranchised First Nations students. Scott is responsible for new business development and partnerships with Traditional Owners as well as ensuring cultural perspectives are embedded within the education curriculum they deliver.

Specialising in First Nations corporate governance, business management and strategic development, Scott has exceptional working knowledge of key commercial and government support mechanisms for Indigenous business.

He has experience in the Tourism, Agribusiness, Restorative Industries, Education, Vocational Education and Training (VET), Early Learning, Government and Community sectors.

Scott is also a Director of Nywaigi Aboriginal Land Corporation and a Member of the Great Barrier Reef Foundation Traditional Owner Integrated Monitoring & Reporting Working Group.

Name: Paul Elton
Title: Director
Qualifications: Bachelor of Engineering (Civil) and Master of Engineering Science from the University of New South Wales.
Experience and expertise: Paul is an experienced CEO and non-executive director; and a researcher and adviser on action to address the nature and climate crises in Australia.

Paul's career and expertise are focused on water management, environment protection, biodiversity conservation, and climate action. Most recently, Paul was inaugural CEO of the NSW Biodiversity Conservation Trust, developing ground-breaking approaches to private land restoration and conservation, and gaining expertise in environmental markets and nature-based solutions to climate change.

Paul is currently a PhD scholar with the ANU Fenner School of Environment and Society, researching means of achieving the goals and targets of the Global Biodiversity Framework in Australia. He is a non-executive Director of Nature Company Pty Ltd.

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Name: Alexandra Graham
Title: Director
Qualifications: Bachelor of Environmental Science, Master of Policy Studies, Graduate of the Australian Institute of Company Directors, Certified Organisational Coach – Institute of Executive Coaching and Leadership, Graduate Diploma of Psychology.

Experience and expertise: Alex Graham is the Deputy Secretary of the NSW National Parks and Wildlife Service

Prior to this role, she served as Executive General Manager (Environment, Heritage and Resilience) with the City of Gold Coast Council. Alex has 22 years of experience in environmental markets, policy and programs spanning across conservation, resource recovery, sustainability, energy and climate. She has worked for the Australian Conservation Foundation, local and state governments (in both Qld and NSW), and environmental consultancies. Alex has led the establishment of co-investment opportunities with private and public sectors, and with Natural Resource Management groups and First Nations communities to deliver valuable restoration projects resulting in significant environmental, social and economic benefits across Queensland.

Prior to Greening Australia, Alex served as co-Chair of the Centre for Sustainability Leadership (now embedded within the Monash Sustainability Institute). With a passion for developing leadership capability within the sustainability sector, Alex is also a leadership coach.

Name: John Hope
Title: Director
Qualifications: Bachelor of Commerce and Master of Business Administration (Melbourne University), Fellow of Chartered Accountants Australia and New Zealand, Fellow of the Financial Services Institute of Australia, Graduate Member of the Australian Institute of Company Directors.

Experience and expertise: John brings professional services leadership and corporate finance experience gained working in Australia and in Asia. John is currently pursuing personal interests involving farming and the environment.

John retired from Ernst & Young ("EY") on 31 March 2017, after over 30 years with the firm. For the six years to 30 June 2016, John was based in Hong Kong as the Asia-Pacific Managing Partner of Transaction Advisory Services, responsible for all aspects of the business including servicing clients and recruiting and developing people across 20 countries, including Australia.

Post EY John spent 18 months with Kidder Williams Limited, who provide corporate advisory and investment banking services to private and ASX-listed companies, with a focus on the Australian agriculture, forestry, food and beverage sectors. He is a non-executive Director of Nindethana Seed Service Pty Ltd and Greening Australia – Sandalwood Co Pty Ltd.

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Name: Radha Kuppalli
Title: Director
Qualifications: Bachelor of Arts (International Studies and Economic Theory), Master of Business Administration and Master of Environmental Management.

Experience and expertise: Radha has spent 25 years executing investment solutions to address climate change, nature restoration, and sustainable land management. Her experience spans funds management and innovative financial structuring for positive climate, nature, and community impact; capital markets engagement and fund raising from institutional investors; building global networks; and communications and advocacy.

Radha is currently a Board Director and advisor in Australia and internationally to growth businesses, fund managers, and NGOs focused on accelerating the transition to net zero and nature positive. She is a board director of Accounting for Nature and serves as a member of the Australian Government's Nature Finance Council. An experienced executive, Radha previously helped grow New Forests into one of the world's largest and most innovative sustainable forestry and natural capital investment firms. Her achievements include delivering a multi-billion dollar capital base from blue-chip institutional clients, embedding a deep sustainability culture, and driving innovative investments in carbon markets, biodiversity instruments, and blended finance across Australia, New Zealand, the United States, and Southeast Asia.

Name: Robin Romero
Title: Director
Qualifications: Bachelor of Laws, Bachelor of Commerce (Accounting & Finance), Graduate Member of the Australian Institute of Company Directors, Member of Chartered Accountants Australia and New Zealand.

Experience and expertise: Robin is an experienced Director, executive and commercial lawyer. With a background in law, accounting and finance, the early days of her career were at KPMG followed by King & Wood Mallesons. Robin then moved into the mining and resources industry where she has over 20 years of commercial experience at executive and board level. Robin was raised in the Great Southern region of Western Australia and retains a strong connection with the region.

Robin is currently legal counsel for FMR Investments, a private mining group based in Perth and is also a non-executive Director of Euroz Hartleys Group Limited, West African Resources Limited and SeedX Pty Ltd.

Name: Gordon Davis
Title: Director
Qualifications: BSc (Hons) Forest Science, Masters of Science, Master of Business Administration.

Experience and expertise: Past Chair of Greening Australia Limited 2014 to 2019. Gordon has worked in government as a forester, federal parliament as a policy advisor, and industry roles, including as a CEO. Gordon was Chair of VicForests from 2011 to 2016, and served on the Advisory Board of The Nature Conservancy from 2013 to 2018.

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Name: Julie Green
Title: Director
Qualifications: Fellow Chartered Accountant in Australia and England & Wales, Fellow of Australian Institute of Company Directors and Fellow of Leadership Victoria.
Experience and expertise: Julie is a non-executive Director of RACV, Bendigo Health and BRLP Australia. Formerly a Director of RACV Finance, Maldon Hospital, and a large regional aged care service provider, Shepparton Villages.

Julie has been a business consultant in the UK and Ernst & Young in Australia. This follows a successful executive career in infrastructure, transport, utilities and healthcare, delivering major change agendas in the public and private sectors.

Alongside this professional career, Julie has been an advisor to Not-For-Profit entities over the last 20 years and has mentored emerging leaders through Leadership Victoria.

She is passionate about sustainability, circular economy, and regional Victoria. She lives in Maldon Victoria.

Name: Charl Pienaar
Title: Director
Qualifications: Bachelor of Commerce, Bachelor of Commerce (Honours), Master of Commerce (Economics).

Experience and expertise: Prior to joining the Board in 2017, Charl worked with Greening Australia for many years in various voluntary capacities, including serving on the Board of Greening Australia NSW.

With a background in economics, Charl started his career as a management consultant before moving into investment management roles with the Australian Industry Development Corporation, Lend Lease Corporation and MLC Limited in the private equity, infrastructure and alternative asset sectors. He was responsible for establishing and managing MLC's significant international private equity program and also managed its infrastructure investments in Asia.

Charl is a past Director of New Forests, an international investment management firm focused on sustainable forestry and associated environmental markets.

Meetings of directors

The number of meetings of the company's Board of Directors held during the financial year ended 30 June 2025, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Stephen Dunne	7	7
Glynn Scott Anderson	7	7
Paul Elton	7	7
Alexandra Graham	4	4
John Hope	6	7
Radha Kuppalli	6	7
Robin Romero	6	7
Gordon Davis	3	3
Julie Green	2	3
Charl Pienaar	6	6

Held: represents the number of meetings held during the time the director held office.

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Indemnity and insurance of officers

No direct indemnities have been given to any director or officer during the financial year but the company pays for professional indemnity/public liability insurances that would cover directors and officers of the company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Environmental regulation

The consolidated group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Contributions on winding up

Limited liability of members

For so long as a natural person or corporate entity is a member and for one financial year after they cease to be a member, each member undertakes to contribute to the assets of the company up to an amount not exceeding one dollar (\$1.00) for payments of the debts and liabilities of the company (including the costs of winding up) if it is wound up.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out immediately after this Directors' report.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

This report is made in accordance with a resolution the Board of Directors.

On behalf of the Directors



Stephen Dunne

24 October 2025

GREENING AUSTRALIA LTD AND CONTROLLED ENTITIES
ABN: 40 002 963 788

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF GREENING AUSTRALIA LTD

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

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



J J MITCHELHILL

Partner



PITCHER PARTNERS

Melbourne

Date: 24 October 2025

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Statements of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Revenue					
Consultancy services		620	686	393	404
On-ground works and revegetation		26,376	28,897	26,386	28,882
Sale of seeds and plants		3,212	3,649	654	379
Sale of publications and merchandise		6	9	4	6
Carbon sales		2,831	1,335	-	-
Membership and event income		29	10	29	9
Donations and fundraising income		4,108	4,099	4,108	4,099
Management fees		-	-	684	807
Total revenue	4	37,182	38,685	32,258	34,586
Less: Direct expenses		(18,795)	(19,475)	(15,847)	(17,694)
Gross profit		18,387	19,210	16,411	16,892
Share of profits of associate accounted for using the equity method		128	31	-	-
Other income	5	1,352	1,621	1,159	1,360
Expenses					
Rent and rates		(249)	(332)	(248)	(328)
Depreciation and amortisation expenses		(1,740)	(1,604)	(1,049)	(937)
Employment related expenses		(16,862)	(18,061)	(14,464)	(15,574)
Operational and administrative expenses	6	(1,957)	(1,351)	(1,302)	(817)
Finance costs		(311)	(311)	(286)	(285)
Total operating expenses		(21,119)	(21,659)	(17,349)	(17,941)
Operating surplus/(deficit)		(1,252)	(797)	221	311
Loss on fair value of financial derivative		(794)	-	(794)	-
Gain on fair value of biological assets		448	-	-	-
Surplus/(deficit) before income tax benefit		(1,598)	(797)	(573)	311
Income tax benefit	7	18	29	-	-
Surplus/(deficit) after income tax benefit for the year		(1,580)	(768)	(573)	311
Other comprehensive income					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gain on the revaluation of land and buildings, net of tax		-	179	-	179
Other comprehensive income for the year, net of tax		-	179	-	179
Total comprehensive deficit for the year		(1,580)	(589)	(573)	490
Surplus/(deficit) for the year is attributable to:					
Non-controlling interest		(219)	(292)	-	-
Members of Greening Australia Ltd and controlled entities		(1,361)	(476)	(573)	311
		(1,580)	(768)	(573)	311

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

Greening Australia Ltd and controlled entities
Statements of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Total comprehensive income for the year is attributable to:					
Non-controlling interest		(219)	(292)	-	-
Members of Greening Australia Ltd and controlled entities		<u>(1,361)</u>	<u>(297)</u>	<u>(573)</u>	<u>490</u>
		<u><u>(1,580)</u></u>	<u><u>(589)</u></u>	<u><u>(573)</u></u>	<u><u>490</u></u>

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

Greening Australia Ltd and controlled entities
Statements of financial position
As at 30 June 2025

		Consolidated		Parent	
	Note	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Assets					
Current assets					
Cash and cash equivalents	8	23,688	29,433	14,342	22,121
Trade and other receivables	9	2,658	3,589	1,923	2,297
Contract assets	10	3,518	2,509	3,507	2,498
Inventories	11	44	51	18	25
Biological assets	13	4,156	3,747	261	275
Financial assets	15	9,469	6,524	7,776	2,682
Total current assets		43,533	45,853	27,827	29,898
Non-current assets					
Investment accounted for using the equity method	16	331	203	-	-
Investments	17	-	-	4,535	4,535
Property, plant and equipment	18	20,210	18,335	14,542	12,340
Right-of-use assets	12	3,923	4,230	3,582	3,758
Intangible assets	19	645	633	142	142
Other assets	20	179	204	179	204
Bearer plants	21	1,598	1,744	-	-
Biological assets	13	448	-	-	-
Deferred tax asset	22	157	109	-	-
Intercompany loan receivable	14	-	-	7,504	6,683
Total non-current assets		27,491	25,458	30,484	27,662
Total assets		71,024	71,311	58,311	57,560
Liabilities					
Current liabilities					
Trade and other payables	23	3,645	3,648	3,344	3,325
Borrowings	24	7,347	-	3,695	-
Lease liabilities	25	686	624	589	508
Provisions	26	2,394	2,314	1,741	1,739
Other financial liability	28	451	173	451	173
Contract liabilities	29	16,977	19,209	15,990	18,222
Total current liabilities		31,500	25,968	25,810	23,967
Non-current liabilities					
Lease liabilities	25	3,487	3,736	3,268	3,420
Deferred tax liabilities	30	100	71	-	-
Provisions	26	423	370	373	320
Borrowings	27	-	7,271	-	3,619
Other financial liability	28	7,531	4,332	7,531	4,332
Total non-current liabilities		11,541	15,780	11,172	11,691
Total liabilities		43,041	41,748	36,982	35,658
Net assets		27,983	29,563	21,329	21,902
Equity					
Reserves	31	9,196	9,388	3,466	3,658
Retained surpluses		15,053	16,222	17,863	18,244
Equity attributable to the members of Greening Australia Ltd and controlled entities		24,249	25,610	21,329	21,902
Non-controlling interest		3,734	3,953	-	-
Total equity		27,983	29,563	21,329	21,902

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

Greening Australia Ltd and controlled entities
Statements of changes in equity
For the year ended 30 June 2025

Consolidated	Specific purpose fund \$'000	Capital profit reserve \$'000	Retained profits \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2023	1,815	8,302	15,790	4,245	30,152
Deficit after income tax benefit for the year	-	-	(476)	(292)	(768)
Other comprehensive income for the financial year, net of tax	-	-	179	-	179
Total comprehensive income for the financial year	-	-	(297)	(292)	(589)
Transfers to/(from) specific purpose fund	(729)	-	729	-	-
Balance at 30 June 2024	1,086	8,302	16,222	3,953	29,563

Consolidated	Specific purpose fund \$'000	Capital profit reserve \$'000	Retained profits \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2024	1,086	8,302	16,222	3,953	29,563
Deficit after income tax benefit for the year	-	-	(1,361)	(219)	(1,580)
Other comprehensive income for the financial year, net of tax	-	-	-	-	-
Total comprehensive income for the financial year	-	-	(1,361)	(219)	(1,580)
Transfers to/(from) specific purpose fund	(192)	-	192	-	-
Balance at 30 June 2025	894	8,302	15,053	3,734	27,983

Parent	Specific Purpose Fund \$'000	Capital profits Reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2023	1,815	2,572	17,025	21,412
Surplus after income tax benefit for the year	-	-	311	311
Other comprehensive income for the year, net of tax	-	-	179	179
Total comprehensive income for the year	-	-	490	490
Transfers to/(from) specific purpose fund	(729)	-	729	-
Balance at 30 June 2024	1,086	2,572	18,244	21,902

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

Greening Australia Ltd and controlled entities
Statements of changes in equity
For the year ended 30 June 2025

Parent	Specific Purpose Fund \$'000	Capital Profits Reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2024	1,086	2,572	18,244	21,902
Deficit after income tax benefit for the year	-	-	(573)	(573)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(573)	(573)
Transfers to/(from) specific purpose fund	(192)	-	192	-
Balance at 30 June 2025	894	2,572	17,863	21,329

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

Greening Australia Ltd and controlled entities
Statements of cash flows
For the year ended 30 June 2025

		Consolidated		Parent	
	Note	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash flows from operating activities					
Receipts from customers (inclusive of GST)		38,151	39,790	31,903	35,973
Payments to suppliers and employees (inclusive of GST)		(41,114)	(43,365)	(34,391)	(38,647)
		(2,963)	(3,575)	(2,488)	(2,674)
Interest received		1,233	1,424	963	1,167
Income tax refunded		27	-	-	-
Interest and other finance costs paid		(215)	(161)	(190)	(135)
Net cash used in operating activities	39	(1,918)	(2,312)	(1,715)	(1,642)
Cash flows from investing activities					
Payments for bearer plants		(46)	(221)	-	-
Payments for property, plant and equipment		(2,964)	(5,989)	(2,642)	(5,517)
Payments for intangible asset		(12)	-	-	-
Proceeds from redemption of financial assets		(2,945)	7,000	(5,094)	4,999
Proceeds from disposal of assets		134	90	67	64
Net cash from/(used in) investing activities		(5,833)	880	(7,669)	(454)
Cash flows from financing activities					
Proceeds/(repayment) of related party loans		(20)	606	(538)	(508)
Proceeds from derivative financial liability	28	2,683	4,505	2,683	4,505
Repayment of lease liabilities		(657)	(601)	(540)	(507)
Net cash from financing activities		2,006	4,510	1,605	3,490
Net increase/(decrease) in cash and cash equivalents		(5,745)	3,078	(7,779)	1,394
Cash and cash equivalents at the beginning of the financial year		29,433	26,355	22,121	20,727
Cash and cash equivalents at the end of the financial year	8	23,688	29,433	14,342	22,121

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

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2025

Note 1. General information

The financial statements cover Greening Australia Ltd ('company' or 'parent') and its controlled entities ('group' or 'consolidated group'). The financial statements are presented in Australian dollars, which is the consolidated group's functional and presentation currency.

Greening Australia Ltd is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are Level 3, 349 Collins Street, Melbourne VIC 3000.

A description of the nature of the consolidated group's operations and its principal activities is included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 23 October 2025.

Note 2. Material accounting policy information

The accounting policies that are material to the consolidated group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated group 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 financial year.

The following Accounting Standards and Interpretations are most relevant to the consolidated group:

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The consolidated group has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the *Australian Charities and Not-for-profits Commission Act 2012* and *Victorian legislation the Fundraising Act 1998* and associated regulations and the *Corporations Act 2001*, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of certain classes of other financial liabilities, and property, plant and equipment.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated group's and company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

These financial statements include the results of both the parent and the consolidated group in accordance with Corporations Instrument 2021/195, issued by the Australian Securities and Investments Commission.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Greening Australia Ltd, as at 30 June 2025 and the results of all subsidiaries for the financial year then ended. Greening Australia Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated group'.

Note 2. Material accounting policy information (continued)

Subsidiaries are all those entities over which the consolidated group has control. The consolidated group controls an entity when the consolidated group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the Statement of profit or loss and other comprehensive income, Statement of financial position and Statement of changes in equity of the consolidated group. Losses incurred by the consolidated group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Interests in subsidiaries are accounted for at cost, less any impairment, in the parent entity. Shares received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 2. Material accounting policy information (continued)

Revenue Recognition

The consolidated group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; 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.

Government grants, donations and bequests

When the consolidated group receives government grants, donations and bequests that are in the scope of *AASB 1058 Income of Not-for-Profit Entities* (being a transaction where the consideration paid to acquire an asset is significantly less than fair value principally to enable the consolidated group to further its objectives), it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under *AASB 15 Revenue from Contracts with Customers* where income is recognised when (or as) the performance obligations are satisfied. In all other cases (where the contract is not 'enforceable' or the performance obligations are not 'sufficiently specific'), the transaction is accounted for under AASB 1058 where the consolidated group:

- recognises the asset in accordance with the requirements of other relevant applicable Australian Accounting Standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)
- considers whether any other financial statement elements should be recognised ('related amounts') in accordance with the relevant and applicable Australian Accounting Standard including:
 - contributions by owners (AASB 1004)
 - a lease liability (AASB 16)
 - revenue, or a contract liability arising from a contract with a customer (AASB 15)
 - a financial instrument (AASB 9)
 - a provision (AASB 137)
- recognises income immediately in profit or loss for the excess of the initial carrying amount of the asset over any related amounts recognised

Sale of seeds and plants

Revenue from the sale of seeds and plants is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of shipment.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Note 2. Material accounting policy information (continued)

Restoration revenue and WIP accounting

Revenue from the on-ground works and revegetation services is recognised as, or when, goods or services are transferred to the customer and is measured at an amount that reflects the consideration to which the group expects to be entitled in exchange for the goods or services.

Revenue from this source is recognised over time, as the services are provided to the customer, based on costs incurred for work performed to date as a percentage of total estimated costs under the contract. Recognising revenue on the basis of costs incurred is considered an appropriate method of recognising revenue as it is consistent with the manner in which services are provided to the customer.

When the outcome cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred. All expected losses are recognised as an expense immediately when it is probable that total contract costs will exceed total contract revenue.

Variable consideration

The transaction price is normally fixed at the start of the project. Where consideration in respect of a contract is variable, the expected value of revenue is only recognised when the uncertainty associated with the variable consideration is subsequently resolved, the estimate is based on all available information including historic performance.

Where modifications to the existing contract are entered into, the transaction price is updated to reflect these. Where the price of the modification has not been confirmed, an estimate is made of the amount of revenue to recognise whilst also considering the constraint requirement. In accordance with AASB 15, revenue is recognised when it is highly probable that a significant reversal of revenue will not occur.

Financing components

The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer represents a financing component. As a consequence, the group does not adjust any of the transaction prices for the time value of money. Interest revenue is measured in accordance with the effective interest method.

Carbon credit sales

Revenue from the sale of carbon credits is recognised at the point in time when the certificate of entitlement passes to the customer or the carbon credit is retired from the registry.

Interest income

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Direct expenses

Direct expenses are incurred directly attributable to generating revenue such as on-ground works and vegetation expenses, and changes in inventories and biological assets.

Income tax

The parent entity and a subsidiary, Greening Australia (QLD), are charitable institutions in terms of subsection 50-5 of the *Income Tax Assessment Act 1997*, as amended, are exempt from paying income tax. The Trustees of Greening Australia Vegetation Management Trust have assessed the entity as a not for profit tax exempt entity.

Five subsidiaries (Nindethana Seed Service Pty Ltd, Canopy Nature Based Solutions Pty Ltd, SeedX Pty Ltd, Australian Carbon Biosequestration Initiative Ltd and Greening Australia - Sandalwood Australia Co Pty Ltd) are not registered charities and hence the income tax included in the consolidated results relates to the income tax incurred by these entities for the financial year.

Note 2. Material accounting policy information (continued)

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses, where applicable.

Deferred tax assets are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for, when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each financial year end. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset. Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority.

Current and non-current classification

Assets and liabilities are presented in the Statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the financial year; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the financial year. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the financial year; or there is no right at the reporting date to defer the settlement of the liability for at least 12 months after the financial year. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 2. Material accounting policy information (continued)

Contract assets

Work in progress

Work in progress represents the group's right to consideration (not being an unconditional right recognised as a receivable) in exchange for goods and services transferred to the customer.

Work in progress is measured at the amount of consideration that the group expects to be entitled in exchange for goods or services transferred to the customer.

Deferred income

Deferred income represents the group's obligation to transfer goods or services to the customer for which the company has received consideration (or an amount of consideration is due) from the customer. Amounts recorded as deferred income are subsequently recognised as revenue when the group transfers the contracted goods or services to the customer.

Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

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.

Carbon credits

A controlled entity has interests in carbon credits. Carbon credits are stated at the lower of cost and net realisable value.

Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

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.

Associates

Associates are entities over which the consolidated group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investment in associate is carried in the Statement of financial position at cost plus post-acquisition changes in the consolidated group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Shares received or receivable from associates reduce the carrying amount of the investment.

Financial assets

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Note 2. Material accounting policy information (continued)

Impairment of financial assets

The consolidated group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated group's assessment at the end of each financial year as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Property, plant and equipment

Land and buildings

Land and buildings are carried at fair value, based on periodic valuations, at least every 3 financial years, by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Carbon sinks

Carbon sink assets are stated at the lower of historical cost or net realisable value. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Costs related to land restoration and tree planting can be capitalised as part of the carbon sink asset. These capitalised costs include direct expenses attributable to establishing trees intended for carbon credit generation and increasing the value of the carbon plantations.

Capitalised land restoration and tree planting costs are amortised as Australian Carbon Credit Units ('ACCUs') are issued. Depreciation begins when the trees start generating ACCUs and is based on their estimated useful lives, determined by species. Impairment assessments are performed when an indicator of impairment has been identified.

Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-20 years
Plant and equipment	3-30 years
Furniture, fixtures and fittings	4-100 years
Motor vehicles	4-5 years
Computer equipment	2-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Note 2. Material accounting policy information (continued)

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Bearer plants

A bearer plant is a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales. Bearer plants are accounted for as property, plant and equipment in accordance with *AASB 116 Property, plant and equipment*, instead of as biological assets in accordance with *AASB 141 Agriculture*. The produce growing on bearer plants continues to be accounted for as biological assets in accordance with *AASB 141 Agriculture*.

The consolidated group's bearer plants mainly include native seed plants, which are measured at cost less accumulated depreciation and impairment losses. The cost of bearer plants includes the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated on a straight-line basis over their estimated useful lives, which range from 5 to 25 years.

Impairment testing is conducted at the end of each reporting period based on the survival rate of the bearer plants, with any impairment loss recognised in the profit and loss.

The bearer plant is derecognised when they are disposed of or when there is no future economic benefits to the consolidated group are expected from their use or disposal. The difference between the net disposal proceeds and the carrying amount of the bearer plants is recognised in profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Trademarks

Trademark costs are capitalised when they meet the recognition criteria under *AASB 138 Intangible Assets*, including directly attributable costs incurred to acquire the asset. Trademarks are assessed to have an indefinite useful life and are therefore not amortised, but are subject to annual impairment testing.

Biological assets

A biological asset is a living plant and includes seeds, plants and plantations which are alive and are being grown or managed with the intent to sell them as part of the farming or production process. Biological asset is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

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.

Note 2. Material accounting policy information (continued)

A controlled group has interests in sandalwood plantations. Net increments or decrements in the fair value less cost to sell of sandalwood are recognised as income or expense in the profit and loss determined as the difference between the fair value at the beginning of the period and the fair value at the reporting date.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Provisions

Provisions are recognised when the consolidated group has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Note 2. Material accounting policy information (continued)

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at 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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability 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 or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. 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.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurement, external values may be used when internal expertise is either not available or when the valuation is deemed to be significant. External values are selected based on market knowledge and reporting. Where there is a significant change in fair value of an asset or liability from one financial year to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and where applicable adjusted for transaction costs unless the group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Accounting for restoration contracts

Accounting for construction contracts involves the continuous use of prudently assessed estimates based on a number of detailed assumptions consistent with the project scope and schedule, and contract and risk management processes. These contracts may span several accounting periods, requiring estimates and assumptions to be updated on a regular basis. Estimation may include forecast cost at completion, contract revenue and project completion date.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Fair value of biological assets

Biological assets are measured at fair value less costs to sell. In estimating fair value, management takes into account the most reliable evidence of market prices at balance date. Historic cost is used as an estimate of fair value where little or no biological transformation has taken place.

Estimation of useful lives of assets

The consolidated group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives can change significantly as a result of technical innovations or some other event. The depreciation and amortisation charges will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of financial assets

The consolidated group assesses impairment of financial assets at each reporting date by evaluating conditions specific to the consolidated group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Valuation of land and buildings

When determining the fair value of land and buildings, classified as land, the value of any carbon credits these assets generate or continue to generate into the future are not taken into account.

Valuation of financial liability

In estimating the fair value of a liability, the Group uses market-observable data to the extent it is available. The group uses a valuation model built by an external valuation modeler to guide in the determination of the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation findings to the Finance, Audit and Risk Committee, and to the Board of Directors regularly to explain the cause of fluctuations in the fair value of the liabilities.

The valuation technique uses the discounted cash flow method utilising key inputs of ACCU prices and units.

Inventory and cost of goods sold

The carrying of carbon sink assets is transferred to inventory when the associated Australian Carbon Credit Units ('ACCUs') are issued by the Clean Energy Regulator on an apportionment basis measured based on the estimated ACCUs to be obtained over the life of the project. The determination of the associated cost requires estimation with respect of price and future number of units anticipated to issued over a project's life.

Consolidation of subsidiaries where ownership is less than 50%

Where ownership of a subsidiary is less than 50%, an assessment of the control over decision making is undertaken to ensure that the control of the subsidiary can be exercised through contractual arrangements.

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Note 4. Revenue

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Timing of revenue recognition</i>				
Goods and services transferred at a point in time	10,186	9,124	5,479	5,307
Services transferred over time	26,996	29,561	26,779	29,279
	<u>37,182</u>	<u>38,685</u>	<u>32,258</u>	<u>34,586</u>

Note 5. Other income

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Interest income	1,233	1,424	963	1,167
Gain/(loss) on sale of assets	(17)	49	6	50
Sundry income	136	148	190	143
	<u>1,352</u>	<u>1,621</u>	<u>1,159</u>	<u>1,360</u>

Note 6. Operational and administrative expenses

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Legal fees	173	210	49	160
Insurance	337	285	175	140
Telephone and internet	161	156	141	146
Other expenses	1,094	700	937	371
Impairment loss on bearer plants	192	-	-	-
	<u>1,957</u>	<u>1,351</u>	<u>1,302</u>	<u>817</u>

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Note 7. Income tax

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Numerical reconciliation of income tax benefit and tax at the statutory rate</i>				
Surplus/(deficit) before income tax benefit	(1,598)	(797)	(573)	311
Tax at the statutory tax rate of 25%	(400)	(199)	(143)	78
Current financial year tax losses not recognised	326	359	-	-
Prior financial year tax losses not recognised now recouped	-	(446)	-	-
Prior financial year temporary differences not recognised now recognised	-	331	-	-
Non-deductible expenses	-	2	-	-
Origination and reversal of temporary difference	-	46	-	-
Over provision in prior financial year	(27)	(25)	-	-
(Profit)/losses associated to non-taxing entities	102	(97)	143	(78)
Prior financial year tax losses not recognised	42	-	-	-
Prior year tax losses recognised	(61)	-	-	-
Income tax benefit	(18)	(29)	-	-

Note 8. Cash and cash equivalents

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Cash on hand	1	1	1	1
Cash at bank	17,636	19,318	8,304	12,020
Cash on deposit	6,051	10,114	6,037	10,100
	23,688	29,433	14,342	22,121

Note 9. Trade and other receivables

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Trade receivables	1,673	1,931	899	983
Trade receivables - common controlled entities	-	-	42	364
Less: Allowance for expected credit losses	-	(73)	-	(73)
	1,673	1,858	941	1,274
Other receivables	277	695	273	161
Prepayments and deposits	395	618	507	468
Loans to associate	175	250	-	-
Income tax refund due	-	27	-	-
GST receivable	138	141	202	394
	2,658	3,589	1,923	2,297

Further information related to loan to associate is set out in note 36.

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Note 10. Contract assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Contract assets	3,518	2,509	3,507	2,498

Note 11. Inventories

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Merchandise, packaging and planting supplies	19	26	18	25
Australian Carbon Credit Units ('ACCUs')	25	25	-	-
	44	51	18	25

Note 12. Right-of-use assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Land and buildings - right-of-use	5,785	5,451	5,083	4,750
Less: Accumulated depreciation	(1,862)	(1,221)	(1,501)	(992)
	3,923	4,230	3,582	3,758

Reconciliations

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

	Land and buildings	Total
	\$'000	\$'000
Consolidated		
Balance at 1 July 2024	4,230	4,230
Additions	470	470
Depreciation expense	(777)	(777)
Balance at 30 June 2025	3,923	3,923
Parent		
Balance at 1 July 2024	3,758	3,758
Additions	469	469
Depreciation expense	(645)	(645)
Balance at 30 June 2025	3,582	3,582

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Note 13. Biological assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Plant stock on hand	105	137	105	137
Seed stock on hand	4,158	3,781	156	138
Less: Provision for seed obsolescence	(107)	(171)	-	-
	4,051	3,610	156	138
	<u>4,156</u>	<u>3,747</u>	<u>261</u>	<u>275</u>
<i>Non-current assets</i>				
Sandalwood Plantation	448	-	-	-
	<u>4,604</u>	<u>3,747</u>	<u>261</u>	<u>275</u>

Note 14. Intercompany loan receivable

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Intercompany loan receivables	-	-	7,504	6,683

Note 15. Financial assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>				
Short term bank deposits	9,469	6,524	7,776	2,682

Note 16. Investment accounted for using the equity method

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Investment in Nature Company Pty Ltd	331	203	-	-

Reconciliation

Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

Opening carrying amount	203	172	-	-
Surplus after income tax	128	31	-	-
Closing carrying amount	<u>331</u>	<u>203</u>	<u>-</u>	<u>-</u>

Refer to note 38 for further information on interests in associate.

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Note 17. Investments

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Shares in unlisted entities - at cost	-	-	4,535	4,535

Note 18. Property, plant and equipment

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Land and buildings - at valuation	4,687	4,665	3,111	3,088
Less: Accumulated depreciation	(1,133)	(1,099)	(1,108)	(1,088)
	3,554	3,566	2,003	2,000
Leasehold improvements - at cost	3,118	3,002	714	660
Less: Accumulated depreciation	(1,797)	(1,531)	(405)	(416)
	1,321	1,471	309	244
Plant and equipment - at cost	5,477	5,158	1,439	1,340
Less: Accumulated depreciation	(2,077)	(1,798)	(971)	(928)
	3,400	3,360	468	412
Furniture, fixtures and fittings - at cost	106	106	104	104
Less: Accumulated depreciation	(88)	(86)	(86)	(84)
	18	20	18	20
Motor vehicles - at cost	2,392	2,576	2,152	2,229
Less: Accumulated depreciation	(1,875)	(1,947)	(1,719)	(1,770)
	517	629	433	459
Computer equipment - at cost	839	786	821	765
Less: Accumulated depreciation	(714)	(716)	(696)	(695)
	125	70	125	70
Carbon sinks - at cost	10,842	9,135	10,842	9,135
Assets under construction - at cost	433	84	344	-
	20,210	18,335	14,542	12,340

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Note 18. Property, plant and equipment (continued)

Reconciliations

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

	Freehold land and buildings, at valuation	Carbon sinks	Leasehold improvements	Furniture, fixtures and fittings	Motor vehicles	Plant and equipment	Computer equipment	Assets under construction	Total
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2024	3,566	9,135	1,471	20	629	3,360	70	84	18,335
Additions	22	1,707	235	-	124	408	119	349	2,964
Disposals	-	-	-	-	(54)	-	-	-	(54)
Write off	-	-	(52)	-	-	(44)	-	-	(96)
Depreciation expense	(34)	-	(333)	(2)	(182)	(324)	(64)	-	(939)
Balance at 30 June 2025	3,554	10,842	1,321	18	517	3,400	125	433	20,210
Parent	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2024	2,000	9,135	244	20	459	412	70	-	12,340
Additions	22	1,707	172	-	124	154	119	344	2,642
Write off	-	-	(52)	-	-	(10)	-	-	(62)
Depreciation expenses	(19)	-	(55)	(2)	(150)	(88)	(64)	-	(378)
Balance at 30 June 2025	2,003	10,842	309	18	433	468	125	344	14,542

Freehold land and buildings

Land and buildings are carried at fair value. Management conducted a combination of inhouse and independent valuations. Three land and buildings were independently valued in September 2023, April 2024 and June 2024, by CBRE Valuations Pty Ltd. The external valuers used a market approach that reflects observed prices for recent market transactions for similar properties and incorporate adjustments for factors specific to the land in question, including size, location, covenants and other encumbrances and current use.

Carbon sinks

Carbon sinks are land assets acquired with the primary objective of being registered and used to generate carbon credits. These assets are to be classified separately from land and buildings held for mixed use or for purposes of carbon credit generation.

During the financial year, one new parcel of land was purchased as carbon sinks and has been recognised at its cost. The carbon sinks are subject to a mortgage security which secures a loan facility entered into by the group. Under the terms of this facility, the group is not permitted to pledge these assets as security for other borrowings, nor to sell them to another entity without the lender's consent.

Asset under construction

Assets under construction include work in progress (WIP) related to property, plant and equipment (PPE), as well as capital works in progress associated with land restoration and carbon planting activities. The restoration and carbon planting WIP comprises directly attributable costs incurred in establishing carbon sink assets for the purpose of generating Australian Carbon Credit Units (ACCUs). These costs will be transferred to the Fixed Asset Register under 'Carbon Sinks' once the trees begin generating ACCUs.

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Note 19. Intangible assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Goodwill	632	632	142	142
Trademark - at cost	13	1	-	-
	<u>645</u>	<u>633</u>	<u>142</u>	<u>142</u>

Note 20. Other assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Prepaid lease	500	500	500	500
Less: Accumulated amortisation	(321)	(296)	(321)	(296)
	<u>179</u>	<u>204</u>	<u>179</u>	<u>204</u>

Note 21. Bearer plants

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Bearer plants - under construction	963	1,744	-	-
Bearer plants - at cost	635	-	-	-
	<u>1,598</u>	<u>1,744</u>	<u>-</u>	<u>-</u>

Reconciliations

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

	Bearer plants under construction \$'000	Bearer plants - at cost \$'000	Total \$'000
Consolidated			
Balance at 1 July 2024	1,744	-	1,744
Additions	46	-	46
Transfer to bearer plants - at cost	(635)	635	-
Impairment loss	(192)	-	(192)
Balance at 30 June 2025	<u>963</u>	<u>635</u>	<u>1,598</u>

Planting costs are initially recorded in the bearer plant under construction account until the plant becomes productive. At the point the plant begins to produce seeds, the costs accumulated in the fixed asset work-in-progress account, from planting up to harvest, are moved to property, plant, and equipment and depreciation is initiated.

Impairment testing was conducted during the year where indicators of impairment were identified. The recoverable value was determined based on its value-in-use, particularly with consideration of survival rates for growing crop under construction.

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Note 22. Deferred tax asset

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Non-current assets</i>				
Deferred tax asset	157	109	-	-

Note 23. Trade and other payables

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Trade payables	2,085	2,079	1,869	1,900
Trade payables - common controlled entities	-	-	67	268
Accruals and other payables	1,560	1,569	1,408	1,157
	3,645	3,648	3,344	3,325

Note 24. Borrowings - Current

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Loans from related parties	7,014	-	3,362	-
Accrued interest payable to a related party	333	-	333	-
	7,347	-	3,695	-

Further information related to loans from related parties is set out in note 36.

Note 25. Lease liabilities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Lease liability	686	624	589	508
<i>Non-current liabilities</i>				
Lease liability	3,487	3,736	3,268	3,420
	4,173	4,360	3,857	3,928

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Note 25. Lease liabilities (continued)

Reconciliation

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July	4,360	2,722	3,928	2,703
Add: New leases during the financial year	356	2,181	356	1,980
Add: Interest expense	191	137	171	116
Less: Lease payments	(734)	(680)	(598)	(564)
Less: Lease transferred to group entity	-	-	-	(307)
	<u>4,173</u>	<u>4,360</u>	<u>3,857</u>	<u>3,928</u>

Short term leases not included in lease liabilities (included in rent) amount to \$79,302 (2024: \$65,000).

The consolidated group leases various premises. Rental contracts are typically made for periods of 1 to 26 years but may have extension options.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Note 26. Provisions

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Employee benefits	<u>2,394</u>	<u>2,314</u>	<u>1,741</u>	<u>1,739</u>
<i>Non-current liabilities</i>				
Employee benefits	<u>247</u>	<u>194</u>	<u>224</u>	<u>171</u>
Make good provision for leased premises	<u>176</u>	<u>176</u>	<u>149</u>	<u>149</u>
	<u>423</u>	<u>370</u>	<u>373</u>	<u>320</u>
	<u>2,817</u>	<u>2,684</u>	<u>2,114</u>	<u>2,059</u>

Note 27. Borrowings - Non Current

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Non-current liabilities</i>				
Loans from a related party	-	7,014	-	3,362
Accrued interest payable to a related party	-	257	-	257
	<u>-</u>	<u>7,271</u>	<u>-</u>	<u>3,619</u>

Further information relating to loans from related party is set out in note 36.

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2025

Note 28. Other financial liability

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Derivative financial liability	451	173	451	173
<i>Non-current liabilities</i>				
Derivative financial liability	7,531	4,332	7,531	4,332
	<u>7,982</u>	<u>4,505</u>	<u>7,982</u>	<u>4,505</u>
<i>Reconciliation</i>				
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:				
Balance at 1 July 2024	4,505	-	4,505	-
Drawdown of facility	2,683	4,505	2,684	4,505
Fair value revaluation loss	794	-	793	-
Balance at 30 June 2025	<u>7,982</u>	<u>4,505</u>	<u>7,982</u>	<u>4,505</u>

In 2024, a \$30 million loan facility was established with an external financing party, Conscious Investment Management, to purchase land and fund restoration works to establish carbon sinks. Each carbon project funded using this facility is treated separately with varying commercial terms which stipulate the sharing of future ACCUs generated from each distinct and identifiable carbon sink asset.

During the financial year, a drawdown of \$1.6 million was made to fund the acquisition of land, along with a drawn down in advance of \$1.0 million to fund restoration activities on land purchased in the prior financial year. This facility is classified as a long-term loan with repayments aligned with the generation of the Australian Carbon Credit Units generated from the carbon land sink projects.

Due to the nature of the facility, it has been classified as a financial derivative, as a result the derivative is fair valued at the end of each financial year, as a result of the fair value assessment, a revaluation loss of \$794k was recognised in the profit and loss with a corresponding increase in the derivative liability.

Recognised fair value measurements of financial liabilities

Financial liabilities measured at fair value are grouped into the following categories based on the level of observable market data used in determining that fair value:

Level 1: The fair value of financial instruments traded in active markets, such as exchange-traded derivatives, is the quoted market price at the end of the reporting year. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market, such as over-the-counter derivatives, is determined using valuation techniques that maximise the use of observable market data. If all significant inputs required to fair value an instrument are observable, either directly (as prices) or indirectly (derived from prices), the instrument is included in level 2.

Level 3: If one or more of the significant inputs required to fair value an instrument is not based on observable market data, the instrument is included in level 3.

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2025

Note 28. Other financial liability (continued)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 30 June 2025				
Financial liabilities				
Derivative financial liabilities	-	-	7,982	7,982
Total derivative financial liabilities	-	-	7,982	7,982

Note 29. Contract liabilities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Current liabilities</i>				
Funds received in advance	16,977	19,209	15,990	18,222

Note 30. Deferred tax liabilities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Non-current liabilities</i>				
Deferred tax liability	100	71	-	-

Note 31. Reserves

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Capital profits reserve	8,302	8,302	2,572	2,572
Specific purpose fund	894	1,086	894	1,086
	9,196	9,388	3,466	3,658

Specific purpose fund

The Specific purpose fund represents the revenue received from donations, bequests, and government grants, which has been allocated to projects that have an expected duration of greater than 12 months. Amounts will be released from the reserve to accumulated surplus as amounts are expended in future periods.

Capital profit reserve

This reserve represents the gain on the dilution of the shareholding in Nindethana Seed Service Pty Ltd.

Note 32. Key management personnel

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
The totals of remuneration paid to the key management personnel of the company during the financial year are as follows:				
Key management personnel compensation	1,991	2,482	1,991	2,482

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2025

Note 33. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Pitcher Partners (2024: Grant Thornton Audit Pty Limited), the auditor of the company:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Audit services - Grant Thornton Audit Pty Limited</i>				
Audit of the financial statements	-	96	-	58
<i>Other services - Grant Thornton Audit Pty Limited</i>				
Review services of acquittals	3	8	3	8
	<u>3</u>	<u>104</u>	<u>3</u>	<u>66</u>
<i>Audit services - Pitcher Partners</i>				
Audit of the financial statements	145	-	98	-
<i>Other services - Pitcher Partners</i>				
Taxation advice	8	-	-	-
	<u>153</u>	<u>-</u>	<u>98</u>	<u>-</u>

Note 34. Contingent liabilities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Bank guarantees	<u>257</u>	<u>243</u>	<u>257</u>	<u>243</u>

The parent entity has entered into a put/call option agreement in FY22 with the other shareholder of a subsidiary, SeedX Pty Ltd. This agreement grants the parent entity the right to acquire additional 24% ownership interest in the subsidiary up to 30 April 2026. The other shareholder has a right to exercise a put option to sell an additional 24% to the parent entity during the period from 1 May 2026 to 30 April 2027.

Note 35. Commitments

The consolidated group has entered into agreements to share the annual sales of carbon units generated from leased lands till 2050.

The parent entity has entered into an uncommitted facility agreement with a lender where the loan repayments are aligned to the proceeds generated by the sale of carbon credits. See note 18. Canopy Nature Based Solutions Pty Ltd, a subsidiary of the consolidated group, has provided a performance guarantee to undertake the sale of the carbon credits.

When Greening Australia - Sandalwood Australia Co Pty Ltd ("GASAC") established the sandalwood plantation in October 2006 they entered into a management agreement with Spicatum Resources Australia ("SRA") to maintain the plantation. On 30 August 2016, GASAC entered into a settlement to cancel the management agreement whereby Greening Australia Ltd is now responsible for the plantation management. Under the terms of the cancellation agreement, SRA has a future 3.3% entitlement and a related party to SRA has a future 2.2% entitlement to the net revenue from the harvest of the plantation.

Note 36. Related party transactions

Parent entity

Greening Australia Ltd is the parent entity.

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2025

Note 36. Related party transactions (continued)

Subsidiaries

Interests in subsidiaries are set out in note 37.

Associate

Interests in associate are set out in note 38.

Key management personnel

Disclosures relating to key management personnel are set out in note 32.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Sale of goods and services to subsidiaries	-	-	434	174
Interest received from subsidiaries	-	-	73	46
Interest received from associate	11	13	-	-
Purchase of goods and services from subsidiaries	-	-	1,506	2,769
Interest expense paid to a related party	96	150	96	150

Receivable from and payable to related parties

Trade receivables from and trade payables to related parties at the current and previous reporting date are disclosed in note 9 and note 23.

The following balances are outstanding at the reporting date in relation to transactions with related parties:

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$	\$	\$	\$
<i>Current receivable:</i>				
Loans to associate	175	250	-	-
<i>Current borrowings:</i>				
Loan from related party	7,014	-	3,362	-
Interest payable to related party	333	-	333	-
<i>Non-current borrowings:</i>				
Loans from related party	-	7,014	-	3,362
Interest payable to related party	-	257	-	257

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2025

Note 36. Related party transactions (continued)

Loans to associate, Nature Company Pty Ltd, is unsecured and interest bearing at National Australia Bank's 2 year term deposit rate plus 1% margin, and repayable upon demand.

The related party loans lent to the parent entity are payable to another shareholder of a subsidiary, are unsecured and interest bearing at the greater of two percent per annum or the percentage change in the Consumer Price Index, All Groups, as published by the Australian Bureau of Statistics, measured across the previous twelve months. The principal loan and interest are payable on 30 June 2026. The loan can be extended for a further 12 months by the company, with an interest rate to be agreed at the time. The parent entity has pledged its shares in the subsidiary, SeedX Pty Ltd, as collateral for the loans. In the event of default, the lender may take possession of the shares. As of 30 June 2025, the fair value of these shares is \$7.4 million.

The related party loans lent to the subsidiary by another shareholder, are non-interest bearing and are payable on 30 June 2026.

Note 37. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
Greening Australia (QLD)	Australia	100.0%	100.0%
Greening Australia - Sandalwood Australia Co Pty Ltd	Australia	40.0%	40.0%
Nindethana Seed Service Pty Ltd	Australia	67.5%	67.5%
Greening Australia Vegetation Management Trust	Australia	100.0%	100.0%
Australian Carbon Biosequestration Initiative Ltd	Australia	100.0%	100.0%
Canopy Nature Based Solutions Pty Ltd	Australia	100.0%	100.0%
SeedX Pty Ltd	Australia	100.0%	100.0%

The company has entered into a put/call option agreement in FY22 with the other shareholder of its subsidiary, SeedX Pty Ltd. This agreement grants the company the right to acquire an additional 24% ownership interest in the subsidiary and the other shareholder has the right to sell 24% of its ownership interest in the subsidiary to the company.

Note 38. Interests in associate

Interests in associate are accounted for using the equity method of accounting. Information relating to associate that are material to the consolidated group are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
Nature Company Pty Ltd	Australia	50.0%	50.0%

Greening Australia Ltd and controlled entities
Notes to the financial statements
30 June 2025

Note 39. Reconciliation of surplus/(deficit) after income tax to net cash from operating activities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Surplus/(deficit) after income tax benefit for the year	(1,580)	(768)	(573)	311
Adjustments for:				
Depreciation and amortisation	1,740	1,604	1,049	937
Impairment of bearer plant	192	-	-	-
Net loss/(gain) on disposal of non-current assets	17	(49)	(6)	(50)
Share of profit - associate	(128)	(31)	-	-
Interest expense - loan with related party	96	150	96	150
Loss on revaluation of financial derivative	794	-	794	-
Reclassification receivables to intercompany loan	-	-	(303)	-
Change in operating assets and liabilities:				
Decrease/(increase) in trade and other receivables	(105)	3,403	(635)	3,815
Decrease/(increase) in inventories	7	18	7	(4)
Increase in deferred tax assets	(48)	(20)	-	-
(Decrease)/increase in biological assets	(857)	261	14	(203)
(Decrease)/increase in trade and other payables	(3)	(970)	19	(1,008)
Decrease in contract liabilities	(2,232)	(5,919)	(2,232)	(5,477)
Increase/(decrease) in provision for income tax	27	(25)	-	-
Increase in deferred tax liabilities	29	18	-	-
Increase/(decrease) in employee benefits	133	16	55	(113)
Net cash used in operating activities	<u>(1,918)</u>	<u>(2,312)</u>	<u>(1,715)</u>	<u>(1,642)</u>

Note 40. Information and declaration to be furnished under the Charitable Fundraising Act 1991

	2025	2024	Change	Change
	\$'000	\$'000	\$'000	%
Gross proceeds from fundraising	4,108	5,224	(1,116)	(21%)
Interest income	39	72	(33)	(46%)
Wages	(515)	(509)	(6)	1%
Consultants	(7)	(22)	15	(68%)
Subscription fees	(3)	(2)	(1)	50%
Promotion materials	(118)	(68)	(50)	74%
Bank fees	(7)	(8)	1	(13%)
Other expenses	(9)	(31)	22	(71%)
Net fundraising revenue	<u>3,488</u>	<u>4,656</u>	<u>(1,168)</u>	(25%)

Note 41. Subsequent events

Share buyback

On 20 June 2025, Nindethana Seed Service Pty Ltd, a subsidiary of the group, entered into a share buyback agreement with one of its shareholders, with a completion date of 1 July 2025. The share buyback, which was completed on 1 July 2025, results in the buyback of 427,595 shares at a buy back price of \$7.016 per share and, in aggregate, \$3,000,006.52 for all buy-back shares. The return of capital was executed following the approval of the Company's shareholders at the board meeting on 29 May 2025.

Note 41. Subsequent events (continued)

Extension of a related party loan repayment term

In early October 2025, SeedX Pty Ltd, a subsidiary of the group, obtained approval from its shareholders, Greening Australia Ltd and a related party, to extend the repayment terms of its related party loans by a further 12 months. The repayment date for these loans is now 30 June 2027.

Loan repayment arrangement and mortgage grant for a related party loan

On 7 October 2025, the parent entity Greening Australia Ltd, as borrower, entered into a deed of variation of funding agreement with a related party lender, which is a shareholder of SeedX Pty Ltd.

Under the revised terms, the borrower is required to make quarterly repayments of \$285,000 beginning on 30 June 2026, continuing until 31 March 2029, with the remaining loan balance and interest due on the final repayment date.

As additional security for the loan, the borrower has agreed to grant a mortgage over the Jarrega property and is responsible for arranging all necessary documentation and registrations to enable the mortgage to be registered on the property title.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated group's operations, the results of those operations, or the consolidated group's state of affairs in future financial years.

Greening Australia Ltd and controlled entities
Directors' declaration
30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with Australian Accounting Standards - Simplified Disclosures, the *Australian Charities and Not-for-profits Commission Act 2012* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's and consolidated group's financial position as at 30 June 2025 and of their performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors

On behalf of the Directors



Stephen Dunne

24 October 2025

GREENING AUSTRALIA LTD AND CONTROLLED ENTITIES
ABN: 40 002 963 788

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GREENING AUSTRALIA LTD

Opinion

We have audited the financial report of Greening Australia Ltd ("the Company") and its controlled entities ("the Group"), which comprises the statements of financial position as at 30 June 2025, the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements including material accounting policy information, and the directors' declaration.

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - 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 Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

GREENING AUSTRALIA LTD AND CONTROLLED ENTITIES
ABN: 40 002 963 788

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GREENING AUSTRALIA LTD

Responsibilities of Management and the Directors for the Financial Report

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

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

The Directors 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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

GREENING AUSTRALIA LTD AND CONTROLLED ENTITIES
ABN: 40 002 963 788

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GREENING AUSTRALIA LTD

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

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Independence

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



J J MITCHELHILL

Partner

Date: 24 October 2025



PITCHER PARTNERS

Melbourne